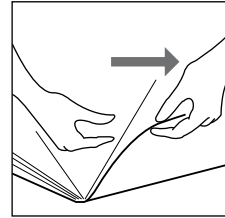
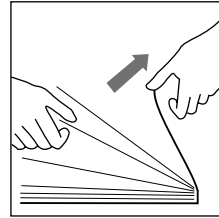
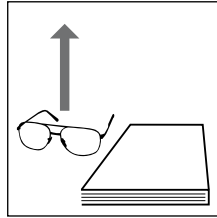
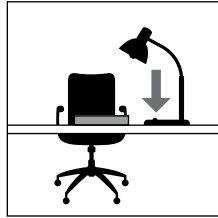
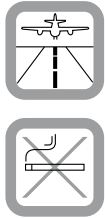


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# Financial Statements 2011



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**Financial Statements 2011**

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# Contents

2	Deutsche Lufthansa AG Balance sheet
3	Deutsche Lufthansa AG Income statement
4	Deutsche Lufthansa AG Statement of changes in non-current assets
5	Deutsche Lufthansa AG Notes to the financial statements
20	Auditors' report
21	Deutsche Lufthansa AG - Supervisory Board and Executive Board
22	Deutsche Lufthansa AG - Other mandates of the Supervisory Board members
23	Deutsche Lufthansa AG - Mandates of the Executive Board Members
24	Deutsche Lufthansa AG - Significant equity investments
31	Legal information

The management report for Deutsche Lufthansa AG and the Group management report have been combined and published in the Lufthansa Annual Report 2011. The financial statements and the combined management report and Group management report of Deutsche Lufthansa AG for the financial year 2011 are published in the electronic version of the German Federal Gazette and are also accessible from the internet site of the company registry.

# Financial statements 2011 for Deutsche Lufthansa AG

# Deutsche Lufthansa AG

## Balance sheet as of 31 December 2011

<b>Assets</b>			
in EURm	Notes	31.12.2011	31.12.2010
Intangible assets		157	140
Aircraft		4,573	4,338
Property, plant and other equipment		107	101
Financial investments	4)	9,367	8,583
<b>Non-current assets</b>	3)	<b>14,204</b>	<b>13,162</b>
Inventories	5)	44	27
Trade receivables	6)	537	502
Other receivables and other assets	6)	1,754	1,576
Securities	7)	1,199	2,717
Liquid funds	7)	210	340
<b>Current assets</b>		<b>3,744</b>	<b>5,162</b>
<b>Prepaid expenses</b>	8)	<b>66</b>	<b>42</b>
<b>Total assets</b>		<b>18,014</b>	<b>18,366</b>

<b>Shareholders' equity and liabilities</b>			
in EURm	Notes	31.12.2011	31.12.2010
Issued capital	9)	1,172	1,172
Capital reserve	10)	857	857
Retained earnings	10)	1,337	1,567
Distributable earnings	28)	114	275
<b>Shareholders' equity</b>		<b>3,480</b>	<b>3,871</b>
<b>Provisions</b>	11)	<b>6,684</b>	<b>6,358</b>
Bonds		2,107	2,106
Liabilities to banks		1,007	1,068
Payables to affiliated companies		1,713	1,895
Other liabilities		2,999	3,037
<b>Liabilities</b>	12)	<b>7,826</b>	<b>8,106</b>
<b>Deferred income</b>		<b>24</b>	<b>31</b>
<b>Total shareholders' equity and liabilities</b>		<b>18,014</b>	<b>18,366</b>

# Deutsche Lufthansa AG

## Income statement for the financial year 2011

in EURm	Notes	2011	2010
Traffic revenue	15)	15,179	13,525
Other revenue	16)	300	267
<b>Total revenue</b>		<b>15,479</b>	<b>13,792</b>
Other operating income	17)	1,842	1,976
Cost of materials and services	18)	- 11,100	- 9,459
Staff costs	19)	- 2,669	- 2,571
Depreciation, amortisation and impairment	20)	- 489	- 513
Other operating expenses	21)	- 3,232	- 2,995
<b>Result from operating activities</b>		<b>- 169</b>	<b>230</b>
Result from equity investments	22)	901	889
Net interest	23)	- 416	- 137
Impairments on investments and current securities	24)	- 353	- 264
<b>Financial result</b>		<b>132</b>	<b>488</b>
<b>Result from ordinary activities</b>		<b>- 37</b>	<b>718</b>
Extraordinary result	25)	- 35	- 37
Taxes	26)	- 44	- 198
<b>Net result for the year</b>		<b>- 116</b>	<b>483</b>
Transfers from retained earnings	10)	230	
Transfers to retained earnings	10)		- 208
<b>Distributable earnings</b>	28)	<b>114</b>	<b>275</b>

## Deutsche Lufthansa AG

### Statement of changes in non-current assets for 2011

in EUR m	Changes in historical cost					Accumulated depreciation and amortisation					Carrying amounts		
	As of: 1.1.2011	Additions	Disposals	Reclassifi- cations	As of: 31.12.2011	As of: 1.1.2011	Additions	Disposals	Reversals of impairment losses	Reclassifi- cations	As of: 31.12.2011	As of: 31.12.2011	As of: 31.12.2010
<b>I. Intangible assets</b>													
1. Concessions, intellectual property and similar rights and assets and licenses in such rights and assets	309	16	18	1	308	190	8	18	-	-	180	128	119
2. Advance payments	21	10	1	-1	29	-	-	-	-	-	-	29	21
	<b>330</b>	<b>26</b>	<b>19</b>	<b>-</b>	<b>337</b>	<b>190</b>	<b>8</b>	<b>18</b>	<b>-</b>	<b>-</b>	<b>180</b>	<b>157</b>	<b>140</b>
<b>II. Aircraft</b>													
1. Aircraft and accessories	9,176	561	1,779	212	8,170	5,672	461	1,560	11	-	4,562	3,608	3,504
2. Advance payments and plant under construction	834	605	262	-212	965	-	-	-	-	-	-	965	834
	<b>10,010</b>	<b>1,166</b>	<b>2,041</b>	<b>-</b>	<b>9,135</b>	<b>5,672</b>	<b>461</b>	<b>1,560</b>	<b>11</b>	<b>-</b>	<b>4,562</b>	<b>4,573</b>	<b>4,338</b>
<b>III. Property, plant and other equipment</b>													
1. Land, leasehold rights and buildings including buildings on third-party land	150	5	9	3	149	88	7	9	-	-	86	63	62
2. Office and other equipment	150	15	25	0	140	117	13	24	-	-	106	34	33
3. Advance payments and plant under construction	6	8	0	-3	11	-	-	-	-	-	-	11	6
	<b>306</b>	<b>28</b>	<b>34</b>	<b>-</b>	<b>300</b>	<b>205</b>	<b>20</b>	<b>33</b>	<b>-</b>	<b>-</b>	<b>192</b>	<b>108</b>	<b>101</b>
<b>IV. Financial investments</b>													
1. Shares in subsidiaries	6,470	1,036	46	174	7,634	491	340	-	103	69	797	6,837	5,979
2. Loans to subsidiaries	2,260	722	604	-174	2,204	216	-	10	4	-69	133	2,071	2,044
3. Other equity investments	361	-	0	-	361	-	13	-	-	-	-	348	361
4. Loans to companies held as other equity investments	-	-	-	-	-	-	-	-	-	-	-	-	-
5. Securities	9	0	0	-	9	-	-	-	-	-	-	9	9
6. Other loans	205	48	137	-	116	24	-	-	-	-	24	92	181
7. Prefinancing of leasehold	9	-	0	-	9	-	-	-	-	-	-	9	9
	<b>9,314</b>	<b>1,806</b>	<b>787</b>	<b>-</b>	<b>10,333</b>	<b>731</b>	<b>353</b>	<b>10</b>	<b>107</b>	<b>-</b>	<b>967</b>	<b>9,366</b>	<b>8,583</b>
<b>Total non-current assets</b>	<b>19,960</b>	<b>3,026</b>	<b>2,881</b>	<b>-</b>	<b>20,105</b>	<b>6,798</b>	<b>842</b>	<b>1,621</b>	<b>118</b>	<b>-</b>	<b>5,901</b>	<b>14,204</b>	<b>13,162</b>

# Notes to the financial statements of Deutsche Lufthansa AG for 2011

## 1) Application of the German Commercial Code (HGB)

The financial statements for Deutsche Lufthansa AG have been prepared in accordance with the German Commercial Code (HGB) and the supplementary provisions of the German Stock Corporation Act (AktG) as well as the transitional provisions of the German Accounting Law Modernisation Act (BilMoG) that are still in force, and have been audited by PricewaterhouseCoopers Aktiengesellschaft Wirtschaftsprüfungsgesellschaft, Düsseldorf. They are published in the electronic Federal Gazette. The financial statements are available on the internet from [www.lufthansa-financials.com](http://www.lufthansa-financials.com) and a printed copy can be ordered from Deutsche Lufthansa AG.

The income statement has been prepared using the total cost method.

To make the presentation clearer, certain items of the balance sheet and the income statement have been grouped together and are shown and explained separately in the notes. Over and above the statutory classification system, the entry relating to aircraft is listed separately in order to improve the clarity of the financial statements.

## 2) Accounting and valuation methods

**Currency translation** In-house conversion rates for foreign currencies are set monthly in advance according to the rates of exchange on international markets. These serve as the basis for converting foreign currency items into euros in the month in which entries are made.

Receivables/liabilities in foreign currencies, cash and provisions are translated at the mean spot rate on the reporting date in accordance with Section 256a HGB. For other non-current receivables/liabilities in foreign currency the lower/higher of cost or market principle is observed by comparing the purchase cost with the value on the balance sheet date.

The cost of capital goods purchased in foreign currencies – mainly aircraft invoiced in US dollars – is determined by translation according to the conversion rates in effect at the time of payment. Assets for which payments are hedged against exchange rate fluctuations are recognised/derecognised within the framework of separate valuation units.

Fair value and cash flow hedges of interest rate, exchange rate and fuel price risks are described in Note 14.

**Intangible assets** Intangible assets are stated at their purchase or manufacturing costs less scheduled

depreciation and amortisation. Acquired concessions and similar rights are generally amortised at a rate of 20 per cent. Purchased take-off and landing rights are not amortised.

**Property, plant and equipment** Scheduled depreciation of property, plant and equipment is based on the purchase and manufacturing costs depreciated over the asset's useful life.

Minor assets up to a value of EUR 150 are fully depreciated in the year of purchase and those costing up to EUR 1,000 are pooled in an annual account and depreciated over 5 years.

**Aircraft** New aircraft are written down over twelve years to a residual carrying amount of 15 per cent. Aircraft deployed beyond the assumed useful life of twelve years have been written down to a residual carrying amount of 10 per cent. Additionally, aircraft still in operation after a useful life of 14 years are written down to a residual carrying amount of 5 per cent.

Aircraft acquired second hand are written down in full over eight years regardless of residual carrying amounts. Up to and including 2007 new aircraft were depreciated according to the declining-balance method. New additions in the financial year 2008 were depreciated using the straight-line method in line with the change to tax rules on depreciation and amortisation. In 2009 new aircraft were again depreciated using the declining-balance method in accordance with the Financial Markets Stabilisation Act. Since 2010 additional aircraft have again been depreciated on a straight-line basis.

**Other property, plant and equipment** Buildings are assigned a useful life of between 20 and 50 years. Buildings and installations on land belonging to third parties are written off according to the term of the lease or are assigned a shorter useful life. Operating and office equipment is depreciated over three to fourteen years in normal circumstances.

Items of operating and office equipment acquired after the 1997 financial year are depreciated on a declining balance basis. This was altered to the straight-line method for financial year 2008 due to the change in tax legislation. In 2009 depreciation was switched back to the declining-balance method. From the financial year 2010 onwards, additions are again depreciated on a straight-line basis.

