

PROSPECTUS DATED April 24, 2015



**Prospectus
for the public offering**

of

5,586,593 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against cash contributions to be resolved by an extraordinary shareholders' meeting of the Company on or about May 4, 2015

and

5,167,281 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of the Selling Shareholder

and

1,613,081 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of the Selling Shareholder in connection with a possible over-allotment

and at the same time for the

admission to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*)

of

up to 5,586,593 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against cash contributions to be resolved by an extraordinary shareholders' meeting of the Company on or about May 4, 2015

and

15,025,000 existing ordinary bearer shares with no par value (*Stückaktien*) (existing share capital),

each such share with a notional value of €1.00 and full dividend rights from January 1, 2015

of

**Sixt Leasing AG
Pullach, Germany**

Price Range: €17.90 – €21.30

International Securities Identification Number (ISIN): DE000A0DPRE6

German Securities Code (*Wertpapierkennnummer, WKN*): A0DPRE

Common Code: 122260330

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Joint Global Coordinators and Joint Bookrunners

Berenberg

COMMERZBANK

Joint Bookrunner

Baader Bank

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I. SUMMARY OF THE PROSPECTUS

*Summaries are made up of disclosure requirements known as elements (“**Elements**”). These Elements are numbered in Sections A - E (A.1 - E.7). This summary contains all the Elements required to be included in a summary for this type of security and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the Element. In such cases, the summary includes a short description of the Element with the words “not applicable”.*

A. – Introduction and Warnings

A.1 Warnings.

This summary should be read as an introduction to this prospectus (the “**Prospectus**”). The investor should base any decision to invest in the shares of Sixt Leasing AG on consideration of the Prospectus as a whole.

Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area, have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

Sixt Leasing AG, Pullach, Germany (“**Sixt Leasing**” or the “**Company**” and, together with its consolidated subsidiaries, the “**Sixt Leasing Group**,” “**we**,” “**us**” or “**our**”), together with Joh. Berenberg, Gossler & Co. KG, Hamburg, Germany (“**Berenberg**”) and COMMERZBANK Aktiengesellschaft, Frankfurt am Main, Germany (“**COMMERZBANK**” and, together with Berenberg, the “**Joint Global Coordinators**”) and together with Baader Bank Aktiengesellschaft, Unterschleißheim, Germany (“**Baader Bank**” or the “**Joint Bookrunner**” and, together with the Joint Global Coordinators, collectively referred to as the “**Joint Bookrunners**” or the “**Underwriters**”), have assumed responsibility for the contents of this summary pursuant to Section 5(2b) no. 4 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*). Those persons who are responsible for the summary, including the translation thereof, or for its issuing (*von denen der Erlass ausgeht*), can be held liable but only if this summary is misleading, inaccurate or inconsistent when read together with the other parts of the Prospectus or it does not provide, when read together with the other parts of the Prospectus, all necessary key information.

A.2 Information regarding the subsequent use of the prospectus.

Not applicable. Consent regarding the use of the Prospectus for a subsequent resale or placement of the shares has not been granted.

B. – Issuer

B.1 Legal and commercial name of the issuer.

The Company’s legal name is Sixt Leasing AG.

The Company is the parent company of the Sixt Leasing Group, which operates primarily under the commercial names “Sixt Leasing AG” and “Sixt Mobility Consulting GmbH”.

B.2 Domicile, legal form, legislation under which the issuer operates, country of incorporation.

The Company has its registered office at Zugspitzstraße 1, 82049 Pullach, Germany, and is registered with the commercial register of the local court (*Amtsgericht*) of Munich, Germany, under docket number HRB 155501. The Company is a German stock corporation incorporated in Germany and governed by German law.

B.3 A description of, and key factors relating to, the nature of the issuer's current operations and its principal activities, stating the main categories of products sold and/or services performed and identification of the principal markets in which the issuer competes.

We believe that with a total of approximately 97.4¹ thousand leasing, service and fleet management contracts as of December 31, 2014 and combined revenue and earnings before taxes (“EBT”) in 2014 of €575.0 million and €25.6 million, respectively, we are one of the leading manufacturer-independent full-service vehicle leasing providers and vehicle fleet managers in Germany. We also have operations in Austria, Switzerland, France and The Netherlands, which constitute approximately 8.2² thousand contracts (as of December 31, 2014) of our overall contract portfolio. Through our extensive expertise in the purchasing and management of vehicle fleets, we optimize the total cost of ownership of our fleet customers over the long term and help them to outsource and optimize their processes over the entire life cycle of a vehicle fleet. This value proposition is offered to our customers as full-service leasing solutions (Fleet Leasing) or as fleet management and consulting solutions (Fleet Management, via our subsidiary Sixt Mobility Consulting GmbH). Through our website, *sixt-neuwagen.de*, we also offer our private and business customers (up to 20 vehicles) highly attractive vehicle leasing solutions, including our leasing product vario-financing, by sharing our expertise and economies of scale in purchasing vehicles and related road time services (Online Retail). We have a resilient risk profile due to high revenue visibility and the fact that a substantial proportion of our leased vehicles are covered by buy-back agreements that transfer the residual value risk to our suppliers.

We operate primarily in the vehicle leasing market in Germany. In 2014, our Fleet Leasing business had an addressable market of approximately 248 thousand vehicles (Source: *Dataforce*). We believe that we are well positioned to increase our share of this attractive market. As to the retail market, private and business customers (up to 20 vehicles) leased or financed a total of approximately 1.1 million new vehicles in 2014 (Sources: *Dataforce* and *DAT Report*). Although most private and business customers (up to 20 vehicles) continue to purchase vehicles directly from dealers, we believe that consumers will increasingly migrate toward online retail channels for their vehicles in the future.

We organize our business operations into two reporting segments:

- **Leasing Business Unit.** The Leasing Business Unit includes our Fleet Leasing and Online Retail businesses:
 - **Fleet Leasing.** Our Fleet Leasing business offers leases and associated services to corporate customers. This covers a wealth of further services alongside the classic leasing function, such as vendor-neutral advice concerning vehicle selection, vehicle procurement, vehicle maintenance over the entire contract period, tire replacements, special product offers for transparent conditions at vehicle returns, service packages in the case of accidents as well as the management of vehicle insurance, fuel cards, vehicle taxes, and radio license fees. As of December 31, 2014, we

1 Including 5.2 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 97.4 thousand contracts (2014) include 7.2 thousand (2014) pure service contracts.

2 Including 0.4 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 8.2 thousand contracts (2014) include 0.7 thousand (2014) pure service contracts.

served 50.2¹ thousand contracts (December 31, 2013: 49.2 thousand contracts) related to Fleet Leasing. We generally attribute a customer to Fleet Leasing if we manage its vehicle fleet and those vehicles are leased from us. Our Fleet Leasing customers include American Express Services Europe Limited, Brose Fahrzeugteile GmbH & Co. Kommanditgesellschaft, E.ON SE, Deutsche Lufthansa Aktiengesellschaft, Otis Holdings GmbH & Co. OHG, SEB AG, Xerox Gesellschaft mit beschränkter Haftung and other large companies.

- *Online Retail.* We engage in the Online Retail business via our online platform, *sixt-neuwagen.de*, which was launched in 2012. This website offers customers the ability to configure the latest models from over 30 car manufacturers. All of the vehicles offered are exclusively from German vendors. As of December 31, 2014, we serviced 15.8² thousand contracts (December 31, 2013: 11.2 thousand contracts) related to our Online Retail business. The development of the number of contracts serviced is evidence of the growth this business line has enjoyed since its inception in 2012. We generally attribute a business customer to Online Retail if the customer has up to 20 vehicles in its fleet.
- *Fleet Management Business Unit.* Sixt Mobility Consulting GmbH, which was founded in 2011, conducts our Fleet Management business, which manages and optimizes fleets for customers from varying industries and of different sizes, ranging from mid-sized companies to international corporations. As of December 31, 2014, we serviced 31.4³ thousand contracts (December 31, 2013: 15.8 thousand contracts) related to Fleet Management. We attribute a customer to Fleet Management if we manage its fleet of vehicles without having entered into leasing agreements relating to these vehicles. Our Fleet Management customers include BP Europa SE, Kion Group AG, SAP SE and other large companies.

Sixt SE and its predecessors (and together with its consolidated subsidiaries, the “**Sixt SE Group**” and excluding the Sixt Leasing Group, the “**Sixt SE Group (excluding Leasing)**”), which we believe is a leading German premium mobility service provider, has been active in the full-service leasing market since 1967. This business has been conducted by the Company and its predecessors since 1988 and has benefited from the Sixt SE Group’s strong brand recognition and reputation for innovation and customer service. Although we continue to depend on the Sixt SE Group for financing and certain other services, we intend to build up own treasury, compliance, human resources, investor relations and other functions to achieve greater organizational independence from the Sixt SE Group.

1 Including 3.8 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 50.2 thousand (2014) contracts include 7.1 thousand (2014) pure service contracts.

2 Including 1.4 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 15.8 thousand (2014) contracts include 0.0 thousand (2014) pure service contracts.

3 Including approximately 7,400 contracts attributable to a Fleet Management customer with whom we have terminated our fleet management contract as of December 31, 2014. We continued, however, to service its vehicles until March 31, 2015.

In 2014, we generated combined revenue of €575.0 million (2013: €546.1 million) and EBT of €25.6 million (2013: €20.7 million). The majority of our revenue and EBT is generated by our Leasing Business Unit. In 2014, our Leasing Business Unit generated revenue of €518.4 million (2013: €520.8 million) and EBT of €23.5 million (2013: €20.5 million), while our Fleet Management Business Unit generated revenues of €56.6 million (2013: €25.3 million) and EBT of €2.2 million (2013: €0.3 million).

Competitive Strengths

We believe that the following competitive strengths have been the primary drivers of our success in the past and will continue to set us apart from our competitors in the future:

- Operations in a highly attractive market and well-positioned for future growth.
- Proven ability to significantly reduce the total cost of ownership of our customers' fleets.
- Early-mover advantage in offering integrated online vehicle leasing for private and business customers.
- Long-standing, good supplier relationships and high-quality service network.
- Strong IT capabilities driving our innovative service offering.
- High customer loyalty supported by premium brand and valued customer service.
- High visibility on future revenues and resilient risk profile.
- Track record of profitable growth.
- Experienced management team.

Strategy

Our strategy is targeted at achieving further growth and improving profitability. Our strategy comprises:

- Drive profitable growth of Online Retail.
- Establish European footprint of Fleet Management.
- Continue growth of Fleet Leasing and Fleet Management.
- Expand technological capabilities.
- Grow through opportunistic acquisitions.

B.4a Most significant recent trends affecting the issuer and the industry in which it operates.

Macroeconomic trends in Germany and the other European countries in which we operate are a key factor affecting demand for leased vehicles and fleet management services. The state of the economy has a direct influence on the level of corporate fleet investment and the demand for fleet management services from business customers, as well as the demand for new vehicles from retail customers. Each of 2012, 2013 and 2014 was characterized by modest levels of gross domestic product growth in Germany, where we conduct most of our business. This economic growth had a positive influence on the demand for new vehicles, with new passenger vehicle registrations in Germany increasing by 100 thousand, or 3%, from 3.17 million in 2013 to 3.27 million in 2014 (Source: *Dataforce*).

The private and business customer (up to 20 vehicles) market is currently served primarily through automotive dealers with a regionally-limited range of operations, each typically selling cars from only a small number of manufacturers, which results in a nontransparent market environment that makes it difficult for consumers to compare vehicles and offers. However, in 2014, 64% of German consumers in the market for a new car used the internet

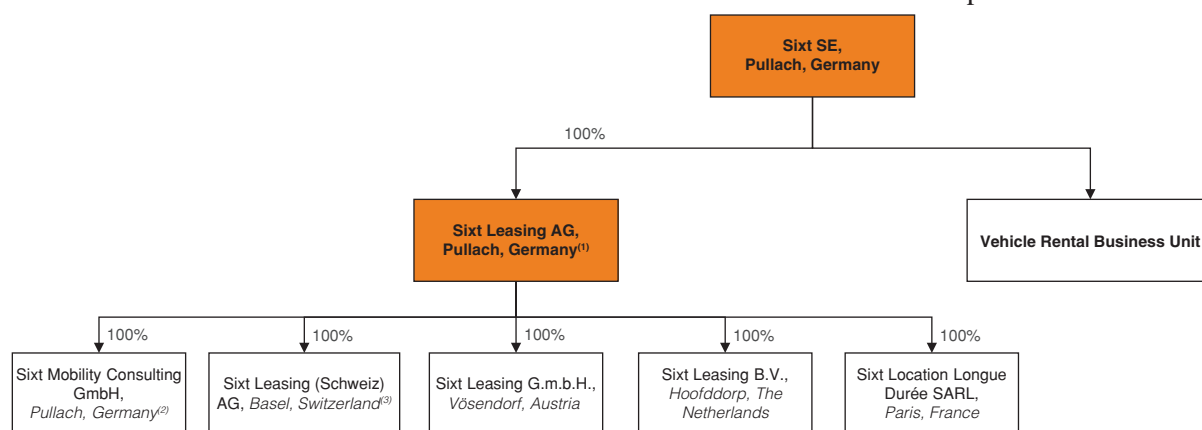
as a source of information (Source: *DAT Report*). We believe that consumers will increasingly migrate toward online retail channels for their vehicle procurements in the future.

The German leasing market is characterized by resilience and steady growth. Over the last four decades, the leasing market for moveable assets as a percentage of overall investments in Germany has grown steadily from under 5% in 1970 to 22.7% (preliminary figure) in 2014 (Source: *BDL 2014 Annual Press Conference*). Recently, the vehicle leasing market has shown strong growth and has outpaced the growth of the leasing market for other asset types. Between 2012 and 2013, the leasing market for commercial vehicles and passenger vehicles experienced an increase of 5.2% and 5.0%, respectively, while other leasing segments, including computers and business machines, machinery and industrial equipment, as well as ships, aircrafts, railway and rolling stock, all experienced negative growth rates (Source: *Leaseurope Facts and Figures 2013*).

B.5 Description of the group and the issuer's position within the group.

The Company is part of the Sixt SE Group and the parent company of the Sixt Leasing Group.

The following diagram sets forth a simplified summary of the Company's position in the Sixt SE Group and the Company's material subsidiaries as of the date of the Prospectus.



- (1) The Company, as transferor, and Sixt SE, Pullach, Germany (the “**Selling Shareholder**”), as transferee, are parties to a profit and loss transfer agreement executed on April 17, 2013 and registered under the Company's docket number with the commercial register of the local court (*Amtsgericht*) of Munich on August 14, 2013 (the “**Profit and Loss Transfer Agreement**”) that came retroactively into effect as of January 1, 2013. The Profit and Loss Transfer Agreement replaced a then existing domination, profit and loss transfer agreement (the “**Domination Profit and Loss Transfer Agreement**”) and together with the Profit and Loss Transfer Agreement, the “**(D)PLTAs**”) between the Company and Sixt AG (now: Sixt SE). The Company intends to terminate the Profit and Loss Transfer Agreement as of April 30, 2015.
- (2) The Company and Sixt Mobility Consulting GmbH entered into a profit and loss transfer agreement on March 27, 2015.
- (3) Sixt Leasing (Schweiz) AG entered into a joint venture with BFM Business Fleet Management AG, a wholly owned subsidiary of Swisscom AG, on November 5, 2014 (the “**JV Agreement**”). Pursuant to the JV Agreement, Managed Mobility AG (the “**JV Co.**”) was founded on March 12, 2015, with Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG, each holding 50% of the shares in JV Co. The shareholding in JV Co. held by Sixt Leasing (Schweiz) AG is not reflected in the chart.

B.6 Persons who, directly or indirectly, have a (notifiable) interest in the issuer's capital and voting rights.

Prior to the offering, the Selling Shareholder is the sole shareholder of the Company.

Sixt SE's share capital amounts to €123,029,212.16 and is divided into 16,911,454 no par value preference bearer shares not carrying voting rights, two no par value ordinary registered shares and 31,146,830 no par value ordinary bearer shares, with the ordinary shares carrying full voting rights. All no par value preference bearer shares and 39.9% of the no par value ordinary bearer shares are in free float. The remaining 60.1% of the no par value ordinary bearer shares are held by Erich Sixt Vermögensverwaltung GmbH,

so that Erich Sixt Vermögensverwaltung GmbH controls approximately 60.1% of the voting rights of Sixt SE. Because approximately 35.2% of Sixt SE's share capital is represented by no par value preference bearer shares not carrying voting rights, Erich Sixt Vermögensverwaltung GmbH's participation in Sixt SE's share capital deviates from the percentage of the controlled voting rights and holds approximately 38.9% of the Sixt SE's total share capital including the no par value preference bearer shares not carrying voting rights.

Erich Sixt Vermögensverwaltung GmbH is in turn controlled by ES Asset Management and Services GmbH & Co. KG ("ESAMS"), which holds 68% of its share capital. The sole general partner of ESAMS is ES Management GmbH. ESAMS is the sole shareholder of ES Management GmbH and, therefore, the sole shareholder of its own sole general partner. For purposes of voting rights notifications under the German Securities Trading Act (*Wertpapierhandelsgesetz*), the voting rights attributed to ESAMS are also attributed to Mr. Erich Sixt who is a limited partner of ESAMS.

Voting rights.

Each share in the Company carries one vote at the Company's shareholders' meeting. There are no restrictions on voting rights.

Direct or indirect control over the issuer and nature of such control.

The Company is directly controlled by its sole shareholder Sixt SE.

The majority of voting rights in the Company is ultimately indirectly held by ESAMS and is attributed through ESAMS to Mr. Erich Sixt for purposes of voting rights notifications under the German Securities Trading Act (*Wertpapierhandelsgesetz*).

B.7 Selected key historical financial information.

Although each of the entities included in the Sixt Leasing Group was historically under the common control of Sixt SE, not all of them were historically owned by the Company. Sixt SE engaged in a reorganization prior to this offering in order to combine Sixt SE's leasing and fleet management business within the Sixt Leasing Group. As a result of the reorganization, the Sixt Leasing Group does not have consolidated financial statements for each of the last three years. Instead, Sixt Leasing has prepared combined financial statements, which include the historical financial information of the entities included in the Sixt Leasing Group as of December 31, 2014 and reflect the results of operations of the Sixt Leasing Group as if it had been consolidated for all periods presented. The financial information contained in the following tables has been taken or derived from the audited combined financial statements of the Sixt Leasing Group as of and for the fiscal years ended December 31, 2012, 2013 and 2014. The audited combined financial statements of the Sixt Leasing Group as of and for those periods were prepared in accordance with International Financial Reporting Standards as adopted by the EU ("IFRS") and as if the German tax group as a consequence of the (D)PLTAs between Sixt SE and the Company had not existed in the relevant periods and assuming that the Company would have been obliged to settle all of its trade and corporate income tax related obligations. As a result, the dividend payments as disclosed in the combined financials differ from the profits transferred to Sixt SE under the (D)PLTAs. Additional information in the Prospectus has been taken from the audited unconsolidated financial statements of the Company as of and for the fiscal year ended December 31, 2014, which were prepared in accordance with the German Generally Accepted Accounting Principles of the German Commercial Code (*Handelsgesetzbuch (HGB)*) ("German GAAP").

Selected Combined Financial Data Prepared in Accordance with IFRS*

Combined Income Statement Data

	For the year ended December 31,		
	2012	2013	2014
	(audited, unless otherwise stated) (in € million, unless otherwise stated)		
Revenue	556.5	546.1	575.0
Operating revenue ⁽¹⁾ (unaudited)	393.7	403.0	427.9
Leasing Business Unit	542.0	520.8	518.4
Leasing revenue	379.2	378.3	387.5
Of which:			
Operating leasing revenue	176.4	180.0	194.1
Service revenue	202.8	198.4	193.4
Sales revenue	162.8	142.5	130.9
Fleet Management Business Unit	14.5	25.3	56.6
Fleet management revenue	14.5	24.8	40.4
Sales revenue	–	0.6	16.2
Other operating income	3.2	9.7	5.0
Fleet expenses and cost of lease assets	348.0	328.2	337.7
Personnel expenses	16.1	16.0	17.6
Depreciation and amortization expenses	140.4	152.3	158.3
Of which:			
Depreciation of lease assets ⁽²⁾	140.3	152.2	158.1
Other operating expenses	15.9	16.2	17.6
Earnings before interest and taxes (EBIT)	39.3	43.1	48.7
Net finance costs	(22.9)	(22.3)	(23.1)
Earnings before taxes (EBT)	16.3	20.7	25.6
Income tax expense ⁽³⁾	4.4	5.2	6.6
Profit	12.0	15.5	19.0
Of which attributable to shareholders of Sixt Leasing Group	12.0	15.5	19.0
Earnings per share – basic and diluted (in €)	0.80	1.03	1.27

(1) Operating revenue is revenue less Leasing Business Unit's sales revenue and less Fleet Management Business Unit's sales revenue.

(2) Including write down of vehicles intended for sale.

(3) Income tax expenses were calculated as if the German tax group as a consequence of the (D)PLTAs between Sixt SE and the Company had not existed in the relevant periods and assuming that the Company would have been obliged to settle all of its trade and corporate income tax related obligations.

* Where financial data in the following tables is labelled “audited,” this means that such data has been taken from the audited financial statements mentioned above (audited by Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Munich). The label “unaudited” is used in the following tables to indicate financial data that has not been taken from the audited financial statements mentioned above but has been taken or derived from the Company's internal reporting system or has been calculated based on information contained in the audited combined financial statements or the Company's internal reporting system.

All of the financial data presented in the text and tables below is shown in millions of euro (in € million), except as otherwise stated. Certain financial data (including percentages) in the following tables has been rounded according to established commercial standards. As a result, the aggregate amounts in the following tables may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures appearing in the Prospectus. Furthermore these rounded figures may not add up exactly to the totals contained in the tables. Financial information presented in parentheses denotes the negative of such number presented. A dash (“–”) signifies that the relevant figure is not available, while a zero (“0.0”) signifies that the relevant figure is available but has been rounded to zero.

Combined Statement of Financial Position Data

	As of December 31,		
	2012	2013	2014
	(audited) (in € million)		
Assets			
Non-current assets			
Total non-current assets	730.4	778.2	905.2
<i>Of which:</i>			
Lease assets	725.6	774.6	902.4
Current assets			
Total current assets	111.9	143.6	175.7
Total assets	842.3	921.9	1,080.9
Equity and Liabilities			
Equity			
Equity attributable to owners of Sixt Leasing Group	28.7	15.6	12.3
Total equity	28.7	15.6	12.3
Non-current liabilities and provisions			
Total non-current liabilities and provisions	86.6	112.9	113.3
Current liabilities and provisions			
<i>Of which:</i>			
Liabilities to related parties	594.4	530.1	659.8
Total current liabilities and provisions	727.1	793.3	955.3
Total equity and liabilities	842.3	921.9	1,080.9

Combined Statement of Cash Flows

	For the year ended December 31,		
	2012	2013	2014
	(audited) (in € million)		
Net cash flows from (used in) operating activities ⁽¹⁾	(61.8)	(59.5)	(142.1)
Net cash flows from (used in) investing activities	(0.2)	(0.2)	(0.8)
Net cash flows from (used in) financing activities ⁽²⁾	57.2	69.8	144.0
Net change in cash and cash equivalents	(4.7)	10.1	1.1

(1) Proceeds from disposal of lease assets (2012: €161.7 million, 2013: €139.5 million, 2014: €130.6 million) and payments for investments in lease assets (2012: €(370.9) million, 2013: €(337.5) million, 2014: €(420.2) million) are included in net cash flows from (used in) operating activities.

(2) Net cash flows from (used in) financing activities include dividend payments of €32.0 million, €24.4 million and €22.6 million for the years 2012, 2013 and 2014, respectively, as disclosed in the combined financials. Under the (D)PLTAs, the Company transferred profits to the Selling Shareholder in the amount of €38.6 million, €33.3 million and €25.2 million in 2012, 2013 and 2014, respectively.

