



Lufthansa Group

Deutsche Lufthansa Aktiengesellschaft
Köln

We hereby invite our shareholders to attend the

63rd Annual General Meeting
on Thursday, 28 April 2016 at 10:00 hrs

to be held at CCH – Congress Center Hamburg
Marseiller Straße 2
20355 Hamburg

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, including the explanatory report of the Executive Board on the statements pursuant to secs. 289(4) and 315(4) of the German Commercial Code (*HGB*), each for the 2015 financial year
2. Appropriation of the distributable profit for the 2015 financial year
3. Approval of the Executive Board's acts for the 2015 financial year
4. Approval of the Supervisory Board's acts for the 2015 financial year
5. Supplementary election of a Supervisory Board member
6. Approval of the system for remunerating members of the Executive Board
7. Authorisation to issue convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations of such instruments), reversal of the previous right to issue conversion and/or warrant bonds, creation of contingent capital and amendment to the Articles of Association
8. Appointment of auditors, Group auditors and examiners to review interim reports, abridged financial statements and/or interim management reports for the 2016 financial year

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, including the explanatory report of the Executive Board on the statements pursuant to secs. 289(4) and 315(4) of the German Commercial Code (HGB), each for the 2015 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 the German Stock Corporation Act (*AktG*) on 16 March 2016. The annual financial statements, the consolidated financial statements, the combined management report, the Supervisory Board report, the Executive Board's recommendation for the appropriation of the distributable profit and the Executive Board report with notes on takeover-law particulars are included in the publicly available annual report and on the Company's website.

2. **Appropriation of the distributable profit from the 2015 financial year**

The Executive Board and the Supervisory Board submit a proposal to the Annual General Meeting that the Company's distributable profit recognised as of 31 December 2015 of EUR 232 m be used as follows:

Distribution of a dividend of EUR 0.50 per dividend bearing share with a total amount of EUR 232 m.

The dividend will be paid by 25 May 2016. Shareholders will be able to choose whether to have the dividend paid out (i) in cash only, or (ii) in cash for a portion of the dividend in order to settle the tax liability and, for the remaining portion of the dividend, in the form of shares in the Company ("Scrip Dividend"), or (iii) in cash for a portion of their shares and as Scrip Dividend for the other portion of their shares. The details of the cash pay-out and the possibility for shareholders to select the Scrip Dividend are explained in a document which will be made available to the shareholders; the document will specifically contain information on the quantity and type of shares and will describe the reasons for and details of the offer.

The dividend is subject to investment income tax (including solidarity surcharge and, if applicable, church tax). Therefore, if the Scrip Dividend is selected, an amount equal to around 30% of the dividend per share will be paid out in cash. Depending on the status of the individual shareholder, this partial amount is intended to cover the investment income tax, including solidarity surcharge and, if applicable, church tax, payable

to the tax authorities. Any remainder will be credited to the shareholder, or the entire partial amount will be credited if the shareholder is not subject to investment income tax.

3. Approval of the Executive Board's acts for the 2015 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 2015 financial year for this period.

4. Approval of the Supervisory Board's acts for the 2015 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 2015 financial year for this period.

5. Supplementary election of a Supervisory Board member

The Supervisory Board nominates the following candidate for election:

Martina Merz, Durchhausen

(Former CEO Chassis Brakes International B.V. (Netherlands), now independent corporate advisor in particular for social work companies).

Mrs Merz is not a member of domestic supervisory boards required by statutory law.

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

- AB Volvo, Göteborg (Schweden)
- SAF-HOLLAND SA (Luxemburg)

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

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 the German Co-determination 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. Nicola Leibinger-Kammüller has resigned her Supervisory Board mandate as per the end of the Annual General Meeting (AGM) on 28 April 2016. 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 28 April 2016, 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 his term in office. The financial year in which the term in office commences is not counted. The candidate is therefore to be elected until the end of the Annual General Meeting in 2021.

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 the German 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.

