



Deutsche Lufthansa Aktiengesellschaft
Köln

We hereby invite our shareholders to attend the
61st Annual General Meeting
to be held at CCH – Congress Center Hamburg
Marseiller Straße 2
20355 Hamburg
on Tuesday, 29 April 2014 at 10:00 hrs

Translation for convenience only;
In case of any discrepancy or ambiguity the German version shall prevail.

I. Agenda

1. Presentation of the adopted annual financial statements, the approved consolidated financial statements, the combined management report for the Company and the Group, the report of the Supervisory Board, incl the explanatory report of the Executive Board on the statements pursuant to secs. 289(4) and (5), 315(4) of Germany's Commercial Code (*HGB*), each for the 2013 financial year
2. Appropriation of the distributable profit for the 2013 financial year
3. Approval of the Executive Board's acts for the 2013 financial year
4. Approval of the Supervisory Board's acts for the 2013 financial year
5. Creation of new Authorised Capital B for the issue of employee shares, excluding subscription rights, and corresponding amendment to the Articles of Association
6. Consent to the spin-off and acquisition agreement between the Company and Miles & More International GmbH
7. Consent to the conclusion of a control and a profit-transfer agreement between the Company and Miles & More International GmbH
8. Appointment of auditors, Group auditors and examiners to review interim reports for the 2014 financial year
9. Supplementary election of a Supervisory Board member

II. Proposals for resolutions on agenda items

1. Presentation of the adopted annual financial statements, the approved consolidated financial statements, the combined management report for the Company and the Group, the report of the Supervisory Board, incl the explanatory report of the Executive Board on the statements pursuant to secs. 289(4) and (5), 315(4) of Germany's Commercial Code (HGB), each for the 2013 financial year

In accordance with the provisions of statute, no resolution is adopted by the Annual General Meeting, since the Supervisory Board has already approved the annual financial statements and the consolidated financial statements drawn up by the Executive Board pursuant to secs. 172, 173 of Germany's Stock Corporation Act (*AktG*) on 12 March 2014. The annual financial statements are thereby adopted. The annual financial statements, the consolidated financial statements, the combined management report, the Supervisory Board report and the Executive Board report with notes, inter alia, on takeover-law particulars and on the internal control and risk management system must be made available to the Annual General Meeting.

2. Appropriation of the distributable profit for the 2013 financial year

The Executive Board and the Supervisory Board submit a proposal to the Annual General Meeting that the distributable profit of Euro 207,483,750.00 stated in the financial statements be used to pay a dividend of Euro 0.45 per registered share. This is in total an amount of Euro 207,483,750.00.

3. Approval of Executive Board's acts for the 2013 financial year

The Executive Board and the Supervisory Board submit a proposal to the Annual General Meeting that approval be given to the activities of the Executive Board in the 2013 financial year for this period.

4. Approval of Supervisory Board's acts for the 2013 financial year

The Executive Board and the Supervisory Board submit a proposal to the Annual General Meeting that approval be given to the activities of the Supervisory Board in the 2013 financial year for this period.

5. Creation of new Authorised Capital B for the issue of employee shares, excluding subscription rights, and corresponding amendment to the Articles of Association

The authorisation granted to the Executive Board by the AGM on 24 April 2009 pursuant to Art. 4(5) of the Articles of Association to increase the share capital (Authorised Capital B) with the consent of the Supervisory Board expires on 23 April 2014. Of this authorisation, originally amounting to €25,000,000, use has been made in the amount of €8,031,815.68. To continue enabling the Company to issue employee shares, new Authorised Capital B is to be created. To this end, the nominal amount of such new Authorised Capital B is to be increased to €29,000,000 to obtain the flexibility needed to provide the participation programmes with new shares across the entire authorisation period.

The Executive Board and the Supervisory Board propose that the AGM adopt the following resolution:

- a) The Executive Board be authorised, with the consent of the Supervisory Board, to increase the share capital of the Company in one or more stages until 28 April 2019 by up to €29,000,000 through the issue of new no-par value registered shares for cash contributions (Authorised Capital B). The new shares will be offered for purchase solely to employees of the Company and of associated companies. The subscription rights of shareholders shall be excluded.

The Executive Board be authorised, with the consent of the Supervisory Board, to determine the further details of the utilisation of the Authorised Capital B, specifically the conditions for the issue of the new no-par value registered shares, the issue amount and the further particulars of shareholder rights, and the implementation of capital increases. The profit participation of the new no-par value registered shares may be determined in a departure from sec. 60(2) *AktG*.

- b) Art. 4(5) of the Articles of Association is reworded as follows:

"The Executive Board is authorised, with the consent of the Supervisory Board, to increase the share capital of the Company in one or more stages until 28 April 2019 by up to €29,000,000 through the issue of new no-par value registered shares for cash contributions (Authorised Capital B). The new shares will be offered for purchase solely to employees of the Company and of associated companies. The subscription rights of shareholders shall be excluded. The Executive Board is authorised, with the consent of the Supervisory Board, to determine the further details of the utilisation of the Authorised Capital B, specifically the conditions for the issue of the new no-par value registered shares, the issue amount and the further particulars of shareholder rights, and the implementation of capital increases. The profit participation of the new no-par value registered shares may be determined in a departure from sec. 60(2) *AktG*."

- c) The Supervisory Board is authorised to reword Art. 4 of the Articles of Association in line with the current utilisation of the Authorised Capital B or after expiry of the authorisation period.

Report of the Executive Board to the AGM on item 5 of the agenda pursuant to secs. 203(2), sent. 2, 186(4), sent. 2 *AktG*

On agenda item 5, the Executive Board has drawn up a written report pursuant to sec. 203(2), sent. 2, *AktG* in conjunction with sec. 186(4), sent. 2, *AktG* which is accessible from the time of convening the AGM under the internet address www.lufthansagroup.com/agm and will also be accessible during the Company's AGM.

The report has the following content:

The new Authorised Capital B is to replace the current Authorised Capital B, which expires as per 23 April 2014, of which the Company has made use in the amount of €8,031,815.68. The Authorised Capital B serves the sole purpose of enabling the employees of the Company and of associated companies, within the scope of participation models, to have an even stronger participation in the Company's share capital, thus aligning the interests of companies and employees. To this end, it is necessary to exclude the subscription rights of the shareholders. The issue of employee shares is desired by lawmakers and, hence, made possible in an easier form. For the rest, the volume of the authorisation to issue employee shares relative to the Company's share capital is very limited, so that the shareholders' participation rights are only slightly affected by the exclusion of the subscription rights.

The Executive Board will carefully examine in each case whether use of the Authorised Capital B and the exclusion of shareholders' subscription rights are in the interest of the Company and its shareholders. The Executive Board will report to the AGM on any utilisation of the Authorised Capital B.

6. Consent to the spin-off and acquisition agreement between the Company and Miles & More International GmbH

Besides passenger-flight business, the Company also runs the "Miles & More" division. The core element of the customer-loyalty programme operated by this division is the premium business in which participants collect premium miles by making use of the services of the Company and other cooperation partners, which they may redeem for services of the Company or the cooperation partners. With a view to increasing the growth and profitability of the Miles & More programme, the entire operating premium business is to be amalgamated in an organizationally separate company. The aim in particular is greater independence with a focus on the premium business. Further external cooperation partners are to be won and particularly the sales with premium miles and the overall profitability increased.

For this purpose, planning calls for the Company to conclude a spin-off and acquisition agreement with Miles & More International GmbH with registered office in Neu-Isenburg, which is a wholly-owned direct subsidiary of the Company. Under the terms of this agreement, the "Miles & More premium business", in the structure specified in the spin-off and acquisition agreement with all pertinent assets and legal relationships, is being transferred to Miles & More International GmbH by way of spin-off for acquisition pursuant to sec. 123(3), no. 1 of the German Reorganization Act (*UmwG*).

The spin-off and acquisition agreement only becomes effective if the Company's shareholders' meeting and the shareholders' meeting of Miles & More International GmbH give their consent by resolution. The spin-off also requires entry in the commercial register at the Company's registered office to become effective. This may only take place after entry in the commercial register at the registered office of Miles & More International GmbH. The draft spin-off and acquisition agreement was drawn up by the Company's Executive Board and the managing director of Miles & More International GmbH.