Segment Data

	Leasing			Fleet Management			Reconciliation			Sixt Leasing Group		
	For the year ended December 31,			For the year ended December 31,			For the year ended December 31,			For the year ended December 31,		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
	(audited) (in € million, unless otherwise stated)			(audited) (in € million, unless otherwise stated)			(audited) (in € million, unless otherwise stated)			(audited) (in € million, unless otherwise stated)		
Total revenue	542.0	520.8	518.4	14.5	25.3	56.6	(0.0)	(0.0)	(0.0)	556.5	546.1	575.0
EBT	17.2	20.5	23.5	(0.9)	0.3	2.2	–	–	–	16.3	20.7	25.6
Segment assets	838.4	914.6	1,052.5	11.8	20.0	29.0	(8.3)	(13.2)	(0.7)	842.0	921.4	1,080.8
Segment liabilities	795.9	889.6	1,029.4	13.2	21.1	28.0	(8.3)	(13.2)	(0.7)	800.8	897.5	1,056.7

Other Financial and Statistical Data

	For the year ended December 31,		
	2012	2013	2014
	(unaudited, unless otherwise stated) (in € million, unless otherwise stated)		
Operating revenue ⁽¹⁾	393.7	403.0	427.9
EBT (audited)	16.3	20.7	25.6
EBT margin revenue ⁽²⁾ (in percent)	2.9	3.8	4.5
EBT margin operating revenue ⁽³⁾ (in percent)	4.2	5.1	6.0
Write-down rate ⁽⁴⁾ (in percent)	0.44	0.23	0.39
Number of contracts ⁽⁵⁾⁽⁶⁾ (year-end, thousands)	62.2	76.2	97.4
Leasing ⁽⁵⁾ (year-end, thousands)	55.2	60.4	65.9
Fleet Management (year-end, thousands)	7.0	15.8	31.4 ⁽⁷⁾
Revolving quota ⁽⁸⁾ (in percent)	93.9	100.4	106.2

(1) Operating revenue is revenue less Leasing Business Unit's sales revenue and less Fleet Management Business Unit's sales revenue.

(2) EBT margin revenue is calculated as EBT for the period divided by revenue for the period.

(3) EBT (including EBT contribution from Leasing Business Unit's sales revenue and from Fleet Management sales revenue) divided by operating revenue.

(4) Write-down rate is calculated by dividing expenses from write-downs of receivables by operating revenue.

(5) Including 5.6 thousand (2012), 6.2 thousand (2013) and 5.2 thousand (2014) new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report.

(6) Including 8.3 thousand (2012), 7.7 thousand (2013) and 7.2 thousand (2014) pure service contracts.

(7) Including approximately 7,400 contracts attributable to a Fleet Management customer with whom we have terminated our fleet management contract as of December 31, 2014. We continued, however, to service all of its vehicles until March 31, 2015.

(8) The revolving quota relates to our Fleet Leasing contracts only (excluding order book and service contracts) and is obtained by dividing infleets, i.e., the number of vehicles distributed at the beginning of a new lease term, in 2012, 2013 and 2014 by defleets, i.e., the number of vehicles returned at the end of a lease term, for all customers who were already customers during the respective previous year (i.e., 2011, 2012, 2013).

Significant changes to the issuer's financial condition and operating results during and subsequent to the period covered by the historical key financial information.

The following significant changes in our financial condition and operating results occurred in 2012, 2013 and 2014 and in the subsequent period:

Fiscal years 2013 and 2014 (combined)

Assets increased by €159.0 million, or 17.2%, from €921.9 million as of December 31, 2013 to €1,080.9 million as of December 31, 2014 mainly as a result of an increase in lease assets by €127.8 million, or 16.5%, primarily due to the increase in the number of vehicles purchased in order to service the increased number of leasing contracts. Total liabilities and provisions¹ increased by €162.4 million, or 17.9%, from €906.2 million as of December 31, 2013 to €1,068.6 million as of December 31, 2014 primarily as a result of the increase in liabilities to related parties by €129.7 million, or 23.6%, due to additional financing provided to us by Sixt SE for the acquisition of the additional vehicles.

Total revenue increased by €28.9 million, or 5.3%, from €546.1 million in 2013 to €575.0 million in 2014, primarily due to an increase of €31.3 million, or more than 100%, in the revenue generated by the Fleet Management Business Unit, which grew from €25.3 million in 2013 to €56.6 million in 2014. This factor was partly offset by a decrease of €2.4 million, or 0.5%, in the revenue generated by the Leasing Business Unit, which declined from €520.8 million in 2013 to €518.4 million in 2014. Revenue generated in Germany increased by €39.6 million, or 8.7%, from €457.7 million in 2013 to €497.3 million in 2014, while international revenue decreased by €10.7 million, or 12.1%, from €88.4 million in 2013 to €77.7 million in 2014.

EBT increased by €4.9 million, or 23.7%, from €20.7 million in 2013 to €25.6 million in 2014, as the increase in our revenue exceeded the increase in our operating expenses. The Leasing Business Unit's EBT increased by €3.0 million, or 14.6%, from €20.5 million in 2013 to €23.5 million in 2014, while the Fleet Management Business Unit's EBT increased by €1.9 million, from €0.3 million in 2013 to €2.2 million in 2014.

Fiscal years 2012 and 2013 (combined)

Assets increased by €79.6 million, or 9.5%, from €842.3 million as of December 31, 2012 to €921.9 million as of December 31, 2013 mainly as a result of an increase in lease assets by €49.0 million, or 6.8%, primarily due to the increase in the number of vehicles purchased in order to service the increased number of leasing contracts. Total liabilities and provisions¹ increased by €92.5 million, or 11.3%, from €813.7 million as of December 31, 2012 to €906.2 million as of December 31, 2013 primarily as a result of the increase in current financial liabilities by €123.1 million.

Total revenue decreased by €10.4 million, or 1.9%, from €556.5 million in 2012 to €546.1 million in 2013, primarily due to a decrease of €21.2 million, or 3.9%, in the revenue generated by the Leasing Business Unit, which declined from €542.0 million in 2012

¹ Unaudited. Sum of total current liabilities and provisions and total non-current liabilities and provisions.

to €520.8 million in 2013. This factor was partly offset by an increase of €10.8 million, or 74.5%, in the revenue generated by the Fleet Management Business Unit, which grew from €14.5 million in 2012 to €25.3 million in 2013. Revenue in Germany decreased by €22.9 million, or 4.8%, from €480.6 million in 2012 to €457.7 million in 2013, while international revenue increased by €12.5 million, or 16.5%, from €75.9 million in 2012 to €88.4 million in 2013.

EBT increased by €4.4 million, or 27.0%, from €16.3 million in 2012 to €20.7 million in 2013, as the decrease in our revenue was more than offset by the decrease in our operating expenses. The Leasing Business Unit's EBT increased by €3.3 million, or 19.2%, from €17.2 million in 2012 to €20.5 million in 2013, while the Fleet Management Business Unit's EBT increased by €1.2 million, from €(0.9) million in 2012 to €0.3 million in 2013.

Recent Developments

The Company intends to terminate the Profit and Loss Transfer Agreement as of April 30, 2015 (inclusive). Under this agreement, the Company is obligated to transfer profits to Sixt SE and Sixt SE must compensate the Company for any losses it incurs under German GAAP. Although the Company expects to continue to be profitable on a consolidated basis under IFRS for the period from January 1, 2015 until April 30, 2015, it expects to incur a loss in its unconsolidated interim financial statements under German GAAP for this period. As a result, Sixt SE decided to make an advance payment by no later than May 4, 2015 of €4.4 million to the Company to compensate it for its loss (the “**PLTA Advance Payment**”).

In addition, Sixt SE will make a cash contribution of €30.0 million into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*) by no later than May 4, 2015 to increase the Company's equity before the offering (the “**Capital Contribution**”).

Finally, the Company has entered into various agreements with Sixt SE (and certain of its subsidiaries) in order to enable it to function as a separately listed company. These include, in particular, a financing agreement, which ensures the financing of our business operations in the medium term (the “**Financing Agreement**”), and a license agreement, which grants us the right to use certain intellectual property rights of Sixt SE, e.g. a right to use the mark “Sixt” as part of the commercial names (*Firmenbestandteil*) of the Company and its subsidiaries and as trademark for our products (the “**License Agreement**”).

After the first two months of 2015, which have developed in line with management's expectations, Sixt Leasing expects profitable growth to continue in the first quarter of 2015. In line with Sixt Leasing's strategic objectives, growth in the Leasing Business Unit in January and February 2015 was mainly driven by an increasing number of new contracts in the Online Retail Business. As of February 28, 2015, the number of contracts in Online Retail increased by more than 1,000 contracts compared to December 31, 2014. In the same period, Fleet Leasing and Fleet Management contracts remained almost unchanged.

Effective as of December 31, 2014, we terminated the agreement with one of our largest Fleet Management customers accounting for 7,400 contracts that did not meet our profitability expectations. We continued, however, to service its vehicles until March 31, 2015. We expect this termination to result in a corresponding decrease in Fleet Management revenues and Fleet Management Contracts for 2015. However, due to the termination of these contracts, we also expect our Fleet Management Business Unit's margins to increase in the short term to a low double-digit level.

We expect Sixt SE to continue to provide funding to us under the terms of the financing agreement entered into between the Company and Sixt SE prior to the offering. Through the Financing Agreement with Sixt SE, the Company will receive a core loan in the amount of up to €750 million to refinance its existing loans from related parties (including the amount of the borrower's note loan (*Schuldscheindarlehen*)).

Between December 31, 2014 and the date of the Prospectus, there have been no significant changes to the Company's or Sixt Leasing Group's financial position, financial performance, cash flows or in the Company's or the Sixt Leasing Group's trading position, except for the conclusion of the License Agreement, the intended termination of the Profit and Loss Transfer Agreement with Sixt SE, the commitment by Sixt SE to pay the PLTA Advance Payment and the Capital Contribution to the Company, the termination by the Company of one of our largest Fleet Management customers and the conclusion of the Financing Agreement with Sixt SE as described in the preceding paragraphs.

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|---|---|
| B.8 Selected key pro forma financial information. | Not applicable. No pro forma financial information is required. |
| B.9 Profit forecast and estimate. | Not applicable. No profit forecast or estimate has been made. |
| B.10 Qualifications in the audit report on the historical financial information. | Not applicable. There are no qualifications. |
| B.11 Insufficiency of the issuer's working capital for its present requirements. | Not applicable. The working capital is sufficient. |

C. – Securities

- | | |
|---|--|
| C.1 Type and class of the securities being offered and/or admitted to trading. | Ordinary bearer shares with no par value (<i>Stückaktien</i>), each with a notional value of €1.00 and full dividend rights from January 1, 2015. |
| Security identification numbers. | <p>International Securities Identification Number (ISIN): DE000A0DPRE6</p> <p>German Securities Code (<i>Wertpapierkennnummer, WKN</i>): A0DPRE</p> <p>Common Code: 122260330</p> <p>Ticker Symbol: LNSX</p> |

C.2 Currency.	Euro.
C.3 The number of shares issued and fully paid.	15,025,000 ordinary bearer shares with no par value (<i>Stückaktien</i>). The share capital has been fully paid up.
Notional value.	Each of the shares of the Company represents a notional share of €1.00 in the Company's share capital.
C.4 A description of the rights attached to the securities.	Each share in the Company carries one vote at the Company's shareholders' meeting. There are no restrictions on voting rights. The shares carry full dividend rights as from January 1, 2015.
C.5 A description of any restrictions on the free transferability of the securities.	Not applicable. The Company's shares are freely transferable in accordance with the legal requirements for bearer shares. There are no prohibitions or restrictions on disposals with respect to the transferability of the Company's shares.
C.6 Application for admission to trading on a regulated market and identity of regulated markets where the securities are to be traded.	The Company expects to apply for admission of its shares to trading on the regulated market segment (<i>regulierter Markt</i>) of the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) and, simultaneously, to the sub-segment thereof with additional post-admission obligations (Prime Standard) on or about April 27, 2015. The listing approval is expected to be announced on May 6, 2015. Trading on the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) is currently expected to commence on May 7, 2015.
C.7 Dividend policy.	The Company aspires to pay dividends of approximately 30% up to 40% of Sixt Leasing Group's annual net income, provided that the Company's business performance is satisfactory. The Company expects to pay dividends to its shareholders for the first time in respect of the fiscal year 2015. However, there can be no assurance that the Company will be in a position to pay dividends in the envisaged amount or at all in respect of the fiscal year 2015 or in the future.

D. – Risks

As of the date of the Prospectus, the following key risks, alone or together with additional risks and uncertainties not currently known to the Company, or that the Company might currently deem immaterial, could materially adversely affect our business, net assets, financial condition, cash flow and results of operations. If any of these risks were to materialize, investors could lose some or all of their investment.

The order in which the key risks are presented is not an indication of the likelihood of the risks actually materializing or the significance or degree of the key risks or the scope of any potential harm to our business. The risks mentioned may materialize individually or cumulatively.

D.1 Key risks specific to the issuer and its industry.	Key Risks Related to Our Industry and Our Business <ul style="list-style-type: none"> • We may suffer from adverse developments in the general economic environment or in the vehicle leasing and fleet management industry in which we operate.
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- We may be unable to improve and market our existing product range or maintain an attractive product range that meets the expectations of our customers.
- We may not be able to maintain our recent growth rates or successfully manage our future growth and may be unable to integrate opportunistic acquisitions.
- Our customers, especially a few significant customers which make up a substantial portion of our revenue, may fail to make timely payments or may discontinue using our services.
- A termination of our non-exclusive intellectual property license agreement with Sixt SE or a deterioration in the reputation of the Sixt brand, or in our reputation, could have a material adverse effect on our relationships with customers, suppliers, third-party service providers and investors.
- We may not be able to dispose of our used vehicles at desirable prices, and we face risks related to the residual value of our vehicles and in connection with such sales.
- We incur significant up-front expenses that we may not be able to recover over the life of the lease.
- We rely on third-party suppliers to stock and service our fleet, and we may suffer from adverse developments affecting any of their businesses or from a deterioration in our relationships with any of them.
- We may not be able to retain, or may be required to repay, the volume bonuses we have negotiated.
- As we grow and expand our business activities to new jurisdictions, we may incur substantial costs and become exposed to greater complexities.
- Our insurance coverage may be insufficient to cover certain risks related to our vehicles, operations and potential liability to our customers.
- We are dependent on the smooth functioning of our software systems, of our websites and of our mobile applications.
- Any disruption to our supply chain, logistics infrastructure or information technology systems could adversely impact our business.
- Third-party attempts to breach our networks or data security, or the existence of any other security vulnerabilities, may damage our reputation and expose us to liability.
- Our success is dependent on the expertise and leadership of certain personnel in key positions.

Key Financing Risks

- Following completion of the initial public offering and the termination of the existing financing arrangements with Sixt SE, we will no longer have access to the same refinancing terms as Sixt SE and its subsidiaries and we may fail to obtain external financing.

- A mismatch between the maturities and interest rates applicable to our assets and liabilities could negatively affect our results from operations.
- We are exposed to interest rate fluctuations which could result in wider spreads between financial revenues and financial costs that could lead to losses on our leasing contracts.

Key Regulatory, Legal and Tax Risks

- We may be found to have failed to fulfill certain licensing requirements applicable to us as a financial services institution, which could result in the suspension or revocation of our leasing license that we require to conduct our leasing business.
- We may be found to have failed to comply with laws and regulations, which could result in withdrawal rights or repayment claims of our customers, the imposition of fines and damage to our reputation.
- Standard clauses used in our lease agreements and in our contracts with our customers and third-party suppliers and service providers may be invalid, and we thus may not be able to enforce such clauses or the contracts in which such clauses are found.
- The control and prevention mechanisms of our compliance structure might not be sufficient to adequately protect us from all legal, financial or organizational risks.
- We may be subject to litigation or administrative proceedings that could disrupt and harm our business.
- Potential changes in the International Financial Reporting Standards relating to the accounting of leasing could have a negative impact on the willingness of customers to lease vehicles for their operating business.
- Adverse developments in tax laws and regulations may adversely affect demand for our services and could increase our tax burden.
- Pending and future tax audits could lead to additional tax liabilities.
- Significant reorganizations that we have undergone in the past may result in an additional tax burden.

Key Risks Associated with Our Shareholder Structure and the Carve-Out

- We rely on Sixt SE in many aspects of our business and have historically shared certain services and profited from advantages that might no longer be available to Sixt Leasing as a separately listed company.
- Sixt SE can continue to exercise significant influence over us, and the interests of Sixt SE may conflict with the interests of our other shareholders.

- Sixt SE is not prohibited from, directly or indirectly, engaging in business activities similar to ours using the same brands and trademarks.
- Membership of the same persons on several boards may result in conflicts of interest between Sixt Leasing AG, Sixt SE and other companies of the Sixt SE Group.
- The financial information presented in the Prospectus may not be fully representative of our results as a separately listed company.

D.3 Key risks specific to the securities. Key Risks Related to the Shares and the Offering

- The Company may fail to comply with the additional requirements, which will be applicable to it as a public company that could result in significant additional costs, litigation or penalties.
- The market price and trading volume of the shares in the Company may fluctuate significantly, in which case investors could lose some or all of their investment.
- Any future sales of the shares in the Company by existing shareholders could depress the market price of the shares.
- Future capitalization measures may lead to substantial dilution, *i.e.*, a reduction in the value of the shares in the Company and the control rights of existing shareholders' interests in us. Future offerings of debt or equity securities may adversely affect the market price of the shares.
- Future sales of the shares in the Company by Sixt SE or a capital increase carried out by us in which Sixt SE does not participate could trigger change of control provisions in our contracts.
- If the Company decides to pursue a transformation of legal form into a European company (*Societas Europaea*—SE), it would tie up substantial personnel resources and incur significant expenses.

E. – Offer

E.1 The total net proceeds.

At the mid-point of the Price Range (as defined below in E.3) set for the offering of the Offer Shares (as defined below in E.3), gross proceeds from the offering are expected to total approximately €242.4 million (assuming placement of all Offer Shares (as defined below under E.3)). Assuming expenses related to the offering and commissions payable to the Underwriters of a total of approximately €10.4 million, the total net proceeds from the offering would amount to approximately €232.0 million.

The Company will receive only the proceeds of the offering resulting from the sale of the New Shares (as defined below in E.3). Assuming a placement of all Offer Shares at the mid-point of the Price Range, the Company will receive gross proceeds of approximately €109.5 million (corresponding to estimated net proceeds of approximately €104.0 million). However, the Company

together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the gross proceeds and net proceeds to the Company may not reach the amount of €109.5 million and €104.0 million at the mid-point of the price range.

At the mid-point of the Price Range, gross proceeds to the Selling Shareholder (assuming placement of the maximum number of Existing Shares and assuming full exercise of the Greenshoe Option (both as defined below in E.3)) will amount to approximately €132.9 million and estimated net proceeds to the Selling Shareholder will amount to approximately €127.9 million.

Estimate of the total expenses of the offering and listing, including estimated expenses charged to the investor by the issuer.

Assuming an offer price at the mid-point of the Price Range (as defined below under E.3), the expenses related to the offering of the Offer Shares and listing of the Company's entire share capital are expected to total approximately €3.8 million (excluding underwriting and placement commissions payable to the Underwriters), of which approximately €1.6 million will be borne by the Selling Shareholder, which means that the Company will ultimately bear approximately €2.2 million thereof. The Selling Shareholder will bear a percentage of the offering and listing-related costs of the Company equal to the ratio of (i) the gross proceeds from the Existing Shares placed in the offering to (ii) the sum of the gross proceeds from the New Shares and Existing Shares placed in the offering and the amount of the Capital Contribution by the Selling Shareholder.

Assuming an offer price at the mid-point of the Price Range, a placement of all New Shares (as defined below under E.3) and a placement of the maximum number of Existing Shares and Over-Allotment Shares (as defined below in E.3) (assuming the Greenshoe Option has been fully exercised) and assuming further payment in full of the discretionary fee of up to €2.6 million, the commission payable to the Underwriters will amount to €6.7 million. Of that total, €3.3 million will be attributable to the placement of the New Shares (as defined below under E.3) and will be borne by the Company, €3.0 million will be attributable to the placement of the Existing Shares and will be borne directly by the Selling Shareholder and €0.3 million will be attributable to the placement of the Over-Allotment Shares and will also be borne directly by the Selling Shareholder.

None of the Company, the Selling Shareholder or the Underwriters will charge expenses to investors. Investors will have to bear customary transaction and handling fees charged by their brokers or other financial institutions through which they hold their securities.

E.2a Reasons for the offering.

The Company intends to list its shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, on the sub-segment thereof with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) to access the capital markets. The Company also intends to pursue the offering to receive the proceeds from the placement of the New Shares (as defined below under E.3).

**Use of Proceeds,
estimated net
amount of the
proceeds.**

The Company intends to use the net proceeds of the offering of the New Shares (as defined below under E.3) in an amount of approximately €82.0 million to reduce current external financial liabilities, which as of February 28, 2015 amounted to €188.3 million and might increase or decrease until the Company receives the net proceeds of the offering of the New Shares. Any remainder is intended to be used as a liquidity reserve for general corporate purposes or to make payments of principal and interest on financial indebtedness incurred by the Company.

Assuming that the maximum number of New Shares (as defined below under E.3) (5,586,593 shares) is placed, the net proceeds to the Company are expected to amount to €94.8 million at the low end of the Price Range (as defined below under E.3), €104.0 million at the mid-point of the Price Range and €113.3 million at the high end of the Price Range. However, the Company together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the net proceeds to the Company may not reach the amount of €104.0 million at the mid-point or of €113.3 million at the high-end of the price range.

E.3 Offer conditions.

The offering relates to 5,586,593 of the Company's New Shares and to 6,780,362 of the Company's existing ordinary bearer shares with no par value, each representing a notional value of €1.00 in the Company's share capital and with full dividend rights from January 1, 2015, consisting of:

- 5,586,593 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against cash contributions (the "**IPO Capital Increase**") to be resolved by an extraordinary shareholders' meeting of the Company (the "**New Shares**");
- 5,167,281 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of the Selling Shareholder, (the "**Existing Shares**" and, together with the New Shares, the "**Base Shares**"); and
- 1,613,081 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of the Selling Shareholder in connection with a possible over-allotment (the "**Over-Allotment Shares**" and, together with the Base Shares, the "**Offer Shares**").

The offering consists of a public offering of the Offer Shares in Germany and Luxembourg and private placements of the Offer Shares in certain jurisdictions outside Germany and Luxembourg. In the United States, the Offer Shares will be offered for sale to qualified institutional buyers in reliance on Rule 144A under the U.S. Securities Act of 1933, as amended. Outside the United States, the Offer Shares will be offered in reliance on Regulation S under the U.S. Securities Act of 1933.

Offer Period.

The offer period, during which investors may submit purchase orders for the Offer Shares, is expected to begin on April 27, 2015 and is expected to end on May 6, 2015 at 12:00 noon CEST (Central European Summer Time) for retail investors (natural persons) and at

16:00 CEST (Central European Summer Time) for institutional investors (the “**Offer Period**”). Purchase orders must be of at least 25 Offer Shares and be denominated in full euro amounts or euro cent figures of 10, 20, 30, 40, 50, 60, 70, 80 or 90 cents. Multiple purchase orders are permitted.

Price Range and Offer Price.

The Price Range within which purchase orders may be placed is €17.90 to €21.30 per Offer Share (the “**Price Range**”).

Amendments to the Term of the Offering.

The Company and the Selling Shareholder reserve the right, together with the Joint Bookrunners, to increase or decrease the total number of Offer Shares, to increase or decrease the upper limit and/or the lower limit of the Price Range and/or to extend or shorten the Offer Period. Changes in the number of Offer Shares, changes to the Price Range or the extension or shortening of the Offer Period will not invalidate any offers to purchase that have already been submitted. If such change requires the publication of a supplement to the Prospectus, investors who submitted purchase orders before the supplement is published shall have the right, under the German Securities Prospectus Act (*Wertpapierprospektgesetz*), to withdraw such offers to purchase within two business days of the publication of the supplement. Instead of withdrawing the offers to purchase placed prior to the publication of the supplement, investors may change their orders or place new limited or unlimited offers to purchase within two business days of the publication of the supplement. To the extent that the terms of the offering are changed, such change will be published by means of electronic media (such as Thomson Reuters or Bloomberg) and, if required by the German Securities Trading Act (*Wertpapierhandelsgesetz*) or the German Securities Prospectus Act (*Wertpapierprospektgesetz*), as an ad hoc release via an electronic information system and on the Company’s website and as a supplement to the Prospectus. Investors who have submitted offers to purchase will not be notified individually. Under certain conditions, the Joint Global Coordinators, on behalf of the Underwriters, may terminate the underwriting agreement relating to the offering entered into with the Company and the Selling Shareholder on April 24, 2015 (the “**Underwriting Agreement**”), even after commencement of trading (*Aufnahme des Handels*) of the Company’s shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

Placement Price.

