



PRESS RELEASE

Frankfurt, 24 June 2019

Lufthansa Group informs investors and analysts at its Capital Markets Day

- **Eurowings to focus on short-haul services in future**
- **Commercial responsibility for Eurowings long-haul services to be transferred to the Network Organization in future**
- **Re-orientation of Brussels Airlines: closer alignment with Network Airlines; integration into Eurowings will not be further pursued**
- **Change in dividend policy to enable shareholders to participate more in the Group's success**

The Executive Board of Deutsche Lufthansa AG is informing investors and analysts today about the further development of its airline strategy. The planned actions should sustainably enhance Lufthansa Group's value creation. A key element is a comprehensive set of measures to turn around Eurowings, which should be returned to profit as swiftly as possible and sustainably generate value for shareholders.

To enable shareholders to participate more substantially in the Group's results, the current dividend policy shall be changed. In future, 20 to 40% of the Group's net income should be regularly distributed to shareholders. In the medium term, the Group aims to raise its free cash flow to at least EUR 1 billion a year.

Various planned actions will be presented to analysts and investors today. These include:

- **Eurowings turnaround:** a clear focus on short-haul point-to-point operations
- **Eurowings long-haul:** transfer of commercial responsibility to the Network Organization
- **Eurowings flight operations:** less complexity and higher productivity through a reduction to one AOC in Germany
- **Eurowings fleet:** standardization on the Airbus A320 family
- **Eurowings costs:** a 15% reduction in unit costs (CASK) by 2022
- **Brussels Airlines:** no integration into Eurowings and closer alignment to the Network Airlines (further details in the third quarter of 2019)
- **Brussels Airlines:** turnaround plan in the third quarter of 2019
- **Network Airlines:** innovations in sales and distribution to make a structural growth contribution to raising unit revenues by 3% by 2022
- **Network Airlines:** continuous 1 to 2% annual reduction of unit costs.

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“With the airlines in our Group we are excellently positioned in our home markets, which are among the strongest in the world,” says Carsten Spohr, Chairman of the Executive Board & CEO of Deutsche Lufthansa AG. “Our Group’s service companies are also world leaders in their fields. We want to translate this market strength even more consistently into sustainable profitability and value creation. And it is to this end that we are presenting concrete actions today which will enhance our efficiency and generate value for our shareholders. Because we don’t just want to be Number One for our customers and our employees: we want to be the first choice for our shareholders, too.”

The presentations of today’s Capital Markets Day will be available online [here](#) today from 10:30 CEST onwards.

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