The Executive Board and the Supervisory Board propose that the AGM give its consent to the draft spin-off and acquisition agreement between the Company as transferor company and Miles & More International GmbH as acquiring company.

The draft spin-off and acquisition agreement without recitals and annexes has the following wording:

"SPIN-OFF AND ACQUISITION AGREEMENT

between

- (1) **Deutsche Lufthansa Aktiengesellschaft**, with registered office in Cologne, entered in the Commercial Register of the Cologne Local Court (*Amtsgericht Köln*) under HRB 2168

– Transferor Company –

and

- (2) **Miles & More International GmbH**, with registered office in Neu-Isenburg, entered in the Commercial Register of the Offenbach Local Court (*Amtsgericht Offenbach*) under HRB 12211

– Acquiring Company –.

The Transferor Company and the Acquiring Company in this spin-off agreement are also referred to jointly as '**Parties**' and singly as '**Party**'.

PRELIMINARY REMARKS:

- A The Transferor Company is the sole shareholder of the Acquiring Company. The Transferor Company has been entered in the commercial register for more than two years.
- B The share capital of the Acquiring Company amounting to €100,000 is fully paid in.
- C The Transferor Company operates, inter alia, the customer-loyalty programme 'Miles & More'.

1. The core element is the '**Premium Business**'. It consists in particular of the issuance and redemption of premium miles and the implementation of marketing measures towards participants. According to binding information provided by the tax authority in charge, viz. Köln-Altstadt, dated 19 February 2014, Premium Business constitutes a sub-operation (*Teilbetrieb*) for tax purposes. All assets that are allocated to the Premium Business are collectively referred to below as the '**Sub-operation**'.
 2. In addition, the Transferor Company operates a so-called '**Status Programme**', which helps promote customer loyalty to flight operations, specifically by granting a frequent-flyer status (at present: Frequent Traveller, Senator, HON Circle) and associated advantages in connection with flight operations.
- D The Transferor Company and the Acquiring Company propose to spin off the Sub-operation pursuant to sec. 123(3), no. 1 of the German Reorganization Act (*UmwG*) to the Acquiring Company in line with this agreement (hereinafter: the '**Spin-off Agreement**'). The Status Programme is to remain with the Transferor Company.
- E The contracts with the participants in the 'Miles & More' programme ('**Participant Contracts**') give rise to claims both as regards the Premium Business and the Status Programme. Dividing the Participant Contracts into Premium Business and Status Programme is not possible on account of the unitary character of these contracts. For this reason, it is intended, within the scope of the spin-off of the Sub-operation, to split the Participant Contracts in such a way that the Acquiring Company, as contracting partner acting on the part of the Transferor Company, accedes to the Participant Contracts in its external relations. In their internal relations, the split of these Contracts by Premium Business and Status Programme shall be done in such a way that the Premium Business is economically transferred to the Acquiring Company, while the Status Programme remains economically with the Transferor Company.

NOW THEREFORE, the Parties have agreed on the following terms and conditions:

1. SPIN-OFF; CLOSING BALANCE SHEET

- 1.1 The Transferor Company transfers the various assets and legal relationships set forth in section 2 of this Agreement, each in its entirety and subject to the persisting Transferor Company, pursuant to sec. 123(3), no. 1 *UmwG*, to the Acquiring Company in return for the granting of shares in the Acquiring Company (spin-off for acquisition). The spun off assets and legal relationships are transferred with effect in rem at the time of the registration of the spin-off in the commercial register of the Transferor Company ('**Closing Date**').
- 1.2 The assets of the Transferor Company are transferred in the relations between the Parties with effect as per 1 January 2014, 0:00 hrs ('**Spin-off Date**'). Starting with the Spin-off Date, any acts of the Transferor Company, wherever they concern the assets to be transferred under this Agreement, shall be deemed to be performed for the account of the Acquiring Company. For tax purposes, planning calls for the spin-off to be effected retroactively as per 31 December 2013 ('**Transfer Date for Tax Purposes**').

- 1.3 The spin-off shall be based on the balance sheet of the Transferor Company as per 31 December 2013 (closing balance sheet) audited by PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft and bearing an unqualified auditor's opinion dated 6 March 2014.

2. ASSET TRANSFER

- 2.1 As specified in this Spin-off Agreement and subject to the provisions of section 3 hereunder, the Transferor Company transfers to the Acquiring Company by way of spin-off for acquisition, pursuant to sec. 123(3), no. 1 *UmwG*, all assets allocable to the Sub-operation in their entirety in return for the granting of shares in the Acquiring Company as set forth in section 9 hereunder. Allocated to the Sub-operation within the meaning of this Agreement are all legal relationships and all assets and liabilities in the Transferor Company ('**assets**') that – each pursuant to tax standards within the meaning of sec. 20 of Germany's Reorganization Tax Act (*UmwStG*) – as per the Transfer Date for Tax Purposes or the Closing Date form the essential business basis of the Sub-operation or can be allocated to the Sub-operation in accordance with economic considerations, irrespective of whether the legal relationships or assets concerned must be stated in the balance sheet or not. Specifically transferred to the Acquiring Company are thus:

2.1.1 Tangible fixed assets

- 2.1.1.1 the plant and technical equipment as well as the operating and business equipment to be allocated to the Sub-operation, specifically the objects listed in Annex 2.1.1.1;
- 2.1.1.2 all rights of the Transferor Company to the magnetic cards issued and/or to be issued to the participants in the 'Miles & More' programme;
- 2.1.1.3 to the extent any items in the tangible fixed assets allocable to the Sub-operation are subject to third-party retention of title or have been transferred to any third parties as security: all claims and rights due to the Transferor Company, specifically remainders thereto;
- 2.1.1.4 wherever the Transferor Company is co-owner of items in the tangible fixed assets that must be allocated to the Sub-operation: the corresponding share in such co-ownership;

2.1.2 Current assets

all items in the current assets allocable to the Sub-operation; the provisions in section 2.1.1.3 and 2.1.1.4 shall apply *mutatis mutandis*;

2.1.3 Intangible assets

- 2.1.3.1 the entire know-how allocable to the Sub-operation, specifically any knowledge of the structures and processes required or expedient for running the Sub-operation, inclusive any business or trade secrets relating thereto;
- 2.1.3.2 the customer base allocable to the Sub-operation, specifically the customer base that has formed through contracts with cooperation partners in the 'Miles & More' programme in the air and non-air area;
- 2.1.3.3 the goodwill associated with the Sub-operation;
- 2.1.3.4 all rights to and under the software allocable to the Sub-operation, specifically the SAMBA software; the transferred software is listed in Annex 2.1.3.4;
- 2.1.3.5 all materializations of the above intangible assets (written descriptions, check lists, specimens, drawings, plans, etc.);
- 2.1.3.6 all brands, business designations and domains set forth in Annex 2.1.3.6 containing the designation 'Miles & More', with the exception of those brands, business designations and domains that also contain, besides the 'Miles & More' designation, the 'Lufthansa' designation (**'Lufthansa Miles & More Marks'**), and that neither the Transferor nor the Acquiring Company use today; the Transferor Company itself shall also refrain from using the Lufthansa Miles & More Marks in future without the consent of the Acquiring Company;

each including all rights and duties underlying these assets or any contractual or other legal relationships in connection therewith and any offers to establish such legal relationships.