The placement price and the final number of Offer Shares to be placed in the offering have not yet been fixed as of the date of the Prospectus.

The placement price and the final number of Offer Shares placed in the offering will be set jointly by the Company, the Selling Shareholder and the Underwriters. The price will be set on the basis of the purchase orders submitted by investors that have been collated in the order book prepared during a bookbuilding process.

Price-setting is expected to occur on or about May 6, 2015. The placement price and the final number of Offer Shares placed in the offering (*i.e.*, the results of the offering) are expected to be published by means of an ad hoc release, via an electronic information dissemination system and on the Company’s website on or about May 6, 2015.

Should the placement volume prove insufficient to satisfy all orders placed at the placement price, the Company and the Selling Shareholder jointly reserve the right to reject orders, or to accept them only in part.

Delivery and Payment.

The delivery of the Offer Shares against payment of the offer price is expected to take place on May 11, 2015. The Offer Shares will be made available to shareholders as co-ownership interests in the global share certificate.

Stabilization Measures, Over-Allotments and Greenshoe Option.

In connection with the placement of the Offer Shares, COMMERZBANK or its affiliates, acting for the account of the Underwriters, will act as the stabilization manager and may, as stabilization manager and acting in accordance with legal requirements (Section 20a (3) of the German Securities Trading Act (*Wertpapierhandelsgesetz*) in conjunction with Commission Regulation (EC) No. 2273/2003 of December 22, 2003), make Over-Allotments and take stabilization measures to support the market price of the Company's shares and thereby counteract any selling pressure.

Under the possible stabilization measures, investors may, in addition to the Base Shares, be allocated up to 1,613,081 Over-Allotment Shares as part of the allocation of the shares to be placed ("**Over-Allotment**"). For the purpose of a possible Over-Allotment, the stabilization manager, for the account of the Underwriters, will be provided with up to 1,613,081 Over-Allotment Shares in the form of a securities loan; this number of Over-Allotment Shares will not exceed 15% of the Base Shares. In addition, the Selling Shareholder will grant the Underwriters an option to acquire up to 1,613,081 shares of the Company at the offer price less agreed commissions (the "**Greenshoe Option**"). This option will terminate 30 calendar days after the commencement of the stock exchange trading of the Company's shares.

The stabilization manager, for the account of the Underwriters, is entitled to exercise the Greenshoe Option to the extent Over-Allotments were initially made; the amount of shares is to be reduced by the number of shares held by the stabilization manager as of the date on which the Greenshoe Option is exercised and that were acquired by the stabilization manager in the context of stabilization measures.

E.4 Interests material to the issue/offer.

In connection with the offering and the admission to trading of the Company's shares, the Underwriters have formed a contractual relationship with the Company and the Selling Shareholder.

The Underwriters are acting for the Company and the Selling Shareholder on the offering and coordinating the structuring and execution of the offering. In addition, both Berenberg and COMMERZBANK have been appointed to act as designated sponsors for the Company's shares and COMMERZBANK has been appointed to act as paying agent. The Underwriters have a financial interest in the offering because upon its successful implementation, they will receive the commission agreed upon in the Underwriting Agreement.

The Selling Shareholder will receive the proceeds of the Existing Shares sold in the offering as well as the proceeds of the shares from the exercise of the Greenshoe Option, if any. Assuming full

placement of all Existing Shares and Over-Allotment Shares at the mid-point of the Price Range and full exercise of the Greenshoe Option, and after deducting fees and expenses to be paid by the Selling Shareholder in connection with the offering, the net proceeds to the Selling Shareholder from the offering would amount to approximately €127.9 million, or 55% of the total net proceeds from the offering. The Selling Shareholder will offer its shares to partially divest its stake in the Company and to ensure a sufficient free float and trading liquidity in the Company's shares. The Selling Shareholder will also be released from the guarantees or other credit support provided to the lenders in respect of the current external financing of the Company, if the Company redeems such current external financing with the net proceeds from the offering. The Selling Shareholder may also receive payments of principal and interest on the debt financing provided by the Selling Shareholder to the Company from the net proceeds of the offering of the New Shares (after existing external financial liabilities of the Company have been redeemed with such net proceeds from the Offering).

Some of the Underwriters or their affiliates have, and may from time to time in the future continue to have, business relations with the Sixt Leasing Group and the Selling Shareholder (including lending activities) or may perform services for the Sixt Leasing Group or the Selling Shareholder in the ordinary course of business.

Conflicting interests. Not applicable. There are no conflicting interests.

E.5 Name of the person or entity offering to sell the security. The shares are being offered for sale by the Underwriters.

Lock-up agreement: the parties involved; and indication of the period of the lock up. In the Underwriting Agreement, the Company has, subject to certain exceptions, agreed with each Underwriter that, during the period commencing on April 24, 2015 and ending six months after the first day of trading of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (currently expected to take place on May 7, 2015), to the extent legally permissible, without the prior written consent of the Joint Global Coordinators, which may not be unreasonably withheld or delayed, the Company, its management board or its supervisory board will not take any action aimed at increasing the Company's share capital. For the same period the Selling Shareholder has, subject to certain exceptions, undertaken to the Joint Global Coordinators that it will not, without prior written consent of the Joint Global Coordinators, which consent may not be unreasonably withheld or delayed, sell, distribute, transfer or otherwise dispose of any of its shares or securities in the Company, or take any action aimed at increasing the Company's share capital.

E.6 Amount and percentage of immediate dilution resulting from the offering. The offering involves the issuance of new shares.

As of December 31, 2014, the net book value amounted to €12.3 million and would amount to approximately €0.82 per share based on 15,025,000 shares of the Company outstanding immediately before the offering.

The dilutive effect of the offering is illustrated in the table below, demonstrating the amount by which the offer price at the low end,

mid-point and high end of the Price Range exceeds the per share net book value after completion of the offering, assuming the offering had taken place on December 31, 2014 and adjusted for the Capital Contribution. In this respect, the net book value as of December 31, 2014 is adjusted for the effects of the offering, assuming (i) the resolution on the IPO Capital Increase and the issuance of the maximum number of New Shares and (ii) an increase in the net book value at the low end, mid-point and high end of the Price Range by €94.8 million, €104.0 million and €113.3 million, respectively. However, the Company together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the increase of the net book value at the mid-point or at the high-end end of the Price Range could be lower as if all New Shares would have been placed at the mid-point or high-end of the Price Range. The assumed increase is based on the expected net proceeds not considering any tax effects. The adjusted net book value is expressed as a per share figure, assuming 20,611,593 outstanding shares of the Company upon completion of the offering (this per share figure being referred to as the “**Post-IPO per Share Net Book Value**”).

	As of December 31, 2014		
	Low End	Mid-Point	High End
Price per share (in €)	17.90	19.60	21.30
Per share net book value ⁽¹⁾ (based on 15,025,000 outstanding shares of the Company before the offering) (in €)	0.82	0.82	0.82
Per share net book value ^{(1),(2)} (based on 15,025,000 outstanding shares of the Company before the offering) and adjusted for The Capital Contribution (in €)	2.82	2.82	2.82
Post-IPO per Share Net Book Value (net book value) ⁽¹⁾ (in €)	6.65	7.10	7.55
Amount by which the price per share exceeds the Post-IPO per Share Net Book Value (immediate dilution per share) (in €)	11.25	12.50	13.75
Immediate dilution (in %)	62.8	63.8	64.6

(1) Net book value is calculated as total assets minus the sum of total non-current liabilities and provisions and total current liabilities and provisions, which equals equity attributable to owners of Sixt Leasing Group.

(2) The PLTA Advance Payment is not reflected in the adjusted per share net book value (equity attributable to owners of Sixt Leasing Group).

Each of the New Shares will have the same voting rights as the Company’s Existing Shares. Prior to the offering, the Selling Shareholder held 100% of the voting rights. Upon completion of the offering (including exercise of the Greenshoe Option in full), the voting rights held by the Selling Shareholder would amount to 40%.

E.7 Estimated expenses charged to the investor by the issuer.

Not applicable. None of the Company, the Selling Shareholder or the Underwriters will charge expenses to investors.

II. GERMAN TRANSLATION OF THE SUMMARY OF THE PROSPECTUS / ZUSAMMENFASSUNG DES PROSPEKTS

Zusammenfassungen bestehen aus geforderten Angaben, die als „Punkte“ bezeichnet sind. Diese Punkte sind in den Abschnitten A - E (A.1 - E.7) fortlaufend nummeriert. Diese Zusammenfassung enthält alle Punkte, die für die vorliegende Art von Wertpapieren und Emittenten in eine Zusammenfassung aufzunehmen sind. Da einige Punkte nicht behandelt werden müssen, können in der Nummerierungsreihenfolge Lücken auftreten. Selbst wenn ein Punkt wegen der Art der Wertpapiere und der Emittentin in die Zusammenfassung aufgenommen werden muss, ist es möglich, dass in Bezug auf diesen Punkt keine relevanten Informationen gegeben werden können. In diesem Fall enthält die Zusammenfassung eine kurze Beschreibung des Punkts mit dem Hinweis „Entfällt“.

A. – Einleitung und Warnhinweise

A.1 Warnhinweise.

Diese Zusammenfassung sollte als Einleitung zu diesem Prospekt (der „**Prospekt**“) verstanden werden. Der Anleger sollte jede Entscheidung zur Anlage in die Aktien der Sixt Leasing AG auf die Prüfung des gesamten Prospekts stützen.

Für den Fall, dass vor einem Gericht Ansprüche aufgrund der in dem Prospekt enthaltenen Informationen geltend gemacht werden, könnte der als Kläger auftretende Anleger in Anwendung der einzelstaatlichen Rechtsvorschriften der Mitgliedsstaaten des Europäischen Wirtschaftsraums die Kosten für die Übersetzung des Prospekts vor Prozessbeginn zu tragen haben.

Sixt Leasing AG, Pullach, Deutschland („**Sixt Leasing**“ oder die „**Gesellschaft**“ und, gemeinsam mit ihren konsolidierten Tochtergesellschaften, „**Sixt Leasing Konzern**“, „**wir**“, „**uns**“ oder „**unser(e)**“), zusammen mit Joh. Berenberg, Gossler & Co. KG, Hamburg, Deutschland („**Berenberg**“) und der COMMERZBANK Aktiengesellschaft, Frankfurt am Main, Deutschland („**COMMERZBANK**“ und zusammen mit Berenberg, die „**Joint Global Coordinators**“) und zusammen mit der Baader Bank Aktiengesellschaft, Unterschleißheim, Deutschland („**Baader Bank**“ oder der „**Joint Bookrunner**“ und zusammen mit den Joint Global Coordinators, gemeinsam bezeichnet als die „**Joint Bookrunners**“ oder die „**Underwriters**“), haben nach § 5 Abs. 2b Nr. 4 Wertpapierprospektgesetz die Verantwortung für den Inhalt dieser Zusammenfassung übernommen. Diejenigen Personen, welche die Verantwortung für die Zusammenfassung einschließlich der Übersetzung hiervon übernommen haben oder von denen der Erlass ausgeht, können haftbar gemacht werden, jedoch nur für den Fall, dass die Zusammenfassung irreführend, unrichtig oder widersprüchlich ist, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, oder sie, wenn sie zusammen mit den anderen Teilen des Prospekts gelesen wird, nicht alle erforderlichen Schlüsselinformationen vermittelt.

A.2	Angabe über spätere Verwendung des Prospekts.	Entfällt. Eine Zustimmung zur Verwendung des Prospekts für eine spätere Weiterveräußerung oder Platzierung der Aktien wurde nicht erteilt.
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B. – Emittentin

B.1	Juristische und kommerzielle Bezeichnung der Emittentin.	Die juristische Bezeichnung der Gesellschaft lautet Sixt Leasing AG.
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Die Gesellschaft ist die Muttergesellschaft des Sixt Leasing Konzerns, der im Wesentlichen unter den Geschäftsbezeichnungen „Sixt Leasing AG“ und „Sixt Mobility Consulting GmbH“ operiert.

B.2	Sitz und Rechtsform der Emittentin, geltendes Recht, Land der Gründung.	Die Gesellschaft hat ihren Sitz in der Zugspitzstraße 1, 82049 Pullach, Deutschland, und ist im Handelsregister des Amtsgerichts München, Deutschland, unter HRB 155501 eingetragen. Die Gesellschaft ist eine deutsche Aktiengesellschaft, die in Deutschland gegründet wurde und deutschem Recht unterliegt.
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B.3	Art der derzeitigen Geschäftstätigkeit und Haupttätigkeiten der Emittentin samt der hierfür wesentlichen Faktoren, wobei Hauptprodukt- und/oder Dienstleistungskategorien sowie die Hauptmärkte, auf denen die Emittentin vertreten ist, anzugeben sind.	<p>Mit insgesamt ca. 97,4¹ Tausend Leasing, Service und Flottenmanagementverträgen zum 31. Dezember 2014, einem kombinierten Umsatz von 575,0 Mio. €, und einem kombinierten Ergebnis vor Steuern (<i>Earnings before Taxes</i>, „EBT“) von 25,6 Mio. €, jeweils für 2014, glauben wir, dass wir einer der führenden herstellerunabhängigen Full-Service-Leasinganbieter und Fuhrparkmanager in Deutschland sind. Wir sind darüber hinaus auch in Österreich, der Schweiz, Frankreich und den Niederlanden tätig, wobei auf diese Länder insgesamt ca. 8,2² Tausend Verträge (Stichtag 31. Dezember 2014) unseres gesamten Vertragsportfolios entfallen. Durch unsere umfangreiche Expertise im Fuhrparkerwerb und -management bewirken wir für unsere Kunden eine nachhaltige Optimierung der Gesamtbetriebskosten (<i>total cost of ownership</i>) und unterstützen sie, ihre Prozesse über die gesamte Lebensdauer eines Fuhrparks auszulagern und zu optimieren. Diese Leistung wird unseren Kunden in Form von Full-Service-Leasing-Lösungen (Flottenleasing) oder als Flottenmanagement mit Beratungslösungen (Flottenmanagement durch unsere Tochtergesellschaft Sixt Mobility Consulting GmbH) angeboten. Über unsere Website sixt-neuwagen.de bieten wir unseren Privat- und Geschäftskunden (mit bis zu 20 Fahrzeugen) auch hochattraktive Fahrzeugleasinglösungen an, darunter das Leasingprodukt Vario-Finanzierung, indem wir unsere</p>
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1 Einschließlich 5,2 Tausend neuer Verträge, bei denen das Leasingfahrzeug noch nicht an den Kunden geliefert worden war. Diese Anzahl neuer Verträge beinhaltet auch Anschlussverträge mit bestehenden Kunden, die vor Ablauf der bestehenden Verträge und Rückgabe der derzeit geleasteten Fahrzeuge abgeschlossen wurden. In solchen Fällen ist sowohl der bestehende, als auch der neue Vertrag in der Gesamtzahl der von uns ausgewiesenen Verträge enthalten. Des Weiteren beinhalten die 97,4 Tausend (2014) Verträge 7,2 Tausend (2014) reine Serviceverträge.

2 Einschließlich 0,4 Tausend neuer Verträge, bei denen das Leasingfahrzeug noch nicht an den Kunden geliefert worden war. Diese Anzahl neuer Verträge beinhaltet auch Anschlussverträge mit bestehenden Kunden, die vor Ablauf der bestehenden Verträge und Rückgabe der derzeit geleasteten Fahrzeuge abgeschlossen wurden. In solchen Fällen ist sowohl der alte, als auch der neue Vertrag in der Gesamtzahl der von uns ausgewiesenen Verträge enthalten. Des Weiteren beinhalten die 8,2 Tausend (2014) Verträge 0,7 Tausend (2014) reine Serviceverträge.

Expertise und unseren Größenvorteil beim Fahrzeugkauf und bei den mit der Fahrzeuglebensdauer verbundenen Dienstleistungen mit dem Kunden teilen (Online Retail). Unser risikoresistentes Unternehmensprofil entsteht durch eine hohe Umsatzvorhersehbarkeit und die Tatsache, dass ein erheblicher Teil unserer Leasing-Fahrzeuge Rückkaufvereinbarungen unterliegt, die das Restwertrisiko auf unsere Zulieferer übertragen.

Wir sind vorwiegend auf dem Fahrzeugleasingmarkt in Deutschland tätig. Im Jahr 2014 umfasste der Zielmarkt unseres Geschäftsbereichs Flottenleasing etwa 248 Tausend Fahrzeuge (Quelle: *Dataforce*). Wir glauben in einer guten Position zu sein, um unseren Anteil auf diesem attraktiven Markt zu erhöhen. Auf dem Endkundenmarkt leasen oder finanzierten Privat- und Geschäftskunden (mit bis zu 20 Fahrzeugen) im Jahr 2014 insgesamt ungefähr 1,1 Mio. neue Fahrzeuge (Quellen: *Dataforce* und *DAT Report*). Obwohl die meisten Privat- und Geschäftskunden (mit bis zu 20 Fahrzeugen) weiterhin Fahrzeuge direkt bei Händlern kaufen, glauben wir, dass Endkunden zukünftig verstärkt für ihre Fahrzeuge auf Online-Vertriebswege umsteigen werden.

Wir organisieren unsere Geschäftstätigkeit in zwei Berichtssegmenten:

- **Geschäftsbereich Leasing.** Der Geschäftsbereich Leasing beinhaltet unsere Geschäftsfelder Flottenleasing und Online Retail:
 - **Flottenleasing.** Unser Geschäftsfeld Flottenleasing bietet Leasing und damit zusammenhängende Dienstleistungen für Firmenkunden an. Dies umfasst neben der klassischen Leasingfunktion eine Vielzahl weiterer Dienstleistungen, wie herstellerunabhängige Beratung bei der Fahrzeugauswahl, Fahrzeugbeschaffung, Wartung der Fahrzeuge über die gesamte Vertragslaufzeit, Reifenwechsel, spezielle Produktangebote mit transparenten Fahrzeugrückgabebedingungen, Servicepakete für Schadensfälle sowie das Management von Kraftfahrzeugversicherungen, Tankkarten, Kraftfahrzeugsteuern und Rundfunkbeiträgen. Zum 31. Dezember 2014 wiesen wir 50,2¹ Tausend Flottenleasingverträge aus (31. Dezember 2013: 49,2 Tausend Verträge). Grundsätzlich ordnen wir Kunden dem Flottenleasing zu, wenn diese ihren Fuhrpark von uns leasen und wir diesen verwalten. Zu unseren Flottenleasingkunden gehören American Express

1 Einschließlich 3,8 Tausend neuer Verträge, bei denen das Leasingfahrzeug noch nicht an den Kunden geliefert worden war. Diese Anzahl neuer Verträge beinhaltet auch Anschlussverträge mit bestehenden Kunden, die vor Ablauf der bestehenden Verträge und Rückgabe der derzeit geleasten Fahrzeuge abgeschlossen wurden. In solchen Fällen ist sowohl der bestehende, als auch der neue Vertrag in der Gesamtzahl der von uns ausgewiesenen Verträge enthalten. Des Weiteren beinhalten die 50,2 Tausend Verträge 7,1 Tausend (2014) reine Serviceverträge.

Services Europe Limited, Brose Fahrzeugteile GmbH & Co. Kommanditgesellschaft, E.ON SE, Deutsche Lufthansa Aktiengesellschaft, Otis Holdings GmbH & Co. OHG, SEB AG, Xerox Gesellschaft mit beschränkter Haftung sowie weitere große Unternehmen.

- *Online Retail.* Unser Geschäftsfeld Online Retail betreiben wir über unsere Onlineplattform *sixt.neuwagen.de*, die wir 2012 eingeführt haben. Die Website bietet Kunden die Möglichkeit, die neuesten Modelle von mehr als 30 Pkw-Herstellern zu konfigurieren. Alle angebotenen Fahrzeuge stammen ausschließlich von deutschen Lieferanten. Zum 31. Dezember 2014 haben wir in unserem Geschäftsfeld Online Retail 15,8¹ Tausend Leasingverträge betreut (31. Dezember 2013: 11,2 Tausend Verträge). Die Entwicklung der Anzahl der betreuten Verträge ist ein Beweis für das Wachstum, das dieses Geschäftsfeld seit seiner Einführung im Jahr 2012 erfahren hat. Grundsätzlich ordnen wir Geschäftskunden dem Online Retail zu, wenn sie einen Fuhrpark mit bis zu 20 Fahrzeugen unterhalten.
- *Geschäftsbereich Flottenmanagement.* Die 2011 gegründete Sixt Mobility Consulting GmbH betreibt unser Geschäftsfeld Flottenmanagement, in dem Fuhrparks von Kunden unterschiedlichster Branchen und Größen, von mittelständischen Unternehmen bis zu internationalen Großkonzernen, betreut und optimiert werden. Zum 31. Dezember 2014 haben wir 31,4² Tausend Flottenmanagementverträge betreut (31. Dezember 2013: 15,8 Tausend Verträge). Wir ordnen Kunden dem Flottenmanagement zu, wenn wir ihre Fuhrparks verwalten, ohne dass der Kunde Leasingvereinbarungen mit uns abgeschlossen hat. Zu unseren Flottenmanagementkunden zählen BP Europa SE, Kion Group AG, SAP SE sowie weitere große Unternehmen.

Die Sixt SE und ihre Rechtsvorgänger (und gemeinsam mit ihren konsolidierten Tochtergesellschaften die „**Sixt SE Gruppe**“ und unter Ausschluss des Sixt Leasing Konzerns, die „**Sixt SE Gruppe (ohne Leasing)**“), von der wir annehmen, dass sie eine führende deutsche Anbieterin von Premium-Mobilitätsdienstleistungen ist, ist seit 1967 auf

1 Einschließlich 1,4 Tausend neuer Verträge, bei denen das Leasingfahrzeug noch nicht an den Kunden geliefert worden war. Diese Anzahl neuer Verträge beinhaltet auch Anschlussverträge mit bestehenden Kunden, die vor Ablauf der bestehenden Verträge und Rückgabe der derzeit geleasteten Fahrzeuge abgeschlossen wurden. In solchen Fällen ist sowohl der bestehende, als auch der neue Vertrag in der Gesamtzahl der von uns ausgewiesenen Verträge enthalten. Des Weiteren beinhalten die 15,8 Tausend neuen Verträge 0,0 Tausend (2014) reine Serviceverträge.

2 Einschließlich ungefähr 7.400 Verträge, die einem Flottenmanagementkunden zuzuordnen sind, mit dem wir unseren bestehenden Flottenmanagementvertrag zum 31. Dezember 2014 beendet haben. Allerdings haben wir alle Fahrzeuge des Kunden bis zum 31. März 2015 weiterbetreut.

dem Full-Service-Leasing-Markt tätig. Seit 1988 betreiben die Gesellschaft und ihre Rechtsvorgänger dieses Geschäft und profitieren von dem hohen Markenwiedererkennungswert der Sixt SE Gruppe und ihrem Ruf für Innovation und als kundenorientierter Dienstleister. Wenngleich wir im Hinblick auf die Finanzierung und bestimmte andere Dienstleistungen weiterhin von der Sixt SE Gruppe abhängig sind, beabsichtigen wir, eigene Abteilungen für Finanzen, Compliance, Personalwesen, Investor Relations sowie weitere Funktionsbereiche aufzubauen, um eine größere organisatorische Unabhängigkeit von der Sixt SE Gruppe zu erreichen.

