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Comments from the Company

1. On the opposing motion from Mr Holger Bordasch concerning Agenda item 2 – use of distributable earnings for the financial year 2015

The shareholder proposes that the distributable profit for 2015 is not distributed but rather paid into a specific trust account as a special reserve. This is based on his opinion that “the legal and financial consequences of the Germanwings accident in 2015 cannot yet be quantified”.

A payment into a trust account is not a use of distributable earnings that is permitted by Section 174 paragraph 2 of the German Stock Corporation Act (AktG). The Company’s Articles of Association also do not permit such a use, which would enable a resolution in accordance with Section 58 paragraph 3 sentence 2 AktG. If the shareholder were to table the motion at the Annual General Meeting it would have to be worded in a way that complies with the Articles of Association and AktG.

Moreover, there is currently no need for reserves to cover future claims by dependants of the victims of the Germanwings flight, as the shareholder erroneously assumes. Germanwings has insurance coverage.

The Company therefore stands by its proposal to use the distributable profit of EUR 232m shown in the financial statements to pay a dividend or else to use it in full or in part to pay a share dividend as defined in the invitation to the Annual General Meeting, amounting to EUR 0.50 per bearer share or EUR 232m in total.

2. On the opposing motions from Mr Holger Bordasch and Mr Horst Maiwald concerning agenda item 3 – exoneration of the Executive Board members for the financial year 2015

The shareholder Holger Bordasch wants to withhold exoneration of the Executive Board members in order to make them liable for the financial results of the strikes in 2015.

Shareholder Horst Maiwald wants to withhold exoneration of the Executive Board members because in his opinion they took a pig-headed attitude to the collective bargaining that took place last year. In his view, the Executive Board must make it clear to the “arrogant” pilots that their salaries and benefits, which are “beyond the reach” of other pilots, can no longer be paid.

The industrial action in 2015, the inconvenience that it caused, particularly to our customers, and the loss of earnings are highly regrettable. Market changes nonetheless make it necessary to modernise the wage agreements, especially at

Lufthansa German Airlines. When weighing the adverse impact of the strikes, the Executive Board must therefore also always consider the long-term effect of wage agreements and the strategic freedom for the future of the Lufthansa Group. In the context of the pay disputes in 2015 with the Vereinigung Cockpit pilots' union and with the UFO flight attendants' union the Company made what it considered to be fair proposals. Both trade unions were also shown benchmarking studies demonstrating that from the Company's perspective their wage conditions were not competitive compared with those at other airlines.

The Company therefore stands by the proposal as announced, which is to exonerate the Executive Board members for the 2015 financial year.

3. On the opposing motions from Mr Mathias Schedler concerning agenda item 3 – exoneration of the Executive Board members for the financial year 2015

The shareholder wants to withhold exoneration for the Executive Board. He justifies this partly with the poor performance of the share price last year. He also regrets that no free tickets for public transport to the Annual General Meeting were provided. There were complaints about this from other shareholders last year too, he said.

In the financial year 2015 the price of the Lufthansa share went up by 5.3 per cent. This is an underperformance in comparison with the DAX index (+9.6 per cent). However, it still represents a decent return for shareholders.

Offering free tickets for public transport would generate costs and administrative expenses which are much higher than the EUR 3,000 estimated by the shareholder. The Company believes this to be unreasonable and only of benefit to some shareholders. The Company therefore stands by its decision not to cover these costs. Furthermore and in contrast to the shareholder's assertion, the next Annual General Meeting will again take place in Hamburg.

The Company therefore stands by the proposal as announced, which is to exonerate the Executive Board members for the 2015 financial year.

4. On the opposing motions from Mr Horst Maiwald concerning agenda item 4 – exoneration of the Supervisory Board members

The shareholder wants to withhold exoneration for the Supervisory Board. He feels it does not look as if the Supervisory Board supports, monitors and supervises the Executive Board in line with its statutory obligations.

The Supervisory Board held a total of seven meetings in 2015. Major items of capital expenditure and equity investments as well as planned Group financing activities were coordinated with the Supervisory Board. The Supervisory Board held detailed discussions with the Executive Board on the Lufthansa Group's strategy, and debated specific activities for the "Effective and Efficient Organisation" strategic area of action. At the Supervisory Board accounts meeting the auditors reported on the audit findings

and answered questions. The Supervisory Board reviewed in detail the Company's separate and consolidated financial statements and the condensed management report. For further information on the work of the Supervisory Board and its committees we refer to the Supervisory Board report.