2.1.4 Contractual relations and other legal relationships

- 2.1.4.1 the contractual and extra-contractual legal relationships allocable to the Sub-operation, including any claims, rights, liabilities and obligations resulting from such legal relationships, as well as any rights and duties under offers of the Transferor Company or any third parties aimed at establishing such contractual legal relations, specifically the legal relationships and offers listed in Annex 2.1.4.1. The economic transfer of that part of the Participant Contracts in the 'Miles & More' programme accounted for by the Premium Business shall be subject to the special provisions in section 3 hereunder; not allocable to the Sub-operation and, hence, not transferred are those contracts that govern the cooperation of the Transferor Company with partner airlines as regards the latter's customer-loyalty programmes;

- 2.1.4.2 all rights and duties under employment relationships that pass to the Acquiring Company as a consequence of the spin-off of the Sub-operation pursuant to sec. 613a(1), sent. 1 of the German Civil Code (*BGB*), secs. 123, 131, 20, 324 *UmwG*;
- 2.1.4.3 all rights and duties under public-law contracts, permits, approvals, authorizations, permissions, licences, consents, rights of use and other rights as well as the rights and duties under registrations and applications addressing the same (collectively: '**Public-law Authorizations**'), also those rights and duties under any other public-law decrees, decisions and other sovereign measures of whatever nature, in so far as they affect the Sub-operation in each case;
- 2.1.4.4 all existing legal relationships based on proceedings and other procedures, including those under any public-law and arbitration proceedings, irrespective of whether the Transferor Company is involved as a party or in any other manner (eg. as joined party or intervening party), as well as any procedural legal positions and all contractual agreements with third parties concerning the recognition or implementation of results of judicial proceedings, public-law proceedings and arbitration proceedings or the assertion of rights reserved for the parties to the proceedings, as well as any rights and duties under an enforceable title, in so far as they affect the Sub-operation in each case;
- 2.1.4.5 the Premium Business based on the Participant Contracts in the 'Miles & More' programme subject to the arrangements set forth in section 3;

2.1.5 Receivables and payables

subject to the arrangements set forth in section 2.3, all receivables, rights, payables, contingent liabilities, obligations and liability allocable to the Sub-operation (collectively: '**receivables and payables**' and/or '**receivables or payables**'), irrespective of whether same are known or unknown, present or future, certain or uncertain, aged, time-limited or conditional; also covered by the transfer are such receivables as have already been written off either wholly or in part; specifically

- 2.1.5.1 the receivables and payables listed in [Annex 2.1.5.1](#);
- 2.1.5.2 payables to participants in the 'Miles & More' programme for which the Transferor Company has formed provisions for premium miles;

2.1.5.3 subject to the detailed arrangements set forth in section 4 and 8.7: all pension commitments of the Transferor Company to employees whose employment relationships pass to the Acquiring Company pursuant to section 8.4, sents. 1 and 2, however not pension commitments to

(a) employees allocable to the Sub-operation prior to the Spin-off Date but whose employment relationship with the Acquiring Company ends before the Spin-off Date;

(b) employees allocable to the Sub-operation as of the spin-off date but whose employment relationship with the Acquiring Company ends before the Closing Date; and

(c) employees who object to the passage of their employment relationships to the Acquiring Company;

2.1.5.4 in so far as security has been furnished in respect of receivables and payables allocable to the Sub-operation: the claims and/or duties to return such security;

2.1.6 all business records allocable to the Sub-operation, whether in physical or digitally stored form, specifically contractual documents, records on Public-law Authorizations, customer lists, price lists, correspondence with customers, business partners and public authorities, personnel records, records on process operations and the business organization, operating instructions (collectively: **'Business Records'**);

2.1.7 the liquid funds allocable to the Sub-operation;

2.1.8 wherever assets transferred to the Acquiring Company pursuant to the above provisions perish or are sold: the substitutes taking their place up to the Closing Date;

2.1.9 any legal relationships newly established between today and the Closing Date and additions to assets allocable to the Sub-operation.

2.2 The Sub-operation is allocated a receivable amounting to €855m against the Transferor Company with effect as per the Transfer Date for Tax Purposes that is transferred by way of spin-off for acquisition pursuant to sec. 123(3), no. 1 *UmwG* in return for the granting of shares in the Acquiring Company as set forth in section 9 below. However, should it transpire in the sequel that at the Transferor Company, after taking account of this receivable, the difference of the tax book values of the assets less those of the liabilities allocable to the Sub-operation in accordance with this spin-off agreement is nevertheless negative as of the Transfer Date for Tax Purposes (**Book-value Balance**), the receivable shall be increased by the amount by which the Book-value Balance falls short of €0.

In addition, should the value of the assets transferred to the Acquiring Company subject to the above arrangements be lower than €4.9m on the Closing Date, the Transferor Company will pay the difference amount in cash to the Acquiring Company.

- 2.3 All tax and social-security receivables and payables, even if any or all of them are connected to the Sub-operation, shall not be transferred to the Acquiring Company; in this respect, no compensation claims or liabilities shall be established.
- 2.4 In the event of any doubts as to the allocation of legal relationships or assets that cannot be resolved even by way of interpretation of this Agreement (also taking account of the application for binding information addressed to the Köln-Altstadt tax authority dated 23 December 2013 and the information given by the tax authority on 19 February 2014), the Transferor Company shall be entitled pursuant to sec. 315 *BGB* to make the allocation at its equitable discretion.

3. SPLITTING THE PARTICIPANT CONTRACTS

- 3.1 The Participant Contracts that the Transferor Company has concluded with the participants in the 'Miles & More' programme, on the one hand, regulate the Premium Business which is spun off under this Agreement to the Acquiring Company. On the other hand, the Participant Contracts form the basis for the Status Programme which is to remain with the Transferor Company. In view of this, the Parties have agreed on splitting the Participant Contracts and on the economic transfer of the part accounted for by the Premium Business to the Acquiring Company, leaving that part accounted for by the Status Programme with the Transferor Company, subject to the following provisions:
 - 3.1.1 The Participant Contracts are split by the Sub-operation's spin-off in such a way that the Acquiring Company, as contracting partner, accedes in their external relationship, on the part of the Transferor Company, to the Participant Contracts. With legal effect of the spin-off, the Transferor Company and the Acquiring Company thus become
 - 3.1.1.1 joint and several debtors for the obligations which the Transferor Company has under the Participant Contracts, and
 - 3.1.1.2 joint and several creditors for the claims and rights due to the Transferor Company under the Participant Contracts.
 - 3.1.2 Economically, with effect on the Parties' internal relationship, the Acquiring Company becomes the sole beneficiary and obligated party under the Premium Business with the consequence that

- 3.1.2.1 the Acquiring Company has the sole authority to steer the Premium Business and has corresponding rights to issue instructions and to take decisions in its relations with the Transferor Company,
 - 3.1.2.2 the Acquiring Company is solely entitled to all economic advantages under the Premium Business, which implies that the Transferor Company must, inter alia, surrender to the Acquiring Company all advantages it obtains based on its persisting position as contracting partner in the Participant Contracts under the Premium Business, and
 - 3.1.2.3 the Acquiring Company bears all economic burdens under the Premium Business on its own, so that it must, inter alia, release the Transferor Company from any obligations and reimburse the Transferor Company any expenses that concern the Premium Business.
- 3.1.3 Economically, with effect on the Parties' internal relationship, the Transferor Company remains the sole beneficiary and obligated party of the Status Programme with the consequence that
- 3.1.3.1 the Transferor Company has the sole authority to steer the Status Programme and has corresponding rights to issue instructions and to take decisions in its relations with the Acquiring Company,
 - 3.1.3.2 the Transferor Company is solely entitled to all economic advantages under the Status Programme, which implies that the Acquiring Company must, inter alia, surrender to the Transferor Company all advantages it obtains, based on its persistent position as contracting partner in the Participant Contracts under the Status Programme, and
 - 3.1.3.3 the Transferor Company bears all economic burdens under the Status Programme on its own, so that it must, inter alia, release the Acquiring Company from any obligations and reimburse the Acquiring Company any expenses that concern the Status Programme.

4. PENSION COMMITMENTS AND SECURITY RELATED THERETO

Any existing pension commitments of the Transferor Company to employees whose employment relationship passes to the Acquiring Company pursuant to section 8.4, sents. 1 and 2, with the exception of the pension commitments to the employees named in section 2.1.5.3 letters (a) to (c), shall pass to the Acquiring Company.

Based on the shopfloor agreement covering an offer of direct insurance for private pension provision dated 10.03.1995, the employees set forth in Annex 4 joined a group-insurance scheme (life insurance) taken out by the Transferor Company in favour of its employees. In view of these life-insurance schemes existing for such employees, the Transferor Company transfers its policyholder position – subject to the insurer's consent – to the Acquiring Company. This shall not apply to employees who object to the passage of their employment relationship.

For pension commitments to employees, whose employment relationship passes to the Acquiring Company pursuant to section 8.4, sents. 1 and 2, under direct pension pledges (direct commitments), the Acquiring Company shall form sufficient provisions.

