



## 3rd Interim Report January – September 2016

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✈ Adjusted EBIT of EUR 1.7bn close to prior-year level / Adjusted unit costs down by 2.1 per cent / Successful steering and capacity measures limit unit revenue decline / Lufthansa Passenger Airlines, Austrian Airlines and Catering segment above prior-year levels / Financial stability further strengthened / Full-year Adjusted EBIT approximately on previous year's level / Successful steering and capacity measures to continue

# Lufthansa Group overview

Key figures Lufthansa Group		Jan. – Sept. 2016	Jan. – Sept. 2015	Change in %	July – Sept. 2016	July – Sept. 2015	Change in %
Revenue and result							
Total revenue	€m	23,870	24,304	–1.8	8,828	8,939	–1.2
of which traffic revenue*	€m	18,674	19,486	–4.2	7,037	7,305	–3.7
EBIT	€m	2,330	1,663	40.1	1,812	1,200	51.0
Adjusted EBIT	€m	1,677	1,693	–0.9	1,148	1,225	–6.3
EBITDA	€m	3,634	2,931	24.0	2,273	1,615	40.7
Net profit/loss for the period	€m	1,851	1,748	5.9	1,422	794	79.1
Key balance sheet and cash flow statement figures							
Total assets	€m	34,313	33,159	3.5	–	–	–
Equity ratio	%	14.1	18.6	–4.5 pts	–	–	–
Net indebtedness	€m	2,201	2,346	–6.2	–	–	–
Cash flow from operating activities	€m	3,054	3,160	–3.4	879	633	38.9
Capital expenditure (gross)	€m	1,634	1,931	–15.4	467	433	7.9
Key profitability and value creation figures							
EBIT margin	%	9.8	6.8	3.0 pts	20.5	13.4	7.1 pts
Adjusted EBIT margin	%	7.0	7.0	0.0 pts	13.0	13.7	–0.7 pts
EBITDA margin	%	15.2	12.1	3.1 pts	25.7	18.1	7.6 pts
Lufthansa share							
Share price at the quarter-end	€	9.90	12.43	–20.4	–	–	–
Earnings per share	€	3.98	3.78	5.3	3.06	1.72	77.9
Traffic figures*							
Passengers	thousands	83,946	83,022	1.1	32,694	32,098	1.9
Available seat-kilometres	millions	219,130	210,478	4.1	81,044	77,905	4.0
Revenue seat-kilometres	millions	173,864	170,831	1.8	68,397	66,973	2.1
Passenger load factor	%	79.3	81.2	–1.8 pts	84.4	86.0	–1.6 pts
Available cargo tonne-kilometres	millions	11,322	11,231	0.8	4,025	3,938	2.2
Revenue cargo tonne-kilometres	millions	7,375	7,403	–0.4	2,559	2,470	3.6
Cargo load factor	%	65.1	65.9	–0.8 pts	63.6	62.7	0.8 pts
Total available tonne-kilometres	millions	33,169	30,800	7.7	12,091	11,129	8.6
Total revenue tonne-kilometres	millions	24,458	22,973	6.5	9,279	8,542	8.6
Overall load factor	%	73.7	74.6	–0.8 pts	76.7	76.8	–0.0 pts
Flights	number	786,052	764,429	2.8	283,849	273,542	3.8
Employees							
Employees as of 30.9.	number	124,192	119,391	4.0	124,192	119,391	4.0

\* Previous year's figures have been adjusted.  
Date of publication: 2 November 2016.

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

## Course of business

### Good performance in the first nine months of the financial year

- Revenue down by 1.8 per cent, in particular due to lower traffic revenue at the airlines
- Adjusted EBIT down by 0.9 per cent to EUR 1.7bn; EBIT improved by an above-average 40.1 per cent to EUR 2.3bn following the collective agreement with the UFO flight attendants' union
- Positive earnings development in the Passenger Airline Group, Catering and Other segments
- Earnings increase at the Passenger Airline Group mainly influenced by lower fuel costs, falling unit costs and absence of negative one-off-effects from the previous year
- MRO segment developing in line with the forecast
- Logistics segment down significantly on the previous year

## Significant events

### Letter of intent on wet-lease partnership signed between Eurowings, Austrian Airlines and Air Berlin

- Wet-lease of up to 40 aircraft operated by the Air Berlin Group
- Agreement scheduled to be implemented with the summer flight timetable in March 2017; intended term of six years
- Aircraft to be stationed at seven German airports, in Vienna and in Palma de Mallorca
- Negotiation of details, board approvals and review by the competition authorities still outstanding

### Supervisory Board approves full acquisition of Brussels Airlines

- Approval to exercise the call option for the remaining 55 per cent of the shares in the parent company, SN Airholding
- Full acquisition intended for early 2017, depending on the support of key stakeholders

### Commercial joint venture signed with Air China

- Closer cooperation and strengthening of competitive position in China
- Numerous benefits for customers, code-sharing connections, flight timetable coordination and common fares through the joint venture

### Long-term collective agreement reached between Lufthansa Passenger Airlines and the UFO flight attendants' union

- Wage settlement runs until 30 June 2019 and collective agreements on retirement and transitional benefits until 2023
- Full exit from defined-benefit pension system and improved productivity lead to significant reductions in pension liabilities and cost savings from 2017

### Ulrik Svensson new CFO from 1 January 2017

- Simone Menne, member of the Executive Board and CFO, left the Company at her own request as of 31 August 2016
- Ulrik Svensson, currently CEO of Melker Schörling AB and former CFO of Swiss International Airlines, appointed as successor for the period from 1 January 2017 to 31 December 2019

## Financial performance

### Earnings position

#### Traffic revenue down by 4.2 per cent

- Higher capacity (+4.1 per cent) and sales (+2.1 per cent) in the Lufthansa Group's passenger business
- Higher capacity (+0.8 per cent) and lower sales (–0.4 per cent) in the cargo business

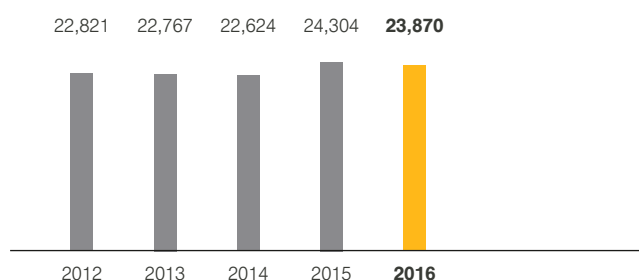
#### Revenue and income

	Jan. – Sept. 2016 in €m	Jan. – Sept. 2015 in €m	Change in %
Traffic revenue*	18,674	19,486	–4.2
Other revenue*	5,196	4,818	7.8
<b>Total revenue</b>	<b>23,870</b>	<b>24,304</b>	<b>–1.8</b>
Changes in inventories and work performed by the entity and capitalised	67	155	–56.8
Other operating income	1,574	2,029	–22.4
<b>Total operating income</b>	<b>25,511</b>	<b>26,488</b>	<b>–3.7</b>

\* Previous year's figures have been adjusted.

- Traffic revenue down by 4.2 per cent to EUR 18.7bn
- Change due to lower yields (–4.9 per cent), higher volumes (+1.6 per cent) and negative exchange rate effects (–0.9 per cent)

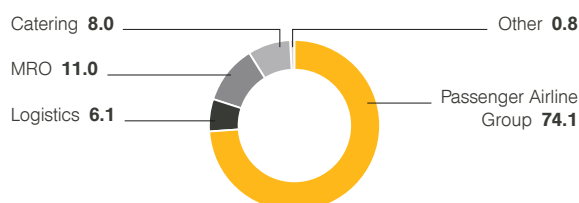
#### Revenue development in €m (Jan. – Sept.)



### Operating income down by 3.7 per cent

- Other revenue up by 7.8 per cent to EUR 5.2bn, largely due to volumes
- Revenue down overall by 1.8 per cent to EUR 23.9bn
- Other operating income down by 22.4 per cent to EUR 1.6bn, mainly due to lower exchange rate gains (– 40.7 per cent)
- Total operating income down by 3.7 per cent to EUR 25.5bn

### External revenue share of the business segments in % (as of 30.9.2016)



### Expenses down by 6.7 per cent partly due to non-recurring effects

- Cost of materials and services down by 3.3 per cent to EUR 12.9bn; fuel costs included here down by 17.8 per cent to EUR 3.7bn; change due to lower prices (–20.2 per cent), exchange rate effects (+0.5 per cent) and higher volumes (+1.9 per cent); fees and charges up by 1.3 per cent to EUR 4.4bn; charter expenses up by 41.0 per cent to EUR 244m; purchased IT services up by 7.9 per cent to EUR 206m, mainly due to the sale of the IT Infrastructure unit to the IBM group in the previous year
- Staff costs down by 11.5 per cent to EUR 5.2bn; average number of employees up by 3.2 per cent to 122,956, mainly due to growth in the Catering segment; one-off reduction of EUR 713m in past service costs due to change in retirement and transitional benefits for cabin staff at Lufthansa Passenger Airlines from a defined-benefit to a defined-contribution pension system; positive exchange rate effects and lower additions to pension provisions due to changes in interest rates also reduce the expenses
- Depreciation and amortisation up by 1.4 per cent to EUR 1.3bn; depreciation of aircraft up by 2.4 per cent to EUR 951m, in particular due to new aircraft deliveries
- Other operating expenses down by 12.9 per cent to EUR 3.9bn, in particular due to much lower exchange rate losses (–52.2 per cent)
- Operating expenses down overall by 6.7 per cent to EUR 23.3bn

### Expenses

	Jan. – Sept. 2016 in €m	Jan. – Sept. 2015 in €m	Change in €m
Cost of materials and services	12,869	13,303	–3.3
of which fuel	3,696	4,494	–17.8
of which fees and charges	4,373	4,315	1.3
of which operating lease	43	36	19.4
Staff costs	5,221	5,902	–11.5
Depreciation	1,283	1,265	1.4
Other operating expenses	3,896	4,471	–12.9
<b>Total operating expenses</b>	<b>23,269</b>	<b>24,941</b>	<b>–6.7</b>

