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The management report for Deutsche Lufthansa AG and the Group management report have been combined and published in the Lufthansa Annual Report 2012. The financial statements and the combined management report and Group management report of Deutsche Lufthansa AG for the financial year 2012 are published in the German Bundesanzeiger and are also accessible from the internet site of the company registry.

Financial statements 2012 for Deutsche Lufthansa AG

Deutsche Lufthansa AG

Balance sheet as of 31 December 2012

Assets			
in €m	Note	31.12.2012	31.12.2011
Intangible assets		155	157
Aircraft		5,076	4,573
Property, plant and other equipment		120	107
Financial investments	4)	9,837	9,367
Non-current assets	3)	15,188	14,204
Inventories	5)	63	44
Trade receivables	6)	502	537
Other receivables and other assets	6)	2,666	1,754
Securities	7)	1,443	1,199
Liquid funds	7)	821	210
Current assets		5,495	3,744
Prepaid expenses	8)	47	66
Excess of plan assets over provisions for pensions	9)	17	0
Total assets		20,747	18,014
Shareholders' equity and liabilities			
in €m	Note	31.12.2012	31.12.2011
Issued capital	10)	1,177	1,172
Capital reserve	11)	872	857
Retained earnings	11)	1,634	1,337
Distributable earnings	30)	296	114
Shareholders' equity		3,979	3,480
Provisions	12)	6,726	6,684
Bonds		2,100	2,107
Liabilities to banks		1,169	1,007
Payables to affiliated companies		3,102	1,713
Other liabilities		3,652	2,999
Liabilities	13)	10,023	7,826
Deferred income		19	24
Total shareholders' equity and liabilities		20,747	18,014

Deutsche Lufthansa AG

Income statement for the financial year 2012

in €m	Notes	2012	2011
Traffic revenue	17)	15,964	15,179
Other revenue	18)	314	300
Total revenue		16,278	15,479
Other operating income	19)	1,721	1,842
Cost of materials and services	20)	-12,178	-11,100
Staff costs	21)	-2,638	-2,669
Depreciation, amortisation and impairment	22)	-520	-489
Other operating expenses	23)	-3,043	-3,232
Result from operating activities		-380	-169
Result from equity investments	24)	1,758	901
Net interest	25)	-184	-416
Impairment on investments and current securities	26)	-138	-353
Financial result		1,436	132
Result from ordinary activities		1,056	-37
Extraordinary result	27)	-396	-35
Taxes	28)	-68	-44
Net profit/loss for the year		592	-116
Transfers from retained earnings	11)		230
Transfers to retained earnings	11)	-296	
Distributable earnings	30)	296	114

Deutsche Lufthansa AG

Statement of changes in non-current assets for 2012

in €m	Changes in historical cost				Accumulated depreciation and amortisation				Carrying amounts			
	As of: 1.1.2012	Additions	Disposals	Reclassifi- cations	As of: 31.12.2012	As of: 1.1.2012	Additions	Disposals	Reversals of impairment losses	Reclasifi- cations	As of: 31.12.2012	As of: 31.12.2011
I. Intangible assets												
1. Concessions, intellectual property and similar rights and assets and licences in such rights and assets												
	308	7	4	28	339	180	12	2	-	-	190	149
	29	5	0	-28	6	-	-	-	-	-	-	6
	337	12	4	-	345	180	12	2	-	-	190	157
II. Aircraft												
1. Aircraft and accessories												
	8,170	987	2,535	479	7,101	4,562	486	2,278	8	-	2,762	4,339
	965	310	59	-479	737	-	-	-	-	-	-	737
	9,135	1,297	2,594	-	7,838	4,562	486	2,278	8	-	2,762	4,573
III. Property, plant and other equipment												
1. Land, leasehold rights and buildings including buildings on third-party land												
	149	12	6	7	162	86	8	3	-	-	91	71
	140	19	10	-	149	106	14	10	-	-	110	39
	11	7	1	-7	10	-	-	-	-	-	-	10
	300	38	17	-	321	192	22	13	-	-	201	108
IV. Financial investments												
1. Shares in subsidiaries												
	7,634	415	80	-	7,969	797	192	1	77	-	911	7,058
	2,204	639	288	-	2,575	133	-	13	5	-	115	2,460
	361	53	226	-	188	13	-	-	-	-	13	175
	-	45	-	-	45	-	8	-	-	-	8	37
	9	0	1	-	8	-	-	-	-	-	-	8
	116	12	13	-	115	24	-	-	-	-	24	91
	9	-	1	-	8	-	-	-	-	-	-	8
	10,333	1,164	589	-	10,908	967	200	14	82	-	1,071	9,837
Total non-current assets												
	20,105	2,511	3,204	-	19,412	5,901	720	2,307	90	-	4,224	15,188
												14,204

Notes to the financial statements of Deutsche Lufthansa AG for 2012

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.lufthansagroup.com/investor-relations 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 policies

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 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 held at the historic cost of acquisition or production, less cumulative amortisation. Internally developed intangible assets are not capitalised. 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.

Movable assets with a finite useful life and acquisition costs of up to EUR 150 are depreciated in full in the year of purchase. Minor assets costing between EUR 151 and 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 their 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.

Since 2010, new aircraft have been depreciated on a straight-line basis. Aircraft acquired earlier have been written down in accordance with the tax legislation in force at the time.

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 14 years in normal circumstances.

New items of operating and office equipment have been depreciated on a straight-line basis since 2010. Equipment acquired earlier has been written down in accordance with the tax legislation in force at the time.

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. Emission certificates issued free of charge are held at a residual amount; those purchased are held at acquisition costs.

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.

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.

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 compiled by Prof. Dr. Klaus Heubeck. As well as appropriate projected rates of fluctuation and career progress, a salary trend of 2.75 per cent and a pension trend of 1.0 per cent to 2.75 per cent are used. Discounting takes place at the average market interest rate for the last seven years with an assumed term to maturity of 15 years as published by the German Bundesbank. For measurement as of 31 December 2012, the discount rate as of 30 November 2012 is used. The rate is 5.05 per cent (previous year: 5.14 per cent). The effects of changes in interest rates are recognised in interest expense.

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 retirement agreements is recognised at the amount needed to settle the obligation. The amount needed to settle the obligation is composed of the salary outstanding as of 31 December 2012, 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 German Bundesbank for the average terms of the agreements. As of 30 November 2012, the rate is 3.95 per cent (previous year: 3.94 per cent).

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 discounted at the average market interest rate for the last seven years corresponding to their remaining term.

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 income 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. Any overall tax expense would be recognised in the balance sheet as a deferred tax liability. The option of capitalising any deferred tax assets in accordance with Section 274 Paragraph 1 HGB was not exercised in the financial year.

Deferred tax assets result primarily from different amounts of pension provisions and from onerous contracts. 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.

Notes to balance sheet assets

3) Non-current assets

Changes in individual non-current asset items during the financial year 2012 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.

Deutsche Lufthansa AG has also leased the following aircraft:

Number of leased aircraft		
Aircraft type	31.12.2012	31.12.2011
A319-100	25	0
A320-200	37	1
A321-100	18	0
A321-200	14	8
A330-300	4	4
A340-300	24	22
A340-600	16	16
A380-800	3	3
B737-300	18	33
B737-500	22	22
B747-400	20	25
B747-8	1	0
	202	134

This sharp increase is mainly due to the transfer of additional aircraft 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 can be found in the annexe to the notes, 'List of shareholdings'.

5) Inventories

Inventories		
in €m	31.12.2012	31.12.2011
Raw materials, consumables and supplies	17	16
Emissions certificates	33	16
Finished goods and merchandise	13	12
	63	44

6) Receivables and other assets

Receivables and other assets			
in €m	31.12.2012	of which due after more than one year	31.12.2011
Trade receivables	502	0	537
Receivables from subsidiaries	1,809	16	967
Receivables from companies held as other investments	11	0	3
Other assets	846	183	784
	3,168	199	2,291

7) Securities and liquid assets

Securities comprise only other investments; this includes shares in money market funds amounting to EUR 1,045m. 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 includes deferred insurance premiums of EUR 23m for subsequent years.

9) Excess of plan assets over provisions for pensions

This item consists of the net surplus of EUR 17m from offsetting fund assets against pension obligations.