5. COOPERATION AGREEMENT

The Parties intend to conclude a cooperation agreement specifying the commercial relationships and the cooperation between the Transferor Company and the Acquiring Company after the spin-off. Specifically, the cooperation agreement is to regulate the modalities of issuing and redeeming the premium miles, the services that the Acquiring Company is to perform for the Transferor Company as regards the Status Programme, other mutual services and data administration. The cooperation agreement is to become effective by the Closing Date.

6. MODALITIES OF CLOSING

6.1 Ownership/Possession

Ownership of the movable objects transferred pursuant to section 2.1 shall pass to the Acquiring Company as per the Closing Date. Wherever the objects concerned are not handed over physically, the Transferor Company shall keep same in safe custody for the Acquiring Company pursuant to sec. 930 *BGB*. In the event that the objects are in the possession of third parties, the Transferor Company herewith transfers its claims to surrender against such third parties to the Acquiring Company, which accepts same, as per the Closing Date.

6.2 Third-party consent

Wherever the transfer of a legal relationship or assets or the entry into and/or accession to a legal relationship requires any third-party consent or the issuance of any Public-law Authorizations, the Parties shall make every reasonable effort to obtain same. The same shall apply in the event that the transfer of assets or legal relationships or the entry into and/or accession to a legal relationship depends on further preconditions.

6.3 Individual transfers

Wherever specific assets or legal relationships that are to pass to the Acquiring Company under this Agreement do not pass by operation of law by way of partial legal succession, the transfer of the assets or legal relationship concerned is deemed agreed (with all rights based on contract) hereunder with effect as per the Closing Date. In the event that the assets or legal relationships do not pass on the basis of this Agreement either, the Transferor Company shall, subject to the arrangements set forth in section 6.5, transfer such assets or legal relationships to the Acquiring Company by way of singular succession, so that the state of affairs intended with this Agreement is created.

6.4 Re-transfer

To the extent that specific assets or legal relationships are not to be passed to the Acquiring Company pursuant to this Agreement, however do pass due to legal reasons, the Acquiring Company shall, subject to the arrangements set forth in section 6.5, re-transfer the assets or legal relationships to the Transferor Company.

6.5 Transfer of beneficial ownership

To the extent that a transfer or re-transfer of specific assets or a legal relationship provided for in this section 6 is not possible, in particular because the requisite consent or Public-law Authorization is not issued, or if this would require disproportionately high expenses, the Party with an obligation to transfer shall remain the beneficiary and/or obligated party in respect of the assets concerned and/or the Party in the legal relationship concerned. In their internal relationship, however, the Parties shall place each other in a position as if the assets and/or the legal relationship concerned – in rem, on the Closing Date and, economically as far as the risk, benefit and burdens are concerned, on the Spin-off Date – had passed to the Party entitled to the transfer (grant of beneficial ownership of the assets or legal relationship). Specifically, in such a case, relative to the single assets and/or the legal relationship concerned

6.5.1 the Party obliged to make the transfer shall act as trustee free of charge for the account and at the instruction of the Party entitled to the transfer as beneficial owner (so that all advantages and utilizations under the assets and/or the legal relationship concerned shall be surrendered to the Party entitled to the transfer);

6.5.2 the Party obliged to make the transfer shall grant free use, where possible, to the Party entitled to the transfer;

6.5.3 the Party entitled to the transfer shall release the Party obliged to make the transfer from any obligations in their external relationship, and reimburse the Party obliged to make the transfer any expenses and costs incurred in this connection;

as per the Closing Date.

The arrangements set forth in sentences 2 and 3 shall apply mutatis mutandis to the period between the Closing Date and (i) any consent or public-law approval required for the transfer being issued or (ii) the consummation of any individual transfer prescribed pursuant to section 6.3 and/or (iii) the consummation of any re-transfer prescribed pursuant to section 6.4. This shall at any event not affect the provisions of sections 1.2 and 1.3.

6.6 Joining procedural-law relationships

To the extent that existing legal relationships due to pending proceedings or other procedures are transferred under section 2.1.4.4, the Parties shall make efforts to obtain the consent of the opponents in the proceedings or procedure to a change of party. Until such time as the consent is issued or to the extent that it is not issued, the Transferor Company shall continue the proceedings or procedure as from the Closing Date in the form of a representative action for the Acquiring Company in line with the latter's instructions. In such a case, the Acquiring Company shall release the Transferor Company from any costs and disadvantages that the Transferor Company will incur in this connection as per the Closing Date. This shall not affect the provisions of sections 1.2 and 1.3.

7. DUTIES TO COOPERATE

7.1 The Transferor Company and the Acquiring Company shall issue any declarations, issue any certificates and perform any other acts that are required or expedient for the transfer of the various assets and legal relationships set forth in section 2 subject to the provisions of this Spin-off Agreement.

7.2 Any Business Records transferred shall be preserved by the Acquiring Company until expiry of the statutory preservation duties, though at least for a term of ten years starting with the Closing Date. Tax-relevant Business Records shall be preserved by the Transferor Company for as long as the Transferor Company has preservation duties under the relevant tax provisions as regards this Spin-off Agreement and the transfers it regulates. During the preservation period, the Acquiring Company shall permit employees and advisors of the Transferor Company, following reasonable advance announcement and during the usual office opening hours, to inspect the Business Records and to make copies thereof to the extent that the Transferor Company has a justified interest therein (especially interest of a tax nature). Any business and trade secrets shall be treated in confidence.

7.3 If either Party receives benefits that are due to the other Party hereunder, the former shall pass on such benefits to the latter without delay.

7.4 In any official procedures, especially tax audits, and in any tax and other legal disputes affecting the spun off assets or in connection therewith, the Parties shall lend mutual support until such time as the tax assessments of the Transferor Company and the Acquiring Company can still be changed in line with the tax rules for all periods up to and including that period in which the spin-off becomes effective. Specifically, they shall make available to each other any information and records necessary or expedient to meet fiscal or other official requirements or to provide the tax authorities or other authorities or courts with evidence, and make efforts to ensure that their employees provide reasonable mutual support.

8. CONSEQUENCES OF THE SPIN-OFF FOR EMPLOYEES AND THEIR REPRESENTATIVES; ENVISAGED MEASURES

8.1 The Transferor Company has several operations and about 36,000 employees. The sub-operation affected by the spin-off (**'M&M Sub-operation'**) is currently part of the Frankfurt operation (ground crew) (**'Frankfurt Operation'**) which has a workforce of about 6,300 (including apprentices/trainees). The Frankfurt Operation has formed a works council.

8.2 The Acquiring Company has one single operation with about 86 employees. No works council or other employee-representation bodies have been formed at the Acquiring Company.

8.3 Planning calls for the M&M Sub-operation to be separated from the Frankfurt Operation and for its main personnel and social affairs to be subsequently managed by the Acquiring Company. Following the splitting of the Frankfurt Operation that this involves, the M&M Sub-operation shall be merged with the operation of the Acquiring Company (**'MMI Operation'**). On account of the change of operation that this involves, the works council formed for the Frankfurt Operation shall be included by the Transferor Company pursuant to secs. 111, 112 of Germany's Works Council Constitution Act (*BetrVG*); in this respect, a balance of interests is to be resolved. The legal effect of the splitting of the Frankfurt Operation and the subsequent merger of the M&M Sub-operation is planned for the Closing Date.

8.4 With the legal effect of the spin-off all employment relationships of the employees of the M&M Sub-operation listed in Annex 8.4 shall pass to the Acquiring Company by operation of law. This shall not apply to any employees who object to the passage of their employment relationship and to any employees who have left before the Closing Date and who – presuming their continued employment – would have to be allocated to the M&M Sub-operation. The Acquiring Company enters into the rights and duties of the employment relationships of the M&M Sub-operation transferring thereupon. This shall not affect sec. 613a(1), (4) to (6) *BGB* (sec. 324 *UmwG*). As regards the transferring employment relationships, the spin-off does not entail any changes to an individual's rights. The transferring employment relationships continue by operation of law with the Acquiring Company, with length of service being counted. It is intended to amalgamate the Acquiring Company's employees and those employees whose employment relationships pass to the Acquiring

Company under the above arrangements, geographically, at one location at Frankfurt airport. This may result in a change of place of work for the transferring employees. The legal effect of the spin-off has no implications for the employment relationships of the remaining employees of the Transferor Company.