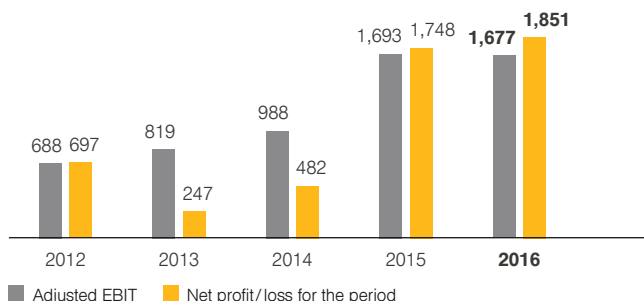
### EBIT up by 40.1 per cent, Adjusted EBIT down by 0.9 per cent

- Result from operating activities up by 44.9 per cent to EUR 2.2bn due, in particular, to the positive effects of the collective agreement
- Result from equity investments down by 24.1 per cent to EUR 88m, in particular due to SunExpress and Brussels Airlines
- EBIT up by 40.1 per cent to EUR 2.3bn; after adjustment for the positive effects of the collective agreement, Adjusted EBIT down by 0.9 per cent to EUR 1.7bn

### Net profit for the period up by 5.9 per cent

- Positive non-recurring effects in the same quarter of the previous year from the sale of the JetBlue shares (EUR 503m) cause other financial items to fall significantly by 64.0 per cent to EUR 164m
- Result from operating activities (EUR 2.2bn) and financial result (EUR 61m) add up to a profit before income taxes of EUR 2.3bn (previous year: profit of EUR 2.0bn)
- Income tax expense (EUR 434m) and earnings attributable to minority interests (EUR 18m) result in a net profit for the period of EUR 1.9bn (previous year: EUR 1.7bn)
- Earnings per share amount to EUR 3.98 (previous year: EUR 3.78)

### Adjusted EBIT and net profit/loss for the period in €m (Jan. – Sept.)



## Reconciliation of results

in €m	Jan. – Sept. 2016		Jan. – Sept. 2015	
	Income statement	Reconciliation Adjusted EBIT	Income statement	Reconciliation Adjusted EBIT
<b>Total revenue</b>	<b>23,870</b>	<b>–</b>	<b>24,304</b>	<b>–</b>
Changes in inventories	67	–	155	–
Other operating income	1,574	–	2,029	–
of which book gains		–57		–56
of which write-ups on capital assets		0*		–7
of which badwill		–3		–
<b>Total operating income</b>	<b>25,511</b>	<b>–60</b>	<b>26,488</b>	<b>–63</b>
Cost of materials and services	–12,869	–	–13,303	–
Staff costs	–5,221	–	–5,902	–
of which past service costs/settlement		–721		–32
Depreciation	–1,283		–1,265	
of which impairment losses		98		112
Other operating expenses	–3,896		–4,471	
of which impairment losses on assets held for sale		22		3
of which expenses incurred from book losses		8		10
<b>Total operating expenses</b>	<b>–23,269</b>	<b>–593</b>	<b>–24,941</b>	<b>93</b>
<b>Profit/loss from operating activities</b>	<b>2,242</b>	<b>–</b>	<b>1,547</b>	<b>–</b>
Result from equity investments	88	–	116	–
<b>EBIT</b>	<b>2,330</b>		<b>1,663</b>	
Total amount of reconciliation Adjusted EBIT		–653		30
<b>Adjusted EBIT</b>		<b>1,677</b>		<b>1,693</b>
Write-downs (included in profit from operating activities)	1,283	–	1,265	–
Write-downs on financial investments, securities and assets held for sale	21	–	3	–
<b>EBITDA</b>	<b>3,634</b>	<b>–</b>	<b>2,931</b>	<b>–</b>

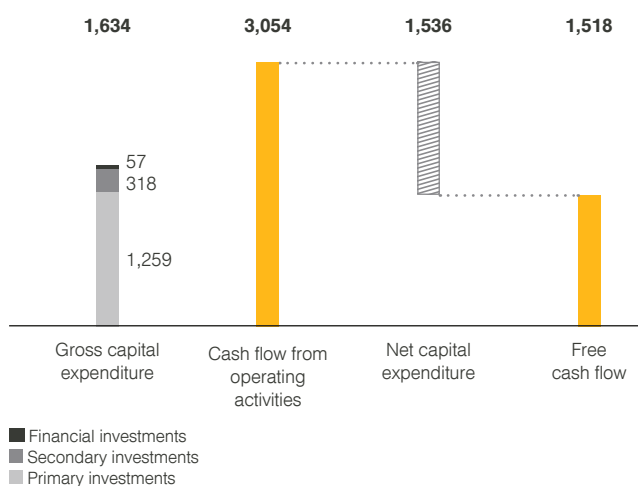
\* Rounded below EUR 1m.

## Cash flow and capital expenditure

## Cash flow from operating activities down by EUR 106m

- On the basis of an increase in profit before income taxes of EUR 308m, cash flow from operating activities was down by EUR 106m to EUR 3.1bn
- Adjusting the result for significant non-cash expenses and income recognised in profit and loss burden cash flow from operating activities with EUR 484m; this includes income of EUR 721m from non-cash past service expenses recognised in profit and loss, in particular from changing the system of retirement and transitional benefits for cabin staff at Lufthansa Passenger Airlines
- Changes in trade working capital due to the business performance improved cash flow from operating activities by EUR 219m; changes in other assets and liabilities not recognised in profit or loss reduced cash flow from operating activities by EUR 425m

## Cash flow and capital expenditure in €m (as of 30.9.2016)



**Capital expenditure down by EUR 297m;  
free cash flow up by EUR 318m**

- Gross capital expenditure down by EUR 297m to EUR 1.6bn; capital expenditure on aircraft down by EUR 350m to EUR 1.3bn
- Net capital expenditure down by EUR 424m to EUR 1.5bn
- Cash outflows of EUR 381m from the purchase and sale of non-current securities and funds
- Net cash outflows from investing and cash management activities down by EUR 1.2bn to EUR 1.9bn
- Free cash flow up by EUR 318m to EUR 1.5bn
- Net cash outflows from financing activities of EUR 958m include new borrowing of EUR 847m (of which EUR 475m from two borrower's note loans), scheduled capital repayments (EUR 1.4bn, of which EUR 750m for redemption of euro bonds), interest payments (EUR 208m) and dividend payments (EUR 222m)

**Liquidity down by EUR 307m**

- Cash and cash equivalents up by EUR 167m in total to EUR 1.2bn since the beginning of the year
- Internal financing ratio up by 23.3 percentage points to 186.9 per cent
- Cash and cash equivalents including current securities down by EUR 307m to EUR 3.5bn

**Assets and financial position**

- Total assets up on year-end 2015 by 5.7 per cent to EUR 34.3bn

**Non-current assets up by 3.2 per cent**

- Non-current assets up by 3.2 per cent to EUR 24.3bn; aircraft and reserve engines item included here up by 0.4 per cent to EUR 14.7bn
- Repairable spare parts for aircraft up by 9.9 per cent to EUR 1.5bn
- Derivative financial instruments down by 10.1 per cent to EUR 1.1bn; decline largely due to lower market values of exchange rate hedges
- Deferred tax assets up by 54.3 per cent to EUR 1.9bn, in particular due to significantly higher pension provisions as a result of interest rates
- Non-current assets as proportion of total assets down by 1.7 percentage points to 70.8 per cent

**Current assets up by 12.2 per cent**

- Current assets up by 12.2 per cent to EUR 10.0bn; receivables included here up by 13.4 per cent to EUR 5.0bn for seasonal and billing reasons
- Derivative financial instruments down by 31.8 per cent to EUR 300m; decline due to lower market values of currency hedges, partly offset by higher market values of fuel price hedges
- Assets held for sale include seven Airbus A340-600s and seven Boeing 737-300s
- Cash and cash equivalents up by 16.8 per cent to EUR 3.6bn due to positive free cash flow

**Shareholders' equity down by 17.0 per cent**

- Equity down by 17.0 per cent overall to EUR 4.9bn due to higher valuation of pension provisions, recognised directly in equity, compared with year-end 2015 and result that was almost even

**Non-current liabilities and provisions up by 25.7 per cent**

- Non-current liabilities and provisions up on year-end 2015 by 25.7 per cent to EUR 17.8bn
- Pension provisions up by 59.0 per cent to EUR 10.5bn, mainly due to fall in discount rate from 2.8 per cent to 1.5 per cent
- Derivative financial instruments down by 76.5 per cent to EUR 72m, mainly due to lower negative market values of fuel price hedges

**Current liabilities and provisions down by 6.4 per cent**

- Current liabilities and provisions down on year-end 2015 by 6.4 per cent to EUR 11.6bn
- Other provisions down by 15.8 per cent to EUR 905m
- Current borrowing down by a total of EUR 580m, partly due to redemption of a euro bond with a nominal value of EUR 750m
- Liabilities from unused flight documents up by 18.5 per cent to EUR 3.4bn, mainly for seasonal reasons
- Derivative financial instruments down by 72.9 per cent to EUR 331m; 60.4 percentage points of decline due to lower market values of fuel price hedges

**Financial profile stabilises over the year**

- Equity ratio down due to interest rates by 3.9 percentage points on year-end 2015 to 14.1 per cent; improvement of 3.7 percentage points against the 2016 half-year financial statements
- Net indebtedness down by 34.2 per cent to EUR 2.2bn
- Debt repayment ratio down due to interest rates by 6.2 percentage points to 24.5 per cent

**Calculation of net indebtedness**

	<b>30 Sept. 2016</b> in €m	31 Dec. 2015 in €m	Change in %
Liabilities to banks	1,271	1,079	17.8
Bonds	1,014	1,749	-42.0
Other non-current borrowing	3,484	3,542	-1.6
	<b>5,769</b>	<b>6,370</b>	<b>-9.4</b>
Other bank borrowing	46	70	-34.3
<b>Group indebtedness</b>	<b>5,815</b>	<b>6,440</b>	<b>-9.7</b>
Cash and cash equivalents	1,287	1,099	17.1
Securities	2,327	1,994	16.7
<b>Net indebtedness</b>	<b>2,201</b>	<b>3,347</b>	<b>-34.2</b>
Pension provisions	10,537	6,626	59.0
<b>Net indebtedness and pensions</b>	<b>12,738</b>	<b>9,973</b>	<b>27.7</b>

