

Lufthansa Group increases its fourth-quarter profit by 66 million to 468 million euros and generates an operating profit of 1.6 billion euros for the full year

**With EUR 37.6 billion Lufthansa Group achieves the strongest revenue year in the company's history
a new peak in load factor
Passenger numbers grow by 7 percent to over 130 million
Dividend proposal of EUR 0.30 per share at Annual General Meeting
Outlook 2025: Earnings significantly above previous year's level**



Carsten Spohr, Chairman of the Executive Board and CEO of Deutsche Lufthansa AG:

“Aviation is and remains an industry of the future with sustained strong demand. Especially in unstable times, it enables international understanding through cultural and economic exchange. At the Lufthansa Group, we can look back on the strongest year in our history in terms of revenue, with a new load factor record. I would therefore like to thank our guests for their loyalty and all our employees for their great commitment.

Looking back, 2024 was a year of two halves for the Lufthansa Group. In the first six months, we still had to cope with a significant decline in operating profit – due, among other things, to strikes, delayed aircraft deliveries and operational challenges at our hubs.

The trend was reversed in the course of the year with two consecutive quarters in which we generated revenue of over 10 billion euros each for the first time, and in the fourth quarter we exceeded the previous year's profit.

The further internationalization of the Lufthansa Group through the integration of ITA Airways, the significantly improved stability in flight operations and the growing satisfaction of our customers – all this shows that our strategy is right and our measures are taking effect. However, there is no question that we now also have to achieve an economic turnaround for our core brand Lufthansa. This year, 2025, will be a year of transformation for us with a clear goal: to further strengthen our position as the global number one outside the United States.”

Earnings

In 2024, the Group increased its revenue by six percent year on year to EUR 37.6 billion (previous year: EUR 35.4 billion), due to the higher flight offering. It was thus the year with the highest revenue in the history of the Lufthansa Group. The Group generated an operating profit (Adjusted EBIT) of EUR 1.6 billion (previous year: EUR 2.7 billion), with an operating margin of 4.4 percent (previous year: 7.6 percent).

The decline compared to the previous year is due to various effects, particularly in the first half of the year: strikes weighed on the Passenger Airlines with around EUR 450 million. The airlines also had to absorb a significant decline in average yields at the beginning of the summer due to the large industry-wide increase in capacity. Significantly higher costs, especially in Germany, also had a negative impact. Productivity in flight operations also suffered from further delays in aircraft deliveries. Also thanks to lower interest burdens compared to the previous year, the net profit fell less sharply than the operating result and reached EUR 1.4 billion (previous year: EUR 1.7 billion).

Lufthansa Group Passenger Airlines expand capacity

In 2024, the Lufthansa Group airlines welcomed 131 million guests on board their aircraft, an increase of seven percent over the previous year. The passenger load factor rose to a record level of 83.1 percent (previous year: 82.9 percent). In terms of the passenger load factor, the summer months of July and August were not only the strongest months of last year, with a load factor of almost 88 percent, but also among the strongest in the company's history.

Due to industry-wide capacity growth, average yields in 2024 fell by 2.6 percent year on year, with a significant improvement in performance over the course of the year. Average yields varied greatly across the different traffic regions: while the decline was below two percent in most regions, they fell significantly in the Asia/Pacific region, by almost 10 percent. Unit revenues (RASK) benefited from an increased seat load factor compared to 2023, but the underlying revenue was weighed down by high compensation payments due to flight irregularities, causing unit revenues to fall by 4.3 percent overall. Unit costs increased by 1.9 percent year on year due to the effects of strikes and persistent cost inflation, particularly in fees, materials and personnel costs.

Overall, the Group's passenger airlines generated Adjusted EBIT of EUR 1.0 billion in 2024 (previous year: EUR 2.0 billion). The decline in the passenger airlines' operating profit is mainly due to the decline in Lufthansa Airlines' earnings by EUR 948 million. Delayed deliveries of new aircraft forced Lufthansa Airlines to keep aircraft in service for longer, which, together with higher location and personnel costs and increased expenses for compensation for flight irregularities, weighed disproportionately on earnings.