- 8.5 The transferring employees are to be informed in writing in May 2014 by the Transferor Company about the spin-off and the associated consequences pursuant to sec. 324 *UmwG* in conjunction with sec. 613a(5) *BGB*. The employees are entitled under sec. 613a(6) *BGB* to object to the passage of their employment relationships to the Acquiring Company.
- 8.6 On the occasion of the passage of the M&M Sub-operation to the Acquiring Company, no termination notices may be given. This does not affect the right to terminate transferring employment relationships for other reasons. The termination-law position of employees does not deteriorate on account of the spin-off pursuant to sec. 323(1) of Germany's Reorganization Act (*UmwG*) for a period of two years starting with the Closing Date.
- 8.7 Upon the spin-off becoming effective, all pension obligations of the Transferor Company to employees whose employment relationships pass to the Acquiring Company under section 8.4, sents. 1 and 2 shall pass to the Acquiring Company by operation of law. Such passage is irrespective of whether the pension obligations follow from individual contracts or collective agreements (shopfloor agreement, central or Group shopfloor agreement, collective agreement). The passage also extends to deferred-compensation agreements; to that extent, the Acquiring Company enters into corresponding agreements.
- 8.8 For pension commitments to employees who pass to the Acquiring Company under direct pension pledges, the Acquiring Company shall form sufficient provisions.
- 8.9 Obligations under agreements on part-time work for older employees, whose employment relationship passes to the Acquiring Company pursuant to section 8.4, sents. 1 and 2, pass to the Acquiring Company by operation of law.
- 8.10 Besides the Acquiring Company, the Transferor Company shall be liable as joint and several debtor as per the Closing Date for any claims, also in arrears, under the employment relationship, provided that they arose prior to such point in time. Wherever the Transferor Company is not allocated such liabilities, it shall only assume liability therefor, however, if they have become due and payable prior to expiry of five years after such point in time and claims thereunder have been made final either in a manner described in sec. 197(1), items 3 – 5 *BGB*, or if a judicial or official enforcement act is made or applied for; in public-law liabilities, the issue of an administrative act suffices. In respect of pension obligations established before the Closing Date based on Germany's Company Pensions Act (*BetrAVG*), the term amounts to ten years. For the rest, sec. 133 *UmwG* shall apply. The Acquiring Company, by contrast, shall assume liability for all claims under the employment relationships that pass to it, also beyond the above periods.

8.11 The spin-off has the following effects in works constitutional terms:

The Transferor Company's Frankfurt Operation currently has a works council. In addition, the Transferor Company has formed a central and a Group works council and, under the collective agreement personnel representation for the cabin crews of Deutsche Lufthansa AG, a central representation for aircrews and one group representation each for its captains, co-pilots, flight engineers, flight instructors, pursers and purserettes, and for its flight attendants; these employee representations are not affected by the spin-off.

The works council formed for the Frankfurt Operation has a transitional mandate for the MMI Operation starting with the date of the separation of the operation pursuant to sec. 21a of Germany's Works Council Constitution Act (*BetrVG*), with a remit to continue its business. The transitional mandate authorizes the works council to exercise all its participation rights in works constitutional terms for its entire term of office ('full mandate'). It must appoint election boards for elections to the works council in the MMI Operation immediately. The transitional mandate ends as soon as the MMI Operation has elected a new works council and the election result is announced, though no later than six months following the separation of the operation. By collective agreement or shopfloor agreement, the transitional mandate may be extended by a further six months. The spin-off changes nothing for the works council of the Transferor Company's Frankfurt Operation.

8.12 The Transferor Company currently has an economic committee (*Wirtschaftsausschuss*). The spin-off does not change this. The economic committee has no transitional mandate for the MMI Operation. A future works council of the MMI Operation must form an economic committee after the spin-off becomes effective.

8.13 The Transferor Company currently has a representative committee as well as a central, a Company and a Group representative committee for executive staff. The spin-off does not change this. The representative committee, the central, Company and Group representative committee have no transitional mandate for the MMI Operation. In so far as at least ten senior executives within the meaning of sec. 5(3) *BetrVG* work for the MMI Operation, it, too, must form a representative committee.

8.14 The Transferor Company has a severely handicapped employee representation at Group level, while a severely handicapped employee representation is formed for the Frankfurt Operation. In addition, the Transferor Company has a youth and trainee representation at Group level, while the Frankfurt Operation, too, has a youth and trainee representation. The spin-off does not change this. The severely handicapped employee representation and the youth and trainee representation have no transitional mandate for the MMI Operation.

8.15 The shopfloor agreements and central shopfloor agreements valid at the Transferor Company on the Closing Date shall continue to apply in the event of a spin-off of the Operation as per the Closing Date pursuant to sec. 613a(1), sent. 2 *BGB* as part of the employment relationships and may not be amended to the detriment of employees at individual-contract level for a period of one year. The same shall apply to the representative committees. The Group shopfloor agreements concluded with the Group works council continue to apply under collective-bargaining law after the spin-off as well, unless the Acquiring Company is not covered by the scope of the Group shopfloor agreement concerned. If the Acquiring Company is not covered by the scope of a Group shopfloor agreement, the legal consequences described above apply mutatis mutandis to the shopfloor agreements and central shopfloor agreements valid for the Transferor Company on the Closing Date. The same applies to the agreements on the representative committees at Group level.

8.16 The spin-off has the following effect under collective-bargaining law:

Owing to its membership of the Air Traffic Employers' Association (AGVL), the Transferor Company is bound by operation of law to the collective-bargaining agreements applying to the ground crew of Deutsche Lufthansa AG. The spin-off does not change this. The Acquiring Company is not bound by collective-bargaining agreements. On the Closing Date, the rights and duties under the above collective-bargaining agreements, as they existed on that date, become part of the employment relationships of the employees affected by the passage and shall not be amended to the detriment of the employees at individual-contract level for a period of one year (sec 613a(1), sent. 2 *BGB*). To the extent that collective-bargaining agreements apply by contractual employment reference, the Acquiring Company joins such reference pursuant to secs. 20, 123, 131, 324 and sec. 613a(1), sent. 1 *BGB*).

8.17 The spin-off has the following effect on corporate co-determination:

The Transferor Company has a Supervisory Board with an equal representation of employees as set forth in Germany's Co-Determination Act (*MitbestG*). The spin-off does not change this. The Acquiring Company has no supervisory board. The spin-off does not change this.

8.18 As regards possible changes to the place of work, section 8.4 applies. Further changes to operations are not planned by the Parties either before or after the Closing date.

9. CONSIDERATION

9.1 As consideration for the transfer of the assets and legal relationships, the Acquiring Company shall grant the Transferor Company a share in the Acquiring Company in a nominal amount of €4,900,000. To implement the spin-off, the Acquiring Company will increase its share capital, currently amounting to €100,000, by €4,900,000 to €5,000,000 by issuing one new share in a nominal amount of €4,900,000. The new share shall be granted to the Transferor Company. The contribution for the new share is provided

by transferring the assets as set forth in section 2. To the extent that the value of the transferred assets stated in the commercial balance sheet exceeds the nominal value of the new share, this difference shall be allocated to the Acquiring Company's capital reserves pursuant to sec. 272(2), no. 1 of Germany's Commercial Code (*HGB*).

- 9.2 The share in the Acquiring Company granted to the Transferor Company shall participate in the profit as per the Spin-off Date.
- 9.3 For tax purposes, the spin-off is at book values. The Acquiring Company shall file an application with the tax authorities in charge for book-value continuation (*Buchwertfortführung*) in a timely manner. The Acquiring Company also undertakes to take any measures that are required in line with tax rules to preserve and maintain tax neutrality and book-value continuation and/or to support the Transferor Company in such measures.

