LUFTHANSA GROUP

Financial Statements 2023

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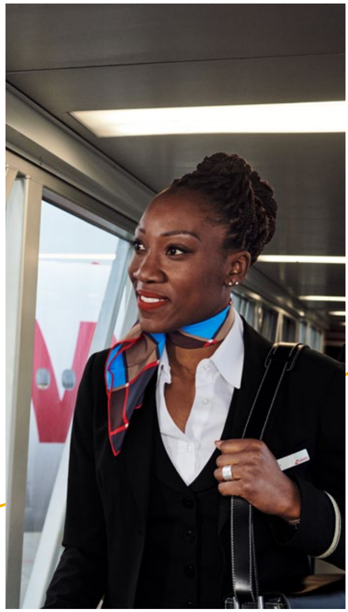
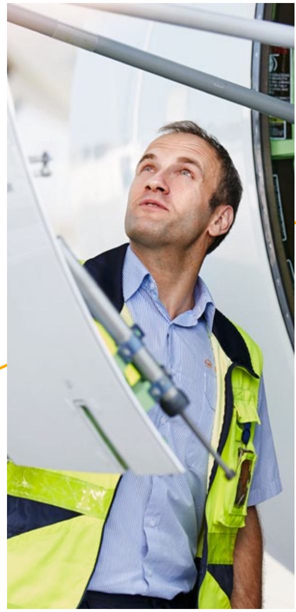


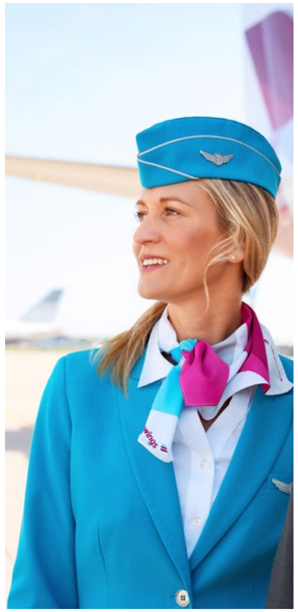

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Financial statements of

Deutsche Lufthansa Aktiengesellschaft, Cologne
31 December 2023

CONTENTS

The management report for Deutsche Lufthansa AG and the Group management report have been combined and published in the Lufthansa Annual Report 2023. The financial statements and the management report of Deutsche Lufthansa AG combined with the Group management report for the 2023 financial year are published in the company registry.

Balance sheet
as of 31 December 2023

T01 BALANCE SHEET - ASSETS

in €m	Notes	31.12.2023	31.12.2022
Intangible assets		335	348
Aircraft	3	7,223	6,425
Property, plant and other equipment		84	80
Financial investments	4	22,760	16,376
Non-current assets	3	30,402	23,229
Inventories	5	285	157
Trade receivables	6	584	423
Other receivables and other assets	6	2,235	1,896
Securities	7	6,265	6,300
Cash and cash equivalents	7	1,580	1,072
Current assets		10,949	9,848
Prepaid expenses	8	183	91
Deferred tax assets	9	4,091	4,151
Excess of plan assets over provisions for pensions	10	54	–
Total assets		45,679	37,319

Balance sheet
as of 31 December 2023

T02 BALANCE SHEET - SHAREHOLDERS' EQUITY AND LIABLITIES

in €m	Notes	31.12.2023	31.12.2022
Issued capital [1]	11	3,063	3,060
Capital reserve	12	312	306
Retained earnings	12	4,830	1,448
Net profit/loss	31	3,383	–
Shareholders' equity		11,588	4,814
Provisions for pensions and similar obligations		4,480	4,570
Tax provisions		444	384
Other provisions		3,453	3,628
Provisions	14	8,377	8,582
Bonds		6,216	6,817
Liabilities to banks		1,272	1,432
Advanced payments on flight documents		3,020	2,814
Payables to affiliated companies		9,707	7,126
Other liabilities		5,459	5,716
Liabilities	15	25,674	23,905
Deferred income		40	18
Total shareholders' equity and liabilities		45,679	37,319

[1] Contingent capital as of 31 December 2023 amounts to EUR 428m (previous year: EUR 428m)

Income statement
for the financial year 2023

T03 INCOME STATEMENT

in €m	Notes	2023	2022
Traffic revenue	19	14,180	11,720
Other revenue	20	1,454	1,107
Total revenue		15,634	12,827
Other operating income	21	7,632	1,483
Cost of materials and services	22	-10,294	-9,346
Staff costs	23	-3,661	-3,075
Depreciation, amortisation and impairment	24	-426	-401
Other operating expenses	25	-2,987	-2,766
Result from operating activities		5,898	-1,278
Result from equity investments	26	812	754
Net interest	27	196	-1,797
Impairment on investments and current securities	28	-5	-535
Financial result		1,003	-1,578
Current income taxes	29	-46	-23
Deferred income taxes	29	-60	242
Result after income taxes		6,795	-2,637
Other taxes	29	-30	-27
Net profit/loss for the year		6,765	-2,664
Loss carried-forward		–	-3,090
Transfer to retained earnings	12	-3,382	–
Withdrawals from capital reserves		–	704
Withdrawals from statutory reserves		–	26
Withdrawals from other reserves		–	5,024
Balance sheet result	31	3,383	–

Statement of changes in non-current assets as of 31 December 2023

T04 STATEMENT OF CHANGES IN NON-CURRENT ASSETS

in €m	Acquisitions					Accumulated depreciation and amortisation						Carrying amounts	
	as of 01.01.2023	Additions	Disposals	Reclassifications	as of 31.12.2023	as of 01.01.2023	Additions	Disposals	Write-ups	Reclassifications	as of 31.12.2023	as of 31.12.2022	as of 31.12.2023
I. Intangible assets													
1. Purchased concessions, intellectual property and similar rights and assets and licences in such rights and assets	650	26	2	36	710	452	44	1	–	1	496	198	214
2. Goodwill	103	–	–	–	103	31	10	–	–	–	41	72	62
3. Advance payments	91	24	13	-36	66	13	5	13	–	2	7	78	59
	844	50	15	0	879	496	59	14	–	3	544	348	335
II. Aircraft													
1. Aircraft and equipment	8,469	325	924	40	7,910	4,436	344	677	–	–	4,103	4,033	3,807
2. Advance payments and plant under construction	2,395	1,195	132	-39	3,419	3	–	–	–	–	3	2,392	3,416
	10,864	1,520	1,056	1	11,329	4,439	344	677	–	–	4,106	6,425	7,223
III. Property, plant and equipment													
1. Land, leasehold rights and buildings including buildings on third-party land	174	3	0	0	177	150	6	0	–	–	156	24	21
2. Other equipment, operating and office equipment	154	21	8	0	167	100	17	7	–	–	110	54	57
3. Advance payments and plant under construction	2	5	0	-1	6	–	–	–	–	–	–	2	6
	330	29	8	-1	350	250	23	7	–	–	266	80	84
IV. Investments													
1. Shares in affiliated companies	14,655	7,124	1,324	–	20,455	1,428	–	–	40	–	1,388	13,227	19,067
2. Loans to affiliated companies	2,986	957	412	–	3,531	13	–	–	2	–	11	2,973	3,520
3. Equity investments	161	5	–	–	166	–	5	–	–	–	5	161	161
4. Non-current securities	6	0	–	–	6	–	–	–	–	–	–	6	6
5. Other loans	57	0	17	–	40	52	0	13	1	–	38	5	2
6. Prefinancing of leasehold	4	–	0	–	4	–	–	–	–	–	–	4	4
	17,869	8,086	1,753	–	24,202	1,493	5	13	43	–	1,442	16,376	22,760
Total	29,907	9,685	2,832	–	36,760	6,678	431	711	43	3	6,358	23,229	30,402

Notes
Deutsche Lufthansa AG 2023

GENERAL DISCLOSURES

1. Principles

The financial statements of Deutsche Lufthansa AG, Cologne, registered at Cologne District Court under the number HRB 2168, have been prepared in accordance with the German Commercial Code (HGB), the supplementary provisions of the German Stock Corporation Act (AktG) and the Articles of Association, and have been audited by EY GmbH & Co. KG Wirtschaftsprüfungsgesellschaft, Eschborn/Frankfurt am Main. In accordance with Section 315e Paragraph 1 HGB, Deutsche Lufthansa AG, the parent company of the Deutsche Lufthansa AG Group, prepares consolidated financial statements on the basis of the International Financial Reporting Standards (IFRS) as adopted by the EU.

The financial statements are prepared in millions of euros. The financial year is the calendar year.

The separate and consolidated financial statements are published in the company registry. They are permanently available online at https://investor-relations.lufthansa-group.com/en/publications/financial-reports.html.

The income statement has been prepared using the total cost method.

To make the presentation clearer, certain items of the balance sheet and the income statement have been grouped together and are shown and explained separately in the notes. For the same reason, disclosures indicating how these items also belong to other items and disclosures marked "of which" have likewise been made at this point. Over and above the statutory classification system, the entry relating to aircraft is listed separately in order to improve the clarity of the financial statements.

2. Summary of significant accounting policies

As before, preparation of the financial statements was essentially based on the following accounting policies.

GOING CONCERN

In 2023, the business activities of the Lufthansa Group companies continued to be shaped by a significant rise in the level of demand for flights. In the prior-year period, especially in the first quarter, business activities were still impacted by the effects of the coronavirus pandemic and the related restrictions and quarantine regulations. Ticket sales prices continued to edge up on the back of a return in demand and the simultaneous shortage of capacity on the passenger market. Overall, this increased revenue considerably compared with the prior-year period. Logistics was the only business segment to report a significant decline in revenue due to the normalisation across the industry.

Recent global developments in the area of security policy, including the Russian war of aggression against Ukraine, the conflict between Israel and Hamas, various coups d'état in Africa and continuing tensions between China and Taiwan, and other potential effects on international economic relations represent a risk for future business development. The same applies to activities and developments related to climate protection.

The earnings performance in the 2024 financial year and beyond will continue to depend on the extent of the economic impact of the crises mentioned above. Other significant secondary effects over and above the loss of some destinations for Deutsche Lufthansa AG, increases in the oil price and additional expenses for climate protection measures are also conceivable. High inflation rates, rising interest rates and volatile energy prices are already a burden on macroeconomic performance in Germany. The management of operational problems due to supply chain bottlenecks and staff shortages in the airline industry is a further material risk factor.

Current corporate planning for the Lufthansa Group forecasts a slight year-on-year increase in Adjusted EBIT for 2024. However, the potential impact of the conflicts and risks mentioned above constitute factors of uncertainty for the future earnings performance.

Company management confirms the medium-term targets for return on capital and expects profitable growth.

Taking into account the corporate planning and the resulting liquidity planning, the further potential funding measures and the uncertainties about the future course of business, the Company's Executive Board considers the Company's liquidity to be secure for the next 18 months. In the management's opinion, the uncertainties in connection with the public and political debate on climate protection are not a threat to this forecast either. The individual financial statements have therefore been prepared on a going concern basis.

MAIN ESTIMATION ASSUMPTIONS

The application of the accounting policies prescribed under German commercial law requires making a large number of estimates and assumptions with regard to the future that may, naturally, not coincide with actual future conditions. All of these estimates and assumptions are, however, reviewed continuously and are based either on past experience and/or expectations of future events that seem reasonable in the circumstances on the basis of sound business judgement. Estimates and assumptions that are of material importance in determining the carrying amounts for assets and liabilities are explained in the following description of the accounting policies applied to material balance sheet items.

The uncertainties resulting from the crisis are vital for the general assessment of the Company's status as a going concern, but also for specific accounting judgements and estimates. Above all, geopolitical uncertainties, as described in the comments on the going concern basis of preparation, and their economic consequences represent a material risk for the performance of the world economy, the entire aviation industry and Deutsche Lufthansa AG. The costs of energy, particularly of kerosene, are of material importance for the Lufthansa Group, in addition to their impact on the economy as a whole. The main assumptions and estimates were therefore based on the Group's liquidity and profit forecasts. Critical accounting areas that may be affected most severely by the ongoing uncertainty about the crises mentioned above are:

- Value of carrying amount of equity investments, which depend to a large degree on achieving the planned earnings.
- Carrying amounts of the aircraft.
- Carrying amounts for deferred taxes. In view of the crisis-related uncertainties described above, measurement of the carrying amount for deferred tax assets, particularly on the tax loss carry-forwards, took the opportunities for using them into account.
- Financial instruments which form a valuation unit. The effectiveness of hedging relationships and the necessity of recognising gains and losses through profit or loss depend on the assumptions – which are subject to uncertainty – about the volume of future items to be hedged (particularly kerosene consumption).
- Accounting for unused flight documents also depends on how customers use tickets. Estimates about customers' redemption and use behaviour are subject to uncertainty and play a role in forecasts of when tickets are likely to expire.

CURRENCY TRANSLATION

In-house conversion rates for foreign currencies are set monthly in advance according to the exchange rates on international markets. These serve as the basis for converting foreign currency items into euros in the month in which the entries are made.

Receivables/liabilities in foreign currencies, cash and cash equivalents as well as provisions are translated at the mean spot rate on the reporting date in accordance with Section 256a HGB. For other non-current receivables/liabilities in foreign currencies, the lower/higher-of-cost-or-market principle is observed by comparing the purchase cost with the value on the balance sheet date.

The cost of capital goods purchased in foreign currencies – mainly aircraft invoiced in US dollars – is determined by translation at the exchange rates in effect at the time of payment. Assets for which payments are hedged against exchange rate fluctuations are recognised within the framework of valuation units.

Fair value and cash flow hedges of interest rate, exchange rate and fuel price risks are described in Note 18.

INTANGIBLE ASSETS

Intangible assets are measured at cost and generally amortised on a straight-line basis over five years or their contractual useful lives, whichever is longer. Internally developed intangible assets are not capitalised. Purchased take-off and landing rights are not amortised unless permanently impaired.

As a rule, acquired goodwill is amortised over the expected useful life of three to ten years. This is based on the expected benefit of the businesses acquired and is primarily determined by economic factors such as future growth and profit forecasts, synergy effects and workforce.

PROPERTY, PLANT AND EQUIPMENT

Straight-line depreciation of property, plant and equipment is based on the purchase and production costs depreciated over the asset's expected useful life. Interest on liabilities is not recognised as part of the purchase or production costs.

- AIRCRAFT

New commercial aircraft are depreciated on a straight-line basis over a period of 20 years to a residual value of 5%.

Aircraft purchased in used condition are depreciated individually on a straight-line basis depending on their age at the time of acquisition. Aircraft which are less than 16 years old at the time of acquisition are depreciated up to an age of 20 years to a residual carrying amount of 5%. Aircraft which are more than 16 years old at the time of acquisition are depreciated in full over four years without any residual value.

Aircraft are either the legal property of the Company or are leased from aircraft holding entities in which the Company holds a direct or indirect equity interest or from external third parties. Leased aircraft are recognised as non-current assets when the Company is deemed to have economic ownership of them. Economic ownership is determined on the basis of general commercial law and the decisions of the fiscal authorities concerning leasing, if applicable.

- OTHER PROPERTY, PLANT AND EQUIPMENT

Buildings are assigned a useful life of between 20 and 35 years. Buildings and installations on land belonging to third parties are depreciated on a straight-line basis according to the term of the lease or are assigned a shorter useful life. Operating and office equipment is depreciated over three to 14 years on a straight-line basis, assuming normal use.

Movable assets with a finite useful life and acquisition costs of up to EUR 250 are depreciated in full in the year of purchase. Minor capital goods costing between EUR 251 and EUR 1,000 are pooled in an annual account set up for tax purposes and recognised in the commercial balance sheet for reasons of simplicity. They are depreciated on a straight-line basis over five years.

FINANCIAL INVESTMENTS

Financial investments are shown at cost, adjusted by any necessary impairment charges or write-ups. No write-downs are recognised if the impairment is not permanent.

CURRENT ASSETS

Raw materials, consumables and supplies are valued at cost, with stock risks being accounted for by appropriate mark-downs.

Other current securities are recognised at cost or, if applicable, at lower values as per listed or market prices on the reporting date, in accordance with Section 253 Paragraph 4 HGB.

Emissions certificates issued free of charge are held at a memo value; those purchased are held at acquisition cost.

Receivables and other assets are recognised at their nominal value.

In addition to individual write-downs necessary for known risks applying to other current assets, adequate provision is made for the general credit risk by a write-down of each item by a standard amount. The standardised write-downs on trade receivables reflect previous defaults, days past due, the business model and the region of the customer.

PENSION OBLIGATIONS

To meet retirement benefit obligations, phased early retirement obligations and claims on employees' lifetime working hours accounts, appropriate funds have been invested in insolvency-proof funds and reinsurance policies, which are not accessible to the Company's other creditors.

Pension assets are measured at fair value using external price information and netted out with the underlying obligations. If there is an excess of obligations over assets, it is recognised in provisions. If the time value of the relevant pension assets exceeds that of the corresponding obligations, the difference is shown separately as “excess of plan assets over provisions for pensions” under assets on the balance sheet. If the fair value of the relevant pension assets is higher than their historical acquisition cost, the resulting income may not be distributed as a dividend (Section 268 Paragraph 8 Sentence 3 HGB).

PROVISIONS

Pension obligations are calculated using actuarial principles based on the projected unit credit method using the Heubeck 2018 G actuarial tables. In addition to appropriate projected rates of fluctuation, a salary trend of 2.5% as well as a basic pension trend of 1% and transitional benefits for cockpit staff of 2.5% are used, as in the previous year.