The Company therefore stands by the proposal as announced, which is to exonerate the Supervisory Board members for the 2015 financial year.

**5. On the opposing motions from Mr Holger Bordasch and Mr Horst Maiwald concerning agenda item 6
– approval of the remuneration system for Executive Board members**

Shareholder Holger Bordasch wants to withhold approval of the system of remuneration for Executive Board members. He proposes that Executive Board remuneration (basic salary) should be frozen at the current level until further notice. The portion of any profit-share payments attributable to savings in staff costs should be identified. This amount should then be deducted from any profit-share payments.

Shareholder Horst Maiwald also wants to withhold approval of the system of remuneration for Executive Board members. The greater part of Executive Board remuneration should be based on Company earnings, he feels. He believes that the Executive Board "rewards itself generously" while shareholders "go away empty-handed".

Compared with the earlier system of Executive Board remuneration, the structure of the new system adopted by the Supervisory Board last December reflects the new financial performance indicators introduced in financial year 2015 as the new parameters for the variable component of Executive Board remuneration. At its core is a focus on the EBIT margin and earnings after cost of capital financial indicators which do take the Company's economic performance into account.

It is true that the new performance indicators are expected to increase the variable remuneration for members of the Executive Board by around 10 per cent over the next few years. However, given that the remuneration at Deutsche Lufthansa AG is way below the benchmark set by other DAX companies, the Supervisory Board sees this increase as a contribution to the adjustment of Executive Board remuneration which has been discussed and repeatedly postponed for years. In addition, only the basic remuneration of the Chairman of the Executive Board was increased by some 14 per cent to a factor of 1.6, and the variable remuneration by some 5 per cent to a factor of 1.5 times the equivalent amount for an ordinary Executive Board member. The remuneration is therefore still at the lower end of the scale in comparison with other DAX companies.

At this year's Annual General Meeting the Executive Board and Supervisory Board are proposing to distribute a dividend of EUR 0.50 per share (with the option of taking it in full or in part as a share dividend). To this extent the shareholders are also participating directly in the Company's positive result for the financial year 2015.

The Company therefore stands by its proposal to approve the new system of remuneration for the Executive Board members.

**6. On the proposal of Mr Mathias Schedler and Mr Horst Maiwald concerning agenda item 8
– election of the auditors**

Shareholder Mathias Schedler proposes electing Ernst&Young GmbH Wirtschaftsprüfungsgesellschaft as the Company's auditors. The Company would be well advised to change its auditors every 4 years, he says. It should comply with what he alleges to be a future obligation of the German Corporate Governance Code.

Shareholder Horst Maiwald rejects the Supervisory Board's proposal. The proposed firm of auditors already audited the Company in 2015 and 2014, he says. To avoid routine, the auditors should be changed more frequently.

A professional and trustworthy audit requires extensive company-specific knowledge and company-specific experience. This experience is lost every time the auditors are changed, which in view of the complexity of the matters to be audited results in significantly higher expenses for the Company and the new auditors.

On 16 December 2015 the German federal government also presented a draft of the planned Audit Reform Act (AReG), intended to transpose into German law the latest European standards on reforming audits of financial statements. The draft is based on the European standards and defines the maximum period for which auditors may be retained in future. According to Section 318 paragraph 1a German Commercial Code (HGB) as amended, the audit relationship may not in future exceed 20 years (if a selection and election procedure has been carried out) or 24 years (if several individual auditors are jointly nominated as the company auditors). Further details are based on Articles 16 and 17 of Regulation (EU) 537/2014 of 16 April 2014. Repeated election of PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf, is therefore in accordance with the current standards. It would also comply with the anticipated statutory requirements in connection with the appointment of auditors.

The proposal is therefore upheld to elect PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf, to audit the separate and consolidated financial statements and to review the interim reports, condensed financial statements and/or interim management reports for the financial year 2016.

Cologne, April 2016

Deutsche Lufthansa Aktiengesellschaft

Executive Board