10. INTERNAL SETTLEMENT

- 10.1 If and to the extent that creditors have recourse to the Acquiring Company under sec. 133 *UmwG* or other rules for any liabilities, contingent liabilities, obligations or other liability (collectively: '**Obligations**') that are not transferred to the Acquiring Company hereunder or if the Acquiring Company must furnish security for such Obligations, the Transferor Company shall release the Acquiring Company from the Obligations concerned and from any expenses and costs in this connection without delay. To the extent that such expenses or costs have been paid by the Acquiring Company, the Transferor Company shall reimburse the Acquiring Company without delay.
- 10.2 If and to the extent that, conversely, creditors have recourse to the Transferor Company under sec. 133 *UmwG* or other rules for any Obligations that are transferred to the Acquiring Company hereunder or if the Transferor Company must furnish security for such Obligations, the Acquiring Company shall release the Transferor Company from the Obligations concerned and from any expenses and costs in this connection without delay. To the extent that such expenses or costs have been paid by the Transferor Company, the Acquiring Company shall reimburse the Transferor Company without delay.
- 10.3 If any third parties threaten one Party with claims or assert same against it (the '**Party claimed against**') that could lead to liability for the other Party within the meaning of sections 10.1 and 10.2, the Party claimed against shall inform the other Party thereof in writing without delay, cooperate with the other Party in averting such claims and adequately coordinate its conduct with the other Party, and shall specifically refrain from declaring any acknowledgment, entering into any settlement with such third party, or in any other manner having the claim finally become enforceable, without the other Party's consent.
- 10.4 The Party claimed against shall make available to the other Party any information and records over which it has power of control that are necessary to assess the justification of the threatened or asserted claims and possibly avert same.

10.5 The Party claimed against shall permit the other Party to avert the claim in the latter's own name and for its own account if the Party claimed against does not avert the claim itself. In such a case, the other Party shall be entitled to select its legal representative. At any event, each Party shall take reasonable account of the other Party's interests.

11. EXCLUSION OF CLAIMS

Any claims and rights of the Acquiring Company against the Transferor Company based on properties of the assets and the existence of the assets and legal relationships transferred by the Transferor Company under this Spin-off Agreement, of whatever nature and on whatever legal grounds, are expressly excluded herewith, wherever permitted by law. This shall also apply to any claims under pre-contractual, contractual or statutory infringements of duties in connection with concluding this Spin-off Agreement. This shall not affect any claims of the Acquiring Company under sec. 9 of Germany's Law on Private Limited Liability Companies (*GmbHG*).

12. SPECIAL RIGHTS AND ADVANTAGES

12.1 No special rights within the meaning of sec. 126(1), no. 7 *UmwG* exist, nor are they granted, and no measures in the sense of this measure are planned.

12.2 No special advantages within the meaning of sec. 126(1), no. 8 *UmwG* for members of a representative body or a supervisory board of the legal entities involved in the spin-off or any auditor of a company involved are granted.

13. FORWARDING TO WORKS COUNCIL MEMBERS

As set forth in sec. 126(3) *UmwG*, the responsible works councils in the companies involved in the spin-off have been informed of this draft document by its being forwarded, adhering to the statutory one-month period.

14. EFFICACY OF THE SPIN-OFF AND ACQUISITION AGREEMENT

This Spin-off Agreement only becomes effective if the Transferor Company's shareholders' meeting and the shareholders' meeting of the Acquiring Company give their consent each by resolution.

15. COSTS

One half each of the costs and taxes incurred under this Agreement and its execution shall be borne by the Parties. Excepted therefrom shall be the costs of preparing and holding the Transferor Company's shareholders' meeting which shall be borne by the latter exclusively. For the rest, each Party shall bear the costs of preparation of this Spin-off Agreement on its own.

16. FINAL PROVISIONS

- 16.1 Any amendments and supplements hereto shall be in writing, unless other form requirements beyond this exist. This shall also apply to any cancellation of this written-form requirement.
- 16.2 Should any provision of this Agreement be or become ineffective or unenforceable either wholly or in part or contain unintended gaps, this shall not affect the validity of the remaining provisions. The Parties shall replace any invalid or unenforceable term with a valid provision reflecting the intent and purpose of the ineffective provision and any gap filled with a provision reflecting as closely as possible the economic intent and purpose of what the parties hereto intended or would have intended had they considered this point upon contracting.
- 16.3 In the event that any transfer of a particular asset or legal relationship envisaged hereunder proves ineffective or fails for any other reason, this shall at any event not affect the transfer of the other assets and legal relationships regulated by this Spin-off Agreement.
- 16.4 Where permissible, the Frankfurt am Main regional court (*Landgericht Frankfurt am Main*) shall have exclusive jurisdiction in any disputes arising under or in connection with this Agreement."

The provisions of the draft Spin-off and Acquisition Agreement, its wording rendered above, reflect its main content. They are supplemented by Annexes which form constituent parts of this Agreement. The Annexes have the following main content (the numbers of the Annexes are the same as the numbers in the draft Spin-off and Acquisition Agreement in which the Annex concerned is referenced for the first time):

- Annex 2.1.1.1 lists technical plant and equipment as well as operating and business equipment to be allocated to the assets to be spun off;
- Annex 2.1.3.4 lists software to be allocated to the assets to be spun off;
- Annex 2.1.3.6 lists the brands, business designations and domains that contain the "Miles & More" designation, except for the brands, business designations and domains that also contain, besides the "Miles & More" designation, the "Lufthansa" designation, and to be allocated to the assets to be spun off;
- Annex 2.1.4.1 lists the legal relationships and offers to be allocated to the assets to be spun off;
- Annex 2.1.5.1 lists receivables and payables to be allocated to the assets to be spun off;
- Annex 4 lists employees who have joined a group-insurance scheme (life insurance) taken out by the Company and whose corresponding policyholder position is transferred to Miles & More International GmbH;
- Annex 8.4 lists employees whose employment relationships pass to Miles & More International GmbH pursuant to secs. 613a(1), sent. 1 *BGB*, 324 *UmwG*.

The above Annexes to the draft Spin-off and Acquisition Agreement concern lists and/or tables. This being so, printing out these Annexes was dispensed with on the occasion of convening the AGM. However, these Annexes, too, are components of the documentation published on the Company's internet page after the AGM is convened.

From the time the AGM is convened until it closes, the internet address www.lufthansagroup.com/agm contains the following documents in addition to further information on the AGM:

- the draft Spin-off and Acquisition Agreement between the Company and Miles & More International GmbH;
- the annual financial statements and consolidated financial statements of the Company each for the 2011, 2012 and 2013 financial years;
- the combined management reports for the Company and the Group each for the 2011, 2012 and 2013 financial years;
- the annual financial statements of Miles & More International GmbH for the 2011, 2012 and 2013 financial years (Management reports were not drawn up since use was made of the option offered by sec. 264(3) of Germany's Commercial Code (*HGB*) in this period);
- joint report of the Executive Board of the Company and the managing director of Miles & More International GmbH pursuant to sec. 127 *UmwG*.

The above documents will also be made accessible during the Company's AGM.

7. Consent to the conclusion of a control and a profit-transfer agreement between the Company and Miles & More International GmbH

The Executive Board and the Supervisory Board propose that the AGM give its consent to the control agreement dated 13 March 2014 concluded between the Company and Miles & More International GmbH and to the profit-transfer agreement dated 13 March 2014 between the Company and Miles & More International GmbH.

The Company and Miles & More International GmbH have concluded a control and a profit-transfer agreement on 13 March 2014. The control and the profit-transfer agreement do not become effective until the Company's AGM has given its consent. The shareholders' meeting of Miles & More International GmbH has already given its consent to the control and profit-transfer agreements on 13 March 2014.

The Executive Board and the Supervisory Board state the following as the main content of the control agreement dated 13 March 2014:

- Miles & More International GmbH subordinates the administration of its company to the Company. The latter is thus entitled to issue instructions to the management with regard to the administration of its company. Miles & More International GmbH has a duty to obey such instructions. For the rest, the management of Miles & More International GmbH remains responsible for the conduct of its business.
- As basis for the assumption of losses, the control agreement is geared to the profit-transfer agreement dated 13 March 2014 between the Company and Miles & More International GmbH. During the validity of the profit-transfer agreement, the Company has a duty vis-à-vis Miles & More International GmbH to assume its losses, as set forth in Art. 2 of the profit-transfer agreement. After termination or cancellation of the profit-transfer agreement, the Company has a duty to offset any net loss for the year of Miles & More International GmbH arising without the offset, unless the net loss is offset by making withdrawals from other revenue reserves that were allocated to them during the contractual term; sec. 302 *AktG* applies by analogy in its currently valid version.
- The agreement becomes effective upon its being entered in the commercial register in charge of Miles & More International GmbH and is concluded for an indefinite period. It may be terminated by giving three months' written notice to the end of the Company's financial year. This does not affect the right to extraordinary termination.
- In the case of interests of outside shareholders in Miles & More International GmbH, the continuation of the agreement without interrupting the contractual term may be unanimously resolved with the involvement of such outside shareholders.