SWISS almost matched its record result from the previous year and exceeded the EUR 800 million Adjusted EBIT mark for the second time. Eurowings repeated its good result from the previous year and again posted an Adjusted EBIT of over EUR 200 million. Brussels Airlines achieved the highest profit in its history at EUR 60 million and Austrian Airlines posted an Adjusted EBIT of EUR 76 million.

Turnaround program at Lufthansa Airlines makes noticeable progress

Lufthansa Airlines is resolutely pursuing its turnaround program, which was initiated eight months ago, with the aim of improving efficiency, reducing complexity and increasing product quality – to ensure the long-term competitiveness of the airline. The package of measures is initially focusing on operational stability. In the first two months of 2025, Lufthansa Airlines already saw a noticeable improvement in punctuality and regularity. The establishment of "City Airlines" is proving to be the strategically right cornerstone for operating European short-haul flights more efficiently and cost-effectively.

The turnaround program will continuously contribute to improving the earnings of Lufthansa Airlines. In 2026, the measures are expected to achieve a gross effect of around EUR 1.5 billion on EBIT, and in 2028 of around EUR 2.5 billion.

Till Streichert, Chief Financial Officer of Deutsche Lufthansa AG, says:

"This year, we expect moderate capacity growth of around 4 percent. This will help to support our revenue growth, secure valuable market shares, stabilise our earnings and further improve our operations. Nevertheless, current challenges will persist. These include delays in aircraft deliveries and ever-present cost pressures. We therefore regard 2025 as a transition year in which we will lay the foundations for future increases in profitability. Nevertheless, progress will be clearly visible in every respect. This will also be reflected in our Adjusted EBIT, which we expect to be significantly higher than in the previous year."

Lufthansa Technik and Lufthansa Cargo improve results

In 2024, Lufthansa Technik benefited from the sustained high volume of air travel and the resulting increase in demand for maintenance, repair and overhaul (MRO) services worldwide. As the global market leader in the MRO sector, Lufthansa Technik was able to capitalize on this and conclude new contracts with a total volume of EUR 7.5 billion. This ensures planning security and revenue growth for the company over the next few years. In the past financial year, Lufthansa Technik generated an Adjusted EBIT of EUR 635 million (previous year: EUR 628 million). By 2027, the company will build a new plant in Portugal for the repair of engine parts and aircraft components. The plan is to create 700 new jobs there.

The airfreight business continued to recover over the course of 2024. Lufthansa Cargo generated an operating profit of EUR 251 million for the full year (previous year: EUR 219 million), of which EUR 199 million was attributable to the fourth quarter, which is traditionally strong for airfreight (previous year: EUR 30 million). This development not only confirms the expected normalization in the airfreight market but is also the result of strict cost management that enables profitable growth. Lufthansa Cargo benefited particularly

from strong e-commerce business from Asia. Thanks to its own freighter fleet, capacities could be shifted from the North Atlantic to Asia/Pacific.

Adjusted free cash flow clearly positive, balance sheet remains strong

In 2024, the Lufthansa Group generated an operating cash flow of EUR 3.9 billion (previous year: EUR 4.9 billion). Thus, the operating cash flow decreased in the same range as the operating result compared to the previous year. Considering net capital expenditure, primarily on new, fuel-efficient aircraft, the year ended with an adjusted free cash flow of EUR 840 million (previous year: EUR 1.8 billion).

Compared to the end of the year, available liquidity increased by around half a billion euros to EUR 11.0 billion. At the same time, net debt to banks at year-end 2024 was at the same level as at year-end 2023 at EUR 5.7 billion (December 31, 2023: EUR 5.7 billion). Net pension liabilities decreased slightly to EUR 2.6 billion (December 31, 2023: EUR 2.7 billion). The leverage ratio, measured in terms of the key figure adjusted net debt/adjusted EBITDA, increased slightly from 1.7 to 2.0 due to earnings.