Im Jahr 2014 haben wir einen kombinierten Umsatz von 575,0 Mio. € (2013: 546,1 Mio. €) und ein EBT von 25,6 Mio. € (2013: 20,7 Mio. €) erwirtschaftet. Der überwiegende Teil unseres Umsatzes und Konzernergebnisses vor Steuern wird durch unseren Geschäftsbereich Leasing generiert. Im Geschäftsjahr 2014 erzielte der Geschäftsbereich Leasing Umsätze von 518,4 Mio. € (2013: 520,8 Mio. €) und ein EBT von 23,5 Mio. € (2013: 20,5 Mio. €). Im gleichen Zeitraum erreichte der Geschäftsbereich Flottenmanagement einen Umsatz von 56,6 Mio. € (2013: 25,3 Mio. €) und ein EBT von 2,2 Mio. € (2013: 0,3 Mio. €).

Wettbewerbsstärken

Wir sind der Ansicht, dass die nachfolgend aufgeführten Wettbewerbsstärken in der Vergangenheit maßgeblich zu unserem Erfolg beigetragen haben und uns auch in Zukunft von unseren Konkurrenten abheben werden:

- Tätigkeit in einem hochattraktiven Markt und gute Aufstellung für zukünftiges Wachstum.
- Erwiesene Fähigkeit, Gesamtbetriebskosten der Flotten unserer Kunden erheblich zu reduzieren.
- Vorreitervorteil beim Angebot von integriertem Online-Fahrzeugleasing für Privat- und Geschäftskunden.
- Etablierte und gute Beziehungen zu Zulieferern und ein qualitativ hochwertiges Service-Netzwerk.
- Starke IT-Fähigkeiten, die unser innovatives Serviceangebot vorantreiben.
- Hohe Kundenloyalität, unterstützt durch eine Premiummarke und anerkanntem Kundenservice.
- Hohe Umsatzvorhersehbarkeit und ein widerstandsfähiges Risikoprofil.
- Erfolgsbilanz bei profitabilem Wachstum.
- Erfahrenes Management-Team.

Strategie

Unsere Strategie zielt darauf ab, mehr Wachstum zu generieren und unsere Profitabilität zu erhöhen. Unsere Strategie umfasst:

- Profitables Wachstum im Online Retail vorantreiben.
- Europäische Präsenz im Bereich Flottenmanagement aufbauen.
- Wachstum bei Flottenleasing und Flottenmanagement weiterführen.
- Technologische Fähigkeiten ausbauen.
- Wachstum durch opportunistische Akquisitionen.

B.4a Wichtigste jüngste Trends, die sich auf die Emittentin und die Branchen, in denen sie tätig ist, auswirken.

Makroökonomische Trends in Deutschland und in den anderen europäischen Ländern, in denen wir tätig sind, sind Schlüsselfaktoren, welche die Nachfrage nach Leasingfahrzeugen und Flottenmanagementdienstleistungen beeinflussen. Die Wirtschaftslage hat einen direkten Einfluss auf die Höhe der Investitionen in Fuhrparks durch Unternehmen und die Nachfrage von Geschäftskunden nach Flottenmanagementdienstleistungen sowie die Nachfrage von Privatkunden nach Neufahrzeugen. Die Jahre 2012, 2013 und 2014 waren von einem moderaten Wachstum des Bruttoinlandsprodukts in Deutschland, wo wir den größten Anteil unseres Geschäfts betreiben, gekennzeichnet. Dieses Wirtschaftswachstum hatte einen positiven Einfluss auf die Nachfrage nach Neufahrzeugen. Die Zulassung von Neufahrzeugen stieg um 100 Tausend oder 3% von 3,17 Millionen in 2013 auf 3,27 Millionen in 2014 (Quelle: *Dataforce*).

Der Markt für Privat- und Geschäftskunden (bis zu 20 Fahrzeugen) wird derzeit vorwiegend durch Autohändler mit einem beschränkten geographischen Aktionsradius bedient, die typischerweise nur Fahrzeuge einer kleinen Anzahl von Herstellern verkaufen, was zu einem intransparenten Marktumfeld führt, das es für Kunden schwierig macht, Fahrzeuge und Angebote zu vergleichen. Allerdings haben 64% der deutschen Verbraucher im Neufahrzeugmarkt in 2014 das Internet als Informationsquelle genutzt (Quelle: *DAT Report*). Wir sind der Auffassung, dass in der Zukunft Verbraucher zunehmend zu Onlinevertriebskanälen bei der Fahrzeugbeschaffung abwandern werden.

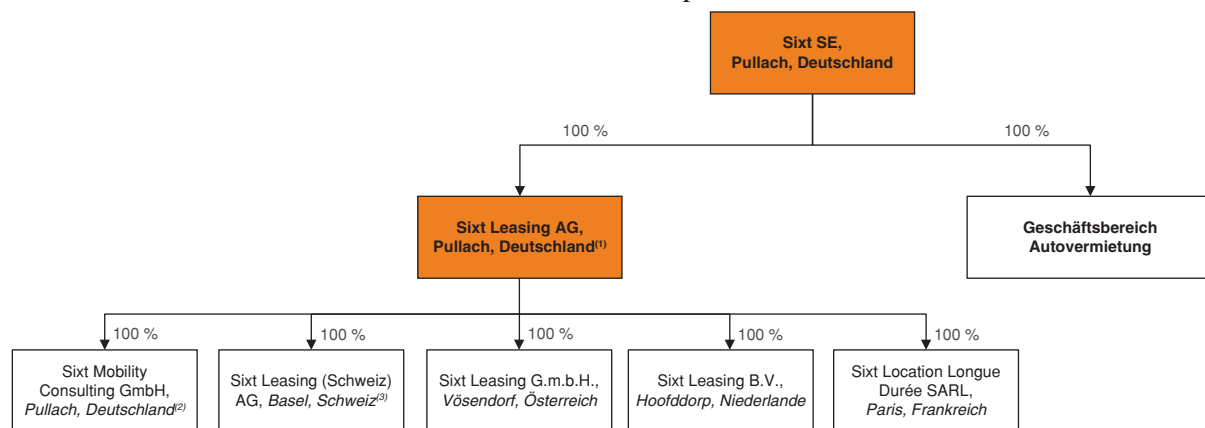
Der deutsche Leasingmarkt ist durch Stabilität und stabiles Wachstum gekennzeichnet. Über die letzten vier Jahrzehnte ist der Leasingmarkt für bewegliche Vermögenswerte gemessen in Prozent der Gesamtinvestitionen in Deutschland beständig von unter 5% in 1970 auf 22,7% (vorläufige Zahl) in 2014 gewachsen (Quelle: *BDL 2014 Annual Press Conference*). Zuletzt hat der Fahrzeugleasingmarkt starkes Wachstum gezeigt und das Wachstum der Leasingmärkte für andere Vermögenswerte überholt. Im Vergleich zu 2012

B.5 Beschreibung des Konzerns und der Stellung der Emittentin innerhalb dieses Konzerns.

verzeichnete der Leasingmarkt für Nutz- und Personenfahrzeuge 2013 einen Anstieg von 5,2% bzw. 5,0%, während andere Leasing-Segmente, einschließlich Computer und Büromaschinen, Maschinen und industrielle Ausstattung sowie Schiffe, Flugzeuge, Eisenbahnen und Schienenfahrzeuge negative Wachstumsraten verzeichneten (Quelle: *Leaseurope Facts and Figures 2013*).

Die Gesellschaft ist Teil der Sixt SE Gruppe und die Muttergesellschaft des Sixt Leasing Konzerns.

Die folgende Darstellung zeigt eine vereinfachte Übersicht der Stellung der Gesellschaft in der Sixt SE Gruppe und die wichtigsten Tochtergesellschaften der Gesellschaft zum Datum des Prospekts.



- (1) Am 17. April 2013 haben die Gesellschaft, als abführende Gesellschaft und die Sixt SE, Pullach, Deutschland („Veräußernde Aktionärin“), als herrschende Gesellschaft, einen Gewinnabführungsvertrag geschlossen, der am 14. August 2013 unter der Registernummer der Gesellschaft in das Handelsregister des Amtsgerichts München eingetragen worden ist (der „Gewinnabführungsvertrag“) und der rückwirkend zum 1. Januar 2013 wirksam wurde. Der Gewinnabführungsvertrag ersetzte einen damals bestehenden Beherrschungs- und Gewinnabführungsvertrag (der „Beherrschungs- und Gewinnabführungsvertrag“) und, gemeinsam mit dem Gewinnabführungsvertrag, die „(B)GAVs“) zwischen der Gesellschaft und der Sixt AG (jetzt: Sixt SE). Die Gesellschaft beabsichtigt, den Gewinnabführungsvertrag zum 30. April, 2015 zu kündigen.
- (2) Die Gesellschaft und Sixt Mobility Consulting GmbH haben am 27. März 2015 einen Gewinnabführungsvertrag geschlossen.
- (3) Die Sixt Leasing (Schweiz) AG hat am 5. November 2014 mit der BFM Business Fleet Management AG, einer hundertprozentigen Tochtergesellschaft der Swisscom AG, einen Joint-Venture-Vertrag geschlossen (der „JV Vertrag“). Gemäß dem JV Vertrag wurde die Managed Mobility AG (die „JV Co.“) am 12. März 2015 gegründet, wobei die Sixt Leasing (Schweiz) AG und BFM Business Fleet Management AG jeweils 50% der Anteile an der JV Co. halten. Der Anteilsbesitz der Sixt Leasing (Schweiz) AG an der JV Co. ist in der Abbildung nicht wiedergegeben.

B.6 Personen, die eine (meldepflichtige) direkte oder indirekte Beteiligung am Eigenkapital der Emittentin oder einen Teil der Stimmrechte halten.

Vor dem Angebot ist die Veräußernde Aktionärin die alleinige Aktionärin der Gesellschaft.

Das Grundkapital der Sixt SE beträgt 123.029.212,16 € und ist in 16.911.454 auf den Inhaber lautende stimmrechtlose Vorzugsaktien (Stückaktien), zwei auf den Namen lautende Stammaktien (Stückaktien) und 31.146.830 auf den Inhaber lautende Stammaktien (Stückaktien) eingeteilt, wobei die Stammaktien stimmberechtigt sind. Alle auf den Inhaber lautenden Vorzugsaktien (Stückaktien) und 39,9% der auf den Inhaber lautenden Stammaktien (Stückaktien) befinden sich im Streubesitz. Die verbleibenden 60,1% der auf den Inhaber lautenden Stammaktien (Stückaktien) werden von der Erich Sixt Vermögensverwaltung GmbH gehalten, so dass Erich Sixt Vermögensverwaltung GmbH ungefähr 60,1% der Stimmrechte der Sixt SE kontrolliert.

Da ungefähr 35,2% des Grundkapitals der Sixt SE aus auf den Inhaber lautende stimmrechtlose Vorzugsaktien (Stückaktien) besteht, weicht die Beteiligung der Erich Sixt Vermögensverwaltung GmbH am Grundkapital der Sixt SE von dem Prozentsatz der kontrollierten Stimmrechte ab und beträgt ungefähr 38,9% des gesamten Grundkapitals der Sixt SE einschließlich der auf den Inhaber lautenden stimmrechtlosen Vorzugsaktien (Stückaktien).

Die Erich Sixt Vermögensverwaltung GmbH wird wiederum von der ES Asset Management and Services GmbH & Co. KG („ESAMS“) beherrscht, welche 68% der Anteile ihres Stammkapitals hält. Der einzige persönlich haftende Gesellschafter der ESAMS ist die ES Management GmbH. ESAMS ist der einzige Anteilsinhaber der ES Management GmbH und daher auch der einzige Anteilsinhaber ihres eigenen persönlich haftenden Gesellschafters. Für Zwecke der Stimmrechtsmitteilungen gemäß dem Wertpapierhandelsgesetz werden die der ESAMS zugerechneten Stimmrechte zudem Herrn Erich Sixt zugerechnet, der an der ESAMS als ein Kommanditist beteiligt ist.

Stimmrechte.

Jede Aktie der Gesellschaft gewährt eine Stimme in der Hauptversammlung der Gesellschaft. Es bestehen keine Stimmrechtsbeschränkungen.

Ob an der Emittentin unmittelbare oder mittelbare Beteiligungen oder Beherrschungsverhältnisse bestehen, wer diese Beteiligungen hält bzw. diese Beherrschung ausübt und welcher Art die Beherrschung ist.

Die Gesellschaft wird unmittelbar von ihrem einzigen Aktionär, der Sixt SE, kontrolliert.

Die Mehrheit der Stimmrechte an der Gesellschaft wird letztendlich indirekt durch ESAMS gehalten und für Zwecke der Stimmrechtsmitteilungen gemäß dem Wertpapierhandelsgesetz Herrn Erich Sixt über ESAMS zugerechnet.

B.7 Ausgewählte wesentliche historische Finanzinformationen.

Obwohl jede der Gesellschaften im Sixt Leasing Konzern bereits früher durch die Sixt SE beherrscht wurde, befanden sich nicht alle dieser Gesellschaften im Besitz der Gesellschaft. Vor Abgabe dieses Angebots führte die Sixt SE eine Umstrukturierung durch, um die Geschäftsfelder Leasing und Fleet Management der Sixt SE im Sixt Leasing Konzern zusammenzuführen. Aufgrund dieser Umstrukturierung verfügt der Sixt Leasing Konzern nicht über konsolidierte Jahresabschlüsse für jedes der letzten drei Jahre. Stattdessen hat die Sixt Leasing kombinierte Jahresabschlüsse erstellt, welche die historischen Finanzinformationen der Gesellschaften aufzeigen, die zum 31. Dezember 2014 Teil des Sixt Leasing Konzerns waren, und die die Geschäftsergebnisse des Sixt Leasing Konzerns so darstellen, als handelte es sich um konsolidierte Ergebnisse für alle abgedeckten Zeiträume. Die in den nachstehenden Tabellen enthaltenen

Finanzinformationen sind dem geprüften kombinierten Abschluss (*combined financial statements*) des Sixt Leasing Konzerns für die zum 31. Dezember 2012, 2013 und 2014 endenden Geschäftsjahre entnommen oder daraus abgeleitet worden. Der geprüfte kombinierte Abschluss (*combined financial statements*) des Sixt Leasing Konzerns für diese Zeiträume wurde gemäß den Internationalen Rechnungslegungsvorschriften, wie sie in der Europäischen Union anzuwenden sind („IFRS“), und unter der Annahme, dass die infolge der (B)GAVs zwischen der Sixt SE und der Gesellschaft entstandene deutsche steuerliche Organschaft in diesen Zeiträumen nicht existiert hätte und in der Annahme, dass die Gesellschaft verpflichtet gewesen wäre, all ihre Gewerbe- und Körperschaftsteuer bezogenen Verpflichtungen zu erfüllen, erstellt. Daher unterscheiden sich die in den kombinierten Jahresabschlüssen veröffentlichten Dividendenzahlungen von den gemäß den (B)GAVs an die Sixt SE abgeführten Gewinnen. Weitere Informationen in dem Prospekt wurden dem geprüften Jahresabschluss der Gesellschaft für das zum 31. Dezember 2014 endende Geschäftsjahr entnommen, der gemäß den deutschen Rechnungslegungsgrundsätzen des Handelsgesetzbuches (*HGB*) („**Deutsche Rechnungslegungsgrundsätze**“) erstellt wurde.

Ausgewählte kombinierte Finanzdaten gemäß IFRS*

Daten aus der kombinierten Gewinn- und Verlustrechnung

	Für das Geschäftsjahr endend zum 31. Dezember,		
	2012	2013	2014
	(geprüft, sofern nicht anders angegeben) (in Mio. €, sofern nicht anders angegeben)		
Umsatzerlöse	556,5	546,1	575,0
Operative Umsatzerlöse ⁽¹⁾ (ungeprüft)	393,7	403,0	427,9
Geschäftsbereich Leasing	542,0	520,8	518,4
Leasingerlöse	379,2	378,3	387,5
Davon:			
Erlöse aus dem Operating Leasing	176,4	180,0	194,1
Erlöse aus Dienstleistungen	202,8	198,4	193,4
Verkaufserlöse	162,8	142,5	130,9
Geschäftsbereich Flottenmanagement	14,5	25,3	56,6
Erlöse des Flottenmanagement	14,5	24,8	40,4
Verkaufserlöse	–	0,6	16,2
Sonstige betriebliche Erträge	3,2	9,7	5,0
Aufwendungen für Fuhrpark und Leasinggegenstände	348,0	328,2	337,7
Personalaufwendungen	16,1	16,0	17,6
Abschreibungsaufwendungen	140,4	152,3	158,3
Davon:			
Abschreibungen des Leasingvermögens ⁽²⁾	140,3	152,2	158,1
Sonstige betriebliche Aufwendungen	15,9	16,2	17,6
Ergebnis der betrieblichen Geschäftstätigkeit (EBIT)	39,3	43,1	48,7
Finanzergebnis	(22,9)	(22,3)	(23,1)
Ergebnis der gewöhnlichen Geschäftstätigkeit (EBT)	16,3	20,7	25,6
Ertragsteuern ⁽³⁾	4,4	5,2	6,6
Konzernüberschuss	12,0	15,5	19,0
Davon Anteile der Gesellschafter des Sixt Leasing Konzerns	12,0	15,5	19,0
Ertrag pro Aktie – unverwässert und verwässert (in €)	0,80	1,03	1,27

(1) Operative Umsatzerlöse sind Umsatzerlöse abzüglich Verkaufserlöse des Geschäftsbereich Leasing und abzüglich der Verkaufserlöse des Geschäftsbereichs Flottenmanagement.

(2) Abschreibungen für zum Verkauf bestimmte Leasing Fahrzeuge sind inbegriffen.

(3) Die Ertragsteuern wurden so berechnet, als hätte die deutsche steuerliche Organschaft infolge der (B)GAVs zwischen der Sixt SE und der Gesellschaft in den relevanten Perioden nicht bestanden, und unter der Annahme, dass die Gesellschaft verpflichtet gewesen wäre, alle ihre Gewerbe- und Körperschaftsteuer bezogene Verpflichtungen zu erfüllen.

* Sofern Finanzdaten in den nachstehenden Tabellen als „geprüft“ gekennzeichnet sind, bedeutet dies, dass die Finanzdaten den oben genannten geprüften Abschlüssen entnommen wurden (geprüft durch Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, München). Die Kennzeichnung „ungeprüft“ wird in den nachstehenden Tabellen zur Kenntlichmachung von Finanzdaten verwendet, die nicht den oben genannten geprüften Abschlüssen entnommen wurden, sondern entweder dem internen Berichtssystem der Gesellschaft entnommen oder aus diesem abgeleitet wurden oder unter Zugrundelegung der Angaben in dem geprüften kombinierten Abschluss (*combined financial statements*) oder dem internen Berichtssystem der Gesellschaft berechnet wurden.

Sämtliche Finanzdaten, die im Text und den nachfolgenden Tabellen dargestellt sind, sind in Millionen Euro angegeben (Mio. €), sofern nicht anders angegeben. Einige Finanzdaten (einschließlich Prozentsätze) in den nachfolgenden Tabellen wurden entsprechend anerkannter kaufmännischer Standards gerundet. Daher kann es sein, dass die Gesamtbeträge in den Tabellen nicht in allen Fällen mit den addierten (ungerundeten) Werten übereinstimmen, die in dem Prospekt erscheinen. Des Weiteren kann es sein, dass diese gerundeten Werte sich nicht auf die Gesamtwerte in diesen Tabellen aufaddieren lassen. In Klammern dargestellte Finanzdaten stehen für einen negativen Wert der entsprechenden Zahl. Ein Bindestrich („–“) bedeutet, dass die entsprechende Zahl nicht verfügbar ist, während eine Null („0,0“) bedeutet, dass die entsprechende Zahl verfügbar, aber auf Null gerundet worden ist.

Daten aus der kombinierten Bilanz

	Zum 31. Dezember		
	2012	2013	2014
	(geprüft) (in Mio. €)		
Aktiva			
Langfristige Vermögenswerte			
Summe langfristige Vermögenswerte	730,4	778,2	905,2
<i>Davon:</i>			
Leasingvermögen	725,6	774,6	902,4
Kurzfristige Vermögenswerte			
Summe kurzfristige Vermögenswerte	111,9	143,6	175,7
Bilanzsumme	842,3	921,9	1.080,9
Passiva			
Eigenkapital			
Auf die Anteilseigner des Sixt Leasing Konzerns entfallendes			
Eigenkapital	28,7	15,6	12,3
Summe Eigenkapital	28,7	15,6	12,3
Langfristige Verbindlichkeiten und Rückstellungen			
Summe langfristige Verbindlichkeiten und Rückstellungen	86,6	112,9	113,3
Kurzfristige Verbindlichkeiten und Rückstellungen			
<i>Davon:</i>			
Verbindlichkeiten gegenüber verbundenen Unternehmen	594,4	530,1	659,8
Summe kurzfristige Verbindlichkeiten und Rückstellungen	727,1	793,3	955,3
Bilanzsumme	842,3	921,9	1.080,9

Daten aus der kombinierten Kapitalflussrechnung

	Für das Geschäftsjahr endend zum 31. Dezember,		
	2012	2013	2014
	(geprüft) (in Mio. €)		
Mittelzufluss (-abfluss) aus betrieblicher Geschäftstätigkeit ⁽¹⁾	(61,8)	(59,5)	(142,1)
Mittelzufluss (-abfluss) aus Investitionstätigkeit	(0,2)	(0,2)	(0,8)
Mittelzufluss (-abfluss) aus Finanzierungstätigkeit ⁽²⁾	57,2	69,8	144,0
Nettoveränderung Zahlungsmittel und Zahlungsmitteläquivalente	(4,7)	10,1	1,1

(1) Erlöse aus den Abgängen aus Leasingvermögen (2012: 161,7 Mio. €, 2013: 139,5 Mio. €; 2014: 130,6 Mio. €) und Zahlungen für Investitionen in Leasingvermögen (2012: (370,9) Mio. €, 2013: (337,5) Mio. €, 2014: (420,2) Mio. €) sind im Mittelzufluss (-abfluss) aus betrieblicher Geschäftstätigkeit enthalten.

(2) Mittelzufluss (-abfluss) aus Finanzierungstätigkeit beinhaltet Dividendenzahlungen in Höhe von 32,0 Mio. €, 24,4 Mio. € und 22,6 Mio. € für die Jahre 2012, 2013 und 2014, wie in dem kombinierten Abschluss ausgewiesen. Gemäß den (B)GAVs hat die Gesellschaft an die Veräußernde Aktionärin Gewinne in Höhe von 38,6 Mio. €, 33,3 Mio. € und 25,2 Mio. € für die Jahre 2012, 2013 und 2014 abgeführt.

Segmentdaten

	Leasing			Flottenmanagement			Überleitungen			Sixt Leasing Konzern		
	Für das Geschäftsjahr endend zum 31. Dezember,			Für das Geschäftsjahr endend zum 31. Dezember,			Für das Geschäftsjahr endend zum 31. Dezember,			Für das Geschäftsjahr endend zum 31. Dezember,		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
	(geprüft) (in Mio. €, sofern nicht anders angegeben)			(geprüft) (in Mio. €, sofern nicht anders angegeben)			(geprüft) (in Mio. €, sofern nicht anders angegeben)			(geprüft) (in Mio. €, sofern nicht anders angegeben)		
Gesamtumsatz	542,0	520,8	518,4	14,5	25,3	56,6	(0,0)	(0,0)	(0,0)	556,5	546,1	575,0
EBT ⁽¹⁾	17,2	20,5	23,5	(0,9)	0,3	2,2	–	–	–	16,3	20,7	25,6
Segmentvermögen	838,4	914,6	1.052,5	11,8	20,0	29,0	(8,3)	(13,2)	(0,7)	842,0	921,4	1.080,8
Segmentsschulden	795,9	889,6	1.029,4	13,2	21,1	28,0	(8,3)	(13,2)	(0,7)	800,8	897,5	1.056,7

(1) Ergebnis vor Steuern (EBT).

