

# **KEY FIGURES**

Lufthansa Technik Group at a glance

2024 Revenue in €m

635

2024 Adjusted EBIT in €m



2024	2023
7,441	6,547
635	628
506	554
206	137
-155	-157
8,068	7,220
24,499	22,870
-1,700	-1,559
	7,441 635 506 206 -155 8,068 24,499



We can be proud of these figures, because they show that we are providing the right answers to major challenges such as material bottlenecks, delivery delays and the global shortage of skilled labor.

Soeren Stark, Chairman of the Executive Board (CEO)

From left to right: Soeren Stark, Harald Gloy, Dr. William Willms

#### **Dear Ladies and Gentlemen.**

The year 2024 marked a milestone for Lufthansa Technik: it was our 30th financial year as an independent company. Since 1 January 1995, Lufthansa Technik AG has evolved from being Lufthansa's arm for technical operations to the world's leading provider of aircraft maintenance, repair and overhaul (MRO) services.

It is a success story that we have been able to continue over the past year—our revenue increased by 14% to €7.4 billion, and our Adjusted EBIT once again reached a high water mark at €635 million. We support around 5,000 aircraft, and nearly a thousand new contracts worth almost €8 billion testify to the continued confidence our customers place in us.

We can be proud of these figures, because they show that we are providing the right answers to major challenges such as material bottlenecks, delivery delays and the global shortage of skilled labor. At the same time, our market remains highly attractive, with well over €100 billion in volume. As global demand for air travel and new aircraft continues unabated despite geopolitical uncertainties, we expect significant growth in the coming years.

We have set a strong course for 2024. In Portugal, we have started investing around €300 million in a new plant near Porto, creating up to 700 jobs and providing much-needed repair capacity for aircraft components and engine parts. In Calgary, Canada, we will establish a new facility to support the advanced LEAP-1B aircraft engines, after signing one of the largest single orders in the company's history with Canadian airline WestJet as an anchor customer in early 2025. This development will be central to our strategy going

In the US, we have started to expand our components site in Tulsa with new buildings and additional aircraft-component service capabilities, and the acquisition of ETP Thermal Dynamics has inorganically added a heat exchanger service to our portfolio.

At the same time, Hamburg will remain the heart of Lufthansa Technik—and will be modernized on a large scale. It is the largest modernization program the site has ever seen and a decisive step in transforming the traditional maintenance base into one of the most modern M+E-sites (Maintenance & Engineering) in the sector.

In addition to expanding our global presence, our focus is also on digitization. With Digitize the Core, we are systematically moving forward with transforming our business. Our Digital Tech Ops Ecosystem combines AVIATAR, flydocs and AMOS to create a complete package that no other company can offer in this form. A total of 11,000 aircraft worldwide are already supported by the Digital Tech Ops Ecosystem. This area is growing particularly strong thanks to our AMOS MRO software, which is appealing to more and more customers.

We are pursuing a clear strategy, which we have consistently implemented over the past year: with our Ambition 2030 program, we aim to increase our revenue to more than €10 billion and our Adjusted EBIT to more than €1 billion by 2030 by further internationalizing our core business, driving digitalization and expanding new business segments such as defense.

To realize our growth plans, we need not only billions of euros in investment but also employees who are among the best in their fields. That is why we rely on our own training and targeted recruitment programs. We specifically encourage women to pursue technical careers and use the

Senior Experts program to recruit experienced professionals who want to continue contributing their knowledge after retirement.

We would like to thank our customers for their trust and close cooperation, which has reached a new height of quality in recent years. Special thanks go to our employees—it is their dedication and willingness to constantly build on and improve our company that makes our success possible.

Soeren Stark Chairman of the **Executive Board**  **Harald Gloy** Member of the **Executive Board** COO & Human

Resources

Dr. William Willms Member of the **Executive Board** CFO. Corporate Services & IT

# LUFTHANSA TECHNIK AT A GLANCE

# Production Design Maintenance

We are certified around the globe as a maintenance (Part 145), design (Part 21/J) and production (Part 21/G) organization.

**MAINTENANCE** Lufthansa Technik has been approved as a maintenance organization by the authorities of the European Union and more than 40 other countries.

### DIGITALIZE

Lufthansa Technik is shaping the future of aviation by combining the driving forces of technology, data, and people. We offer manufacturer-independent technical services for a broad range of fleets. AVIATAR provides an overall platform for the aviation industry, bringing together various solutions in one place and offering digital products and services for airlines, MROs, OEMs, and lease providers. While each individual solution already offers added value as a stand-alone version, it is the interplay of these applications that provides unique benefit for the user.

# **OPTIMIZE**

Our unrivalled operational experience ensures maximum aircraft reliability for fleets. Working and cooperating with aircraft and component manufacturers, our experts offer engineering services for all common aircraft types. Lufthansa Technik is also an Original Equipment Manufacturer (OEM) and modifies fleets from nose to tail to stay competitive and meet all operational and safety requirements.

**DESIGN** Holding Design Organisation Approvals (DOA) allows Lufthansa Technik to perform, for example, modifications or repairs on aircraft for which the company does not hold a type certificate.

**PRODUCTION** As holder of production approvals, Lufthansa Technik is authorized to manufacture components for aircraft.

# MAINTAIN

Whether a flag carrier, a lessor or a low-cost airline, whether operating an Airbus, a Boeing or a regional aircraft fleet—we are a single source for all aspects of maintaining an aircraft. We are a partner with a unique position at the heart of technical operations for fleets of every size and composition, all over the world. Our aircraft services are deeply embedded in our global network, giving access to all our resources.

## **SPECIALIZE**

Lufthansa Technik offers a unique service portfolio for private aircraft. All aspects from acquiring to operating a private jet are covered. These services make Lufthansa Technik the partner of choice. Special mission aircraft give us the opportunity to fully exploit all dimensions of our technological capabilities, creativity and craftmanship. As a partner of governments and armed forces, we ensure the unsurpassed operational readiness of the fleets supported.



# Lufthansa Technik continues its climb

MRO services are in high demand

Lufthansa Technik is working on the Ambition 2030 growth program

Measures to increase profitability and cash flow are underway and future investments will be made

Adjusted EBIT reaches new peak of €635 million

around 8000

aircraft under long-term component contracts

**Contract volume of €** 

**7.5** 

billion with around 1,000 new contracts

17

**New customers** 

#### **Sector developments**

MRO market continues to grow significantly In the 2024 financial year, the market for aircraft maintenance, repair and overhaul (MRO) services continued to trend upward. High demand for air travel has also meant a rise in demand for MRO services. The consulting firm ICF predicted that the total market volume for MRO services (excluding countries subject to embargoes) has increased by 6% year-on-year in 2024 to USD 124 billion (previous year: USD 117 billion).