Discounting took place at the average market interest rate for the past ten years with an assumed term to maturity of 15 years as published by the German Bundesbank on 31

December 2023. This amounts to 1.82%. As of 31 December 2022, the interest rate for measurement purposes was 1.78%. The effect of this interest rate change is recognised in interest expense. The difference between the amount of provisions calculated using the ten-year and the seven-year average interest rate as of 31 December 2023 may not be distributed as a dividend. As of 31 December 2023, the seven-year average interest rate used to calculate this difference was 1.74% (previous year: 1.44%).

Benefit obligations from retirement benefit commitments that are funded by reinsurance or capital market investments are recognised at the fair value of the underlying securities, insofar as this amount exceeds the present value of the guarantee.

The provision for partial retirement agreements is recognised at the amount needed to settle the obligation. This amount is composed of the salary outstanding as of 31 December 2023, which is paid during the early retirement phase, as well as the superannuation premiums comprising the salary portion and the additional employer contributions to statutory pension insurance. The provision is calculated making reasonable use of biometric probabilities and a short- to medium-term salary trend of 4.1%. It is discounted on the basis of average terms to maturity at a seven-year average interest rate forecast as of 31 December 2023. This amounts to 1.07% (previous year: 0.59%).

The other provisions are recognised in the amount considered necessary to settle the obligations using sound commercial judgement, including future cost and price increases. Provisions with a term to maturity of more than one year are discounted at the average market interest rate for the past seven years corresponding to their remaining term.

LIABILITIES

Liabilities are shown at the amount needed to settle them.

DEFERRED TAXES

Temporary or quasi-permanent differences between the valuations of assets, liabilities, prepaid expenses and deferred income in the financial statements for commercial law and tax purposes, or resulting from tax loss carry-forwards are measured and recognised using the individual tax rates at the time when the differences are reduced. Deferred tax assets and liabilities are recognised as a net amount. Deutsche Lufthansa AG not only recognises differences resulting from items in its own balance sheet, but also for companies in the same income tax group.

Tax loss carry-forwards are recognised to the extent that the deferred tax assets are likely to be used in the future. Company earnings forecasts are used to determine whether deferred tax assets from tax losses carried forward are usable or not, i.e. whether they have a value that can be realised. A five-year period is used to account for deferred taxes on loss carry-forwards.

VALUATION OPTIONS

To improve the presentation of the net assets, financial and earnings position, the option offered by Section 274 Paragraph 1 Sentence 2 HGB of capitalising the net asset of 4,091 Mio. EUR resulting from offsetting deferred tax assets and liabilities has been used.

Deutsche Lufthansa AG exercises the option under Art. 28 Paragraph 1 of the Introduction to the German Commercial Code (EGHGB) not to report in its balance sheet the indirect pension commitments for employees in Germany, the United Kingdom, the USA, Canada and Switzerland. The indirect pension commitment granted in Germany is an occupational pension scheme commitment funded with matching cover. The schemes in other countries have been fully funded in accordance with local rules and there are currently no additional funding obligations.

To improve the presentation of the earnings position, instruments to hedge the price of future fuel requirements, foreign currency hedging transactions to hedge exchange rates as well as interest rate hedges for interest-bearing financial liabilities are combined with the corresponding hedged items within valuation units in accordance with Section 254 HGB. Possible onerous contracts in the form of a valuation unit are calculated in line with sales markets, so that, according to the principle of loss-free valuation, no impending losses are recognised, insofar as no loss is incurred from future sales business.

Interests which are acquired through a contribution in kind or premium in kind are usually measured as acquisition costs at the time value of the asset contributed. The time value is normally calculated using generally accepted valuation methods (e.g. as the value of future income based on the discounted cash flow method) while applying the principles of IDW S 1.

NOTES TO BALANCE SHEET

Assets

3. Non-current assets

Changes in individual non-current asset items during the 2023 financial year are shown in a separate table.

In addition to the Company's aircraft listed in the statement of changes in non-current assets and in the balance sheet, further aircraft were chartered, in some cases complete with crews. The following aircraft, primarily leased from Group companies, are in service for Deutsche Lufthansa AG:

T05 NUMBER OF LEASED AIRCRAFT

Aircraft type	31.12.2023	31.12.2022
Airbus A319-100	30	31
Airbus A320-200	34	29
Airbus A321-100	17	20
Airbus A321-200	41	38
Airbus A330-300	10	12
Airbus A340-300	17	17
Airbus A340-600	7	7
Airbus A350-900	5	5
Airbus A380-800	2	5
Boeing 747-400	8	8
Boeing 747-8	17	17
Bombardier CRJ 900	6	6
Embraer 190	9	9
Embraer 195	17	17
	220	221

4. Financial investments

The main indirect and direct equity investments of Deutsche Lufthansa AG can be found in the annexe to the notes, "List of shareholdings".

Deutsche Lufthansa AG approved and conducted a capital increase at its wholly owned equity investment Lufthansa Commercial Holding GmbH in the financial year. In connection with this, Deutsche Lufthansa AG increased the share capital of Lufthansa Commercial Holding GmbH through a capital increase by issuing a shareholding for a nominal amount of EUR 100 and acquiring the new shareholding itself. The Lufthansa Cargo shares were contributed by way of a contribution in kind in return for the grant of the new shareholding. In this context, Deutsche Lufthansa AG has assigned its shares in its wholly owned equity investment Lufthansa Cargo AG.

Deutsche Lufthansa AG approved and conducted a further capital increase at its wholly owned equity investment Lufthansa Commercial Holding GmbH in the financial year 2023. In connection with this, Deutsche Lufthansa AG increased the share capital of Lufthansa Commercial Holding GmbH through a capital increase by issuing four shareholdings for a nominal amount of EUR 100 each and acquiring the four new shareholdings itself. The Lufthansa Technik shares were contributed by way of a contribution in kind in return for the grant of the four new shareholdings. In this context, Deutsche Lufthansa AG has assigned its shares in its wholly owned equity investment Lufthansa Technik AG.

5. Inventories

T06 INVENTORIES

in €m	31.12.2023	31.12.2022
Consumables for aircraft	4	–
Raw materials, consumables and supplies	15	8
Emission certificates	265	145
Merchandise	1	4
	285	157

6. Receivables and other assets

T07 RECEIVABLES AND OTHER ASSETS

in €m	31.12.2023	thereof due after more than one year	31.12.2022	thereof due after more than one year
Trade receivables	584	–	423	–
Receivables from affiliated companies	1,004	–	997	–
Receivables from companies held as other equity investment	14	–	3	–
Other assets	1,217	238	896	189
	2,819	238	2,319	189

The share of trade receivables from affiliated companies under receivables from affiliated companies amounts to 612 Mio. EUR (previous year: 681 Mio. EUR).

7. Securities and liquid assets

Money market funds valued at EUR 3,065m and primarily managed by Amundi, BNP Paribas and BlackRock were held as of the reporting date (previous year: EUR 4,157m). In addition, in February 2023 Deutsche Lufthansa AG invested a further EUR 1.0bn in two tranches in a fund launched at HSBC INKA. As of the reporting date, this position thus amounts to EUR 3,200m. The fund, which is measured at market value, is an investment fund as defined in Section 1 Paragraph 6 of the German Investment Code (KAGB). No distribution was made in the financial year. It can be returned on a daily basis without any restriction. The investment serves to hold strategic liquidity.

Cash in hand and bank balances consist almost entirely of credit balances held with banks. Foreign currency bank balances of 33 Mio. EUR (previous year: 36 Mio. EUR) that are not likely to be transferred in the near future and which are discounted appropriately are reported as other assets.

The bank balances include fixed-term deposits in the amount of EUR 275m with a term of more than 90 days.

8. Prepaid expenses

This item essentially consists of a payment in the amount of EUR 92m to the subsidiary Lufthansa Technik AG which is responsible for engine maintenance. This payment was made in connection with the changeover of the maintenance contract from event-driven to flat-rate, compensates for the condition of the engines at the time of this changeover and will be reversed through profit or loss over the term of the contract. Other significant prepaid expenses consist of discounts on bonds issued in the 2021 financial year amounting to EUR 18m as well as lease payments made to external and intra-Group aircraft lessors in the amount of EUR 25m.

9. Deferred tax assets

This item consists of the net asset balance of 4,091 Mio. EUR remaining after deferred tax assets and liabilities on temporary or quasi-permanent differences between carrying amounts for commercial and tax purposes and on tax loss carry-forwards have been offset. They are broken down as follows:

T08 DEFERRED TAX ASSETS AND LIABILITIES

in €m	31.12.2023		31.12.2022	
	active	passive	active	passive
Loss carried forward	1,000	–	908	–
Non-current assets	324	76	369	45
Receivables and other assets	74	–	79	0
Pension accruals	2,288	0	2,333	0
other Provisions	305	–	259	–
Liabilities	8	1	77	0
Inventories	169	–	171	–
Balancing	-77	-77	-45	-45
	4,091	–	4,151	–

Deferred tax assets result primarily from differences in the valuation of pension provisions and similar obligations, other provisions, non-current assets and inventories, and tax loss carry-forwards. Deferred tax liabilities, mainly arising from different valuations of aircraft and other property, plant and equipment, are more than offset by deferred tax assets.

In addition to recognised deferred tax assets from loss carry-forwards, further tax loss carry-forwards exist for which no deferred tax assets could be recognised, in the amount of EUR 887m (previous year: EUR 939m).

Deferred taxes are calculated using the individual tax rates for Deutsche Lufthansa AG's tax group, which are between 24% and 31%. The tax rate used in each case comprises corporation tax, trade tax and the solidarity surcharge.

10. Excess of plan assets over provisions for pensions

The excess results from offsetting retirement benefit obligations in accordance with Section 246 Paragraph 2 Sentence 2 HGB against assets that are exclusively used to fund the retirement benefit obligations and are not accessible to the Company's other creditors. The assets in question are securities. The gross figures in the following table only relate to the sub-schemes for which an excess of plan assets is applicable as of the reporting date which cannot be offset against the obligations under other sub-schemes.

T09 EXCESS OF PLAN ASSETS OVER PROVISIONS FOR PENSIONS

in €m	31.12.2023	31.12.2022
Settlement amount of pension obligation	3,087	–
Fair value of plan assets	3,141	–
Excess of plan assets over provisions for pensions	54	–
Acquisition cost of plan asset	3,072	–

Shareholders' equity and liabilities

11. Issued capital

SHARE CAPITAL

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

AUTHORISED CAPITAL

A resolution passed at the Annual General Meeting on 10 May 2022 authorised the Executive Board until 9 May 2025, subject to approval by the Supervisory Board, to increase the Company's share capital by up to EUR 1,000,000,000 by issuing new registered shares on one or more occasions for payment in cash or in kind (Authorised Capital A). In certain cases, the shareholders' subscription rights can be excluded with the approval of the Supervisory Board.

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

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

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

CONTINGENT CAPITAL

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

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

AUTHORISATION TO PURCHASE TREASURY SHARES

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

A capital increase (Authorised Capital B) in the 2023 financial year resulted in 1,132,704 treasury shares for Deutsche Lufthansa AG at an average price of EUR 8.12. This is equivalent to 0.09% of issued capital. 1,115,557 shares were transferred to the employees of Deutsche Lufthansa AG and to 26 other affiliated companies and equity investments as part of the profit-sharing for 2023, at a share price of EUR 8.12. The remaining 17,246 shares were still held on the reporting date.

SHAREHOLDER STRUCTURE

In the past financial year there were no notifications pursuant to Section 160 Paragraph 1 No. 8 of the German Stock Corporation Act (AktG) in conjunction with Section 33 Paragraph 1 of the German Securities Trading Act (WpHG) on changes in voting rights in the share capital held by third parties (as of 31 December 2023).

For further details, we refer to the individual notifications on voting rights published on our website ↗ **www.lufthansagroup.com/investor-relations**.

12. Reserves

The capital reserve contains the premiums resulting from capital increases and the proceeds from the issue of debt securities for conversion options to acquire Company shares. In the 2023 financial year, a share premium of EUR 6m was added from a capital increase for employee shares. The capital reserve thus amounts to 312 Mio. EUR (previous year: 306 Mio. EUR).

The other retained earnings came to 4,830 Mio. EUR (previous year: 1,448 Mio. EUR).

13. Disclosures regarding amounts subject to a restriction on distribution

An amount of 4,700 Mio. EUR may not be distributed as dividends. This is made up of 4,091 Mio. EUR from the recognition of deferred tax assets for differences between the valuations for commercial and tax purposes as well as on loss carry-forwards, 158 Mio. EUR from the difference between the application of ten-year or seven-year average interest rates to discount the pension obligations and 450 Mio. EUR from the amount by which the fair value of plan assets exceeds their cost. As of the reporting date, there are free retained earnings of EUR 131m to cover the amount that may not be distributed

14. Provisions

T10 PROVISIONS

in €m	31.12.2023	31.12.2022
Provisions for pensions and similar obligations	4,480	4,570
Tax provisions	444	384
Other provisions	3,453	3,628
	8,377	8,582

A Company pension scheme is in place for staff working in Germany and staff seconded abroad. Benefit obligations are mainly funded by means of contributions to an external trust fund to which access is restricted. There are also obligations from the conversion of salary components, which are likewise funded by pension fund assets.

The actuarial obligations are netted with the corresponding assets measured at fair value as of 31 December 2023 to obtain the carrying amount for the balance sheet. The historical acquisition costs of the fund assets were 9,520 Mio. EUR as of 31 December 2023. Their fair value as of the reporting date was 9,727 Mio. EUR. The actuarial amount required to settle the obligation as of 31 December 2023 is 14,153 Mio. EUR. On the reporting date, 27 Mio. EUR is reported under the other assets as pension fund assets still potentially reimbursable for the defined benefit plans.

Between 2015 and 2017, the conversion of the defined benefit plans to defined contribution plans with guaranteed contributions during the vesting period for future pension commitments was completed for all groups of employees.

The wage agreement "Lufthansa Pension Ground" introduced a new system of retirement benefits in the form of a defined contribution pension commitment for ground staff employed in Germany. For employees recruited before 1 January 2016, the entitlements vested up until 31 December 2015 are maintained. For service periods starting from 1 January 2016, employees can reach the same level of benefits by making contributions from their own pocket. For employees recruited from 1 January 2016, the contributions to the new model will be invested on the capital market. When an employee reaches retirement age, the entire account balance is converted into an annuity on the basis of the applicable BilMoG interest rate in accordance with Section 253 Paragraph 2 of the German Commercial Code (HGB), subject to a pension adjustment of 1% per annum while guaranteeing the contributions that were originally made.

For cabin crew recruited up to 5 July 2016, the pension entitlements vested up until 30 June 2016 are maintained. For service periods from 1 July 2016, employees receive employer contributions to the Company pension scheme depending on their eligible gross salary. An initial contribution to the transitional benefit scheme was calculated for the staff concerned as of 30 June 2016 on the basis of parameters and valuation methods defined by the collective bargaining partners. This initial transitional benefit contribution replaced all existing claims by the employees concerned under the collective agreement "Transitional Benefit for Cabin Crew". These claims were switched over to a contribution commitment with a minimum guaranteed payment. All employees are free to make their own contributions on a voluntary basis. Contributions from both employer and employee, as well as the initial transitional benefit contribution, are invested on the capital markets with a capital guarantee. When an employee reaches retirement age, the available account balance is converted into an annuity on the basis of the applicable BilMoG interest rate in accordance with Section 253 Paragraph 2 HGB, subject to a pension adjustment of 1% per annum.

For cockpit staff recruited before 1 January 2017, the pension entitlements vested up until 31 December 2016 are maintained. For service periods from 1 January 2017, employees receive employer contributions to the Company pension scheme depending on their eligible gross salary. All employees are free to make their own contributions on a voluntary basis. The capital is invested on capital markets with a capital guarantee and a simultaneously guaranteed return in the amount of the guaranteed interest rate offered by the life insurance companies (currently 0.25% per annum). When an employee reaches retirement age, the available account balance is converted into an annuity on the basis of the applicable BilMoG interest rate in accordance with Section 253 Paragraph 2 HGB, subject to a pension adjustment of 1% per annum.

Cockpit staff are still additionally entitled to a transitional pension arrangement covering the period from the end of their active in-flight service until the beginning of their statutory/Company pension plans. Benefits depend on the number of years of service and the final salary before retirement (final salary plan). Pension entitlements continue to be granted while transitional benefits are being received. Since 2021, the collective retirement age for pilots has been 60.

In the new Company retirement benefit scheme for ground, cabin and cockpit staff, the obligations from the capital market components are recognised at the fair value of the individual contribution accounts measured according to their respective values, insofar as this value exceeds the minimum guaranteed amount, and are offset against the plan assets. The service cost reported under staff costs is attributable to the employer contributions.

The effect of accrued interest expenses on provisions and offsetting income from measuring the obligation with a higher discount rate than in the previous year of EUR 263m was offset against income of EUR 815m from the market valuation of plan assets.

T11 PROVISIONS FOR PENSIONS

in €m	31.12.2023	31.12.2022
settlement amount of pension obligations	14,153	13,563
fair value of plan assets	9,727	9,019
Aktiver Unterschiedsbetrag aus der Vermögensverrechnung	54	–
net value of pension obligations	**– 4,480**	**– 4,544**
acquisition cost of plan assets	9,520	9,803

Obligations under phased early retirement agreements are recognised in other provisions. Obligations of EUR 105m are netted with pension fund assets with a fair value of EUR 73m. The historical acquisition costs of the pension fund assets are EUR 78m. Accrued interest expenses on provisions of EUR 0.6m were offset against income from the positive market valuation of plan assets in the amount of EUR 2.6m.