Stable profit participation for shareholders

As in the previous year, shareholders are to participate in the company's profits again. For the financial year 2024, the Executive Board and Supervisory Board will propose a dividend of EUR 0.30 per share at the Annual General Meeting on May 6, 2025. This corresponds to the same amount as last year. At almost five percent, the dividend yield on the year-end share price is higher than last year (just under four percent). The payout ratio is 26 percent (previous year: 21 percent). The proposed payout is in line with the Lufthansa Group's dividend policy, according to which between 20 and 40 percent of net profit (2024: EUR 1.4 billion) is distributed to shareholders.

Fast integration of ITA Airways

The expansion of the multi-hub, multi-airline and multi-brand model through the integration of ITA Airways, with its strong home market in Italy and its 5-star Rome hub, creates further growth opportunities for the Lufthansa Group in 2025. The complete integration of ITA Airways is expected to be completed after just 18 months. The relocation of ITA Airways in Munich and Frankfurt will be completed by the start of the summer flight schedule at the end of March, in order to facilitate transfer connections. Mutual lounge access, the merger of the frequent flyer programs and the introduction of code shares have already been implemented in recent days and weeks. With ITA Airways, the number of employees in the Group will grow by 5,000 and the size of the Group fleet by 100 to 830 aircraft.

Lufthansa Group introduces umbrella brand strategy

The Lufthansa Group will introduce a new umbrella brand strategy in 2025. The aim is to make the advantages of the Group even more tangible for guests. In addition, the synergies that arise from the interaction of the various airlines are to be made more usable in an integrated way. Today, around half of all transfer passengers at the Lufthansa Group already use more than one of the Group's airlines. They benefit from the complementary route networks, shared ground infrastructure and the world's leading app. Under the LUFTHANSA GROUP umbrella brand, the connections between the individual brands and how they interact in the airline group will be made more transparent and clearly recognizable in the future.

Outlook

The company expects demand for air travel to remain high, which is also reflected in a positive trend in bookings at the beginning of 2025. The order situation in the MRO segment also points to continued strong demand for maintenance services. Lufthansa Cargo expects to benefit from continued growth in e-commerce and an improved cost position.

At the same time, 2025 will be a year of transition for the Lufthansa Group. The turnaround program at Lufthansa Airlines is a top strategic priority and will lay the foundation for a sustainable increase in earnings. The first measures will already take effect in the current year, but the turnaround program will not yet reach its full potential.

As part of the largest fleet modernization in its history, the Lufthansa Group expects to take delivery of a new, highly efficient aircraft every two weeks during the current year. Overall, the order list includes around 250 aircraft, of which 100 are long-haul aircraft.

The renewal of the fleet and the investments in the premium offering have a direct impact on customer satisfaction. Currently, nine Airbus A350s are already equipped with Allegris, seven of which also have the new First Class on board. This year, SWISS is investing more than ever before in improving its Economy Class. In the second half of the year, SWISS Senses will then be introduced on SWISS long-haul routes.

Based on the strong demand for flight tickets, the Lufthansa Group plans to expand the seating capacity of its passenger airlines by around four percent compared to the previous year. The company expects a further increase in revenue as a result.

Overall, the Group expects Adjusted EBIT in the 2025 financial year to be significantly higher than in the previous year. For 2025, the Lufthansa Group expects net capital expenditure of between EUR 2.7 and 3.3 billion and free cash flow at the previous year's level.

Further information

Further information on the results of individual business segments will be published in the annual report. This will be published at the same time as this press release on March 6, 2025 at 7:00 a.m. CET at <https://investor-relations.lufthansagroup.com/en/investor-relations.html>

The annual press conference will be streamed live at [Home - Lufthansa Group](#) from 9:30 a.m. CET. The analyst call will be streamed live at <https://investor-relations.lufthansagroup.com/en/publications/financial-reports.html> from 12:30 p.m. CET.

The traffic figures for 2024 will also be published at 7:00 a.m. at <https://investor-relations.lufthansagroup.com/en/publications/traffic-figures.html>.