**Financial investments** Financial investments are stated at cost, adjusted by any necessary impairment charges or write-ups.

**Current assets** Raw materials, consumables and supplies are valued at cost, with stock risks being provided for by appropriate mark-downs.

Securities are shown at their purchase price less any necessary impairment charges.

In addition to individual write-downs necessary for known risks applying to other current assets, adequate provision is made for general credit risk by a write-down of each item by a standard amount.

**Net pension obligations** To meet retirement benefit and phased early retirement obligations towards staff, appropriate funds have been invested in insolvency-proof funds and insurance policies, which are not accessible to the Company's other creditors.

From 2010 pension assets are measured at fair value using external price information and netted out with the underlying obligations. If there is an excess of obligations over assets, it is recognised in provisions. If the fair value of the pension assets exceeds that of the corresponding obligations, the difference is shown separately as a net asset from pension obligations. If the fair value of the pension assets is higher than their historic acquisition costs the resulting income may not be distributed as a dividend (Section 268 Paragraph 8 Sentence 3 HGB).

**Provisions** Pension obligations are calculated using actuarial principles based on the projected unit credit method using the Heubeck 2005 G actuarial tables. As well as appropriate projected rates of fluctuation and career progress, a salary trend of 2.75 per cent and a pension trend of 1 per cent to 2.75 per cent are used. Discounting takes place in accordance with Section 253 Paragraph 2 Sentence 2 HGB at a flat rate defined by the average market interest rate for the last seven years with an assumed term to maturity of 15 years as published by the Deutsche Bundesbank in line with the relevant regulations. For measurement as of 31 December 2011, the discount rate as of 30 November 2011 is used. It is 5.14 per cent (previous year: 5.15 per cent) and did not change in the period up to 31 December 2011.

Benefit obligations from the conversion of salary components are recognised at the fair value of the corresponding assets, to the extent that it exceeds the minimum amount of the commitment.

The provision for partial early retirement obligations is recognised at the amount needed to settle the obligations in accordance with Section 253 Paragraph 1 Sentence 2 HGB. The amount needed to settle the obligation is composed of the salary outstanding as of 31 December 2011, which is paid during the early retirement phase, as well as additional employer contributions to statutory pension insurance and superannuation premiums. The provision is calculated making reasonable use of biometric probabilities and a salary trend of 2.75 per cent. Discounting takes place using the interest rate published by the Deutsche Bundesbank for the average terms of the agreements. As of 30 November 2011 the rate is 3.94 per

cent (previous year: 3.90 per cent) and did not change in the period up to 31 December 2011.

The other provisions are made for the amount considered necessary to settle the obligations using sound commercial judgement. Provisions with a term to maturity of more than one year are to be calculated using the average rate for the last seven years as published by the Deutsche Bundesbank.

**Liabilities** Liabilities are shown at the amount repayable.

**Deferred taxes** Deferred taxes are recognised for temporary differences between the carrying amounts of assets, liabilities and deferred expenses in the financial statements for commercial law and tax purposes. Deutsche Lufthansa AG not only recognises differences on items in its own balance sheet, but also for companies in the same tax group. Tax loss carry-forwards are recognised in addition to the temporary accounting differences. Deferred taxes are calculated using the combined income tax rate for Deutsche Lufthansa AG's tax group, which is currently 25 per cent. The combined income tax rate comprises corporation tax, trade tax and solidarity surcharge. An overall tax expense is recognised in the balance sheet as a deferred tax liability. No use is made of the option to recognise deferred tax assets in the event of tax rebates. In the reporting year there was a deferred tax asset, which was not recognised in the balance sheet.

Deferred tax assets result primarily from different amounts of pension provisions and from impending losses. Hitherto unused tax loss carry-forwards also give rise to deferred tax assets. Deferred tax liabilities stem from different carrying amounts for aircraft and miscellaneous items of property, plant and equipment. Overall, deferred tax assets exceed the amount of deferred tax liabilities. No deferred tax assets have been recognised for this surplus, in line with the option provided in Section 274 Paragraph 1 Sentence 2 HGB.



## Notes to balance sheet assets

### 3) Non-current assets

Changes in individual non-current asset items during the financial year 2011 are shown in a separate table.

In addition to the Company's own aircraft listed in the statement of changes in non-current assets and in the balance sheet, further aircraft were chartered, in some cases complete with crews.

Furthermore, Deutsche Lufthansa AG operates thirty-three B737-300s, twenty-two B737-500s, twenty-five B747-400s, sixteen A340-600s, four A330-300s, twenty-two A340-300s, eight A321-200s, one A320-200 and three A380-800s on long-term leases. This sharp increase is mainly due to the transfer of additional A340-300s, A321-200s and A380-800s to various sale-and-lease-back vehicles in the financial year.

### 4) Financial investments

The main indirect and direct equity investments of Deutsche Lufthansa AG are listed in the annexe to the notes.

### 5) Inventories

Inventories		
in EURm	31.12.2011	31.12.2010
Raw materials, consumables and supplies	16	15
Emissions certificates	16	0
Finished goods and merchandise	12	12
	<b>44</b>	<b>27</b>

### 6) Receivables and other assets

Receivables and other assets			
in EURm	31.12.2011	of which due after more than one year	31.12.2010
Trade receivables	537	0	502
Receivables from subsidiaries	967	1	885
Receivables from companies held as other investments	3	0	4
Other assets	784	152	687
	<b>2,291</b>	<b>153</b>	<b>2,078</b>

### 7) Securities and liquid funds

Securities comprise only other investments; this includes shares in money market funds amounting to EUR 522m. Cash in hand and bank balances consist almost entirely of credit balances held with banks. Fixed-term bank balances assigned as collateral amounting to EUR 22m are shown as

other assets, as are foreign currency bank balances not likely to be transferred in the near future, which are discounted appropriately.

### 8) Prepaid expenses

This item contains interest from finance leasing agreements for aircraft amounting to EUR 344,000.

## Notes to balance sheet liabilities and shareholders' equity

### 9) Issued capital

Deutsche Lufthansa AG's issued capital totals EUR 1,172.3m.

Issued capital is divided into 457,937,572 registered shares, with each share representing EUR 2.56 of issued capital.

A resolution passed at the Annual General Meeting on 29 April 2010 authorised the Executive Board until 28 April 2015, subject to approval by the Supervisory Board, to increase the Company's issued capital on one or more occasions by up to EUR 561,160,092 by issuing new registered shares on one or more occasions for payment in cash or in kind (Authorised Capital A). Existing shareholders are to be granted subscription rights. In the case of shares issued for payment in kind these rights may be ruled out, while in the case of shares issued for payment in cash they may be ruled out for residual amounts. The Executive Board is further authorised in the case of a capital increase against cash contributions to rule out, subject to approval by the Supervisory Board, a subscription right for existing shareholders on condition that the new shares so issued must not exceed 10 per cent of the issued capital and that the issue price must not be significantly lower than the market price.

A resolution passed at the Annual General Meeting on 3 May 2011 authorised the Executive Board until 2 May 2016, subject to approval by the Supervisory Board, to issue bearer or registered convertible bonds, bond/warrant packages, profit sharing rights or participating bonds (or combinations of these instruments), on one or more occasions, for a total nominal value of up to EUR 1.5bn, with or without restrictions on maturity. To do so, contingent capital (contingent capital II) was created for a contingent capital increase of up to EUR 234,464,035.80, by issuing up to 91,587,514 new registered shares. The contingent capital increase will only take place insofar as the holders of convertible bonds or warrants from bond/warrant packages decide to exercise their conversion and or option rights.

The resolution passed at the Annual General Meeting on 17 May 2006 authorising the Executive Board until 16 May 2011 to issue convertible bonds and/or

bond/warrant packages and to create conditional capital II of EUR 117,227,520 for conversion is suspended.

Under the authorisation dated 16 June 1999 Deutsche Lufthansa AG had issued EUR 750m in convertible bonds with effect from 4 January 2002. Existing shareholders were not allowed to subscribe to this issue. A total of 750,000 rights of conversion were issued that after the 2004 capital increase entitled the holders to convert them into up to 37,764,350 Lufthansa AG shares at a price of EUR 19.86 each. Convertible bonds were converted early on 4 January 2006 for a total of EUR 699m, 309 conversion rights were exercised (15,558 shares) in 2006, a further 40 conversion rights (2,014 shares) were exercised in 2007 and as of 4 January 2008 convertible bonds amounting to EUR 205,000, and to EUR 43,458,000 on 4 January 2010, were redeemed. As of the balance sheet date there were therefore 6,681 conversion rights outstanding, convertible into up to 336,404 shares in Deutsche Lufthansa AG at a price of EUR 19.86.

There was subsequently contingent capital available (contingent capital I) for a contingent increase in issued capital of up to EUR 97,644,615.68 through the issue of 38,142,428 new registered shares.

A resolution passed at the Annual General Meeting on 24 April 2009 authorised the Executive Board until 23 April 2014, subject to approval by the Supervisory Board, to increase the issued capital by up to EUR 25m, by issuing new registered shares to employees (Authorised Capital B) for payment in cash. Existing shareholders' subscription rights are excluded.

A resolution passed at the Annual General Meeting held on 29 April 2010 authorised the Executive Board pursuant to Section 71 Paragraph 1 No. 8 Stock Corporation Act (AktG) to purchase treasury shares until 28 April 2015. The authorisation is limited to 10 per cent of current issued capital which can be purchased on the stock exchange or by a public purchase offer to all shareholders.

In 2011 Deutsche Lufthansa AG bought back a total of 2,367,884 of its own shares at an average price of EUR 10.35. This is equivalent to 0.52 per cent of issued capital.

The shares were used as follows:

- 1,396,042 shares were offered to the staff of Lufthansa AG and 40 other affiliated companies and equity investments as part of the profit-sharing scheme for 2010, at a share price of EUR 10.87.
- 971,712 shares were used as part of performance-related variable remuneration in 2011 for managers and non-payscale staff of Deutsche Lufthansa AG and 31 further affiliated companies and equity investments at a price of EUR 9.60.
- 130 shares were allocated to managers and non-payscale staff as part of performance-related remuneration for 2010 at a price of EUR 15.91.

On the balance sheet date treasury shares were no longer held.

#### **Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) dated 18 January 2011**

On 14 January 2011 Black Rock Investment Management (UK) Limited, London, UK, notified us on behalf and with the authorisation of the following companies as follows:

The voting rights of BlackRock Inc., New York, USA, in Deutsche Lufthansa AG exceeded the threshold of 5 per cent on 10 January 2011 and on this date came to 5.08 per cent (23,255,011 voting shares). Of the total, 5.08 per cent (23,255,011 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 in conjunction with Sentence 2 WpHG.

The voting rights of BlackRock Financial Management, Inc., New York, USA, in Deutsche Lufthansa AG exceeded the threshold of 5 per cent on 10 January 2011 and on this date came to 5.003 per cent (22,912,821 voting shares). Of the total, 5.003 per cent (22,912,821 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 in conjunction with Sentence 2 WpHG.

The voting rights of BlackRock Holdco 2 Inc., Wilmington, Delaware, USA, in Deutsche Lufthansa AG exceeded the threshold of 5 per cent on 10 January 2011 and on this date came to 5.003 per cent (22,912,821 voting shares). Of the total, 5.003 per cent (22,912,821 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 in conjunction with Sentence 2 WpHG.

#### **Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) dated 28 April 2011**

On 27 April 2011 Janus Capital Management LLC, Denver, Colorado, USA, notified us as follows:

The voting rights of Janus Capital Management LLC, Denver, Colorado, USA, in Deutsche Lufthansa AG fell below the threshold of 3 per cent on 26 April 2011 and on this date came to 2.94 per cent (13,452,164 voting shares). Of this, 2.94 per cent (13,452,164 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 WpHG.