The EMEA region (Europe, Middle East and Africa) accounts for USD 41 billion (previous year: €39 billion) and the Americas region for USD 35 billion (previous year: €36 billion), while demand for MRO in the APAC region (Asia/Pacific) is expected to reach USD 47 billion (previous year: €42 billion). This has established APAC as a global region that is set to be a key driver of market growth in the future.

#### **Sector Outlook**

**USD** 

#### MRO market recovery expected to continue

The aviation industry is undergoing a transformation, moving from conventional aircraft types to new, more efficient technologies. However, the leading aircraft

manufacturers are not yet achieving the production rates originally planned due to supply chain issues, particularly for Boeing's new aircraft types.

In addition, the new engine technologies (such as the Pratt & Whitney GTF engine family and the LEAP engine family from CFM International) must be retrofitted with upgrades and modifications ordered by the authorities.

As a result, these new-generation engines will need to be integrated into repair networks—which are still being established—sooner than expected. At the same time, demand for maintaining oldergeneration engines remains high as airlines are forced to keep using them longer. In line with the continued strong demand for air travel, the demand for maintenance and repair services is also increasing.

According to a forecast by ICF, the global MRO market (excluding countries subject to embargoes) is expected to grow by 4% in 2025 compared to the previous year. Regional growth rates were 4% in the Americas and 5% in APAC (Asia/Pacific) and EMEA (Europe, Middle East and Africa). However, external factors such as geopolitics, inflation and supply chain instability might continue to have a significant impact on this growth.



billion MRO market volume in 2024

#### **Business activities**

Lufthansa Technik is the world's leading MRO provider Lufthansa Technik is the world's leading manufacturerindependent provider of maintenance, repair and overhaul services (MRO) for civilian commercial aircraft. This company is divided up into five different areas, three of which are traditional MRO areas (Engine Services, Aircraft Component Services, Aircraft Maintenance Services) and two of which represent fields of the future (Digital Fleet Services and Original Equipment & Special Aircraft Services).

The Lufthansa Technik group comprises 33 plants (previous year: 30 plants) offering technical aviation services worldwide. The company also holds direct and indirect stakes in 64 companies. Lufthansa Technik serves more than 800 customers worldwide, including OEMs, aircraft leasing companies, VIP jet operators, governments and armed forces as well as airlines. Around one third of its business comes from entities in the Lufthansa Group and two thirds from clients outside of the Lufthansa Group.

Lufthansa Technik is certified worldwide for maintenance, design and production services. This company holds a comprehensive range of approvals as a maintenance company which it has been issued by the EU authorities as well as the authorities in over 40 other countries. Its design organisation approvals (DOA) mean that Lufthansa Technik is able, for instance, to carry out aircraft modifications or repairs even if the company lacks the relevant type certificate. By virtue of its approvals in the field of production, Lufthansa Technik is able to manufacture components for aircraft, such as spare parts for use in repairs.

The MRO market is characterised by high barriers to entry. They stem from the necessary technical know-how, because air safety and quality have top priority. Both official certifications and licences from OEMs are also needed. Then there is the significant capital spending and investment required to provide MRO services.

#### Clear strategic roles for MRO areas

Lufthansa Technik's five MRO areas have clear strategic roles and realise synergies.

Its Engine Services area offers a comprehensive range of engine services worldwide. Its product offering encompasses the entire range of services for modern engines, such as overhaul, repair, mobile and auxiliary power unit (APU) services for virtually all manufacturers. It contributes roughly one third of Lufthansa Technik's revenue and will be a strong growth driver over the next years, in particular for maintenance of the new generation of engines.

Lufthansa Technik's Aircraft Component Services area likewise contributes around one third of the revenue and serves as an integrator which bundels the repair of a wide



range of components of OEMs and aircraft manufacturers at Lufthansa Technik's workshops. Its "Total Component Support" (TCS) product combines Lufthansa Technik's component pool (the world's largest) with integrated in-house logistics and Al-supported materials management in real time, in order to maximise the availability of components for all of its customers.

Lufthansa Technik's Aircraft Maintenance Services plays a leading role in the standardised and efficient overhaul of civilian, commercially operated aircraft (base maintenance). Support covers the entire life cycle, and comprises complex aircraft modifications as well as mobile services that are offered worldwide.

The Digital Fleet Services area develops the "Digital Tech Ops Ecosystem" and offers customers digital products to implement and optimise technical aircraft operations. The use of modern technologies, such as artificial intelligence, and the availability of the ever-growing data pool play a key role. The area relies on flexible, cloud-based IT solutions that are offered primarily under software-as-a-service (SaaS) contracts.

The Original Equipment & Special Aircraft Services area serves a broad range of customers that includes VIP customers, aircraft manufacturers and governments. Its portfolio ranges from specialised engineering services through to the mass production of products developed internally. This represents the nucleus of Lufthansa Technik's growing Defense business.

Lufthansa Technik's five MRO areas have clear strategic roles and achieve synergies.

#### Course of business and operating performance

#### Strong demand for MRO services

Lufthansa Technik once again reported a positive course of business in the reporting year. Strong demand for flights led to rising demand for maintenance and repair services as well as other Lufthansa Technik products and services, which in turn had a positive impact on revenue and earnings. The ongoing shortage of materials and staff continues to constitute a burden. While the shortage of materials is mainly attributable to delays in deliveries by the manufacturers and suppliers of aircraft, engines and aircraft components, the staff shortage is the result of the multipleyear training and skill-building programmes in the MRO field. Despite this operational burden and strike-related work stoppages in the first quarter of 2024, Lufthansa Technik was again able to surpass its very strong result of the previous year and achieved record revenue and Adjusted EBIT volumes.

# Lufthansa Technik working on Ambition 2030 growth

Lufthansa Technik is continuing to pursue its Ambition 2030 growth programme. This programme aims to expand Lufthansa Technik's leading global position in the technical servicing of aircraft fleets. In the engine business in particular, a permanently increased level of demand for repair and overhaul services is expected, since the number of older engines in global flight operations remains high due to delays in deliveries of the newly developed engine types, while these new engine types require a higher level of maintenance intensity. The Ambition 2030 programme therefore envisages wide-ranging capital expenditure over the next years for the expansion of core business, additional bases and a greater international presence (potentially also by means of acquisitions) as well as the expansion of digital business models. By 2030, Lufthansa Technik therefore aims to increase its revenue to beyond EUR 10bn and its Adjusted EBIT to in excess of EUR 1bn.

