# Deutsche Lufthansa AG

Aviation group · MDAX-listed · Registered office Cologne

OVERALL RISK

**LOW · Score 82/100**

| | | |
|---|---|---|
| Revenue [2]<br>**€39.6bn**<br>FY 2025, +5% y/y | Adjusted EBIT [2]<br>**€1.96bn**<br>FY 2025, 4.9% margin | Adjusted EBIT H1 [4]<br>**€229m**<br>H1 2026 vs €149m H1 2025 |
| Liquidity [4]<br>**€10.7bn**<br>30 Jun 2026 | Net debt incl. pensions [5]<br>**€8.3bn**<br>30 Jun 2026 | Issuer ratings [6]<br>**BBB- / Baa3**<br>S&P, Fitch, Scope / Moody's, all stable |

## Summary

Deutsche Lufthansa AG is a listed German aviation group (ISIN DE0008232125, MDAX) registered at Amtsgericht Köln under HRB 2168 [1] [11]. FY 2025 revenue reached a record €39.6bn with adjusted EBIT of €1.96bn (4.9% margin) and adjusted free cash flow of €1.19bn [2]. H1 2026 swung to an adjusted EBIT loss of €229m after roughly €750m of additional Q2 fuel cost and at least €150m of strike impact, and FY 2026 guidance was narrowed to €1.7bn to €2.2bn [4] [5]. Screening found no sanctions designations [14]. The one open regulatory file is EU state aid: in April 2026 the Court of Justice upheld the annulment of the Commission's approval of the €6bn COVID recapitalisation, which Lufthansa had already repaid in 2021 [7] [8]. With €10.7bn of liquidity and investment-grade ratings from four agencies [4] [6], counterparty risk is low; engage without additional conditions and contract with the specific operating entity.

## Registry and legal status

STATUS: PASS

Deutsche Lufthansa Aktiengesellschaft is entered in the commercial register of the District Court of Cologne under HRB 2168; the company imprint lists Cologne as registered office and the Lufthansa Aviation Center at Frankfurt Airport as operating address [1]. The shares trade in Frankfurt under ISIN DE0008232125. Lufthansa left the DAX in 2020 during the pandemic after more than 30 years of membership and remained in the MDAX after STOXX left the DAX unchanged at the March 2026 review [11].

The group has a multi-entity structure. Passenger flying is split across Lufthansa Airlines, SWISS, Austrian Airlines, Brussels Airlines and Eurowings, while Lufthansa Cargo (Logistics) and Lufthansa Technik (MRO) are reported as separate segments [3]. ITA Airways is held at 41% since 17 January 2025; in May 2026 Lufthansa exercised its option to rise to 90% for €325m, with closing expected in Q1 2027 subject to European Commission and US

Department of Justice approval [12]. Contracts should name the operating subsidiary that will receive the service, since guarantees from the listed parent are not automatic.

| Item | Detail | Source |
|---|---|---|
| Legal form | Aktiengesellschaft (German stock corporation) | [1] |
| Register | Amtsgericht Köln, HRB 2168 | [1] |
| Registered office / operations | Cologne / Frankfurt Airport (Lufthansa Aviation Center) | [1] |
| Listing | Frankfurt, MDAX since 2020; DAX return missed March 2026 | [11] |
| ITA Airways | 41% held; option to 90% exercised May 2026, closing expected Q1 2027 | [12] |
| Employees | 103,255 at 31 Dec 2025 | [2] |

Corporate identifiers as of August 2026

## Sanctions and watch-lists

STATUS: PASS

Searches of the consolidated OpenSanctions index for Deutsche Lufthansa AG and the main operating airlines returned no entries on EU, UN, OFAC SDN or UK sanctions lists and no PEP links [14]. Two non-sanctions flags appear and are explained below so that a compliance reviewer can close them.

Regulator-warning tag. A Lufthansa 0.25% bond maturing in 2024 appears in the ESMA suspensions and removals dataset [14]. This is an instrument-level record for a matured security and does not concern the issuer's standing.