#### **Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) dated 17 May 2011**

On 13 May 2011 Credit Suisse Group AG, Zurich, Switzerland notified us on its own behalf and pursuant to Section 24 WpHG on behalf of

Credit Suisse AG, Zurich, Switzerland,  
Credit Suisse Investments (UK), London, UK,  
Credit Suisse Investment Holdings (UK), London, UK,  
Credit Suisse Securities (Europe) Limited, London, UK,  
as follows:

Threshold exceeded as of 9 May 2011:

The voting rights of Credit Suisse Securities (Europe) Limited, London, UK, in Deutsche Lufthansa AG exceeded the

threshold of 3 per cent on 9 May 2011 and on this date came to 3.213 per cent (14,711,953 voting shares).

The voting rights of Credit Suisse Investment Holdings (UK), London, UK, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 9 May 2011 and on this date came to 3.213 per cent (14,711,953 voting shares). These voting rights are fully attributable to Credit Suisse Investment Holdings (UK) in accordance with Section 22 Paragraph 1 Sentence 1 No. 1 WpHG.

The voting rights of Credit Suisse Investments (UK), London, UK, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 9 May 2011 and on this date came to 3.213 per cent (14,711,953 voting shares). These voting rights are fully attributable to Credit Suisse Investments (UK) in accordance with Section 22 Paragraph 1 Sentence 1 No. 1 WpHG.

The voting rights of Credit Suisse AG, Zurich, Switzerland, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 9 May 2011 and on this date came to 3.242 per cent (14,846,869 voting shares). 3.218 per cent (14,736,685 voting shares) are attributable to Credit Suisse AG in accordance with Section 22 Paragraph 1 Sentence 1 No. 1 WpHG. 0.024 per cent (110,184 voting shares) are attributable to Credit Suisse AG in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 WpHG in conjunction with Section 22 Paragraph 1 Sentence 2 WpHG.

The voting rights of Credit Suisse Group AG, Zurich, Switzerland, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 9 May 2011 and on this date came to 3.243 per cent (14,852,681 voting shares). 3.218 per cent (14,736,685 voting shares) are attributable to Credit Suisse Group AG in accordance with Section 22 Paragraph 1 Sentence 1 No. 1 WpHG. 0.025 per cent (115,996 voting shares) are attributable to Credit Suisse Group AG in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 WpHG in conjunction with Section 22 Paragraph 1 Sentence 2 WpHG.

Threshold no longer exceeded as of 10 May 2011:

The voting rights of Credit Suisse Securities (Europe) Limited, London, UK, in Deutsche Lufthansa AG fell below the threshold of 3 per cent on 10 May 2011 and on this date came to 2.591 per cent (11,865,516 voting shares).

The voting rights of Credit Suisse Investment Holdings (UK), London, UK, in Deutsche Lufthansa AG fell below the threshold of 3 per cent on 10 May 2011 and on this date came to 2.591 per cent (11,865,516 voting shares). These voting rights are fully attributable to Credit Suisse Investment Holdings (UK) in accordance with Section 22 Paragraph 1 Sentence 1 No. 1 WpHG.

The voting rights of Credit Suisse Investments (UK), London, UK, in Deutsche Lufthansa AG fell below the threshold of 3 per cent on 10 May 2011 and on this date came to 2.591 per cent (11,865,516 voting shares). These voting rights are fully attributable to Credit Suisse Investments (UK) in accordance with Section 22 Paragraph 1 Sentence 1 No. 1 WpHG.

The voting rights of Credit Suisse AG, Zurich, Switzerland, in Deutsche Lufthansa AG fell below the threshold of 3 per cent on 10 May 2011 and on this date came to 2.621 per cent

(12,000,432 voting shares). 2.597 per cent (11,890,248 voting shares) are attributable to Credit Suisse AG in accordance with Section 22 Paragraph 1 Sentence 1 No. 1 WpHG. 0.024 per cent (110,184 voting shares) are attributable to Credit Suisse AG in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 WpHG in conjunction with Section 22 Paragraph 1 Sentence 2 WpHG.

The voting rights of Credit Suisse Group AG, Zurich, Switzerland, in Deutsche Lufthansa AG fell below the threshold of 3 per cent on 10 May 2011 and on this date came to 2.624 per cent (12,016,632 voting shares). 2.596 per cent (11,890,248 voting shares) are attributable to Credit Suisse Group AG in accordance with Section 22 Paragraph 1 Sentence 1 No. 1 WpHG. 0.028 per cent (126,384 voting shares) are attributable to Credit Suisse Group AG in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 WpHG in conjunction with Section 22 Paragraph 1 Sentence 2 WpHG.

The chain of controlling companies is as follows (beginning with the lowest company): Credit Suisse Securities (Europe) Limited, Credit Suisse Investment Holdings (UK), Credit Suisse Investments (UK), Credit Suisse AG and Credit Suisse Group AG.

#### **Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) dated 7 September 2011**

On 6 September 2011 Templeton Global Advisors Limited, Nassau, Bahamas, notified us as follows:

The voting rights of Templeton Global Advisors Limited, Nassau, Bahamas, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 31 August 2011 and on this date came to 3.19 per cent (14,593,366 voting shares). Of the total, 3.19 per cent (14,593,366 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 WpHG.

#### **Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) dated 12 September 2011**

On 12 September 2011 AXA Investment Managers Deutschland GmbH, Frankfurt, Germany, notified us on behalf and with the authorisation of AXA S.A., Paris, France, as follows:

The voting rights of AXA S.A., Paris, France, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 7 September 2011 and on this date came to 3.05 per cent (13,973,736 voting shares). Of the total, 3.05 per cent (13,973,736 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 in conjunction with Sentence 2 WpHG.

**Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) dated 2 November 2011**

On 31 October 2011 AXA Investment Managers Deutschland GmbH, Frankfurt, Germany, notified us on behalf and with the authorisation of AXA S.A., Paris, France, as follows:

The voting rights of AXA S.A., Paris, France, in Deutsche Lufthansa AG fell below the threshold of 3 per cent on 27 October 2011 and on this date came to 2.80 per cent (12,844,003 voting shares). Of the total, 2.80 per cent (12,844,003 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 in conjunction with Sentence 2 WpHG.

**Notification on the shareholder structure in accordance with Section 26 Paragraph 1 Securities Trading Act (WpHG) dated 13 January 2012**

On 11 January 2012 Templeton Global Advisors Limited, Nassau, Bahamas, notified us as follows:

The voting rights of Templeton Global Advisors Limited, Nassau, Bahamas, in Deutsche Lufthansa AG exceeded the threshold of 5 per cent on 10 January 2012 and on this date came to 5.0001 per cent (22,897,430 voting shares). Of the total, 5.0001 per cent (22,897,430 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 WpHG.

## 10) Reserves

The capital reserve contains the premiums resulting from capital increases and the proceeds from the issue of debt securities for conversion options to acquire Company shares. The legal reserve contained in retained earnings is unchanged at EUR 26m; other reserves consist of other retained earnings. An amount of EUR 261m resulting from the fair value measurement of assets may not be distributed as dividends. There are sufficient free retained earnings to cover the amount which may not be distributed. EUR 230m has been transferred from retained earnings.

## 11) Provisions

Provisions		
in EURm	31.12.2011	31.12.2010
Provisions for pensions and similar obligations	1,941	1,823
Tax provisions	35	145
Obligations in respect of unused flight documents	2,521	2,339
Other provisions	2,187	2,051
	<b>6,684</b>	<b>6,358</b>

A Company pension scheme exists for staff working in Germany and staff seconded abroad. The provisions for pensions also include transitional pension arrangements for flight personnel. Contributions to a trust fund were started in 2004 to cover these entitlements and fund the corresponding obligations. There are also obligations from the conversion of salary components, which are also funded by assets held in insurance policies.

The actuarial obligations are netted with the corresponding assets measured at fair value as of 31 December 2011 to obtain the carrying amount for the balance sheet. The acquisition costs of the fund assets were EUR 3,566m as of 31 December 2011. Their fair value as of the same date was EUR 3,821m.

The actuarial amount required to settle the obligation is recognised at EUR 6,157m as of 31 December 2011. Accrued interest expenses on pension obligations of EUR 289m were increased in the reporting year by a fall of EUR 18m in the market value of pension assets.

The revaluation of obligations and fund assets in the course of applying the BilMoG resulted in a net revaluation amount of EUR 462m as of 1 January 2010, of which a further EUR 35m was added to pension provisions in 2011 as an extraordinary expense. The remaining funding shortfall of EUR 396m as of 31 December 2011 will be added to provisions in subsequent years, by 31 December 2024 at the latest, in accordance with Article 67 Paragraph 1 Sentence 1 EGHGB.

Obligations under phased early retirement agreements are recognised in other provisions. Obligations of EUR 56m are netted with assets with a fair value of EUR 45m. The acquisition costs of the fund assets are EUR 39m.

Net income of EUR 1.1m from fund assets contrasts with expenses of EUR 2.0m in accrued interest on the provision.

Other provisions mainly include amounts for impending losses from pending transactions, for outstanding expenses, for commissions and for maintenance.

## 12) Liabilities

<b>Liabilities</b>				
in EURm	Due within one year	Due in more than five years	<b>Total 31.12.2011</b>	<b>Total 31.12.2010</b>
Bonds	7	–	2,107	2,106
Liabilities to banks	142	582	1,007	1,068
Advance payments for orders	0	–	0	0
Trade payables	361	–	361	345
Payables to affiliated companies	1,639	24	1,713	1,895
Payables to companies held as other equity investments	29	–	29	31
Other liabilities	531	1,152	2,609	2,661
- of which for taxes	(76)	–	(76)	(99)
- of which relating to social security obligations	(10)	(4)	(22)	(26)
	<b>2,709</b>	<b>1,758</b>	<b>7,826</b>	<b>8,106</b>

Of the bonds, EUR 7m is convertible. EUR 336m of the liabilities to banks are secured by aircraft. Of the other liabilities, obligations arising from finance leases totalling EUR 2.1bn are secured by the aircraft concerned.

## 13) Contingent liabilities

<b>Contingent liabilities</b>		
in EURm	<b>31.12.2011</b>	<b>31.12.2010</b>
Relating to guarantees, bills of exchange and cheque guarantees	1,280	1,310
- of which from affiliated companies	(409)	(439)
Relating to warranties	874	837
- of which from affiliated companies	(256)	(217)
Relating to the provision of collateral for third-party liabilities	25	3

The amounts listed contain EUR 867m in assumption of co-debtors' guarantees in favour of North American fuelling and handling firms. There was no requirement to recognise the guarantee obligations as a liability, because the fuelling and handling firms are expected to be able to meet the underlying liabilities and a claim is therefore unlikely. Furthermore, this amount is matched by compensatory claims against the other co-debtors amounting to EUR 843m. These amounts are in some cases still provisional owing to annual accounts still pending.

EUR 289m of the liabilities under warranties relate to co-debtors' guarantees in favour of the Terminal One Group Association, L.P. Project joint venture at New York's JFK Airport. No provision was recognised, as a claim is not considered likely. The assumption is that the company will be able to meet its obligations itself. The obligations under the warranties are matched by compensatory claims against the other co-debtors amounting to EUR 217m.

## 14) Other financial obligations

**Order commitments for capital expenditure** Order commitments for capital expenditure on property, plant and equipment came to EUR 5.6bn as of 31 December 2011. The resulting payment obligations will fall due as follows: EUR 4.9bn in the years 2012 to 2015 and EUR 0.7bn in the years 2016 to 2018.

Obligations to acquire company shares and to contribute capital to investee companies totalling EUR 6m and loan commitments amounting to EUR 1,047m existed as of the balance sheet date.

**Obligations under rental agreements** The Company carries out its business almost exclusively in rented premises. Rental agreements generally run for five to ten years.

Facilities at Frankfurt and Munich airports are rented for 30 years and are partly prefinanced by Lufthansa. Annual rental payments amount to around EUR 140m.