Notes to balance sheet liabilities and shareholders' equity

10) Issued capital

Deutsche Lufthansa AG's issued capital totals EUR 1,177.5m.

Issued capital is divided into 459,947,000 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.

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 conversion rights were issued that after the 2004 capital increase entitled the holders to convert them into up to 37,764,350 Deutsche Lufthansa AG shares at a price of EUR 19.86 each. Convertible bonds were converted ahead of time 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 31.12.2011 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. On 4 January 2012, the outstanding amount was redeemed in cash.

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. In order to issue new shares to employees of Deutsche Lufthansa AG and its affiliated companies, the Executive Board of Deutsche Lufthansa AG decided on 28 August 2012 and 6 November 2012, with the approval of the Supervisory Board being given on 19 September 2012, to make use of the authorisation voted at the Annual General Meeting on 24 April 2009 (Authorised Capital B) and increase the Company's issued capital by EUR 1,552,791.04, excluding shareholders' subscription rights, by issuing 606,559 new registered shares with transfer restrictions and profit entitlement from 1 January

2012 for payment in cash. The capital increase was entered in the Commercial Register of Cologne District Court (HRB 2168) on 8 November 2012. In order to issue additional new shares to employees of Deutsche Lufthansa AG and its affiliated companies, the Executive Board decided on 19 September 2012, with the approval of the Supervisory Board being given on 19 September 2012, to increase the Company's issued capital by EUR 3,591,344.64, excluding shareholders' subscription rights, by issuing 1,402,869 new registered shares with transfer restrictions and profit entitlement from 1 January 2012 for payment in cash. The capital increase was entered in the Commercial Register of Cologne District Court (HRB 2168) on 24 September 2012. As of 31.12.12, Authorised Capital B amounted to EUR 19,855,864.32.

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 2012, Deutsche Lufthansa AG also bought back 99,917 of its own shares at an average price of EUR 12.13. This is equivalent to 0.02 per cent of issued capital.

The shares purchased or created by means of the capital increase were used as follows:

- 1,402,869 shares were transferred to the staff of Lufthansa AG and 39 other affiliated companies and equity investments as part of the profit-sharing scheme for 2011, at a share price of EUR 9.65.
- 704,172 shares were transferred as part of performance-related variable remuneration in 2012 to managers and non-payscale staff of Deutsche Lufthansa AG and to 24 further affiliated companies and equity investments at a price of EUR 12.14.
- 1,152 shares were transferred to managers and non-payscale staff as part of performance-related remuneration for 2011 at a price of EUR 10.40. 1,152 shares were resold at a price of EUR 10.23.

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 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.

Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 15 May 2012

On 10 May 2012, BlackRock Investment Management (UK) Limited, London, UK, notified us on behalf and with the authorisation of the following company as follows:

The voting rights of BlackRock Advisors Holdings, Inc., New York, USA, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 4 May 2012 and on this date came to 3.10 per cent (14,208,087 voting shares). Of the total, 3.10 per cent (14,208,087 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) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 15 May 2012

On 10 May 2012, DekaBank Deutsche Girozentrale, Frankfurt am Main, Germany, notified us as follows:

The voting rights of DekaBank Deutsche Girozentrale, Frankfurt am Main, Germany, in Deutsche Lufthansa AG exceeded the threshold of 5 per cent on 4 May 2012 and on this date came to 5.22 per cent (23,884,103 voting shares).

Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) and on voting rights in accordance with Section 21 Paragraph 1 WpHG (correction) dated 16 May 2012

On 16 May 2012, DekaBank Deutsche Girozentrale, Frankfurt am Main, Germany, sent us the following correction to its voting rights announcement in accordance with Section 21 Paragraph 1 WpHG (Securities Trading Act) dated 10 May 2012:

The voting rights of DekaBank Deutsche Girozentrale, Frankfurt am Main, Germany, in Deutsche Lufthansa AG exceeded the thresholds of 3 per cent and 5 per cent on 4 May 2012 and on this date came to 5.71 per cent (26,154,103 voting shares). Of the total, 0.49 per cent (2,270,000 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 3 WpHG.

The correction related to the fact that the 3 per cent threshold had also been exceeded as well as to an increase in the total number of voting rights due to shares attributed in accordance with Section 22 Paragraph 1 No. 3 WpHG (Securities Trading Act).

Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 16 May 2012

On 11 May 2012, DekaBank Deutsche Girozentrale, Frankfurt am Main, Germany, notified us as follows in

accordance with Section 21 Paragraph 1 WpHG (Securities Trading Act):

The voting rights of DekaBank Deutsche Girozentrale, Frankfurt am Main, Germany, in Deutsche Lufthansa AG fell below the threshold of 5 per cent on 7 May 2012 and on this date came to 0.00 per cent (0 voting shares).

Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 29 May 2012

On 23 May 2012, BlackRock Investment Management (UK) Limited, London, UK, notified us on behalf and with the authorisation of the following companies in accordance with Section 21 Paragraph 1 WpHG (Securities Trading Act) as follows:

The voting rights of BlackRock, Inc., New York, USA, in Deutsche Lufthansa AG exceeded the threshold of 5 per cent on 17 May 2012 and on this date came to 5.43 per cent (24,867,830 voting shares). Of the total, 5.43 per cent (24,867,830 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 17 May 2012 and on this date came to 5.38 per cent (24,650,289 voting shares). Of the total, 5.38 per cent (24,650,289 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 17 May 2012 and on this date came to 5.38 per cent (24,650,289 voting shares). Of the total, 5.38 per cent (24,650,289 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 International Holdings, Inc., New York, USA, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 17 May 2012 and on this date came to 3.40 per cent (15,559,272 voting shares). Of the total, 3.40 per cent (15,559,272 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 BR Jersey International Holdings, L.P., St Helier, Jersey, Channel Islands, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 17 May 2012 and on this date came to 3.40 per cent (15,559,272 voting shares). Of the total, 3.40 per cent (15,559,272 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 Group Limited, London, UK, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 17 May 2012 and on this date came to 3.26 per cent (14,914,270 voting shares). Of the total, 3.26 per cent (14,914,270 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) and on voting rights in accordance with Section 21 Paragraph 1 WpHG (correction) dated 30 May 2012

On 29 May 2012, DekaBank Deutsche Girozentrale, Frankfurt am Main, Germany, sent us the following correction to its voting rights announcement in accordance with Section 21 Paragraph 1 WpHG (Securities Trading Act) dated 11 May 2012:

The voting rights of DekaBank Deutsche Girozentrale, Frankfurt am Main, Germany, in Deutsche Lufthansa AG fell below the thresholds of 3 per cent and 5 per cent on 7 May 2012 and on this date came to 0.00 per cent (0 voting shares).

The correction related to the fact that its voting rights also fell below the 3 per cent threshold.

Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 29 June 2012

On 27 June 2012, BlackRock Investment Management (UK) Limited, London, UK, notified us on behalf and with the authorisation of the following company as follows:

The voting rights of BlackRock Group Limited, London, UK, in Deutsche Lufthansa AG fell below the threshold of 3 per cent on 20 June 2012 and on this date came to 2.78 per cent (12,724,789 voting shares). Of the total, 2.78 per cent (12,724,789 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) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 31 July 2012

On 30 July 2012, BlackRock Investment Management (UK) Limited, London, UK, notified us on behalf and with the authorisation of BlackRock Group Limited, London, UK, as follows:

The voting rights of BlackRock Group Limited, London, UK, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 24 July 2012 and on this date came to 3.13 per cent (14,349,331 voting shares). Of the total, 3.13 per cent (14,349,331 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) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 20 August 2012

On 16 August 2012, Mackenzie Financial Corporation, Toronto, Canada, notified us as follows in accordance with Section 21 Paragraph 1 WpHG (Securities Trading Act):

The voting rights of Mackenzie Financial Corporation, Toronto, Canada, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 14 August 2012 and on this date came to 3.01 per cent (13,782,984 voting shares). Of the total, 3.01 per cent (13,782,984 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) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 31 August 2012

On 30 August 2012, Templeton Growth Fund, Inc., Maryland, USA, notified us as follows in accordance with Section 21 Paragraph 1 WpHG (Securities Trading Act):

The voting rights of Templeton Growth Fund, Inc., Maryland, USA, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 28 August 2012 and on this date came to 3.0855 per cent (14,129,602 voting shares).

Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 21 November 2012

On 16 November 2012, Capital Research and Management Company, Los Angeles, USA, notified us as follows in accordance with Section 21 Paragraph 1 WpHG (Securities Trading Act):

The voting rights of Capital Research and Management Company, Los Angeles, USA, in Deutsche Lufthansa AG exceeded the threshold of 5 per cent on 12 November 2012 and on this date came to 5.12 per cent (23,540,259 voting shares). Of the total, 5.12 per cent (23,540,259 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 WpHG. These 23,540,259 voting shares include voting rights attributed by EuroPacific Growth Fund, Los Angeles, USA, a shareholder with 3 per cent or more of the voting rights in Deutsche Lufthansa AG.

Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 21 November 2012

On 19 November 2012, The Capital Group Companies, Inc., Los Angeles, USA, notified us as follows in accordance with

Section 21 Paragraph 1 WpHG (Securities Trading Act):

The voting rights of The Capital Group Companies, Inc., Los Angeles, USA, in Deutsche Lufthansa AG exceeded the threshold of 5 per cent on 12 November 2012 and on this date came to 5.12 per cent (23,540,259 voting shares). Of the total, 5.12 per cent (23,540,259 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 in conjunction with Sentences 2 and 3 WpHG. These 23,540,259 voting shares include voting rights attributed by EuroPacific Growth Fund, Los Angeles, USA, a shareholder with 3 per cent or more of the voting rights in Deutsche Lufthansa AG.

Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 28 November 2012

On 27 November 2012, EuroPacific Growth Fund ('EUPAC'), Los Angeles, USA, notified us as follows in accordance with Section 21 Paragraph 1 WpHG (Securities Trading Act):

The voting rights of EuroPacific Growth Fund ('EUPAC'), Los Angeles, USA, in Deutsche Lufthansa AG exceeded the threshold of 5 per cent on 22 November 2012 and on this date came to 5.13 per cent (23,601,839 voting shares).

The EuroPacific Growth Fund is an investment fund managed by The Capital Group Companies, Inc.

Notifications on the shareholder structure in accordance with Section 26 Paragraph 1 WpHG (Securities Trading Act) and on voting rights in accordance with Section 21 Paragraph 1 WpHG dated 7 January 2013

On 3 January 2013, BlackRock Investment Management (UK) Limited, London, UK, notified us as follows:

The voting rights of BlackRock Investment Management (UK), London, UK, in Deutsche Lufthansa AG exceeded the threshold of 3 per cent on 28 December 2012 and on this date came to 3.05 per cent (14,016,411 voting shares). Of the total, 3.05 per cent (14,016,411 voting shares) is attributable to it in accordance with Section 22 Paragraph 1 Sentence 1 No. 6 in conjunction with Sentence 2 WpHG.

11) 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 621m 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 296m have been transferred to retained earnings.

12) Provisions

Provisions		
in €m	31.12.2012	31.12.2011
Provisions for pensions and similar obligations	1,964	1,941
Tax provisions	43	35
Obligations in respect of unused flight documents	2,699	2,521
Other provisions	2,020	2,187
	6,726	6,684

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. Benefit obligations are mainly funded by means of contributions to an external trust fund to which access is restricted. There are also obligations from the conversion of salary components, which are funded by assets held in insurance policies.

The actuarial obligations are netted with the corresponding assets measured at fair value as of 31 December 2012 to obtain the carrying amount for the balance sheet. The acquisition costs of the fund assets were EUR 4,013m as of 31 December 2012. Their fair value as of the same date was EUR 4,625m.

The actuarial amount required to settle the obligation is recognised at EUR 6,573m as of 31 December 2012. Accrued interest expenses on pension obligations of EUR 403m exceeded income of EUR 360m from the market valuation of pension fund 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. The remaining funding shortfall of EUR 396m as of 31 December 2011 has been added to provisions as of 31 December 2012 and recognised as an extraordinary expense in accordance with Article 67 Paragraph 1 EGHGB.

Obligations under phased early retirement agreements are recognised in other provisions. Obligations of EUR 58m are netted with assets with a fair value of EUR 47m. The acquisition costs of the fund assets are EUR 39m.

Net income of EUR 2.2m from fund assets contrasts with expenses of EUR 1.3m 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.

13) Liabilities

Liabilities				
in €m	Due within one year	Due in more than five years	Total 31.12.2012	Total 31.12.2011
Bonds	500	–	2,100	2,107
Liabilities to banks	39	494	1,169	1,007
Advance payments for orders	1	–	1	0
Trade payables	438	–	438	361
Payables to affiliated companies	2,976	13	3,102	1,713
Payables to companies held as other equity investments	45	–	45	29
Other liabilities	603	1,285	3,168	2,609
- of which for taxes	(57)	–	(57)	(76)
- of which relating to social security obligations	(9)	(4)	(17)	(22)
	4,602	1,792	10 023	7,826

EUR 294m of the liabilities to banks are secured by aircraft. Of the other liabilities, obligations arising from finance leases totalling EUR 2.5bn are secured by the aircraft concerned.

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 205m.

14) Contingent liabilities

Contingent liabilities		
in €m	31.12.2012	31.12.2011
Relating to guarantees, bills of exchange and cheque guarantees	1,126	1,280
- of which from affiliated companies	(208)	(409)
Relating to warranties	1,091	874
- of which from affiliated companies	(479)	(256)
Relating to the provision of collateral for third- party liabilities	25	25

The amounts listed under liabilities from guarantees include EUR 917m 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 offsetting claims against the other co-debtors amounting to EUR 894m. These amounts are in some cases still provisional owing to annual accounts still pending.

EUR 274m 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

15) Other financial obligations

Order commitments for capital expenditure Order commitments for capital expenditure on property, plant and equipment came to EUR 4.1bn as of 31 December 2012. The resulting payment obligations will fall due as follows: EUR 3.6bn in the years 2013 to 2016 and EUR 0.5bn in the years 2017 to 2018.

Obligations to acquire company shares and to contribute capital to investee companies totalling EUR 0.2m and loan commitments amounting to EUR 901m existed as of the balance sheet date.

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

Facilities at Frankfurt and Hamburg airports are rented for 30 years and are partly prefinanced by Lufthansa. Annual rental payments amount to around EUR 147m.

No further expenses were incurred in 2012 for long-term aircraft finance leases signed before the reporting date.

Expenses under long-term operating leases with terms up to 2020 came to EUR 496m 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 87.9m in the financial year. Of the corresponding payment obligations, EUR 490m fall due in the years 2013 to 2016 and EUR 1.4bn in the years 2017 to 2030.

16) Hedging policy and financial derivatives

Exchange rate, interest rate and fuel price hedges As of 31 December 2012 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:

Currencies				
Volume	Type of derivative	Average exchange rate in €	Maturity up to maximum	
CHF 241m	Spread options	0.9036	2016	
JPY 38,000m	Spread options	0.0099	2016	
AED 2m	Forward sales	0.2069	2013	
AUD 230m	Forward sales	0.7599	2018	
CAD 426m	Forward sales	0.7218	2017	
CHF 1,361m	Forward sales	0.7945	2016	
CNY 2,260m	Forward sales	0.1226	2013	
CZK 1,756m	Forward sales	0.0397	2014	
DKK 16m	Forward sales	0.1341	2013	
GBP 267m	Forward sales	1.2021	2014	
HKD 2,181m	Forward sales	0.0971	2014	
HUF 19,769m	Forward sales	0.0033	2014	
INR 14,512m	Forward sales	0.0136	2013	
JPY 78,882m	Forward sales	0.0097	2014	
KRW 111,282m	Forward sales	0.0007	2013	
MXN 18m	Forward sales	0.0587	2013	
NOK 1,691m	Forward sales	0.1296	2014	
NZD 60m	Forward sales	0.5901	2014	
PHP 1,370m	Forward purchases	0.0184	2013	