6. Approval of the system for remunerating members of the Executive Board

The Annual General Meeting on 3 May 2011 approved the remuneration system established within the Company which formed the basis for setting the Executive Board's remuneration in the 2015 financial year. The Supervisory Board has resolved to amend the system for remunerating the Executive Board with effect from the 2016 financial year. The background reasons include the introduction of new key figures for value-oriented management at the Lufthansa Group in the 2015 financial year and an external market comparison of the remuneration structure. The structure of the remuneration system approved by the Annual General Meeting in 2011 remains unchanged. Details of the amended remuneration system can be found in the remuneration report in the 2015 annual report. All Executive Board members have agreed the new compensation system with the Company starting from the 2016 financial year.

The Supervisory Board and the Executive Board propose that approval be given to the new system for remunerating Executive Board members.

7. Authorisation to issue convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations of such instruments), and the reversal of the previous right to issue convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations of such instruments), the creation of contingent capital and a corresponding amendment to the Articles of Association

The authorisation given at the Annual General Meeting of 3 May 2011 to issue convertible and/or warrant bonds, profit participation rights and/or participating bonds (or combinations of these instruments) was limited to 2 May 2016. It needs to be replaced with a new authorisation.

The contingent capital governed by Art. 4(9) (final paragraph) of the Articles of Association is used to grant shares to the bearer or debtholder of convertible and/or option rights arising from the above authorisation to issue bonds. In order to create the greatest possible flexibility in the issuance of convertible and/or warrant bonds, the proposal to the Annual General Meeting is that it should approve a new authorisation to issue convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations of these instruments) and to approve the creation of new contingent capital to be used to service conversion and/or option rights arising from this new authorisation. It is intended that the previous authorisation will cease to be effective once the contingent capital on which the resolution is to be passed has been registered.

The Executive Board and Supervisory Board thus propose that the following be approved by the Annual General Meeting:

a) Authorisation to issue convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations of these instruments) and to exclude participation rights

Until 27 April 2021, the Executive Board is authorised, with the approval of the Supervisory Board, to issue bearer or registered convertible bonds, warrant bonds, profit participation rights or participation bonds (or combinations of these instruments) (collectively, "Debt Instruments") with a total nominal amount of up to EUR 1,500,000,000 and to grant the bearers and/or debtholders of such Debt Instruments conversion or option rights respectively for no-par value registered shares in the Company with a pro-rata share of the subscription capital of up to EUR 237,843,840.

The relevant conditions for the Debt Instruments may provide for the contingent capital being created in connection with this approval being used to service them, or, alternatively, that they are solely serviced by shares of the Company from authorised capital or by an existing or soon to be acquired stock of treasury shares in the Company or in one of the Group companies. The relevant conditions may also provide for a conversion or option obligation on the part of the bearer or debtholder respectively or for a tender option on the part of the Company to provide shares in the Company (in any combination) and to do so at any time, especially at the end of their term.

Debt Instruments may be issued against cash contributions or payments in kind. The Debt Instruments may be issued in euro or in any other legal currency of an OECD country. The limit on the total nominal amount for this authorisation shall be, in case of foreign currency issuances, the relevant nominal amount of the relevant Debt Instruments on the issuance date.

The authorisation also includes the option to assume the required guarantees for Debt Instruments issued by Group companies as well as to provide any further declarations and to take any further action required for a successful issue.

The Debt Instruments may be issued once or several times, all at once or in portions, as well as simultaneously in various tranches. All partial debentures in a single tranche have equal rights and obligations.

If warrant bonds are issued, every partial debenture will have one or more warrants attached which entitle the bearers to receive or require the debtholders to provide, in accordance with the relevant conditions, registered no-par value shares in the Company or which involve a tender option on the part of the issuer. The pro rata amount of the share capital of the no-par value share relating to each partial debenture may not exceed the par value of the partial debenture. The exchange rate may be rounded up to an option rate of the nearest whole number. Otherwise, provision may be made that the fractional shares are combined and/or cash compensation paid. The same applies if warrants are attached to a profit participation right or to a participation bond.