## Business segments

### Passenger Airline Group business segment

#### Key figures Passenger Airline Group

		Jan. – Sept. 2016	Jan. – Sept. 2015	Change in %	July – Sept. 2016	July – Sept. 2015	Change in %
Revenue	€m	18,166	18,739	–3.1	6,864	7,097	–3.3
of which with companies of the Lufthansa Group	€m	474	513	–7.6	180	176	2.3
EBIT	€m	2,009	1,357	48.0	1,616	1,080	49.6
Adjusted EBIT	€m	1,406	1,350	4.1	965	1,101	–12.4
EBITDA <sup>1)</sup>	€m	3,093	2,329	32.8	2,004	1,418	41.3
Segment capital expenditure <sup>2)</sup>	€m	1,306	1,739	–24.9	374	364	2.7
Employees as of 30.9.	number	54,592	54,945	–0.6	54,592	54,945	–0.6
Passengers <sup>2)</sup>	thousands	83,946	83,022	1.1	32,694	32,098	1.9
Flights	number	779,326	757,533	2.9	281,500	271,212	3.8
Available seat-kilometres <sup>2)</sup>	millions	219,130	210,478	4.1	81,044	77,905	4.0
Revenue seat-kilometres <sup>2)</sup>	millions	173,864	170,831	1.8	68,397	66,973	2.1
Passenger load factor <sup>2)</sup>	%	79.3	81.3	–1.9 pts	84.4	86.0	–1.6 pts
Yields <sup>2)</sup>	€ Cent	9.8	10.2	–4.7	9.5	10.0	–5.0
Unit revenue (RASK) <sup>2)</sup>	€ Cent	7.7	8.3	–6.7	8.0	8.6	–6.9
Unit cost (CASK) <sup>3)</sup>	€ Cent	7.7	8.8	–11.9	6.8	8.1	–16.5

<sup>1)</sup> Before profit/loss transfer from other intra-Group companies.

<sup>2)</sup> Previous year's figures have been adjusted.

<sup>3)</sup> Unit costs for 2016 positively influenced by one-off effect from the collective agreement of EUR 713m agreed with the UFO trade union.

- Letter of intent on wet-lease partnership signed between Eurowings, Austrian Airlines and Air Berlin
- Supervisory Board approves full acquisition of Brussels Airlines
- Commercial joint venture signed with Air China
- Implementation of distribution strategy making progress; additional partners on board
- Repeated terrorist attacks in Europe as well as greater political and economic uncertainty placed a significant burden on bookings, especially on long-haul connections to Europe
- Implementation of successful capacity and steering measures following clear trend towards more short-term bookings
- Eurowings is reporting separately as an independent business entity within the Passenger Airline Group since 2016; the previous year's figures, also those for Lufthansa Passenger Airlines, have been adjusted accordingly
- Traffic revenue down by 2.9 per cent to EUR 17.0bn due to lower yields (–3.8 per cent), higher traffic (+1.8 per cent) and negative exchange rates (–0.9 per cent)
- Other operating income down by 24.7 per cent overall to EUR 761m, mainly due to lower exchange rate gains (–50.6 per cent)
- Operating expenses down overall by 8.2 per cent to EUR 16.9bn
- Cost of materials and services down by 6.1 per cent to EUR 10.8bn, largely due to lower fuel prices and costs (–17.3 per cent)
- Staff costs down by 22.0 per cent to EUR 2.7bn, mainly due to past service costs from change in the system of retirement and transitional benefits for cabin staff at Lufthansa Passenger Airlines; average number of employees up by 0.7 per cent
- Depreciation and amortisation up by 9.5 per cent to EUR 1.1bn
- Other operating expenses down by 6.0 per cent overall to EUR 2.4bn, primarily due to lower exchange rate losses (–63.7 per cent), offset by higher expenses for advertising and sales promotion (+26.5 per cent) and for computerised distribution systems (+20.7 per cent)
- EBIT improves by 48.0 per cent to EUR 2.0bn, Adjusted EBIT up by 4.1 per cent to EUR 1.4bn
- Segment capital expenditure down by 24.9 per cent to EUR 1.3bn, mainly incurred for new aircraft



## Development of traffic regions\*

Passenger Airline Group

	Net traffic revenue in €m external revenue		Number of passengers in thousands		Available seat-kilometres in millions		Revenue seat-kilometres in millions		Passenger load factor in %	
	Jan. – Sept. 2016	Change in %	Jan. – Sept. 2016	Change in %	Jan. – Sept. 2016	Change in %	Jan. – Sept. 2016	Change in %	Jan. – Sept. 2016	Change in pts
Europe	7,838	0.0	67,007	1.1	72,909	2.8	55,101	0.5	75.6	-1.7
America	5,109	-3.4	8,599	5.8	79,482	10.1	64,993	6.5	81.8	-2.8
Asia/Pacific	2,869	-6.8	5,030	-1.6	49,692	1.2	40,655	-0.8	81.8	-1.6
Middle East/ Africa	1,137	-9.3	3,311	-5.9	17,047	-6.7	13,115	-6.2	76.9	0.3
<b>Total</b>	<b>16,953</b>	<b>-2.9</b>	<b>83,946</b>	<b>1.1</b>	<b>219,130</b>	<b>4.1</b>	<b>173,864</b>	<b>1.8</b>	<b>79.3</b>	<b>-1.8</b>

\* Including Eurowings.

## Lufthansa Passenger Airlines



### Key figures Lufthansa Passenger Airlines<sup>1)</sup>

		Jan. – Sept. 2016	Jan. – Sept. 2015 <sup>2)</sup>	Change in %
Revenue	€m	11,767	12,324	-4.5
EBIT	€m	1,580	757	108.7
Adjusted EBIT	€m	955	776	23.1
EBITDA	€m	2,343	1,423	64.7
Employees as of 30.9.	number	35,259	37,099	-5.0
Passengers	thousands	47,760	48,347	-1.2
Flights	number	417,329	408,492	2.2
Available seat-kilometres	millions	142,033	140,906	0.8
Revenue seat-kilometres	millions	112,699	114,240	-1.3
Passenger load factor	%	79.3	81.1	-1.7 pts

<sup>1)</sup> Including regional partners.

<sup>2)</sup> Previous year's figures have been adjusted.

- Long-term collective agreement reached between Lufthansa Passenger Airlines and the UFO flight attendants' union
- Services for customers expanded further: Signature Service introduced on all long-haul routes as of 2016; first aircraft in the short and medium-haul fleet equipped with broadband internet from October 2016
- World's first A320neo received in January 2016; delivery of a total of five A320neo planned for 2016
- Revenue down by 4.5 per cent to EUR 11.8bn
- Operating expenses down overall by 12.6 per cent to EUR 10.8bn
- Fuel costs down by 19.3 per cent to EUR 2.3bn
- Depreciation and amortisation up by 11.6 per cent to EUR 742m, primarily due to impairment losses and fleet modernisation

- Staff costs down by 34.6 per cent to EUR 1.5bn, mainly due to one-off effect of changing the system of retirement and transitional benefits in the new collective agreement for cabin staff
- Expenses for MRO services down by 12.1 per cent to EUR 980m, largely due to product work carried out in the cabins last year
- Absence of strike costs (EUR 130m) and impact on earnings by currency restrictions in Venezuela in the previous year
- EBIT improves by 108.7 per cent to EUR 1.6bn, Adjusted EBIT up by 23.1 per cent to EUR 955m

## SWISS



### Key figures SWISS\*

		Jan. – Sept. 2016	Jan. – Sept. 2015	Change in %
Revenue	€m	3,347	3,459	-3.2
EBIT	€m	329	407	-19.2
Adjusted EBIT	€m	329	375	-12.3
EBITDA	€m	524	599	-12.5
Employees as of 30.9.	number	9,520	8,705	9.4
Passengers	thousands	13,597	13,424	1.3
Flights	number	128,790	125,978	2.2
Available seat-kilometres	millions	39,607	36,561	8.3
Revenue seat-kilometres	millions	31,737	30,448	4.2
Passenger load factor	%	80.1	83.3	-3.2 pts

\* Including Edelweiss Air. Further information on SWISS can be found at [www.swiss.com](http://www.swiss.com).

- Services for customers expanded further: à la carte menus introduced in Economy Class; new "SWISS holidays" travel portal launched
- Six B777-300ERs and world's first Bombardier C Series added to the fleet



- Income and expenses affected by weakness of Swiss franc against other currencies
- Revenue down by 3.2 per cent to EUR 3.3bn due to exchange rate movements
- Operating expenses down overall by 3.4 per cent to EUR 3.2bn
- Fuel costs down by 16.0 per cent to EUR 654m
- EBIT down by 19.2 per cent to EUR 329m, Adjusted EBIT down by 12.3 per cent to EUR 329m, partly due to non-recurring effects and to higher result from currency hedging last year

## Austrian Airlines



### Key figures Austrian Airlines<sup>1)</sup>

		Jan. – Sept. 2016	Jan. – Sept. 2015	Change in %
Revenue	€m	1,637	1,591	2.9
EBIT	€m	83	61	36.1
Adjusted EBIT	€m	79	61	29.5
EBITDA	€m	166	142	16.9
Employees as of 30.9.	number	6,336	5,916	7.1
Passengers <sup>2)</sup>	thousands	8,627	8,361	3.2
Flights	number	102,612	96,756	6.1
Available seat-kilometres	millions	18,626	17,846	4.4
Revenue seat-kilometres <sup>2)</sup>	millions	14,344	14,062	2.0
Passenger load factor	%	77.0	78.8	–1.8 pts

<sup>1)</sup> Further information on Austrian Airlines can be found at [www.austrian.com](http://www.austrian.com).

<sup>2)</sup> Previous year's figures have been adjusted.