Andere finanzielle und statistische Daten

	Für das Geschäftsjahr endend zum 31. Dezember,		
	2012	2013	2014
	(ungeprüft, sofern nicht anders angegeben) (in Mio. €, sofern nicht anders angegeben)		
Operative Umsatzerlöse ⁽¹⁾	393,7	403,0	427,9
EBT (geprüft)	16,3	20,7	25,6
EBT Marge Umsatzerlöse ⁽²⁾ (in Prozent)	2,9	3,8	4,5
EBT Marge operative Umsatzerlöse ⁽³⁾ (in Prozent)	4,2	5,1	6,0
Abschreibungsquote ⁽⁴⁾ (in Prozent)	0,44	0,23	0,39
Anzahl der Verträge ⁽⁵⁾⁽⁶⁾ (zum Jahresende, in Tausend)	62,2	76,2	97,4
Leasing ⁽⁵⁾ (zum Jahresende, in Tausend)	55,2	60,4	65,9
Flottenmanagement (zum Jahresende, in Tausend)	7,0	15,8	31,4 ⁽⁷⁾
Revolving quota ⁽⁸⁾ (in Prozent)	93,9	100,4	106,2

(1) Operative Umsatzerlöse sind Umsatzerlöse abzüglich Verkaufserlöse des Geschäftsbereich Leasing und abzüglich der Verkaufserlöse des Geschäftsbereichs Flottenmanagement.

(2) EBT Marge Umsatzerlöse wird berechnet als EBT für den Zeitraum geteilt durch die Umsatzerlöse für den Zeitraum.

(3) EBT (einschließlich des EBT Beitrags aus Verkaufserlösen des Geschäftsbereichs Leasing und aus Verkaufserlösen des Geschäftsbereichs Flottenmanagement) geteilt durch operative Umsatzerlöse.

(4) Die Abschreibungsquote wird berechnet, indem die Wertberichtigungen auf Forderungen durch die operativen Umsatzerlöse dividiert werden.

(5) Einschließlich 5,6 Tausend (2012), 6,2 Tausend (2013) bzw. 5,2 Tausend (2014) neue Verträge, bei denen das Leasingfahrzeug noch nicht an den Kunden geliefert worden war. Diese Anzahl neuer Verträge beinhaltet auch Anschlussverträge mit bestehenden Kunden, die vor Ablauf der bestehenden Verträge und Rückgabe der derzeit geleasteten Fahrzeuge abgeschlossen wurden. In solchen Fällen ist sowohl der alte, als auch der neue Vertrag in der Gesamtzahl der von uns ausgewiesenen Verträge enthalten.

(6) Einschließlich 8,3 Tausend (2012), 7,7 Tausend (2013) und 7,2 Tausend (2014) reine Serviceverträge.

(7) Einschließlich ungefähr 7.400 Tausend Verträge, die einem Flottenmanagementkunden zuzuordnen sind, mit dem wir unseren bestehenden Flottenmanagementvertrag zum 31. Dezember 2014 beendet haben. Allerdings haben wir alle Fahrzeuge des Kunden bis zum 31. März 2015 weiterbetreut.

(8) Die Revolving Quota bezieht sich nur auf unsere Fleet Leasing Verträge (ausschließlich der Orderbuch- und Serviceverträge) und wird berechnet, indem die Flottenzugänge, d. h. die Anzahl der Fahrzeuge, die zu Beginn eines neuen Leasezeitraums verteilt werden, der Jahre 2012, 2013 und 2014 durch die Flottenabgänge, d. h. die Anzahl der Fahrzeuge, die am Ende eines Leasezeitraums zurückgebracht werden, dividiert werden, die auf alle Kunden entfallen, die schon im jeweiligen Vorjahr (d. h. in den Jahren 2011, 2012 und 2013) Kunden waren.

Wesentliche Änderungen der Finanzlage und des Betriebsergebnisses der Emittentin in oder nach dem von den wesentlichen historischen Finanzinformationen abgedeckten Zeitraum.

Die nachstehenden wesentlichen Änderungen der Finanzlage und des Betriebsergebnisses der Gesellschaft sind in den Geschäftsjahren 2012, 2013 und 2014 und in den darauf folgenden Zeiträumen aufgetreten:

Geschäftsjahre 2013 und 2014 (kombiniert)

Aktiva stiegen um 159,0 Mio. €, oder 17,2%, von 921,9 Mio. € zum 31. Dezember 2013 auf 1.080,9 Mio. € zum 31. Dezember 2014 hauptsächlich als Resultat des Zuwachses des Leasingvermögens um 127,8 Mio. €, oder 16,5%, als Ergebnis des Anstiegs der Anzahl der erworbenen Fahrzeuge, um eine gestiegene Anzahl an Leasingverträgen bedienen zu können. Die Summe der Verbindlichkeiten und Rückstellungen¹ erhöhte sich um 162,4 Mio. €, oder 17,9%, von 906,2 Mio. € zum 31. Dezember 2013 auf 1.068,6 Mio. € zum 31. Dezember 2014 hauptsächlich als Resultat der Erhöhung der Verbindlichkeiten gegenüber verbundenen Unternehmen um 129,7 Mio. €, oder 23,6%, aufgrund der zusätzlichen Finanzierung, die uns die Sixt SE zum Ankauf der zusätzlichen Fahrzeuge zur Verfügung stellte.

Der Gesamtumsatz erhöhte sich um 28,9 Mio. €, oder 5,3%, von 546,1 Mio. € im Geschäftsjahr 2013 auf 575,0 Mio. € im Geschäftsjahr 2014. Dies ist hauptsächlich auf eine Steigerung des Umsatzes im Geschäftsbereich Flottenmanagement um 31,3 Mio. €, oder mehr als 100%, von 25,3 Mio. € im Geschäftsjahr 2013 auf 56,6 Mio. € im Geschäftsjahr 2014 zurückzuführen. Dieser Effekt wurde jedoch teilweise durch eine Verringerung des Umsatzes im Geschäftsbereich Leasing, um 2,4 Mio. €, oder 0,5%, von 520,8 Mio. € im Geschäftsjahr 2013 auf 518,4 Mio. € im Geschäftsjahr 2014 ausgeglichen. Der in Deutschland erzielte Umsatz stieg um insgesamt 39,6 Mio. €, oder 8,7%, von 457,7 Mio. € im Geschäftsjahr 2013 auf 497,3 Mio. € im Geschäftsjahr 2014, während der international erzielte Umsatz sich um 10,7 Mio. € oder 12,1% von 88,4 Mio. € im Geschäftsjahr 2013 auf 77,7 Mio. € im Geschäftsjahr 2014 verringerte.

Das EBT erhöhte sich um 4,9 Mio. €, oder 23,7% von 20,7 Mio. € im Geschäftsjahr 2013 auf 25,6 Mio. € im Geschäftsjahr 2014, da die Steigerung des Umsatzes den Anstieg der betrieblichen Aufwendungen überstieg. Das EBT des Geschäftsbereichs Leasing erhöhte sich um 3,0 Mio. €, oder 14,6%, von 20,5 Mio. € im Geschäftsjahr 2013 auf 23,5 Mio. € im Geschäftsjahr 2014, während sich das EBT des Geschäftsbereichs Flottenmanagement um 1,9 Mio. €, von 0,3 Mio. € im Geschäftsjahr 2013 auf 2,2 Mio. € im Geschäftsjahr 2014 erhöhte.

¹ Ungeprüft. Summe aus Summe kurzfristige Verbindlichkeiten und Rückstellungen und Summe langfristige Verbindlichkeiten und Rückstellungen.

Geschäftsjahre 2012 und 2013 (kombiniert)

Aktiva stiegen um 79,6 Mio. €, oder 9,5%, von 842,3 Mio. € zum 31. Dezember 2012 auf 921,9 Mio. € zum 31. Dezember 2013 hauptsächlich als Resultat des Zuwachses des Leasingvermögens um 49,0 Mio. €, oder 6,8%, als Ergebnis des Anstiegs der Anzahl der erworbenen Fahrzeuge, um eine gestiegene Anzahl an Leasingverträgen bedienen zu können. Die Summe der Verbindlichkeiten und Rückstellungen¹ erhöhte sich um 92,5 Mio. €, oder 11,3%, von 813,7 Mio. € zum 31. Dezember 2012 auf 906,2 Mio. € zum 31. Dezember 2013 hauptsächlich als Resultat der Erhöhung der kurzfristigen Finanzverbindlichkeiten um 123,1 Mio. €.

Der Gesamtumsatz verringerte sich um 10,4 Mio. €, oder 1,9%, von 556,5 Mio. € im Geschäftsjahr 2012 auf 546,1 Mio. € im Geschäftsjahr 2013. Dies ist hauptsächlich auf einen Rückgang des Umsatzes im Geschäftsbereich Leasing um 21,2 Mio. €, oder 3,9%, von 542,0 Mio. € im Geschäftsjahr 2012 auf 520,8 Mio. € im Geschäftsjahr 2013 zurückzuführen. Dieser Effekt wurde jedoch zum Teil durch eine Steigerung des Umsatzes im Geschäftsbereich Flottenmanagement um 10,8 Mio. €, oder 74,5%, von 14,5 Mio. € im Geschäftsjahr 2012 auf 25,3 Mio. € im Geschäftsjahr 2013 ausgeglichen. Der in Deutschland erzielte Umsatz verringerte sich insgesamt um 22,9 Mio. €, oder 4,8%, von 480,6 Mio. € im Geschäftsjahr 2012 auf 457,7 Mio. € im Geschäftsjahr 2013, während der international erzielte Umsatz sich um 12,5 Mio. €, oder 16,5%, von 75,9 Mio. € im Geschäftsjahr 2012 auf 88,4 Mio. € im Geschäftsjahr 2013 steigerte.

Das EBT erhöhte sich um 4,4 Mio. €, oder 27,0%, von 16,3 Mio. € im Geschäftsjahr 2012 auf 20,7 Mio. € im Geschäftsjahr 2013, da die Verringerung des Umsatzes durch den Rückgang der betrieblichen Aufwendungen mehr als ausgeglichen wurde. Das EBT des Geschäftsbereiches Leasing erhöhte sich um 3,3 Mio. €, oder 19,2%, von 17,2 Mio. € im Geschäftsjahr 2012 auf 20,5 Mio. € im Geschäftsjahr 2013, während sich das EBT des Geschäftsbereiches Flottenmanagement um 1,2 Mio. €, von (0,9) Mio. € im Geschäftsjahr 2012 auf 0,3 Mio. € im Geschäftsjahr 2013 erhöhte.

Neueste Entwicklungen

Die Gesellschaft beabsichtigt, den Gewinnabführungsvertrag zum 30. April 2015 (einschließlich) zu kündigen. Gemäß diesem Vertrag ist die Gesellschaft verpflichtet, ihre Gewinne an die Sixt SE abzuführen und die Sixt SE muss der Gesellschaft jegliche Verluste nach Deutschen Rechnungslegungsgrundsätzen

¹ Ungeprüft. Summe aus Summe kurzfristige Verbindlichkeiten und Rückstellungen und Summe langfristige Verbindlichkeiten und Rückstellungen.

ausgleichen. Obwohl die Gesellschaft davon ausgeht, im Zeitraum vom 1. Januar 2015 bis zum 30. April 2015 auf konsolidierter Basis nach IFRS weiterhin profitabel zu sein, rechnet sie damit, für dieselbe Periode in ihrem HGB-Einzelzwischenabschluss einen Verlust auszuweisen. Daher hat die Sixt SE entschieden, spätestens am 4. Mai 2015 eine Abschlagszahlung in Höhe von 4,4 Mio. € an die Gesellschaft zu erbringen, um ihren Verlust zu kompensieren (die „**GAV Abschlagszahlung**“).

Darüber hinaus wird die Sixt SE spätestens am 4. Mai 2015 eine Zahlung in Höhe von 30,0 Mio. € in die ungebundenen Kapitalrücklagen der Gesellschaft leisten, um das Eigenkapital der Gesellschaft vor diesem Angebot zu erhöhen (die „**Kapitaleinlage**“).

Schließlich hat die Gesellschaft mit der Sixt SE (und einigen Tochtergesellschaften) verschiedene Verträge abgeschlossen, die es ihr ermöglichen sollen, als eigenständig börsennotierte Gesellschaft zu fungieren. Diese beinhalten insbesondere eine Finanzierungsvereinbarung, die mittelfristig die Finanzierung unserer Geschäftstätigkeit sicherstellt (der „**Finanzierungsvertrag**“), und einen Lizenzvertrag, der uns das Recht gewährt, gewisse gewerbliche Schutzrechte der Sixt SE, z.B. das Recht das Kennzeichen „Sixt“ als Firmenbestandteil der Gesellschaft und ihrer Tochtergesellschaften und als Marke für unsere Produkte, zu nutzen (der „**Lizenzvertrag**“).

Nach den ersten zwei Monaten des Jahres 2015, die sich entsprechend den Managementexpectations entwickelt haben, erwartet die Sixt Leasing, dass sich das profitable Wachstum im ersten Quartal 2015 fortsetzt. Gemäß den strategischen Zielen der Sixt Leasing wurde das Wachstum im Geschäftsbereich Leasing in den Monaten Januar und Februar 2015 vornehmlich durch eine Zunahme der Verträge im Geschäftsfeld Online Retail getrieben. Zum 28. Februar 2015 war die Zahl der Online Retail Verträge verglichen zum 31. Dezember 2014 um 1.000 gewachsen. Während desselben Zeitraums blieb die Zahl der Flottenleasing- und der Flottenmanagementverträge nahezu unverändert.

Mit Wirkung zum 31. Dezember 2014 haben wir den Vertrag mit einem unserer größten Flottenmanagementkunden, auf den 7.400 Verträge entfielen, gekündigt, da dieser unsere Profitabilitätsexpectations nicht erfüllte. Allerdings haben wir die Fahrzeuge des Kunden bis zum 31. März 2015 weiterbetreut. Wir erwarten, dass diese Kündigung zu einer entsprechenden Abnahme unseres Flottenmanagementumsatzerlöses und Flottenmanagementverträge im Jahr 2015 führt. Jedoch erwarten wir auch, dass die Margen des Geschäftsbereichs Flottenmanagement aufgrund der Kündigung dieser

Verträge kurzfristig auf einen niedrigen zweistelligen Prozentsatz steigen werden.

Wir erwarten, dass uns die Sixt SE gemäß den Bedingungen des vor dem Angebot zwischen der Gesellschaft und der Sixt SE geschlossenen Finanzierungsvertrags weiterhin Finanzmittel zur Verfügung stellen wird. Durch den Finanzierungsvertrag mit der Sixt SE erhält die Gesellschaft ein Darlehen (*Core Loan*) in Höhe von bis zu 750 Mio. €, um die bestehenden Darlehen von nahestehenden Personen und Unternehmen (einschließlich des Betrags des Schuldscheindarlehens) zu refinanzieren.

Zwischen dem 31. Dezember 2014 und dem Datum des Prospekts gab es keine wesentlichen Änderungen der Finanzlage, des Betriebsergebnisses, der Kapitalflüsse der Gesellschaft oder des Sixt Leasing Konzerns oder der Handelsposition der Gesellschaft oder des Sixt Leasing Konzerns, mit Ausnahme, wie in den vorstehenden Absätzen beschrieben, des Abschlusses des Lizenzvertrags, der beabsichtigten Beendigung des Gewinnabführungsvertrags mit der Sixt SE, der Verpflichtung der Sixt SE, die GAV Abschlagszahlung und die Kapitaleinlage zu leisten, der Kündigung eines unserer größten Flottenmanagementkunden durch die Gesellschaft und des Abschlusses des Finanzierungsvertrags mit der Sixt SE.

B.8 Ausgewählte wesentliche Pro-forma-Finanzinformationen.

Entfällt. Es werden keine Pro-Forma-Finanzinformationen benötigt.

B.9 Gewinnprognosen und -schätzungen.

Entfällt. Es wird keine Gewinnprognose oder Gewinnschätzung abgegeben.

B.10 Beschränkungen im Bestätigungsvermerk zu den historischen Finanzinformationen.

Entfällt. Es gibt keine Beschränkungen.

B.11. Nicht Ausreichen des Geschäftskapitals der Emittentin zur Erfüllung bestehender Anforderungen.

Entfällt. Das Geschäftskapital ist ausreichend.

C. – Wertpapiere

C.1 Beschreibung von Art und Gattung der angebotenen und/oder zum Handel zuzulassenden Wertpapiere.

Auf den Inhaber lautende Stammaktien ohne Nennbetrag (*Stückaktien*), jeweils mit einem anteiligen Betrag am Grundkapital von 1,00 € und mit voller Dividendenberechtigung ab dem 1. Januar 2015.

Wertpapierkennungen.

International Securities Identification Number (ISIN): DE000A0DPRE6

Wertpapierkennnummer (WKN): A0DPRE

Common Code: 122260330

Ticker Symbol: LNSX

C.2	Währung.	Euro.
C.3	Zahl der ausgegebenen und voll eingezahlten Aktien.	15.025.000 auf den Inhaber lautende Stammaktien ohne Nennbetrag (<i>Stückaktien</i>). Das Grundkapital wurde vollständig eingezahlt.
	Nennwert.	Jede Aktie der Gesellschaft repräsentiert einen anteiligen Betrag des Grundkapitals der Gesellschaft von 1,00 €.
C.4	Beschreibung der mit den Wertpapieren verbundenen Rechte.	Jede Aktie der Gesellschaft berechtigt zu einer Stimme in der Hauptversammlung der Gesellschaft. Es bestehen keine Stimmrechtsbeschränkungen. Die Aktien sind mit voller Dividendenberechtigung ab dem 1. Januar 2015 ausgestattet.
C.5	Beschreibung aller etwaigen Beschränkungen der freien Übertragbarkeit der Wertpapiere.	Entfällt. Die Aktien der Gesellschaft sind in Übereinstimmung mit den gesetzlichen Bestimmungen für auf den Inhaber lautende Stammaktien frei übertragbar. Es bestehen keine Verfügungsverbote oder -beschränkungen hinsichtlich der Übertragbarkeit der Aktien der Gesellschaft.
C.6	Antrag auf Zulassung zum Handel an einem geregelten Markt und Nennung aller geregelten Märkte, an denen die Wertpapiere gehandelt werden sollen.	Die Gesellschaft erwartet, dass sie die Zulassung der Aktien der Gesellschaft zum regulierten Markt mit gleichzeitiger Zulassung zum Teilbereich des regulierten Marktes mit weiteren Zulassungsfolgepflichten (<i>Prime Standard</i>) an der Frankfurter Wertpapierbörse voraussichtlich am oder um den 27. April 2015 beantragen wird. Der Zulassungsbeschluss wird voraussichtlich am 6. Mai 2015 bekannt gegeben werden. Der Handel an der Frankfurter Wertpapierbörse wird voraussichtlich am 7. Mai 2015 beginnen.
C.7	Beschreibung der Dividendenpolitik.	Die Gesellschaft beabsichtigt, eine Dividende in Höhe von ungefähr 30% bis zu 40% des Jahresüberschusses des Sixt Leasing Konzerns auszuschütten, sofern die Geschäftsentwicklung der Gesellschaft zufriedenstellend ausfällt. Die Gesellschaft erwartet, zum ersten Mal für das Geschäftsjahr 2015 eine Dividende an ihre Aktionäre zu zahlen. Allerdings kann nicht garantiert werden, dass die Gesellschaft in der Lage sein wird, überhaupt eine Dividende beziehungsweise eine Dividende in der beabsichtigten Höhe für das Geschäftsjahr 2015 oder in der Zukunft zu zahlen.

D. – Risiken

Zum Datum des Prospekts könnten die folgenden Schlüsselrisiken allein oder zusammen mit weiteren Risiken und Unwägbarkeiten, die der Gesellschaft derzeit nicht bekannt sind oder die sie derzeit als unwesentlich erachtet, unsere Geschäfts-, Vermögens-, Finanz-, Kapitalfluss- und Ertragslage erheblich nachteilig beeinträchtigen. Bei Verwirklichung jedes einzelnen dieser Risiken könnten Anleger ihre Anlage ganz oder teilweise verlieren.

Die Reihenfolge, in welcher die Schlüsselrisiken dargestellt sind, stellt weder eine Aussage über die Eintrittswahrscheinlichkeit noch über die Bedeutung und Höhe der Schlüsselrisiken oder das Ausmaß eines möglichen Schadens für unsere Geschäftslage dar. Die genannten Risiken können sich einzeln oder kumulativ verwirklichen.

D.1 Schlüsselrisiken, die der Emittentin oder ihrer Branche eigen sind.

Schlüsselrisiken im Zusammenhang mit unserer Branche und unserer Geschäftstätigkeit

- Ungünstige Entwicklungen der allgemeinen Wirtschaftslage oder in der Leasingfahrzeug- und Flottenmanagementindustrie, in der wir tätig sind, können sich nachteilig auf uns auswirken.
- Wir könnten nicht in der Lage sein, unser bestehendes Produktangebot zu verbessern und zu vermarkten oder ein attraktives Produktangebot aufrechtzuerhalten, das den Erwartungen unserer Kunden gerecht wird.
- Wir könnten nicht in der Lage sein, unsere bisherigen Wachstumsraten beizubehalten oder unser zukünftiges Wachstum erfolgreich zu bewältigen und könnten nicht in der Lage sein, opportunistische Akquisitionen erfolgreich zu integrieren.
- Unsere Kunden, insbesondere einige bedeutende Kunden, die für einen erheblichen Anteil unseres Umsatzes verantwortlich sind, könnten ihren Zahlungsverpflichtungen nicht rechtzeitig nachkommen oder die Inanspruchnahme unserer Dienstleistungen einstellen.
- Eine Beendigung unseres nicht-exklusiven Vertrags mit der Sixt SE betreffend die Lizenzierung geistigen Eigentums oder eine Verschlechterung des Ansehens der Marke Sixt oder unseres Ansehens könnten unsere Beziehungen zu Kunden, Zulieferern, Drittserviceanbietern und Investoren maßgeblich beeinträchtigen.
- Wir könnten möglicherweise nicht in der Lage sein, Gebrauchtwagen zu den erwünschten Preisen zu verkaufen und wir könnten im Zusammenhang mit diesen Verkäufen mit Risiken in Bezug auf den Restwert der Fahrzeuge konfrontiert werden.
- Wir tragen erhebliche Vorleistungskosten, die während der Leasingdauer möglicherweise nicht gedeckt werden können.
- Wir sind auf Drittanbieter für die Ausstattung und Wartung unseres Fuhrparks angewiesen, und ungünstige Entwicklungen, die ihre Geschäfte beeinflussen, oder eine Verschlechterung unserer

Beziehungen mit ihnen könnten sich nachteilig auf uns auswirken.

- Wir könnten möglicherweise nicht in der Lage sein, die von uns verhandelten Mengenboni zu behalten, oder könnten verpflichtet sein, diese zurückzubezahlen.
- Durch Wachstum und Erweiterung unserer Geschäftstätigkeiten in neue Rechtsordnungen könnten wir erheblichen Kosten und größeren Komplexitäten ausgesetzt werden.
- Bestimmte Risiken, die unsere Fahrzeuge, Geschäfte und eine mögliche Haftung gegenüber unseren Kunden betreffen, könnten durch unseren Versicherungsschutz unzureichend gedeckt sein.
- Wir sind auf das reibungslose Funktionieren unserer Softwaresysteme, unserer Internetseiten und mobilen Anwendungen angewiesen.
- Jede Störung unserer Zuliefererkette, logistischen Infrastruktur oder Informationstechnologiesysteme könnte unsere Geschäftstätigkeit beeinträchtigen.
- Versuche von Seiten Dritter, unsere Netzwerk- oder Datensicherheit zu überwinden oder das Bestehen sonstiger Sicherheitsschwachstellen, könnte unseren Ruf schädigen und uns Haftungsrisiken aussetzen.
- Unser Erfolg hängt von den Fähigkeiten und der Führungsfähigkeiten bestimmter Mitarbeiter in Schlüsselpositionen ab.

Schlüsselrisiken der Finanzierung

- Nach Abschluss des Börsengangs und der Beendigung existierender Finanzierungsvereinbarungen mit der Sixt SE werden wir keinen Zugang zu denselben Refinanzierungsbedingungen wie die Sixt SE und ihre Tochtergesellschaften mehr haben und es könnte uns nicht gelingen, externe Finanzierung zu erlangen.
- Eine Inkongruenz zwischen den Restlaufzeiten sowie den Zinssätzen unserer Vermögenswerte und den Fälligkeiten und Zinssätzen unserer Verbindlichkeiten könnte negative Auswirkungen auf unser operatives Ergebnis haben.
- Wir sind Zinssatzschwankungen ausgesetzt, welche zu einer größeren Spreizung zwischen Finanzierungserträgen und Finanzierungskosten führen und dadurch zu Verlusten aus unseren Leasingverträgen führen könnten.