PLN 812m	Forward sales	0.2289	2014
SEK 2,805m	Forward sales	0.1116	2014
SGD 111m	Forward sales	0.6070	2014
THB 1,253m	Forward sales	0.0247	2013
USD 7,516m	Forward purchases	0.7433	2016
ZAR 1,072m	Forward sales	0.0881	2014

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

Currencies				
Volume	Type of derivative	Average exchange rate in €	Maturity up to maximum	
AED 2m	Forward purchases	0.2069	2013	
AUD 122m	Forward purchases	0.7627	2018	
CAD 147m	Forward purchases	0.7323	2017	
CHF 849m	Forward purchases	0.7266	2016	
CZK 1,028m	Forward purchases	0.0397	2014	
DKK 171m	Forward purchases	0.1342	2014	
GBP 101m	Forward purchases	1.2058	2014	
HKD 1,789m	Forward purchases	0.0983	2014	
HUF 2,822m	Forward purchases	0.0033	2014	
JPY 34,087m	Forward purchases	0.0097	2014	
KRW 37,015m	Forward purchases	0.0007	2013	
MXN 18m	Forward purchases	0.0589	2013	
NOK 374m	Forward purchases	0.1294	2014	
PLN 37m	Forward purchases	0.2281	2014	
SEK 804m	Forward purchases	0.1118	2014	
SGD 63m	Forward purchases	0.6139	2014	
THB 740m	Forward purchases	0.0249	2013	
USD 3,641m	Forward sales	0.7517	2016	
ZAR 591m	Forward purchases	0.0888	2014	

Fuel price hedges			
Type of derivative	Volume in %*	Average price level of hedging effect in USD/bbl	Maturity
Hedging combinations	79.5	116.42–149.23	2013
Hedging combinations	29.4	110.24–145.24	2014

* Percentage of anticipated fuel requirement.

For the calendar year 2013 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 2012 provisions for onerous contracts of EUR 55m 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
AED	Forward sale	2013	2	2
AUD	Forward sale	2013	104	104
		2014	37	37
		2015	4	4
		2016	3	3
		2017	1	1
CAD	Forward sale	2013	90	90
		2014	39	39
		2015	10	10
		2016	10	10
		2017	10	10
CHF	Forward sale	2013	1,049	1,049
		2014	348	348
		2015	2	2
CNY	Forward sale	2013	1,072	1,072
CZK	Forward sale	2013	712	712
		2014	325	325
DKK	Forward purchase	2013	47	47
		2014	2	2
GBP	Forward sale	2013	311	311
		2014	41	41

Currency	Type of derivative	Year of maturity	Volume pending transactions in m	Volume hedged risk in m
HKD	Forward sale	2013	1,397	1,397
		2014	446	446
HUF	Forward sale	2013	12,224	12,224
		2014	4,651	4,651
INR	Forward sale	2013	7,588	7,588
JPY	Forward sale	2013	26,510	26,510
		2014	10,148	10,148
KRW	Forward sale	2013	37,015	37,015
MXN	Forward sale	2013	23	23
NOK	Forward sale	2013	306	306
		2014	109	109
NZD	Forward sale	2013	2	2
PHP	Forward purchase	2013	1,463	1,463
PLN	Forward sale	2013	122	122
		2014	47	47
SEK	Forward sale	2013	743	743
		2014	212	212
SGD	Forward sale	2013	50	50
		2014	18	18
THB	Forward sale	2013	1,278	1,278
USD	Forward purchase	2013	2,306	2,306
		2014	759	759
ZAR	Forward sale	2013	479	479
		2014	160	160

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 now only hedged by means of forward transactions. Based on currently available information, the exposure for capital expenditure at year-end 2012, 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 €	Hedging ratio
in €m				
2013	708	681	29.8	96%
2014	525	522	14.9	99%
2015	544	544	20.3	100%
Total	1,777	1,748	65.0	98%

Suitable interest rate swaps and combined interest rate/currency swaps are arranged with external parties to hedge interest rate risks on balance sheet bonds. They are pooled in measurement units. As of the reporting date, the volume of hedged items was

EUR 5.6bn. Hedged items and hedges have identical maturities, up to 2023 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 171.0m.

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 measurement units. The hedged volume comes to EUR 404.8m. 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 275m, maturities of up to 2020 and a positive market value of EUR 11m.

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 measurement 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 onerous contracts 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 2012 provisions of EUR 24m have been made for impending losses on hedges for emissions certificates. No provisions were recognised as of 31 December 2011 for impending losses from fuel hedging.

Market values and carrying amounts of financial derivatives

As of 31 December 2012 the existing financial derivatives had the following market values and carrying amounts:

Financial derivatives			
Type of derivative	Market values 31.12.2012	Carrying amounts of other assets 31.12.2012	Carrying amounts of other provisions 31.12.2012
in €m			
Futures contracts for currency hedging	15.3	–	55
Spread options for currency hedging	24.7	0	–
European options currency hedging	–	–	–
Futures contracts Emissions certificates	-24	–	24
Spread options for fuel price hedging	–	–	–
Hedging combinations for fuel price hedging	124	96	–
Interest rate swaps	171	–	–

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 were above the carrying amounts as of 31 December 2012.

Balance sheet items		
in €m	Market values 31.12.2012	Carrying amounts 31.12.2012
Shares in affiliated companies	2,255	2,249
Loans to affiliated companies	762	743
Other loans	9	8

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 172m. It can be returned on a daily basis without restriction. The investment serves to hold a strategic minimum liquidity.

Notes to the income statement

17) Traffic revenue

Traffic revenue by route		
in €m	2012	2011
Europe	6,720	6,343
North America	3,454	3,325
Asia/Pacific	3,244	3,274
South America	1,139	895
Africa	688	652
Middle East	719	690
	15,964	15,179

Traffic revenue by sector		
in €m	2012	2011
Scheduled	15,370	14,566
Charter	594	613
	15,964	15,179

18) Other revenue

Revenue by area of activity		
in €m	2012	2011
Travel services (commissions)	153	147
Ground services/in-flight sales	146	139
Other	15	14
	314	300

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

19) Other operating income

Other operating income		
in €m	2012	2011
Proceeds on the disposal of non-current assets	32	10
Exchange rate gains from foreign currency translation	839	877
Write-backs of provisions	181	144
Services rendered for Group companies	127	123
Income from staff secondment	60	51
Compensation received for damages	10	36
Rental income	4	5
Income from aircraft on operating leases	118	115
Income from the disposal of non-current assets	0	4
Earnings from write-backs on assets	86	125
Other operating income	264	352
	1,721	1,842

20) Cost of materials and services

Cost of materials and services		
in €m	2012	2011
Aircraft fuel and lubricants	4,939	4,094
Other costs of raw materials, consumables and supplies and goods purchased	105	108
Cost of services purchased	7,134	6,898
	12,178	11,100

21) Staff costs

Staff costs		
in €m	2012	2011
Wages and salaries	2,098	2,057
Social security, pension and benefit contributions	540	612
- of which for retirement pensions	(254)	(333)
	2,638	2,669

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

Average number of employees		
	2012	2011
Flight staff	22,754	22,044
Ground staff	14,752	14,820
Trainees	173	161
	37,679	37,025

22) 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.

23) Other operating expenses

Other operating expenses		
in €m	2012	2011
Sales commission paid to agencies	281	273
Rental and maintenance expenses	185	178
Expenses for computerised distribution systems	239	237
Impairment charges / Depreciation and amortisation of current assets	59	36
Courses / Training for flight staff	76	90
Advertising and sales promotions	178	180
Exchange rate losses from foreign currency translation	827	919
Payment system expenses (especially credit card commission payments)	165	165
Insurance for flight operations	35	29
Travel expenses	218	214
Auditing, consulting and legal expenses	72	67
Other operating expenses	708	844
	3,043	3,232

24) Result from equity investments

Result from equity investments		
in €m	2012	2011
Income from profit transfer agreements	1,317	524
Expenses from loss transfer agreements	0	-36
Income from equity investments	441	413
- of which from affiliated companies	(435)	(407)
	1,758	901

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, the Austrian leasing companies and Eurowings GmbH for the financial year 2011.