- Revised collective agreement signed between Austrian Airlines and the works council for flight staff; new model cuts future training costs
- Additional B777 long-haul aircraft and introduction of Premium Economy Class on long-haul routes from 2018
- Revenue up by 2.9 per cent to EUR 1.6bn
- Operating expenses increase, in part due to volumes, by 1.5 per cent overall to EUR 1.7bn
- Fuel costs down by 15.0 per cent to EUR 289m
- Positive one-off effect from a long-term tenancy agreement at Vienna Airport
- EBIT improves by 36.1 per cent to EUR 83m, Adjusted EBIT up by 29.5 per cent to EUR 79m

## Eurowings



### Key figures Eurowings\*

		Jan. – Sept. 2016	Jan. – Sept. 2015	Change in %
Revenue	€m	1,562	1,453	7.5
EBIT	€m	–35	60	
Adjusted EBIT	€m	–35	60	
EBITDA	€m	10	96	–89.6
Employees as of 30.9.	number	3,477	3,225	7.8
Passengers	thousands	13,962	12,891	8.3
Flights	number	130,595	126,307	3.4
Available seat-kilometres	millions	18,863	15,164	24.4
Revenue seat-kilometres	millions	15,084	12,081	24.9
Passenger load factor	%	80.0	79.7	0.3 pts

\* Further information on Eurowings can be found at [www.eurowings.com](http://www.eurowings.com).

- Eurowings Europe launched with its own base at Vienna Airport
- Expansion of long-haul fleet is progressing; four A330s already in service
- Replacement of 23 CRJ900 aircraft by A320s is going to plan; 13 aircraft already switched
- Revenue up due to volumes by 7.5 per cent to EUR 1.6bn
- Operating expenses increase, principally due to volumes and one-off expenses, by 11.8 per cent overall to EUR 1.6bn
- Fuel costs down by 2.7 per cent to EUR 255m thanks to lower prices
- EBIT and Adjusted EBIT both down by EUR 95m to EUR –35m
- Earnings reduced amongst others by high project costs

## Logistics business segment

### Key figures Logistics

		Jan. – Sept. 2016	Jan. – Sept. 2015	Change in %	July – Sept. 2016	July – Sept. 2015	Change in %
Revenue	€m	1,482	1,763	–15.9	506	556	–9.0
of which with companies of the Lufthansa Group	€m	19	19	0.0	7	6	16.7
EBIT	€m	–63	–38	–65.8	–17	–22	22.7
Adjusted EBIT	€m	–69	35		–24	–15	–60.0
EBITDA <sup>1)</sup>	€m	1	94	–98.9	5	6	–16.7
Segment capital expenditure <sup>2)</sup>	€m	29	105	–72.4	5	10	–50.0
Employees as of 30.9.	number	4,731	4,639	2.0	4,731	4,639	2.0
Available cargo tonne-kilometres <sup>2)</sup>	millions	9,390	9,450	–0.6	3,336	3,328	0.3
Revenue cargo tonne-kilometres <sup>2)</sup>	millions	6,155	6,234	–1.3	2,125	2,086	1.9
Cargo load factor <sup>2)</sup>	%	65.6	66.0	–0.4 pts	63.7	62.7	1.0 pts

<sup>1)</sup> Before profit/loss transfer from other intra-Group companies.

<sup>2)</sup> Previous year's figures have been adjusted.

- Load factor down (–0.4 percentage points) as a result of severe overcapacities in the market and weak demand; significant fall in yields (–15.8 per cent)
- Steps to safeguard earnings and strategic cost-cutting programme are underway
- One of the few cargo airlines in the world to receive an IATA-CEIV certificate for pharmaceutical shipments
- Revenue down by 15.9 per cent to EUR 1.5bn due to pricing
- Other operating income up by 37.5 per cent to EUR 44m, in particular due to first-time consolidation of time: matters
- Total operating income down by 15.0 per cent to EUR 1.5bn
- Operating expenses down by 13.2 per cent overall to EUR 1.6bn due to exchange rates and fuel prices
- EBIT down by EUR 25m to EUR –63m, Adjusted EBIT down by EUR 104m to EUR –69m
- Segment capital expenditure down by 72.4 per cent to EUR 29m following aircraft purchases in the previous year

### Development of traffic regions

Lufthansa Cargo

	Net traffic revenue in €m external revenue		Available cargo tonne- kilometres in millions		Revenue cargo tonne- kilometres in millions		Cargo load factor in %	
	Jan. – Sept. 2016	Change in %	Jan. – Sept. 2016	Change in %	Jan. – Sept. 2016	Change in %	Jan. – Sept. 2016	Change in pts
Europe	132	–10.8	535	3.5	251	3.0	47.0	–0.2
America	582	–19.6	4,353	0.0	2,643	–4.9	60.7	–3.1
Asia/Pacific	584	–14.0	3,652	–1.9	2,835	3.1	77.6	3.7
Middle East/Africa	120	–20.0	851	–0.9	426	–7.6	50.1	–3.6
<b>Total</b>	<b>1,418</b>	<b>–16.6</b>	<b>9,390</b>	<b>–0.6</b>	<b>6,155</b>	<b>–1.3</b>	<b>65.6</b>	<b>–0.4</b>

## MRO business segment

### Key figures MRO

		Jan. – Sept. 2016	Jan. – Sept. 2015	Change in %	July – Sept. 2016	July – Sept. 2015	Change in %
Revenue	€m	3,809	3,723	2.3	1,271	1,167	8.9
of which with companies of the Lufthansa Group	€m	1,198	1,361	–12.0	383	398	–3.8
EBIT	€m	365	399	–8.5	161	131	22.9
Adjusted EBIT	€m	366	398	–8.0	162	130	24.6
EBITDA <sup>1)</sup>	€m	444	474	–6.3	188	156	20.5
Segment capital expenditure <sup>2)</sup>	€m	137	78	75.6	42	36	16.7
Employees as of 30.9.	number	20,754	20,397	1.8	20,754	20,397	1.8

<sup>1)</sup> Before profit/loss transfer from other intra-Group companies.

<sup>2)</sup> Previous year's figures have been adjusted.

- New client contracts signed with a total volume of EUR 3.9bn for 2016 and subsequent years
- Number of aircraft serviced under exclusive contracts up by 9.2 per cent to 4,006
- Standard installation of broadband internet begun for the Lufthansa Group's A320 family; installation in some 300 aircraft planned until spring 2018
- Joint venture being implemented with GE Aviation to overhaul GENx-2B and GE9X engine models
- Board approval obtained to keep engine overhaul in Hamburg; long-term security for 1,300 jobs at the site
- Revenue up by 2.3 per cent to EUR 3.8bn; the volume-related increase more than makes up for falling prices due to persistently tough competition
- Other operating income down by 24.2 per cent to EUR 157m
- Total operating income up by 0.9 per cent to EUR 4.0bn
- Operating expenses up by 2.1 per cent to EUR 3.6bn due to higher expenses for product developments, growth projects and expansion of group structure
- EBIT and Adjusted EBIT down, partly due to absence of non-recurring effects last year, by 8.5 per cent to EUR 365m and by 8.0 per cent to EUR 366m respectively
- Segment capital expenditure up by 75.6 per cent to EUR 137m

## Catering business segment

### Key figures Catering

		Jan. – Sept. 2016	Jan. – Sept. 2015	Change in %	July – Sept. 2016	July – Sept. 2015	Change in %
Revenue	€m	2,395	2,258	6.1	869	810	7.3
of which with companies of the Lufthansa Group	€m	492	485	1.4	179	176	1.7
EBIT	€m	90	69	30.4	64	53	20.8
Adjusted EBIT	€m	80	76	5.3	56	50	12.0
EBITDA <sup>1)</sup>	€m	142	130	9.2	81	70	15.7
Segment capital expenditure <sup>2)</sup>	€m	45	71	–36.6	17	32	–46.9
Employees as of 30.9.	number	36,037	33,623	7.2	36,037	33,623	7.2

<sup>1)</sup> Before profit/loss transfer from other intra-Group companies.

<sup>2)</sup> Previous year's figures have been adjusted.

- Full takeover of Retail inMotion/Media inMotion
- Transformation of business model launched successfully
- Revenue up by 6.1 per cent to EUR 2.4bn due to volumes and despite negative exchange rate effects
- Other operating income down by 6.3 per cent to EUR 45m
- Total operating income up by 5.8 per cent to EUR 2.4bn
- Operating expenses up by 5.2 per cent to EUR 2.4bn, mainly due to volumes
- EBIT improves by 30.4 per cent to EUR 90m, Adjusted EBIT up by 5.3 per cent to EUR 80m
- Segment capital expenditure down by 36.6 per cent to EUR 45m

## Other

### Other

		Jan. – Sept. 2016	Jan. – Sept. 2015	Change in %	July – Sept. 2016	July – Sept. 2015	Change in %
Revenue	€m	323	373	-13.4	108	111	-2.7
of which with companies of the Lufthansa Group	€m	122	174	-29.9	41	46	-10.9
EBIT	€m	-67	-150	55.3	-22	-50	56.0
Adjusted EBIT	€m	-104	-191	45.5	-23	-51	54.9
EBITDA*	€m	22	-122		30	-42	
Segment capital expenditure	€m	16	10	60.0	6	2	200.0
Employees as of 30.9.	number	8,078	5,787	39.6	8,078	5,787	39.6

\* Before profit/loss transfer from other intra-Group companies.