In the financial year 2011 long-term finance leases for aircraft gave rise to expenses of EUR 6m, which will decrease to zero by 2012.

Costs under long-term operating leases with terms up to 2015 came to EUR 429m in the financial year.

### **Obligations under long-term maintenance contracts**

Long-term maintenance contracts signed as of the reporting date with durations up to 2030 gave rise to expenses of EUR 82.3m in the financial year. Of the corresponding payment obligations, EUR 470m fall due in the years 2012 to 2015 and EUR 1.4bn in the years 2016 to 2030.

**Exchange rate, interest rate and fuel price hedges** As of 31 December 2011 the following exposures existed from transactions to hedge exchange rate, interest rate and fuel price movements – mostly in the form of spread options and futures contracts – in US dollars:

<b>Currencies</b>			
Volume	Type of derivative	Average exchange rate in EUR	Maturity up to maximum
USD 544m	European options	0.6897	2012
USD 13m	Spread options	0.7095	2012
JPY 500m	Spread options	0.0103	2012
AUD 214m	Forward sales	0.6976	2013
CAD 473m	Forward sales	0.7196	2017
CHF 1,943m	Forward sales	0.7734	2016
CNY 1,773m	Forward sales	0.1138	2012
CZK 1,275m	Forward sales	0.0404	2013
DKK 13m	Forward sales	0.1345	2012
GBP 505m	Forward sales	1.1548	2013
HKD 2,582m	Forward sales	0.0947	2013
HUF 12,761m	Forward sales	0.0034	2013
INR 13,465m	Forward sales	0.0146	2012
JPY 79,492m	Forward sales	0.0092	2013
KRW 101,217m	Forward sales	0.0006	2012
MXN 17m	Forward sales	0.0553	2012
NOK 1,604m	Forward sales	0.1245	2013
NZD 59m	Forward sales	0.5442	2013
PHP 1,443m	Forward purchases	0.0171	2012
PLN 555m	Forward sales	0.2342	2013
SEK 3,161m	Forward sales	0.1077	2013
SGD 116m	Forward sales	0.5746	2013

<b>Currencies</b>			
Volume	Type of derivative	Average exchange rate in EUR	Maturity up to maximum
THB 1,059m	Forward sales	0.0231	2012
USD 9,706m	Forward purchases	0.7282	2016
ZAR 1,212m	Forward sales	0.0929	2013

In addition, the following exchange rate hedges have been concluded with Group companies:

<b>Currencies</b>			
Volume	Type of derivative	Average exchange rate in EUR	Maturity up to maximum
AUD 74m	Forward purchases	0.7079	2013
CAD 168m	Forward purchases	0.7148	2017
CHF 1,151m	Forward purchases	0.7408	2016
CZK 585m	Forward purchases	0.0403	2013
DKK 186m	Forward purchases	0.1345	2013
GBP 183m	Forward purchases	1.1525	2013
HKD 2,092m	Forward purchases	0.0944	2013
HUF 938m	Forward purchases	0.0032	2013
JPY 31,883m	Forward purchases	0.0092	2013
KRW 40,687m	Forward purchases	0.0007	2012
MXN 17m	Forward purchases	0.0553	2012
NOK 287m	Forward purchases	0.1255	2013
PLN 35m	Forward purchases	0.2284	2013
SEK 790m	Forward purchases	0.1081	2013
SGD 51m	Forward purchases	0.5777	2013
THB 746m	Forward purchases	0.0237	2012
USD 4,317m	Forward sales	0.7333	2016
ZAR 612m	Forward purchases	0.0944	2013

Fuel price hedges			
Type of derivative	Volume in %*	Average price level of hedging effect in USD/bbl	Maturity
Spread options	0.2	87.00	2012
Spread options	0	0	2013
Hedging combinations	78.9	110.88–140.04	2012
Hedging combinations	28.7	117.43–148.93	2013

\* Percentage of anticipated fuel requirement.

For the calendar year 2012 there are no hedges for the price difference between gas oil and crude and between kerosene and crude as of the balance sheet date.

**Valuation units** As an international airline Deutsche Lufthansa AG is exposed to the risk of changes in exchange rates. The hedging policy to limit these risks is implemented within the framework of the Lufthansa Group's systematic financial management. There is no autonomous hedging policy at the level of the legal entity Deutsche Lufthansa AG. Valuation units within the meaning of Section 254 HGB as amended are therefore only formed to the extent that exchange rate hedges are matched by opposing derivatives transactions in the same currency and with the same maturity. As of 31 December 2011 provisions for impending losses of EUR 105m have been recognised for impending losses under further exchange rate hedges.

Exchange rate hedges				
Currency	Type of derivative	Year of maturity	Volume pending transactions in m	Volume hedged risk in m
AUD	Forward sale	2012	63	63
		2013	23	23
CAD	Forward sale	2012	94	94
		2013	45	45
		2014	10	10
		2015	10	10
		2016	10	10
CHF	Forward sale	2012	1,144	1,144
		2013	305	305
	Forward purchase	2014	1	1
		2015	1	1
CNY	Forward sale	2012	933	933
CZK	Forward sale	2012	462	462
		2013	218	218
DKK	Forward purchase	2012	58	58
GBP	Forward sale	2012	376	376
		2013	103	103

Currency	Type of derivative	Year of maturity	Volume pending transactions in m	Volume hedged risk in m
HKD	Forward sale	2012	1,722	1,722
		2013	594	594
HUF	Forward sale	2012	13,256	13,256
		2013	4,220	4,220
INR	Forward sale	2012	7,092	7,092
JPY	Forward sale	2012	23,870	23,870
		2013	9,419	9,419
KRW	Forward sale	2012	43,016	43,016
MXN	Forward sale	2012	17	17
NOK	Forward sale	2012	241	241
		2013	85	85
PHP	Forward purchase	2012	1,443	1,443
PLN	Forward sale	2012	115	115
		2013	31	31
SEK	Forward sale	2012	810	810
		2013	299	299
SGD	Forward sale	2012	37	37
		2013	17	17
THB	Forward sale	2012	876	876
		2013	876	876
USD	Forward purchase	2012	2,942	2,942
		2013	833	833
		2014	11	11
ZAR	Forward sale	2012	513	513
		2013	196	196

Furthermore, exchange rate hedges are combined with expected aircraft deliveries to form valuation units for the purpose of hedging the risk of price increases due to exchange rate movements. Aircraft purchases are hedged with spread options as well as forward transactions. Based on currently available information, the exposure for capital expenditure at year-end 2011, the relevant hedging volume and the effects of the hedges on the acquisition costs of the hedged investments are as follows:

Hedged capital expenditure				
Financial year	Exposure in USD	Hedging volume in USD	Market values in EUR	Hedging ratio
in EURm				
2012	1,462	1,368	52.1	94%
2013	736	687	34.7	93%
2014	527	507	25.2	96%
2015	544	521	25.9	96%
<b>Total</b>	<b>3,269</b>	<b>3,083</b>	<b>137.9</b>	<b>94%</b>

Suitable interest rate swaps and combined interest rate/currency swaps are arranged with external parties to hedge interest rate risks on bonds, loans and lease liabilities. They are pooled in valuation units. As of the reporting date the volume of hedged items is EUR 4.8bn and the hedges have identical terms to maturity up to 2022 at the latest. As the reciprocal cash flows balance each other out, the interest rate swaps are not presented in the balance sheet. As of the reporting date the swap transactions have a market value of EUR 198.3m.

Furthermore, Deutsche Lufthansa AG and its subsidiaries have arranged combined interest rate/currency swaps that are matched by interest rate/currency swaps of the same type, volume and maturity with external third parties. These are also pooled in valuation units. The hedged volume is EUR 591.0m. The hedged cash flows balance each other fully, so that the measurement units are fully effective. In addition, other interest rate hedges have been arranged with subsidiaries with a volume of EUR 246m, maturities of up to 2018 and a positive market value of EUR 21m.

Deutsche Lufthansa AG uses suitable derivatives to implement effective hedges of price risks for future fuel consumption and future emission certificates. The hedges and the planned purchases of fuel and emissions certificates form valuation units. As pending purchasing transactions still have to be valued differently if market prices have gone down as of the reporting date, it is inevitable that provisions will have to be made for impending losses for the corresponding valuation units. Deutsche Lufthansa AG has therefore decided not to form valuation units for the purposes of the commercial law financial statements in accordance with Section 254 HGB as amended. As of 31 December 2011 provisions of EUR 21m have been made for impending losses on hedges for emissions certificates. No provisions had to be recognised as of 31 December 2011 for impending losses from fuel hedging.

**Market values and carrying amounts of financial derivatives** As of 31 December 2011 the existing financial derivatives had the following market values and carrying amounts:

<b>Financial derivatives</b>			
Type of derivative	Market values 31.12.2011	Carrying amounts of other assets 31.12.2011	Carrying amounts of other provisions 31.12.2011
in EURm			
Futures contracts for currency hedging	139.8	–	105
Spread options for currency hedging	0.5	–	–
European options for currency hedging	47.5	25	–
Futures contracts for Emissions certificates	31.7	–	21
Spread options for fuel price hedging	1	0.2	–
Hedging combinations for fuel price hedging	230	119	–
Interest rate swaps	254	–	–

The fair values of interest rate derivatives correspond to their respective market values, which are measured using appropriate mathematical methods, such as discounting future cash flows. Discounting takes market standard interest rates and the residual term of the respective instruments into account. Currency futures and swaps are valued individually at their respective forward rates and discounted to the reporting date based on the corresponding interest rate curve. The market prices of currency options are calculated using recognised option pricing models.

#### **Financial instruments held as financial investments**

The fair values of financial instruments held as financial investments, apart from the equity investments, were above the carrying amounts as of 31 December 2011. In accordance with Section 253 Paragraph 3 Sentence 4 HGB write-downs were not recognised as the impairment is not permanent.

<b>Balance sheet items</b>		
in EURm	Market values 31.12.2011	Carrying amounts 31.12.2011
Shares in affiliated companies	2,228	2,136
Loans to affiliated companies	748	704
Equity investments	187	226
Other loans	9	8
Non-current securities	45	45

Shares in affiliated companies relate to an equity interest of 100 per cent in Lufthansa SICAV-FIS, Luxembourg. This is an equity investment in a foreign investment vehicle within the meaning of Sections 1 and 2 Paragraph 9 German Investment Act (InvG). The distribution in the financial year came to EUR 46m. It can be returned on a daily basis without restriction. The investment serves to hold a strategic minimum liquidity.



## Notes to the income statement

### 15) Traffic revenue

Traffic revenue by traffic region		
in EURm	2011	2010
Europe	6,343	5,442
North America	3,325	3,098
Asia/Pacific	3,274	3,022
South America	895	705
Africa	652	611
Middle East	690	647
	<b>15,179</b>	<b>13,525</b>

Traffic revenue by sector		
in EURm	2011	2010
Scheduled	14,566	12,943
Charter	613	582
	<b>15,179</b>	<b>13,525</b>

### 16) Other revenue

Revenue by sector		
in EURm	2011	2010
Travel services (commissions)	147	137
Ground services/in-flight sales	139	117
Other	14	13
	<b>300</b>	<b>267</b>

70 per cent of other revenue was generated in Europe (previous year: 66 per cent).