Working hours accounts have been managed for cabin crew since 2017 and had a value of EUR 74m as of the reporting date. They are offset by pension fund assets in the amount of EUR 74m. The acquisition costs of the pension fund assets are EUR 73m.

The further other provisions essentially comprise amounts for aircraft maintenance (EUR 1,403m), profit-share payments (EUR 298m), provisions for legal disputes (EUR 162m), provisions for impending losses (EUR 82m), and provisions for flight irregularities (EUR 71m).

The majority of the aircraft maintenance provisions (EUR 1,082m) relate to end-of-lease compensation. This is payable according to the maintenance condition of the respective leased aircraft as of its return, by way of compensation to the (generally intra-Group) lessor.

15. Liabilities

T12 LIABILITIES

	31.12.2023				31.12.2022			
		thereof due				thereof due		
in €m	Total	within one year	between one and five years	after more than five years	Total	within one year	between one and five years	after more than five years
Bonds[1]	6,216	1,116	4,600	500	6,817	717	4,750	1,350
Liabilities to banks	1,272	790	482	–	1,432	182	1,250	–
Advanced payments for flight documents	3,020	3020	–	–	2,814	2,814	–	–
Payables to affiliated companies	9,707	9,018	230	459	7,126	6,832	109	185
Other liabilities	5,459	2,450	1,801	1,208	5,716	2,079	1,985	1,652
thereof Advance payments for orders	4	4	–	–	10	10	–	–
thereof Trade payables	988	985	3	0	984	983	1	–
thereof Payables to affiliated companies	10	10	–	–	3	2	1	–
thereof other remaining liabilies	4,457	1451	1,798	1,208	4,719	1084	1,983	1,652
thereof for taxes	68	68	–	–	50	50	–	–
thereof relating to social security obligations	19	19	–	–	3	3	–	–
	25,674	16,394	7,113	2,167	23,905	12,624	8,094	3,187

[1] Share of convertible bonds amounts to EUR 600m (previous year: EUR 600m)

The outstanding bonds comprise seven bonds with fixed redemption amounts issued under the Euro Medium Term Notes programme. As of the reporting date, bonds with a nominal volume of EUR 5.0bn, interest rates between 0.25% and 3.75% and maturities between July 2024 and July 2029 had been issued under the programme. The programme enables bonds to be issued up to a total volume of EUR 10bn. One convertible bond and one hybrid bond are also reported under this item. The convertible bond was issued with a nominal volume of EUR 600m. Unless previously converted, the bond will be redeemed at its nominal value on 17 November 2025. Investors also have the option of converting the bond into new and/or existing registered shares of Deutsche Lufthansa AG at a conversion price of EUR 9.23. The hybrid bond has a term until August 2075 and an interest rate of 4.382%. It can be cancelled in a five-year cycle, the next time in February 2026.

Liabilities to banks of 156 Mio. EUR are secured by aircraft. The majority of other liabilities, amounting to EUR 3,412m, consist of aircraft financing (previous year: EUR 3,893m). This includes obligations from finance leases to special purpose entities of 3,080 Mio. EUR that are secured by the aircraft concerned.

In both the 2023 and 2022 financial years, all payment obligations and requirements from the loan agreements described have been fulfilled.

Liabilities to affiliated companies include trade payables to affiliated companies of 117 Mio. EUR (previous year: EUR 185m).

16. Contingent liabilities

T13 CONTINGENT LIABILITIES

in €m	31.12.2023	31.12.2022
Relating to guarantees, bills of exchange and cheque guarantees	2,840	1,669
thereof to affiliated companies	847	224
Relating to warranty agreements	1,060	1,272
thereof to affiliated companies	855	981
thereof to joint ventures	202	285

The amounts listed under liabilities from guarantees include 1,978 Mio. EUR in co-debtors' guarantees given in favour of North American fuelling and handling firms. There was no requirement to recognise these guarantee obligations as a liability, because the current forecasts of the companies do not indicate that fuelling and handling companies are unlikely to be able to meet the underlying liabilities. Furthermore, this amount is matched by compensatory claims against the other co-debtors amounting to 1,920 Mio. EUR. These amounts are in some cases preliminary, since some financial statements are not yet available.

New guarantees in the past financial year were issued in favour of fully consolidated subsidiaries and mainly relate to the increase in the guarantee issued on behalf of Lufthansa Cargo AG in favour of Fraport AG (EUR 454m).

Of the liabilities under warranties with affiliated companies, EUR 852m relates to guarantees on loan liabilities granted in favour of Lufthansa Asset Management GmbH for a range of aircraft financing arrangements.

The liabilities under warranties to joint ventures include bank guarantees from the financing of two B777 cargo aircraft in service at Aerologic GmbH and further bank guarantees to secure the operating business of the Lufthansa Technik joint venture, EME Sp.z.o.o.

Otherwise, in all cases provisions were not made because utilisation was not sufficiently probable.

17. Other financial obligations

Financial obligations on the basis of order commitments and loan commitments with no long-term ongoing obligations came to EUR 23,222m as of the reporting date. For ongoing obligations with varying terms of up to 30 years, there were expenses of EUR 1,039m in the reporting year.

ORDER COMMITMENTS

Order commitments for capital expenditure on property, plant and equipment came to EUR 19,384m as of 31 December 2023. Of the corresponding payment obligations, EUR 15,540m falls due in the years 2024 to 2028, and EUR 3,844m in the years 2029 to 2032.

As of the reporting date, obligations to acquire company shares and to contribute capital to investee companies total EUR 224k, loan commitments to affiliated companies EUR 3,513m and obligations to acquire shares in Italia Trasporto Aereo S.p.A (ITA) under the not yet executed purchase agreement EUR 325m.

OBLIGATIONS UNDER TENANCY AGREEMENTS

The Company carries on its business almost exclusively in leased premises. The leases generally run for up to ten years. Facilities at Frankfurt and Munich airports are sometimes leased for longer periods, in some cases for up to 30 years, and are partly prefinanced by Lufthansa. Annual lease payments amounted to around EUR 201m in the financial year.

To optimise financing costs, aircraft are regularly leased from affiliated companies and external lessors. Expenses for longer-term operating leases pertaining to aircraft with terms up to 2038 came to EUR 705m in the financial year. It was possible to use them as a qualified assumption for amounts payable annually under these ongoing obligations. Expenses for operating leases were mainly payable to affiliated companies; EUR 96m was paid to several external lessors (previous year: EUR 93m).

OBLIGATIONS UNDER LONG-TERM MAINTENANCE CONTRACTS

Maintenance contracts for aircraft and aircraft components usually have terms of more than 15 years to secure contractual conditions on a long-term basis. Long-term maintenance contracts with external providers signed as of the reporting date with terms up to 2039 gave rise to expenses of EUR 133m in the financial year. Of the future payment obligations resulting from the long-term maintenance contracts, EUR 1,315m falls due in the years 2024 to

2028 while EUR 2,362m falls due in the years 2029 to 2039, if the contractual services are requested as scheduled.

18. Hedging policy and financial derivatives

As an international aviation company, Deutsche Lufthansa AG is exposed to the risk of changes in exchange rates, interest rates and fuel priced in US dollars.

EXCHANGE RATE HEDGES

As regards currency risks from its operating business, Deutsche Lufthansa AG is in a net payer position in the case of the US dollar in particular, since fuel payments are dollar-denominated. There is always a net surplus for other currencies. The main risks in this respect stem from the Chinese renminbi, the Swiss franc, the British pound sterling, the Japanese yen and the Indian rupee. Depending on market liquidity, currency risks from projected operational exposure are hedged gradually over a period of 24 months by means of futures contracts. The target hedging level is defined in the Group's internal guidelines. At the end of the 2023 financial year, exposure to the major foreign currency items from operations for the next 24 months was as follows:

T14 FOREIGN CURRENCY EXPOSURE FROM OPERATIONS

31.12.2023 in €m	USD	CNY	JPY	GBP	INR
Exposure (currency)	-2,615	1,917	65,912	821	59,310
Exposure (EUR at spot rate)	-2,363	244	423	947	644
Hedges (currency)	986	-890	-19,534	-246	-9,585
Hedge ratio	38%	46%	30%	30%	16%
Hedge rate	1.08	7.48	146.42	0.88	91.11

Anticipated macro valuation units are formed prospectively for operational currency hedges in accordance with Section 254 HGB and presented using the net hedge method. The hedged items are the net positions of highly probable future cash flows in foreign currencies from the operating business for each foreign currency and hedging month. Since the target hedging level is always less than the total foreign currency exposure, the hedges are considered to be fundamentally effective, meaning that no provision for impending losses from valuation units has to be recognised. In deviation from this, a provision for contingent losses in the amount of EUR 45m (previous year: EUR 30m) was recognised for external derivative transactions not covered by underlying transaction exposure as of the reporting date.

Forward currency transactions and swaps are valued individually at their respective forward curve and discounted to the reporting date based on the corresponding interest rate curve. The market prices of currency options are calculated using recognised option pricing models.

The following table shows the market values of external hedges for Deutsche Lufthansa AG and its subsidiaries.

T15 FOREIGN EXCHANGE RATE HEDGES FOR EXPOSURE FROM OPERATIONS

31.12.2023 in €m	Nominal volume	Market value	Maturities up to	Carrying amounts of other provisions
External hedges	4,827	-76	01.11.2024	-45
External hedges for subsidiaries	4,830	41	01.11.2025	–

HEDGED CAPITAL EXPENDITURE

Exchange rate hedges in the form of micro hedges are combined with expected aircraft deliveries to form valuation units for the purpose of hedging the risk of price increases due to exchange rate movements and presented in the balance sheet using the net hedge method. Aircraft purchases are now only hedged by means of forward transactions. The exposure for capital expenditure at year-end 2023, the relevant hedging volume and the effects of the hedges on the acquisition costs of the hedged investments are as follows:

T16 HEDGED CAPITAL EXPENDITURE IN MILLION

Year	Exposure in USD	Volume hedged in USD	Market values in €m	Hedge ratio
2024	-3,497	2,995	135	86%
2025	-3,063	2,293	166	75%
2026	-2,493	1,626	102	65%
2027	-2,593	1,540	60	59%
2028	-2,113	1,085	-1	51%
2029	-1,421	546	-8	38%
2030	-1,192	448	-17	38%
2031	-508	119	-5	23%
2032	-87	–	–	0%
	-16,967	**10,652**	**432**	**63%**

INTEREST RATE HEDGES

Suitable interest rate swaps and combined interest rate/currency swaps are arranged with external contractual parties to hedge interest rate risks on bonds, loans and lease liabilities recognised in the balance sheet. They are combined in valuation units as micro hedges and presented in the balance sheet using the net hedge method. Hedged items and hedges have identical maturities, up to 2032 at the latest. As the reciprocal cash flows balance each other out, the interest rate swaps are not presented in the balance sheet. As of 31 December 2023, provisions for onerous contracts of EUR 2m are recognised for impending losses regarding interest rate hedges with no hedged items.

Furthermore, Deutsche Lufthansa AG and its subsidiaries have arranged combined interest rate/currency swaps that are matched by interest rate/currency swaps of the same type, volume and maturity with external third parties. They are also combined in valuation units as micro hedges. Hedged items and hedges have identical maturities, up to 2032 at the latest. The hedged cash flows balance each other in full; the valuation units are thus fully effective.

T17 INTEREST RATE HEDGES

31.12.2023 in €m	Volume hedged	Market value	Maturities up to	Carrying amount of other provision
External hedges with hedged items	3,683	-184	2032	–
External hedges without hedged items	41	-2	2025	-2
External hedges for subsidiaries	826	–	2032	–

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

FUEL HEDGING

As of 31 December 2023, exposure to fuel prices was as follows:

T18 FUEL PRICE EXPOSURE

		2024	2025
Fuel exposure	in thousand t	5,005	5,434
Volume hedged	in thousand t	4,125	1,635
Hedge ratio	in %	82%	30%

Suitable forward transactions, spread options and combinations of hedges are arranged with external counterparties to hedge price risks from future fuel requirements. They have been combined with the hedged items as macro valuation units and presented using the net hedge method to improve the presentation of the earnings position.

T19 FUEL PRICE HEDGES

31.12.2023	Volume of hedged items in thousand t	Market value in €m	Maturities up to	Carrying amount of other assets in €m
Hedging combinations	5,760	67	2,025	177
Crackswaps	447	12	2,024	0

The market prices of options used to hedge fuel prices are determined using acknowledged option pricing models. The market values correspond to the price at which an independent third party would assume the rights and/or obligations from the financial instrument.

FINANCIAL INSTRUMENTS HELD AS FINANCIAL INVESTMENTS

T20 BALANCE SHEET ITEMS - FINANCIAL INVESTMENTS

in €m	Market values 31.12.2023	Carrying amounts 31.12.2023
Loans to affiliated companies	88	78
Other loans	1	1

Loans to affiliated companies in foreign currencies essentially comprise the loan granted to AirTrust AG in 2020 as well as two further loans to Airplus GmbH in GBP and USD. As of the reporting date, the loan to Air Trust AG has a fair value of EUR 48m and a carrying amount of EUR 40m. The fair value and carrying amount of the GBP loan to Airplus GmbH as of the reporting date is EUR 29m, while the fair value of the USD loan to Airplus GmbH is EUR 11m and its carrying amount is EUR 8m.

NOTES TO THE INCOME STATEMENT

19. Traffic revenue

T21 TRAFFIC REVENUE BY TRAFFIC REGION

in €m	2023	2022
Europe	5,318	4,648
North America	4,099	3,579
Asia /Pacific	2,583	1,476
South America	916	824
Africa	788	687
Middle East	476	506
	14,180	11,720

T22 TRAFFIC REVENUE BY SECTOR

in €m	2023	2022
Scheduled	13,648	11,038
Charter	532	682
	14,180	11,720

20. Other revenue

Europe accounted for 94% (previous year: 91%) of other revenue, which is made up as follows:

T23 OTHER REVENUE

in €m	2023	2022
Travel services (commissions / fees)	410	298
Services rendered	346	183
Matrix allocation	223	214
Aircraft on operating leases	153	166
Ground services / in-flight sales	120	108
Rent for land / buildings	89	71
Staff secondment	23	17
Other	90	50
	1,454	1,107

On the one hand, the year-on-year increase reflects a further upswing in flight operations, which is mainly reflected in higher revenue from travel services. On the other hand, services have been shaped by intra-Group settlement of costs with a newly established unit which is responsible for the Group-wide new and ongoing development of digital products and concepts.

Revenue from other periods amounts to 289 Mio. EUR in the financial year and is mainly attributable to the release of unused flight documents.

21. Other operating income

T24 OTHER OPERATING INCOME

in €m	2023	2022
Proceeds on the disposal of non-current assets	5955	26
Exchange rate gains from foreign currency translation	850	1,043
Reversal of provisions	318	156
Compensation received for damages	123	9
Earnings from write-backs on assets	122	12
Other operating income	264	237
	7,632	1,483

Other operating income has resulted in particular from the recognition of book gains from the capital contributions in connection with Lufthansa Cargo AG (EUR 2,998m) and

Lufthansa Technik AG (EUR 2,929m). The book gains resulted from measuring the additional acquisition costs of the wholly owned equity investment in Lufthansa Commercial Holding GmbH based on the fair value of the contributed wholly owned equity investments in Lufthansa Cargo AG and Lufthansa Technik AG. This led to the release of hidden reserves in the shares of Lufthansa Cargo AG and Lufthansa Technik AG and therefore to an increase in the shareholders' equity of Deutsche Lufthansa AG. For a detailed description of the capital contributions, we refer to Note 4, page 9.

Income from other periods came to 550 Mio. EUR in the financial year and consisted mainly of write-backs of provisions and compensation received for damages.

22. Cost of materials and services

T25 COST OF MATERIALS AND SERVICES

in €m	2023	2022
Aircraft fuel and lubricants	3,963	3,792
Other costs of raw materials, consumables and supplies and goods purchased	165	80
Costs of services purchased	6,166	5,474
	10,294	9,346

The increase in the cost of materials and services reflects the continuing stabilisation of operating business and primarily relates to expenses for fees and charges (EUR +236m), MRO services (EUR +177m) and fuel (EUR +171m).

The cost of materials and services includes expenses from other periods of 47 Mio. EUR which have mainly resulted from MRO expenses.

23. Staff costs

T26 STAFF COSTS

in €m	2023	2022
Wages and salaries	2,659	2,353
Social security, pensions and benefit contributions	1,002	722
thereof for retirement benefits	636	391
	3,661	3,075

T27 AVERAGES NUMBER OF EMPLOYEES

	2023	2022
Flight staff	22,518	22,516
Ground staff	12,518	11,314
	35,036	33,830
Trainees	47	28

The increase in staff costs is attributable to higher expenses for basic pay (EUR +223m) plus the applicable social security contributions. Higher basic salaries have also affected the employer-financed share of retirement benefit commitments, which have likewise increased year on year.

Staff costs include expenses from other periods of 11 Mio. EUR.

24. Depreciation, amortisation and impairment

Depreciation, amortisation and impairment of intangible assets, aircraft and other property, plant and equipment are detailed in the statement of changes in non-current assets. Impairment losses of EUR 21m (previous year: EUR 15m) were recognised in the financial year.