If convertible bonds are issued, the relevant bearers have the right or debtholders have the obligation to convert these to no-par value registered shares in the Company in accordance with the conditions set by the Executive Board. The conversion rate is arrived at by dividing the par value or an issue price that is less than the par value of one convertible bond by the fixed conversion price for one no-par value registered share of the Company. The exchange rate may be rounded up to a conversion rate of the nearest whole number; in addition a cash amount may also be paid. Otherwise, provision may be made that fractional shares are combined and/or cash compensation paid. The pro-rata amount of the share capital of the shares to be issued at conversion may not exceed the value of the partial debenture. The Company may be entitled under the relevant terms and conditions to pay cash compensation, either in whole or in part, for any difference between the par value of the convertible bond and the product of a stock market price of the share at the time of the conversion obligation which is to be determined more precisely in the relevant terms and conditions, but no less than the minimum conversion or option price according to this authorisation, and the conversion price. The above conditions apply correspondingly if the conversion right or the conversion obligation pertains to a profit participation right or a participating bond.

The relevant conditions may also provide for the Company to pay holders of conversion or option rights in cash instead of shares in the Company or to settle its obligation in a combination of shares and a cash payment. The relevant conditions may also provide for the number of shares to be issued under the conversion or option rights or under

the settlement of the conversion obligations or a relevant conversion right to vary and/or that the conversion or option price may be changed within a range to be determined by the Executive Board which depends on the performance of the share price or as a consequence of dilution protection provisions during the term. Dilution protection or amendments may be provided for especially if there are changes in the Company's capital during the term of the Debt Instruments (such as through a capital increase or capital reduction or a share split) or, for example, in connection with dividend payments, the issue of further conversion or warrant bonds, conversion measures, or in the case of other events that occur during the term of the Debt Instruments that impact the value of the option or conversion rights. Dilution protection or amendments may especially be provided for by granting options, amending the conversion/option price or by amending or granting cash components.

The relevant conversion or option price to be set may not be less than 80% of the Company's share price traded on the XETRA trading system (or a comparable successor system). The relevant price in this case is the average closing price on the tenth trading day prior to the date of the Executive Board resolution governing the issue of the relevant Debt Instruments. If option rights are traded, the key dates are the dates on which the option rights are traded with the exception of the last two trading days on which the option rights are traded. In the case of Debt Instruments with a conversion/option obligation or a tender option for the issuer to provide shares, the conversion/option price may be no less than either the above-mentioned minimum price or the average, volume-weighted price of the Company's share on at least three trading days on the XETRA trading system (or a comparable successor system) immediately prior to the conversion/option price being set in accordance with the relevant terms and conditions, even if this average price is less than the above-mentioned minimum price (80%). This does not affect sec. 9(1) *AktG* and sec. 199(2) *AktG*.

In order to safeguard the Company's powers under aviation law in compliance with the German Aviation Compliance Documentation Act (*LuftNaSiG*), the relevant terms and conditions provide that, when exercising the conversion or option right, or upon the occurrence of the conversion or option obligation, or a tender option on the part of the Company to provide shares, the conversion bond or the warrant must be transferred to a domestic bank and the bearer or debtholder of the conversion bond or of the option right respectively will receive a cash payment related to the stock market price instead of shares in the Company.

In principle, the shareholders are entitled to a subscription right. The Debt Instruments may also be subscribed by one or more banks or enterprises within the meaning of sec. 186(5) sent. 1 *AktG* with the obligation that they must be offered to shareholders for subscription.

However, the Executive Board is authorised, with the agreement of the Supervisory Board, to preclude the subscription right

- If conversion and/or warrant bonds (or profit participation rights or participating bonds with a conversion right, option or conversion obligation, or a tender option on the part of the Company) are issued, insofar as these are issued against cash payment and the issue price is not significantly lower than the theoretical market value of the conversion or warrant bonds (or of the profit participation rights or participating bonds with a conversion right, option right or a conversion obligation or tender option for the Company) calculated using recognised financial mathematics methods. The calculated portion of the share capital apportioned to the shares that are to be issued on the basis of the Debt Instruments issued under this authorisation may not exceed 10% of the share capital at the time this authorisation comes into force – or, if the value is lower – at the time of exercising this authorisation. This restriction takes into account shares which were issued or sold during the term of this authorisation up to the point in time of their being exercised in direct or analogous application of sec. 186(3) sent. 4 *AktG*. It will also take into account shares which are to be issued or granted on the basis of a Debt Instrument issued during the term of this authorisation on the basis of the exercising of another authorisation with the exclusion of the option right in accordance with this provision;
- If the Debt Instruments are issued against contributions or benefits in kind, especially in the context of mergers or for the (also indirect) acquisition of companies, operations, parts of companies, investments or other assets or entitlements to purchase assets including receivables against the Company or its Group companies;
- to the extent necessary for fractional amounts resulting from the subscription ratio;
- If profit participation rights or participating bonds without a conversion right, option right or a conversion or option obligation are issued, if such profit participation rights or participating bonds have bond-like features, i.e. no membership rights in the Company, no participation in the liquidation proceeds and the interest rate is not calculated on the amount of the annual surplus, the net profit or the dividend. In this case the interest rate and the issue price of the profit participation rights or of the participating bonds must correspond to the current market conditions for comparable borrowings at the time of issue;
- In order to grant subscription rights to the bearers or debtholders of conversion/option rights to shares in the Company or corresponding conversion/option obligations or shares tendered by the Company to compensate for dilutions to the extent to which they would have been entitled by exercising these rights or fulfilling these obligations.