#### Measures initiated to boost profitability and cash flow

Despite Lufthansa Technik's leading global position, pressure on operating margins remains high due to cost inflation as well as the shortage of materials and staff. The company is pursuing clear strategic initiatives in order to achieve its Ambition 2030 goal of an Adjusted EBIT margin of more than 10% by 2030. These consist of measures to optimise the cost of materials and services as well as the development of new repair procedures and the use of alternative spare parts, further optimisation of Lufthansa Technik's site and service portfolio, its Digitize the Core digital initiatives and ramped-up growth in individual areas such as Engine Parts Repair and Mobile Engine Services.

At the same time, it is stepping up measures to boost cash flow. These consist of a further improvement in the turnaround time (TAT) in its workshops, the launch of operational excellence initiatives, the commercial improvement of net working capital, improvements in its production network



(make-or-buy decisions and the use of big data) as well as an improvement in the efficiency of its component pool (introduction of a new Al-based planning tool).

#### Investments in the future are started underway

The capital expenditure planned for Ambition 2030 exceeds EUR 1.8bn for the period up to 2030 and will be committed to all three world regions, the Americas, APAC (Asia/Pacific) and EMEA (Europe, the Middle East and Africa).

Lufthansa Technik is pursuing three new construction projects at its head office in Hamburg, including additional workshop buildings for its Aircraft Component Services and Special Aircraft Services and a hydraulics workshop for which the topping-out ceremony has already taken place. At its Alzey site, Lufthansa Technik has begun work on the construction of a new storage and logistics centre for aircraft engines and their spare parts at Lufthansa Technik AERO Alzey. It has established a new company in Portugal as part of its NewStar project, which will develop an additional production site for Engine Services and Aircraft Component Services. This future plant for the repair of aircraft components and engine parts is expected to be completed by the end of 2027. It will be fitted out with the latest technologies in the MRO sector, in order to achieve a lasting increase in Lufthansa Technik's repair capacities in Europe.

In the APAC region, Lufthansa Technik intends to further expand its existing base maintenance capacity in the field of Aircraft Maintenance Services. It is also increasing its MRO capacity in the Americas region. In the reporting year, it founded the Canadian company Lufthansa Technik Canada Inc. in order to provide additional repair capacities for Engine Services in the North American MRO market for the new generation of engine types especially. Additional component repair capacity is being established at Lufthansa Technik Component Services LLC's site in Tulsa, USA.

#### Growth through company transactions

Lufthansa Technik increased its capacities in the heat exchanger field in the reporting year with its purchase of a majority stake in ETP Thermal Dynamics LLC, Tulsa, USA. Following this first acquisition since 2016, it is now examining additional acquisitions in order to increase its level of MRO value creation and vertical integration in the North America region in particular. The focus here is on areas of expertise in the repair of specific components. Company transactions are also an instrument for growth in the defense and digital businesses.

#### Focus on recruiting new professionals

The high level of demand for qualified professionals continued in the reporting year in both the operating and the administrative areas. Lufthansa Technik is responding to this need with various national and international recruiting activities.

It is increasingly focusing on groups which it has targeted less strongly to date with Lufthansa Technik stepping up its hiring activities outside Germany. It is also deliberately targeting people of retirement age through the "Senior Experts" programme which it launched in the previous year. The Women@LHT programme is intended to strengthen diversity in the working environment and attract a greater number of women to join Lufthansa Technik. Lufthansa Technik also has strategic partnerships, including with universities. It is continuously working on improvements to its application and onboarding process. This approach includes low-threshold application procedures. In addition, welcome events offer guidance for new employees during their first days at the company.

Lufthansa Technik is also continuing to employ many apprentices and students on combined degree programmes once they finish their training and courses. More than 300 junior staff started work at its German sites alone in the reporting year.

#### Future business safeguarded by a large number of new contracts as well as fleet growth

Lufthansa Technik serviced some 4.800 aircraft under long-term component contracts at the end of the 2024 financial year (4% more than in the previous year). This increase is being driven by the growth of aircraft fleets for which Lufthansa Technik already has long-term contracts and by the signing of new contracts. Seventeen new customers were acquired over the course of the reporting year and 936 new contracts were signed with a volume of EUR 7.5bn, EUR 0.8bn of which was with companies in the Lufthansa Group.

The slight year-on-year decrease in the volume of new business reflects Lufthansa Technik's currently still limited production capacities. For this reason, it is deliberately restricting its acquisition of new business to selected areas.

New long-term contracts for component supplies were signed with several airlines. For instance, Lufthansa Technik has signed an exclusive agreement to service a total of 193 aircraft in the A320 and A330 family with the emerging airline Vietjet from Vietnam. Lufthansa Technik is also set to handle the supply of components for Air India's entire B777 fleet. With this first long-term contract, these two companies have laid the foundation for their future cooperation in what is currently one of the world's largest growth markets for the aviation industry.

In the field of engine maintenance, Lufthansa Technik has also signed new contracts for various engine types, including with the Filipino low-cost carrier Cebu Pacific for the maintenance of a significant number of CFM56-5B engines for its A320ceo fleet and with LOT Polish Airlines for engine maintenance for its B737NG fleet's CFM56-7B engines.

Lufthansa Technik has also expanded its partnership with Boeing. Lufthansa Technik has thus now become the first Boeing-licensed service centre for cabin modifications to B787 Dreamliner aircraft. Operators, lessors and other companies seeking to modify the cabins of their B787s are now able to cooperate with Lufthansa Technik in this area.

#### Digitalisation is progressing

In its MRO core business segment, Lufthansa Technik is moving forward with digitalisation and product modularisation as part of its Digitize the Core initiative, in order to achieve its Ambition 2030 goal of becoming a fully digitalised MRO provider by 2030. Lufthansa Technik is bringing together the operational and digital skills for technical aircraft operations in its Digital Tech Ops Ecosystem. This consists of AVIATAR as a platform for data-based analytics solutions, flydocs as a digital records and asset solution and AMOS, a product of Swiss Aviation Software AG, the world market leader in the field of maintenance and engineering / MRO software.

At the end of 2024, the data from around 4.400 aircraft (thus 33% more than in the previous year) was already connected to the AVIATAR platform with service contracts. Lufthansa Technik has also expanded its digital services. For instance, it has launched its Engineering Analytics Suite application as part of its AVIATAR Reliability Solutions. This enables customers to produce live data analyses for fleet performance indicators.

#### Defense business expanded

Alongside MRO services and digital services for civil and commercial aircraft operators, Lufthansa Technik is driving the expansion of its new Defense business. For instance, in the reporting year Lufthansa Technik signed a letter of intent on cooperation in the field of global maintenance and logistics services with Lockheed Martin, a global aviation and defense technology company.