The Executive Board and the Supervisory Board state the following as the main content of the profit-transfer agreement dated 13 March 2014:

- Miles & More International GmbH gives an undertaking for the contractual term to transfer its entire profit, as established pursuant to the provisions of commercial law, to the Company. The scope of the profit transfer is subject to sec. 301 *AktG* in its currently applicable version.
- Miles & More International GmbH may only allocate amounts from the net profit for the year to revenue reserves (sec. 272(3) *HGB*), except for statutory reserves, to the extent to which the Company has given its consent and where this is financially justified by a reasonable commercial assessment.

- Any other revenue reserves formed during the contractual term concerned must be written back at the demand of the Company and used to offset any net loss for the year or transferred as profit. Other reserves and any profit carried forward stemming from the time prior to the legal effect of the profit-transfer agreement may neither be transferred to the Company as profit nor used to offset any net loss for the year.
- The duty of Miles & More International GmbH to transfer profits applies for the first time to the profit of the financial year in which the profit-transfer agreement becomes effective. This applies by analogy to the Company's duty to assume any losses.
- The Company may demand an advance profit transfer – where permitted by law.
- The Company gives an undertaking to offset any net loss for the year of Miles & More International GmbH during the contractual term. Sec. 302 *AktG* applies by analogy in its currently valid version.
- Settlement of the profit and loss is to be performed in such a way that account is taken of this in the annual financial statements of Miles & More International GmbH.
- The claim to profit transfer is due upon expiry of the last day of the financial year of Miles & More International GmbH for which the specific claim exists. The offset, incl interest, must be paid to the Company no later than 14 days after adoption of the annual financial statements concerned. From the end of the financial year of Miles & More International GmbH until 14 days after adoption of the annual financial statements concerned, the Company may claim payments on account on the profit transfer likely to be due to it for the financial year wherever the liquidity of Miles & More International GmbH permits such payments on account.
- The claim to an offset for a net loss for the year is due upon expiry of the last day of the financial year of Miles & More International GmbH for which the specific claim exists. The offset, incl interest, must be paid to Miles & More International GmbH no later than 14 days after adoption of the annual financial statements concerned. From the end of the financial year of Miles & More International GmbH until 14 days after adoption of the annual financial statements concerned, Miles & More International GmbH may claim payments on account on the offset likely to be due to it for the financial year wherever the liquidity of the Company permits such payments on account.
- For the period between maturity and actual fulfilment of the claim to profit transfer or claim to offset of any net loss for the year, interest is owed at the statutory level concerned pursuant to secs. 352, 353 *HGB*.
- The agreement becomes effective upon its being entered in the commercial register in charge of Miles & More International GmbH and has retroactive effect starting with the commencement of the financial year of Miles & More International GmbH in which the agreement is entered in the commercial register.

- The agreement has been concluded for an indefinite period. It runs at least until expiry of five full years after its effective date (minimum term) and may then be terminated by either contracting party giving three months' written notice to the end of a financial year in each case. This does not affect the right to extraordinary termination. In the event of any non-recognition of the agreement by the tax authorities in one or more years, the minimum term is extended accordingly.
- In the event that the agreement comes to an end, the Company must furnish the creditors of Miles & More International GmbH with security as set forth in sec. 303 AktG.

Examination of the control and the profit-transfer agreement by a contract auditor can be dispensed with, because all business shares of Miles & More International GmbH are in the hands of the Company.

There being no outside shareholders, the Company, as controlling body, need make neither offset payments pursuant to sec. 304 AktG nor compensation payments pursuant to sec. 305 AktG.

The control and the profit-transfer agreement have each been discussed in detail and explained in a joint report of the Executive Board of the Company, as controlling body, and the management of Miles & More International GmbH.

From the time the AGM is convened, the following records are accessible at the internet address www.lufthansagroup.com/agm in addition to further information on the AGM:

- the control agreement dated 13 March 2014 between the Company as controlling body and Miles & More International GmbH;
- the profit-transfer agreement dated 13 March 2014 between the Company as controlling body and Miles & More International GmbH;
- the annual financial statements and consolidated financial statements of the Company each for the 2011, 2012 and 2013 financial years;
- the combined management reports for the Company and the Group each for the 2011, 2012 and 2013 financial years;
- the annual financial statements of Miles & More International GmbH for the 2011, 2012 and 2013 financial years (Management reports were not drawn up since use was made of the option offered by sec. 264(3) of Germany's Commercial Code (*HGB*) in this period);
- joint report of the Executive Board of the Company as controlling body and the management of Miles & More International GmbH on the control agreement;
- joint report of the Executive Board of the Company as controlling body and the management of Miles & More International GmbH on the profit-transfer agreement.

The above documents will also be made accessible during the Company's AGM.

8. Appointment of auditors, Group auditors and examiners to review interim reports for the 2014 financial year

Upon the recommendation of its audit committee, the Supervisory Board proposes that PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf, be appointed auditors and Group auditors and examiners to review interim reports for the 2014 financial year.

9. Supplementary election of a Supervisory Board member

The Supervisory Board nominates the following candidate for election:

Monika Ribar, Binningen, Switzerland
Former CEO of PANALPINA Weltransport AG

No membership of domestic supervisory boards formed by operation of law.

Membership of comparable domestic or foreign controlling bodies of commercial enterprises:

- Logitech International SA, Romanel/Morges, Switzerland
- Sika AG, Baar, Switzerland
- Swiss International Air Lines AG, Basel, Switzerland
- Rexel SA, Paris, France

Further information on the candidate, incl her CV, is available at www.lufthansagroup.com/agm.

Pursuant to Art. 8(1) of the Company's Articles of Association, sec. 96(1) *AktG*, and sec. 7(1), sent. 1, no. 3 of Germany's Codetermination Act (*MitbestG*) dated 4 May 1976, the Supervisory Board of the Company consists of 20 members, ten of which are elected by the shareholders and ten by the employees.

Supervisory Board member Dr Jürgen Hambrecht has resigned his Supervisory Board mandate as per the end of the Annual General Meeting (AGM) on 29 April 2014. Hence, in accordance with Art. 8(4) of the Company's Articles of Association, a supplementary election must be held. The proposed candidate – pursuant to Art. 8(3) of the Company's Articles of Association – is to be elected for the time commencing with the end of the AGM on 29 April 2014, and extending until the end of the AGM that passes a resolution on the grant of discharge for the fourth financial year after the start of her term in office. The financial year in which the term in office commences is not counted. She is therefore to be elected until the end of the ordinary Annual General Meeting in 2019.

In the Supervisory Board's assessment, the proposed candidate has no personal or business relations with the Company or any of its Group companies, its governing bodies or any of its majority shareholders as set forth in item 5.4.1 of Germany's Corporate Governance Code.

The above proposal of the Supervisory Board is based on the recommendation of its nomination committee and takes account of the goals resolved by the Supervisory Board for its composition.

The AGM, when electing the Supervisory Board member, is not bound by nominations.

III. Further information on convening the Annual General Meeting

1. Total number of shares and voting rights at the time of convening

Of the total 461,075,000 no-par value registered shares issued by the Company, all are entitled to vote at the time this Annual General Meeting is convened. Each no-par value registered share grants one vote at the Annual General Meeting. Different classes of shares do not exist. Hence, the total number of shares and voting rights at the time of convening the AGM amounts to 461,075,000.

2. Precondition for attending the Annual General Meeting and for exercising voting rights

Only those shareholders are entitled to attend the Annual General Meeting and to cast votes (incl exercising their voting right by absentee vote) whose names are entered in the Company's share register on the day of the Annual General Meeting and whose registration for the Annual General Meeting is received by the Company no later than **22 April 2014 (24:00 hrs)** at one of the following addresses:

Postal address: Hauptversammlung Deutsche Lufthansa Aktiengesellschaft
c/o ADEUS Aktienregister-Service-GmbH
D-20797 Hamburg
Fax: +49 (0) 69 25 62-7049
E-mail: hauptversammlung@dlh.de
Internet: www.lufthansagroup.com/agm

in the German or English language.