- Operating income down by 17.8 per cent to EUR 1.5bn due to exchange rates
- Operating expenses down by 19.9 per cent to EUR 1.6bn due to exchange rates
- EBIT improves by 55.3 per cent to EUR -67m, Adjusted EBIT improves by 45.5 per cent to EUR -104m
- Exchange rate gains improve earnings for Group functions

## Opportunities and risk report

In the first nine months of 2016, there have been the following significant changes to the opportunities and risks for the Group compared with the detailed description in the Annual Report 2015:

- Investment grade rating from Standard & Poor's (currently BBB-) is at risk due to lower earnings estimate compared to the estimate made at the beginning of the financial year, in conjunction with the massive rise in pension provisions resulting from the further reduction in the discount rate; Standard & Poor's outlook revised from "stable" to "negative" on 15 September 2016
- Risk of breaching capital market compliance rules increased since the European Market Abuse Regulation took effect, amid uncertainty surrounding the practical interpretation and handling of European guidelines
- Higher risk of a terrorist attack on air traffic in Germany and Europe; potentially higher regulatory security requirements, travel restrictions (Schengen, visa requirements) and lower bookings possible
- Risk of cyberattacks higher than last year; further capital expenditure and defence measures to increase cybersecurity being planned and implemented

- Long-term collective agreement reached between Lufthansa Passenger Airlines and the UFO flight attendants' union; strike risk now ranked as very low
- Wage settlement and framework agreement unresolved at Eurowings in Germany; risk of strike by cabin crew in the coming weeks and months ranked as high

Taking all known circumstances into account, no risks have currently been identified which either singly or as a whole could jeopardise the continued existence of the Lufthansa Group.

## Supplementary report

### Strikes at Eurowings and Germanwings

- UFO trade union calls cabin crew at Eurowings GmbH and Germanwings out on strike on 27 October 2016
- Around 380 out of some 530 scheduled flights cancelled; almost 40,000 customers affected by the strike
- Industrial action by the trade union suspended until further notice

## Forecast

Primarily due to repeated terrorist attacks in Europe and to greater political and economic uncertainty since the original forecast was made in March, the Lufthansa Group had revised its forecast for 2016 in July of this year. Advance bookings had been down significantly, especially on long-haul routes to Europe, and the Executive Board had regarded at the time that a complete recovery was no longer likely.

The Executive Board of Deutsche Lufthansa AG had therefore decided to reduce the Adjusted EBIT forecast for the full year from "slightly above previous year" to "below previous year", although earnings in the first half-year were up on the same period of the previous year.

Compared to the previous guidance, especially the difficult-to-forecast short-term bookings of business travelers in September have developed better than expected. The capacity and steering measures initiated after the decline in long-term bookings were successful. However, political and economic uncertainties continue to significantly burden long-term bookings, especially on long-haul routes to Europe. Forecasting short-term bookings therefore remains challenging and may lead to significant volatility in earnings going forward.

On the basis of experience gathered in this environment so far, the Lufthansa Group's Executive Board increases its full year forecast for Adjusted EBIT from "below previous year" to "approximately on previous year's level". It is expected that revenues at constant currency will fall by 7 to 8 per cent in the fourth quarter, which is a one percentage point lower decrease compared to what was expected in July. Unchanged, unit costs excluding fuel and currency effects are expected to decrease by 2 to 3 per cent in the fourth quarter. On current projections, fuel costs will

decrease by about EUR 140m in the fourth quarter on the same period of the previous year. The other business segments are expecting cumulative earnings slightly below the same period last year in the fourth quarter.

The main influences on earnings remain the oil price, the euro exchange rate, especially against the US dollar and the Swiss franc, the yields at the Passenger Airline Group and the course of collective bargaining at Lufthansa Passenger Airlines. This earnings forecast does not include negative impacts from possible strikes. Overall risks from underlying macroeconomic and geopolitical developments remain unchanged and represent a significant uncertainty for the development of revenue and earnings, especially for the Passenger Airline Group.

Significant changes to the forecast for the business segments and the operating performance indicators for the Passenger Airline Group as compared with the 2nd Interim Report 2016 are marked with a \* in the following tables.

### Forecast: Development of key figures Passenger Airline Group

	Values 2015	Forecast for 2016
<b>Number of flights</b>	+0.2%	+1.4%
<b>Capacity</b> (ASK)	+2.2%	+5.2%*
<b>Sales</b> (RPK)	+2.7%	lower than capacity growth
<b>Passenger load factor</b> (SLF)	+0.3 pts	negative
<b>Pricing</b> (Yields) <sup>1)</sup>	-3.5%	significantly negative
<b>Unit revenue</b> (RASK) <sup>1)</sup>	-3.0%	significantly negative, -7% to -8% in the fourth quarter*
<b>Unit costs</b> (CASK, excluding fuel) <sup>1)</sup>	+2.4%	negative, -2% to -3% in the fourth quarter

\* Forecast has been adjusted compared with the 2nd Interim Report 2016.

<sup>1)</sup> At constant currency.

### Lufthansa Group and operating segments earnings forecast 2016

	Revenue		Adjusted EBIT	
	Revenue 2015 in €m	Forecast for 2016	Adjusted EBIT 2015 in €m	Forecast for 2016
Lufthansa Passenger Airlines	17,944		970	above previous year*
SWISS	4,542		429	below previous year
Austrian Airlines	2,102		52	above previous year
Eurowings				negative result
Reconciliation	-89		54	
Passenger Airline Group	24,499	below previous year	1,505	above previous year*
Logistics	2,355	below previous year	74	negative result
MRO	5,099	slightly above previous year	454	significantly below previous year
Catering	3,022	slightly above previous year	99	slightly below previous year
Other	484		-370	significantly above previous year
Internal revenue / Reconciliation	-3,403		55	
<b>Lufthansa Group</b>	<b>32,056</b>	<b>below previous year</b>	<b>1,817</b>	<b>approximately on previous year's level*</b>

\* Forecast has been adjusted compared with the 2nd Interim Report 2016.

## Consolidated income statement

January – September 2016

in €m	Jan. – Sept. 2016	Jan. – Sept. 2015*	July – Sept. 2016	July – Sept. 2015*
Traffic revenue	18,674	19,486	7,037	7,305
Other revenue	5,196	4,818	1,791	1,634
<b>Total revenue</b>	<b>23,870</b>	<b>24,304</b>	<b>8,828</b>	<b>8,939</b>
Changes in inventories and work performed by entity and capitalised	67	155	9	56
Other operating income	1,574	2,029	400	529
Cost of materials and services	–12,869	–13,303	–4,586	–4,659
Staff costs	–5,221	–5,902	–1,237	–1,979
Depreciation, amortisation and impairment	–1,283	–1,265	–440	–414
Other operating expenses	–3,896	–4,471	–1,260	–1,355
<b>Profit/loss from operating activities</b>	<b>2,242</b>	<b>1,547</b>	<b>1,714</b>	<b>1,117</b>
Result of equity investments accounted for using the equity method	62	108	85	93
Result of other equity investments	26	8	13	–10
Interest income	36	129	14	12
Interest expenses	–227	–253	–71	–82
Other financial items	164	456	50	–116
<b>Financial result</b>	<b>61</b>	<b>448</b>	<b>91</b>	<b>–103</b>
<b>Profit/loss before income taxes</b>	<b>2,303</b>	<b>1,995</b>	<b>1,805</b>	<b>1,014</b>
Income taxes	–434	–227	–376	–214
<b>Profit/loss after income taxes</b>	<b>1,869</b>	<b>1,768</b>	<b>1,429</b>	<b>800</b>
Profit/loss attributable to minority interests	–18	–20	–7	–6
<b>Net profit/loss attributable to shareholders of Deutsche Lufthansa AG</b>	<b>1,851</b>	<b>1,748</b>	<b>1,422</b>	<b>794</b>
<b>Basic/diluted earnings per share in €</b>	<b>3.98</b>	<b>3.78</b>	<b>3.06</b>	<b>1.72</b>

\* Previous year's figures have been adjusted.

**Statement of comprehensive income**

January – September 2016

in €m	Jan. – Sept. 2016	Jan. – Sept. 2015	July – Sept. 2016	July – Sept. 2015
<b>Profit/loss after income taxes</b>	<b>1,869</b>	<b>1,768</b>	<b>1,429</b>	<b>800</b>
<b>Other comprehensive income</b>				
<b>Other comprehensive income with subsequent reclassification to the income statement</b>				
Differences from currency translation	–62	194	–29	–93
Subsequent measurement of available-for-sale financial assets	–6	–554	15	–6
Subsequent measurement of cash flow hedges	817	440	–4	–131
Other comprehensive income from investments accounted for using the equity method	–4	4	0*	–2
Other expenses and income recognised directly in equity	–3	0*	–1	–4
Income taxes on items in other comprehensive income	–172	–110	6	20
<b>Other comprehensive income without subsequent reclassification to the income statement</b>				
Revaluation of defined-benefit pension plans	–4,345	630	–347	–200
Revaluation of defined-benefit pension plans within groups of disposal	–	–19	–	–
Other comprehensive income from investments accounted for using the equity method	–9	–	–	–
Income taxes on items in other comprehensive income	1,142	–192	150	17
<b>Other comprehensive income after income taxes</b>	<b>–2,642</b>	<b>393</b>	<b>–208</b>	<b>–399</b>
<b>Total comprehensive income</b>	<b>–773</b>	<b>2,161</b>	<b>1,221</b>	<b>401</b>
Comprehensive income attributable to minority interests	–15	–20	–8	–2
<b>Comprehensive income attributable to shareholders of Deutsche Lufthansa AG</b>	<b>–788</b>	<b>2,141</b>	<b>1,213</b>	<b>399</b>

\* Rounded below EUR 1m.



## Consolidated balance sheet

as of 30 September 2016

<b>Assets</b>			
in €m	30.9.2016	31.12.2015	30.9.2015
Intangible assets with an indefinite useful life*	1,258	1,235	1,229
Other intangible assets	451	422	399
Aircraft and reserve engines	14,656	14,591	14,473
Repairable spare parts for aircraft	1,526	1,388	1,313
Property, plant and other equipment	2,178	2,173	2,080
Investments accounted for using the equity method	536	520	526
Other equity investments	208	201	163
Non-current securities	25	15	29
Loans and receivables	471	516	520
Derivative financial instruments	1,109	1,234	1,148
Deferred charges and prepaid expenses	12	12	12
Effective income tax receivables	5	19	33
Deferred tax assets	1,852	1,200	1,088
<b>Non-current assets</b>	<b>24,287</b>	<b>23,526</b>	<b>23,013</b>
Inventories	775	761	732
Trade receivables and other receivables	4,976	4,389	4,692
Derivative financial instruments	300	440	498
Deferred charges and prepaid expenses	178	158	163
Effective income tax receivables	74	85	147
Securities	2,327	1,994	2,962
Cash and cash equivalents	1,287	1,099	919
Assets held for sale	109	10	33
<b>Current assets</b>	<b>10,026</b>	<b>8,936</b>	<b>10,146</b>
<b>Total assets</b>	<b>34,313</b>	<b>32,462</b>	<b>33,159</b>

\* Including goodwill.