### 17) Other operating income

Other operating income		
in EURm	2011	2010
Proceeds on the disposal of non-current assets	10	83
Exchange rate gains from foreign currency translation	877	894
Write-backs of provisions	144	151
Services rendered for Group companies	123	116
Income from staff secondment	51	53
Compensation received for damages	36	16
Rental income	5	8
Income from aircraft on operating leases	115	91
Income from the disposal of non-current assets	4	0
Income from write-ups on assets	125	210
Other operating income	352	354
	<b>1,842</b>	<b>1,976</b>

### 18) Cost of materials and services

Cost of materials and services		
in EURm	2011	2010
Aircraft fuel and lubricants	4,094	3,247
Other costs of raw materials, consumables and supplies and goods purchased	108	68
Cost of services purchased	6,898	6,144
	<b>11,100</b>	<b>9,459</b>

### 19) Staff costs

Staff costs		
in EURm	2011	2010
Wages and salaries	2,057	1,985
Social security, pension and benefit contributions	612	586
- of which for retirement pensions	(333)	(310)
	<b>2,669</b>	<b>2,571</b>

Staff costs do not include the accrued interest on pension provisions and staff provisions, which are presented in net interest.

Average number of employees		
	2011	2010
Ground staff	14,820	14,843
Flight staff	22,044	20,168
Trainees	161	144
	<b>37,025</b>	<b>35,155</b>

### 20) Depreciation, amortisation and impairment

Depreciation and amortisation of intangible assets, aircraft and other property, plant and equipment are detailed in the statement of changes in non-current assets.

## 21) Other operating expenses

<b>Other operating expenses</b>		
in EURm	2011	2010
Sales commission paid to agencies	273	298
Rental and maintenance expenses	178	206
Expenses for computerised distribution systems	237	231
Impairment charges / Depreciation and amortisation of current assets	36	35
Courses / Training for flight staff	90	83
Advertising and sales promotions	180	157
Exchange rate losses from foreign currency translation	919	1,039
Payment system expenses (especially credit card commission payments)	165	151
Insurance for flight operations	29	29
Travel expenses	214	193
Auditing, consulting and legal expenses	67	48
Other operating expenses	844	525
	<b>3,232</b>	<b>2,995</b>

Other operating expenses include an addition of EUR 286m to provisions for impending losses in connection with the planned disposal of BMI Ltd.

## 22) Result from equity investments

<b>Result from equity investments</b>		
in EURm	2011	2010
Income from profit transfer agreements	524	738
Expenses from loss transfer agreements	-36	-10
Income from equity investments	413	161
- of which from affiliated companies	(407)	(148)
	<b>901</b>	<b>889</b>

Income/expenses from profit and loss transfer agreements are shown including tax contributions. Income from equity investments consists primarily of the dividends from Air Trust AG, Lufthansa SICAV-FIS, Eurowings GmbH and the Austrian leasing companies.

## 23) Net interest

<b>Net interest</b>				
in EURm	2011	of which affiliated companies	2010	of which affiliated companies
Income from other securities and non-current financial loans	59	57	100	97
Other interest and similar income	108	10	115	9
Interest and similar expenses	-583	-12	-352	-12
- of which accrued interest	(-325)	-	(-312)	-
- of which from market valuation of pension fund assets	(-17)	-	(212)	-
	<b>-416</b>	<b>55</b>	<b>-137</b>	<b>94</b>

## 24) Impairment on investments and current securities

Impairment losses of EUR 353m were recognised on investments. These are mainly impairment losses on the carrying amounts for Eurowings GmbH of EUR 60m, for LHBD Holding Limited of EUR 278m and for SN Airholding SA/NV of EUR 13m.

## 25) Extraordinary result

<b>Extraordinary result</b>		
in EURm	2011	2010
Extraordinary income	0	0
Extraordinary expenses	-35	-37
- of which from BilMoG adjustments to provisions	-35	-107
- of which from market valuation of pension fund assets	0	70
	<b>-35</b>	<b>-37</b>

The extraordinary result includes one fifteenth of the amount remaining from the restated pension provisions following the switch to BilMoG and its transitional provisions.

## 26) Taxes

<b>Taxes</b>		
in EURm	2011	2010
Taxes on income and earnings	14	172
Other taxes	30	26
	<b>44</b>	<b>198</b>

Taxes on income and earnings and other taxes also include net items from previous years of EUR -50m.

## 27) Supervisory Board and Executive Board

The members of the Supervisory Board and the Executive Board are listed starting on p. 24.

**Executive Board** The Executive Board's remuneration consists of the following components:

- Basic remuneration, paid monthly as a salary.
- The variable remuneration is based on the operating margin for the Lufthansa Group. 75 per cent of this bonus is paid the following year, and therefore on an annual basis. The remaining 25 per cent are carried forward for another two years. At the end of the assessment period, which runs for three years in total, the amount carried forward is to be multiplied by a factor of between 0 and 2. How high the factor is depends to 70 per cent on the CVA achieved over the three-year period and to 30 per cent on sustainability parameters such as environmental protection, customer satisfaction and staff commitment.
- Executive Board members are also required to participate in the option programs for managers (with their own parameters which vary from those of the general managers' program). The duration of these programs was extended from three to four years in 2011. These arrangements ensure that the variable remuneration components are essentially based on performance over several years (cf. Note 9).
- In years with poor operating results due to extraordinary exogenous factors, the Supervisory Board may award Executive Board members an appropriate additional bonus.

The following remuneration was paid to individual Executive Board members in 2011:

Executive Board remuneration						
in EUR	Basic remuneration	Variable remuneration	Payments from maturing option programs	Change in the fair value of option programs	Other*	Total
Christoph Franz	1,207,500	578,815	-	324,669	148,906	2,259,890
Stephan Gemkow	862,500	407,989	180,000	18,945	96,446	1,565,880
Stefan Lauer	862,500	407,989	174,000	26,852	161,918	1,633,259
Carsten Spohr	862,500	407,989	-	32,708	67,523	1,370,720
<b>Total</b>	<b>3,795,000</b>	<b>1,802,782</b>	<b>354,000</b>	<b>403,174</b>	<b>474,793</b>	<b>6,829,749</b>

\* Other remuneration includes, in particular, the non-cash benefit of using company cars, the discount granted in connection with option program issues, benefits from concessionary travel in accordance with the relevant IATA regulations, and attendance fees and daily allowances for work on the supervisory boards of subsidiaries.

Executive Board members hold the following shares in the current option programs:

Option programs	2011 program	2010 program	2009 program
Christoph Franz	17,280	9,620	14,060
Stephan Gemkow	11,520	7,800	11,400
Stefan Lauer	11,520	7,800	11,400
Carsten Spohr	11,520	-	-

The pro rata change for 2011 in the fair value of option programs forms part of the individual Executive Board members' total remuneration and is stated in the remuneration table.

The total fair value of the 2011 option program for Mr Franz on the date of issue was EUR 1,011,645. For Mr Gemkow, Mr Lauer and Mr Spohr the figure was EUR 674,430 each.

Various contractual undertakings have been given to active Board members in the event that they cease to work for the Company.

Since 2006 each Executive Board member has had a personal pension account into which for the duration of their employment Deutsche Lufthansa AG pays contributions amounting to 25 per cent of the contractually guaranteed annual salary and the variable remuneration. The investments guidelines for the pension account are based on the same investment concept as for the Lufthansa Pension Trust, which also applies to staff members of Deutsche Lufthansa AG.

As of 31 December 2011 Mr Franz's retirement benefit entitlement amounted to EUR 1.1m (previous year: EUR 0.6m). That of Mr Gemkow was EUR 4.4m (previous year: EUR 4.1m), that of Mr Lauer EUR 5.9m (previous year: EUR 5.7m) and that of Mr Spohr EUR 1.1m.

If employment ends before an Executive Board member reaches retirement age, he or she retains the pension entitlement from the pension account, which is continued without further contributions. On reaching retirement age (65 or early retirement between 60 and 65 or in the event of disability) the account holder will acquire a pension credit equivalent to the balance of the pension account at that time. Lufthansa guarantees the amounts paid in retirement benefits.

A supplementary risk capital sum will be added to the pension credit in the event of a claim for a disability pension or a pension for surviving dependants. This sum will consist of the average contributions paid into the pension account over the past three years multiplied, when a disability pension entitlement arises, by the number of full years by which the claimant is short of the age of 60.

The pension credit is paid out in ten instalments. On application by the Executive Board member or his widow the pension credit will, subject to approval by the Company, be converted into a pension. On application by the Executive

Board member or his surviving dependants a single payment or payment in fewer than ten instalments may also be made.

The widow's pension is 60 per cent of the deceased's pension entitlement. If the Board member dies while in the Company's employment his widow will be paid his full salary until the end of the financial year for a period of at least six months.

Expenses for pension entitlements earned in 2011 amounted to EUR 0.5m for Mr Franz, EUR 0.4m for Mr Gemkow, EUR 0.3m for Mr Lauer and EUR 0.5m for Mr Spohr. The total amount of EUR 1.7m, plus EUR 6.8m in overall remuneration as shown in the remuneration table, is listed under staff costs, amounting to EUR 8.5m.

If Mr Lauer's employment contract is terminated for reasons for which he is not responsible he is entitled to a transitional pension until he becomes 60. Since 1 January 2011 the transitional pension entitlement has reached its maximum benefit level of 40 per cent of basic annual salary.

If Mr Gemkow's employment contract is terminated for reasons for which he is not responsible when he is over 55 he is entitled to a transitional pension until he becomes 60. As of 31 December 2011 his transitional pension entitlement came to 26 per cent of basic annual salary. The benefit level increases by two percentage points up to a maximum of 40 per cent for each year of service commenced from 1 February 2012 as a full Executive Board member of the Company.

If Mr Franz's employment contract is terminated for reasons for which he is not responsible when he is over 55 he is entitled to a transitional pension until he becomes 60. His transitional pension entitlement amounts to 10 per cent of his basic annual salary, increasing by two percentage points up to a maximum of 20 per cent for each year of service commenced from 1 June 2014 as a full member of the Executive Board.

Under his contract as a pilot, which is currently not active, Mr Spohr is entitled to a transitional pension in accordance with the wage agreement "Transitional pensions for cockpit staff". If Mr Spohr leaves the Executive Board before he becomes 60 and resumes his employment as a pilot he is entitled to draw a "Transitional pension for cockpit staff at Lufthansa" once he becomes 60 or on request once he becomes 55, in accordance with the provisions of the wage agreement. This additional benefit is paid if certain conditions of eligibility are met and provides for a monthly pension of up to 60 per cent of the last modified salary until the beneficiary reaches the age of 63.

If a contract is terminated early for reasons other than good cause or a change of control, the Company will not remunerate more than the value of outstanding entitlements for the remainder of the contract, as recommended by the German Corporate Governance Code, whereby these payments including ancillary benefits may not exceed annual remuneration for two years (maximum compensation). Maximum compensation is calculated by reference to total remuneration for the last full financial year before departure from the Executive Board, as shown in the remuneration

report, and including expected total remuneration for the current financial year.

If the contract between the Executive Board member and Deutsche Lufthansa AG is terminated in connection with a change of control at the Company, the Executive Board member is entitled to compensation for remuneration outstanding for the remainder of the contract. In accordance with the relevant recommendation of the German Corporate Governance Code, compensation may not exceed 150 per cent of the maximum compensation agreed in the contract and described above.

Current payments to former members of the Executive Board and their surviving dependants came to EUR 3.6m (previous year: EUR 3.2m). This includes payments by subsidiaries as well as benefits in kind and concessionary travel.

Pension obligations toward former Executive Board members and their surviving dependants amount to EUR 49.2m (previous year: EUR 39.9m).

**Supervisory Board** Supervisory Board remuneration in 2011 consisted of EUR 1.3m (previous year: EUR 1.3m) in fixed payments for Supervisory Board work at Deutsche Lufthansa AG. No variable remuneration was paid in the reporting year (previous year: EUR 1.3m). Variable bonuses are dependent on net profit per share for the period. Other remuneration, mainly attendance fees, amounted to EUR 79,000 (previous year: EUR 82,000).

The Deutsche Lufthansa AG Supervisory Board members were also paid EUR 65,000 (previous year: EUR 56,000) for work on supervisory boards of Group companies.

## 28) Distributable profit

It is proposed to use the distributable profit for the year of EUR 114m to pay a dividend of EUR 0.25 per share.