Regulatorische, rechtliche und steuerliche Schlüsselrisiken

- Es könnte sich herausstellen, dass wir gewisse auf uns als Finanzdienstleistungsinstitut anwendbare Lizenzierungsvoraussetzungen nicht erfüllt haben, was zur Aufhebung oder zum Widerruf der von uns für unser Leasinggeschäft benötigten Leasinglizenz führen könnte.
- Es könnte sich herausstellen, dass wir gegen Gesetze und Vorschriften verstoßen haben, was zu Widerrufsrechten oder Rückzahlungsansprüchen unserer Kunden, der Verhängung von Geldbußen und zur Schädigung unseres Ansehens führen könnte.
- Allgemeine Geschäftsbedingungen in unseren Leasingverträgen und in Verträgen mit unseren Kunden und externen Zulieferern und externen Dienstleistern könnten unwirksam sein und dadurch könnten wir daran gehindert sein, solche Bedingungen oder Verträge, in denen solche Bedingungen enthalten sind, durchzusetzen.
- Die durch unsere Compliancestruktur vorgegebenen Kontroll- und Präventionsmechanismen könnten unzureichend sein, um uns hinreichend vor allen rechtlichen, finanziellen oder organisatorischen Risiken zu schützen.
- Gerichtsprozesse und Verwaltungsverfahren, die gegen uns geführt werden könnten, könnten unsere Geschäftstätigkeit stören oder beeinträchtigen.
- Potenzielle Änderungen der Internationalen Rechnungslegungsstandards (IFRS) in Bezug auf die Rechnungslegung von Leasing könnten sich nachteilig auf die Bereitschaft von Kunden auswirken, Fahrzeuge für ihren Betrieb zu leasen.
- Nachteilige Entwicklungen im Bereich des Steuerrechts und der Steuervorschriften könnten negative Auswirkungen auf die Nachfrage nach unseren Dienstleistungen haben und unsere Steuerbelastung erhöhen.
- Laufende oder zukünftige Steuerprüfungen könnten zu zusätzlichen Steuerverbindlichkeiten führen.
- Wesentliche Umstrukturierungen, die wir in der Vergangenheit durchgeführt haben, könnten zu zusätzlichen Steuerverbindlichkeiten führen.

Schlüsselrisiken im Zusammenhang mit unserer Gesellschafterstruktur und der Ausgliederung (Carve-Out)

- Unsere Geschäftstätigkeit hängt in vielerlei Hinsicht von der Sixt SE ab und wir haben in der Vergangenheit bestimmte Dienstleistungen gemeinsam in Anspruch genommen und von Vorteilen profitiert, die der Sixt Leasing als eigenständig

börsennotierte Gesellschaft nicht mehr zur Verfügung stehen könnten.

- Die Sixt SE kann über uns weiterhin bedeutenden Einfluss ausüben und die Interessen der Sixt SE könnten mit denen unserer anderen Aktionäre in Widerspruch stehen.
- Die Sixt SE ist nicht daran gehindert, direkt oder indirekt, Geschäftsaktivitäten, die unseren ähnlich sind, unter Verwendung derselben Marken und Warenzeichen, zu betreiben.
- Die Mitgliedschaft derselben Personen in mehreren Aufsichtsräten und Vorständen könnte zu Interessenskonflikten zwischen der Sixt Leasing AG, der Sixt SE und anderen Gesellschaften der Sixt SE-Gruppe führen.
- Die Finanzinformationen in dem Prospekt könnten nicht vollständig repräsentativ für unsere Ergebnisse als separat notierte Gesellschaft sein.

D.3 Schlüsselrisiken, die den Wertpapieren eigen sind.

Aktien- und emissionsbezogene Schlüsselrisiken

- Der Gesellschaft könnte es nicht gelingen, die zusätzlichen Anforderungen zu erfüllen, die auf sie als börsennotiertes Unternehmen Anwendung finden werden, was zu erheblichen zusätzlichen Kosten, Rechtsstreitigkeiten oder einer Geldstrafe führen könnte.
- Der Kurs und das Handelsvolumen der Aktien der Gesellschaft könnten erheblich schwanken, wodurch Anleger ihre Anlage ganz oder teilweise verlieren könnten.
- Jeder zukünftige Verkauf von Aktien der Gesellschaft durch bestehende Aktionäre könnte den Aktienkurs drücken.
- Zukünftige Kapitalmaßnahmen könnten zu einer erheblichen Verwässerung, d. h. einer Minderung des Wertes der Aktien der Gesellschaft und der Kontrollrechte der von bestehenden Aktionären an unserem Unternehmen gehaltenen Anteile führen. Zukünftige Emissionen von Schuld- oder Eigenkapitaltiteln könnten den Aktienkurs beeinträchtigen.
- Zukünftige Veräußerungen von Aktien durch die Sixt SE oder eine von uns durchgeführte Kapitalerhöhung, an der sich die Sixt SE nicht beteiligt, könnte Change-of-Control-Klauseln in den Verträgen unseres Unternehmens auslösen.
- Sollte die Gesellschaft entscheiden, die Umwandlung in die Rechtsform einer Europäischen Gesellschaft (*Societas Europea* — SE) anzustreben, würde dies

erhebliche personelle Ressourcen binden und bedeutende Kosten verursachen.

E. – Angebot

E.1 Gesamtnettoerlöse.

Zum Mittelwert der für das Angebot der Angebotsaktien (wie nachstehend unter E.3 definiert) vorgesehenen Preisspanne (wie nachstehend unter E.3 definiert) werden Bruttoerlöse aus dem Angebot im Gesamtbetrag von ca. 242,4 Mio. € erwartet (unter Annahme der Platzierung sämtlicher Angebotsaktien (wie nachstehend unter E.3 definiert)). Unter Annahme von angebotsbezogenen Kosten und an die Underwriters zu zahlenden Provisionen in Höhe von insgesamt ca. 10,4 Mio. € würden sich die Nettoerlöse aus dem Angebot auf ca. 232,0 Mio. € belaufen.

Die Gesellschaft erhält nur die Erlöse aus dem Angebot, die aus dem Verkauf von Neuen Aktien (wie nachstehend unter E.3 definiert) stammen. Bei Platzierung sämtlicher Angebotsaktien zum Mittelwert der Preisspanne würde die Gesellschaft einen Bruttoertrag von ungefähr 109,5 Mio. € (entspricht einem geschätzten Nettoertrag von ungefähr 104,0 Mio. €) erhalten. Die Gesellschaft zusammen mit der Veräußernden Aktionärin behält sich jedoch das Recht vor, nicht alle Neuen Aktien auszugeben, wenn der Preis oberhalb des unteren Endes der Preisspanne festgesetzt wird. Daher könnten die Bruttoerlöse und die Nettoerlöse der Gesellschaft nicht den Betrag von 109,5 Mio. € und 104,0 Mio. € zum Mittelwert der Preisspanne erreichen.

Zum Mittelwert der Preisspanne wird sich der der Veräußernden Aktionärin zukommende Bruttoertrag (unter der Annahme der Platzierung der maximalen Anzahl Bestehender Aktien und unter der Annahme vollständiger Ausübung der Greenshoe Option (jeweils wie nachstehend unter E.3 definiert)) auf ungefähr 132,9 Mio. € belaufen und der der Veräußernden Aktionärin zukommende geschätzte Nettoertrag wird sich auf ungefähr 127,9 Mio. € belaufen.

Geschätzte Gesamtkosten des Angebots und der Börsennotierung, einschließlich der geschätzten Kosten, die dem Anleger von der Emittentin in Rechnung gestellt werden.

Unter der Annahme eines Angebotspreises zum Mittelwert der Preisspanne (wie nachstehend unter E.3 definiert) werden sich die durch das Angebot der Angebotsaktien und die Börsennotierung des gesamten Aktienbestandes der Gesellschaft entstehenden Kosten erwartungsgemäß auf insgesamt ungefähr 3,8 Mio. € belaufen (ausgenommen an die Underwriters zu zahlende Zeichnungs- und Platzierungsprovisionen). Hiervon werden ungefähr 1,6 Mio. € von der Veräußernden Aktionärin übernommen, was bedeutet, dass die Gesellschaft letztendlich ca. 2,2 Mio. € der Kosten zu tragen hat. Die Veräußernde Aktionärin wird einen prozentualen Anteil der Angebotskosten und der Kosten der Börsennotierung der Gesellschaft tragen, der dem Verhältnis der (i) Bruttoerlöse der Bestehenden Aktien, die in dem Angebot platziert worden sind, zu

(ii) der Summe der Bruttoerlöse der Neuen Aktien und der Bestehenden Aktien, die in dem Angebot platziert worden sind, und der Kapitaleinlage der Veräußernden Aktionärin entspricht.

Unter der Annahme eines Angebotspreises zum Mittelwert der Preisspanne, einer Platzierung sämtlicher Neuer Aktien (wie nachstehend unter E.3 definiert) sowie einer Platzierung der maximalen Anzahl Bestehender Aktien und Mehrzuteilungsaktien (wie nachstehend unter E.3 definiert) (unter der Annahme einer vollständigen Ausübung der Greenshoe Option) sowie unter der Annahme der vollständigen Zahlung der Ermessensgebühr von bis zu 2,6 Mio. €, wird sich die an die Underwriters zu zahlende Provision auf 6,7 Mio. € belaufen. Hiervon entfallen 3,3 Mio. € auf die Platzierung der Neuen Aktien (wie nachstehend unter E.3 definiert) und werden von der Gesellschaft gezahlt, 3,0 Mio. € entfallen auf die Platzierung der Bestehenden Aktien und werden unmittelbar von der Veräußernden Aktionärin gezahlt und 0,3 Mio. € entfallen auf die Platzierung der Mehrzuteilungsaktien und werden ebenfalls unmittelbar von der Veräußernden Aktionärin gezahlt.

Weder die Gesellschaft, die Veräußernde Aktionärin noch die Underwriters werden den Anlegern Kosten in Rechnung stellen. Investoren werden die üblichen Transaktions- und Abwicklungskosten tragen müssen, die ihnen ihre depotführenden Broker oder Finanzinstitute in Rechnung stellen.

E.2a Gründe für das Angebot.

Die Gesellschaft beabsichtigt die Zulassung ihrer Aktien zum regulierten Markt der Frankfurter Wertpapierbörse mit gleichzeitiger Zulassung zum Teilbereich des regulierten Marktes mit weiteren Zulassungsfolgepflichten (*Prime Standard*) an der Frankfurter Wertpapierbörse, um einen Zugang zum Kapitalmarkt zu erhalten. Die Gesellschaft beabsichtigt mit der Emission ebenfalls, Erlöse aus der Platzierung der Neuen Aktien (wie nachstehend unter E.3 definiert) zu erzielen.

Zweckbestimmung der Erlöse, geschätzte Nettoerlöse.

Die Gesellschaft beabsichtigt, die Nettoerlöse aus dem Angebot der Neuen Aktien (wie nachstehend unter E.3 definiert) in Höhe von ca. 82,0 Mio. € zur Verringerung kurzfristiger externer Finanzverbindlichkeiten zu verwenden, die sich am 28. Februar 2015 auf 188,3 Mio. € beliefen und die sich, bis die Gesellschaft die Nettoerlöse aus dem Angebot der Neuen Aktien erhält, erhöhen oder verringern könnten. Ein etwaiger Restbetrag wird als Liquiditätsreserve für allgemeine betriebliche Zwecke verwendet oder um Rückzahlungen von Darlehensbeträgen und Zinsen auf von der Gesellschaft aufgenommene Finanzschulden zu machen.

Unter der Annahme, dass alle Neuen Aktien (wie unter E.3 definiert) (5.586.593 Aktien) platziert werden, erwartet die Gesellschaft am unteren Ende der Preisspanne (wie

nachstehend unter E.3 definiert) Nettoerlöse von ungefähr 94,8 Mio. €, zum Mittelwert der Preisspanne ungefähr 104,0 Mio. € und zum oberen Ende der Preisspanne ungefähr 113,3 Mio. €. Die Gesellschaft zusammen mit der Veräußernden Aktionärin behalten sich jedoch das Recht vor, nicht alle Neuen Aktien auszugeben, wenn der Preis oberhalb des unteren Endes der Preisspanne festgesetzt wird. Daher könnten die Nettoerlöse der Gesellschaft nicht den Betrag von 104,0 Mio. € zum Mittelwert oder von 113,3 Mio. € zum oberen Ende der Preisspanne erreichen.

E.3 Angebotskonditionen

Das Angebot bezieht sich auf 5.586.593 Neue Aktien und 6.780.362 bestehende auf den Inhaber lautende Stammaktien ohne Nennbetrag der Gesellschaft mit einem anteiligen Betrag am Grundkapital der Gesellschaft von jeweils 1,00 € und mit voller Dividendenberechtigung ab dem 1. Januar 2015 und setzt sich zusammen aus:

- 5.586.593 neu emittierten auf den Inhaber lautenden Stammaktien ohne Nennbetrag (*Stückaktien*) aus einer Kapitalerhöhung gegen Bareinlage (die „**IPO Kapitalerhöhung**“), die durch eine außerordentliche Hauptversammlung der Gesellschaft zu beschließen ist (die „**Neuen Aktien**“);
- 5.167.281 bestehenden auf den Inhaber lautenden Stammaktien ohne Nennbetrag (*Stückaktien*) aus dem Bestand der Veräußernden Aktionärin (die „**Bestehenden Aktien**“ und zusammen mit den Neuen Aktien, die „**Basisaktien**“); und
- 1.613.081 bestehenden auf den Inhaber lautenden Stammaktien ohne Nennbetrag (*Stückaktien*) aus dem Bestand der Veräußernden Aktionärin in Verbindung mit einer möglichen Mehrzuteilung (die „**Mehrzuteilungsaktien**“ und zusammen mit den Basisaktien, die „**Angebotsaktien**“).

Das Angebot besteht aus einem öffentlichen Angebot der Angebotsaktien in der Bundesrepublik Deutschland und im Großherzogtum Luxemburg sowie Privatplatzierungen der Angebotsaktien in bestimmten Rechtsordnungen außerhalb Deutschlands und Luxemburgs. In den Vereinigten Staaten von Amerika werden die Angebotsaktien qualifizierten institutionellen Anlegern gemäß Rule 144 A des U.S. Securities Act von 1933 in der derzeit gültigen Fassung zum Kauf angeboten. Außerhalb der Vereinigten Staaten von Amerika werden die Angebotsaktien nur gemäß der Regulation S des U.S. Securities Act von 1933 angeboten.

Angebotszeitraum.

Der Angebotszeitraum, innerhalb dessen Anleger ihre Kaufaufträge für die Angebotsaktien abgeben können, beginnt voraussichtlich am 27. April 2015 und endet voraussichtlich am 6. Mai 2015 um 12:00 mittags MESZ (Mitteleuropäische Sommerzeit) für Kleinanleger (natürliche Personen) und um 16:00 MESZ

(Mittleuropäische Sommerzeit) für institutionelle Anleger (der „**Angebotszeitraum**“). Kaufaufträge müssen für mindestens 25 Angebotsaktien und in vollen Eurobeträgen oder Eurocentbeträgen von 10, 20, 30, 40, 50, 60, 70, 80 oder 90 Eurocent abgegeben werden. Mehrfache Kaufaufträge sind zulässig.

Preisspanne und Angebotspreis.

Die Preisspanne, innerhalb derer Kaufaufträge abgegeben werden dürfen, liegt bei 17,90 € bis 21,30 € je Angebotsaktie (die „**Preisspanne**“).

Änderung der Angebotsbedingungen.

Die Gesellschaft und die Veräußernde Aktionärin behalten sich das Recht vor, zusammen mit den Joint Bookrunners die Gesamtzahl der Angebotsaktien zu erhöhen oder zu vermindern, die Ober- und/oder Untergrenze der Preisspanne zu erhöhen oder zu senken und/oder den Angebotszeitraum zu verlängern oder zu verkürzen. Durch Änderungen der Anzahl der Angebotsaktien, Änderungen bei der Preisspanne oder durch die Verlängerung bzw. Verkürzung des Angebotszeitraums werden bereits unterbreitete Kaufaufträge nicht unwirksam. Sollte solch eine Änderung die Veröffentlichung eines Prospektnachtrags erfordern, steht Anlegern, die ihre Kaufaufträge vor Veröffentlichung des Prospektnachtrags unterbreitet haben, gemäß dem Wertpapierprospektgesetz das Recht zu, diese Kaufaufträge innerhalb von zwei Werktagen nach Veröffentlichung des Nachtrags zu widerrufen. Anstelle des Widerrufs der vor der Veröffentlichung des Nachtrags unterbreiteten Kaufaufträge können die Anleger ihre Aufträge ändern oder neue begrenzte oder unbegrenzte Kaufangebote innerhalb von zwei Werktagen nach Veröffentlichung des Nachtrags platzieren. Bei einer Änderung der Angebotsbedingungen wird diese Änderung im Wege der elektronischen Medien (wie Thomson Reuters oder Bloomberg) und, sofern nach dem Wertpapierhandelsgesetz oder dem Wertpapierprospektgesetz erforderlich, als Ad-hoc-Mitteilung über ein elektronisches Informationssystem, auf dem Internetportal der Gesellschaft und als Nachtrag zu dem Prospekt veröffentlicht. Anleger, die Kaufaufträge unterbreitet haben, werden nicht einzeln benachrichtigt. Unter bestimmten Bedingungen können die Joint Global Coordinators, in Vertretung der Underwriters, den Übernahmevertrag betreffend das Angebot, den sie mit der Gesellschaft und der Veräußernden Aktionärin am 24. April 2015 abgeschlossen haben (der „**Übernahmevertrag**“), kündigen, und zwar selbst nach Aufnahme des Handels der Aktien der Gesellschaft am regulierten Markt der Frankfurter Wertpapierbörse.

Platzierungspreis.

Der Platzierungspreis und die endgültige Anzahl der in dem Angebot zu platzierenden Angebotsaktien standen zum Datum des Prospektes noch nicht fest.

Der Platzierungspreis sowie die endgültige Anzahl der in dem Angebot zu platzierenden Angebotsaktien werden von der Gesellschaft, der Veräußernden Aktionärin und den Underwriters gemeinsam festgelegt. Der Preis wird auf Grundlage der von den Anlegern erteilten Kaufaufträge festgelegt, die in dem Auftragsbuch, das während des Bookbuilding-Verfahrens vorbereitet wurde, erfasst wurden.

Die Preisfestsetzung wird voraussichtlich am oder um den 6. Mai 2015 stattfinden. Der Platzierungspreis sowie die endgültige Anzahl der in dem Angebot platzierten Angebotsaktien (d. h. das Ergebnis des Angebots) werden voraussichtlich am oder um den 6. Mai 2015 mittels Ad-hoc-Mitteilung, über ein elektronisches Informationsverbreitungssystem und auf der Webseite der Gesellschaft veröffentlicht.

Sollte sich das Platzierungsvolumen als unzureichend zur Erfüllung sämtlicher Kaufaufträge zum Platzierungspreis herausstellen, behalten sich die Gesellschaft gemeinsam mit der Veräußernden Aktionärin das Recht zur Ablehnung oder zur nur teilweisen Annahme von Kaufaufträgen vor.

**Lieferung und
Abrechnung.**

Die Angebotsaktien werden voraussichtlich am 11. Mai 2015 gegen Zahlung des Angebotspreises geliefert. Die Angebotsaktien werden den Aktionären als Miteigentumsanteile an der Globalurkunde zur Verfügung gestellt.

**Stabilisierungsmaßnahmen,
Mehrzuteilung und
Greenshoe Option.**

Im Zusammenhang mit der Platzierung der Angebotsaktien handelt COMMERZBANK oder mit ihr verbundene Unternehmen, die sämtlich für Rechnung der Underwriters handeln, als Stabilisierungsmanager und kann in Übereinstimmung mit den rechtlichen Bestimmungen (§ 20a Abs. 3 Wertpapierhandelsgesetz in Verbindung mit der Verordnung (EG) Nr. 2273/2003 vom 22. Dezember 2003) Mehrzuteilungen vornehmen und Stabilisierungsmaßnahmen ergreifen, um den Marktpreis der Aktien der Gesellschaft zu stützen und um dadurch einem etwaigen Verkaufsdruck entgegenzuwirken.

Bei möglichen Stabilisierungsmaßnahmen können Anlegern zusätzlich zu den Basisaktien der Gesellschaft bis zu 1.613.081 Mehrzuteilungsaktien als Teil der Zuteilung der zu platzierenden Aktien zugeteilt werden (die „**Mehrzuteilung**“). Zum Zwecke einer möglichen Mehrzuteilung werden dem Stabilisierungsmanager bis zu 1.613.081 Mehrzuteilungsaktien für Rechnung der Underwriters in Form eines Wertpapierdarlehens zur Verfügung gestellt. Dabei wird die Anzahl der Mehrzuteilungsaktien 15% der Basisaktien nicht übersteigen. Zudem wird die Veräußernde Aktionärin den Underwriters eine Option zum Erwerb von bis zu 1.613.081 Aktien der Gesellschaft zum Angebotspreis abzüglich der vereinbarten Provisionen gewähren (die „**Greenshoe**“).

Option”). Diese Option endet 30 Kalendertage nach dem Beginn des Börsenhandels der Aktien der Gesellschaft.

Der Stabilisierungsmanager ist berechtigt, die Greenshoe Option in dem Umfang der ursprünglichen Mehrzuteilung für Rechnung der Underwriters auszuüben. Dabei ist der Aktienbetrag um die Anzahl der Aktien zu vermindern, die von dem Stabilisierungsmanager am Tag der Ausübung der Greenshoe Option gehalten werden und die von diesem im Zusammenhang mit Stabilisierungsmaßnahmen erworben wurden.

E.4 Wesentliche Interessen an der Emission/dem Angebot.

Im Zusammenhang mit dem Angebot und der Zulassung zum Handel der Aktien der Gesellschaft sind die Underwriters eine Vertragsbeziehung mit der Gesellschaft und der Veräußernden Aktionärin eingegangen.

Die Underwriters handeln bei dem Angebot für die Gesellschaft und die Veräußernde Aktionärin und koordinieren die Strukturierung und die Durchführung des Angebots. Zudem wurden Berenberg und COMMERZBANK als designierte Börsenhändler für die Aktien der Gesellschaft ernannt und COMMERZBANK wurde als Zahlstelle ernannt. Die Underwriters haben ein finanzielles Interesse an dem Angebot, da sie nach seiner erfolgreichen Umsetzung die in dem Übernahmevertrag vereinbarte Provision erhalten.

Die Veräußernde Aktionärin erhält die Erlöse aus den im Rahmen des Angebots verkauften Bestehenden Aktien und der Aktien aus der etwaigen Ausübung einer Greenshoe Option. Unter der Annahme einer vollständigen Platzierung sämtlicher Bestehender Aktien sowie Mehrzuteilungsaktien zum Mittelwert der Preisspanne und vollständiger Ausübung der Greenshoe Option sowie nach Abzug von Gebühren und Aufwendungen, die von der Veräußernden Aktionärin im Zusammenhang mit dem Angebot zu zahlen sind, würden sich die der Veräußernden Aktionärin aus dem Angebot zukommenden Nettoerlöse auf ungefähr 127,9 Mio. € bzw. 55 % der Nettogesamterlöse aus dem Angebot belaufen. Die Veräußernde Aktionärin wird ihre Aktien anbieten, um teilweise ihre Beteiligung in der Gesellschaft zu desinvestieren und um einen ausreichenden Streubesitz und Handelsliquidität in den Aktien der Gesellschaft sicherzustellen. Die Veräußernde Aktionärin wird auch aus Garantien oder anderen Darlehensdeckungszusagen, die sie Kreditgebern in Bezug auf die kurzfristige externe Finanzierung der Gesellschaft gewährt hat, entlassen, wenn die Gesellschaft diese kurzfristige externe Finanzierung mit den Nettoerlösen aus dem Angebot zurückführt. Die Veräußernde Aktionärin kann auch Zahlungen von Darlehensbeträgen und Zinsen auf die Fremdfinanzierung, die die Veräußernde Aktionärin der Gesellschaft gewährt hat, aus den Nettoerlösen des Angebots der Neuen Aktien erhalten (nachdem die bestehenden externen

Finanzverbindlichkeiten der Gesellschaft mit den Nettoerlösen aus dem Angebot zurückgezahlt worden sind).