Each issue of Debt Instruments excluding subscription rights may only take place under this authorisation if the amount of the share capital apportioned to the total new shares to be issued on the basis of such Debt Instruments does not exceed 20% of the share capital. This limit applies both at the date when it comes into force and – if this value is lower – at the time this authorisation is exercised. This limit includes (i) shares that were issued or sold during the term of this authorisation on the basis of another authorisation excluding the subscription right, or (ii) that are to be issued on the basis of conversion or warrant bonds issued during the term of this authorisation on the basis of exercising another authorisation excluding the subscription right.

The Executive Board, with the agreement of the Supervisory Board, is authorised to determine further details regarding the issue and details of the issues, especially the interest rate, the type of interest, the issue price, the term and the unitisation, the conversion or option price and the conversion or option term, and to specify them in agreement with the governing bodies of the issuing Group companies.

b) Cancellation of the previous authorisation for the issue of conversion and/or warrant bonds, profit participation rights and/or participating bonds (or combinations of these instruments)

The authorisation approved by the Annual General Meeting of 3 May 2011 on item 6 of the agenda entitling the Executive Board to issue conversion and/or option bonds, profit participation rights and/or participating bonds (or combinations of these instruments) is cancelled.

c) Creation of contingent capital

The share capital in the company will be increased to EUR 237,843,840 by the creation of contingent capital through the issue of up to 92,907,750 new non-par value registered shares. The purpose of the contingent capital increase is to grant shares to the bearers or debtholders of conversion and/or option rights from Debt Instruments which were issued by the Company or by one of its Group companies in accordance with the authorisation mentioned above under point a) by 27 April 2021 only against cash compensation.

The new shares will be issued in accordance with the conversion or option price to be set in accordance with point a). The contingent capital increase will only be carried out insofar as conversion or option rights are exercised, or conversion or option obligations or the tender option for the Company arising from such Debt Instruments are met and provided that neither treasury shares nor other forms of performance are used to settle these obligations.

The new shares will participate in the profits from the start of the financial year in which the conversion or option rights are exercised or in which they are formed through the exercise of tender options.

The Executive Board is authorised to specify further details on the execution of the contingent capital increase.

d) Amendment to the Articles of Association

In Art. 4 of the Articles of Association, the final paragraph is replaced with the following new paragraph:

“The share capital is increased to EUR 237,843,840 by the creation of contingent capital through the issue of up to 92,907,750 new non-par value registered shares. The contingent capital increase will only be carried out insofar as the bearers or debtholders of the conversion and/or option rights from conversion bonds, warrant bonds, profit participation rights or participating bonds (or a combination of these instruments) that were issued by the Company or by one of its Group companies by 27 April 2021 based on the authorisation approved by the Annual General Meeting of 28 April 2016 against a cash consideration, exercise their conversion or option rights, or that the bearers or debtholders of the conversion bonds issued by the company or by one of its Group companies by 27 April 2021 on the basis of the authorisation approved by the Annual General Meeting of 28 April 2016 (or of profit participation rights or of participating bonds with a conversion obligation) who have a conversion obligation to settle their obligation or tender options of shares are exercised and provided that neither treasury shares nor other forms of performance are used to settle these obligations. The new shares will participate in the profits from the start of the financial year in which they are created through exercising conversion or option rights, through discharging conversion obligations or through exercising tender options. The Executive Board is authorised to specify further details on the execution of the contingent capital increase.”