## 29) Declaration of compliance in accordance with Section 161 German Stock Corporation Act (AktG)

The declaration of compliance with the German Corporate Governance Code required by Section 161 of the German Stock Corporation Act (AktG) was issued by the Executive Board and Supervisory Board, and made permanently available to shareholders on the Company's website at <http://investor-relations.lufthansa.com/en/corporate-governance/corporate-governance-declaration-section-289a-hgb/declaration-of-compliance-section-161-aktg.html>.

## 30) Auditors' fees

The fees paid to the auditors in the financial year and charged to expenses in accordance with Section 319 Paragraph 1 HGB are made up as follows:

- Audit services	EUR 2.4m
- Other certification services	EUR 0.6m
- Tax advisory services	EUR 0.4m
- Other services	EUR 0.8m
	<b>EUR 4.2m</b>

## Declaration by the legal representatives in accordance with the Transparency Directive Transposition Act (TUG)

"We declare that to the best of our knowledge and according to the applicable accounting standards the financial statements give a true and fair view of the net assets, financial and earnings positions of the Company, and that the management report, which has been combined with the Group management report, gives a true and fair view of the course of business, earnings and the situation of the Company, and suitably presents the opportunities and risks to its future development."

Cologne, 7 March 2012

**Deutsche Lufthansa Aktiengesellschaft**

Executive Board

## Auditors' report

We have audited the annual financial statements, comprising the balance sheet, the income statement and the notes to the financial statements, together with the bookkeeping system, and the management report, which is combined with the Group management report, of Deutsche Lufthansa AG, Cologne, for the financial year from 1 January to 31 December 2011. The regulations of German commercial law and the further provisions of the Articles of Association state that the accounts and the preparation of the annual financial statements and management report are the responsibility of the Company's Executive Board. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system and the combined management report, based on our audit.

We conducted our audit of the annual financial statements in accordance with Section (Article) 317 HGB ("Handelsgesetzbuch": "German Commercial Code") and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (Institute of Public Auditors in Germany) (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the annual financial statements in accordance with (German) principles of proper accounting and in the combined management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Company and expectations as to possible misstatements are taken into account in the determination of audit procedures. The effectiveness of the accounting-related internal control system and the evidence supporting the disclosures in the books and records, the annual financial statements and the combined management report are examined primarily on a test basis within the framework of the audit.

The audit includes assessing the accounting principles used and significant estimates made by the Company's Executive Board, as well as evaluating the overall presentation of the annual financial statements and combined management report. We believe that our audit provides a reasonable basis for our opinion.

Our audit has not led to any reservations.

In our opinion, based on the findings of our audit the annual financial statements comply with statutory regulations and the further provisions of the Articles of Association and with due regard for generally accepted accounting standards convey a true and fair view of the Company's net assets, financial and earnings position.

The combined management report is consistent with the annual financial statements and as a whole provides a correct view of the Company's position and correctly presents the opportunities and risks of future development.

Düsseldorf, 7 March 2012

PricewaterhouseCoopers  
Aktiengesellschaft  
Wirtschaftsprüfungsgesellschaft

Frank Hübner  
Wirtschaftsprüfer (German Public Auditor)

Dr Bernd Roese  
Wirtschaftsprüfer (German Public Auditor)

# Supervisory Board and Executive Board

## Supervisory Board

### Dr Wolfgang Röller

Former Chairman of the Supervisory Board  
Deutsche Lufthansa AG  
Honorary Chairman

## Voting members

### Dipl.-Ing. Dr.-Ing. E.h.

#### Jürgen Weber

Former Chairman of the Executive Board Deutsche Lufthansa AG  
Chairman

### Frank Bsirske

Chairman ver.di  
Employee representative  
Deputy Chairman

### Jacques Aigrain

Chairman  
LCH.Clearent Group Limited, UK

### Dr Werner Brandt

Member of the Executive Board  
SAP AG

### Bernd Buresch

Coordinator  
Enterprise Operation Center  
Employee representative

### Jörg Cebulla

Flight captain and board member of the Vereinigung Cockpit pilots' union  
Employee representative

### Dipl.-Vwt. Jürgen Erwert

Administrative staff member  
Employee representative

### Herbert Hainer

CEO  
adidas AG

### Dr Jürgen Hambrecht

Former Chairman of the Executive Board  
BASF SE

### Dominique Hiekel

Purser  
Employee representative

### Dr h.c. Robert Kimmitt

Senior International Counsel  
Wilmer Hale, USA

### Martin Koehler

Senior Advisor  
The Boston Consulting Group Inc.

### Dr Nicola Leibinger-Kammüller

Managing partner and Chair of the Managing Board  
TRUMPF GmbH + Co. KG

### Eckhard Lieb

Engine mechanic  
Employee representative

### Simon Reimann

Flight attendant and member of the trade union UFO  
Employee representative

### Marlies Rose

Flight Manager  
Employee representative

### Dr Klaus G. Schlede

Former Deputy  
Chairman of the Executive Board  
Deutsche Lufthansa AG

### Matthias Wissmann

President of the automotive industry trade association (VDA)

### Dr Michael Wollstadt

Head of IT Revenue Management  
Employee representative

### Stefan Ziegler

Flight captain  
Employee representative

## Executive Board

### Christoph Franz

Chairman of the Executive Board and CEO

### Stephan Gemkow

Member of the Executive Board  
Chief Officer Finances and Aviation Services

### Stefan Lauer

Member of the Executive Board  
Chief Officer Group Airlines and Corporate Human Resources

### Carsten Spohr

Member of the Executive Board  
Chief Officer Lufthansa German Airlines

## Other mandates of the Supervisory Board members of Deutsche Lufthansa AG

As of 31 December 2011

### **Dipl.-Ing. Dr.-Ing. E.h.**

#### **Jürgen Weber**

- a) Allianz Lebensversicherungs-AG  
Bayer AG  
Voith GmbH  
Willy Bogner GmbH & Co. KGaA  
(Chairman of the Supervisory Board)
- b) Loyalty Partner GmbH (Chairman of the Supervisory Board)  
Tetra Laval Group

#### **Frank Bsirske**

- a) Deutsche Postbank AG  
(Deputy Chairman of the Supervisory Board)  
IBM Central Holding GmbH  
RWE AG (Deputy Chairman of the Supervisory Board)

#### **Jacques Aigrain**

- b) J.A. Consulting SA  
LyondellBassell NV  
Resolution Limited  
Swiss International Air Lines AG

#### **Dr Werner Brandt**

- b) QIAGEN N.V.

#### **Bernd Buresch**

- a) Lufthansa Systems AG

#### **Herbert Hainer**

- a) Allianz Deutschland AG  
FC Bayern München AG  
(Deputy Chairman of the Supervisory Board)

#### **Dr Jürgen Hambrecht**

- a) Daimler AG  
Fuchs Petrolub AG (Chairman of the Supervisory Board)  
TRUMPF GmbH & Co. KG

#### **Martin Koehler**

- a) Delton AG

#### **Dr Nicola Leibinger-Kammüller**

- a) Axel Springer AG  
Siemens AG  
Voith GmbH

#### **Eckhard Lieb**

- b) Albatros Versicherungsdienste GmbH

#### **Matthias Wissmann**

- a) Seeburger AG (Deputy Chairman)

a) Membership of supervisory boards required by law

b) Membership of comparable supervisory boards at  
companies in Germany and abroad

\* Group mandate



# Mandates of the Executive Board members of Deutsche Lufthansa AG

As of 31 December 2011

## Christoph Franz

- a) Lufthansa Technik AG\*
- b) Roche Holding AG  
SN Airholding SA/NV  
Stadler Rail AG  
SWISS International Air Lines AG\*

## Stephan Gemkow

- a) Delvag Luftfahrtversicherungs-AG\*  
(Chairman of the Supervisory Board)  
Evonik Industries AG  
LSG Lufthansa Service Holding AG\*  
(Chairman of the Supervisory Board)  
Lufthansa AirPlus Servicekarten GmbH\*  
(Chairman of the Supervisory Board)  
Lufthansa Cargo AG\*  
(Chairman of the Supervisory Board)  
Lufthansa Systems AG  
(Chairman of the Supervisory Board)  
Lufthansa Technik AG\*  
(Chairman of the Supervisory Board)
- b) Amadeus IT Group S.A.  
Amadeus IT Holding S.A.  
JetBlue Airways Corp.

## Stefan Lauer

- a) Fraport AG  
Germanwings GmbH\*  
(Chairman of the Supervisory Board)  
LSG Lufthansa Service Holding AG\*  
Lufthansa Cargo AG\*  
Lufthansa Flight Training GmbH\*  
(Chairman of the Supervisory Board)  
Pensions-Sicherungs-Verein VVaG
- b) AMECO Corp.  
(Deputy Chairman of the Board of Directors)  
Austrian Airlines AG  
(Chairman of the Supervisory Board)  
ESMT European School of Management and  
Technology GmbH  
Landesbank Hessen-Thüringen Girozentrale  
SN Airholding SA/NV  
Sun Express Günes Ekspres Havacilik  
A.S. (Deputy Chairman of the Board of Directors)  
SWISS International Air Lines AG\*

## Carsten Spohr

- a) Dr. August Oetker KG

a) Membership of supervisory boards required by law  
b) Membership of comparable supervisory boards at companies  
in Germany and abroad  
\* Group mandate

## Annexe to the notes

### List of shareholdings

<b>Significant equity investments</b>	<b>Stake in %</b>	<b>Earnings after taxes in EUR m<sup>9</sup></b>	<b>Shareholders' Equity in EUR m<sup>9</sup></b>
41/42 Bartlett (Pty) Ltd., Johannesburg, South Africa	100	-- <sup>4</sup>	-- <sup>4</sup>
Aerococina S.A. de C.V., Mexico City, Mexico	52	1	8
Aerologic GmbH, Leipzig	50	10 <sup>6</sup>	17 <sup>6</sup>
Air Dolomiti S.p.A. Linee Aeree Regionali Europee, Dossobuono di Villafranca (Verona), Italy	100	-3	16
Aircraft Maintenance and Engineering Corp., Beijing, China	40	7 <sup>6</sup>	154 <sup>6</sup>
AirLiance Materials LLC, Roselle, IL, USA	100	1	18
AIRO Catering Services – Ukraine, Boryspil, Ukraine	100	-- <sup>7</sup>	-- <sup>7</sup>
AIRO Catering Services Eesti OÜ, Tallinn, Estonia	100	-- <sup>7</sup>	1
Airo Catering Services Latvija SIA, Marupe, Latvia	100	-- <sup>7</sup>	1
AIRO Catering Services Sweden AB, Stockholm-Arlanda, Sweden	100	1	12
AirPlus Air Travel Card Vertriebsgesellschaft mbH, Vienna, Austria	67	2	18
AirPlus Holding GmbH, Vienna, Austria	100	1	6
AirPlus International AG, Kloten, Switzerland	100	4	12
AirPlus International Limited, London, United Kingdom	100	3	7
AirPlus International S.r.l., Bologna, Italy	100	2	7
AirPlus International, Inc., Springfield, USA	100	1	4
AirPlus Payment Management Co., Ltd., Shanghai, China	100	-- <sup>7</sup>	17
AirTrust AG, Zug, Switzerland	100	300	98
Alpar Flug- und Flugplatz-Gesellschaft AG, Belp, Switzerland	14	-- <sup>7</sup>	8 <sup>8</sup>
Amadeus IT Holding, S.A., Madrid, Spain	8		
Arlington Services Mexico S.A. de C.V., Mexico City, Mexico	100	-- <sup>7</sup>	14
Arlington Services Panama S.A., Panama City, Panama	100	1	10
Arlington Services, Inc., Wilmington, USA	100	3	75
AUA Beteiligungen Gesellschaft m.b.H., Vienna Airport, Austria	100	1	12
Austrian Airlines AG, Vienna Airport, Austria	100	-97	25
Austrian Airlines Lease and Finance Company Ltd., Guernsey, Channel Islands, United Kingdom	100	41	209
AVIAPIT-SOCHI OOO, Sochi, Russia	100	1	5
Bahia Catering Ltda., São Cristóvão (Salvador), Brazil	95	-- <sup>7</sup>	5
BELAC LLC, Oldsmar, Florida, USA	21	12 <sup>6</sup>	29 <sup>6</sup>
Belém Serviços de Bordo Ltda., Belém, Brazil	70	-- <sup>7</sup>	-- <sup>7</sup>
BizJet International Sales & Support, Inc., Tulsa, USA	100	4	9
Brahim's - LSG Sky Chefs Holdings Sdn Bhd, Bandar Baru Bangi, Malaysia	49	9 <sup>6</sup>	21 <sup>6</sup>
British Midland Airways Ltd., Donington Hall, United Kingdom	100	-166	-140