25. Other operating expenses

Other operating expenses are made up as follows:

T28 OTHER OPERATING EXPENSES

in €m	2023	2022
Exchange rate losses from foreign currency translation	839	981
Rental and maintenance expenses	207	190
Sales commission paid to agencies	204	178
Travel expenses	198	150
Payment system expenses (especially credit card commission payments)	190	164
Expenses for computerised distribution systems	167	150
Auditing, consulting and legal expenses	167	148
Advertising and sales promotions	135	117
Matrix allocation	134	138
Courses / training for flight staff	77	55
Insurance for flight operations	24	28
Impairment charges / depreciation and amortisation for current assets	35	42
Other operating expenses	610	425
	2,987	2,766

The rise in other operating expenses is primarily attributable to the expenses indirectly associated with flight operations, such as sales commissions, travel expenses and expenses for training.

The remaining operating expenses primarily comprise call centre services utilised and various administrative services outsourced to Lufthansa Group Business Services GmbH. They also include expenses resulting from the settlement of costs by a newly established unit which is responsible for the Group-wide new and ongoing development of digital products and concepts.

Expenses from other periods amount to 50 Mio. EUR in the current financial year and are mainly attributable to the fact that actual expenses exceeded the provisions created in the previous year.

26. Result from equity investments

T29 RESULTS FROM EQUITY INVESTMENTS

in €m	2023	2022
Income from profit transfer agreements	836	1,414
Expenses from loss transfer agreements	308	930
Income from equity investments	284	270
thereof from affiliated companies	284	270
	812	754

Income/expenses from profit and loss transfer agreements are shown including tax contributions.

Income from the profit and loss transfer agreement with the subsidiary Lufthansa Commercial Holding GmbH has been reduced by factors including impairment losses on its equity investment Lufthansa Cargo AG. Due to an impairment which is expected to be permanent, impairment losses of EUR 600m were recognised on the equity investment held in Lufthansa Cargo AG. These impairment losses reflect the gloomier outlook for Lufthansa Cargo AG’s business at the end of 2023 by comparison with the date of its contribution (May 2023), while complying with the commercial-law requirement of prudent valuation.

Income from equity investments consists primarily of the accrued dividends from the Austrian leasing companies for the 2023 financial year due to aligning the timing of profit recognition.

27. Net interest

T30 NET INTEREST

in €m	2023	thereof affiliated companies	2020	thereof affiliated companies
Income from other securities and non-current financial loans	113	113	41	40
Other interest and similar income	261	102	163	35
Interest and similar expenses	-178	-258	-2,001	-4
thereof accrued interest	-307	–	-90	–
thereof from market valuation of pension fund assets	819	–	-1,598	–
	196	-43	-1,797	71

The positive net interest figure results primarily from the positive year-on-year change in the market value of pension assets used to fund retirement benefit obligations.

Net interest includes income from other periods of EUR 2m.

28. Impairment of investments and current securities

In the financial year 2023, a valuation allowance was recognised on the carrying amount of the investment in Verimi GmbH in the amount of EUR 5m.

29. Taxes

T31 TAXES

in €m	2023	2022
Income taxes	106	-219
thereof deferred taxes	60	-242
Other taxes	30	27
	136	-192

As well as deferred tax expenses of EUR 60m, net taxes on income and earnings include expenses of EUR 34m for back payments of income taxes. Overall, taxes on income and earnings and other taxes include net items for previous years of EUR 37m.

The Act to Ensure a Global Minimum Tax for Corporate Groups was passed in Germany with effect from 1 January 2024.

Since Deutsche Lufthansa AG is domiciled for tax purposes in Germany, the Lufthansa Group falls within the scope of the act. It therefore carried out an impact analysis based on the last tax returns, country-specific reporting and historical financial data.

On this basis, the Lufthansa Group expects current taxes to increase by a low to medium double-digit million euro amount per year.

Tax effects that could result from the future application of the rules on global minimum taxation are not taken into account when measuring the amount of deferred tax assets and liabilities to be recognised.

OTHER DISCLOSURES

30. Supervisory Board and Executive Board

The members of the Supervisory Board and the Executive Board are listed on p. 26f.

The principles of the remuneration system and the amount of remuneration paid to the individual Executive Board and Supervisory Board members are shown and explained in detail in the remuneration report in the Annual Report.

Executive Board

The system for remunerating Executive Board members takes account of the Company's size, complexity and economic situation, as well as its prospects. It is also aligned with the Company strategy and thus creates an incentive for successful and sustainable governance. At the same time, it takes into account the responsibilities and performance of the Executive Board as a whole and of the individual members, as well as the Company's current position. For this reason, the remuneration system is based on transparent, performance-related parameters relevant to Company performance and sustainability.

Remuneration for the Executive Board members active in the financial year is as follows:

T32 TOTAL REMUNERATION OF EXECUTIVE BOARD MEMBERS

in €k	2023	2022
Basic salary	6,450	5,934
Other	1,250	1,193
One-year variable remuneration	7,884	7,912
Long-term variable remuneration	997	1,217
Share programme [1]	5,556	12,200
Total remuneration	**22,137**	**28,456**
Staff costs of pension commitments	3,281	2,986

[1] Fair value at the time the options are granted

The Executive Board's remuneration consists of the following components:

Non-performance-related remuneration:

- **Fixed annual salary.** The fixed salary is paid in twelve equal monthly instalments.
- **Retirement benefit commitments.** The members of the Executive Board receive retirement benefit commitments based on a defined contribution plan. Since the 2019 financial year, every Executive Board member has received, for the duration of their employment, a fixed annual amount which is credited to their personal pension account.
- **Ancillary benefits.** Ancillary benefits include in-kind benefits from the use of company cars and concessionary travel in accordance with the relevant IATA guidelines.

Performance-related remuneration:

The performance criteria for one-year and long-term variable remuneration are derived from the Company's strategic goals and operational management. They aim to boost profitability in order to set incentives for growth, while taking the importance of liquidity management and the optimal use of capital into account. For this reason, Adjusted EBIT, Adjusted Free Cash Flow and Adjusted ROCE are the relevant performance indicators for the Lufthansa Group and the main performance criteria for variable remuneration. Taking the interests of shareholders and other stakeholders into account, this is intended to ensure the sustainability of the business and reflect the Lufthansa Group's social and ecological responsibilities.

On the basis of the remuneration system, the Supervisory Board determined the targets and minimum and maximum amounts for the financial performance indicators and selected focus topics for the non-financial targets for the variable remuneration for the 2023 financial year. The Supervisory Board ensured that the targets were demanding and ambitious.

80% of the one-year variable remuneration for the 2023 financial year is based on financial targets and 20% on overall and individual business and sustainability targets. To promote the long-term, sustainable development of the Company, the long-term variable remuneration, and therefore the majority of variable remuneration, depends on the achievement of long-term targets. Taking the absolute and relative share performance into account aligns the interests of Executive Board members closely with those of shareholders.

Current payments to former members of the Executive Board and their surviving dependants came to EUR 9.2m (previous year: EUR 5.7m). This includes payments by subsidiaries as well as benefits in kind and concessionary travel.

Pension obligations toward former Executive Board members and their surviving dependants amount to EUR 56.2m (previous year: EUR 60.1m)

Supervisory Board

The Executive Board and Supervisory Board proposed changes at the Annual General Meeting 2023 to the remuneration of Supervisory Board members, which had been essentially unchanged since 2013. It remains the case that the remuneration is structured as a purely fixed remuneration. The proposed changes related to an adjustment to the annual remuneration for working on the Supervisory Board and its committees in line with market standards, and the cancellation of an attendance fee of EUR 500 previously paid for personal attendance at a physical meeting.

Fixed remuneration for the Supervisory Board came to 2,965 Tsd. EUR for the financial year (previous year: 2,170 Tsd. EUR).

Furthermore, the Supervisory Board members of Deutsche Lufthansa AG were paid EUR 13k (previous year: EUR 21k) for their work on supervisory boards of Group companies. In addition to their Supervisory Board remuneration, employee representatives on the Supervisory Board received compensation for their work in the form of wages and salaries including pension entitlements amounting to EUR 1.0m in total (previous year: EUR 1.0m).

In the reporting year, as in the previous year, no loans or advance payments were made to members of the Executive Board or Supervisory Board.

31. Resolution on profit distribution

It is proposed to use the distributable profit for the year of 3,383 Mio. EUR (previous year: 0 Mio. EUR) to pay a dividend of 0.30 euro cents per share (EUR 359m) and for transfer to the other retained earnings in the amount of EUR 3,024m.

32. Events after the reporting period

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

The rating agency Moody’s lifted its rating for Deutsche Lufthansa AG from Ba1 to the investment grade Baa3 on 18 January 2024. According to Moody’s, the upgrade was based on the positive trend in operating profitability at the Lufthansa Group, which had improved significantly in 2023.

The upgrade by Moody’s means that Deutsche Lufthansa AG is again rated investment grade by all the leading rating agencies.

Supervisory Board adopts wide-ranging reorganisation of the Executive Board

The Supervisory Board of Deutsche Lufthansa AG voted to carry out a wide-ranging reorganisation of the Executive Board at its meeting on 22 March 2024. The Executive Board is to be reduced from six to five members and responsibilities redistributed.

Christina Foerster, Harry Hohmeister and Detlef Kayser will leave the Executive Board as of 30 June 2024, and Remco Steenbergen will leave the Executive Board at the close of 7 May 2024, the date of the Annual General Meeting.

New members Grazia Vittadini and Dieter Vranckx will be appointed to the Executive Board as of 1 July 2024.

Grazia Vittadini, previously at Rolls-Royce Holdings plc, London, as Chief Technology Officer and Member of the Executive Team, most recently active as a special consultant, will lead the MRO and IT function as Chief Technology Officer, which also includes responsibility for sustainability. Her contract will run for three years.

Dieter Vranckx, previously CEO of SWISS International Airlines, becomes the Executive Board member for Global Markets and Commercial Hub Management. His contract will also run for three years. The areas of Customer Experience and Group Brand Management, which were previously part of Brand Management & Sustainability, are now also his responsibility.

A new candidate is to be found for the position of Chief Financial Officer. Until the position is filled,
Michael Niggemann will lead the finance function provisionally in addition to his responsibility on the Executive Board for Human Resources, Logistics and Non-Hub Traffic, (previously Human Resources and Infrastructure).

33. Declaration of compliance in accordance with Section 161 German Stock Corporation Act (AktG)

The declaration of compliance with the German Corporate Governance Code required by Section 161 of the German Stock Corporation Act (AktG) was issued by the Executive Board and Supervisory Board and made public permanently as part of the declaration on corporate governance in line with Section 289f HGB on the Company's website at **www.lufthansa-group.com/declaration-of-compliance**.

34. Auditors' fees

Total auditors' fees calculated for the financial year are made up as follows:

T34 Auditors' fees

in €m	2023	2022
Audit services	5.3	4.3
Other certification services	0.4	0.5
Other services	0.5	2.3
	6.2	7.1

The auditing services mainly consist of fees for auditing the consolidated financial statements, the review of the half-yearly financial statements and the audit of the financial statements of Deutsche Lufthansa AG and its consolidated subsidiaries. The fees recognised under other certification services arose for various audit services such as the preparation of a comfort letter for Deutsche Lufthansa AG's ongoing euro debt issuance programme and for cloud migration. Other services mainly comprise expenses for advisory services in connection with the sale of the LSG division.

Corporate Governance

SUPERVISORY BOARD AND EXECUTIVE BOARD

Supervisory Board

Karl-Ludwig Kley
Former Chairman
of the Executive Board
of Merck KgaA

Christine Behle
Deputy Chair of the trade union ver.di
Employee representative[1)]
Deputy Chair

Alexander Behrens
(until 28 July 2023)
Flight attendant
Employee representative[1)]

Tim Busse
(since 29 July 2023)
Flight captain
Employee representative

Jörg Cebulla (until 28 July 2023)
Flight captain
Employee representative

Erich Clementi
Chairman of the
Supervisory Board of E.ON SE

Thomas Enders
Member of various
Supervisory Boards

Karl Gernandt
(since 9 May 2023)
Executive Chairman of Kühne Holding AG

Sara Grubisic
(since 29 July 2023)
Purser
Employee representative

Christian Hirsch
(since 29 July 2023)
Information management consultant
Works Council member on leave of absence
Employee representative

Jamila Jadran
(since 29 July 2023)
Senior Project Manager
Employee representative

Jürgen Jennerke
(until 28 July 2023)
Labour Relations executive
Employee representative

Arne Christian Karstens
(since 29 July 2023)
Flight captain and member of the
Vereinigung Cockpit pilots' union
Employee representative.[1)]

Michael Kerkloh
Former Chairman of the Executive Board
of Flughafen München GmbH

Carsten Knobel
Chairman of the Executive Board Henkel AG & Co. KGaA

Holger Benjamin Koch
Senior Director Airport / Industry Charges
Employee representative

Harald Krüger
Member of the Supervisory Board of Deutsche Telekom AG

Marvin Reschinsky
(since 29 July 2023)
Trade union secretary ver.di
Employee representative[1)]

Birgit Rohleder
Team Lead IT Application Management Airport Services /
Works Council member on leave of absence
Employee representative

Miriam Sapiro
(until 9 May 2023)
President and CEO
InterAction, Inc, USA

Ilja Schulz
(until 28 July 2023)
Former Flight captain and member of the Vereinigung Cockpit pilots' union
Employee representative[1)]

Britta Seeger
Member of the Executive Board Mercedes-Benz Group AG

Birgit Spineux
(until 28 July 2023)
Purser/Employee representative on leave in absence
Employee representative

Astrid Stange
CEO/Chairwoman of ELEMENT Insurance AG

Olivia Stelz Supervisory Board
(until 28 July 2023)
Purser/Employee representative on leave in absence
Employee representative

Angela Titzrath
Chairwoman of the Executive Board
Hamburger Hafen und Logistik AG

Klaus Winkler
Engine technician
Employee representative

Honorary Chairman

Dipl.-Ing. Jürgen Weber
Former Chairman of the Supervisory Board
Deutsche Lufthansa AG

[1)] Trade union representative in accordance with Section 7 Paragraph 2 Co-determination Act (MitbestG.)

Executive Board

Carsten Spohr
Chairman of the Executive Board

Christina Foerster
Member of the Executive Board
Brand &
Sustainability

Harry Hohmeister
Member of the Executive Board
Global Markets & Network

Detlef Kayser
Member of the Executive Board
Fleet & Technology

Michael Niggemann
Member of the Executive Board
Human Resources & Infrastructure,
Labor Director

Remco Steenbergen
Member of the Executive Board
Chief Financial Officer

MANDATES

Other mandates of the Supervisory Board members of Deutsche Lufthansa AG

(As of 31 December 2023)

Karl-Ludwig Kley
a) E.ON SE [3] (Chair until 19 May 2023)

Christine Behle
a) BREMER LAGERHAUS GESELLSCHAFT – Aktiengesellschaft von 1877 – [3] (Deputy Chairwoman)
b) Autobahngesellschaft des Bundes mbH (until 28 September 2023)

Jörg Cebulla
a) Sparda-Bank Hessen eG
b) Albatros Versicherungsdienste GmbH

Erich Clementi
a) E.ON SE [3] (Chairman)

Thomas Enders
b) GE Aerospace [3], USA (since 1 December 2023)
Lilium NV [3], Netherlands (Chair)
Linde plc [3], Republic of Ireland

Karl Gernandt
a) Hapag-Lloyd AG (Deputy Chair) [3]
Kühne + Nagel AG & Co. KG (Chair) [1]
b) Kühne + Nagel International AG, Switzerland (Deputy Chair) [2,3]
Kühne Holding AG, Switzerland (Chair) [2]
Kühne & Nagel AG, Luxembourg (Chair) [2]
Kühne Logistics University gGmbH [2]
Kühne Real Estate AG (Chair) [2]
SIGNA Prime Selection AG, Austria
HGK Hochgebirgsklinik Davos AG, Switzerland

Jürgen Jennerke
a) Lufthansa Cargo AG (Deputy Chair until 30 November 2023)

Michael Kerkloh
a) Flughafen Hannover-Langenhagen GmbH (since 1 February 2023)
b) NEOM Aviation Founding Board, Saudi Arabia

Carsten Knobel
b) Kühne Holding AG, Switzerland (since 26 June 2023)

Harald Krüger
a) Deutsche Telekom AG [3]

Marvin Reschinsky
a) Eurowings GmbH (Deputy Chair)

Britta Seeger
a) Mercedes-AMG GmbH [1]
Mercedes-Benz Mobility AG [1]
b) Beijing Mercedes-Benz Sales Service Co., Ltd., China
Mercedes-Benz (China) Ltd. [2], China (Deputy Chair)
Mercedes-Benz South Africa Ltd. [2], South Africa (until 1 April 2023)
smart Automobile Co. Ltd., China
smart Mobility Pte. Ltd., Singapore (since 26 June 2023)
smart Mobility International Pte. Ltd., Singapore (since 26 June 2023)

Astrid Stange
b) Atos SE [3], France

Angela Titzrath
a) Evonik Industries AG [3]
Talanx AG [3]
HDI V.a.G.
b) Metrans a.s. [2], Czech Republic

a) Membership of supervisory boards required by German law.
b) Membership of comparable supervisory bodies at companies in Germany and abroad.
1) Group mandate in accordance with Section 100 Paragraph 2 Sentence 2 AktG.
2) Other group mandate.
3) Publicly listed company.