25) Net interest

Net interest				
	2012	of which affiliated companies	2011	of which affiliated companies
in €m				
Income from other securities and non-current financial loans	57	54	59	57
Other interest and similar income	136	8	108	10
Interest and other similar expenses	-377	-13	-583	-12
- of which accrued interest	(-442)	-	(-325)	-
- of which from market valuation of pension fund assets	(362)	-	(-17)	-
	-184	55	-416	55

26) Impairment on investments and current securities

Impairment losses of EUR 138m were recognised on investments. These consisted mainly of write-downs of EUR 66m and EUR 63m on the carrying amounts for Air Dolomiti S.p.A. and Eurowings GmbH, respectively.

27) Extraordinary result

Extraordinary result		
in €m	2012	2011
Extraordinary income	0	0
Extraordinary expenses	-396	-35
- of which from BilMoG adjustments Provisions	-396	-35
- of which from market valuation of pension fund assets	0	0
	-396	-35

The extraordinary result includes the full addition to pension provisions following the revaluation in accordance with BilMoG.

28) Taxes

Taxes		
in €m	2012	2011
Taxes on income and earnings	33	14
Other taxes	35	30
	68	44

Taxes on income and earnings and other taxes also include net items from previous years of EUR 30m.

29) Supervisory Board and Executive Board

The members of the Supervisory Board and the Executive Board are listed on p. 22.

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

- Basic remuneration, paid monthly as a salary.
- Since financial year 2011, 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 is 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 programmes for managers (with their own parameters which vary from those of the general managers' programme). The duration of these programmes 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 2012:

Executive Board remuneration						
In EUR	Basic remuneration	Variable remuneration	Payments from maturing option programmes	Change in the fair value of option programmes	Other*	Total
Christoph Franz	1,207,500	376,967	629,000	214,491	159,489	2,587,794
Stephan Gemkow (Executive Board member until 30.6.2012)	431,250	132,436	-	-468,263	22,067	117,490
Stefan Lauer	862,500	264,871	510,000	125,212	188,669	1,951,252
Simone Menne (Executive Board member since 1.7.2012)	431,250	132,436	-	14,916	72,812	651,414
Carsten Spohr	862,500	264,871	-	225,237	86,318	1,438,926
Total	3,795,000	1,171,580	1,139,000	111,593	529,702	6,746,875

* Other remuneration includes, in particular, the non-cash benefit of using company cars, the discount granted in connection with option programme 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 programmes:

Option programmes	2012 programme	2011 programme	2010 programme	2009 programme
Christoph Franz	14,805	17,280	9,620	14,060
Stephan Gemkow (Executive Board member until 30.6.2012)	-	11,520	7,800	11,400
Stefan Lauer	9,870	11,520	7,800	11,400
Simone Menne (Executive Board member from 1.7.2012)	9,870	-	-	-

The pro rata change for 2012 in the fair value of option programmes 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 programme for Mr Franz on the date of issue was EUR 536,985. For Ms Menne, Mr Lauer and Mr Spohr the figure was EUR 357,990 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 annual salary and the bonus. 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 2012, Mr Franz's retirement benefit entitlement amounted to EUR 1.6m (previous year: EUR 1.1m). That of Mr Gemkow was EUR 5.1m (previous year: EUR 4.4m), that of Mr Lauer EUR 6.9m (previous year: EUR 5.9m), of Ms Menne EUR 0.9m and that of Mr Spohr EUR 1.5m (previous year: 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 2012 amounted to EUR 0.4m for Mr Franz, EUR 0.1m for Mr Gemkow, EUR 0.2m for Mr Lauer, EUR 0.2m for Ms Menne and EUR 0.3m for Mr Spohr. The total amount of EUR 1.2m, plus EUR 6.8m in overall remuneration as shown in the remuneration table, is listed under staff costs, amounting to EUR 8.0m.

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 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 3.9m (previous year: EUR 3.6m). 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 55.4m (previous year: EUR 49.2m).

Supervisory Board In the 2012 financial year, Supervisory Board remuneration included EUR 1,313,000 (previous year: EUR 1,275,000) in fixed payments for work on the Deutsche Lufthansa AG Supervisory Board. In addition, variable payments were made amounting to EUR 1,313,000 (previous year: EUR 0). The payment of a variable bonus requires positive earnings per share attributable to Lufthansa shareholders of at least EUR 1.02 and is capped at the amount of the fixed salary. Other remuneration, mainly attendance fees, amounted to EUR 80,000 (previous year: EUR 79,000).

The Deutsche Lufthansa AG Supervisory Board members were also paid EUR 63,000 (previous year: EUR 65,000) for work on supervisory boards of Group companies.

30) Distributable profit

The Executive Board and Supervisory Board will put forward a proposal at the Annual General Meeting to transfer all distributable profit to retained earnings.

31) 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 public as part of the declaration on corporate governance line with Section 289a HGB on the Company's website at <http://investor-relations.lufthansagroup.com/en/corporate-governance/corporate-governance-declaration-section-289a-hgb/declaration-of-compliance-section-161-aktg.html>.

32) 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 2.5m
- Other certification services	EUR 0.8m
- Tax advisory services	EUR 0.5m
- Other services	EUR 1.6m
	EUR 5.4m

Declaration by the legal representatives

"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, 6 March 2013

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 2012. 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, 6 March 2013

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.Cleantnet 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 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

Dr Christoph Franz

Chairman of the Executive Board and CEO

Stephan Gemkow

Member of the Executive Board
Chief Officer Finances and Aviation Services
(until 30 June 2012)

Stefan Lauer

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

Simone Menne

Member of the Executive Board
Chief Officer Finances and Aviation Services
(since 1 July 2012)

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 2012

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

Jürgen Weber

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

Frank Bsirske

- a) Deutsche Postbank AG
(Deputy Chairman)
IBM Central Holding GmbH
RWE AG (Deputy Chairman)
- b) Kreditanstalt für Wiederaufbau

Jacques Aigrain

- b) J.A. Consulting SA
LCH Clearnet Ltd (Chairman)
LCH Clearnet LLC (Chairman)
LCH Clearnet SA (Director)
LyondellBassell NV
QFCA Qatar Financial Center Authority
Resolution Limited, UK
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)

Dr Jürgen Hambrecht

- a) Daimler AG
Fuchs Petrolub AG (Chairman)
TRUMPF GmbH & Co. KG (Chairman)

Martin Koehler

- a) Delton AG

Dr Nicola Leibinger-Kammüller

- a) Axel Springer AG
Siemens AG
Voith GmbH

Eckhard Lieb

- a) 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 2012

Dr Christoph Franz

- a) Lufthansa Technik AG* (Chairman)
- b) Roche Holding AG
Stadler Rail AG
SWISS International Air Lines AG*

Stephan Gemkow (at the time of his departure on 30.6.2012)

- a) Delvag Luftfahrtversicherungs-AG*
(Chairman) (until 30.6.2012)
Evonik Industries AG
LSG Lufthansa Service Holding AG*
(Chairman) (until 30.6.2012)
Lufthansa AirPlus Servicekarten GmbH*
(Chairman) (until 30.6.2012)
Lufthansa Cargo AG* (Chairman) (until 30.6.2012)
Lufthansa Systems AG* (Chairman) (until 30.6.2012)
Lufthansa Technik AG* (Chairman) (until 30.6.2012)
- b) Amadeus IT Group S.A.
Amadeus IT Holding S.A.
JetBlue Airways Corp.