<b>Significant equity investments (cont'd)</b>	<b>Stake in %</b>	<b>Earnings after taxes in EUR m<sup>9</sup></b>	<b>Shareholders' Equity in EUR m<sup>9</sup></b>
Capital Gain International (1986) Ltd., Hong Kong, China	100	-- <sup>7</sup>	2
Cater Suprimento de Refeicoes, Ltda., Rio de Janeiro, Brazil	100	-1	-5
Caterair Servicos de Bordo e Hotelaria S.A., Rio de Janeiro, Brazil	100	-1	4
Caterair Taiwan In-Flight Services, Inc., Taipei, Taiwan	100	-- <sup>7</sup>	-1
CateringPor – Catering de Portugal, S.A., Lisbon, Portugal	49	1 <sup>6</sup>	5 <sup>6</sup>
Charm Food Service Co. Ltd., Incheon, South Korea	80	-- <sup>7</sup>	-- <sup>7</sup>
CityLine Avro Simulator und Training GmbH Berlin, Berlin	50	-- <sup>7</sup>	1
CLS Catering Services Ltd., Richmond, Canada	70	1	9
Comercializadora de Servicios Limitada, Santiago de Chile, Chile	100	-- <sup>4</sup>	-- <sup>4</sup>
Comisariato de Baja California, S.A. de C.V., Tijuana, Mexico	51	-- <sup>7</sup>	1
Comisariatos Gotre, S.A. de C.V., Torreon, Mexico	51	-- <sup>7</sup>	1
Constance Food Group, Inc., New York, USA	100	-- <sup>7</sup>	1
Delvag Luftfahrtversicherungs-AG, Cologne	100	9 <sup>6</sup>	36 <sup>6</sup>
Diners Club Spain S.A., Madrid, Spain	25	2 <sup>6</sup>	11 <sup>6</sup>
Edelweiss Air AG, Kloten, Switzerland	100	9	43
Eurowings GmbH, Düsseldorf	100	7	47
Fortaleza Serviços de Bordo Ltda., Fortaleza, Brazil	70	-- <sup>7</sup>	-- <sup>7</sup>
Gansu HNA LSG Sky Chefs Co., Ltd., Lanzhou, China	49	-- <sup>7</sup>	2 <sup>6</sup>
Germanwings GmbH, Cologne	100	-40	53
Global Brand Management AG, Basel, Switzerland	100	36	168
GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 7 oHG, Grünwald	100	3	1
Günes Ekspres Havacilik Anonim Sirketi (SunExpress), Antalya, Turkey	10 <sup>5</sup>	-5 <sup>6</sup>	23 <sup>6</sup>
Hamburger Gesellschaft für Flughafenanlagen mbH, Hamburg	100	6	155
Hawker Pacific Aerospace, Sun Valley, USA	100	1	40
HEICO Aerospace Holdings Corp., Florida, USA	20	32 <sup>6</sup>	301 <sup>6</sup>
Hongkong Beijing Air Catering Ltd., Hong Kong, China	45	-- <sup>7</sup>	3 <sup>6</sup>
Hongkong Shanghai Air Catering Ltd., Hong Kong, China	45	-- <sup>7</sup>	6 <sup>6</sup>
Inflight Catering (Pty) Ltd., Johannesburg, South Africa	100	-- <sup>4</sup>	-- <sup>4</sup>
Inflight Catering Services Limited, Dar es Salaam, Tanzania	62	2	3
In-flight Management Solutions GmbH, Neu-Isenburg	100	-- <sup>7</sup>	-- <sup>7</sup>
Inflite Holdings (Cayman) Ltd., Grand Cayman, Cayman Islands	49	4	13
Inflite Holdings (St. Lucia) Ltd., Castries, St. Lucia	49	2	8
International Food Services Ltd., Hong Kong, China	100	-- <sup>7</sup>	5
Inversiones Turisticas Aeropuerto Panama, S.A., Panama City, Panama	100	-- <sup>4</sup>	-- <sup>4</sup>
Jade Cargo International Company Limited, Shenzhen, China	25	16 <sup>6</sup>	-64 <sup>6</sup>
Jetblue Airways Corporation, City of Dover, County of Kent, Delaware, USA	16		
Jettainer GmbH, Raunheim	100	2	4
Lauda Air Luftfahrt GmbH, Vienna Airport, Austria	100	7	7
LeaseAir GmbH & Co. Verkehrsflugzeuge V KG, Dortmund	100	-- <sup>7</sup>	19

<b>Significant equity investments (cont'd)</b>	<b>Stake in %</b>	<b>Earnings after taxes in EUR m<sup>9</sup></b>	<b>Shareholders' Equity in EUR m<sup>9</sup></b>
LHBD Holding Limited, London, United Kingdom	100 <sup>2</sup>	-- <sup>7</sup>	497
LLG Nord GmbH & Co. Bravo KG, Grünwald	100	4	1
LSG Asia GmbH, Neu-Isenburg	100	14	-- <sup>7</sup>
LSG Catering (Thailand) Ltd., Bangkok, Thailand	100	1	2
LSG Catering China Ltd., Hong Kong, China	100	-- <sup>7</sup>	-- <sup>7</sup>
LSG Catering Guam, Inc., Guam, USA	100	1	-- <sup>7</sup>
LSG Catering Hong Kong Ltd., Hong Kong, China	100	7	71
LSG Catering Saipan, Inc., Saipan, Micronesia	100	-- <sup>4</sup>	-- <sup>7</sup>
LSG France SAS, Paris, France	100	-- <sup>7</sup>	-- <sup>7</sup>
LSG Holding Asia Ltd., Hong Kong, China	87	4	18
LSG Lufthansa Service - Sky Chefs do Brasil Catering, Refeições Ltda., São Paulo, Brazil	100	-7	-20
LSG Lufthansa Service Asia Ltd., Hong Kong, China	100	4	34
LSG Lufthansa Service Cape Town (Pty) Ltd., Cape Town, South Africa	100	-- <sup>4</sup>	-- <sup>7</sup>
LSG Lufthansa Service Catering- und Dienstleistungsgesellschaft mbH, Neu-Isenburg	100	-- <sup>7</sup>	-- <sup>7</sup>
LSG Lufthansa Service Enterprises Ltd., Hong Kong, China	100	-- <sup>7</sup>	-- <sup>7</sup>
LSG Lufthansa Service Europa/Afrika GmbH, Neu-Isenburg	100	-3	-9
LSG Lufthansa Service Guam, Inc., Guam, USA	100	1	5
LSG Lufthansa Service Holding AG, Neu-Isenburg	100	-4	717
LSG Lufthansa Service Hong Kong Ltd., Hong Kong, China	42	5	26
LSG Lufthansa Service Saipan, Inc., Saipan, Micronesia	100	1	8
LSG Sky Chefs - First Catering Schweiz AG, Bassersdorf, Switzerland	60	-2	-2
LSG Sky Chefs (India) Private Ltd., Mumbai, India	100	-1	7
LSG Sky Chefs (Qingdao) Co., Ltd., Laixi City, China	100	-1	3
LSG Sky Chefs (Thailand) Ltd., Bangkok, Thailand	64	1	13
LSG Sky Chefs Argentina S.A. i.G., Buenos Aires, Argentina	100	-- <sup>7</sup>	-- <sup>7</sup>
LSG Sky Chefs Australasia Pty Limited, Sydney, Australia	100	-- <sup>7</sup>	1
LSG Sky Chefs Belgium N.V., Zaventem, Belgium	100	1	4
LSG Sky Chefs Berlin GmbH, Neu-Isenburg	100	-- <sup>7</sup>	-- <sup>7</sup>
LSG Sky Chefs Bremen GmbH, Neu-Isenburg	100	-- <sup>7</sup>	-- <sup>7</sup>
LSG Sky Chefs Building AB, Stockholm, Sweden	100	-- <sup>7</sup>	1
LSG Sky Chefs Catering Logistics GmbH, Neu-Isenburg	100	4	2
LSG Sky Chefs Culinary Service GmbH, Neu-Isenburg	100	-2	-2
LSG Sky Chefs Danmark A/S, Kastруп, Denmark	100	-2	-5
LSG Sky Chefs de Venezuela C.A., Caracas, Venezuela	100	-1	3
LSG Sky Chefs Düsseldorf GmbH, Neu-Isenburg	100	1	1
LSG Sky Chefs Frankfurt International GmbH, Neu-Isenburg	100	-6	1
LSG Sky Chefs Frankfurt ZD GmbH, Neu-Isenburg	100	4	7
LSG Sky Chefs Gulf Solutions W.L.L., Manama, Bahrain	60	-- <sup>7</sup>	-- <sup>7</sup>
LSG Sky Chefs Hamburg GmbH, Neu-Isenburg	100	-- <sup>7</sup>	2

<b>Significant equity investments (cont'd)</b>	<b>Stake in %</b>	<b>Earnings after taxes in EUR m<sup>9</sup></b>	<b>Shareholders' Equity in EUR m<sup>9</sup></b>
LSG Sky Chefs Hannover GmbH, Neu-Isenburg	100	-- <sup>7</sup>	1
LSG Sky Chefs Havacilik Hizmetleri A.S., Sefaköy-Istanbul, Turkey	100	3	9
LSG Sky Chefs In-Flight Logistics Asia Pacific Ltd., Hong Kong, China	100	-- <sup>7</sup>	1
LSG Sky Chefs Istanbul Catering Hizmetleri A.S., Istanbul, Turkey	100 <sup>1</sup>	1	10
LSG Sky Chefs Köln GmbH, Neu-Isenburg	100	1	3
LSG Sky Chefs Korea Co Ltd., Incheon, South Korea	80	19	71
LSG Sky Chefs Leipzig GmbH, Neu-Isenburg	100	-- <sup>7</sup>	2
LSG Sky Chefs Lounge GmbH, Neu-Isenburg	100	-2	-- <sup>7</sup>
LSG Sky Chefs München GmbH, Neu-Isenburg	100	3	-1
LSG Sky Chefs New Zealand Limited, Auckland, New Zealand	100	1	17
LSG Sky Chefs Norge AS, Oslo, Norway	100	-- <sup>7</sup>	3
LSG Sky Chefs North America Solutions, Inc., Wilmington, USA	100	-- <sup>7</sup>	6
LSG Sky Chefs Nürnberg GmbH, Neu-Isenburg	100	-1	-- <sup>7</sup>
LSG Sky Chefs Objekt- und Verwaltungsgesellschaft mbH, Neu-Isenburg	100	4	100
LSG Sky Chefs Rus, Moscow, Russia	100	-1	-1
LSG Sky Chefs S.p.A., Fiumicino (Roma), Italy	100	4	8
LSG Sky Chefs Schweiz AG, Rümlang, Switzerland	100	1	3
LSG Sky Chefs Solutions Asia Limited, Hong Kong, China	100	1	1
LSG Sky Chefs South Africa (Proprietary) Ltd., Johannesburg, South Africa	100	1	11
LSG Sky Chefs Stuttgart GmbH, Neu-Isenburg	100	-1	2
LSG Sky Chefs Supply Chain Solutions, Inc., Wilmington, USA	100	-- <sup>7</sup>	2
LSG Sky Chefs Sverige AB, Stockholm, Sweden	100	2	5
LSG Sky Chefs UK Ltd., Feltham, United Kingdom	100	-1	16
LSG Sky Chefs USA, Inc., Wilmington, USA	100	1	410
LSG Sky Chefs Verwaltungsgesellschaft mbH, Neu-Isenburg	100	-6	28
LSG Sky Chefs/GCC Ltd., Feltham, United Kingdom	50	1	11
LSG South America GmbH, Neu-Isenburg	100	1	-- <sup>7</sup>
LSG/Sky Chefs Europe Holdings Ltd., Horley, United Kingdom	100	-6	40
LSG-Food & Nonfood Handel GmbH, Neu-Isenburg	100	-- <sup>7</sup>	1
LSG-Sky Food GmbH, Alzey	100	2	-1
Lufthansa AirPlus Servicekarten GmbH, Neu-Isenburg	100	14	44
Lufthansa Bombardier Aviation Services GmbH, Schönefeld	51	3 <sup>6</sup>	7 <sup>6</sup>
Lufthansa Cargo AG, Frankfurt	100	194	304
Lufthansa Cargo Charter Agency GmbH, Frankfurt am Main	100	-- <sup>7</sup>	-- <sup>7</sup>
Lufthansa CityLine GmbH, Cologne	100	-43	128
Lufthansa Commercial Holding GmbH, Cologne	100	42	639
Lufthansa Flight Training Berlin GmbH, Berlin	100	1	8
Lufthansa Flight Training GmbH, Frankfurt/Main	100	19	32
Lufthansa Italia S.p.A., Milan, Italy	100	2	12