Lufthansa Technik celebrated the Pegasus programme's maiden flight as part of its cooperation with the German Air Force. Here, Lufthansa Technik is handling system integration and aircraft certification for Germany's nextgeneration signals intelligence aircraft. Lufthansa Technik has also begun to provide skill-building courses for the technical staff of the German Navy, by way of preparation for the impending addition to its fleet of the new maritime reconnaissance aircraft P-8A Poseidon. Lufthansa Technik has serviced the aircraft of the Special Air Mission Wing at the German Federal Ministry of Defense for more than 60 years. In the reporting year, it handed over the final government Airbus A350 aircraft, the "Kurt Schumacher", to the Special Air Mission Wing.

#### AeroSHARK surface technology reduces carbon emissions

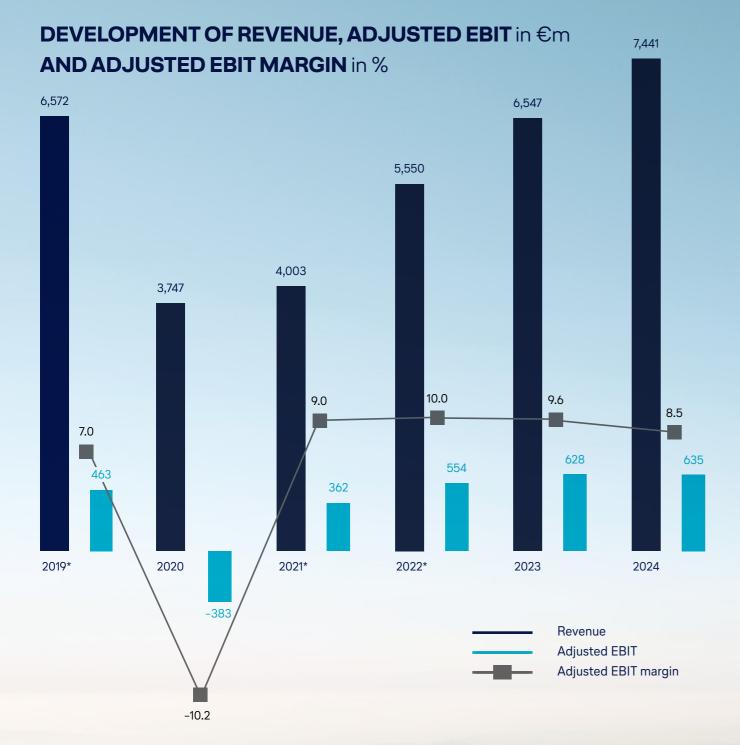
Lufthansa Technik aims to use technology to make flying more sustainable in future. The AeroSHARK fuel-saving surface technology which it developed together with BASF was further rolled out in the reporting year. As of the end of 2024, 21 Boeing 777 and B777F aircraft have been fitted with AeroSHARK. Demand from non-Group customers has picked up significantly. In the reporting year, LATAM therefore decided to equip four more of its aircraft with this innovative film. Further contracts were signed with All Nippon Airways and EVA Air.

Lufthansa Technik's Cyclean Engine Wash solution is a further product which conserves resources. It is already available at over 60 locations worldwide. In the financial year, Lufthansa Technik added the key market of India here.



KEY FIGURES LUFTHANSA TECHNIK GROUP		2024	2023	Change (%)
Revenue	€m	7,441	6,547	14
of which with companies of the Lufthansa Group	€m	2,405	2,158	11
Total operating income	€m	7,918	7,028	13
Operating expenses	€m	-7,292	-6,383	14
Adjusted EBITDA	€m	790	785	1
Adjusted EBIT	€m	635	628	1
EBIT	€m	584	628	-7
Adjusted EBIT margin	%	8.5	9.6	-1.1 P.
Adjusted ROCE	%	10.9	12.0	-1.1 P.
Capital expenditure	€m	206	137	50
Employees as of 31 Dec	number	24,499	22,870	7
Average number of employees	number	23,789	21,925	9
Fully consolidated companies	number	26	25	4

MANAGEMENT REPORT LUFTHANSA TECHNIK GROUP



635

**Adjusted EBIT** 

8.5%

Adjusted EBIT margin \*In the past, adjustments were made to the previous year's figures due to the following circumstances: change in the reporting of the associated company "Ameco" (2022); change of definition of performance indicator Adjusted EBIT (2021); transfer of Line Maintenance to Deutsche Lufthansa AG (2019)

#### Financial performance

#### Revenue up by 14% on previous year

Revenue in the MRO business segment climbed by 14% in the 2024 financial year to EUR 7,441m (previous year: EUR 6,547m). Lufthansa Technik benefited from increased demand for maintenance and repair services due to the rising number of flights.

The improvement was mainly driven by the Engine Services and Aircraft Component Services MRO areas. Both external revenue and revenue with companies of the Lufthansa Group increased year-on-year. Operating income rose by 13% to EUR 7,918m (previous year: EUR 7,028m).

#### Expenses 14% higher than in previous year

Operating expenses increased in the reporting year proportionately to revenue, by 14% to EUR 7,292m (previous year: EUR 6,383m).

The cost of materials and services rose by 18% to EUR 4,525m due to higher volumes and prices (previous year: EUR 3,844m). This reflected the positive course of business, which led to an increase in material consumption and the volume of external services, as well as significant increases in materials prices due to the shortage of materials.

Staff costs of EUR 1,700m were 9% higher than in the previous year (previous year: EUR 1,559m), due primarily to the higher average number of employees, as well as to pay scale and salary increases.

Depreciation and amortisation were stable year-on-year at EUR 155m (previous year: EUR 157m).

#### Adjusted EBIT reaches new record of EUR 635m

Adjusted EBIT improved by 1% in the reporting year to EUR 635m (previous year: EUR 628m), a new record. The Adjusted EBIT margin dropped by 1.1 percentage points to 8.5% (previous year: 9.6%).

EBIT came to EUR 584m (previous year: EUR 628m). The difference in relation to Adjusted EBIT stems mainly from write-downs on joint ventures as well as expenses for restructuring.

#### Segment capital expenditure up by 50%

Segment capital expenditure in the MRO business segment has risen by 50% to EUR 206m (previous year: EUR 137m). Capital expenditure mainly concentrated on property, plant and equipment and financial investments. Within property, plant and equipment, it focused particularly on ongoing new building projects, technical equipment, machinery and operating materials for MRO services for various nextgeneration aircraft and engine models. Capital expenditure on financial investments mainly went to affiliated (not consolidated) companies and joint ventures.