8. Appointment of auditors, Group auditors and examiners to review interim reports, abridged financial statements and/or interim management reports for the 2016 financial year

Upon the recommendation of its audit committee, the Supervisory Board proposes to the Annual General Meeting that PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf, be appointed auditors and Group auditors and examiners to review interim reports, abridged financial statements and/or interim management reports for the 2016 financial year.

III. Report of the Executive Board to the AGM on agenda item 7 pursuant to secs. 221 (4), 186 (3) sent. 4, 186 (4) sent. 2 AktG

The issuing of conversion bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations of these instruments) (collectively "Debt Instruments") provides the company with financing options on the capital market in addition to the traditional options of borrowing third-party capital and raising equity capital. In particular the authorisation to issue profit-related or profit-oriented instruments such as profit participation rights and participating bonds extends the Company's existing options, strengthens its financial basis through the issue of such financing instruments and safeguards the conditions for future business development. For this reason we are proposing to the Annual General Meeting the creation of a new authorisation to issue convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations of these instruments). The proposed new version is intended to provide an adjustment to the current market practice and to create greater flexibility. In total, Debt Instruments up to a total par value of EUR 1,500,000,000 may be issued with an entitlement to receive up to 92,907,750 no-par value registered shares in the Company.

The issuing of convertible bonds, warrant bonds, profit participation rights and/or participating bonds (or combinations of these instruments) enable the acquisition of third-party capital on attractive terms, which can be categorised, depending on the design of the relevant terms, as equity or equity-equivalent for both rating and reporting purposes. The conversion or option premiums achieved and the equity rating benefit the Company's capital base and thus enable it to use more attractive financing options. The additional options envisaged of establishing conversion or options obligations and tender options for the Company to provide shares in addition to granting conversion and/or option rights give additional leeway in the design of these financing instruments. The authorisation also gives the Company the necessary flexibility of either placing the Debt Instruments itself or via Group companies. Debt Instruments may be issued in the legal tender of other OECD countries as well as in EUR, with or without a limited term.

Shareholders are generally granted a subscription right. In order to make processing easier, the Company also intends to issue the Debt Instruments to banks or enterprises within the meaning of sec. 186(5) sent. 1 AktG with obligation to offer them to shareholders for subscription in accordance with their subscription rights. However, an exclusion of the subscription right is possible under the following conditions.

If convertible and/or warrant bonds (or profit participation rights or participating bonds with conversion rights, option rights or a conversion obligation or a tender option on the part of the Company) are issued, the Executive Board should be entitled, with the agreement of the Supervisory Board, to exclude subscription rights if the convertible or warrant bonds (or profit participation rights or participating bonds with conversion rights, option rights or a conversion obligation or tender option on the part of the Company) were issued for a cash consideration and the issue price is not significantly below the theoretical market value of the convertible or warrant bonds (or the profit participation rights or participating bonds with conversion rights, option rights or a conversion obligation or tender option on the part of the company) calculated using recognised financial mathematics methods. The calculated portion of the share capital apportioned to the shares that are to be issued on the basis of the Debt Instruments issued under this authorisation may not exceed 10% of the share capital at the time this authorisation comes into force or – if the value is lower – at the time of exercising this authorisation. This restriction recognises shares which were issued or sold during the term of this authorisation up to the point in time of their being exercised in direct or analogous application of sec. 186(3) sent. 4 *AktG*. It will also recognise shares which are to be issued or granted on the basis of the exercising of another authorisation with the exclusion of the subscription right in accordance with this provision;

