



AD-HOC RELEASE

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Lufthansa Group publishes preliminary results for the first quarter and provides outlook on liquidity development

The travel restrictions implemented as a consequence of the global spread of the coronavirus had a significant impact on the Lufthansa Group's earnings development in the first quarter of 2020.

On a preliminary basis, Group revenues fell by 18 percent to 6.4 billion euros (previous year: 7.8 billion euros) in the first quarter. In March alone, revenues declined by almost 1.4 billion euros or 47 percent. Cost reductions could only partially offset the revenue decline in the quarter. On a preliminary basis, the Lufthansa Group's Adjusted EBIT¹ in the first quarter of 2020 amounts to around -1.2 billion euros (previous year: -336 million euros). The Group expects crisis-related asset impairments and the negative development of the value of fuel hedges to have a further significant negative impact on Group profit in the quarter. Details will be published in the quarterly financial statement, which has been postponed to the second half of May (originally scheduled to be published on April 30).

At present, it is not possible to foresee when the Group airlines will be able to resume flight operations beyond the current repatriation flight schedule. The Group therefore expects a considerably higher operating loss in the second quarter compared to the first quarter. Available liquidity currently amounts to around 4.4 billion euros. Financing measures totalling around 900 million euros since mid-March have helped strengthen liquidity. In particular, bilateral credit lines were drawn down and short-term loans were taken out.

However, in view of the business outlook, existing multibillion liabilities related to trade payables and refunds of cancelled tickets as well as upcoming repayments of financial liabilities, the Group expects a significant decline in liquidity in the coming weeks. The Group does not expect to be able to cover the resulting capital requirements with further borrowings on the market. The Group is therefore in intensive negotiations with the governments of its home countries regarding various financing instruments to sustainably secure the Group's solvency in the near future. The Management Board is confident that the talks will lead to a successful conclusion.

The Group will be announcing the exact publication date of the quarterly financial statement planned for the second half of May well in advance.

¹Adjusted EBIT is not an indicator according to IFRS. Information on the calculation of adjusted EBIT is available in the Annual Report 2019 of Deutsche Lufthansa AG.

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