#### Number of employees rises by 7%

The number of employees at the end of 2024 was up by 7% year-on-year to 24,499 (previous year: 22,870). The increase was due to hiring to support the increased business volume and was equally split between Germany and abroad.

OPERATING EXPENSES	2024 in €m	2023 in €m	Change in %
Cost of materials and services	4,525	3,844	18
of which raw materials, consumables and supplies	2,610	2,188	19
of which external services	1,915	1,656	16
Staff costs <sup>1)</sup>	1,700	1,559	9
Depreciation and amortization <sup>2)</sup>	155	157	-1
Other operating expenses <sup>3)</sup>	912	823	11
Total operating expenses	7,292	6,383	14

<sup>&</sup>lt;sup>1)</sup> Without past service costs/settlement.

<sup>2)</sup> Without impairment losses.

<sup>3)</sup> Without book losses.





#### Selected subsidiaries

#### Lufthansa Technik AG, Germany

Established in October 1994 as a subsidiary of Deutsche Lufthansa AG, Lufthansa Technik AG is the parent company of the MRO segment of Deutsche Lufthansa AG and the global Lufthansa Technik Group. With over 800 other airlines and commercial aircraft operators among its customers, it forms the foundation for Lufthansa's first-class technical image. At the core of the company is the overhaul, development and logistics center in Hamburg, where Lufthansa's technical operations began in 1955 after the company was re-established after the war. Employing an annual average of 10,765 employees, the company achieved revenue of €6,134m.

#### Lufthansa Technik AERO Alzey GmbH, Germany

For more than 25 years, the company has specialized in overhauling engines from Pratt & Whitney (including the PW127/150 turbo-prop and PW1500 geared turbofan) and General Electric (CF34 turbofan). Revenue amounted to €648m with an annual average of 710 employees.

#### Lufthansa Technik Budapest, Hungary

This Hungarian subsidiary offers overhaul and maintenance services for Boeing 737 aircraft as well as the Airbus A320 family. Founded in 2000, the company generated revenue of €43m with an average workforce of 401.

#### Lufthansa Technik Component Services LLC, USA

With its locations in the USA, the company offers a wide range of aircraft component maintenance services, mainly for customers in North and South America. With an annual average of 696 employees, the company generated revenue of €143m.

#### Lufthansa Technik Engine Services, Inc., USA

Lufthansa Technik Engine Services has been active in the field of mobile engine services since 2000, supporting the corporate jet market by overhauling certain engine types. With an average of 162 employees, the company generated revenue of €36m in the financial year.

#### Lufthansa Technik Landing Gear Services UK Limited, UK

This company specializes in the maintenance, repair and overhaul of landing gear. It originated from the British Hawker Pacific Aerospace site and was renamed in March 2011. In the reporting year, revenue of 96m was achieved with an average workforce of 342.

#### Lufthansa Technik Logistik Services GmbH, Germany

The logistics subsidiary specializes in services such as the procurement, warehousing, and transportation of materials. The company generated revenue of €409m and had an annual average of 1,557 employees.

#### Lufthansa Technik Malta Limited, Malta

A joint venture with Air Malta, which holds a share of 8%, has offered maintenance and overhaul services since 2002, with a focus on Boeing 737 and Airbus A320, A330 / A340 and A350 aircraft. An annual average of 506 employees generated €74m in revenue.

#### Lufthansa Technik Philippines Inc., Philippines

Established in 1999 as a joint venture with Macro Asia, the company services and overhauls aircraft, engines and equipment for the fleets of Philippine Airlines and other customers. Revenue of €273m was achieved by an average of 3,332 employees.

#### Lufthansa Technik Puerto Rico LLC, Puerto Rico

Since autumn 2015, the company has provided overhaul services to Airbus A320 family aircraft for American customers. The company's revenue was €53m, with an average of 412 employees.

#### Lufthansa Technik Shenzhen Co. Ltd, China

Since 2002, the joint venture with Beijing Kailan Aviation Technology has been providing maintenance, repair and overhaul services for aircraft and engine components in the Asia-Pacific region. Revenue amounted to €134m, and the company employed an annual average of 659 employees.

#### Lufthansa Technik Sofia OOD, Bulgaria

The joint venture with the Bulgarian Aviation Group (24.9%) specializes in the maintenance and overhaul of Airbus A320 and Boeing 737 aircraft. An annual average of 1,272 employees generated €97m in revenue.

#### Lufthansa Industry Solutions, Germany

Lufthansa Industry Solutions, one of the leading IT consulting and systems integration companies in Germany, is part of Lufthansa Technik and is known in particular as a specialist in artificial intelligence and data analytics. Its three main companies generated revenue of €364m with an average of 2,171 employees.

#### NewStar, Portugal

The to be named company was established in 2024 in Portugal as part of the "NewStar" project, which will develop an additional production site for Engine Services and Aircraft Component Services. This future plant for the repair of aircraft components and engine parts is expected to be completed by the end of 2027. It will be fitted out with the latest technologies in the MRO sector, in order to achieve a lasting increase in Lufthansa Technik's repair capacities in Europe.

#### Swiss Aviation Software AG, Switzerland

Swiss Aviation Software AG has been offering its MRO software AMOS since 1989. The company generated revenue of €65m with an average of 321 employees.



CONSOLIDATED FINANCIAL STATEMENTS 2024

Companies offering technical aviation services worldwide

**Customers worldwide** 



#### CONSOLIDATED FINANCIAL STATEMENTS 2024

#### Consolidated income statement for the financial year 2024

CONSOLIDATED INCOME STATEMENT	Notes	2024	2023
Total revenue	4	7,441	6,547
thereof external customers		5,036	4,389
thereof Lufthansa Group		2,405	2,158
Other operating income	5	477	481
Total operating income		7,918	7,028
Cost of materials and services		-4,525	-3,844
Staff costs		-1,700	-1,559
Depreciation and amortization		-155	-157
Other operating expenses	6	-912	-823
Operating expenses		-7,292	-6,383
Profit from operating activities		626	645
Result of equity investments		9	-17
Adjusted EBIT		635	628
Reconciliation items		-51	0
EBIT		584	628
Net interest		-78	-7
Other financial items		0	-3
Financial result		-78	-74
Earnings before income taxes (EBT)		506	554
(all figures in €m)			