The record does not affect onboarding. Re-screen at contract signature and annually, and extend screening to the specific contracting subsidiary.

## Adverse media

STATUS: ATTENTION

Coverage in the past 24 months contains regulatory and labour items that are material for planning, none of which concerns fraud, bribery or sanctions.

The main legal item is state aid. Germany's Economic Stabilisation Fund recapitalised Lufthansa in 2020; Lufthansa repaid the aid in November 2021 and the fund sold its last shares in September 2022 at a profit of about €760m [8]. After challenges by Ryanair and Condor, the EU General Court annulled the Commission's approval in 2023, and on 23 April 2026 the Court of Justice dismissed Lufthansa's appeal [7]. The Commission has been re-assessing the measure since 2024; Lufthansa said it will engage constructively with that process [7]. The financial outcome is open.

Operationally, six strike days in April 2026 cost at least €150m [5], and Lufthansa permanently withdrew the 27 aircraft of its CityLine subsidiary the same month, citing fuel prices and industrial action [13]. In the US, the Department of Transportation fined Lufthansa $4m in October 2024 for barring 128 Jewish passengers from a 2022 flight [9] and assessed a $1.1m penalty in June 2024 over delayed COVID-era refunds [10].

| Date | Item | Status | Source |
|---|---|---|---|

| | | | |
|---|---|---|---|
| Apr 2026 | CJEU upholds annulment of €6bn state-aid approval | Commission re-assessment open | [7] |
| Apr 2026 | Six strike days (pilots and cabin crew) | At least €150m impact in Q2 | [5] |
| Apr 2026 | CityLine flight operations ended, 27 aircraft withdrawn | Completed | [13] |
| Oct 2024 | US DOT civil-rights penalty, $4m | Consent order, closed | [9] |
| Jun 2024 | US DOT refund-delay penalty, $1.1m | Closed | [10] |

Material adverse-media items, August 2024 to August 2026

## Financial signals

STATUS: PASS

FY 2025 was the highest-revenue year in the group's history at €39.6bn (+5%), with adjusted EBIT up 19% to €1.96bn and adjusted free cash flow up 41% to €1.19bn [2]. Net income eased 3% to €1.34bn on tax effects, and the dividend proposal rose to €0.33 per share [2].

H1 2026 is weaker. Revenue grew 8% to €19.9bn, but adjusted EBIT fell to €229m and the net result to €542m [4]. Q2 alone delivered €383m of adjusted EBIT against €870m a year earlier, after about €750m of additional fuel cost and the April strikes [5]. Management now guides FY 2026 adjusted EBIT to €1.7bn to €2.2bn, net capex to about €2.5bn (previously €2.9bn) and adjusted free cash flow to about €0.9bn [4].

For a supplier, the relevant signals are cash generation and liquidity rather than the earnings dip. H1 adjusted free cash flow held at €1.0bn and liquidity at €10.7bn, unchanged from year-end [4]. Payment default risk is low; expect tighter price negotiations while fuel stays elevated.

| Metric (€m) | FY 2024 | FY 2025 | H1 2025 | H1 2026 |
|---|---|---|---|---|
| Revenue | 37,581 | 39,597 | 18,449 | 19,887 |
| Adjusted EBIT | 1,645 | 1,960 | 149 | 229 |
| Adjusted EBIT margin | 4.4% | 4.9% | 0.8% | 1.1% |
| Net result | 1,380 | 1,339 | 127 | 542 |
| Adjusted free cash flow | 840 | 1,188 | 1,024 | 1,015 |
| Net indebtedness (period end) | 5,744 | 6,406 | 5,456 | 6,697 |
| Passengers (m) | 131.3 | 135.0 | 61.4 | 60.7 |

Lufthansa Group key figures. Sources: Annual report 2025 [2], H1 2026 interim figures [4]

## Segment exposure

STATUS: PASS

Which segment you supply drives the risk profile. In FY 2025 the Passenger Airlines segment generated €30.6bn of revenue at a 3.6% adjusted EBIT margin, while Logistics (Lufthansa Cargo) earned 9.5% and MRO (Lufthansa Technik) 7.5% on €8.0bn of revenue [3]. Margin in the airlines is thin and exposed to fuel and labour; Cargo and Technik are steadier.