Stefan Lauer

- a) Fraport AG
Germanwings GmbH* (Chairman) (until 31.12.2012)
LSG Lufthansa Service Holding AG*
Lufthansa Cargo AG*
Lufthansa Flight Training GmbH* (Chairman)
Pensions-Sicherungs-Verein VVaG
- b) Aircraft Maintenance and Engineering Corp.
(Deputy Chairman)
Austrian Airlines AG (Chairman)
ESMT European School of Management
and Technology GmbH
Landesbank Hessen-Thüringen Girozentrale
SN Airholding SA/NV
Günes Ekspres Havacilik A.S. (Sun Express)
(Deputy Chair)
Swiss International Air Lines AG* (Vice President)

Simone Menne

- a) Delvag Luftfahrtversicherungs-AG* (Chair)
LSG Lufthansa Service Holding AG* (Chair)
LRS Lufthansa Revenue Services GmbH*
Lufthansa Cargo AG* (Chair)
Lufthansa Systems AG* (Chair)
Lufthansa Technik AG*

Carsten Spohr

- a) Germanwings GmbH* (Chairman) (from 1.1.2013)
- b) 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

Significant equity investments	Stake in %	Earnings after taxes in €m*	Shareholders' equity in €m*
41/42 Bartlett (Pty) Ltd., Johannesburg, South Africa	100	-- ⁴	-- ⁴
Aerococina S.A. de C.V., Mexico City, Mexico	52	1	9
Aerologic GmbH, Leipzig	50	10 ⁶	28 ⁶
Air Dolomiti S.p.A. Linee Aeree Regionali Europee, Dossobuono di Villafranca (Verona), Italy	100	-5	11
Aircraft Maintenance and Engineering Corp., Beijing, China	40	10 ⁶	157 ⁶
AirLiance Materials LLC, Roselle, IL, USA	100	-13	4
AIRO Catering Services – Ukraine, Boryspil, Ukraine	100	1	1
AIRO Catering Services Eesti OÜ, Tallinn, Estonia	100	-- ⁷	1
AIRO Catering Services Latvija SIA, Marupe, Latvia	100	-- ⁷	1
AIRO Catering Services Sweden AB, Stockholm-Arlanda, Sweden	100	-- ⁷	12
AirPlus Air Travel Card Vertriebsgesellschaft mbH, Vienna, Austria	100	2	16
AirPlus Holding GmbH, Vienna, Austria	100	1	6
AirPlus International AG, Kloten, Switzerland	100	4	16
AirPlus International Limited, London, United Kingdom	100	2	9
AirPlus International S.r.l., Bologna, Italy	100	1	8
AirPlus International, Inc., Springfield, USA	100	3	6
AirPlus Payment Management Co., Ltd., Shanghai, China	100	1	18
AirTrust AG, Zug, Switzerland	100	183	98
Alpar Flug- und Flugplatz-Gesellschaft AG, Belp, Switzerland	14	-- ⁷	9 ⁸
Alpha LSG Limited, Manchester, UK	50	–	55 ⁸
Arlington Services Mexico S.A. de C.V., Mexico City, Mexico	100	-1	14
Arlington Services Panama S.A., Panama City, Panama	100	-- ⁷	10
Arlington Services, Inc., Wilmington, USA	100	3	76
AUA Beteiligungen Gesellschaft m.b.H., Vienna Airport, Austria	100	-- ⁷	11
Austrian Airlines AG, Vienna Airport, Austria	100	-11	140
Austrian Airlines Lease and Finance Company Ltd., Guernsey, Channel Islands, United Kingdom	100	17	152
AVIAPIT-SOCHI OOO, Sochi, Russia	100	2	7
Bahia Catering Ltda., São Cristóvão (Salvador), Brazil	95	-- ⁷	5
BELAC LLC, Oldsmar, Florida, USA	21	15 ⁶	37 ⁶
Belém Serviços de Bordo Ltda., Belém, Brazil	70	-- ⁷	-- ⁷
BizJet International Sales & Support, Inc., Tulsa, USA	100	6	21
Capital Gain International (1986) Ltd., Hong Kong, China	100	-- ⁷	1
Cater Suprimento de Refeicoes, Ltda., Rio de Janeiro, Brazil	100	-- ⁷	-5

Significant equity investments (cont'd)	Stake in %	Earnings after taxes in €m*	Shareholders' equity in €m*
Caterair Servicos de Bordo e Hotelaria S.A., Rio de Janeiro, Brazil	100	2	5
Caterair Taiwan In-Flight Services, Inc., Taipei, Taiwan	100	-- ⁷	-1
CateringPor – Catering de Portugal, S.A., Lisbon, Portugal	49	1 ⁶	5 ⁶
Charm Food Service Co. Ltd., Incheon, South Korea	80	1	1
CityLine Avro Simulator und Training GmbH Berlin, Berlin	50	-- ⁷	1
CLS Catering Services Ltd., Richmond, Canada	70	2	11
Comercializadora de Servicios Limitada, Santiago de Chile, Chile	100	-- ⁴	-- ⁴
Comisariato de Baja California, S.A. de C.V., Tijuana, Mexico	51	-- ⁷	1
Comisariatos Gotre, S.A. de C.V., Torreon, Mexico	51	-- ⁷	1
Constance Food Group, Inc., New York, USA	100	2	19
Diners Club Spain S.A., Madrid, Spain	25	2 ⁶	11 ⁶
Edelweiss Air AG, Kloten, Switzerland	100	10	53
Eurowings GmbH, Düsseldorf	100	7	32
Fortaleza Serviços de Bordo Ltda., Fortaleza, Brazil	70	-- ⁷	-- ⁷
Gansu HNA LSG Sky Chefs Co., Ltd., Lanzhou, China	49	-- ^{6 7}	3 ⁶
Germanwings GmbH, Cologne	100	-10	57
Global Brand Management AG, Basel, Switzerland	100	37	205
GOAL Verwaltungsgesellschaft mbH & Co. Projekt Nr. 7 oHG, Grünwald	100	2	-- ⁷
Günes Ekspres Havacilik Anonim Sirketi (SunExpress), Antalya, Turkey	10 ⁵	-5	22
Hamburger Gesellschaft für Flughafenanlagen mbH, Hamburg	100	7	162
Hawker Pacific Aerospace, Sun Valley, USA	100	2	34
HEICO Aerospace Holdings Corp., Florida, USA	20	44 ⁶	386 ⁶
Hongkong Beijing Air Catering Ltd., Hong Kong, China	45	1 ⁶	5 ⁶
Hongkong Shanghai Air Catering Ltd., Hong Kong, China	45	-- ^{6 7}	6 ⁶
Inflight Catering (Pty) Ltd., Johannesburg, South Africa	100	-- ⁴	-- ⁴
Inflight Catering Services Limited, Dar es Salaam, Tanzania	62	1	3
In-flight Management Solutions GmbH, Neu-Isenburg	100	-- ⁷	-- ⁷
Inflite Holdings (Cayman) Ltd., Grand Cayman, Cayman Islands	49	1 ⁶	11 ⁶
Inflite Holdings (St. Lucia) Ltd., Castries, St. Lucia	49	2 ⁶	9 ⁶
International Food Services Ltd., Hong Kong, China	100	-- ⁷	5
Inversiones Turisticas Aeropuerto Panama, S.A., Panama City, Panama	100	-- ⁴	-- ⁴
Jade Cargo International Company Limited, Shenzhen, China	25	-72 ⁶	-136 ⁶
Jettainer GmbH, Raunheim	100	3	4

