



# Lufthansa Annual General Meeting 2019

## **Report of the Executive Board on agenda item 8 in accordance with Section 203(1), sentence 1 AktG in conjunction with Section 186(4), sentence 2 AktG**

A proposal is being submitted to the AGM under item 8 of the agenda to authorise the Executive Board, with the consent of the Supervisory Board, to raise the share capital of the Company in one or more stages by up to €30,000,000 through the issue of new no-par value shares for a cash contribution (Authorised Capital B).

The new Authorised Capital B is to replace the Authorised Capital B that exists until 28 April 2019, which the Company has used until the convening of this Annual General Meeting in the amount of €22,208,076.80. The authorisation is to be granted for the term of five years permitted by law, i.e. until the end of 6 May 2024. The sole purpose of Authorised Capital B is to give employees of the Company and its affiliates the chance to participate even more strongly in the Company's share capital through equity participation models, thereby aligning the interests of companies and employees. For this, it is necessary to exclude the shareholders' subscription rights. The issue of staff shares is anticipated by the legislator and therefore possible in a simplified form. In addition, the volume of the authorisation to issue staff shares remains within narrow limits relative to the Company's share capital (approximately 2.5%), so that shareholders' participation rights are only affected to a minor extent by the exclusion of subscription rights. Even if the Authorised Capital A proposed under agenda item 7 is included, the total volume of both authorisations (approximately 39.5% in total) is significantly below the statutory upper limit of 50% of the existing share capital at the time of the authorisation.

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.

Frankfurt, March 2019  
The Executive Board

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Vorstandsvorsitzender

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Mitglied des Vorstands  
Eurowings

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Translation for convenience only;

In case of any discrepancy or ambiguity the German version shall prevail.