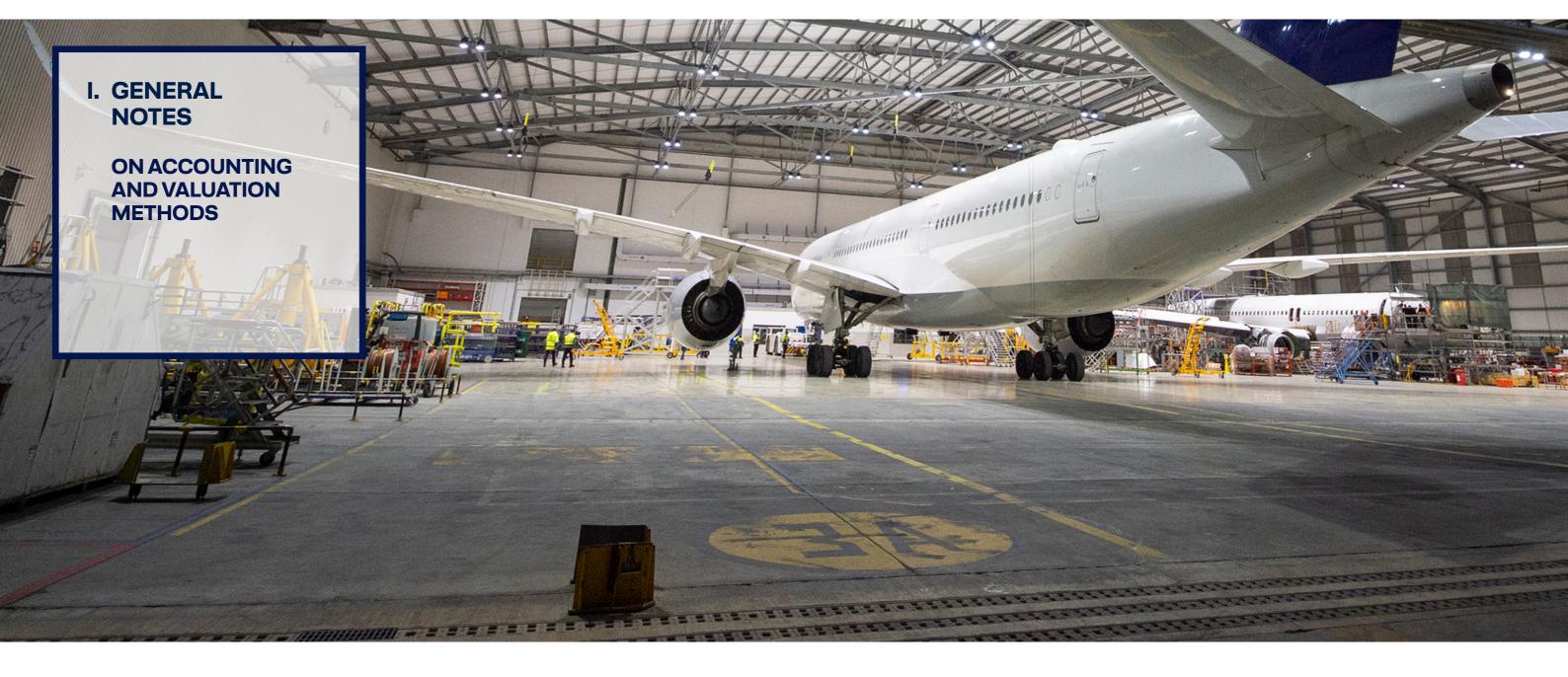
(all figures in €m)

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#### Consolidated statement of financial position as of 31 December 2024

ASSETS	Notes	31 December 2024	31 December 2023
Intangible assets		47	43
Aircraft and reserve engines		335	346
Property, plant and other equipment		904	947
Financial assets	7	232	210
Repairable spare parts for aircraft 1)	8	1,871	1,795
Other non-current assets	9	437	410
Non-current assets		3,826	3,750
Inventories <sup>1)</sup>	10	1,304	1,152
Contract assets	11	695	547
Trade receivables and other assets	12	2,108	1,649
Cash and cash equivalents		135	12°
Current assets		4,242	3,470

SHAREHOLDERS' EQUITY AND LIABILITIES	Notes	31 December 2024	31 December 2023
Shareholders' equity	13	2,932	2,686
Provisions	14	495	548
Financial liabilities	15	240	301
Contract liabilities	16	8	26
Other liabilities	17	2,347	1,539
Non-current provisions and liabilities		3,090	2,414
Provisions	18	192	205
Financial liabilities	19	72	77
Contract liabilities	20	627	620
Trade payables and other liabilities	21	1,155	1,218
Current provisions and liabilities		2,046	2,120
(all figures in €m)		8,068	7,220



#### 1. Consolidated financial statements

Lufthansa Technik AG is exempt from the obligation to prepare consolidated financial statements and a combined management report. The company is included as a Business segment (Lufthansa Technik Group) into the consolidated financial statements of Deutsche Lufthansa AG (Lufthansa Group). This report therefore only contains excerpts specific to Lufthansa Technik Group from the Group financial statements of Deutsche Lufthansa AG.

#### 2. Application of IFRS

In addition to the single-entity financial statements prepared in accordance with the German Commercial Code (HGB) or regional GAAP, Lufthansa Technik AG and its subsidiaries also prepare financial statements in compliance with the International Financial Reporting Standards (IFRS). These IFRS single-entity financial statements form the basis for the consolidated financial statements presented here for Lufthansa Technik AG and its subsidiaries. These statements were included in the audit of the consolidated financial statements of Deutsche Lufthansa AG. The auditors have issued the corresponding inter-office opinions to the Group.

The use of IFRS increases the international comparability of the annual financial statements.

All standards relevant for the 2024 financial year have been applied. The 2024 consolidated financial statements were prepared using the same accounting and valuation methods as the preceding financial statements issued for the year ending 31 December 2023.

#### 3. Business activities and group of consolidated companies

There were no changes in business activities.

One new company was included in the group of consolidated companies in the 2024 financial year. The group of consolidated companies therefore now consists of 25 domestic and foreign companies, in addition to Lufthansa Technik AG as the parent company (see Note 22).



#### 4. Revenue

		7.100
External customers  Companies of the Lufthansa Group	5,036 2,405	2,158
	5.007	4.000

Of the revenue generated by the Lufthansa Technik group, 32% was generated with Lufthansa Group companies and 68% with customers outside the group. External revenue is distributed between the regions as follows: Europe (31%), North/Central/South America (37%), Asia/Pacific (22%), and Middle East/Africa (10%).