Shareholders who wish to make use of the online services under the Internet address stated above, require their shareholder number and the pertinent access password. Those shareholders who have already registered for e-mail delivery of the invitations to the Annual General Meeting will receive their shareholder number with the invitation e-mail and must use the access password they have selected when registering. All other shareholders entered in the Company's share register receive their shareholder number and access password along with the invitation letter to the Annual General Meeting by post.

The Company will send the registration records as well as the agenda for the Annual General Meeting to the postal addresses entered in the Company's share register by 15 April 2014 (00:00 hrs). New shareholders, too, who are entered in the share register after 15 April 2014 (00:00 hrs) and up to, and including, 22 April 2014 (24:00 hrs) can register using one of the above methods. Here, we request statement of shareholder number, name, address and date of birth. The crucial cut-off date (also referred to as the technical record date) for participation and exercising voting rights is 22 April 2014 (24:00 hrs). Between 23 April 2014 (00:00 hrs) and 29 April 2014 (24:00 hrs) inclusive no changes

in shareholder entries will be made in the Company's share register. Upon notification of attendance at the Annual General Meeting, shareholders' stock will not be blocked from trading, i. e. even after giving notification of attendance shareholders are free to dispose of their shares.

3. Voting through a proxy or by absentee vote

a) Voting through a proxy

Shareholders may also have their voting rights and other rights exercised at the Annual General Meeting by an authorised party after issuing a corresponding proxy. In the case of a proxy, too, timely registration of the holding of shares concerned is always necessary pursuant to the above rules under III.2.

The Company also offers its shareholders the option of authorising proxies named by the Company. If authorised, the proxies named by the Company exercise voting rights according to instructions. Without specific shareholder instructions, proxies named by the Company are not entitled to vote.

Any issuance of a proxy, its revocation and its evidence in dealings with the Company require text form. If a shareholder authorises more than one proxy, the Company may reject one or more. Shareholders may also use the registration form for the Annual General Meeting to issue proxies and instructions. This form is sent to shareholders duly entered in the share register along with the invitation. The form can also be requested under the above (see III.2.) registration addresses by post, fax or e-mail. Shareholders are asked to use this form for issuing proxies and instructions, wherever possible.

Shareholders can issue authorisations to third parties and to the Company's proxies via the Internet address stated above under III.2. using the online services. Any instructions issued to the Company's proxies via the online services may be amended using the online services right up to the start of the general debate.

In any authorisation of credit institutions, shareholders' associations or another similar person as set forth in sec. 135(8) *AktG*, special factors may apply. In such a case, shareholders are requested to seek review in good time with the legal entity to be authorized regarding the type of proxy they require. If a credit institution, shareholders' association or another similar person under sec. 135(8) *AktG* is entered in the share register, they may cast votes in respect of the shares they do not own only if they possess the shareholder's authorisation.

Any authorisations, evidence of proxies and the issuance of instructions to the Company's representatives may be **posted or faxed** prior to the Annual General Meeting to the above addresses under III.2. **up to and including 28 April 2014 (15:00 hrs)**. Any posted or faxed authorisations, evidence of proxies and instructions to the Company's representatives received after this time cannot be considered. Shareholders can also – after 28 April 2014 (15:00 hrs) as well – **e-mail** authorisations, evidence of proxies and

instructions to the Company's representatives at the above address under III.2. **until the beginning of the general debate**. One can still submit evidence of authorisations in text form on the day of the Annual General Meeting at the entrance and exit check point.

b) Voting by absentee vote

Shareholders may also exercise their voting rights at the Annual General Meeting by absentee vote. In the case of absentee voting, too, timely registration of the holding of shares concerned is always necessary under the provisions of III.2. above.

Absentee votes may be sent to the Company until 22 April 2014 (24:00 hrs) inclusive, to the addresses set forth in III.2. above. Shareholders may use the registration form for the Annual General Meeting for absentee voting as well. This form is sent to the shareholders duly entered in the share register, along with the invitation to the Annual General Meeting. The form may also be ordered from the registration addresses under III.2. above by post, facsimile or e-mail. Shareholders are asked to use this form for absentee voting wherever possible. Absentee voting does not preclude attendance at the Annual General Meeting.

4. Shareholder rights

a) Amendments to the agenda at the request of a minority pursuant to sec. 122(2) AktG

Shareholders whose shares, taken together, amount to a twentieth of the share capital or a pro-rated portion of Euro 500,000 (equivalent to 195,313 shares) in the share capital may demand that items be added to the agenda and that they be published. The demand must be addressed to the Company's Executive Board in writing and must reach it no later than **29 March 2014 (24:00 hrs)**. Each new agenda item must be accompanied by a reason or a draft resolution. Any shareholder motions to supplement the agenda pursuant to sec. 122(2) *AktG* should be addressed to one of the following addresses:

Postal address: Deutsche Lufthansa Aktiengesellschaft
– Vorstand –
z. Hd. Investor Relations (HV)
Lufthansa Aviation Center
Airportring
D-60546 Frankfurt
Fax: +49 / 69 / 696-90990
E-Mail: hv-service@dlh.de

Persons submitting motions must prove that they have been shareholders for at least three months prior to the day of the Annual General Meeting, i.e. at least since 29 January 2014 (00:00 hrs). In calculating these three months, sec. 70 *AktG* provides for certain offsetting options to which reference is made explicitly herewith. Any supplements to the agenda are published at once – unless they were already published when the meeting was called – in the Federal Gazette throughout the European Union upon receipt of the demand. They are also published at the Internet address www.lufthansagroup.com/agm, and shareholders are notified accordingly.

b) Shareholder motions and proposals for elections under secs. 126(1), 127 AktG

No later than **14 April 2014 (24:00 hrs)** (arriving here), shareholders may send the Company reasoned motions, stating their names, against a proposal by the Executive Board and/or the Supervisory Board on a specific agenda item pursuant to sec. 126(1) *AktG* and, stating their names, proposals on the election of Supervisory Board members or auditors pursuant to sec. 127 *AktG*. No reasons need be stated for election proposals. Such motions and/or election proposals from shareholders must be sent to, and only to, one of the following addresses:

Postal address: Deutsche Lufthansa Aktiengesellschaft
– Vorstand –
z. Hd. Investor Relations (HV)
Lufthansa Aviation Center
Airportring
D-60546 Frankfurt
Fax: +49 / 69 / 696-90990
E-Mail: hv-service@dlh.de

Any motions and/or election proposals sent to any other address will not be considered. Any shareholder motions and/or election proposals that must be made accessible are published immediately upon receipt in the Internet at www.lufthansagroup.com/agm. Election proposals by shareholders need not be made known and accessible if the following particulars are missing: name, practised profession and residence of the proposed candidate and, in case of proposals on the election of the Supervisory Board member, memberships of other supervisory boards formed by operation of law, and of comparable controlling bodies of commercial enterprises inside or outside Germany. Any opinions of the management are likewise made accessible at the above Internet address.

c) Right to information under sec. 131(1) AktG

At the Annual General Meeting, any shareholder and shareholder representative may demand from the Executive Board information on the Company's affairs, provided that the information is necessary for a substantive assessment of the agenda. The duty to provide information in principle also extends to the legal and business relations of the Company with affiliated companies and to the Group situation and that of the companies included in the consolidated financial statements. Here, too, however, the precondition is that the information is necessary to make a substantive assessment of the agenda. In principle, demands for information must be submitted orally at the Annual General Meeting within the scope of the general debate.

5. Publications on the Company's Internet page

The content of this invitation to the Annual General Meeting, incl the explanation of why no resolution is to be adopted on an agenda item, the records to be made accessible to the meeting, incl the annual report, the total number of shares at the time of convening the Annual General Meeting, any shareholder demands for additions to the agenda that must be made accessible to the Annual General Meeting without delay as set forth in sec. 122(2) *AktG*, and much more information on the Annual General Meeting is available under the internet address www.lufthansagroup.com/agm.

This invitation was published in the Federal Gazette on 18 March 2014 throughout the European Union.

Cologne, 18 March 2014

Deutsche Lufthansa Aktiengesellschaft

The Executive Board

Corporate Headquarters: Köln
Registration: Amtsgericht Köln HRB 2168
Chairman of the Supervisory Board: Wolfgang Mayrhuber
Executive Board: Dr. Christoph Franz (Chairman), Harry Hohmeister, Simone Menne,
Carsten Spohr, Dr. Bettina Volkens