From 2026 the group reports Network Airlines and Point-to-Point Airlines separately. In H1 2026 Network Airlines posted €468m and Point-to-Point €252m of adjusted EBIT, while Logistics rose 47% to €199m and MRO 2% to €315m [4]. Q2 Cargo yields rose 27% and its margin exceeded 11% [5]. Suppliers to airline operations should expect cost-out pressure; suppliers to Technik and Cargo face a growing customer with a stable budget outlook, as management guides a significant MRO and Logistics earnings increase for 2026 [4].

| Segment | Revenue FY 2025 (€m) | Adj. EBIT FY 2025 (€m) | Margin | Employees | Adj. EBIT H1 2026 (€m) |
|---|---|---|---|---|---|
| Passenger Airlines | 30,576 | 1,087 | 3.6% | 66,128 | Network 468 / P2P 252 |
| Logistics (Cargo) | 3,403 | 324 | 9.5% | 4,322 | 199 |
| MRO (Technik) | 8,049 | 603 | 7.5% | 22,989 | 315 |

Segment revenue includes intra-group sales. Sources: [3] [4]

## Credit profile and liquidity

STATUS: PASS

All four agencies that rate Lufthansa hold it at investment grade with stable outlooks: BBB- at S&P, Fitch and Scope, and Baa3 at Moody's [6]. S&P affirmed its BBB- on 12 May 2026 after the ITA majority acquisition was announced [6], which indicates the €325m purchase is absorbed within the current rating.

Total liquidity stood at €10.7bn at 30 June 2026, the same level as at year-end 2025 [4]. Net financial debt including net pension obligations was €8.3bn, also flat on year-end [5]; net pension obligations had fallen to €1.9bn at December 2025 from €2.6bn a year earlier [2]. The balance sheet can absorb a weak 2026 without stress on supplier payments. Watch items are the Commission's state-aid re-assessment [7] and fuel, which drove the Q2 earnings decline [5].

## Web presence and reputation

STATUS: PASS

Disclosure quality is high. The group publishes an online annual report with segment and fleet data, quarterly interim statements, rating-agency reports and a dated newsroom [2] [4] [6]. Each airline and Lufthansa Technik run their own sites and press channels, so information about the specific counterparty is easy to verify.

Reputational exposure is concentrated in passenger-facing topics: strike disruption [5], the CityLine closure [13], and the US civil-rights penalty [9]. None of these affects a B2B supply relationship directly, but labour disruption can affect delivery windows at Frankfurt and Munich hubs.

## Recommendation

STATUS: PASS

- Engage as a supplier without additional financial conditions; standard 30 to 60 day payment terms are supportable given €10.7bn liquidity [4].
- Contract with the named operating entity (for example Lufthansa Technik AG or Lufthansa Cargo AG) and confirm signatory authority; do not assume a parent guarantee.
- Add a force-majeure clause that addresses industrial action at the customer, given six strike days in April 2026 [5].

- Monitor the Commission's state-aid re-assessment [7] and the ITA closing [12] at each quarterly review.
- Re-run sanctions screening on the contracting subsidiary at signature [14].

## SOURCES (14)


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[3] Lufthansa Group · Annual report 2025, key figures business segments

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[13] The Local · Lufthansa to close CityLine unit over strike, jet fuel prices (Apr 2026)

https://www.thelocal.de/20260416/germanys-lufthansa-to-close-cityline-unit-over-strike-jet-fuel-prices

[14] OpenSanctions · Search results for Deutsche Lufthansa

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