# 5. Other operating income

	2024	2023
Foreign exchange gains	100	95
Miscellaneous other operating income	377	385
(all figures in €m)	477	48

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#### 6. Other operating expenses

	2024	2023
Foreign exchange losses	121	88
Expenses for rents and maintenance	223	203
Other operating expenses	568	532
(all figures in €m)	912	823



#### 7. Financial assets

	31 December 2024	31 December 2023
Investments in joint ventures	107	109
Investments in associated companies	56	42
Investments in subsidiaries	52	47
Loans to subsidiaries	10	Ę
Loans to joint ventures	5	2
Other equity holdings	3	3
(all figures in €m)	232	210

#### 8. Repairable spare parts for aircraft

		31 D	ecember 2024		31 [	December 2020
Repairable spare parts for aircraft	Gross acquisition cost	Accumulated depreciation	Net carrying amount	Gross acquisition cost	Accumulated depreciation	Net carrying amount
(all figures in €m)	2,979	1,108	1,871	2,830	1,035	1,795

The presentation of repairable spare parts for aircraft in recent years in the relevant tables, broken down into pool materials and non-pool materials, no longer applies, as the trend observed over the years toward a change in the predominant usage pattern of non-pool materials from non-consumables to consumables has led to a reclassification from non-current assets to current

inventories and thus to a change in accounting policy, resulting in a more appropriate way to present the matter. This is due to the current and planned continued expansion of business with external customers in the coming years, the associated increase in trading of non-pool materials and the change in technical specifications, which will mean that these materials will no longer remain predominantly within the Group in the long-term. Therefore, presentation under inventories is more appropriate. This change was implemented on 31 December 2024. In this context, €482 million were reclassified to inventories. The previous year-end figure and the opening balance of the previous year were adjusted by €424 million (acquisition costs of €602 million, less accumulated depreciation of €178 million) and €353 million (acquisition costs of €562 million, less accumulated depreciation of €209 million) respectively. The remaining non-pool materials, which were reported separately here in the prior year and were not affected by the reclassification, have been combined with the pool materials, as they will remain within the Group and will continue to be used in the long-term.

#### 9. Other non-current assets

	31 December 2024	31 December 2020
Other assets with a residual term of more than one year	40	4
Deferred tax assets	397	369
(all figures in €m)	437	410

#### 10. Inventories

	31 December 2024	31 December 2023
Spare parts for aircraft <sup>1)</sup>	1,172	1,075
Raw materials, consumables and supplies	4	4
Unfinished goods	128	73
(all figures in €m)	1,304	1,152

#### 11. Contract assets

Contract assets include work in progress and the corresponding advance payments received for MRO services.

#### 12. Trade receivables and other assets

	31 December 2024	31 December 2023
Trade receivables	794	760
Other assets	1,314	889
(all figures in €m)	2,108	1,649

**NOTES** TO THE CONSOLIDATED FINANCIAL STATEMENTS 2024

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#### 13. Shareholders' equity

The capital stock of Lufthansa Technik AG amounts to €220 million, divided into 44,000,000 no-par value shares.

Lufthansa Commercial Holding Gesellschaft mit beschränkter Haftung (limited liability company), a wholly owned subsidiary of Deutsche Lufthansa Aktiengesellschaft, has been the sole shareholder.

#### 14. Provisions long-term

	31 December 2024	31 December 2023
Provisions for pensions and similar obligations	380	408
Other long-term provisions	115	140
(all figures in €m)	495	548

#### 15. Financial liabilities long-term

(all figures in €m)	240	301
Leasing liabilities from the capitalization of rights of use	230	295
Financial liabilities to banks	10	6
	31 December 2024	31 December 2023

#### 16. Contract liabilities long-term

Contract liabilities include non-current obligations from long-term MRO contracts, such as flat-rate contracts for engine overhaul.

#### 17. Other liabilities long-term

Tiovisions for deferred taxes	2,347	1,539
Provisions for deferred taxes	32	29
Other long-term liabilities	15	10
Liabilities to affiliated companies	2,300	1,500
	31 December 2024	31 December 2023

#### 18. Provisions

(all figures in €m)	192	205
Other short-term provisions	181	183
Provisions for other personnel expenditures	11	22
	31 December 2024	31 December 2023

#### 19. Financial liabilities

	31 December 2024	31 December 2020
Financial liabilities to banks	26	3
Leasing liabilities from the capitalization of rights of use	46	40
(all figures in €m)	72	7:

#### 20. Contract liabilities

Contract liabilities include short-term obligations from MRO contracts as well as work in progress for which the advance payments received exceed the percentage of completion.

#### 21. Trade payables and other liabilities

	31 December 2024	31 December 2023
Trade payables	732	67′
Advance payments received	1	Ę
Other liabilities	411	504
Income tax liabilities	11	38
(all figures in €m)	1,155	1,218

#### 22. Subsidiaries and other shareholdings

MAJOR SUBSIDIARIES AS OF 31 DEC 2024	Equity stake (%
Hamburger Gesellschaft für Flughafenanlagen mbH, Hamburg	10
Hawker Pacific Aerospace, Sun Valley, USA	10
Lufthansa Industry Solutions AS GmbH, Norderstedt	10
Lufthansa Industry Solutions BS GmbH, Raunheim	10
Lufthansa Industry Solutions GmbH & Co. KG, Norderstedt	10
Lufthansa Industry Solutions Verwaltungs GmbH, Norderstedt	10
Lufthansa Technik AERO Alzey GmbH, Alzey	10
Lufthansa Technik Airmotive Ireland Holdings Ltd., Dublin, Ireland	10
Lufthansa Technik Airmotive Ireland Leasing Limited, Dublin, Ireland	10
ufthansa Technik Budapest Repülögép Nagyjavító Kft., Budapest, Hungary	10
Lufthansa Technik Component Services LLC, Tulsa, USA	10
Lufthansa Technik Engine Services, Inc., Tulsa, USA	10
Lufthansa Technik Immobilien- und Verwaltungsgesellschaft mbH, Hamburg	10
Lufthansa Technik Landing Gear Services UK Limited, Kestrel Way, Hayes, UK	10
Lufthansa Technik Logistik GmbH, Hamburg	10
Lufthansa Technik Logistik Services GmbH, Hamburg	10
Lufthansa Technik Malta Limited, Luqa, Malta	Ç
Lufthansa Technik North America Holding Corp., Tulsa, USA	10
Lufthansa Technik Objekt- und Verwaltungsgesellschaft mbH, Hamburg	10
Lufthansa Technik Philippines, Inc., Manila, Philippines	ţ
Lufthansa Technik Puerto Rico LLC, San Juan, Puerto Rico	10
Lufthansa Technik Shenzhen Co. Ltd., Shenzhen, China	8
Lufthansa Technik Sofia OOD, Sofia, Bulgaria	75
Portugal Business Development Company, S.A., Oporto, Portugal	10
Swiss Aviation Software AG, Allschwil, Switzerland	10
MAJOR JOINT VENTURES AS OF 31 DEC 2024 <sup>(1)</sup>	Equity stake (%
EME Aero Sp.z.o.o, Jasionka, Poland	50
N3 Engine Overhaul Services GmbH & Co. KG, Arnstadt	50
Spairliners GmbH, Hamburg	50
XEOS Sp.z.o.o., Środa Śląska, Poland <sup>2)</sup>	2!
MAJOR ASSOCIATED COMPANIES AS OF 31 DEC 2024 1)	Equity stake (%
HEICO Aerospace Holdings Corp., Florida, USA	20

<sup>&</sup>lt;sup>1)</sup> Accounted for using the equity method.