This method of recognition ensures that no convertible and/or warrant bonds (or profit participation rights or participating bonds with warrant or conversion rights, conversion obligations or tender options) are issued if this would result in the subscription rights of shareholders being excluded in total for more than 10% of the share capital in direct or analogous application of sec. 186(3) sent. 4 *AktG* without a particular factual reason. This further restriction is in the interest of shareholders who aim at maintaining their participation level in the case of capital measures. In case of an exclusion of subscription rights, there is a requirement under the analogous application of sec. 186(3) sent. 4 *AktG* to set an issue price of the Debt Instruments that is not significantly below the market value. This is intended to ensure shareholder protection in respect of a dilution of their shareholding. Due to the requirement of this authorisation to set an issue price not substantially below the calculated market value, the value of the subscription right would in practise be zero. In order to secure this requirement for the issuance of the bonds, the issue price may not be substantially lower than the theoretical market value for the convertible or warrant bonds (or the participation rights or adjustment rights with option or conversion rights, conversion obligations or tendering rights) based on financial mathematical methods. In this case the protection of shareholders against a dilution of their shareholdings is ensured and the shareholder shall not incur any economic disadvantage through a subscription right exclusion. Shareholders who aim at maintaining their participation level with respect to the share capital in the Company or acquiring Debt Instruments in relation to their participation level may do so through purchase on the market.

Where participation rights or bonds without conversion rights, option rights or conversion or option obligations are to be issued, the Executive Board is authorised, with approval of the Supervisory Board, to exclude the shareholder subscription right, if such participation rights or participating bonds are issued with bond-like features, i.e. no membership rights in the Company, no participation in the liquidation proceedings and the level of interest not based on the levels of the annual net income, the net profit or dividends. In this case the interest and the issuance amount of the participation rights or the adjustment bonds must correspond to the market condition for similar financial borrowing. If the requirements named above are met, the exclusion of the subscription right shall not generate any disadvantage for shareholders, as the participation right or the bonds do not generate rights of membership and also no share of the liquidation proceeds or a share of the gains in the company. Stipulations may be made for interest payments contingent on an annual surplus, net income or a dividend. Such a rule would not be permitted, however, where greater annual surpluses, higher net annual income or higher dividends generate greater interest payments. The issue of participations rights or adjustment bonds shall also not dilute or alter neither the voting rights nor the participation of the shareholders in the company. In addition the marketable issue conditions, which are binding for the subscription, right exclusion in this case, no significant subscription right valuation.

The possibilities for excluding subscription rights described above give the Company the flexibility, to exploit beneficial capital market situations and grant the Company the opportunity to exploit low interest levels or beneficial demand windows flexibly and immediately for the issue of the financial instruments described above. The most important factor is that, in contrast to a bond issue with subscription rights, the issue price may be set shortly before the placement, whereby increased price change risk for the subscription period can be avoided and the issue proceeds can be maximized in the interest of all shareholders. Further advantages of the exclusion of subscription rights are the omission of preparation time in terms of costs for the issue and the placement. With an offer without subscription rights, the safety margin otherwise required as well as the placement risk can be reduced, leading to a more cost efficient company financing to the benefit of the company and its shareholders.

The Executive Board is also authorised to exclude the fractional amounts for the subscription rights with approval of the Supervisory Board. Such fractional amount may result from the issue volume and the presentation of a practical subscription ratio. An exclusion of the subscription rights eases the processing of the issues. The free fractions resulting from the exclusion of subscription rights shall be commercialised either by sale on the stock market or otherwise as best possible for the company.

In addition, the Executive Board with the approval of the Supervisory Board has the opportunity to exclude shareholder subscription rights, in order to grant the holder or creditor of convertible and/or warrant bonds or also the bonds with conversion or option obligations or a tendering right for the company from the supply of shares to compensate for dilution a subscription right in the scope as they would claim in the exercises of the conversion or option rights or be due after the fulfilment of the conversion or option obligations or the tendering rights of the Company. This offers the opportunity to prevent restrictions being required in the event of an exercise of the authorisation of the option or conversion price for the bearers due existing conversion or option rights in accordance with the relevant conditions.

In order to increase flexibility, the relevant conditions can have the company pay the conversion right holders or the warrant holder not in shares in the company but the market value in cash. A combination of these fulfilment forms is also possible. The relevant conditions may also allow changes to the number of conversion or option rights or subsequent to fulfilment of the shares to be issued under the conversion obligations or option price within a bandwidth set by the Executive Board regardless of the development of the share price or as the result of the dilution protection conditions during the period.