**Shareholders' equity and liabilities**

in €m	30.9.2016	31.12.2015	30.9.2015
Issued capital	1,193	1,189	1,185
Capital reserve	203	187	170
Retained earnings	-134	1,612	1,711
Other neutral reserves	1,655	1,082	1,295
Net profit/loss	1,851	1,698	1,748
<b>Equity attributable to shareholders of Deutsche Lufthansa AG</b>	<b>4,768</b>	<b>5,768</b>	<b>6,109</b>
Minority interests	84	77	73
<b>Shareholders' equity</b>	<b>4,852</b>	<b>5,845</b>	<b>6,182</b>
Pension provisions	10,537	6,626	6,886
Other provisions	472	526	570
Borrowings	5,010	5,031	4,731
Other financial liabilities	116	121	90
Advance payments received, deferred income and other non-financial liabilities	1,234	1,223	1,268
Derivative financial instruments	72	307	239
Deferred tax liabilities	380	346	331
<b>Non-current provisions and liabilities</b>	<b>17,821</b>	<b>14,180</b>	<b>14,115</b>
Other provisions	905	1,075	989
Borrowings	759	1,339	1,439
Trade payables and other financial liabilities	5,195	4,847	4,926
Liabilities from unused flight documents	3,439	2,901	3,499
Advance payments received, deferred income and other non-financial liabilities	900	918	913
Derivative financial instruments	331	1,221	974
Effective income tax obligations	111	136	120
Liabilities related to assets held for sale	-	-	2
<b>Current provisions and liabilities</b>	<b>11,640</b>	<b>12,437</b>	<b>12,862</b>
<b>Total shareholders' equity and liabilities</b>	<b>34,313</b>	<b>32,462</b>	<b>33,159</b>

## Consolidated statement of changes in shareholders' equity

as of 30 September 2016

	Issued capital	Capital reserve	Fair value measurement of financial instruments	Currency differences	Revaluation reserve (due to business combinations)	Other neutral reserves	Total other neutral reserves	Retained earnings	Net profit/loss	Equity attributable to shareholders of Deutsche Lufthansa AG	Minority interests	Total shareholders' equity
in €m												
<b>As of 31.12.2014</b>	<b>1,185</b>	<b>170</b>	<b>407</b>	<b>364</b>	<b>236</b>	<b>314</b>	<b>1,321</b>	<b>1,237</b>	<b>55</b>	<b>3,968</b>	<b>63</b>	<b>4,031</b>
Capital increases/reductions	–	–	–	–	–	–	–	–	–	–	–	–
Reclassifications	–	–	–	–	–	–	–	55	–55	–	–	–
Dividends to Lufthansa shareholders/minority interests	–	–	–	–	–	–	–	–	–	–	–9	–9
Transactions with minority interests	–	–	–	–	–	–	–	–	–	–	–1	–1
Consolidated net profit/loss attributable to Lufthansa shareholders/minority interests	–	–	–	–	–	–	–	–	1,748	1,748	20	1,768
Other expenses and income recognised directly in equity	–	–	–224	194	–	4	–26	419	–	393	–	393
<b>As of 30.9.2015</b>	<b>1,185</b>	<b>170</b>	<b>183</b>	<b>558</b>	<b>236</b>	<b>318</b>	<b>1,295</b>	<b>1,711</b>	<b>1,748</b>	<b>6,109</b>	<b>73</b>	<b>6,182</b>
<b>As of 31.12.2015</b>	<b>1,189</b>	<b>187</b>	<b>–76</b>	<b>604</b>	<b>236</b>	<b>318</b>	<b>1,082</b>	<b>1,612</b>	<b>1,698</b>	<b>5,768</b>	<b>77</b>	<b>5,845</b>
Capital increases/reductions	4	16	–	–	–	–	–	–	–	20	1	21
Reclassifications	–	–	–	–	–	–	–	1,466	–1,466	–	–	–
Dividends to Lufthansa shareholders/minority interests	–	–	–	–	–	–	–	–	–232	–232	–9	–241
Transactions with minority interests	–	–	–	–	–	–	–	–	–	–	–	–
Consolidated net profit/loss attributable to Lufthansa shareholders/minority interests	–	–	–	–	–	–	–	–	1,851	1,851	18	1,869
Other expenses and income recognised directly in equity	–	–	639	–62	–	–4	573	–3,212	–	–2,639	–3	–2,642
<b>As of 30.9.2016</b>	<b>1,193</b>	<b>203</b>	<b>563</b>	<b>542</b>	<b>236</b>	<b>314</b>	<b>1,655</b>	<b>–134</b>	<b>1,851</b>	<b>4,768</b>	<b>84</b>	<b>4,852</b>

# Interim financial statements

Consolidated statement of changes  
in shareholders' equity  
Consolidated cash flow statement

## Consolidated cash flow statement

January – September 2016

in €m	Jan. – Sept. 2016	Jan. – Sept. 2015	July – Sept. 2016	July – Sept. 2015
<b>Cash and cash equivalents 1.1.</b>	<b>996</b>	<b>828</b>	<b>1,302</b>	<b>1,123</b>
Net profit/loss before income taxes	2,303	1,995	1,805	1,014
Depreciation, amortisation and impairment losses on non-current assets (net of reversals)	1,283	1,244	440	397
Depreciation, amortisation and impairment losses on current assets (net of reversals)	57	42	5	2
Net proceeds on disposal of non-current assets	-49	-46	-7	0*
Result of equity investments	-88	-116	-98	-83
Net interest	191	124	57	70
Income tax payments/reimbursements	-78	-208	-5	-69
Significant non-cash-relevant expenses/income	-1,011	-527	-795	100
Change in trade working capital	325	106	-664	-1,304
Change in other assets/shareholders' equity and liabilities	121	546	141	506
<b>Cash flow from operating activities</b>	<b>3,054</b>	<b>3,160</b>	<b>879</b>	<b>633</b>
Capital expenditure for property, plant and equipment and intangible assets	-1,577	-1,876	-455	-429
Capital expenditure for financial investments	-18	-53	-5	-4
Additions/loss to repairable spare parts for aircraft	-200	-257	-112	-72
Proceeds from disposal of non-consolidated equity investments	26	0*	0*	0*
Proceeds from disposal of consolidated equity investments	0*	-86	0*	-2
Cash outflows for acquisitions of non-consolidated equity investments	-33	-1	-1	0*
Cash outflows for acquisitions of consolidated equity investments	-6	-1	-6	0*
Proceeds from disposal of intangible assets, property, plant and equipment and other financial investments	69	75	18	19
Interest income	146	203	63	43
Dividends received	57	36	32	-8
<b>Net cash from/used in investing activities</b>	<b>-1,536</b>	<b>-1,960</b>	<b>-466</b>	<b>-453</b>
Purchase of securities/fund investments	-883	-1,211	-70	-719
Disposal of securities/fund investments	502	86	401	19
<b>Net cash from/used in investing and cash management activities</b>	<b>-1,917</b>	<b>-3,085</b>	<b>-135</b>	<b>-1,153</b>
Capital increase	-	-	-	-
Transactions by minority interests	1	-	-	0*
Non-current borrowing	847	700	104	499
Repayment of non-current borrowing	-1,376	-565	-871	-131
Dividends paid	-222	-9	-	-2
Interest paid	-208	-209	-113	-115
<b>Net cash from/used in financing activities</b>	<b>-958</b>	<b>-83</b>	<b>-880</b>	<b>251</b>
<b>Net increase/decrease in cash and cash equivalents</b>	<b>179</b>	<b>-8</b>	<b>-136</b>	<b>-269</b>
Changes due to currency translation differences	-12	15	-3	-19
<b>Cash and cash equivalents 30.9.<sup>1)</sup></b>	<b>1,163</b>	<b>835</b>	<b>1,163</b>	<b>835</b>
Securities	2,327	2,962	2,327	2,962
<b>Liquidity</b>	<b>3,490</b>	<b>3,797</b>	<b>3,490</b>	<b>3,797</b>
Net increase/decrease in total liquidity	500	1,184	-495	414

\* Rounded below EUR 1m.

<sup>1)</sup> Excluding fixed-term deposits with terms of three to twelve months (2016: EUR 124m, 2015: EUR 84m).

# Notes

## 1) Standards applied and changes in the group of consolidated companies

The consolidated financial statements of Deutsche Lufthansa AG and its subsidiaries have been prepared in accordance with the International Financial Reporting Standards (IFRS) issued by the International Accounting Standards Board (IASB), taking account of interpretations by the IFRS Interpretations Committee (IFRIC) as applicable in the European Union (EU). This interim report as of 30 September 2016 has been prepared in condensed form in accordance with IAS 34.

In preparing the interim financial statements the standards and interpretations applicable as of 1 January 2016 have been applied. The interim financial statements as of 30 September 2016 have been prepared using the same accounting policies as those on which

the preceding consolidated financial statements as of 31 December 2015 were based. The standards and interpretations mandatory for the first time as of 1 January 2016 did not have a significant effect on the Group's net assets, financial and earnings position.

There have been no significant changes to the group of consolidated companies since this time last year. The individual changes compared with year-end 2015 and 30 September 2015 are shown in the following table. These changes had no significant effect on the consolidated balance sheet and income statement in comparison with the same period last year.

As part of the strategic reorganisation of the Group, Eurowings will report separately as an independent business entity within the Passenger Airline Group as of the financial year 2016. The previous year's figures – including for Lufthansa Passenger Airlines – have been adjusted accordingly.