Significant equity investments (cont'd)	Stake in %	Earnings after taxes in €m*	Shareholders' equity in €m*
LeaseAir GmbH & Co. Verkehrsflugzeuge V KG, Dortmund	100	- ⁷	19
LHBD Holding Limited, London, United Kingdom	100 ²	-617	-7
LLG Nord GmbH & Co. Bravo KG, Grünwald	100	3	- ⁷
LSG Asia GmbH, Neu-Isenburg	100	31	- ⁷
LSG Catering (Thailand) Ltd., Bangkok, Thailand	100	2	2
LSG Catering China Ltd., Hong Kong, China	100	- ⁷	- ⁷
LSG Catering Guam, Inc., Guam, USA	100	1	- ⁷
LSG Catering Hong Kong Ltd., Hong Kong, China	100	9	72
LSG Catering Saipan, Inc., Saipan, Micronesia	100	- ⁴	- ⁷
LSG France SAS, Paris, France	100	1	1
LSG Holding Asia Ltd., Hong Kong, China	87	5	18
LSG Lufthansa Service - Sky Chefs do Brasil Catering, Refeições Ltda., São Paulo, Brazil	100	-2	-19
LSG Lufthansa Service Asia Ltd., Hong Kong, China	100	6	34
LSG Lufthansa Service Cape Town (Pty) Ltd., Cape Town, South Africa	100	- ⁴	- ⁷
LSG Lufthansa Service Catering- und Dienstleistungsgesellschaft mbH, Neu-Isenburg	100	- ⁷	- ⁷
LSG Lufthansa Service Enterprises Ltd., Hong Kong, China	100	- ⁷	- ⁷
LSG Lufthansa Service Europa/Afrika GmbH, Neu-Isenburg	100	-5	-11
LSG Lufthansa Service Guam, Inc., Guam, USA	100	1	5
LSG Lufthansa Service Holding AG, Neu-Isenburg	100	42	711
LSG Lufthansa Service Hong Kong Ltd., Hong Kong, China	42	6	21
LSG Lufthansa Service Saipan, Inc., Saipan, Micronesia	100	1	8
LSG Sky Chefs - First Catering Schweiz AG, Bassersdorf, Switzerland	60	-1	-2
LSG Sky Chefs (India) Private Ltd., Mumbai, India	100	-5	1
LSG Sky Chefs (Qingdao) Co., Ltd., Laixi City, China	100	-1	2
LSG Sky Chefs (Thailand) Ltd., Bangkok, Thailand	64	3	13
LSG Sky Chefs Argentina S.A. i.G., Buenos Aires, Argentina	100	- ⁷	- ⁷
LSG Sky Chefs Australasia Pty Limited, Sydney, Australia	100	- ⁷	1
LSG Sky Chefs Belgium N.V., Zaventem, Belgium	100	- ⁷	4
LSG Sky Chefs Berlin GmbH, Neu-Isenburg	100	- ⁷	1
LSG Sky Chefs Bremen GmbH, Neu-Isenburg	100	- ⁷	1
LSG Sky Chefs Building AB, Stockholm, Sweden	100	- ⁷	1
LSG Sky Chefs Catering Logistics GmbH, Neu-Isenburg	100	1	3
LSG Sky Chefs Culinary Service GmbH, Neu-Isenburg	100	- ⁷	-2
LSG Sky Chefs Danmark A/S, Kastrup, Denmark	100	-1	-7
LSG Sky Chefs de Venezuela C.A., Caracas, Venezuela	100	- ⁷	3
LSG Sky Chefs Düsseldorf GmbH, Neu-Isenburg	100	1	4
LSG Sky Chefs Frankfurt International GmbH, Neu-Isenburg	100	-2	17
LSG Sky Chefs Frankfurt ZD GmbH, Neu-Isenburg	100	-8	42

Significant equity investments (cont'd)	Stake in %	Earnings after taxes in €m*	Shareholders' equity in €m*
LSG Sky Chefs Gulf Solutions W.L.L., Manama, Bahrain	60	-- ⁷	-- ⁷
LSG Sky Chefs Hamburg GmbH, Neu-Isenburg	100	1	6
LSG Sky Chefs Hannover GmbH, Neu-Isenburg	100	-- ⁷	3
LSG Sky Chefs Havacilik Hizmetleri A.S., Sefaköy-Istanbul, Turkey	100	2	11
LSG Sky Chefs Heathrow Limited, West Drayton, UK	100	3	14
LSG Sky Chefs In-Flight Logistics Asia Pacific Ltd., Hong Kong, China	100	-- ⁷	1
LSG Sky Chefs Istanbul Catering Hizmetleri A.S., Istanbul, Turkey	100 ¹	-- ⁷	11
LSG Sky Chefs Köln GmbH, Neu-Isenburg	100	1	7
LSG Sky Chefs Korea Co Ltd., Incheon, South Korea	80	23	79
LSG Sky Chefs Leipzig GmbH, Neu-Isenburg	100	-- ⁷	3
LSG Sky Chefs Lounge GmbH, Neu-Isenburg	100	1	-- ⁷
LSG Sky Chefs München GmbH, Neu-Isenburg	100	4	10
LSG Sky Chefs New Zealand Limited, Auckland, New Zealand	100	2	19
LSG Sky Chefs Norge AS, Oslo, Norway	100	-- ⁷	2
LSG Sky Chefs North America Solutions, Inc., Wilmington, USA	100	-- ⁷	6
LSG Sky Chefs Nürnberg GmbH, Neu-Isenburg	100	-1	-- ⁷
LSG Sky Chefs Objekt- und Verwaltungsgesellschaft mbH, Neu-Isenburg	100	4	93
LSG Sky Chefs Rus, Moscow, Russia	100	-1	-2
LSG Sky Chefs S.p.A., Fiumicino (Roma), Italy	100	8	16
LSG Sky Chefs Schweiz AG, Bassersdorf, Switzerland	100	-- ⁷	4
LSG Sky Chefs Solutions Asia Limited, Hong Kong, China	100	-- ⁷	1
LSG Sky Chefs South Africa (Proprietary) Ltd., Johannesburg, South Africa	100	-2	9
LSG Sky Chefs Spain S.A., Madrid, Spain	100	-1	-- ⁷
LSG Sky Chefs Stuttgart GmbH, Neu-Isenburg	100	-1	3
LSG Sky Chefs Supply Chain Solutions, Inc., Wilmington, USA	100	-2	-- ⁷
LSG Sky Chefs Sverige AB, Stockholm, Sweden	100	-- ⁷	5
LSG Sky Chefs TAAG Angola S.A., Luanda, Angola	40	2	2
LSG Sky Chefs UK Ltd., Feltham, United Kingdom	100	1	18
LSG Sky Chefs USA, Inc., Wilmington, USA	100	-5	463
LSG Sky Chefs Verwaltungsgesellschaft mbH, Neu-Isenburg	100	-6	31
LSG South America GmbH, Neu-Isenburg	100	1	-- ⁷
LSG/Sky Chefs Europe Holdings Ltd., Horley, United Kingdom	100	15	55
LSG-Food & Nonfood Handel GmbH, Neu-Isenburg	100	-- ⁷	1
LSG-Sky Food GmbH, Alzey	100	2	-1
Lufthansa AirPlus Servicekarten GmbH, Neu-Isenburg	100	17	44
Lufthansa AITH Beteiligungs GmbH, Cologne	100	635	3
Lufthansa Asset Management GmbH, Frankfurt	100	-- ⁷	2
Lufthansa Bombardier Aviation Services GmbH, Schönefeld	51	2 ⁶	5 ⁶

Significant equity investments (cont'd)	Stake in %	Earnings after taxes in €m*	Shareholders' equity in €m*
Lufthansa Cargo AG, Frankfurt	100	110	296
Lufthansa Cargo Charter Agency GmbH, Frankfurt am Main	100	-- ⁷	-- ⁷
Lufthansa CityLine GmbH, Cologne	100	1	120
Lufthansa Commercial Holding GmbH, Cologne	100	668	220
Lufthansa Flight Training Berlin GmbH, Berlin	100	3	9
Lufthansa Flight Training GmbH, Frankfurt/Main	100	12	31
Lufthansa Italia S.p.A., Milan, Italy	100	1	13
Lufthansa Leasing Austria 1. Beteiligungs GmbH, Salzburg, Austria	100	1	1
Lufthansa Leasing Austria GmbH & Co. OG Nr. 1, Salzburg, Austria	100	2	40
Lufthansa Leasing Austria GmbH & Co. OG Nr. 2, Salzburg, Austria	100	21	17
Lufthansa Leasing Austria GmbH & Co. OG Nr. 3, Salzburg, Austria	100	14	18
Lufthansa Leasing Austria GmbH & Co. OG Nr. 4, Salzburg, Austria	100	28	35
Lufthansa Leasing Austria GmbH & Co. OG Nr. 5, Salzburg, Austria	100	5	8
Lufthansa Leasing Austria GmbH & Co. OG Nr. 6, Salzburg, Austria	100	9	14
Lufthansa Leasing Austria GmbH & Co. OG Nr. 7, Salzburg, Austria	100	4	7
Lufthansa Leasing Austria GmbH & Co. OG Nr. 8, Salzburg, Austria	100	57	65
Lufthansa Leasing Austria GmbH & Co. OG Nr. 9, Salzburg, Austria	100	47	60
Lufthansa Leasing Austria GmbH & Co. OG Nr. 10, Salzburg, Austria	100	16	81
Lufthansa Leasing Austria GmbH & Co. OG Nr. 11, Salzburg, Austria	100	39	51
Lufthansa Leasing Austria GmbH & Co. OG Nr. 12, Salzburg, Austria	100	6	64
Lufthansa Leasing Austria GmbH & Co. OG Nr. 14, Salzburg, Austria	100	8	131
Lufthansa Leasing Austria GmbH & Co. OG Nr. 15, Salzburg, Austria	100	4	5
Lufthansa Leasing Austria GmbH & Co. OG Nr. 16, Salzburg, Austria	100	3	8
Lufthansa Leasing Austria GmbH & Co. OG Nr. 17, Salzburg, Austria	100	1	1
Lufthansa Leasing Austria GmbH & Co. OG Nr. 18, Salzburg, Austria	100	2	2
Lufthansa Leasing Austria GmbH & Co. OG Nr. 19, Salzburg, Austria	100	1	3
Lufthansa Leasing Austria GmbH & Co. OG Nr. 20, Salzburg, Austria	100	1	1
Lufthansa Leasing Austria GmbH & Co. OG Nr. 21, Salzburg, Austria	100	2	8
Lufthansa Leasing GmbH & Co. Echo-Zulu oHG, Grünwald	100	-- ⁷	5
Lufthansa Leasing GmbH & Co. Fox-Golf oHG, Grünwald	100	3	9
Lufthansa Malta Aircraft Leasing Ltd, St. Julian's, Malta	100	40	1,804
Lufthansa Malta Blues LP, St. Julians STJ 3140, Malta	100	-27	-27
Lufthansa Malta Finance plc, St. Julian's, Malta	100	3	415
Lufthansa Malta Holding Ltd, St. Julian's, Malta	100	19	2,143
Lufthansa Pension GmbH & Co. KG, Frankfurt	100	-- ⁷	4,460
Lufthansa Process Management GmbH, Neu-Isenburg	100	1	-- ⁷
Lufthansa Systems Aktiengesellschaft, Kelsterbach	100	32	59
Lufthansa Systems Americas, Inc., Miami, USA	100	-- ⁷	-1
Lufthansa Systems AS GmbH, Norderstedt	100	5	4