The fixed conversion or warrant price may not fall below 80% of the Company share price traded on the XETRA market (or an equivalent successor system). The average closing price on the ten trading day prior to the day of the resolution by the Executive Board governing the issue of the bonds is decisive unless subscription right trading takes place, which case the day of the subscription right trading with the exception of the two final stock exchange trading days of the subscription right trading is decisive. In as far as bonds with a conversion/option obligation or a tendering right for the Company require the supply of shares, the conversion/option price can be either at least the minimum price named above or the average volume-weighted price for the Company shares for at least three trading day in XETRA trading (or an equivalent successor system) immediately prior to the determination of the conversion/option price (in keeping with relevant conditions). This shall also apply if the median price is below the minimum price named above (80%).

Lastly, the shareholders' subscription rights to the Debt Instruments may be excluded by the Executive Board, with approval of the Supervisory Board, if the issue of the Debt Instruments in exchange for a non-cash contribution or a benefit in kind, particularly in the context of mergers or for the (also indirect) acquisition of companies, operations, parts of companies, investments or other assets or entitlements to purchase assets including claims against the Company or its Group companies. The requirement is that the value of the contribution in kind is appropriate in relation to the value of the Debt Instrument. In the case of convertible and/or warrant bonds (or profit participation right or participating bonds

with conversion rights, option rights or a conversion or option obligation or a tender option on the part of the Company) the price is the theoretical market value calculated using recognised methods. The issue of Debt Instruments against non-cash contributions opens up the possibility of using the Debt Instruments in appropriate cases as acquisition currency in association with the acquisition of companies, parts of companies or investments in companies. As a supplement to authorised capital, this creates the leeway to take advantage of the opportunities that arise to acquire companies, parts of companies or investments in companies in a manner which protects liquidity. Even when taking into consideration an optimum financing structure, such a procedure may be beneficial under individual circumstances.

According to the authorisation, the total shares issued with an exclusion of the subscription right may not exceed 20% of the share capital. This limit applies both at the date when it comes into force and – if this value is lower – at the time this authorisation is exercised. This limit includes (i) shares that were issued or sold during the term of this authorisation on the basis of another authorisation excluding the subscription right, or (ii) that are to be issued on the basis of conversion or warrant bonds issued during the term of this authorisation on the basis of exercising another authorisation excluding the subscription right. As, under the current authorisation, the possibility of excluding the subscription right is very limited, this additional limitation, extending beyond the statutory limitations, will severely limit damage to the shareholders.

The purpose of the intended contingent capital is to settle the conversion or option rights associated with the conversion and/or warrant bonds issued against cash consideration (or profit participation rights or participating bonds with conversion or option rights, a conversion or option obligation or a tender option on the part of the issuer) or to perform conversion or option obligations or the tender option right on the part of the Company to provide shares, provided that neither treasury shares nor other forms of performance are used in this regard. The purpose of the intended contingent capital is not to settle conversion or option rights on conversion and/or warrant bonds issued against a non-cash consideration (or profit participation rights or participating bonds with conversion or option rights, a conversion or option obligation or a tender option on the part of the issuer) to settle the company's or conversion or option rights or to meet the tender option on the part of the Company to provide shares.

In order to safeguard the Company's powers in compliance with Germany's Aviation Compliance Documentation Act (*LuftNaSiG*), the relevant terms and conditions provide that, when exercising the conversion or option right, or upon the occurrence of the conversion or option obligation, or a tender option on the part of the Company to provide shares, the conversion bond or the warrant must be transferred to a domestic bank and the bearer or debtholder of the conversion bond or of the option right respectively will receive a cash payment related

to the stock market price instead of shares in the Company. This rule is required so the Company can comply with aviation law. The air transportation agreements concluded by the Federal Republic of Germany typically include various clauses that it must be shown, on request, to the other contracting party, that significant investments (normally majority shareholdings) and the company designated by a contracting state is controlled by citizens of this contracting party. In order to avoid any risks arising in respect of the Company's powers under aviation law as a result of the exercise of conversions or options, the Company needs to be able to pay cash instead of shares exercising the conversion or option rights or that the new shares are acquired by a third party through exercising the conversion or option rights with the requirement that they sell them at a price that is not significantly lower than the stock market price.

IV. Further information on convening the Annual General Meeting

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

Of the total 464,538,750 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 Annual General Meeting amounts to 464,538,750.