### Changes in the group of consolidated companies in the period 1.10.2015 to 30.9.2016

Name, registered office	Additions	Disposals	Reason
<b>Passenger Airline Group segment</b>			
LHAMIP LIMITED, Dublin, Ireland	1.12.15		Consolidated for the first time
ORIX Himalia Corporation Ltd., Tokyo, Japan	15.12.15		Established
ORIX Miranda Corporation Ltd., Tokyo, Japan	15.12.15		Established
Yamasa Aircraft LH12 Kumiai Ltd., Okayama, Japan	15.12.15		Established
LHAMIW LIMITED, Dublin, Ireland	1.2.16		Consolidated for the first time
LHAMIS LIMITED, Dublin, Ireland	8.2.16		Established
Lufthansa Asset Management Leasing GmbH, Frankfurt/Main	10.3.16		Established
Lufthansa Leasing Austria GmbH & Co. OG Nr. 31, Salzburg, Austria	4.4.16		Established
Dunkel Leasing Co., Ltd., Tokyo, Japan	27.7.16		Established
Helles Leasing Co., Ltd., Tokyo, Japan	27.7.16		Established
TraviAustria GmbH, Vienna, Austria		22.10.15	Sale
Lufthansa Leasing Austria GmbH & Co. OG Nr. 9, Salzburg, Austria		14.11.15	Merger
Lufthansa Leasing Austria GmbH & Co. OG Nr. 1, Salzburg, Austria		1.12.15	Merger
Raffles Leasing Ltd., Hamilton, Bermuda		30.12.15	Liquidation
Syracuse Ltd., Hamilton, Bermuda		30.12.15	Liquidation
Lufthansa Leasing Austria GmbH & Co. OG Nr. 7, Salzburg, Austria		18.7.16	Merger
<b>Logistics segment</b>			
time:matters Holding GmbH, Neu-Isenburg	8.8.16		Acquisition of shares
time:matters GmbH, Kelsterbach	8.8.16		Acquisition of shares
time:matters Spare Parts Logistics GmbH, Neu-Isenburg	8.8.16		Acquisition of shares
Lufthansa Leasing GmbH & Co. Echo-Zulu oHG, Grünwald		28.12.15	Merger
<b>Catering segment</b>			
Retail inMotion Limited, Dublin, Ireland	5.2.16		Acquisition of shares
MIM IFE Limited, Dublin, Ireland	5.2.16		Acquisition
<b>Other</b>			
Lufthansa Malta Finance Holding Limited, St. Julians, Malta	14.4.16		Established
Lufthansa Malta Corporate Finance Limited, St. Julians, Malta	14.4.16		Established
Lufthansa Malta Working Capital Solutions Limited, St. Julians, Malta	14.4.16		Established

In the course of revising the definition of other revenue in flight operations, certain other revenue that is closely related to flight services has been reclassified within revenue from other revenue to traffic revenue as of 1 January 2016. The previous year's figures, including the information on yields, have been adjusted accordingly; traffic revenue as of 30 September 2015 was shown EUR 99m higher and other revenue as EUR 99m lower.

## 2) Notes to the income statement, balance sheet, cash flow statement and segment reporting

<b>Assets held for sale</b>			
in €m	30.9.2016	31.12.2015	30.9.2015
<b>Assets</b>			
Aircraft and reserve engines	104	5	19
Financial assets	–	–	–
Other assets	5	5	14
<b>Equity / liabilities associated with assets held for sale</b>			
Equity	–	–	–
Liabilities	–	–	2

Detailed comments on the income statement, the balance sheet, the cash flow statement and the segment reporting can also be found in the interim Group management report on [p. 1–11](#).

## 3) Seasonality

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

## 4) Contingencies and events after the balance sheet date

<b>Contingent liabilities</b>		
in €m	30.9.2016	31.12.2015
From guarantees, bills of exchange and cheque guarantees	827	843
From warranty contracts	663	872
From providing collateral for third-party liabilities	40	47
	<b>1,530</b>	<b>1,762</b>

Provisions for other contingent liabilities were not made because an outflow of resources was not sufficiently probable. The potential financial effect of these provisions on the result would have been EUR 52m (as of 31.12.2015: EUR 51m).

Contracts signed for the sale of seven Boeing 737-300s are expected to generate cash inflows of EUR 4m in 2016 and EUR 1m in 2017.

At the end of September 2016, there were order commitments of EUR 15.1bn for capital expenditure on property, plant and equipment and intangible assets. As of 31 December 2015, the order commitments came to EUR 16.5bn.

## Strikes at Eurowings and Germanwings

- UFO trade union calls cabin crew at Eurowings GmbH and Germanwings out on strike on 27 October 2016
- Around 380 out of some 530 scheduled flights cancelled; almost 40,000 customers affected by the strike
- Industrial action by the trade union suspended until further notice

## 5) Financial instruments and financial liabilities

### Financial instruments

The following table shows financial assets and liabilities held at fair value by level of fair value hierarchy. The levels are defined as follows:

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

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

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

**Assets 30.9.2016**

in €m	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit and loss</b>				
Financial derivatives classified as held for trading	–	255	–	255
<b>Total financial assets through profit and loss</b>	–	<b>255</b>	–	<b>255</b>
<b>Derivative financial instruments which are an effective part of a hedging relationship</b>	–	<b>1,154</b>	–	<b>1,154</b>
<b>Available-for-sale financial assets</b>				
Equity instruments	239	85	–	324
Debt instruments	–	2,024	–	2,024
<b>Total available-for-sale financial assets</b>	<b>239</b>	<b>2,109</b>	–	<b>2,348</b>
<b>Total assets</b>	<b>239</b>	<b>3,518</b>	–	<b>3,757</b>

The financial assets of EUR 24m shown in level 3 of the fair value hierarchy as of 31 December 2015 have been disposed of.

**Liabilities 30.9.2016**

in €m	Level 1	Level 2	Level 3	Total
Derivative financial instruments at fair value through profit or loss	–	60	–	60
Derivative financial instruments which are an effective part of a hedging relationship	–	343	–	343
<b>Total liabilities</b>	–	<b>403</b>	–	<b>403</b>

As of 31 December 2015, the fair value hierarchy for assets and liabilities held at fair value was as follows:

**Assets 31.12.2015**

in €m	Level 1	Level 2	Level 3	Total
<b>Financial assets at fair value through profit and loss</b>				
Financial derivatives classified as held for trading	–	259	–	259
<b>Total financial assets through profit and loss</b>	–	<b>259</b>	–	<b>259</b>
<b>Derivative financial instruments which are an effective part of a hedging relationship</b>	–	<b>1,415</b>	–	<b>1,415</b>
<b>Available-for-sale financial assets</b>				
Equity instruments	238	51	24	313
Debt instruments	–	1,714	–	1,714
<b>Total available-for-sale financial assets</b>	<b>238</b>	<b>1,765</b>	<b>24</b>	<b>2,027</b>
<b>Total assets</b>	<b>238</b>	<b>3,439</b>	<b>24</b>	<b>3,701</b>

**Liabilities 31.12.2015**

in €m	Level 1	Level 2	Level 3	Total
Derivative financial instruments at fair value through profit or loss	–	85	–	85
Derivative financial instruments which are an effective part of a hedging relationship	–	1,443	–	1,443
<b>Total liabilities</b>	–	<b>1,528</b>	–	<b>1,528</b>



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

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

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

### Financial liabilities

The following table shows the carrying amounts and market values for individual classes of financial liabilities. Market values for bonds are equal to the listed prices. The market values for other types of financial liability have been calculated using the applicable interest rates for the remaining term to maturity and repayment structures at the balance sheet date based on available market information (Reuters).

### Financial liabilities

in €m	30.9.2016		31.12.2015	
	Carrying amount	Market value	Carrying amount	Market value
Bonds	1,014	1,032	1,749	1,789
Liabilities to banks	1,271	1,276	1,079	1,095
Leasing liabilities and other loans	3,484	3,584	3,542	3,663
	<b>5,769</b>	<b>5,892</b>	<b>6,370</b>	<b>6,547</b>

### 6) Earnings per share

		30.9.2016	30.9.2015
<b>Basic earnings per share</b>	€	<b>3.98</b>	<b>3.78</b>
Consolidated net profit/loss	€m	1,851	1,748
Weighted average number of shares		464,538,715	462,772,266
<b>Diluted earnings per share</b>	€	<b>3.98</b>	<b>3.78</b>
Consolidated net profit/loss	€m	1,851	1,748
Weighted average number of shares		464,538,715	462,772,266

### 7) Issued capital

A resolution passed at the Annual General Meeting on 29 April 2014 authorised the Executive Board until 28 April 2019, subject to approval by the Supervisory Board, to increase the Company's issued capital by up to EUR 29,000,000, by issuing new registered shares to employees (Authorised Capital B) for payment in cash. Existing shareholders' subscription rights are excluded.

A resolution passed at the Annual General Meeting on 29 April 2015 authorised the Executive Board until 28 April 2020, subject to approval by the Supervisory Board, to increase the Company's issued capital by up to EUR 561,160,092, by issuing new registered shares (Authorised Capital B) for payment in cash or in kind. 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 29 April 2015 authorised the Executive Board pursuant to Section 71 Paragraph 1 No. 8 Stock Corporation Act (AktG) to purchase treasury shares until 29 April 2020. The authorisation is limited to 10 per cent of current issued capital. According to the resolution of the Annual General Meeting, the Executive Board is also authorised to purchase treasury shares by means of derivatives and to conclude corresponding derivative transactions.

Following a resolution of the Annual General Meeting held on 28 April 2016, the distributable profit of EUR 232m shown in the 2015 financial statements was paid out as dividends. This corresponds to a dividend of EUR 0.50 per share for the financial year 2015.