Mandates of the Executive Board members of Deutsche Lufthansa AG

(As of 31 December 2023)

Carsten Spohr

a) Münchener Rückversicherungs-Gesellschaft Aktiengesellschaft [3]

Christina Foerster

b) Austrian Airlines AG [2], Austria (Chairwoman)
SN Airholding SA/NV [2], Belgium (Chair)
Kulinary Holding AG, Switzerland (until 15 February 2023)
Swiss International Air Lines AG [2], Switzerland (until 23 February 2023)

Harry Hohmeister

a) Eurowings GmbH [1]
EW Discover GmbH [1] (Chair since 27 October 2023)
Fraport AG [3] (since 23 May 2023)
b) Günes Ekspres Havacilik A.S. (SunExpress), Turkey

Detlef Kayser

a) Lufthansa Technik AG [1] (Chairman)
LSG Lufthansa Service Holding AG [1] (Chair until 31 October 2023)

Michael Niggemann

a) Lufthansa Cargo AG [1] (Chairman)

Remco Steenbergen

a) Lufthansa AirPlus Servicekarten GmbH [1]
Lufthansa Technik AG [1] (since 1 January 2023)
b) Swiss International Air Lines AG [2], Switzerland
Sandoz Group AG, Switzerland (since 4 October 2023)

a) Membership of supervisory boards required by German law.
b) Membership of comparable supervisory bodies at companies in Germany and abroad.
1) Group mandate in accordance with Section 100 Paragraph 2 Sentence 2 AktG.
2) Other group mandate.
3) Publicly listed company.

C01 SUPERVISORY BOARD COMMITTEES
as of 31 Dec 2023

Steering Committee	Audit Committee	Nomination Committee	Arbitration Committee in accordance with Section 27 Paragraph 3 Co-determination Act (MitbestG)	ESG Committee
Karl-Ludwig Kley Chairman	**Harald Krüger** Chairman	**Karl-Ludwig Kley** Chairman	**Karl-Ludwig Kley** Chairman	**Erich Clementi** Chairman
Christine Behle Deputy Chairwoman	**Alexander Behrens** (until 28 July 2023)	**Thomas Enders**	**Christine Behle,** Deputy Chairwoman	**Sara Grubisic** (since 8 August 2023)
Thomas Enders	**Jörg Cebulla** (until 28 July 2023)	**Harald Krüger**	**Thomas Enders**	**Holger Benjamin Koch** (until 28 July 2023)
Christian Hirsch (since 8 August 2023)	**Arne Christian Karstens** (since 8 August 2023)		**Christian Hirsch** (since 8 August 2023)	**Marvin Reschinsky** (since 8 August 2023)
Ilja Schulz (until 28 July 2023)	**Michael Kerkloh**		**Ilja Schulz** (until 28 July 2023)	**Ilja Schulz** (until 28 July 2023)
	Carsten Knobel			**Angela Titzrath**
	Holger Benjamin Koch (since 8 August 2023)			
	Klaus Winkler			
Five meetings in 2023	Five meetings in 2023	Three meetings in 2023	No meetings in 2023	Two meetings in 2023

LIST OF SHAREHOLDINGS – SIGNIFICANT EQUITY INVESTMENTS

T35 SIGNIFICANT EQUITY INVESTMENTS

Name, registered office	Stake in %		Shareholders' equity in €m *		Net profit of the last business year in €m *	
Aerologic GmbH, Schkeuditz, Deutschland	50.00%		42	[5] [6]	14	
AFS Aviation Fuel Services GmbH, Hamburg, Deutschland	33.33%		4	[5] [6]	2	
Air Dolomiti Deutschland GmbH, München, Deutschland	100.00%		1	[5] [6]	0	[9]
Air Dolomiti S.p.A. Linee Aeree Regionali Europee, Dossobuono di Villafranca, Italien	100.00%		60		1	
Aircraft Maintenance and Engineering Corporation, Peking, China	25.00%		74	[5] [6]	-149	
Airfoil Services Sdn. Bhd., Kuala Lumpur, Malaysia	50.00%		17	[5] [6]	-3	
Airline Marketing Services India Private Limited, Mumbai, Indien	100.00%		1	[5] [6]	0	[9]
Airline Tariff Publishing Co., Dulles, USA	9.77%	[12]	n/a		n/a	
AirPlus Finance S.à.r.l., Luxemburg, Luxemburg	0.00%		0	[9]	0	[9]
AirPlus International AG, Kloten, Schweiz	100.00%		22		2	
AirPlus International Limited, London, Großbritannien	100.00%		18		3	
AirPlus International S.r.l., Bologna, Italien	100.00%		28		6	
AirPlus International Soluções de Pagamento Limitada, Sao Paulo, Brasilien	100.00%		0	[5] [6] [9]	0	[9]
AirPlus International, Inc., Alexandria, USA	100.00%		19		1	
AirPlus Payment Management Co. Ltd., Shanghai, China	100.00%		49		-1	
Airport Services Dresden GmbH, Dresden, Deutschland	100.00%		0	[5] [6] [9]	-1	
Airport Services Leipzig GmbH, Schkeudiz, Deutschland	100.00%		0	[5] [6] [9]	-1	
AirTrust AG, Kloten, Schweiz	100.00%		49		357	
Albatros Financial Solutions GmbH, Köln, Deutschland	100.00%		1	[5] [6]	0	[9]
Albatros Versicherungsdienste GmbH, Köln, Deutschland	100.00%		6	[5] [6]	8	
amplimind GmbH, Hallbergmoos, Deutschland	51.00%		n/a	[5] [6] [10]	0	[9]
AO Aeromar, Moskau Region, Russische Föderation	49.00%		31	[5] [6]	2	
AO AeroMEAL, Yemelyanovo, Russische Föderation	100.00%		2	[5]	1	
ATLECON Fuel LLC, Atlanta, USA	14.29%	[12]	n/a		n/a	
AUA Beteiligungen Gesellschaft m.b.H., Wien-Flughafen, Österreich	100.00%		10		-3	
AUS Fuel Company, LLC, Austin, USA	6.67%	[12]	n/a		n/a	
Austrian Airlines AG, Wien-Flughafen, Österreich	100.00%		211		127	
Austrian Airlines Technik-Bratislava, s.r.o., Bratislava, Slowakei	100.00%		-5	[5] [6]	-2	
Austrian Airlines Tele Sales Service GmbH, Innsbruck, Österreich	100.00%		1	[5] [6]	0	[9]
Austrian Asset Holding GP S.à r.l. i.L., Luxemburg, Luxemburg	100.00%	[8]	0	[9]	0	[9]
Austrian Asset Holding S.C.S. i.L., Luxemburg, Luxemburg	100.00%	[8]	2		7	
AVIATION Data Hub GmbH, Hamburg, Deutschland	100.00%		0	[5] [6] [9]	0	[9]

Aviation Quality Services GmbH, Frankfurt am Main, Deutschland	100.00%		0	5) 6) 9)	1	
Aviation Services Network GmbH, Friedrichshafen, Deutschland	100.00%		0	5) 6) 9)	1	
AviationPower GmbH, Hamburg, Deutschland	40.83%		-2	5) 6)	-10	
Avionic Design GmbH, Hamburg, Deutschland	100.00%		1	5) 6)	0	9)
BizJet International Sales & Support, Inc., Tulsa, USA	100.00%		30		2	
Brussels Airlines SA/NV, Brüssel, Belgien	100.00%		-199		38	
Cargo Future Communications (CFC) GmbH, Büchenbeuren, Deutschland	100.00%		1	5) 6)	1	
CB Customs Broker GmbH, Kelsterbach, Deutschland	100.00%		0	5) 6) 9)	1	
Charlotte Fuel Facilities LLC, Charlotte, USA	10.00%	12)	n/a		n/a	
Chelyabinsk Catering Service OOO, Chelyabinsk, Russische Föderation	26.00%		0	5) 6) 9)	0	9)
City Airlines GmbH, München, Deutschland	100.00%		6		-18	
Cockpitpersonal GmbH, Frankfurt am Main, Deutschland	100.00%		53		-22	
Delvag Versicherungs-AG, Köln, Deutschland	100.00%		60	5) 6)	6	
Denver Fuel Company, LLC, Newark, USA	5.88%	12)	n/a		n/a	
DLH Fuel Company mbH, Hamburg, Deutschland	100.00%		7	5) 6)	4	
DLH Malta Pension Ltd., St. Julians, Malta	100.00%		n/a	10)	n/a	10)
DLH Malta Transition Limited, St. Julians, Malta	100.00%		n/a	10)	n/a	10)
Edelweiss Air AG, Zürich, Schweiz	100.00%		108		57	
EFM - Gesellschaft für Enteisen und Flugzeugschleppen am Flughafen München mbH, Freising, Deutschland	51.00%		3	5) 6) 7)	0	9)
Egyptian Aviation Services Company (S.A.E.), Cairo, Ägypten	5.83%	12)	n/a		n/a	
EME Aero Sp.z.o.o, Jasionka, Polen	50.00%		30	5) 6)	-11	
Eurowings Aviation GmbH, Köln, Deutschland	100.00%		8		10	
Eurowings Digital GmbH, Köln, Deutschland	100.00%		0	9)	1	
Eurowings Europe GmbH, Wien-Flughafen, Österreich	100.00%		1		-1	
Eurowings Europe Limited, St Julians, Malta	100.00%		6		1	
Eurowings GmbH, Düsseldorf, Deutschland	100.00%		481		-12	
Eurowings Technik GmbH, Köln, Deutschland	100.00%		0	9)	-1	
EW Discover GmbH, Frankfurt am Main, Deutschland	100.00%		-9		27	
Finairport Service S.r.l. i.L., Roma, Italien	100.00%	8)	0	5) 6) 9)	0	9)
Flight Training Alliance GmbH, Frankfurt am Main, Deutschland	50.00%		4	6) 7)	2	
Flughafen München Baugesellschaft mbH, München-Flughafen, Deutschland	40.00%		0	5) 6) 9)	0	9)
FLYdocs Inc. (Delaware Corp.), City of Wilmington, New Castle, USA	100.00%		n/a	10)	n/a	10)
FLYdocs India Private Limited, Vadoora, Indien	100.00%		n/a	10)	n/a	10)
FLYdocs Systems (MIDCO) Limited, Tamworth, Staffordshire, Großbritannien	100.00%		0	5) 6) 9)	0	9)
Flydocs Systems (TOPCO) Limited, Staffordshire, Großbritannien	100.00%		6	5) 6)	0	9)
FLYdocs Systems Limited, Tamworth, Staffordshire, Großbritannien	100.00%		0	5) 6) 9)	0	9)
FraAlliance GmbH, Frankfurt am Main, Deutschland	50.00%		1	5) 6)	0	9)
FraCareServices GmbH, Frankfurt am Main, Deutschland	49.00%		1	5) 6)	0	9)
FSH Flughafen Schwechat-Hydranten-Gesellschaft Gmbh & Co OG, Wien-Flughafen, Österreich	14.29%		n/a	10)	n/a	10)

Gen2 Systems Limited, Tamworth, Großbritannien	100.00%		7	5) 6)	1	
Germanwings GmbH, Köln, Deutschland	100.00%		46		15	
Global Load Control (PTY) LTD, Kapstadt, Südafrika	100.00%		3	5) 6)	1	
Global Tele Sales (PTY) Ltd., Kapstadt, Südafrika	100.00%		n/a	10)	n/a	10)
Global Tele Sales Brno s.r.o., Brno, Tschechische Republik	100.00%		5	5) 6)	0	9)
Global Telesales of Canada, Inc., Peterborough, Kanada	100.00%		n/a	10)	n/a	10)
GOAL German Operating Aircraft Leasing GmbH & Co. KG, Grünwald, Deutschland	40.00%		42	5) 6)	4	
GOAL German Operating Aircraft Leasing GmbH, München, Deutschland	40.00%		0	5) 6) 9)	0	9)
Group Engine Management GmbH, Frankfurt am Main, Deutschland	100.00%		64		-40	
Guangzhou Baiyun International Airport LSG Sky Chefs Co. Ltd., Guangzhou, China	30.00%		2	5) 6)	-3	
Günes Ekspres Havacilik Anonim Sirketi (Sun Express), Antalya, Türkei	50.00%		198	5)	60	
Hamburger Gesellschaft für Flughafenanlagen mbH, Hamburg, Deutschland	100.00%		203		12	
handling counts GmbH, Frankfurt am Main, Deutschland	100.00%		0	5) 6) 9)	1	
Hawker Pacific Aerospace, Sun Valley, USA	100.00%		1		-6	
HEICO Aerospace Holdings Corp., Florida, USA	20.00%		191	5) 6) 7)	35	
help alliance gGmbH, Frankfurt am Main, Deutschland	100.00%		0	5) 6) 9)	0	9)
heyworld GmbH, Frankfurt am Main, Deutschland	100.00%		3	5) 6)	-4	
Hydranten-Betriebs OHG, Frankfurt am Main, Deutschland	49.00%		17	5) 6)	0	9)
Idair GmbH, Hamburg, Deutschland	100.00%		3	5) 6)	-1	
INAIRVATION GmbH, Edlitz-Thomasberg, Österreich	50.00%		0	5) 6) 9)	0	9)
IND Beteiligungs GmbH, Raunheim, Deutschland	100.00%		0	5) 6) 9)	0	9)
Inflight Catering Services Limited, Dar es Salaam, Tansania	61.99%		1	5)	0	9)
In-Flight Management Solutions Latin America, S.A. de C.V., Mexiko-Stadt, Mexiko	100.00%		n/a	10)	n/a	10)
JASEN Grundstücksgesellschaft mbH & Co. oHG, Grünwald, Deutschland	100.00%		20		1	
Jettainer Americas, Inc., East Meadow, USA	100.00%		9		1	
Jettainer GmbH, Raunheim, Deutschland	100.00%		6		4	
Kulinary Holding AG, Opfikon, Schweiz	40.00%		n/a	10)	n/a	10)
LCAG Malta Pension Ltd., St. Julians, Malta	100.00%		n/a	10)	n/a	10)
LCAG Malta Transition Limited, St. Julians, Malta	100.00%		n/a	10)	n/a	10)
LCH Grundstücksgesellschaft Berlin mbH, Frankfurt am Main, Deutschland	100.00%		23		1	
LG-LHT Aircraft Solutions GmbH, Hamburg, Deutschland	51.00%		11	5) 6)	-15	
LG-LHT Passenger Solutions GmbH, Hamburg, Deutschland	51.00%		6	5) 6)	-17	
LGSP Lufthansa Ground Service Portugal, Unipessoal Lda., Maia/Oporto, Portugal	100.00%		6	5) 6)	2	
LHAMI LEASING LIMITED, Dublin, Irland	100.00%		2,278		147	
LHAMIH LIMITED, Dublin, Irland	100.00%		2,554		281	
LHBD Holding Limited i. L., London, Großbritannien	100.00%	1) 8)	0	9)	0	9)
LHT Malta Pension Ltd., St. Julians, Malta	100.00%		n/a	10)	n/a	10)
LSG Malta Pension Ltd., St.Julians, Malta	100.00%		n/a	10)	n/a	10)
LSG Sky Chefs Hamburg GmbH, Neu-Isenburg, Deutschland	100.00%		-3		0	9)

LSG Sky Chefs Havacılık Hizmetleri A.S., İstanbul, Türkei	100.00%		-1	5)	0	9)
LSG Sky Chefs İstanbul Catering Hizmetleri A.S., İstanbul, Türkei	100.00%	4)	10	5)	0	9)
LSG Sky Chefs Kenya Limited, Nairobi, Embakasi District, Kenia	50.20%		-6	5)	-1	
LSG Sky Chefs UK Ltd. i.L., Orpington, Großbritannien	100.00%	8)	0	9)	0	9)
LSG/Sky Chefs Europe Holdings Ltd., Hounslow, Großbritannien	100.00%		-26		-27	
LSI Malta Pension Ltd., St. Julians, Malta	100.00%		n/a	10)	n/a	10)
Luftfahrzeugverwaltungsgesellschaft GOAL mbH i.L., Grünwald, Deutschland	40.00%	8)	0	5) 6) 9)	0	9)
Lufthansa AirPlus Servicekarten GmbH, Neu-Isenburg, Deutschland	100.00%		264		-69	
Lufthansa Asset Management GmbH, Frankfurt am Main, Deutschland	100.00%		2,963		296	
Lufthansa Asset Management Leasing GmbH, Frankfurt am Main, Deutschland	100.00%		849		104	
Lufthansa Aviation Training Austria GmbH, Wien-Flughafen, Österreich	100.00%		10	5) 6)	1	
Lufthansa Aviation Training Germany GmbH, Frankfurt am Main, Deutschland	100.00%		73		20	
Lufthansa Aviation Training GmbH, München, Deutschland	100.00%		143		7	
Lufthansa Aviation Training Operations Germany GmbH, Berlin, Deutschland	100.00%		5	5) 6)	1	
Lufthansa Aviation Training Pilot Academy GmbH, Frankfurt am Main, Deutschland	100.00%		1	5) 6)	0	9)
Lufthansa Aviation Training Switzerland AG, Opfikon, Schweiz	100.00%		96		7	
Lufthansa Aviation Training USA Inc., Goodyear, USA	100.00%		13	5) 6)	1	
Lufthansa Blues Beteiligungs GmbH, Frankfurt am Main, Deutschland	100.00%		0	5) 6) 9)	0	9)
Lufthansa Cagri Merkezi ve Müsteri Hizmetleri A.S., Istanbul, Türkei	100.00%		n/a	10)	n/a	10)
Lufthansa Cargo Aktiengesellschaft, Frankfurt am Main, Deutschland	100.00%		670		105	
Lufthansa Cargo Servicios Logisticos de Mexico, S.A. de C.V., Mexiko-Stadt, Mexiko	100.00%		5	5) 6)	5	
Lufthansa City Center International GmbH, Frankfurt am Main, Deutschland	50.00%		1	5) 6)	0	9)
Lufthansa CityLine GmbH, München-Flughafen, Deutschland	100.00%		283		-49	
Lufthansa Commercial Holding Gesellschaft mit beschränkter Haftung, Frankfurt am Main, Deutschland	100.00%		5,376		597	
Lufthansa Consulting Brasil Ldta., Rio de Janeiro, Brasilien	99.90%		n/a	10)	n/a	10)
Lufthansa Consulting GmbH, Frankfurt am Main, Deutschland	100.00%		7	5) 6)	-1	
Lufthansa Engineering and Operational Services GmbH, Frankfurt am Main, Deutschland	100.00%		6	5) 6)	-1	
Lufthansa Global Business Services Ltd., Bangkok, Thailand	100.00%		1	5) 6)	0	9)
Lufthansa Global Business Services S.A. de C.V., Mexiko-Stadt, Mexiko	100.00%		0	5) 6) 9)	0	9)
Lufthansa Global Business Services Sp. z o. o., Krakow, Polen	100.00%		9	5) 6)	2	
Lufthansa Global Tele Sales GmbH, Berlin, Deutschland	100.00%		7	5) 6)	-10	
Lufthansa Group Business Services GmbH, Frankfurt am Main, Deutschland	100.00%		70		-3	
Lufthansa Group Business Services Hong Kong Limited, Hong Kong, China	100.00%		0	5) 6) 9)	0	9)
Lufthansa Group Business Services Johannesburg (pty) Ltd., Gauteng, Südafrika	100.00%		0	5) 6) 9)	0	9)
Lufthansa Group Business Services New York LLC, Wilmington, Delaware, USA	100.00%		n/a	10)	n/a	10)
Lufthansa Group Business Services Wien GmbH, Wien, Österreich	100.00%		n/a	10)	n/a	10)
Lufthansa Group Digital Hangar GmbH, Raunheim, Deutschland	100.00%		0	9)	0	9)
Lufthansa Group Immobilien GmbH, Frankfurt am Main, Deutschland	100.00%		15		1	
Lufthansa Group Security Operations GmbH, Frankfurt am Main, Deutschland	100.00%		0	5) 6) 9)	-1	