Einige der Underwriters oder mit ihnen verbundene Unternehmen unterhalten Geschäftsbeziehungen mit dem Sixt Leasing Konzern und der Veräußernden Aktionärin (einschließlich Darlehensgeschäften) und könnten diese in Zukunft zeitweise weiterhin unterhalten oder werden gegebenenfalls innerhalb des gewöhnlichen Geschäftsbetriebs bestimmte Dienstleistungen gegenüber dem Sixt Leasing Konzern oder der Veräußernden Aktionärin erbringen.

Kollidierende Interessen.

Entfällt. Es bestehen keine kollidierenden Interessen.

E.5 Name der Person/des Unternehmens, die/welches das Wertpapier zum Verkauf anbietet.

Die Aktien werden von den Underwriters zum Verkauf angeboten.

Lock-up Vereinbarungen: Die beteiligten Parteien und die Lock-up Frist.

In dem Übernahmevertrag hat sich die Gesellschaft, von gewissen Ausnahmen abgesehen, gegenüber jedem Underwriter verpflichtet, soweit dies gesetzlich zulässig ist, dass die Gesellschaft, ihr Vorstand oder ihr Aufsichtsrat ohne vorherige schriftliche Zustimmung der Joint Global Coordinators, die nicht ohne vernünftigen Grund verweigert oder verzögert werden darf, innerhalb eines am 24. April 2015 beginnenden und sechs Monate nach dem ersten Handelstag der Aktien der Gesellschaft an der Frankfurter Wertpapierbörse (welcher aktuell für den 7. Mai 2015 geplant ist) endenden Zeitraums keine Handlung vornimmt, die darauf abzielt, das Grundkapital der Gesellschaft zu erhöhen. Für denselben Zeitraum hat sich die Veräußernde Aktionärin, von gewissen Ausnahmen abgesehen, gegenüber den Joint Global Coordinators verpflichtet, ohne vorherige schriftliche Zustimmung der Joint Global Coordinators, die nicht ohne vernünftigen Grund verweigert oder verzögert werden darf, ihre Aktien oder Wertpapiere der Gesellschaft weder zu verkaufen, zu verteilen, zu übertragen oder in sonstiger Weise zu veräußern, oder eine Handlung vorzunehmen, die darauf abzielt, das Grundkapital der Gesellschaft zu erhöhen.

E.6 Betrag und Prozentsatz der aus dem Angebot resultierenden unmittelbaren Verwässerung.

Das Angebot schließt die Emission neuer Aktien mit ein. Zum 31. Dezember 2014 betrug der Netto-Buchwert 12,3 Mio. € und würde bei 15.025.000 unmittelbar vor dem Angebot ausstehenden Aktien der Gesellschaft ungefähr 0,82 € je Aktie betragen.

Die verwässernde Wirkung des Angebots ist in der untenstehenden Tabelle dargestellt, aus welcher der Betrag ersichtlich ist, um den der Angebotspreis am unteren Ende, zum Mittelwert und am oberen Ende der Preisspanne den Netto-Buchwert je Aktie nach Abschluss des Angebots übersteigt, unter der Annahme, dass das Angebot am

31. Dezember 2014 durchgeführt und für die Kapitaleinlage angepasst worden wäre. In dieser Hinsicht wurde der Netto-Buchwert zum 31. Dezember 2014 um die Auswirkungen des Angebots unter der Annahme bereinigt, dass (i) die IPO Kapitalerhöhung beschlossen und die Höchstzahl der Neuen Aktien ausgegeben wurde und (ii) der Netto-Buchwert am unteren Ende, zum Mittelwert und am oberen Ende der Preisspanne um jeweils 94,8 Mio. €, 104,0 Mio. € und 113,3 Mio. € erhöht wird. Die Gesellschaft zusammen mit der Veräußernden Aktionärin behalten sich jedoch das Recht vor, nicht alle Neuen Aktien auszugeben, wenn der Preis oberhalb des unteren Endes der Preisspanne festgesetzt wird. Daher könnte die Erhöhung des Netto-Buchwerts zum Mittelwert oder oberen Ende der Preisspanne niedriger sein, als wenn alle Neuen Aktien zum Mittelwert oder oberen Ende der Preisspanne platziert worden wären. Die angenommene Erhöhung beruht auf den erwarteten Nettoerlösen ohne Berücksichtigung von Steuereffekten. Der bereinigte Netto-Buchwert ist als eine Kennzahl je Aktie unter der Annahme von 20.611.593 ausstehenden Aktien der Gesellschaft nach Abschluss des Angebots dargestellt (diese Kennzahl je Aktie wird als „**Netto-Buchwert je Aktie nach dem Angebot**“ bezeichnet).

	Zum 31. Dezember 2014		
	Unteres Ende	Mittelwert	Oberes Ende
Preis pro Aktie (in €)	17,90	19,60	21,30
Netto-Buchwert je Aktie ⁽¹⁾ (auf Grundlage von 15.025.000 ausstehenden Aktien der Gesellschaft vor dem Angebot) (in €) . . .	0,82	0,82	0,82
Netto-Buchwert je Aktie ⁽¹⁾⁽²⁾ (auf Grundlage von 15.025.000 ausstehenden Aktien der Gesellschaft vor dem Angebot) und für die Kapitaleinlage angepasst (in €)	2,82	2,82	2,82
Netto-Buchwert je Aktie nach dem Angebot (Netto-Buchwert) ⁽¹⁾ (in €)	6,65	7,10	7,55
Betrag, um den der Preis pro Aktie den Netto-Buchwert je Aktie nach dem Angebot übersteigt (unmittelbare Verwässerung pro Aktie) (in €)	11,25	12,50	13,75
Unmittelbare Verwässerung (in %)	62,8	63,8	64,6

(1) Der Netto-Buchwert wird berechnet, indem von der Bilanzsumme die Summe der langfristigen Verbindlichkeiten und Rückstellungen und die Summe der kurzfristigen Verbindlichkeiten und Rückstellungen abgezogen wird. Der Netto-Buchwert entspricht dem Eigenkapital, das auf die Eigentümer der Sixt Leasing Gruppe entfällt.

(2) Die GAV Abschlagszahlung ist nicht in dem angepassten Netto-Buchwert je Aktie (Eigenkapital, das auf die Eigentümer der Sixt Leasing Gruppe entfällt) reflektiert.

Jede der Neuen Aktien ist mit denselben Stimmrechten wie die Bestehenden Aktien der Gesellschaft ausgestattet. Vor dem Angebot hielt die Veräußernde Aktionärin 100% der Stimmrechte. Nach Durchführung des Angebots (einschließlich der vollständigen Ausübung der Greenshoe Option) würden sich die Stimmrechte der Veräußernden Aktionärin auf 40 % belaufen.

E.7 Schätzung der Ausgaben, die dem Anleger von der Emittentin in Rechnung gestellt werden.

Entfällt. Weder die Gesellschaft, noch die Veräußernde Aktionärin, noch die Underwriters werden den Anlegern Kosten in Rechnung stellen.

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1. RISK FACTORS

An investment in the shares of Sixt Leasing AG, Pullach, Germany (“Sixt Leasing” or the “Company” and, together with its consolidated subsidiaries, the “Sixt Leasing Group”, “we”, “us” or “our”), is subject to risks. In addition to the other information contained in this prospectus (the “Prospectus”), investors should carefully consider the following risks when deciding whether to invest in the shares of the Company. The market price of the shares could decline if any of these risks were to materialize, in which case investors could lose some or all of their investment. The following risks, alone or together with additional risks and uncertainties not currently known to us, or that we might currently deem immaterial, could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

The order in which the risks are presented is not an indication of the likelihood of the risks actually materializing, or the significance or degree of the risks or the scope of any potential harm to our business, net assets, financial condition, cash flows or results of operations. The risks mentioned herein may materialize individually or cumulatively.

1.1 Risks Related to Our Industry and Our Business

1.1.1 We may suffer from adverse developments in the general economic environment in Germany and the other European countries in which we operate.

The vehicle leasing and fleet management industry in which we operate is generally susceptible to changes in the overall economy. Moreover, our customer base is comprised of individuals as well as companies active in various sectors of the economy, and therefore a deterioration of the economic outlook in any market sector may adversely affect the demand for our services. In particular, the economic environment has a major effect on the investment inclination and spending propensity of customers, which in turn affects the demand for vehicle leasing products. During phases of economic weakness, demand for vehicle leasing may fall as a result of cost-saving measures by companies and private households. Additionally, a downturn in the overall economy could result in higher default rates by our business customers, our private customers and the manufacturers and dealers with which we have entered into buy-back agreements.

The performance of our Fleet Leasing and Fleet Management business lines is highly dependent on the investment behavior of our corporate customers. In addition to general cyclical factors, this investment behavior can be influenced by the underlying economic, legal, accounting and tax conditions for commercial vehicle leasing, which – if changed to the detriment of customers and/or to the detriment of Sixt Leasing Group – could adversely affect the attractiveness of leasing fleet solutions for lessees.

We are particularly vulnerable to economic developments in Germany, where most of our operations are located. However, the economies of other countries and regions will gain importance if and to the extent we expand our operations internationally. As of the date of the Prospectus, most of the national economies in Europe have not fully recovered from the 2008 financial crisis and subsequent European sovereign debt crisis, and concerns regarding the long-term solvency of a number of member states of the European Union (“EU”), in particular Greece, have persisted as public debt has increased, economic growth has partially stagnated and the threat of deflation has become a concern throughout Europe. If the stability of the euro zone is threatened, the value of the euro compared to other currencies could change significantly, resulting in substantial expense and disruption to us as our reporting currency is the euro. Moreover, efforts to stabilize the euro zone may result in substantial new tax burdens on us or restrictions on our ability to do business.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.2 We may suffer from adverse developments in the vehicle leasing and fleet management industry, the new and used vehicle markets and the other market sectors directly related to our business.

We are dependent on macro developments in personal transport, which are dependent on a variety of factors that we cannot influence. These include, for example, the expansion of the public transport infrastructure, improvements in traffic flow and the increasing availability of car-sharing and other mobility services.

General developments in the automotive industry are important for us, owing to their effects on terms and conditions for purchasing and servicing vehicles. We are highly dependent on the supply of popular vehicle models, on being able to purchase them on competitive terms and, for reasons of pricing certainty and the reduction of residual value risks, on buy-back agreements with manufacturers and dealers. These factors influence both the purchase prices of vehicles and the revenues that can be generated when vehicles are sold. In addition, the difference between the price we pay to acquire a vehicle and its estimated residual value impacts the price we charge for our leases.

In the market for new cars, fluctuations in supply and demand for new vehicles could result in an increase in the prices at which we are required to acquire vehicles to grow our fleet and the prices we are able to charge for our leasing products. In the market for used cars, a potential deterioration of sales may in general adversely affect the repurchase terms and conditions on which car manufacturers and dealers are prepared to repurchase vehicles. To the extent a vehicle is not covered by a buy-back agreement, fluctuations in supply and demand for used vehicles could directly and adversely affect the price at which we are able to sell the vehicle at the end of the leasing period. If the price we are able to realize is less than the book value of the vehicle at the end of the leasing period, we would recognize a loss on the sale. The development of the used car market in Germany in particular is important for the prices that we achieve from selling used vehicles on the open market.

Additionally, prices for petroleum-based products have recently experienced major volatility, declining significantly in the fourth quarter of 2014. If oil prices were to recover and return to higher levels, automotive travel patterns might be affected in many ways. Limitations in fuel supplies or significant increases in fuel prices could significantly discourage customers from using leased vehicles and have an adverse effect on our business and results of operations.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.3 We may not have the resources required to successfully meet the challenges posed by our existing and future competitors.

As in the past, the leasing market in Germany continues to be dominated by various leasing providers affiliated either with manufacturers or banks. On the one hand, our competitors controlled by banks may benefit from good refinancing terms, while, on the other hand, our competitors controlled by manufacturers may benefit from good purchasing terms. For this reason there is intense competition in the vehicle leasing market on price and other conditions, which can have a negative effect on the margins that can be achieved and, as a consequence, on our results of operations.

Some of our current and potential future competitors may have longer operating histories, more experience, higher brand recognition, a larger customer base and greater financial, technical or marketing resources than we do. This is particularly true of vehicle manufacturers with which we already compete, but may be true of other current or future participants in the leasing market as well. Our current competitors may be acquired by, merge with, receive investment from or enter into strategic relationships with well-established and well-financed companies or investors who would enhance their competitive positions. A contraction of the overall market may result in reduced revenues, lower profit margins and price reductions as well as in a potential loss of

market share, each of which could have a material adverse effect on the vehicle leasing business area. On the other hand, new entrants into the industry could result in increased competition in the market for services similar to those provided by us.

Intense competition drives prices down and minimizes the opportunity to realize a profit margin. There is no assurance that we will have the resources required to successfully meet the challenges of changes in market conditions or market prices, the concentration process or the potential entry of new competitors in our market.

Our inability to meet one or more of the described challenges or the materialization of any of the risks described above in the future could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.4 We may be unable to improve and market our existing product range or maintain an attractive product range that meets the expectations of our customers.

Our ability to meet the expectations of our customers depends on our ability to continuously improve our existing product range and to develop new products, systems and software that meet the evolving needs of our customers. We may not be able to improve and successfully market our existing product range in order to compete successfully in the future. In an environment of changing market conditions and customer requirements, we must continuously develop new product ideas, whose introduction and penetration in our primary German market as well as other European markets can result in substantial upfront costs. Relevant market analyses and plans cannot guarantee that the products as offered will meet the expected acceptance and demand. In addition, if our efforts to maintain a high level of customer satisfaction are not successful, we may not be able to attract or retain customers.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.5 We may not be able to maintain our recent growth rates or successfully manage our future growth and may be unable to integrate opportunistic acquisitions.

Measured by the number of contracts, Fleet Leasing is our largest business line and has a history of stable growth in each of the last two years, while Online Retail and Fleet Management, our two other business lines, have experienced significant contract growth over the same period. Despite our success thus far, we may not be able to maintain our aforementioned growth rates or be able to continue to generate future growth.

While we have in the past grown our business organically and intend to primarily do so in the future, we also look at opportunistic acquisitions of companies or contract portfolios that we believe will be incremental to our organic growth. We may, however, be unable to successfully integrate any acquired companies or contract portfolios and may not be able to achieve any expected benefits from such transactions. In addition, we may acquire liabilities in connection with any such transaction that may not be covered by sufficient contractual indemnities.

In addition, our growth may place increasing demands on our management, and we may not be able to effectively manage our growth going forward.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.6 Our customers, especially a few significant customers which make up a substantial portion of our revenue, may fail to make timely payments or may discontinue using our services.

There is a risk that our customers may fail to meet their payment obligations during the term of the contract or only pay parts thereof, for example, if they become insolvent. We are especially vulnerable to this risk in our Fleet Leasing and Fleet Management business lines. The larger our customers' unpaid balances are, the greater the consequences if one or more of our customers were to fail to meet their payment obligations. Our procedures and policies may not be adequate to fully eliminate this counterparty risk, and the reports we receive from private credit bureaus may not reflect recent changes in a customer's solvency or may otherwise be unreliable. Counterparty default risk in the customer business generally increases with a worsening economic climate, as it can result in the deterioration of the liquidity of individual customers, triggering more payment defaults of leasing customers.

In addition, a small number of customers account for a substantial portion of our revenues and a substantial portion of our Fleet Leasing and Fleet Management contracts. Our customers, including our key customers, may generally terminate our contracts without cause, in some cases on short notice. In addition, a number of our existing contracts expire in the near future and some are currently subject to tender processes or renewal negotiations. Any loss of, or default by, a key customer, or any failure to renew or enforce a contract with a key customer could have a material adverse effect on our business. Especially in our Fleet Management business, we may begin the provision of our services before we have concluded a formal agreement. The commencement of the provision of our services incurs substantial upfront expenses. The absence of a formal agreement increases the potential of disputes and may permit our customers to discontinue using our services without notice or penalty and we may not be able to recover our upfront expenses.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.7 A termination of our non-exclusive intellectual property license agreement with Sixt SE or a deterioration in the reputation of the Sixt brand, or in our reputation, could have a material adverse effect on our relationships with customers, suppliers, third-party service providers and investors.

The success of our business depends on the recognition and reputation of the Sixt brands, trademarks and domain names, including "SIXT", "SIXT Leasing", "SIXT mobility consulting" and *sixt-neuwagen.de*, all of which are owned by Sixt SE, our parent company (for more information on the risks associated with our relationship with Sixt SE, see "**1.4 Risks Associated with Our Shareholder Structure and the Carve-Out—1.4.1 We rely on Sixt SE in many aspects of our business and have historically shared certain services and profited from advantages that will no longer be available to Sixt Leasing as a separately listed company.**"). The recognition and reputation of these brands, trademarks and domains among customers, suppliers and third-party service providers are important for the growth and success of our business and are critical to maintaining our competitiveness.

For our continued use of these brands, trademarks and domains, we depend on a non-exclusive license agreement that we have entered into with Sixt SE on April 23, 2015 (the "**License Agreement**"). The agreement may be terminated for due cause if, among other things, a material adverse change in our business or a change of control with respect to Sixt Leasing occurs. A change of control is triggered when (a) a third party directly or indirectly acquires more than 25% of the shares in Sixt Leasing or (b) a competitor of Sixt SE Group or a person affiliated (as defined in Section 15 German Stock Corporation Act (*Aktiengesetz*)) with a competitor of Sixt SE Group directly or indirectly acquires more than 10% of the shares in Sixt Leasing. If Sixt SE were to terminate the agreement for cause, or if we were not able to renew such license when the agreement expires after an initial term of 25 years, this could have a material adverse effect on our ability to market ourselves to customers and could result in us losing market share and

customers. In addition, we might incur significant costs to change our signage and otherwise change our brand.

We believe that Sixt SE and its predecessors (and together with its consolidated subsidiaries, the “**Sixt SE Group**” and excluding the Sixt Leasing Group, the “**Sixt SE Group (excluding Leasing)**”) is a leading mobility services company in Germany, and our vehicle leasing business has benefited significantly from the Sixt SE Group’s strong market position and the strong brand recognition that the Sixt SE Group has established for high-quality mobility services. Our association with the Sixt brand has provided us with credibility and a broad marketing reach. However, we cannot guarantee that the Sixt SE Group will continue to invest in the promotion of the Sixt brand, and any reduction in its advertising expenses or its economic activity could negatively affect the recognition and reputation of its brands.

If the Sixt SE Group were to lose its market position in Germany or in any market in which we may seek to expand, this could have a material adverse effect on the effectiveness of our marketing efforts through our association with the Sixt SE Group. In addition, any negative publicity associated with the Sixt SE Group or deterioration in the reputation of the Sixt SE Group or the Sixt brand (including in relation to its car rental business) could have a material impact on the effectiveness of our marketing as well as our reputation. As we currently depend on referrals from websites operated by the Sixt SE Group, a decline in customer traffic to or from these sites could adversely affect our market visibility and, as a result, our ability to generate revenues.

Regardless of any developments in the Sixt SE Group’s reputation or the value of its brands, public perception that we or our third-party service providers do not provide satisfactory customer service, even if factually incorrect or based on isolated incidents, could damage our reputation, undermine the trust and credibility we have established and have a negative impact on our ability to attract new, or retain existing, customers and enter into new markets.

Negative publicity about us or the Sixt SE Group, even if untrue or inaccurate, may harm our reputation, limit our ability to execute our strategic plan and to raise additional funds and may discourage key persons from continuing to devote their attention and energy to us. In addition, such publicity may negatively impact our ability to enter into, or continue, our cooperation agreements with suppliers and third-party service providers.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.8 We may not be able to dispose of our used vehicles at desirable prices, and we face risks related to the residual value of our vehicles and in connection with such sales.

We generally sell on the market the vehicles that are returned to us by customers at the end of our lease agreements, unless the respective vehicle is sold under a buy-back agreement. The price at which we are able to sell a vehicle, and so the revenue we are able to generate from that sale, is primarily determined by prevailing market prices for the particular make, model, mileage, age and general condition of the vehicle at the time of the sale, while the profitability of the sale is determined by the difference between that price and the estimated residual value of the vehicle, which is generally determined at the beginning of a lease. Any change in prevailing market prices can therefore have an adverse effect on the prices we are able to generate from our vehicle sales and the profitability of those sales. As there are significant uncertainties regarding the development of the used car market over the term of the lease, we may be unable to set appropriate residual values for vehicles corresponding to their actual market value at the end of the lease term, exposing us to market price risk. In connection with such sales, we also are at risk of statutorily mandated liability to the end consumer. Furthermore, we may not be able to dispose of our vehicles at desirable prices if any of our sales partners were to cease working with us and we were not able to replace them with new partners.

Although we have somewhat mitigated our market price risk by entering into buy-back agreements with a number of dealers and manufacturers pursuant to which they agree to repurchase our used vehicles at a fixed repurchase price upon expiry of the agreed holding period, many of our vehicles are not covered by such agreements. In addition, these counterparties, and dealers in particular, may not be able, or may refuse, to meet their repurchase commitments in full or at all, for example if they become insolvent or if they were to cease to conduct business with us, which may require us to sell the relevant vehicles in the used vehicle market, resulting in additional costs and often lower prices. Furthermore, even if a counterparty remains solvent, we may be required to engage in lengthy litigation to enforce these repurchase agreements if they refuse to satisfy their obligations, and there is a risk that a court could determine such agreements to be unenforceable. In cases where we have not entered into a buy-back agreement, we are fully exposed to the risk that the price we are able to realize upon a sale is lower than the estimated residual value of the vehicle at the end of the relevant lease, which would result in us incurring a loss. The number of our vehicles not covered by buy-back agreements has recently been increasing, in both absolute and relative terms, and may continue to do so in the future, which would result in an increased exposure to residual value risk.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.9 Our pricing structure and assumptions regarding the future costs of the vehicles in our fleet over the term of the lease may prove to be inaccurate resulting in losses.

Substantially all of our lease and maintenance services are provided under contractual arrangements with our customers. The pricing structure for our business is based on certain assumptions regarding capital costs, the scope of services, maintenance expense over the life of the contract, residual values, productivity and the mix of fixed and variable costs, many of which are derived from historical data and trends. At the same time, the prices of supplies needed to service our vehicles, in particular the price of tires may fluctuate. In addition, actual maintenance costs incurred over the life of the leasing period may exceed the costs we forecast when we entered into such leasing agreement. If this were to occur, we might not be able to pass the increased prices on to our customers.

If we are incorrect in our assumptions, or as a result of subsequent changes in our customers' business needs or operations or market forces that are outside of our control, these assumptions prove to be invalid, we could have lower margins than anticipated. Our business performance is particularly sensitive to the risk of fluctuating costs in our full-service Fleet Leasing business, where we are responsible for the provision of a wide range of services in exchange for a monthly payment that is guaranteed to remain constant over the term of the contractual agreement. Although certain of our contracts provide for renegotiation upon a material change, there is no assurance that we will be successful in obtaining the necessary price adjustments.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.10 We incur significant up-front expenses that we may not be able to recover over the life of the lease.

Most of our costs per leasing arrangement are incurred around the time at which our customer enters the leasing contract. These fixed costs include the acquisition of the vehicle leased to our customer, the personnel costs associated with marketing and conclusion of the contract, expenses for lease and operation of locations and costs for ongoing operations (such as depreciation, automobile insurance, motor vehicle tax, repairs, maintenance, fuel and vehicle transportation). Any failure to recover these fixed costs over the life of the lease could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.11 We rely on third-party suppliers to stock and service our fleet, and we may suffer from adverse developments affecting any of their businesses or from a deterioration in our relationships with any of them.

