
LSG Group logs €2.508 billion in sales for first three quarters

By **Rick Lundstrom** on November, 11 2019 | Catering



In the third quarter of 2019, the [LSG Group](#) reported it “remained on its path of successful growth.”

Though the company lost hub catering contracts in South Korea and Italy in the summer and fall of 2018, group sales reported between January and September of this year came to €2.508 billion (US\$2.81 billion), which is 4% higher than in the first nine months of 2018. During the same period, the company achieved an adjusted EBIT (earnings before interest and taxes) of €93 million (US\$104 million) – approximately 6% below the previous year's figure, mainly due to ongoing restructuring measures in Europe and the aforementioned business losses. At €52 million (US\$58.3 million), the EBIT was down 45% because of necessary unscheduled write-downs, said the company.

“For the year as a whole, the LSG Group continues to expect a slight increase in sales and satisfactory earnings situation,” said the company.

“Whether you are looking at airline catering, equipment, lounges or retail, our company has grown solidly across all regions and business segments,” said Dr. Kristin Neumann, Chief Financial Officer for the LSG Group. “We operate under difficult conditions in some economically and politically unstable regions of the world, and at the same time have to find ways to deal with upcoming changes in our market environment. In spite of those factors, it fills me with pride to see how our employees are maintaining and even improving the company's already high performance, both financially and operationally. The entire management team is very grateful for this.”

In addition to the new catering facilities that opened in Phoenix, Arizona, and Nairobi, Kenya this past spring, another LSG Group unit opened in Novosibirsk, Russia in the third quarter.

The onboard equipment expert [SPIRIANT](#) and the LSG Lounge business were each able to prolong their existing contracts with Lufthansa by another five years. Other significant agreements signed this year include the extension of the comprehensive catering contracts with airBaltic, Delta Air Lines and United Airlines for LSG Sky Chefs, as well as [Retail inMotion](#)'s new deal with the Cathay Pacific Group for the management of its worldwide travel-retail program.

“This year, we have further sharpened our focus and our portfolio in order to offer concepts and solutions that take a holistic approach,” said Erdmann Rauer, the LSG Group’s Chief Executive Officer in Friday’s announcement. “Whether through sustainable packaging alternatives and product concepts for our customers, paperless production processes in our operations, or socially-conscious projects within our global LSG Group network, we are contributing to positive changes and are embracing that responsibility.”