LUFTHANSA GROUP TASTE & MORE GmbH, Hamburg, Deutschland	100.00%		0	5) 6) 9)	-2	
Lufthansa HNA Technical Training Co., Ltd., Meilan Airport, Hainan, China	50.00%		n/a	10)	n/a	10)
Lufthansa Industry Solutions AS GmbH, Norderstedt, Deutschland	100.00%		13		-12	
Lufthansa Industry Solutions BS GmbH, Raunheim, Deutschland	100.00%		34		-4	
Lufthansa Industry Solutions GmbH & Co. KG., Norderstedt, Deutschland	100.00%		35		3	
Lufthansa Industry Solutions SHPK, Tirana, Albanien	100.00%		2	5) 6)	1	
Lufthansa Industry Solutions Verwaltungs GmbH, Norderstedt, Deutschland	100.00%		270		-17	
Lufthansa Innovation Hub GmbH, Berlin, Deutschland	100.00%		0	5) 6) 9)	-2	
Lufthansa International Finance (Netherlands) N. V., Amsterdam, Niederlande	100.00%		0	5) 6) 9)	0	9)
Lufthansa Job Services Norderstedt GmbH, Norderstedt, Deutschland	100.00%		2	5) 6)	0	9)
Lufthansa Leasing Austria 1. Beteiligungs GmbH, Salzburg, Österreich	100.00%		3		3	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 10, Salzburg, Österreich	100.00%	11)	19		15	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 12, Salzburg, Österreich	100.00%	11)	35		27	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 14, Salzburg, Österreich	100.00%	11)	53		41	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 15, Salzburg, Österreich	100.00%	11)	21		17	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 16, Salzburg, Österreich	100.00%	11)	18		14	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 18, Salzburg, Österreich	100.00%	11)	2		1	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 19, Salzburg, Österreich	100.00%	11)	2		1	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 20, Salzburg, Österreich	100.00%	11)	18		13	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 21, Salzburg, Österreich	100.00%	11)	27		20	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 22, Salzburg, Österreich	100.00%	11)	45		12	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 24, Salzburg, Österreich	100.00%	11)	33		4	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 25, Salzburg, Österreich	100.00%	11)	23		4	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 26, Salzburg, Österreich	100.00%	11)	107		21	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 27, Salzburg, Österreich	100.00%	11)	17		6	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 28, Salzburg, Österreich	100.00%	11)	115		23	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 29, Salzburg, Österreich	100.00%	11)	19		13	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 30, Salzburg, Österreich	100.00%	11)	19		12	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 31, Salzburg, Österreich	100.00%	11)	16		2	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 32, Salzburg, Österreich	100.00%	11)	76		12	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 33, Salzburg, Österreich	100.00%	11)	29		1	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 34, Salzburg, Österreich	100.00%	11)	65		13	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 35, Salzburg, Österreich	100.00%	11)	46		1	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 37, Salzburg, Österreich	100.00%	11)	217		16	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 38, Salzburg, Österreich	100.00%		40		-1	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 39, Salzburg, Österreich	100.00%		31		3	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 40, Salzburg, Österreich	100.00%		94		-11	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 41, Salzburg, Österreich	100.00%		80		-7	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 42, Salzburg, Österreich	100.00%	11)	120		8	

Lufthansa Leasing Austria GmbH & Co. OG Nr. 43, Salzburg, Österreich	100.00%	11)	28		3	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 44, Salzburg, Österreich	100.00%	11)	25		-2	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 45, Salzburg, Österreich	100.00%	11)	39		0	9)
Lufthansa Leasing Austria GmbH & Co. OG Nr. 46, Salzburg, Österreich	100.00%		27		-2	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 47, Salzburg, Österreich	100.00%		50		1	
Lufthansa Leasing Austria GmbH & Co. OG Nr. 48, Salzburg, Österreich	100.00%		0	9)	0	9)
Lufthansa Leasing Austria GmbH & Co. OG Nr. 49, Salzburg, Österreich	100.00%		0	9)	0	9)
Lufthansa Leasing Austria GmbH & Co. OG Nr. 51, Salzburg, Österreich	100.00%		0	9)	0	9)
Lufthansa Leasing Austria GmbH & Co. OG Nr. 52, Salzburg, Österreich	100.00%	11)	0	6) 9)	0	9)
Lufthansa Leasing Austria GmbH & Co. OG Nr. 53, Salzburg, Österreich	100.00%	11)	0	6) 9)	0	9)
Lufthansa Leasing Austria GmbH & Co. OG Nr. 54, Salzburg, Österreich	100.00%	11)	0	6) 9)	0	9)
Lufthansa Leasing Austria GmbH & Co. OG Nr. 55, Salzburg, Österreich	100.00%		0	6) 9)	0	9)
Lufthansa Leasing Austria GmbH & Co. OG Nr. 56, Salzburg, Österreich	100.00%		0	6) 9)	0	9)
Lufthansa Leasing GmbH, Grünwald, Deutschland	49.00%		5	5) 6)	1	
Lufthansa Malta Aircraft-Leasing Ltd., St. Julians, Malta	100.00%		707		165	
Lufthansa Malta Blues General Partner GmbH & Co. KG, Frankfurt am Main, Deutschland	100.00%		0	5) 6) 9)	0	9)
Lufthansa Malta Blues LP, St. Julians, Malta	99.99%		-562		0	9)
Lufthansa Malta Corporate Finance Limited, St. Julians, Malta	100.00%		184		2	
Lufthansa Malta Finance Holding Limited, St. Julians, Malta	100.00%		211		12	
Lufthansa Malta Pension Holding Ltd., St. Julians, Malta	100.00%		n/a	10)	n/a	10)
Lufthansa Malta Treasury Services Limited, St. Julians, Malta	100.00%		1		0	9)
Lufthansa Pension Beteiligungs GmbH, Frankfurt am Main, Deutschland	100.00%		0	5) 6) 9)	0	9)
Lufthansa Pension GmbH & Co. KG, Frankfurt am Main, Deutschland	100.00%		8,751	5) 6)	1	
Lufthansa Process Management GmbH, Neu-Isenburg, Deutschland	100.00%		6		2	
Lufthansa Seeheim GmbH, Seeheim-Jugenheim, Deutschland	100.00%		4		-2	
Lufthansa Services (Thailand) Ltd., Bangkok, Thailand	100.00%		2	5) 6)	1	
Lufthansa Services Philippines, Inc., Manila, Philippinen	100.00%		1	5) 6)	0	9)
Lufthansa Super Star Gesellschaft mit beschränkter Haftung i.L., Berlin, Deutschland	100.00%	8)	-5	5) 6)	0	9)
Lufthansa Systems 25. GmbH, Raunheim, Deutschland	100.00%		0	5) 6) 9)	0	9)
Lufthansa Systems Americas, Inc., Miami, USA	100.00%		5		4	
Lufthansa Systems Asia Pacific Pte. Ltd., Singapur, Singapur	100.00%		4	5) 6)	1	
Lufthansa Systems FlightNav AG, Opfikon, Schweiz	100.00%		6	5) 6)	2	
Lufthansa Systems GmbH, Raunheim, Deutschland	100.00%		395		29	
Lufthansa Systems Hungaria Kft, Budapest, Ungarn	100.00%		6	5) 6)	4	
Lufthansa Systems Poland Sp. z o.o., Danzig, Polen	100.00%		7	5) 6)	2	
Lufthansa Technical Training GmbH, Hamburg, Deutschland	100.00%		4	5) 6)	-5	
Lufthansa Technik AERO Alzey GmbH, Alzey, Deutschland	100.00%		49		6	
Lufthansa Technik AG, Hamburg, Deutschland	100.00%		2,021		305	
Lufthansa Technik Airmotive Ireland Holdings Ltd., Dublin, Irland	100.00%		149		1	

Lufthansa Technik Airmotive Ireland Leasing Limited, Dublin, Irland	100.00%		455		54	
Lufthansa Technik Budapest Repülögép Nagyjavító Kft., Budapest, Ungarn	100.00%		10		1	
Lufthansa Technik Component Services Asia Pacific Limited, Hongkong, China	100.00%		1	5) 6)	0	9)
Lufthansa Technik Component Services LLC, Tulsa, USA	100.00%		37		5	
Lufthansa Technik Immobilien- und Verwaltungsgesellschaft mbH, Hamburg, Deutschland	100.00%		35		-2	
Lufthansa Technik Intercoat GmbH, Kaltenkirchen, Deutschland	51.00%		2	5) 6)	0	9)
Lufthansa Technik Landing Gear Services UK Limited, Kestrel Way, Hayes, Großbritannien	100.00%		-26		0	9)
Lufthansa Technik Logistik GmbH, Hamburg, Deutschland	100.00%		51		2	
Lufthansa Technik Logistik Services GmbH, Hamburg, Deutschland	100.00%		18		0	9)
Lufthansa Technik Malta Limited, Luqa, Malta	92.00%		9		1	
Lufthansa Technik Middle East FZE, Dubai, Vereinigte Arabische Emirate	100.00%		1	5) 6)	0	9)
Lufthansa Technik Milan s.r.l., Somma Lombardo (VA), Italien	100.00%		4	5) 6)	1	
Lufthansa Technik North America Holding Corp., Tulsa, USA	100.00%		256		-2	
Lufthansa Technik Objekt- und Verwaltungsgesellschaft mbH, Hamburg, Deutschland	100.00%		85		7	
Lufthansa Technik Philippines, Inc., Manila, Philippinen	51.00%		56		19	
Lufthansa Technik Puerto Rico LLC, San Juan, Puerto Rico	100.00%		17		1	
Lufthansa Technik Services India Private Limited, New Delhi, Indien	100.00%		8	6) 7)	0	9)
Lufthansa Technik Shenzhen Co. Ltd., Shenzhen, China	80.00%		73		8	
Lufthansa Technik Sofia OOD, Sofia, Bulgarien	75.10%		19		3	
Lufthansa Technik Turbine Shannon Limited, Shannon, Irland	100.00%		12	5) 6)	1	
Lufthansa Technik Vostok Services OOO, Moscow, Russische Föderation	100.00%		1	5) 6)	0	9)
Lufthansa UK Pension Trustee Limited, West Drayton, Middlesex, Großbritannien	100.00%		0	5) 6) 9)	0	9)
Lumics GmbH & Co. KG, Hamburg, Deutschland	50.00%		0	5) 6) 9)	1	
Lumics Verwaltungs GmbH, Hamburg, Deutschland	50.00%		0	5) 6) 9)	0	9)
Malta Pension Investments, St. Julians, Malta	0.00%	12)	n/a		n/a	
MARDU Grundstücks-Verwaltungsgesellschaft mbH & Co. oHG, Grünwald, Deutschland	100.00%		134		13	
Miles & More GmbH, Frankfurt am Main, Deutschland	100.00%		-4		13	
Montreal International Fuel Facilities Corporation, Dorval, Kanada	8.10%	12)	n/a		n/a	
MUSA Grundstücks-Verwaltungsgesellschaft mbH & Co. oHG, Grünwald, Deutschland	100.00%		22		4	
N3 Engine Overhaul Services GmbH & Co. KG, Arnstadt, Deutschland	50.00%		130	5) 6)	7	
N3 Engine Overhaul Services Verwaltungsgesellschaft mbH, Hamburg, Deutschland	50.00%		0	5) 6) 9)	0	9)
ÖLB Österreichische Luftverkehrs-Beteiligungs-GmbH, Wien-Flughafen, Österreich	100.00%		502		0	9)
ÖLH Österreichische Luftverkehrs-Holding-GmbH, Wien-Flughafen, Österreich	100.00%	2)	186		8	
ÖLP Österreichische Luftverkehrs-Privatstiftung, Wien-Flughafen, Österreich	0.00%	3)	0	9)	0	9)
OOO LSG Sky Chefs Rus, Moscow, Russische Föderation	100.00%		1	5)	0	9)
Orlando Fuel Facilities LLC, Orlando, USA	5.88%	12)	n/a		n/a	
Oscar Bravo GmbH, München, Deutschland	100.00%		0	5) 6) 9)	0	9)
PHL Fuel Facilities LLC, Philadelphia, USA	10.00%	12)	n/a		n/a	
Quinto Grundstücksgesellschaft mbH & Co. oHG, Grünwald, Deutschland	99.73%		68		3	

Quinto Grundstücks-Verwaltungsgesellschaft mbH, Grünwald, Deutschland	94.80%		4	5) 6)	0	9)
Reservation Data Maintenance India Private Ltd., Neu-Delhi, Indien	51.00%		5	6) 7)	1	
RPC West GmbH, Neu-Isenburg, Deutschland	100.00%		0	9)	0	9)
SAN Fuel Company, LLC, San Diego, USA	5.56%	12)	n/a		n/a	
Sanya LSG Air Catering Co. Ltd., Sanya, China	45.00%		6	5) 6)	-1	
SCA Schedule Coordination Austria GmbH, Wien-Flughafen, Österreich	25.00%		1	5) 6)	0	9)
Shanghai Pudong International Airport Cargo Terminal Co. Ltd., Shanghai, China	29.00%		148	5) 6)	32	
Shared Services International India Private Limited, Neu-Delhi, Indien	100.00%		1	6) 7)	0	9)
Shared Services International, Singapore PTE. LTD, Singapur, Singapur	100.00%		1	5) 6)	0	9)
Shenzhen Airport International Cargo Terminal Company Limited, Shenzhen, China	50.00%		26	5) 6)	14	
Sichuan Airlines LSG Air Catering Co. Ltd., Chengdu, China	40.00%		0	5) 6) 9)	-10	
SN Airholding SA/NV, Brüssel, Belgien	100.00%		715		-1	
Spairliners GmbH, Hamburg, Deutschland	50.00%		47	5) 6)	13	
Star Risk Services Inc. i.L., Southlake, USA	100.00%	8)	n/a	10)	n/a	10)
STL Fuel Company, LLC, Washington, D.C., USA	10.00%	12)	n/a		n/a	
Swiss Aviation Software AG, Allschwil, Schweiz	100.00%		11		2	
Swiss International Air Lines AG, Basel, Schweiz	100.00%		2,438		540	
Swiss WorldCargo (India) Private Limited i.L., Mumbai, Indien	100.00%	8)	0	5) 6) 9)	0	9)
TATS - Travel Agency Technologies & Services GmbH, Frankfurt am Main, Deutschland	100.00%		2	5) 6)	-1	
Terminal 2 Gesellschaft mbH & Co oHG, München-Flughafen, Deutschland	40.00%		61	5) 6)	32	
Terminal One Group Association, L.P., New York, USA	24.75%		8	5) 6)	0	9)
Terminal One Management Inc., New York, USA	25.00%		0	5) 6) 9)	0	9)
THBG BBI GmbH, Schönefeld, Deutschland	46.45%		14	5) 6)	n/a	10)
time:matters (Shanghai) International Freight Forwarding Ltd., Shanghai, China	100.00%		5	5) 6)	3	
time:matters Americas, Inc., Miami, USA	100.00%		1	5) 6) 7)	3	
time:matters Asia Pacific Pte. Ltd., Singapur, Singapur	100.00%		1	5) 6)	0	9)
time:matters Austria GmbH, Wien-Flughafen, Österreich	100.00%		7	5) 6)	1	
time:matters Belgium BVBA, Mechelen, Belgien	100.00%		1	5) 6)	0	9)
time:matters Courier Terminals GmbH, Frankfurt am Main, Deutschland	100.00%		0	5) 6) 9)	3	
time:matters GmbH, Neu-Isenburg, Deutschland	100.00%		69		34	
time:matters Netherlands B.V., Schiphol-Rijk, Niederlande	100.00%		21	5) 6)	15	
Tolmachevo Catering OOO, Novosibirsk, Russische Föderation	26.00%		1	5) 6)	1	
Truffle 2 GmbH, Frankfurt am Main, Deutschland	100.00%		149		-56	
Truffle 3 GmbH, Frankfurt am Main, Deutschland	100.00%		27		-1	
Truffle 4 GmbH, Frankfurt am Main, Deutschland	100.00%		33		26	
Truffle 5 GmbH, Frankfurt am Main, Deutschland	100.00%		0	9)	11	
Truffle Holding AG, Frankfurt am Main, Deutschland	100.00%		681		-476	
UBAG Unterflurbetankungsanlage Flughafen Zürich AG, Rümlang, Schweiz	12.00%	12)	n/a		n/a	
Vancouver Airport Fuel Facilities Corporation, Dorval, Kanada	5.72%	12)	n/a		n/a	

