
Lufthansa German Airlines

Modern, quiet and environmentally efficient: Lufthansa Group orders 59 ultra-modern wide-body Boeing 777-9X and Airbus A350-900 aircraft

- **25 percent less fuel consumption: Entry into the 2-liter class**
- **Reduction in noise footprint of at least 30 percent**
- **Wider cabins and new opportunities for greater travel comfort**
- **Investment directly safeguards 13,000 jobs and more than 20,000 overall**
- **20 percent decrease in unit costs (costs per seat-kilometer)**

East Meadow, NY, September 19, 2013 – Following a recommendation by the Deutsche Lufthansa AG Executive Board headed by Dr Christoph Franz, the Supervisory Board approved the purchase of 59 ultra-modern aircraft for the Group at its meeting yesterday. 34 Boeing 777-9Xs and 20 Airbus A350-900s will be added to the Lufthansa Group's wide-body fleet. The first of these new aircraft will be delivered as early as 2016. Older Boeing 747-400s and Airbus A340-300s will be phased out by 2025. The new airplanes will primarily serve to replace existing aircraft at Lufthansa.

The investment amount for the Lufthansa Group's latest order totals EUR 14bn at list prices and is the largest single private-sector investment in the history of German industry. "This investment will safeguard about 13,000 jobs at Lufthansa alone, as well as thousands of jobs at our partners in aviation and other suppliers," said Christoph Franz, Chairman of the Executive Board and CEO of the Lufthansa Group, explaining the macroeconomic significance of the investment at a press conference in Frankfurt.

This investment in new technology, efficiency and customer comfort is a continuation of the ongoing fleet modernization that is taking place at the Group's airlines. Lufthansa operates a wide-body fleet of around 107 aircraft, among them ten ultra-modern Airbus A380s and nine Boeing 747-8s, as well as the Airbus A330-300 (18 aircraft). The fleet also includes Airbus A340s (48) and Boeing 747-400s (22). In addition to these, the Group subsidiary Swiss has 31 wide-body airplanes while Austrian Airlines' wide-body fleet consists of 12 aircraft.

The aim is to reduce the number of different models and fleet complexity in the Passenger Airline Group segment and also replace existing aircraft with state-of-the-art airplanes. In March, the Group approved the purchase of around 100 short and medium-haul aircraft. This order included six new Boeing 777-300ERs for Swiss, which are also intended to replace older Airbus A340-300s at the airline.

Improved efficiency – good for the environment, good for Lufthansa

"Less fuel consumption, less CO2 emissions and less noise: The aircraft on order will enable us to make a quantum leap in efficiency and to enter the 2-liter class," commented Christoph Franz. No other aircraft type will fly as economically as the A350-900 and the Boeing 777-9X in terms of kerosene consumption per passenger and 100 kilometers flown. This order supports the company's desire to invest in the latest technology to help the environment. The 59 new aircraft will consume an average of just 2.9 liters of kerosene per passenger and 100 kilometers flown. That is around 25 percent less than aircraft available today and it will have a positive impact on the Group's carbon footprint. Unit costs will sink by approximately 20 percent compared with predecessor models.

The new aircraft will be operated by ultra-modern, powerful, low-noise engines – the Airbus A350 by the Rolls-Royce 'Trent XWB' engine and the Boeing 777-9X by General Electric's 'GE-9X' model. The noise footprint of the new models will be at least 30 percent lower than today's aircraft.

State-of-the-art in-flight products to improve travel comfort

"Both aircraft types have a much wider cabin than the Airbus A340, which will give us new opportunities to improve comfort for our customers when designing the cabin interior," explained Carsten Spohr, Member of the Executive Board of the Lufthansa Group. "The positive feedback from customers about the Airbus A380 and Boeing 747-8 shows that investing in new types of aircraft pays off," he added.

Germany and Europe as a business location

This aircraft order demonstrates Lufthansa's commitment to operating a modern, state-of-the-art fleet and also represents an important investment in Germany and Europe as a business location. "Every single A350 and every single Boeing 777 unfolds the employment effect of a medium-sized company in Germany," said Christoph Franz.

At Lufthansa alone, every aircraft safeguards about 220 jobs directly. For 59 aircraft, that equates to 13,000 directly attributable jobs. Added to these are approximately another 100 jobs per aircraft at airports, air traffic control, manufacturing companies, freight forwarders and other partners in the system. The employment effect of the 59 wide-body aircraft comes to over 20,000 jobs in Germany and Europe as a result.

"This order creates excellent prospects for the company, as well as for our employees worldwide," commented Carsten Spohr. According to Spohr, approximately half of the jobs linked to an aircraft are held by airborne staff. The rest are spread across passenger services, catering, maintenance and overhaul, as well as proportionately across the management services needed, such as in sales, marketing and controlling.

295 brand-new aircraft between 2013 and 2025

The Lufthansa Group is currently undergoing a fundamental reorganization. This includes the development of innovative business models, such as the one used by the new Germanwings, and the restructuring of internal Group services in the areas of purchasing, finance and HR administration. "Through the SCORE program, which we have been implementing since 2012, we are creating the strategic and financial conditions necessary for this type of investment," explained Christoph Franz. The aircraft are to be paid for from the Group's cash reserves and through external funding arrangements.

Following the aircraft order already placed in March of this year, the Group currently has a total of 295 brand-new aircraft on order with a list value of EUR 36bn. These should be delivered by 2025.

*** Photos to illustrate this topic are available here: <http://www.lufthansagroup.com/media>*

About Lufthansa

One of the world's largest and most prestigious airlines, Lufthansa currently flies to 253 destinations in 103 countries, with hubs in Frankfurt, Munich, and with the Lufthansa Group acquisition of Austrian Airlines, Brussels Airlines and SWISS – Vienna, Brussels and Zurich. From its 21 North American gateways, Lufthansa— recently voted by Fortune as one of the five most admired airlines in the world— and its partners serve over 450 destinations in more than 120 countries. An industry innovator, Lufthansa has long been committed to environmental care and sustainability, operating the most technologically-advanced and fuel-efficient fleet in the world. Its long-haul fleet to and from North America includes the Boeing 747-400 and the 747-8, as well as the Airbus A330, A340 and A380. Currently, Lufthansa has over 160 new aircraft worth about \$22 billion on order. Lufthansa is the largest European operator of the A380 and was the launch customer for the new Boeing 747-8, the industries' two most fuel-efficient passenger aircraft. Known for its premium services, Lufthansa continues its \$105 million program earmarked for building new or upgrading existing lounge facilities across its worldwide network and will spend more than \$3.6 billion in new onboard products and services by 2015. In 2010, Lufthansa re-launched its broadband wireless Internet service onboard, FlyNet. For more information or reservations, visit www.lh.com.

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