

LSG Group doubles financial performance during ownership change



LSG Sky Chefs' ground vehicles

The [LSG Group](#) has released its financial results from 2023, announcing that it doubled its financial performance while transitioning to new ownership. The company's total financial performance for the year matched its achievements of the pre-pandemic year 2019 and doubled its results from 2022, the March 25th press release said.

The company saw a 97 percent customer retention rate in the United States, which is its largest region. Meanwhile, its EMEA (Europe, Middle East and Africa) region, as well as Latin America, also enjoyed a strong operational year despite the effects of some currency fluctuations. The Asia-Pacific region experienced a significant post-pandemic resurgence, as demonstrated through the many opportunities the LSG Group is currently exploring in the region.

[Retail inMotion](#) (RiM) invested in "transformative initiatives and structural enhancements", attaining stability and reaching maturity as a mid-size company. It also expanded into the Asia Pacific market, where it laid the groundwork for accelerated expansion.

For 2023, the LSG Group ([LSG Sky Chefs](#) and Retail inMotion) reported a consolidated total revenue of \$2.541 billion (EUR 2.347 billion), surpassing its total from 2019 (\$2.494 billion). The company attributed this to strong performance in the classic airline-catering segment and high inflation protection.

As a result, the company's number of full-time employees was 20,950 by the end of the year, almost 1

a 12 percent increase from 2022. An adjusted EBITDA (earnings before interest, taxes, depreciation and amortization) of \$154.2 million (EUR 142.3 million), aligned with the LSG Group’s business plan.

“We achieved a solid financial performance in 2023 and delivered on our business plan for the second year in a row,” said Karin Sonnenmoser, Group CFO. “This is a remarkable accomplishment, which clearly shows our resilience and strong foundation, particularly because the latter part of the year brought so many changes to our company. In 2024, we are working to further grow our results and to secure our cash situation while looking forward to even more improvements from a financial stability and CapEx (capital expenditure) standpoint.”

An upward trajectory

LSG Group: Financial Figures 2023



LSGgroup

A look at the LSG Group's performance figures from 2023

The LSG Group saw several milestones in its strategic goals during the transitional ownership period last year. At the international management conference in early 2023, Group CEO Erdmann Rauer said that the strategic focus would remain on the diversification of the business segments, digitalization in all areas, globalization, effectiveness and efficiency.

To meet its sustainability goals in the People dimension (per the UN’s 2030 Agenda for Sustainable Development), LSG Sky Chefs installed Employee Experience Managers at its customer service centers (CSCs) in the U.S.

In April, the LSG Group announced it would be sold to private equity investor [AURELIUS](#). The sale closed on October 31, giving the LSG Group a new status as a standalone company independent from the Lufthansa Group. On November 1, the conclusion of the sale marked a new beginning in the company’s long history.

Reflecting on a year of partnerships

At [WTCE](#) (World Travel Catering & Onboard Services Expo) last year, the LSG Group showcased its

hybrid products and services, including its inflight management suite and AICA, a consumption analytics tool that became a finalist at the Onboard Hospitality Awards. At those same awards, subsidiary Retail inMotion won gold for Best Onboard Beverage and Best Onboard Catering innovation.

LSG Sky Chefs North America also won “Airline Caterer of the Year,” at the PAX International Readership Awards in Hamburg.

Also at WTCE, Kaelis and Barilla took part in displays at the LSG Group’s booth and an onsite gathering of the company’s joint-venture partners from around the world. Later that month, the company revealed its internal innovation program, “[next](#).”

In partnership with American Airlines, LSG Sky Chefs opened its new production facility at Dallas-Fort Worth International Airport ([DFW](#)) in October.

Business expansion

In the second half of 2023, LSG Sky Chefs expanded its relationship with several important customers and established new partnerships. Acquisitions during this time included [Qatar Airways](#) and [Air Premia](#) in Seoul ([ICN](#)), [Air France](#) in Washington-Dulles ([IAD](#)) and [IndiGo Airlines](#) in Nairobi, Kenya ([NBO](#)).

The LSG Group also retained its business relationships with [WestJet](#) in Canada, [FedEx](#) in multiple locations in the Asia-Pacific region, [Azul Airlines](#) in Brazil and [Emirates](#) and [LOT](#) in Toronto, Canada.

Retail inMotion secured a two-year contract extension with [Ryanair](#). It also acquired [Braathens Regional Airlines](#), [Marabu](#) and [Cebu Pacific](#) as customers.

“Even as we were navigating the often-challenging sale process, our people never wavered in their effort to deliver to our customers with the same passion for food, safety and quality that has made us their inflight and food commerce services provider of choice,” said Erdmann Rauer, CEO, LSG Group. “Our results for 2023 are a good indicator of the strength of the LSG Group as we transitioned to a new owner and became a standalone company. Through our customer-centric approach and focus on innovation, we will continue to create value through our end-to-end solutions across the travel spectrum. Leveraging the power of our global network and valued partnerships, we will continue to claim a position of leadership in our industry and rise above expectations.”