## 8) Segment reporting

### Segment information by operating segment January – September 2016

	Passenger Airline Group	Logistics	MRO	Catering	Total reportable operating segments	Other	Reconciliation	Group
in €m								
External revenue	17,692	1,463	2,611	1,903	23,669	201	–	23,870
of which traffic revenue	16,953	1,418	–	–	18,371	–	303	18,674
Inter-segment revenue	474	19	1,198	492	2,183	122	–2,305	–
<b>Total revenue</b>	<b>18,166</b>	<b>1,482</b>	<b>3,809</b>	<b>2,395</b>	<b>25,852</b>	<b>323</b>	<b>–2,305</b>	<b>23,870</b>
Other operating income	761	44	157	45	1,007	1,209	–575	1,641
<b>Total operating income</b>	<b>18,927</b>	<b>1,526</b>	<b>3,966</b>	<b>2,440</b>	<b>26,859</b>	<b>1,532</b>	<b>–2,880</b>	<b>25,511</b>
<b>Operating expenses</b>	<b>16,938</b>	<b>1,609</b>	<b>3,616</b>	<b>2,366</b>	<b>24,529</b>	<b>1,616</b>	<b>–2,876</b>	<b>23,269</b>
of which cost of materials and services	10,839	1,058	2,022	1,039	14,958	118	–2,207	12,869
of which staff costs	2,673	297	949	882	4,801	425	–5	5,221
of which depreciation and amortisation	1,063	64	79	52	1,258	26	–1	1,283
of which other operating expenses	2,363	190	566	393	3,512	1,047	–663	3,896
<b>Results of equity investments</b>	<b>20</b>	<b>20</b>	<b>15</b>	<b>16</b>	<b>71</b>	<b>17</b>	<b>–</b>	<b>88</b>
of which result of investments accounted for using the equity method	20	17	13	14	64	1	–3	62
<b>EBIT</b>	<b>2,009</b>	<b>–63</b>	<b>365</b>	<b>90</b>	<b>2,401</b>	<b>–67</b>	<b>–4</b>	<b>2,330</b>
<b>of which reconciliation items</b>								
Impairment losses / gains / badwill	–116	3	–1	–2	–116	–	–1	–117
Past service costs / settlement	713	–	–	8	721	–	–	721
Results of disposal of assets	6	3	0*	4	13	37	–1	49
<b>Adjusted EBIT<sup>1)</sup></b>	<b>1,406</b>	<b>–69</b>	<b>366</b>	<b>80</b>	<b>1,783</b>	<b>–104</b>	<b>–2</b>	<b>1,677</b>
Total adjustments								653
Other financial result								–27
Profit / loss before income taxes								2,303
Capital employed <sup>2)</sup>	11,789	1,079	3,647	1,355	17,870	1,265	394	19,529
of which from investments accounted for using the equity method	162	45	197	127	531	6	–1	536
Segment capital expenditure <sup>3)</sup>	1,306	29	137	45	1,517	16	101	1,634
of which from investments accounted for using the equity method	–	–	–	2	2	–	–	2
Number of employees at end of period	54,592	4,731	20,754	36,037	116,114	8,078	–	124,192

\* Rounded below EUR 1m.

<sup>1)</sup> For detailed reconciliation from EBIT to Adjusted EBIT, please see page 3 of the interim Group management report.

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

<sup>3)</sup> Capital expenditure for intangible assets, property, plant and equipment, and investments accounted for using the equity method. Under the heading "Group" all investments are shown.

## Segment information by operating segment January – September 2015

	Passenger Airline Group	Logistics	MRO	Catering	Total reportable operating segments	Other	Reconciliation	Group
in €m								
External revenue	18,226	1,744	2,362	1,773	24,105	199	–	24,304
of which traffic revenue <sup>4)</sup>	17,459	1,701	–	–	19,160	–	326	19,486
Inter-segment revenue	513	19	1,361	485	2,378	174	–2,552	–
<b>Total revenue</b>	<b>18,739</b>	<b>1,763</b>	<b>3,723</b>	<b>2,258</b>	<b>26,483</b>	<b>373</b>	<b>–2,552</b>	<b>24,304</b>
Other operating income	1,011	32	207	48	1,298	1,490	–604	2,184
<b>Total operating income</b>	<b>19,750</b>	<b>1,795</b>	<b>3,930</b>	<b>2,306</b>	<b>27,781</b>	<b>1,863</b>	<b>–3,156</b>	<b>26,488</b>
<b>Operating expenses</b>	<b>18,460</b>	<b>1,854</b>	<b>3,543</b>	<b>2,248</b>	<b>26,105</b>	<b>2,018</b>	<b>–3,182</b>	<b>24,941</b>
of which cost of materials and services	11,546	1,191	1,897	974	15,608	119	–2,424	13,303
of which staff costs	3,428	310	960	826	5,524	385	–7	5,902
of which depreciation and amortisation	971	132	75	60	1,238	26	1	1,265
of which other operating expenses	2,515	221	611	388	3,735	1,488	–752	4,471
<b>Results of equity investments</b>	<b>67</b>	<b>21</b>	<b>12</b>	<b>11</b>	<b>111</b>	<b>5</b>	<b>–</b>	<b>116</b>
of which result of investments accounted for using the equity method	69	18	11	10	108	–	–	108
<b>EBIT</b>	<b>1,357</b>	<b>–38</b>	<b>399</b>	<b>69</b>	<b>1,787</b>	<b>–150</b>	<b>26</b>	<b>1,663</b>
<b>of which reconciliation items</b>								
Impairment losses / gains / goodwill	–26	–73	1	–6	–104	–2	–2	–108
Past service costs / settlement	32	–	–	–	32	–	–	32
Results of disposal of assets	1	0*	0*	–1	0*	43	3	46
<b>Adjusted EBIT<sup>1)</sup></b>	<b>1,350</b>	<b>35</b>	<b>398</b>	<b>76</b>	<b>1,859</b>	<b>–191</b>	<b>25</b>	<b>1,693</b>
Total adjustments								–30
Other financial result								332
Profit/loss before income taxes								1,995
Capital employed <sup>2)</sup>	11,414	1,150	3,197	1,308	17,069	1,310	618	18,997
of which from investments accounted for using the equity method	138	52	200	131	521	6	–1	526
Segment capital expenditure <sup>3), 4)</sup>	1,739	105	78	71	1,993	10	–72	1,931
of which from investments accounted for using the equity method	–	–	–	–	–	–	–	–
Number of employees at end of period	54,945	4,639	20,397	33,623	113,604	5,787	–	119,391

\* Rounded below EUR 1m.

<sup>1)</sup> For detailed reconciliation from EBIT to Adjusted EBIT, please see page 3 of the interim Group management report.

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

<sup>3)</sup> Capital expenditure for intangible assets, property, plant and equipment, and investments accounted for using the equity method. Under the heading "Group" all investments are shown.

<sup>4)</sup> Previous year's figures have been adjusted.

## Figures by region January – September 2016

in €m	Europe	thereof Germany	North America	thereof USA	Central and South America	Asia / Pacific	Middle East	Africa	Total
Traffic revenue*	12,104	5,698	3,088	2,786	466	2,205	507	304	18,674
Other operating revenue	2,065	758	1,535	1,240	229	967	232	168	5,196
<b>Total revenue</b>	<b>14,169</b>	<b>6,456</b>	<b>4,623</b>	<b>4,026</b>	<b>695</b>	<b>3,172</b>	<b>739</b>	<b>472</b>	<b>23,870</b>

\* Traffic revenue is allocated according to the original location of sale.

## Figures by region January – September 2015<sup>1)</sup>

in €m	Europe	thereof Germany	North America	thereof USA	Central and South America	Asia / Pacific	Middle East	Africa	Total
Traffic revenue <sup>2)</sup>	12,097	5,580	3,405	2,891	633	2,480	572	299	19,486
Other operating revenue	1,884	739	1,328	1,031	250	892	234	230	4,818
<b>Total revenue</b>	<b>13,981</b>	<b>6,319</b>	<b>4,733</b>	<b>3,922</b>	<b>883</b>	<b>3,372</b>	<b>806</b>	<b>529</b>	<b>24,304</b>

<sup>1)</sup> Previous year's figures have been adjusted.

<sup>2)</sup> Traffic revenue is allocated according to the original location of sale.

## 9) Related party disclosures

As stated in "Note 44" to the consolidated financial statements from p. 179 in the Annual Report 2015, the operating segments in the Lufthansa Group render numerous services to related parties within the scope of their ordinary business activities and also receive services from them. These extensive supply and service relationships take place unchanged on the basis of market prices. There have been no significant changes in comparison with the balance sheet date. The contractual relationships with the group of related parties described in the "Remuneration report" from p. 96 and in "Note 45" from p. 181 of the 2015 consolidated financial statements also still exist unchanged, but are not of material significance for the Group.

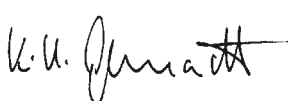
## Declaration by the legal representatives

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

The Executive Board, 1 November 2016



Carsten Spohr  
Chairman of the  
Executive Board and CEO



Karl Ulrich Garnadt  
Member of the Executive Board  
Eurowings and Aviation Services



Harry Hohmeister  
Member of the Executive Board  
Hub Management



Dr Bettina Volken  
Member of the Executive Board  
Corporate Human Resources  
and Legal Affairs

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## Financial calendar 2017

- 16 March** Release of Annual Report 2016
- 27 April** Release of Interim Report January – March 2017
- 5 May** Annual General Meeting in Hamburg
- 2 Aug.** Release of Interim Report January – June 2017
- 26 Oct.** Release of Interim Report January – September 2017

### Disclaimer in respect of forward-looking statements

Information published in the 3rd Interim Report 2016, with regard to the future development of the Lufthansa Group and its subsidiaries consists purely of forecasts and assessments and not of definitive facts. Its purpose is exclusively informational, and can be identified by the use of such cautionary terms as “believe”, “expect”, “forecast”, “intend”, “project”, “plan”, “estimate”, “anticipate”, “can”, “could”, “should” or “endeavour”. These forward-looking statements are based on discernible information, facts and expectations available at the time that the statements were made. They are therefore subject to a number of risks, uncertainties and factors, including, but not limited to, those described in disclosures, in particular in the Opportunities and risk report in the Annual Report. Should one or more of these risks occur, or should the underlying expectations or assumptions fail to materialise, this could have a significant effect (either positive or negative) on the actual results.

It is possible that the Group's actual results and development may differ materially from the results forecast in the forward-looking statements. Lufthansa does not assume any obligation, nor does it intend, to adapt forward-looking statements to accommodate events or developments that may occur at some later date. Accordingly, it neither expressly nor conclusively accepts liability, nor gives any guarantee, for the actuality, accuracy and completeness of this data and information.