Significant equity investments (cont'd)	Stake in %	Earnings after taxes in EUR m <sup>9</sup>	Shareholders' Equity in EUR m <sup>9</sup>
Lufthansa Leasing Austria GmbH & Co. OG Nr. 1, Salzburg, Austria	100	3	50
Lufthansa Leasing Austria GmbH & Co. OG Nr. 2, Salzburg, Austria	100	3	5
Lufthansa Leasing Austria GmbH & Co. OG Nr. 3, Salzburg, Austria	100	5	8
Lufthansa Leasing Austria GmbH & Co. OG Nr. 4, Salzburg, Austria	100	8	15
Lufthansa Leasing Austria GmbH & Co. OG Nr. 5, Salzburg, Austria	100	-- <sup>7</sup>	4
Lufthansa Leasing Austria GmbH & Co. OG Nr. 6, Salzburg, Austria	100	8	11
Lufthansa Leasing Austria GmbH & Co. OG Nr. 7, Salzburg, Austria	100	22	29
Lufthansa Leasing Austria GmbH & Co. OG Nr. 8, Salzburg, Austria	100	17	20
Lufthansa Leasing Austria GmbH & Co. OG Nr. 9, Salzburg, Austria	100	25	29
Lufthansa Leasing Austria GmbH & Co. OG Nr. 10, Salzburg, Austria	100	13	83
Lufthansa Leasing Austria GmbH & Co. OG Nr. 11, Salzburg, Austria	100	12	22
Lufthansa Leasing Austria GmbH & Co. OG Nr. 12, Salzburg, Austria	100	4	71
Lufthansa Leasing Austria GmbH & Co. OG Nr. 14, Salzburg, Austria	100	5	97
Lufthansa Leasing GmbH & Co. Echo-Zulu oHG, Grünwald	100	-2	15
Lufthansa Leasing GmbH & Co. Fox-Alfa oHG i.L., Grünwald	100	-- <sup>7</sup>	-- <sup>7</sup>
Lufthansa Leasing GmbH & Co. Fox-Golf oHG, Grünwald	100	-- <sup>7</sup>	21
Lufthansa Leasing GmbH & Co. Fox-Hotel oHG i.L., Grünwald	100	1	-- <sup>7</sup>
Lufthansa Malta Aircraft Leasing Ltd, St. Julian's, Malta	100	41	1,808
Lufthansa Malta Finance p.l.c., St. Julian's, Malta	100	9	421
Lufthansa Malta Holding Ltd, St. Julian's, Malta	100	1	2,125
Lufthansa Pension GmbH & Co. KG, Frankfurt	100	-- <sup>7</sup>	4,604
Lufthansa Process Management GmbH, Neu-Isenburg	100	1	-- <sup>7</sup>
Lufthansa Systems Aktiengesellschaft, Kelsterbach	100	16	61
Lufthansa Systems Americas, Inc., Miami, USA	100	-- <sup>7</sup>	-1
Lufthansa Systems AS GmbH, Norderstedt	100	3	6
Lufthansa Systems Business Solutions GmbH, Raunheim	100	3	-- <sup>7</sup>
Lufthansa Technik AERO Alzey GmbH, Alzey	100	7	19
Lufthansa Technik AG, Hamburg	100	150	608
Lufthansa Technik Airmotive Ireland Holdings Ltd., Co. Dublin, Ireland	100	-- <sup>7</sup>	167
Lufthansa Technik Airmotive Ireland Leasing Ltd., Co. Dublin, Ireland	100	8	37
Lufthansa Technik Airmotive Ireland Ltd., Co. Dublin, Ireland	100	3	33
Lufthansa Technik Budapest Repülögép Nagyjavító Kft., Budapest, Hungary	85	-2	2
Lufthansa Technik Immobilien- und Verwaltungsgesellschaft mbH, Hamburg	100	-1	35
Lufthansa Technik Landing Gear Services UK Ltd., Kestrel Way, Hayes, United Kingdom	100	-1	19
Lufthansa Technik Logistik GmbH, Hamburg	100	1	7
Lufthansa Technik Maintenance International GmbH, Frankfurt/Main	100	5	7
Lufthansa Technik Malta Limited, Luqa, Malta	92	-1	-8
Lufthansa Technik North America Holding Corp., Wilmington, USA	100	3	166
Lufthansa Technik Objekt- und Verwaltungsgesellschaft mbH, Hamburg	100	6	100

<b>Significant equity investments (cont'd)</b>	<b>Stake in %</b>	<b>Earnings after taxes in EUR m<sup>9</sup></b>	<b>Shareholders' Equity in EUR m<sup>9</sup></b>
Lufthansa Technik Philippines, Inc., Manila, Philippines	51	10	42
Lufthansa Technik Switzerland GmbH, Basel, Switzerland	100	-4	-11
Lufthansa Training & Conference Center GmbH, Seeheim-Jugenheim	100	-2	3
Lufthansa WorldShop GmbH, Frankfurt/Main	100	14	-- <sup>7</sup>
Material Marketing Solutions Limited, Feltham, United Kingdom	100	-- <sup>7</sup>	1
Miles & More International GmbH, Neu-Isenburg	100	26	-- <sup>7</sup>
Myanmar LSG Lufthansa Service Ltd., Yangon, Myanmar	100	-- <sup>7</sup>	2
N3 Engine Overhaul Services GmbH & Co. KG, Arnstadt	50	11 <sup>6</sup>	32 <sup>6</sup>
Nanjing Lukou International Airport LSG Catering Co Ltd., Nanjing, China	40	1 <sup>6</sup>	6 <sup>6</sup>
Natal Catering Ltda., Natal, Brazil	70	-- <sup>7</sup>	-- <sup>7</sup>
Oakfield Farms Solutions Europe Ltd., Feltham, United Kingdom	51	-- <sup>7</sup>	-- <sup>7</sup>
Oakfield Farms Solutions, L.L.C., Wilmington, Delaware, USA	51	2	5
ÖLB Österreichische Luftverkehrs-Beteiligungs GmbH, Vienna Airport, Austria	100	-- <sup>7</sup>	-2
ÖLH Österreichische Luftverkehrs-Holding GmbH, Vienna Airport, Austria	100 <sup>3</sup>	-1	-2
Quinto Grundstücksgesellschaft mbH & Co. oHG, Grünwald	100	3	101
SC International Services, Inc., Wilmington, USA	100	-- <sup>7</sup>	394
SCIS Air Security Corporation, Wilmington, USA	100	5	8
ServCater Internacional Ltda., Guarulhos, Brazil	90	-5	-5
Shanghai Pudong International Airport Cargo Terminal Co. Ltd., Shanghai, China	29	53 <sup>6</sup>	119 <sup>6</sup>
Shannon Aerospace Ltd., Co. Claire, Ireland	100	-- <sup>7</sup>	35
Siam Flight Services Ltd., Bangkok, Thailand	49	1	4
Sky Chefs Argentine, Inc., Wilmington, USA	100	-- <sup>7</sup>	2
Sky Chefs Chile S.A., Santiago de Chile, Chile	100	1	16
Sky Chefs De Mexico, S.A. de C.V., Mexico City, Mexico	51	2	3
Sky Chefs de Panama, S.A., Panama City, Panama	100	2	6
Sky Chefs, Inc., Wilmington, USA	100	4	-102
SkylogistiX GmbH, Neu-Isenburg	75	1	1
SN Airholding SA/NV, Brussels, Belgium	45	1 <sup>6</sup>	81 <sup>6</sup>
Spairliners GmbH, Hamburg	50	1 <sup>6</sup>	18 <sup>6</sup>
Starfood Antalya Gıda Sanayi ve Ticaret A.S., Istanbul, Turkey	51	-- <sup>7</sup>	-- <sup>7</sup>
Starfood S.r.l., Fiumicino, Italy	51	1	1
Swiss Aviation Software AG, Basel, Switzerland	100	2	8
Swiss Aviation Training Ltd., Basel, Switzerland	100	2	23
Swiss European Air Lines AG, Basel, Switzerland	100	-- <sup>7</sup>	-- <sup>7</sup>
Swiss International Air Lines AG, Basel, Switzerland	100	102	1,511
TGV DLH, Düsseldorf	100	-29	2,180
TRAVIAUSTRIA Datenservice für Reise und Touristik Gesellschaft m.b.H. & Co NFG. KG, Vienna, Austria	69	-- <sup>7</sup>	2
Tyrolean Airways Tiroler Luftfahrt GmbH, Innsbruck, Austria	100	7	58
UAB Airo Catering Services Lietuva, Vilna (Vilnius), Lithuania	100	-- <sup>7</sup>	-- <sup>7</sup>

<b>Significant equity investments (cont'd)</b>	<b>Stake in %</b>	<b>Earnings after taxes in EUR m<sup>9</sup></b>	<b>Shareholders' Equity in EUR m<sup>9</sup></b>
Western Aire Chef, Inc., Wilmington, USA	100	-- <sup>7</sup>	-- <sup>7</sup>
Xian Eastern Air Catering Co. Ltd., Xian, China	30	-- <sup>7</sup>	3 <sup>6</sup>
Yunnan Eastern Air Catering Co. Ltd., Kunming, China	25	-- <sup>7</sup>	8 <sup>6</sup>
ZAO Aeromar, Moscow region, Russia	49	7 <sup>6</sup>	12 <sup>6</sup>
ZAO AeroMEAL, Yemelyanovo, Russia	55	-- <sup>7</sup>	1

<sup>1</sup> 33.34 per cent of the equity stake and 50.01 per cent of voting rights are attributed via a call option.

<sup>2</sup> 11.50 per cent of the equity stake and 65 per cent of voting rights are attributed via a call option.

<sup>3</sup> 50.20 per cent of the equity stake and voting rights are held via a foundation.

<sup>4</sup> No figures available.

<sup>5</sup> An additional 40 per cent is held via TGV DLH.

<sup>6</sup> Local law 2010.

<sup>7</sup> Below EUR 1m.

<sup>8</sup> Local law 2009.

<sup>9</sup> IFRS disclosures.



## Legal information

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