Vitech Development AD, Sofia, Bulgarien	75.01%		n/a	10)	n/a	10)
VPF Malta Pension Ltd., St. Julians, Malta	100.00%		n/a	10)	n/a	10)
Wings Handling Palma S.L., Madrid, Spanien	100.00%		n/a	10)	n/a	10)
XEOS Sp.z.o.o., Środa Śląska, Polen	25.00%		46	5) 6)	-10	
Xinjiang HNA LSG Sky Chefs Co. Ltd., Urumqi, China	49.00%		0	5) 6) 9)	-3	
Yilu Travel Services GmbH, Berlin, Deutschland	100.00%		0	5) 6) 9)	-1	
Zentrum für Angewandte Luftfahrtforschung GmbH, Hamburg, Deutschland	20.00%		8	5) 6)	0	9)
ZeroG GmbH, Raunheim, Deutschland	100.00%		0	5) 6) 9)	0	9)

* IFRS disclosures
1) Registrationnumber in Companies House: 06939137
2) 50.20% of the equity stake and voting rights come from ÖLP
3) Management responsibility for this company lies within the LH Group
4) 33.34% of the equity stake and 50.01% of voting rights are attributed via a call option
5) Financial statements from previous years
6) Local GAAP disclosures
7) Divergent financial year
8) In liquidation
9) < EUR 500k absolute
10) No figures available
11) Stated due to §285 Nr. 11a HGB: DLH as shareholder with unlimited liability
12) Stated due to §285 Nr. 11b HGB: proportion of voting rights > 5%

Declaration by the legal representatives

We declare that, to the best of our knowledge and according to the applicable accounting standards, the financial statements give a true and fair view of the net assets, the financial and earnings positions of the Company, and that the management report, which has been combined with the Group management report, includes a fair view of the course of business, including the business result and the situation of the Company, and suitably presents the principal opportunities and risks to its future development.

Frankfurt am Main, 26 February 2024

Deutsche Lufthansa Aktiengesellschaft

Carsten Spohr
Chairman of the Executive Board
and CEO

Christina Foerster
Member of the Executive Board
Brand & Sustainability

Harry Hohmeister
Member of the Executive Board
Global Markets & Network

Detlef Kayser
Member of the Executive Board
Fleet & Technology

Michael Niggemann
Member of the ExecutiveBoard
Human Resources &
Infrastructure, Labor Director

Remco Steenbergen
Member of the Executive Board
Finance

Independent auditor's report

To Deutsche Lufthansa Aktiengesellschaft

REPORT ON THE AUDIT OF THE ANNUAL FINANCIAL STATEMENTS AND OF THE COMBINED MANAGEMENT REPORT

Opinions

We have audited the annual financial statements of Deutsche Lufthansa Aktiengesellschaft, Cologne, which comprise the balance sheet as at 31 December 2023, and the income statement for the fiscal year from 1 January to 31 December 2023, and notes to the financial statements, including the recognition and measurement policies presented therein. In addition, we have audited the combined management report of Deutsche Lufthansa Aktiengesellschaft for the fiscal year from 1 January to 31 December 2023. In accordance with the German legal requirements, we have not audited the content of the declaration on corporate governance pursuant to Sec. 289f HGB ["Handelsgesetzbuch": German Commercial Code] which is published on the website stated in the "Corporate Governance" section of the combined management report, the non-financial declaration pursuant to Sec. 289b HGB included in the "Combined non-financial declaration" section of the combined management report or the information on the main characteristics of the entire internal control system (disclosures in accordance with recommendation A.5 of the German Corporate Governance Code (DCGK 2022)) contained in the Opportunities and risk report section of the combined management report under the heading "Internal control system." In addition, we have not audited the content of the disclosures extraneous to management reports extending beyond the prior year in the tables with multi-year comparisons of the combined management report (information pertaining to fiscal years 2019, 2020 and 2021). Disclosures extraneous to management reports are such disclosures that are not required pursuant to Secs. 289, 289a HGB or Secs. 289b to 289f HGB.

In our opinion, on the basis of the knowledge obtained in the audit,

— the accompanying annual financial statements comply, in all material respects, with the requirements of German commercial law applicable to business corporations and give a true and fair view of the assets, liabilities and financial position of the Company as at 31 December 2023 and of its financial performance for the fiscal year from 1 January to 31 December 2023 in compliance with German legally required accounting principles, and

— the accompanying combined management report as a whole provides an appropriate view of the Company's position. In all material respects, this combined management report is consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development.

We do not express an opinion on the content of aforementioned declaration on corporate governance, the content of the non-financial declaration, the aforementioned description of the entire internal control system (disclosures in accordance with recommendation A.5 DCGK 2022) or the aforementioned multi-year comparisons of the combined management report.

Pursuant to Sec. 322 (3) Sentence 1 HGB, we declare that our audit has not led to any reservations relating to the legal compliance of the annual financial statements and of the combined management report.

Basis for the Opinions

We conducted our audit of the annual financial statements and of the combined management report in accordance with Sec. 317 HGB and the EU Audit Regulation (No 537/2014, referred to subsequently as "EU Audit Regulation") and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the Institut der Wirtschaftsprüfer [Institute of Public Auditors in Germany] (IDW). Our responsibilities under those requirements and principles are further described in the "Auditor's responsibilities for the audit of the annual financial statements and of the combined management report" section of our auditor's report. We are independent of the Company in accordance with the requirements of European law and German commercial and professional law, and we have fulfilled our other German professional responsibilities in accordance with these requirements. In addition, in accordance with Art. 10 (2) f) of the EU Audit Regulation, we declare that we have not provided non-audit services prohibited under Art. 5 (1) of the EU Audit Regulation. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinions on the annual financial statements and on the combined management report.

Key audit matters in the audit of the annual financial statements

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual financial statements for the fiscal year from 1 January to 31 December 2023. These matters were addressed in the context of our audit of the annual financial statements as a whole, and in forming our opinion thereon; we do not provide a separate opinion on these matters.

Below, we describe what we consider to be the key audit matters:

1. Recognition of traffic revenue, including the recognition of unused flight documents

Reasons why the matter was determined to be a key audit matter

Passenger flights account for the largest share of the Company's business operations. The related flight documents are paid by the customer before the flight takes place. Prepayments by customers for flight documents are accounted for as prepayments received for flight documents until the flight documents are used. Deutsche Lufthansa Aktiengesellschaft recognizes flight documents as revenue in profit or loss when the aircraft lands at the destination airport.

Any flight documents that have not been used by the end of the fiscal year, are still valid at year-end and continue to be recognized in prepayments received for flight documents are examined at year-end to determine their age and validity. In addition, historical data is used to estimate how many flight documents will no longer be used. The flight documents with a high probability of no longer being used are recognized as breakage under revenue in profit or loss.

From our perspective, the recognition of traffic revenue, including the recognition of unused flight documents, entails a significant risk of material misstatement and was therefore a key audit matter in our audit, since the estimates of the executive directors have a significant effect on the recognition and valuation of these items, which are specific to the business model and significant in terms of the amount. The estimates and assumptions of the executive directors regarding the passengers' flight document usage patterns are based on complex calculation procedures which are subject to judgment. This relates in particular to revenue from the derecognition (release) of the prepayments received for flight documents (breakage revenue).

Auditor's response

During our audit procedures, we obtained an understanding of the processes implemented by the executive directors of Deutsche Lufthansa Aktiengesellschaft for recognizing traffic revenue and the correct timing of revenue recognition related to breakage by reference to individual transactions from the purchase of the flight documents through to recognition in the annual financial statements and tested the controls in place in this process. In addition, with the aid of internal IT specialists, we assessed the design and operating effectiveness of the control system established by the Company with regard to the IT systems relevant for the recognition of traffic revenue. In so doing, we assessed in particular the mapping and processing of business processes, the possibilities for IT administrators to make changes and the access rights of individual employees. With regard to services related to IT systems and processes outsourced to third parties, we assessed, with the aid of internal IT specialists, the design and operating effectiveness of the internal control system regarding those IT systems and/or processes relevant for the recognition of traffic revenue, using an assurance report (ISAE 3402 Type 2) on the design and operating effectiveness of the internal control system at the service organization.

Using substantive analytical procedures, we examined whether the revenue generated in fiscal year 2023 correlates with the corresponding prepayments received for flight documents and the corresponding payments received to identify any irregularities in the accounting treatment. We examined the plausibility of and reasons for any deviations and/or irregularities in the correlation. In addition, we used data analytics to identify any irregularities in the posting data compared to relevant document types and system users, among other things. To detect any irregularities in the development of revenue, we also checked whether the development of revenue is consistent with the Company's key performance indicators reported internally and overall industry performance. Moreover, we reconciled individual payments received with the corresponding supporting documents for proof of payments received (e.g., account statements) on a sample basis and checked that they resulted in the derecognition of a receivable from the sale of flight documents.

In particular, we assessed the Company's accounting approach with regard to the relevant provisions of the HGB.

During our audit, we reviewed, with regard to the breakage revenue recognized upon the derecognition of prepayments received for flight documents (release), outstanding valid flight documents and their valuation with regard to their sales year and validity. Moreover, we assessed the consistency of the calculation methods used to determine flight prices, fees, taxes and other charges allocable to flight documents that are no longer expected to be used. We tested the plausibility of future expected usage rates for unused flight documents that are used to calculate breakage revenue based on past usage rates and the information on the passengers' expected future flight patterns provided to us by the executive directors. In particular, we obtained an understanding of the manual accrual postings made in this respect on the basis of the supporting documents. As such manual accrual postings are always made at year-end, we also assessed the accuracy of the accounting cut-off as part of our assessment of the design and operating effectiveness of the Company's internal control system. We discussed with the Company factors and unique features of the industry as well as the transport conditions of Deutsche Lufthansa Aktiengesellschaft that influence the usage ratios and assessed their completeness and plausibility. We tested the plausibility of the effects and described implications of these factors by comparing the usage ratios to periods in which these factors did not apply. To assess the reliability of the forecasts and estimates used, we compared the number of expired tickets to the amount of breakage revenue recognized in the past.

Our audit procedures did not give rise to any reservations regarding the recognition of traffic revenue, including the recognition of unused flight documents.

Reference to related disclosures
With regard to the accounting policies used for revenue recognition and prepayments received for flight documents as well as the associated exercise of judgment, we refer to the disclosures under "2 Summary of significant accounting policies," "15 Liabilities" and "19 Traffic revenue" in the notes to the financial statements.

2. Valuation of aircraft including investments in aircraft owning companies

Reasons why the matter was determined to be a key audit matter
In the aircraft balance sheet item of its annual financial statements, the Company recognizes aircraft that it legally owns as well as prepayments made for new aircraft ordered. The Company also leases aircraft from aircraft owning companies in which the Company has a direct or indirect equity investment and whose direct equity investments are recognized under the item financial investments, as well as from external lessors. Leased aircraft are recognized in the Company's annual financial statements if the Company is the economic owner. Economic ownership is assessed according to the general principles of commercial law and considering decrees on leasing issued by the tax authorities, where applicable.

The valuation of aircraft for commercial law purposes is based on acquisition cost less depreciation or impairment losses. The Company calculates depreciation on the basis of the average actual useful lives of aircraft. Impairment losses are recognized if the impairment of an aircraft is permanent. Such impairment losses are recognized to reflect the lower net realizable value, taking into account The Aircraft Value Reference (TAVR) regularly published by Aircraft Value Analysis Company Ltd, Derby, UK.

Shares in aircraft owning companies are measured at the lower of acquisition cost or net realizable value for commercial law purposes. The net realizable value of the equity investment is calculated based on the net realizable value of the assets held by the aircraft owning company, primarily the aircraft, which is derived from TAVR.

From our perspective, the valuation of aircraft including equity investments in aircraft owning companies was a key audit matter in our audit as the valuation of these items, which are significant in amount, is highly complex due to a wide variety of contractual provisions and is also based to a large extent on estimates and assumptions made by the Company's executive directors, such that there is an elevated risk of incorrect valuation.

Auditor's response
We firstly scrutinized the internal control system established by the executive directors for the valuation of aircraft and of equity investments in aircraft owning companies by testing the design of the processes and assessing the risk of material misstatement.

To assess the correctness of the recognition of additions to and disposals of aircraft as well as prepayments made for aircraft, we referred, among other things, to the related purchase agreements and transfer documents as well as the payment schedules and proofs of payment based on from the aircraft orders. Using transfer documents and proofs of payment, we checked the correct recognition of the carrying amounts of the equity investments in aircraft owning companies. For leased aircraft, we examined the lease agreements concluded and assessed these in particular with regard to the correct attribution of economic ownership. Furthermore, we assessed the appropriateness of the valuation assumptions used by the executive directors to determine the depreciation of the aircraft and the net realizable value of the aircraft and aircraft owning companies, taking the available information into account.

In addition, we assessed the method used in the impairment test conducted by the executive directors. The impairment test of both the aircraft in the legal ownership of the Company and of the aircraft owning companies is based, among other things, on observable market data on prices, which are determined taking TAVR into account. We assessed whether the prices used in the impairment tests for each aircraft model were transparently derived from TAVR. We also examined the assessment of the executive directors of when impairment is expected to be permanent. Furthermore, we checked the clerical accuracy of the calculation of the excess or shortfall in the carrying amounts of the aircraft and the equity investments in individual periods compared with the TAVR values for each aircraft. We also checked whether all aircraft recognized in asset accounting were included in the executive directors' impairment test. In addition, we scrutinized and checked fleet management's assessment on the use of the TAVR values as references for the impairment test. We also critically assessed and checked the Company's assessment with regard to any potential for reversals of impairments on aircraft which were written down especially at the beginning of the COVID-19 pandemic.

Our audit procedures did not lead to any reservations relating to the valuation of aircraft including equity investments in aircraft owning companies.

Reference to related disclosures
he disclosures for the accounting policies applied concerning aircraft and financial assets, as well as the related judgments exercised are contained in sections "2 Summary of significant accounting policies," "3 Fixed assets" and "24 Depreciation, amortization and impairment" in the notes to the financial statements

3. Recoverability of deferred tax assets

Reasons why the matter was determined to be a key audit matter

The deferred tax assets arising from tax loss carryforwards and deductible temporary differences reported in the annual financial statements of Deutsche Lufthansa Aktiengesellschaft constitute an asset which is significant in amount. When accounting for the deferred tax assets, Deutsche Lufthansa Aktiengesellschaft assesses the extent to which it is probable that sufficient taxable profit will be available in the future to allow the deferred tax assets to be utilized.

The recoverability of the deferred tax assets is based on estimates and assumptions made by the Executive Board in relation to the future operating performance of Deutsche Lufthansa Aktiengesellschaft and its direct and indirect tax group companies. The Executive Board has prepared a Group operational planning (GOP) for fiscal years 2024 to 2027 and, based thereon, forecast taxable profit for Deutsche Lufthansa Aktiengesellschaft and its direct and indirect tax group companies.

From our perspective, the assessment of the recoverability of this item, which is significant in amount, was a key audit matter in our audit as it is based to a large extent on the judgments, estimates and assumptions of the executive directors regarding sufficient taxable profit, particularly in light of current global security developments, including the war between Russia and Ukraine, the conflict between Israel and Hamas, various coups in Africa, ongoing tensions between China and Taiwan as well as possible knock-on effects on international economic relationships and the related uncertainty surrounding the future development of air travel.

Auditor's response

We firstly scrutinized the internal control system established by the executive directors for the determination and recognition of deferred taxes by testing the design of the processes and assessing the risk of material misstatement.

To assess the recoverability of the deferred tax assets, with the aid of our valuation specialists, we analyzed the executive directors' forecasts of the further taxable profit, checked their mathematical accuracy and discussed them with the responsible management level. We analyzed management's disclosures on the key planning assumptions, strategic objectives, expected developments and operational measures and their inclusion/reflection in the cash flows and assessed their plausibility (transparency, consistency, lack of contradiction). Our analysis was based on analyst estimates, both for the Company as well as in relation to comparable companies, along with other external forecasts on the development of the airline industry (market studies) and macroeconomic forecasts. We also checked the reconciliation from the GOP to the tax planning by making inquiries of the responsible employees of Deutsche Lufthansa Aktiengesellschaft and of management as well as through recalculations, plausibility testing and analysis of the reconciliation items.