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 **21 April 2016 (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 2562-7049
E-mail: hauptversammlung@dlh.de
Internet: www.lufthansagroup.com/agm

in 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 respective 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 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 14 April 2016 (0:00 hrs). New shareholders who are entered in the share register after 14 April 2016 (0:00 hrs) and

up to, and including, 21 April 2016 (24:00 hrs) can also register using one of the above methods. To do so, a statement of shareholder number, name, address and date of birth is required.

The crucial cut-off date (also referred to as the technical record date) for participation and exercising voting rights is 21 April 2016 (24:00 hrs). Between 22 April 2016 (0:00 hrs) and 28 April 2016 (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 timely registration of the holding of shares concerned is always necessary pursuant to the above rules under IV.2 as well.

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. Nor do proxies named by the Company accept instructions on requests to speak, to raise objections to Annual General Meeting resolutions, to ask questions or to table motions.

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 (see IV.2.) registration addresses above 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 proxies named by the Company via the Internet address stated above under IV.2. using the online services. Any instructions issued to the proxies named by the Company 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, institution or organisation as set forth in sec. 135(8) *AktG* or sec. 135(10) in association with sec. 125(5) *AktG*, special factors may apply. In such a case, shareholders are requested to seek review in good time with the legal entity to be authorised about any changes they may require to the legal form. If a credit institution, shareholders' association or another similar person, institution or organisation as set forth in sec. 135(8) *AktG* or sec. 135(10) in association with sec. 125(5) *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 proxies named by the Company may be **posted or faxed** prior to the Annual General Meeting to the above addresses under IV.2. up to and including 27 April 2016 (15:00 hrs). Any posted or faxed authorisations, evidence of proxies and instructions to the proxies named by the Company received after this time cannot be considered. Shareholders can also – after 27 April 2016 (15:00 hrs) as well – **e-mail** authorisations, evidence of proxies and instructions to the proxies named by the Company at the above address under IV.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 timely registration of the holding of shares concerned is always necessary under the provisions of IV.2. above as well. Authorised credit institutions, shareholders' associations or another similar person as set forth in sec. 135(8) *AktG* or sec. 135(10) in association with sec. 125 *AktG* may also exercise their voting right by absentee vote.

Absentee votes may be sent to the Company until 21 April 2016 (24:00 hrs) inclusive, to the addresses set forth in IV.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 IV.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. The personal attendance of a shareholder or an authorised third party at the Annual General Meeting is deemed to be a revocation of a previously given absentee vote.

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 EUR 500,000 (equivalent to 195,313 shares) in the share capital may demand pursuant to sec. 122(2) *AktG* 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 **28 March 2016 (24:00 hrs)**. Each new agenda item must be accompanied by a reason or a draft resolution. Please send any such request in writing to:

Deutsche Lufthansa Aktiengesellschaft
– Executive Board –
z.Hd. Investor Relations (HV)
Lufthansa Aviation Center
Airportring
D-60546 Frankfurt

or by e-mail, adding the name(s) of the requesting shareholder(s) with a qualified digital signature, to

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 28 January 2016 (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 immediately – 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 election under secs. 126(1), 127 AktG

No later than **13 April 2016 (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:

Post: Deutsche Lufthansa Aktiengesellschaft
– Executive Board –
z.Hd. Investor Relations (HV)
Lufthansa Aviation Center
Airportring
D-60546 Frankfurt

Fax: +49 (0) 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 on 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, the information pursuant to sec. 125(1) sent. 5 *AktG*. Any opinions of the management are likewise made accessible at the above Internet address.

c) Right to information under Section 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, to the Group situation and that of the companies included in the consolidated financial statements. Here, too, the precondition is that the information is necessary to make a substantive assessment of the agenda however. 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 website

The content of this invitation to the Annual General Meeting, including the explanation of why no resolution is to be adopted on an agenda item, the records to be made accessible to the meeting, including the annual report, the reports of the Executive Board, 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. 22(2) *AktG*, and much more information on the Annual General Meeting is available at the internet address www.lufthansagroup.com/agm.

The results of the votes will be made available after the Annual General Meeting at the same Internet address.

Cologne, 18 March 2016

Deutsche Lufthansa Aktiengesellschaft

The Executive Board

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