SUBSIDIARIES, NOT CONSOLIDATED AS OF 31 DEC 2024	Equity stake (%)
AerQ GmbH i.L., Hamburg	100
amplimind GmbH, Hallbergmoos	51
AVIATION Data Hub GmbH, Hamburg	100
Avionic Design GmbH, Hamburg	100
Cargo Future Communications (CFC) GmbH, Büchenbeuren	100
ETP Thermal Dynamics, LLC, Tulsa, USA	80
flydocs Inc. (Delaware Corp.), City of Wilmington, New Castle, USA	100
flydocs India Private Limited, Vadodara, India	100
flydocs Systems (MIDCO) Limited, Tamworth, Staffordshire, UK	100
flydocs Systems (TOPCO) Limited, Staffordshire, UK	100
flydocs Systems Limited, Tamworth, Staffordshire, UK	100
Gen2 Systems Limited, Tamworth, UK	100
Idair GmbH, Hamburg	100
IND Beteiligungs GmbH, Raunheim	100
LG-LHT Aircraft Solutions GmbH i.L., Hamburg	100
LG-LHT Passenger Solutions GmbH i.L., Hamburg	100
Lufthansa Industry Solutions SHPK, Tirana, Albania	100
Lufthansa Technical Training GmbH, Hamburg	100
Lufthansa Technik Canada Inc., Calgary, Canada	100
Lufthansa Technik Component Services Asia Pacific Limited, Hongkong, China	100
Lufthansa Technik Intercoat GmbH, Kaltenkirchen	5′
Lufthansa Technik Middle East FZE, Dubai, United Arab Emirates	100
Lufthansa Technik Milan s.r.l., Somma Lombardo (VA), Italy	100
Lufthansa Technik Services India Private Limited, New Delhi, India	100
Lufthansa Technik Turbine Shannon Limited, Shannon, Ireland	100
Lufthansa Technik Vostok Services OOO i.L., Moscow, Russia	100
Vitech Development AD, Sofia, Bulgaria	75.01
OTHER JOINT VENTURES AS OF 31 DEC 2024	Equity stake (%
Airfoil Services Sdn. Bhd., Kuala Lumpur, Malaysia	50
INAIRVATION GmbH, Edlitz-Thomasberg, Austria	50
Lufthansa HNA Technical Training Co., Ltd., Meilan Airport, Hainan, China	50
Lumics GmbH & Co. KG, Hamburg	50
Lumics Verwaltungs GmbH, Hamburg	50
N3 Engine Overhaul Services Verwaltungsgesellschaft mbH, Arnstadt	
OTHER ASSOCIATED COMPANIES AS OF 31 DEC 2024	Equity stake (%)
Zentrum für Angewandte Luftfahrtforschung GmbH, Hamburg	20

<sup>&</sup>lt;sup>2)</sup> Since this company is jointly managed under the shareholder agreement, it is presented as a joint venture despite the equity stake of 25%.





#### 23. Number of employees

At the end of the year, the Lufthansa Technik Group had 24,499 employees (previous year: 22,870 employees).

#### 24. Supervisory Board and Executive Board

The members of the Supervisory Board and Executive Board of Lufthansa Technik AG are listed on page 39.

Hamburg, 24 February 2025

#### Lufthansa Technik Aktiengesellschaft

**Executive Board** 

Soeren Stark, Harald Gloy, Dr. William Willms

#### **Supervisory Board**

#### Grazia Vittadini

Chairwoman of the Supervisory Board Lufthansa Technik AG Member of the Executive Board Deutsche Lufthansa AG (since 1 July 2024)

#### Dr. Detlef Kayser

Chairman of the Supervisory Board Lufthansa Technik AG Member of the Executive Board Deutsche Lufthansa AG (until 30 June 2024)

#### Frank Hartstein

Deputy chairman Lufthansa Technik AG Secretary of ver.di trade union Employee representative

#### Heike Birlenbach

Member of the Executive Board Swiss International Air Lines Ltd. (until 14 September 2024)

#### **Dr. Torsten Bless**

Materials manager Employee representative (since 1 August 2024)

#### Jörg Deike

Aircraft engine technician Employee representative (since 22 March 2024)

#### Caroline Drischel

Head of Corporate Responsibility Deutsche Lufthansa AG

#### Ellen Gärtner

Chief procurement officer Deutsche Lufthansa AG (since 15 September 2024)

#### Karin van Hall

Administrative officer Employee representative

#### August W. Henningsen

Former Chairman of the Executive Board Lufthansa Technik AG

#### **Birgit Heyer**

Quality management officer Employee representative

#### Holger Moll-Ritter v. Sporschill

Process planner Employee representative (until 31 May 2024)

#### **Astrid Neben**

Head of Human Resources Lufthansa Airlines Deutsche Lufthansa AG

#### Domenico Perroni

Secretary of ver.di trade union Employee representative

#### Kai-Stefan Röpke

Industrial engineer Employee representative

#### **Torsten Schmidt**

Member of the Works Council Employee representative (until 21 April 2024)

#### Kerstin Schulz

Head of Corporate Taxes Deutsche Lufthansa AG

#### Mia Sophia Witzig

Administrative officer Employee representative

#### Remco Steenbergen

Member of the Executive Board Deutsche Lufthansa AG (until 7 May 2024)

#### Till Streichert

Member of the Executive Board Deutsche Lufthansa AG (since 15 September 2024)

#### Dr. Stephan Zilles

Head of Legal Affairs, Compliance & Data Protection Deutsche Lufthansa AG

#### **Executive Board**

#### Soeren Stark

Chairman of the Executive Board CEO

#### Harald Gloy

Member of the Executive Board COO & Human Resources

#### Dr. William Willms

Member of the Executive Board CFO, Corporate Services & IT



#### Lufthansa Technik AG

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#### Responsible:

Dr. Jens Krueger, Senior Director of Corporate Communications, Marketing and Political Relations, Lufthansa Technik AG