We assessed the positive and negative evidence of sufficient taxable profit likely being available in the future considered by management for the recognition of deferred tax assets and their individual significance for the overall assessment, discussed them with the responsible management level and examined their plausibility (transparency, consistency, lack of contradiction).

Our tax specialists were involved in all phases of the audit.

Our audit procedures did not lead to any reservations relating to the assessment of the recoverability of deferred tax assets.

Reference to related disclosures

With regard to the recognition of deferred tax assets and judgments made by the Executive Board in financial reporting and sources of estimation uncertainty, we refer to the disclosures in the notes to the financial statements under "2 Summary of significant accounting policies," "9 Deferred tax assets" and "29 Taxes."

4. Recognition of accounting gains from the in-kind contributions of the shares in Lufthansa Cargo AG and Lufthansa Technik AG to Lufthansa Commercial Holding GmbH and measurement of the contributed shares as of the reporting date

Reasons why the matter was determined to be a key audit matter

At the beginning of fiscal year 2023, Deutsche Lufthansa Aktiengesellschaft was the direct and sole shareholder of Lufthansa Commercial Holding GmbH ("LCH"), Lufthansa Cargo AG ("LCAG") and Lufthansa Technik AG ("LHT"). As the sole shareholder, Deutsche Lufthansa AG resolved to increase the capital stock of LCH by EUR 400 (four shares) and EUR 100 (one share). The capital increase was carried out by way of an in-kind contribution of all shares in LCAG (one share) as of 19 May 2023 and in LHT (four shares) as of 15 September 2023. As the acquisition cost of the contributed shares was measured at their fair value, other operating income arose at the level of Deutsche Lufthansa AG from the recognition of accounting gains and amounted to EUR 2,998 m in connection with LCAG and EUR 2,929 m in connection with LHT.

As part of the impairment test of the respective equity investments as of the reporting date 31 December 2023 at the LCH level, an impairment loss of EUR 600 m was recognized on the contributed equity investment in LCAG as the impairment is expected to be permanent. The impairment loss is recognized in LCH's net profit/loss for the year and is therefore part of the result from equity investments at the level of Deutsche Lufthansa AG due to the existing profit and loss transfer agreement with LCH.

The determination of the respective acquisition cost of these contributions in kind and their subsequent measurement as of the reporting date 31 December 2023 were a key audit matter in our audit due to the significant amount of accounting gains recognized and the related complexity of the valuations performed for this purpose as well as the judgment exercised for the measurement as of the contribution date and the reporting date.

Auditor's response

With regard to the preparation of the Group operational planning and the performance of the impairment tests for the measurement of the contributed shares as of the reporting date, we examined the underlying processes in terms of their suitability for determining potential impairment and assessed the associated risk of material misstatement.

For the assessment of the in-kind capital increases in accordance with corporate law, we reviewed the entries of the contribution transactions in the commercial register and the contribution agreements and assessed the effects of the contractual terms on recognition and measurement, in particular with regard to the recognition of accounting gains.

For the valuation of the shares in LCAG and LHT at fair value, the Company obtained appraisals in accordance with IDW S1 ("Principles for the Performance of Business Valuations") by external experts as of 19 May 2023 (LCAG) and 31 August 2023 (LHT).

We consulted our internal valuation specialists to assess the appropriateness of the experts' activities as audit evidence for the measurement of the shares in LCAG and LHT. Firstly, we assessed whether the experts had the necessary competencies, capabilities and sufficient objectivity to prepare the appraisals based on the experts' proven qualifications, among other things. We also discussed material plausibility tests carried out by the experts, in particular in relation to the business planning prepared by the executive directors and the significant assumptions, developments and reliability of forecasts with the experts and the executive directors, and assessed these with regard to their transparency, consistency and lack of contradiction. For this purpose, we analyzed the assumptions underlying the measurement to determine whether they are in line with general and industry-specific market expectations. Moreover, we validated the reliability of forecasts by performing historical plan/actual comparisons of the respective entity and drew corresponding conclusions for the future planning data. We also performed our own sensitivity analyses for significant assumptions and developments in the future in order to understand the influence of changes in certain inputs on the valuation models and assess any potential risk of material misstatement at the date of contribution or any further impairment risk as of the reporting date.

In addition, we tested the methodical conformity of the valuation model used by the experts for the appraisals against the requirements set out under IDW S1 by analyzing the logical design, the applied valuation process and the conceptual procedure in deriving the individual components of the cash flows relevant to the valuation. Furthermore, we gained an understanding of the full recognition of the respective valuation subject and the relevant cash flows by comparing and reconciling the planning data used in the valuation model to the Group operational planning. Additionally, we gained an understanding of the arithmetical accuracy of the derivation of the estimated future cash flows on the basis of the calculations performed by the experts and compared the consistent presentation of significant matters and individual assumptions (e.g., growth rates and developments in aviation fuel prices and interest rates) in the relevant planning horizon with our expectations.

Furthermore, we reviewed the capital costs derived by the experts for methodological and arithmetic accuracy by tracing the individual inputs and their derivation and comparing these to our own analyses. We also reperformed the calculation to discount the derived future cash flows using the capital costs to the respective valuation date.

In addition, we compared the assumptions for the applied cost of debt and equity with, among other things, the current trend in borrowing rates, assessed the applied beta factor based on the composition of the peer group companies and compared the cost of equity with available market data.

We discussed and gained an understanding of the considerations made by the experts concerning the plausibility testing of the respective derived valuation result on the basis of the working papers provided by the experts and in conversations. Furthermore, we compared the valuation results with a multiplier analysis and a benchmark analysis of competitors in the same sector.

As part of our assessment of the result from equity investments of Deutsche Lufthansa AG and the impairment loss on LCAG contained therein, we assessed the impairment test of LCAG at the level of LCH in particular. For this purpose, we first assessed the methodology used to perform the impairment test and verified the clerical accuracy of the derivation of the planned future results and cash flows from Lufthansa Cargo's planning data. We assessed the consistent presentation of significant matters and individual assumptions (e.g., growth rates and key performance data) in the relevant planning horizon. For this purpose, we discussed the business planning prepared by the Company and the significant assumptions, developments and reliability of forecasts with the Company and assessed it with regard to its transparency, consistency and lack of contradiction. With the support of our internal valuation specialists, we also analyzed the assumptions and judgmental estimates used for the impairment test to determine whether they are consistent with general economic data and industry-specific market expectations. In this connection, we discussed with the Executive Board the valuation inputs and business planning that had changed as of 31 December 2023 compared to the valuation date of the contribution (19 May 2023), in particular.

Our audit procedures did not lead to any reservations relating to the recognition of the accounting gains from the in-kind contributions of the shares in LCAG and LHT to LCH and the measurement of the contributed shares as of the reporting date.

Reference to related disclosures

Disclosures on the recognition of accounting gains from the in-kind contributions of the shares in LCAG and LHT to LCH as well as on the measurement of the contributed shares as of the reporting date and on the valuation methods and the related disclosures on the exercise of judgment can be found in sections "2 Summary of significant accounting policies," "4 Financial investments," "21 Other operating income" and "26 Result from equity investments" of the notes to the financial statements.

Other Information

The executive directors and the Supervisory Board are responsible for the declaration pursuant to Sec. 161 AktG ["Aktiengesetz": German Stock Corporation Act] on the German Corporate Governance Code, which is part of the declaration on corporate governance. In all other respects, the executive directors are responsible for the other information. The other information comprises the aforementioned declaration on corporate governance, the aforementioned non-financial declaration, the aforementioned description of the entire internal control system (disclosures in accordance with recommendation A.5 DCGK 2022) and the aforementioned other information included in the combined management report.

A further component of the annual report is the declaration by the legal representatives.

Our opinions on the annual financial statements and on the combined management report do not cover the other information, and consequently we do not express an opinion or any other form of assurance conclusion thereon.

In connection with our audit, our responsibility is to read the other information and, in so doing, to consider whether the other information

— is materially inconsistent with the annual financial statements, with the combined management report or our knowledge obtained in the audit, or

— otherwise appears to be materially misstated.

If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard

Responsibilities of the executive directors and the Supervisory Board for the annual financial statements and the combined management report

The executive directors are responsible for the preparation of the annual financial statements that comply, in all material respects, with the requirements of German commercial law applicable to business corporations, and that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles. In addition, the executive directors are responsible for such internal control as they, in accordance with German legally required accounting principles, have determined necessary to enable the preparation of annual financial statements that are free from material misstatement, whether due to fraud (i.e., fraudulent financial reporting and misappropriation of assets) or error.

In preparing the annual financial statements, the executive directors are responsible for assessing the Company's ability to continue as a going concern. They also have the responsibility for disclosing, as applicable, matters related to going concern. In addition, they are responsible for financial reporting based on the going concern basis of accounting, provided no actual or legal circumstances conflict therewith.

Furthermore, the executive directors are responsible for the preparation of the combined management report that, as a whole, provides an appropriate view of the Company's position and is, in all material respects, consistent with the annual financial statements, complies with German legal requirements and appropriately presents the opportunities and risks of future development. In addition, the executive directors are responsible for such arrangements and measures (systems) as they have considered necessary to enable the preparation of a combined management report that is in accordance with the applicable German legal requirements, and to be able to provide sufficient appropriate evidence for the assertions in the combined management report.

The Supervisory Board is responsible for overseeing the Company's financial reporting process for the preparation of the annual financial statements and of the combined management report.

Auditor's responsibilities for the audit of the annual financial statements and of the combined management report

Our objectives are to obtain reasonable assurance about whether the annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an appropriate view of the

Company's position and, in all material respects, is consistent with the annual financial statements and the knowledge obtained in the audit, complies with the German legal requirements and appropriately presents the opportunities and risks of future development, as well as to issue an auditor's report that includes our opinions on the annual financial statements and on the combined management report.

Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Sec. 317 HGB and the EU Audit Regulation and in compliance with German Generally Accepted Standards for Financial Statement Audits promulgated by the IDW and supplementary compliance with the ISAs will always detect a material misstatement. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these annual financial statements and this combined management report.

We exercise professional judgment and maintain professional skepticism throughout the audit. We also:

— Identify and assess the risks of material misstatement of the annual financial statements and of the combined management report, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinions. The risk of not detecting a material misstatement resulting from fraud is higher than the risk of not detecting a material misstatement resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

— Obtain an understanding of internal control relevant to the audit of the annual financial statements and of arrangements and measures (systems) relevant to the audit of the combined management report in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of these systems of the Company.

— Evaluate the appropriateness of accounting policies used by the executive directors and the reasonableness of estimates made by the executive directors and related disclosures.

— Conclude on the appropriateness of the executive directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in the auditor's report to the related disclosures in the annual financial statements and in the combined management report or, if such disclosures are inadequate, to modify our respective opinions. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to be able to continue as a going concern.

— Evaluate the overall presentation, structure and content of the annual financial statements, including the disclosures, and whether the annual financial statements present the underlying transactions and events in a manner that the annual financial statements give a true and fair view of the assets, liabilities, financial position and financial performance of the Company in compliance with German legally required accounting principles.

— Evaluate the consistency of the combined management report with the annual financial statements, its conformity with [German] law, and the view of the Company's position it provides.

— Perform audit procedures on the prospective information presented by the executive directors in the combined management report. On the basis of sufficient appropriate audit evidence we evaluate, in particular, the significant assumptions used by the executive directors as a basis for the prospective information, and evaluate the proper derivation of the prospective information from these assumptions. We do not express a separate opinion on the prospective information and on the assumptions used as a basis. There is a substantial unavoidable risk that future events will differ materially from the prospective information.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We also provide those charged with governance with a statement that we have complied with the relevant independence requirements, and communicate with them all relationships and other matters that may reasonably be thought to bear on our independence and where applicable, the related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual financial statements of the current period and are therefore the key audit matters. We describe these matters in our auditor's report unless law or regulation precludes public disclosure about the matter.

Other legal and regulatory requirements

Report on the assurance on the electronic rendering of the annual financial statements and the combined management report prepared for publication purposes in accordance with Sec. 317 (3a) HGB

Opinion

We have performed assurance work in accordance with Sec. 317 (3a) HGB to obtain reasonable assurance about whether the rendering of the annual financial statements and the combined management report (hereinafter the "ESEF documents") contained in the file "DLH-2023-12-31-de.zip" and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format ("ESEF format"). In accordance with German legal requirements, this assurance work extends only to the conversion of the information contained in the annual financial statements and the combined management report into the ESEF format and therefore relates neither to the information contained within these renderings nor to any other information contained in the file identified above.

In our opinion, the rendering of the annual financial statements and the combined management report contained in the file identified above and prepared for publication purposes complies in all material respects with the requirements of Sec. 328 (1) HGB for the electronic reporting format. Beyond this assurance opinion and our audit opinions on the accompanying annual financial statements and the accompanying combined management report for the fiscal year from 1 January to 31 December 2023 contained in the "Report on the audit of the annual financial statements and of the combined management report" above, we do not express any assurance opinion on the information contained within these renderings or on the other information contained in the file identified above.

Basis for the opinion

We conducted our assurance work on the rendering of the annual financial statements and the combined management report contained in the file identified above in accordance with Sec. 317 (3a) HGB and the IDW Assurance Standard: Assurance on the Electronic Rendering of Financial Statements and Management Reports Prepared for Publication Purposes in Accordance with Sec. 317 (3a) HGB (IDW AsS 410) (06.2022) and the International Standard on Assurance Engagements 3000 (Revised). Our responsibility in accordance therewith is further described in the "Auditor's responsibilities for the assurance work on the ESEF documents" section. Our audit firm applies the IDW Standard on Quality Management 1: Requirements for Quality Management in the Audit Firm (IDW QS 1).

Responsibilities of the executive directors and the Supervisory Board for the ESEF documents

The executive directors of the Company are responsible for the preparation of the ESEF documents including the electronic rendering of the annual financial statements and the combined management report in accordance with Sec. 328 (1) Sentence 4 No. 1 HGB.

In addition, the executive directors of the Company are responsible for such internal control as they have determined necessary to enable the preparation of ESEF documents that are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB for the electronic reporting format.

The Supervisory Board is responsible for overseeing the process for preparing the ESEF documents as part of the financial reporting process.

Auditor's responsibilities for the assurance work on the ESEF documents

Our objective is to obtain reasonable assurance about whether the ESEF documents are free from material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB. We exercise professional judgment and maintain professional skepticism throughout the assurance work. We also:

- Identify and assess the risks of material intentional or unintentional non-compliance with the requirements of Sec. 328 (1) HGB, design and perform assurance procedures responsive to those risks, and obtain assurance evidence that is sufficient and appropriate to provide a basis for our assurance opinion.
- Obtain an understanding of internal control relevant to the assurance on the ESEF documents in order to design assurance procedures that are appropriate in the circumstances, but not for the purpose of expressing an assurance opinion on the effectiveness of these controls.
- Evaluate the technical validity of the ESEF documents, i.e., whether the file containing the ESEF documents meets the requirements of Commission Delegated Regulation (EU) 2019/815, in the version in force at the date of the financial statements, on the technical specification for this file.
- Evaluate whether the ESEF documents enable an XHTML rendering with content equivalent to the audited annual financial statements and to the audited combined management report.

Further information pursuant to Art. 10 of the EU Audit Regulation

We were elected as auditor by the Annual General Meeting on 9 May 2023. We were engaged by the Supervisory Board on 9 May 2023. We have been the auditor of Deutsche Lufthansa Aktiengesellschaft without interruption since fiscal year 2020.

We declare that the opinions expressed in this auditor's report are consistent with the additional report to the audit committee pursuant to Art. 11 of the EU Audit Regulation (long-form audit report).

In addition to the financial statement audit, we have provided to the Company or entities controlled by it the following services that are not disclosed in the annual financial statements or in the combined management report or have been engaged to provide them:

- Limited assurance engagement on the non-financial declaration pursuant to Secs. 289b et seq. and 315b et seq. HGB
- Various agreed-upon procedures and assurance services that result from contractual obligations (especially under leases, loan agreements and retirement benefit agreements)
- Reasonable assurance engagement relating to the system of Deutsche Lufthansa Aktiengesellschaft designed to ensure compliance with the requirements under Sec. 32 (1) WpHG ["Wertpapierhandelsgesetz": German Securities Trading Act] for the period from 1 January to 31 December 2023
- Audit of the remuneration report pursuant to Sec. 162 (3) AktG
- Voluntary audits of financial statements as of 31 December 2023
- Project-based assurance engagement involving a migration of IT-based accounting-related systems pursuant to IDW AsS 850 for Lufthansa AirPlus Servicekarten GmbH, Neu-Isenburg
- Specified procedures engagement at Albatros Service Center GmbH, Cologne, in accordance with Sec. 24 FinVermV ["Finanzanlagenvermittlungsverordnung": German Financial Investment Brokerage Ordinance].

Other matter – Use of the auditor's report

Our auditor's report must always be read together with the audited annual financial statements and the audited combined management report as well as the assured ESEF documents. The annual financial statements and the combined management report converted to the ESEF format – including the versions to be published in the Unternehmensregister [German Company Register] – are merely electronic renderings of the audited annual financial statements and the audited combined management report and do not take their place. In particular, the ESEF report and our assurance opinion contained therein are to be used solely together with the assured ESEF documents made available in electronic form.

German Public Auditor responsible for the engagement

The German Public Auditor responsible for the engagement is Jörg Bösser.

Publishing information

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Further information
Comprehensive, up-to-date information about Lufthansa’s economic development, including the Group annual report and interim reports, is available online at

http://www.lufthansagroup.com/investor-relations