Significant equity investments (cont'd)	Stake in %	Earnings after taxes in €m*	Shareholders' equity in €m*
Lufthansa Systems Business Solutions GmbH, Raunheim	100	2	-- ⁷
Lufthansa Technik AERO Alzey GmbH, Alzey	100	9	18
Lufthansa Technik AG, Hamburg	100	266	640
Lufthansa Technik Airmotive Ireland Holdings Ltd., Co. Dublin, Ireland	100	-- ⁷	164
Lufthansa Technik Airmotive Ireland Leasing Ltd., Co. Dublin, Ireland	100	8	44
Lufthansa Technik Airmotive Ireland Ltd., Co. Dublin, Ireland	100	-3	30
Lufthansa Technik Budapest Repülögép Nagyjavító Kft., Budapest, Hungary	85	2	5
Lufthansa Technik Component Services LLC, Tulsa, USA	100	-- ⁷	-- ⁷
Lufthansa Technik Immobilien- und Verwaltungsgesellschaft mbH, Hamburg	100	-4	35
Lufthansa Technik Landing Gear Services UK Ltd., Kestrel Way, Hayes, United Kingdom	100	-1	19
Lufthansa Technik Logistik GmbH, Hamburg	100	2	9
Lufthansa Technik Logistik Services GmbH, Hamburg	100	-- ⁷	4
Lufthansa Technik Maintenance International GmbH, Frankfurt/Main	100	1	5
Lufthansa Technik Malta Limited, Luqa, Malta	92	-- ⁷	-8
Lufthansa Technik North America Holding Corp., Wilmington, USA	100	-1	166
Lufthansa Technik Objekt- und Verwaltungsgesellschaft mbH, Hamburg	100	6	101
Lufthansa Technik Philippines, Inc., Manila, Philippines	51	-6	30
Lufthansa Technik Switzerland GmbH, Basel, Switzerland	100	18	7
Lufthansa Training & Conference Center GmbH, Seeheim-Jugenheim	100	-4	3
Lufthansa WorldShop GmbH, Frankfurt/Main	100	13	-- ⁷
Material Marketing Solutions Limited, Feltham, United Kingdom	100	6	8
Miles & More International GmbH, Neu-Isenburg	100	25	-- ⁷
Myanmar LSG Lufthansa Service Ltd., Yangon, Myanmar	100	-- ⁷	2
N3 Engine Overhaul Services GmbH & Co. KG, Arnstadt	50	7	33
Nanjing Lukou International Airport LSG Catering Co Ltd., Nanjing, China	40	1 ⁶	7 ⁶
Natal Catering Ltda., Natal, Brazil	70	-- ⁷	-- ⁷
Oakfield Farms Solutions Europe Ltd., Feltham, United Kingdom	51	-- ⁷	-- ⁷
Oakfield Farms Solutions, L.L.C., Wilmington, Delaware, USA	51	3	5
ÖLB Österreichische Luftverkehrs-Beteiligungs GmbH, Vienna Airport, Austria	100	-- ⁷	-2
ÖLH Österreichische Luftverkehrs-Holding GmbH, Vienna Airport, Austria	100 ³	3	3
Quinto Grundstücksgesellschaft mbH & Co. oHG, Grünwald	100	3	97
SC International Services, Inc., Wilmington, USA	100	1	395
SCIS Air Security Corporation, Wilmington, USA	100	8	16
ServCater Internacional Ltda., Guarulhos, Brazil	90	-4	-8
Shanghai Pudong International Airport Cargo Terminal Co. Ltd., Shanghai, China	29	53 ⁶	140 ⁶
Shannon Aerospace Ltd., Co. Claire, Ireland	100	-- ⁷	36
Siam Flight Services Ltd., Bangkok, Thailand	49	2	4
Sky Chefs Argentine, Inc., Wilmington, USA	100	1	2

Significant equity investments (cont'd)	Stake in %	Earnings after taxes in €m*	Shareholders' equity in €m*
Sky Chefs Chile S.A., Santiago de Chile, Chile	100	2	19
Sky Chefs De Mexico, S.A. de C.V., Mexico City, Mexico	51	1	4
Sky Chefs de Panama, S.A., Panama City, Panama	100	3	9
Sky Chefs, Inc., Wilmington, USA	100	-16	-114
SkylogistiX GmbH, Neu-Isenburg	75	2	3
SN Airholding SA/NV, Brussels, Belgium	45	-85 ⁶	-3 ⁶
Spairliners GmbH, Hamburg	50	2 ⁶	23 ⁶
Starfood Antalya Gıda Sanayi ve Ticaret A.S., Istanbul, Turkey	51	- ⁷	- ⁷
Starfood S.r.l., Fiumicino, Italy	51	1	1
Swiss Aviation Software AG, Basel, Switzerland	100	2	9
Swiss Aviation Training Ltd., Kloten, Switzerland	100	5	26
Swiss European Air Lines AG, Basel, Switzerland	100	- ⁷	- ⁷
Swiss International Air Lines AG, Basel, Switzerland	100	92	1,425
Terminal 2 Gesellschaft mbH & Co oHG, Freising	40	56 ⁶	28 ⁶
TGV DLH, Düsseldorf	100	20	2,204
time:matters Holding GmbH, Düsseldorf	49	5 ⁶	21 ⁶
Tolmachevo Catering OOO, Novosibirsk, Russia	26	-	- ^{7 8}
TRAVIAUSTRIA Datenservice für Reise und Touristik Gesellschaft m.b.H & Co NFG. KG, Vienna, Austria	69	- ⁷	2
Tyrolean Airways Tiroler Luftfahrt GmbH, Innsbruck, Austria	100	29	194
UAB Airo Catering Services Lietuva, Vilna (Vilnius), Lithuania	100	- ⁷	- ⁷
Western Aire Chef, Inc., Wilmington, USA	100	4	4
Xian Eastern Air Catering Co. Ltd., Xian, China	30	1 ⁶	4 ⁶
Yunnan Eastern Air Catering Co. Ltd., Kunming, China	25	1 ⁶	9 ⁶
ZAO Aeromar, Moscow region, Russia	49	10 ⁶	19 ⁶
ZAO AeroMEAL, Yemelyanovo, Russia	100	- ⁷	1

* IFRS disclosures

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

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

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

⁴ No figures available.

⁵ An additional 40 per cent is held via TGV DLH.

⁶ Local law 2011.

⁷ Below EUR 1m.

⁸ last available financial statements from 2012

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