We obtain the vehicles we lease to our customers from car manufacturers and dealers. We depend on these manufacturers and dealers for the supply of attractive vehicle models on competitive terms, in sufficient quantities, with satisfactory quality and on a timeline compatible with our business model. There is no assurance that we will be in a position to negotiate purchase conditions that offer sufficient contribution margins.

We are additionally dependent on strategic considerations of the manufacturers or dealers or changes in market conditions in the automobile industry. Our Online Retail business relies on relationships with dealers that are willing to sell us new vehicles at little or no mark-up on the wholesale price. We may not be able to acquire new vehicles on such favorable terms in the future. If any of the manufacturers or dealers that supply us with cars were to run out of business, or if our relationship with any of them were to deteriorate, we might not be able to find another manufacturer or dealer to adequately meet our supply needs.

During the term of a lease, we rely on third parties for the provision of certain goods, such as tires, and certain services, such as insurance, roadside assistance and automobile repair services. If our relationships with any of these significant suppliers or service providers were to deteriorate, or if their business were to be adversely affected by external events or become insolvent, this could have a disproportionately adverse impact on our business. In addition, if any of our suppliers were to become insolvent, we could be required to satisfy warranty claims that our leasing customer would have had against such supplier. Furthermore, third-party service providers which we use to add nonstandard features to a vehicle upon the customer's request, such as special tires or hands-free communications systems, may have insufficient insurance coverage for damages resulting from their own fault or negligence.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.12 We may not be able to retain, or may be required to repay, the volume bonuses we have negotiated.

We have entered into agreements with a number of suppliers including vehicle manufacturers and service providers that provide us with volume-based bonuses or other bulk-buying discounts. In some cases, our suppliers and service providers grant us these bonuses and discounts based on information we provide them regarding consumption or usage rates. Accordingly, there is a risk that if the information we provide is subsequently determined to have been incorrect or to have overstated such rates, our suppliers and service providers could demand us to repay to them the value of these bonuses and discounts. Under German law, we are obligated to pass on bonuses or discounts which we immediately obtain in performing services to our customers. For certain bonuses which are not immediately connected to the performance of services for our clients, our contracts generally stipulate that we are under no obligation to pass these on to our customers. However, such provisions may be subject to different interpretations and could potentially be challenged by our customers and certain of our contracts may omit these provisions altogether.

While we believe that we are not required to pass on such bonuses to our customers, if these provisions were determined to be unenforceable or if we were otherwise no longer permitted or able to retain such bonuses for ourselves or were required to repay them, this could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.13 The mix of products and services that we sell to our customers may change.

Our overall profitability is dependent on the margins we earn on each of our business lines. Margins vary considerably across our business lines and customers and may fluctuate from year to year, which could have a disproportionate effect on our overall financial performance. Further, margins vary considerably across the range of products and services that we offer, and a change in the mix of products and services that we sell to our customers could affect our profitability.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.14 As we grow and expand our business activities to new jurisdictions and our business becomes more international, we may incur substantial costs and become exposed to greater complexities that increase the risks associated with our business.

In the future, we plan to roll out our Fleet Management services in other European countries. As our operations grow, we will need to continue to improve and upgrade our systems and infrastructure to deal with their greater scale and complexity. Such expansion will require us to commit substantial management, operational and other resources in advance of any increase in the size of the business, with no assurance that our revenue and profit will increase accordingly.

This strategy of internationalization involves various risks including market-specific, legal, fraud, financial and personnel risks. These include possible incorrect assessments of market, legal and regulatory conditions in the countries in question, changes to national legal frameworks, the costs associated with the establishment of an effective business organization and the need to find qualified management personnel and suitable employees. Our international expansion also exposes us to several types of complexities that increase the risks associated with our business, including but not limited to:

- the need to effectively adjust our customer targeting to local markets, including the offering of country-specific websites in foreign languages, and adapting our product offering as well as our logistics, payment, fulfillment and customer care practices to take account of local tastes and practices;
- differing legal and regulatory requirements, including consumer protection, data protection, labor, intellectual property, tax, and trade law as well as tariffs, export quotas, customs duties or other trade restrictions;
- the potential for unexpected changes in legal, political, regulatory or economic conditions in the countries from which we source or in which we provide services;
- start-up costs which may result in a negative impact on the group's profit;
- exposure to liabilities under various anti-corruption and anti-money laundering laws; and
- fluctuations in foreign exchange rates against the Euro.

To the extent we decide to pursue our internationalization strategy through acquisitions, we may be exposed to customary transaction-related risks, including integration of businesses acquired. We may not be able to successfully expand our position in foreign markets. Future expansion might be limited, among other things, by the availability and costs of financing such expansion. In order to finance our targeted growth, we will continue to require significant additional funding.

A failure or delay in the implementation of our internationalization strategy could have a material adverse effect on existing relations with our customers, especially those customers that have requested us to manage their fleets located in other countries. Further, our internationalization strategy may be hampered by franchises of the Sixt brand throughout Europe. The franchise agreements generally prohibit us from conducting business in the country

where a franchisee of the Sixt brand is already active. As long as these agreements are still in force, this may prevent us from expanding to markets that might otherwise be of interest to us.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.15 Our insurance coverage may be insufficient to cover, and we may be unable to completely insure, certain risks related to our vehicles, operations and potential liability to our customers.

We may suffer from insufficient insurance coverage for our vehicles and our operations. Our vehicles may suffer damage as a result of accidents, vandalism, flood or otherwise. Our leasing contracts typically provide that the customer is responsible for damage to or loss of (including certain loss through theft) the vehicle during the leasing period. However, we bear the risk of damage while the vehicle is parked at one of our facilities waiting to be picked up by the customer and upon its return at the conclusion of the leasing period. Though we believe the amounts and nature of the coverage we obtain are adequate in light of the risks involved, this coverage may not be sufficient to cover all damage that our vehicles could potentially sustain. In addition, we do not insure every vehicle parked at one of our facilities, especially those parked at one of our smaller facilities. Furthermore, our insurance coverage could lapse due to unintentional nonpayment of insurance premiums.

Further, if any customer damages or loses one of our vehicles, the customer may not be able to compensate us for all of our losses, or at all. As the value of a vehicle is relatively high, it may cost us a lot to repair or replace a damaged or lost vehicle. Pursuing claims against our insurers or our customers may prove costly and time consuming and, because we are responsible for damage to our vehicles, a deterioration in damage management could lead to delays in settling claims, thereby increasing claim costs. In addition, substantial uninsured claims filed against us or the inability of our insurance carriers to pay otherwise-insured claims would have an adverse effect on our financial condition.

Our business also involves the risk of theft of leased vehicles. This risk may increase as a result of our planned expansion into new markets. In addition, an increase of losses due to theft that are covered by insurance could result in increasing insurance premiums. There is no guarantee that we will be able to maintain our current insurance coverage on economically reasonable terms or at all. Furthermore, our business involves the risk of fraudulent appropriation of leased vehicles that is entirely uninsurable. We may become subject to litigation or be forced to initiate our own lawsuits as a result of theft or fraudulent misappropriation of our leased vehicles by our customers or employees.

In connection with our remarketing and sale of used vehicles, we offer warranties, the obligations of which we, in turn, cover through an insurance policy. There is no guarantee that the amount of such insurance will adequately cover our liability to our customers under our warranties. Further, there is a risk that our insurance counterparties may become insolvent or otherwise refuse to reimburse us for our claims.

In addition, we may become subject to claims for personal injury, death and property damage related to the use of our vehicles. Although insured against such events, liabilities in respect of existing or future claims may exceed the level of our insurance coverage and our reserves.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.16 We are dependent on the smooth functioning of our software systems, of our websites and of our mobile applications and on our ability to continue to adapt them to future technological developments.

Our ability to provide reliable services, competitive pricing and accurate and timely reporting for our customers depends on the efficient operation and user-friendly design of our proprietary software, websites and mobile applications. Our business may be impaired if we are unable to

maintain and improve the responsiveness, functionality and features of our technology and systems, which could result in a loss of customer data or other adverse consequences. Furthermore, our car configurator tools and several other business applications rely on continued access to data provided by third-party service providers and on the accuracy of such data, which cannot be guaranteed. If these service providers were to cease working with us, it could be time-consuming and expensive, and may not be possible, to find a suitable replacement. The development of websites, mobile applications and other proprietary technology entails significant technical and business risks.

Additionally, the widespread adoption of new Internet, networking or telecommunications technologies or other technological changes could require substantial expenditures to modify or upgrade our websites and mobile applications. Our competitors may use new technologies more effectively, may develop more appealing and popular websites and mobile applications, or may adapt more quickly than we do to evolving industry trends or changing market requirements.

In addition, when implementing new, replacement or supplementary hardware or software, the high complexity of our information technology system places high demands on compatibility with existing systems so as to guarantee smooth continuation for our customers.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.17 Any disruption to our supply chain, logistics infrastructure or information technology systems could adversely impact our business.

We rely upon the proper functioning of our supply chain, logistics and technology platform. We are dependent upon the proper functioning of our technology platform in all aspects of our operations, including transaction processing, fleet management and payment processing. We predominantly use our own software solutions for the execution of major tasks in business management, among others, for the purposes of cost management, analysis of damage assessment and administration of lease agreements. The failure-free operation and further development of these software systems are essential for the efficient conduct of our operations.

System malfunctions and faults in the computer systems, hardware and software, including server failures or possible attacks from the outside, for instance, attacks originating from criminal hackers or computer viruses, can cause considerable problems in operating processes and, in serious cases, even bring them to a standstill. Any system malfunction, unauthorized usage, or cybersecurity attack that results in the publication of our trade secrets or other confidential business information could negatively affect our competitive position or the value of our investments in our products or our research and development efforts.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.18 Third-party attempts to breach our networks or data security, or the existence of any other security vulnerabilities, may damage our reputation and expose us to liability.

As part of our day-to-day operations, we gather and store personal information, credit card information, fuel card information and bank details from our corporate and private customers. Despite the implementation of security measures, our technology or systems that we interface with, including the Internet and related systems, may be vulnerable to physical break-ins, hackers, improper employee or contractor access, computer viruses, programming errors, or similar problems. Any of these might result in confidential or sensitive personal information of our customers being revealed to unauthorized persons.

If third parties are able to penetrate our network security or otherwise misappropriate our customers' personal, credit card or fuel card information, or if we give third parties improper access to our customers' personal, credit card or fuel card information, we could be subject to

reputational harm and liability. This liability could include claims for unauthorized purchases with credit card information, impersonation or other similar fraud claims. This liability could also include claims for other misuses of personal information, including unauthorized marketing purposes. These claims could result in litigation. Liability for misappropriation of this information could adversely affect our business. In addition, regulators in Germany and other countries where we operate have been investigating various Internet companies regarding their use of personal information. We could incur additional expenses if new regulations regarding the use of personal information are introduced or if government agencies require changes to our privacy practices, as a result of which our privacy practices might not comply with the regulations in force in the respective jurisdiction.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.19 We may not be able to adequately protect our intellectual property rights or may be accused of infringing the intellectual property rights of third parties.

We license trademarks and other intellectual property from Sixt SE Group (excluding Leasing), which relies on copyright, trademark, patent and trade secret laws to protect their intellectual property, such as domain names, software, and mobile applications, some of which belong to our parent company, Sixt SE. The complexity of international copyright, trademark, patent and trade secret law creates a risk that efforts to protect such rights will prove inadequate. It is also possible that third parties may develop similar intellectual property independently. We or Sixt SE may be unable to prevent third parties from acquiring domain names that are similar to, infringe upon or otherwise decrease the value of the trademarks and other proprietary rights that are licensed to us. The failure by us or by Sixt SE to adequately protect the intellectual property crucial to us could lead to a loss of customers to competitors and a corresponding loss in revenue. Furthermore, we may be unable to enforce our rights against Sixt SE for damages resulting from third-party violations of Sixt SE's intellectual property rights on which we depend.

At the same time, there is a risk that third parties may assert claims against us based on their patents and other intellectual property rights. We may have to pay substantial damages if we infringe third-party patents or other intellectual property rights. We may have to obtain a license if it is determined that the offering of our services infringes on another person's intellectual property, and we may be forced to change our goals, operations or strategies based on infringement or potential infringement of third-party intellectual property. We might be prohibited from offering our services before we obtain a license, which, if available at all, may require us to pay substantial royalties. We may already license content from third parties, and it is possible that we could become subject to infringement actions based upon the content licensed from those third parties. Claims could be made against us for use of standard software if we fail to pay license fees. Representations as to the ownership of such licensed content may not adequately protect us. Even if infringement claims against us are without merit, defending these types of lawsuits takes significant time, is expensive and may divert management attention from other business concerns.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.20 We may not be able to recruit and retain qualified and motivated staff.

Our future success depends on our ability to recruit and retain highly qualified and motivated staff. Particularly as our operating business expands and new staff is recruited, we are dependent on having a sufficient number of suitable staff who are able to perform the required work to a satisfactory standard. If, for instance, there is a higher turnover and therefore a loss of know-how, this could affect the quality of service in our businesses. Currently, we rely on employees of Sixt SE Group (excluding Leasing) for the provision of certain services such as

treasury, investor relations, compliance, risk management and human resources. If these employees were to cease to be available to us, it could be time-consuming and expensive, and may not be possible, to replace them with suitably experienced employees.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.1.21 Our success is dependent on the expertise and leadership of certain personnel in key positions.

Our success is dependent on our personnel in key positions, in particular on Dr. Rudolf Rizzolli, Sixt Leasing's chief executive officer, and Mr. Erich Sixt, the chairman of Sixt Leasing's supervisory board (the "**Supervisory Board**"). We are also dependent on the services of the other member of Sixt Leasing's management board (the "**Management Board**") and our executive staff. There is no guarantee that we will be able to retain key personnel or to recruit appropriate successors.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.2 Financing Risks

1.2.1 Following completion of the initial public offering and the termination of the existing financing arrangements with Sixt SE, we will no longer have access to the same refinancing terms as Sixt SE and its subsidiaries and we may fail to obtain external financing.

Prior to the initial public offering ("**IPO**"), debt financing was provided to us by Sixt SE, and thus our borrowing costs, as well as our ability to fund our capital needs, depended on the borrowing costs of Sixt SE and its ability to receive financing. Although we intend to continue making use of the financing available from the Sixt SE Group for a certain period following the IPO, these arrangements are expected to expire over time, with the last portion of the loans to be repaid at the latest by December 31, 2018 (the "**Financing Agreement**"). Accordingly in the future, we may no longer benefit from funding provided by Sixt SE or from external financing supported by guarantees or collateral provided by Sixt SE. Instead, our ability to fund our capital needs will depend on our ability to generate cash from operations and to obtain third-party financing in the debt and capital markets. Without further support from Sixt SE and depending on our own credit standing, our future financing and our providing guarantees as security for our contractual obligations towards third parties may become more difficult and more expensive as a separately listed company. In this context, it should be noted that we currently do not have a credit rating with any recognized rating agency. Such a rating could be a prerequisite for our future external financing and obtaining such a rating could incur additional costs. As a result, we may fail to obtain external financing on commercially attractive terms or at all. Our loans with Sixt SE contain interest rate step up provisions that will be triggered if portions of the loans are not prepaid by certain dates, beginning on June 30, 2016. Therefore, if we fail to progressively replace our funding from Sixt SE with funding from third parties, our interest payments will become increasingly more expensive.

Generally, an entity providing debt financing to another entity is required under the German Banking Act (*Kreditwesengesetz*) to obtain a banking license. Sixt SE relies on an exemption from this requirement as a parent company providing debt financing to us, a wholly owned subsidiary. If however, in the future, Sixt SE no longer qualifies as a parent company or affiliated company and does not satisfy any other exception from the licensing requirement, Sixt SE would be prohibited from providing further debt financing without first obtaining a banking license. In such a case, we cannot guarantee that Sixt SE will be willing or able to apply for a banking license or comply with the numerous obligations required of banking institutions. All outstanding amounts under the Financing Agreement become immediately due and payable to the extent lending under the Financing Agreement becomes illegal to Sixt SE.

Once the Financing Agreement expires, Sixt SE will have no obligation to fund our business and operations, or to guarantee or otherwise provide credit support for our indebtedness. For further information on risks related to our relationship with Sixt SE, see “—1.4 Risks Associated with Our Shareholder Structure and the Carve-Out”.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.2.2 A mismatch between the maturities and interest rates applicable to our assets and liabilities could negatively affect our results from operations.

The rate we charge our customers to lease a vehicle contains a component for financing the leased car (including an interest payment). The interest rate we use to calculate the interest payments is based on our cost of debt plus an internal margin. Our cost of debt depends, among other things, on prevailing interest rates and the term of the respective financing agreement. As the average term of Sixt SE’s financing agreements and the average term of our lease contracts do not match, they are subject to different interest rates and interest rate changes resulting in a mismatch between the interest rates charged on our assets and liabilities. If the interest rate on our liabilities were to be higher than the interest rate we charge to our customers for leasing our assets, we would incur a loss equal to the difference between these two interest rates, which would negatively affect our results from our leasing business. The risk that a maturity mismatch would lead to reduced margins or even losses on leasing contracts increases in an environment of rising interest rates. Given the historically low interest rate environment, increasing interest rates cannot be excluded in the future.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.2.3 We are exposed to interest rate fluctuations.

We are exposed to the interest rate risk resulting from lease contracts being based on fixed interest rates and external financing partially being based on floating interest rates. Differences between fixed interest rates under lease contracts and floating interest rates paid for borrowed funds create a risk of wider spreads between financial revenues and financial costs which, if negative, may lead to losses on our leasing contracts. Increased costs of borrowings have a material impact on our cost base, which we may not be able to pass on to our customers. While we may from time to time enter into some derivative contracts to hedge some of our interest rate exposure, there can be no guarantee that such hedge will be effective or that losses will be completely avoided.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.2.4 Our ability to fund our operations may be impaired by changes in the regulation of the financial services sector.

In the future, we may rely on financing facilities such as term loans, credit lines or swing line loans to provide us with the capital required to fund our operations and expand our business. As a result of recent and ongoing changes in the regulation of the banking industry, among others, higher equity requirements for credit operations and more stringent risk weightings, financial institutions may change their financing policies and return requirements. Increased regulatory or capital requirements, e.g., following the implementation of the Basel III guidelines into European and German law, may make refinancing more difficult or more expensive. In certain cases these regulatory changes could lead to the liquidation of banks, resulting in the withdrawal of credit facilities or the takeover of troubled banks by other banks that have already extended credit facilities to us.

The potential increase of risk premium and return requirements assumed by banks in their own financing policies could be passed on to customers taking out loans. This may result in higher interest rates or less advantageous economic terms for our outstanding or future loans, and an inability to refinance our debt in the future when needed. It is possible that banks or financial services institutions will apply a more restrictive lending policy in the future and provide us access to credit lines or financing facilities in an amount that is lower than we expected and insufficient for our operating plans. This could adversely affect our financial condition.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.2.5 We are exposed to exchange rate fluctuations.

Our financial reports are prepared in euro, however, our fleet in Switzerland earns revenues and incurs liabilities denominated in Swiss francs. Accordingly, we maintain a small reserve of foreign currency funds consisting of amounts in Swiss francs. Any fluctuations in the value of the euro against the Swiss franc will impact the translation of account balances in our Swiss fleet operations. If we expand our business to other non-euro markets, our exposure to exchange rate risk will grow. While we may from time to time enter into some derivative contracts to hedge some of our exchange rate exposure, there can be no guarantee that such hedge will be effective or that losses will be completely avoided.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3 Regulatory, Legal and Tax Risks

1.3.1 We may be adversely affected by changes to the general regulatory environment.

We are subject to a wide variety of laws and regulations in the countries where we operate and to the issuance of new laws and regulations or changes in the interpretation of existing laws and regulations by a court, regulatory body or governmental official in each of the jurisdictions in which we operate or may operate in the future. Those changes have the potential to materially alter our business practices, financial condition and results of operations.

As an example, legal requirements relating to environmental protection, which are growing in importance in the EU, can, when combined with widespread public debate, result in changes in mobility patterns. A change in the mobility patterns of the general population could result in decreased demand for vehicle leasing products offered by Sixt Leasing Group. Additionally, restrictions on new vehicle registration and more stringent requirements for vehicle inspections could directly increase the costs of our operations.

Possible extensions of the scope of laws permitting anti-competitive behavior in the automobile industry (*Gruppenfreistellungsverordnung*) could detrimentally affect our business, in particular, if manufacturers were permitted to restrict their distributors from selling their vehicles to us. If these provisions were to be amended, this could materially impair our ability to conduct our business. We could also be materially affected if, as recently occurred in Italy, laws were adopted in our markets prohibiting the imposition of fees for early termination of a consumer contract.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.2 We may be found to have failed to fulfill certain licensing requirements applicable to us as a financial services institution.

As an enterprise engaged in the business of leasing motor vehicles for use to third parties on a commercial basis, we are considered a financial services institution (*Finanzdienstleistungsinstitut*)

and are required to maintain a valid leasing license under the German Banking Act (*Kreditwesengesetz*) and equivalent laws in the other jurisdictions where we conduct business. Any significant failure to fulfill the license requirements and the continuing reporting obligations required of us as a financial services institution could result in the suspension or revocation of our leasing license. If our leasing license in Germany or elsewhere were to be suspended or revoked, or if we are unable to obtain the required licenses in any market to which we wish to expand, we may not be able to conduct our business in that jurisdiction. In addition, we cannot be sure that all business activities in which we engage fall within the scope of our leasing license.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.3 We may be found to have failed to comply with laws and regulations to which we are subject, including, but not limited to, consumer protection laws, consumer loan regulations, regulations governing the sale of goods, privacy and data protection laws, e-commerce and competition laws, and future regulation may impose additional requirements and other obligations on our business.

Our business is subject to a variety of laws and regulations in each of the jurisdictions in which we operate, most importantly consumer protection laws, regulations governing the sale of goods, privacy and data protection laws, regulations governing e-commerce and competition laws. These laws and regulations are evolving at a rapid pace and can differ, or be subject to differing interpretation, from jurisdiction to jurisdiction.

We cannot guarantee that our practices have complied or will comply fully with all applicable laws and regulations. Any failure, or perceived failure, by us to comply with any of these laws or regulations could result in damage to our reputation and a loss of revenue. Pursuant to consumer protection laws we are subject to various information obligations which, if violated, grant consumers the right to withdraw from agreements or may allow for other contractual adjustments which could be detrimental to us. Furthermore, if the effective rate stated in the consumer lease contract is too low, the relevant nominal interest rate is reduced by the percentage difference between the stated effective rate and the actual effective rate as the consumer protection requirements applicable to loans apply to leases as well. As another example, if the relevant consumer is not properly informed about his or her revocation right, the consumer may revoke the relevant agreement at any time. In particular, data protection is a sensitive and politically charged issue in Europe, and any actual or alleged failure by us to comply with applicable laws or regulations could have a material adverse effect on our reputation and popularity with existing and potential customers and could result in the imposition of fines or other penalties. This risk is particularly pertinent in our case as our customers share a great variety of their personal data with us.

In addition, the EU is currently considering a proposed new regulation on data privacy that would introduce substantial changes to the EU data protection regime and involve replacing existing national data protection laws with a directly applicable EU regulation. If the draft regulation became law in its current form, it would impose a substantially higher compliance burden on our business, and impose a higher maximum level of fines for violations. The proposed regulation continues to progress through the legislative process and it is not currently possible to assess its full potential impact.

In addition, we may fail to comply with the Minimum Requirements for Risk Management (*Mindestanforderungen an das Risikomanagement – MaRisk*) as defined by the German Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin)*).

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.4 Standard clauses used in our lease agreements and in our contracts with our customers and third-party suppliers and service providers may be invalid, and we thus may not be able to enforce such clauses or the contracts in which such clauses are found.

As each of our vehicles is leased under a separate contract, we have a large number of customer contracts. In addition, we maintain contractual relationships with numerous manufacturers, dealers and service providers. The efficient management of such a large number of contracts is only possible on the basis of standardized terms and conditions.

Standardized terms under the laws of all jurisdictions where we operate have to comply with statutory law on general terms and conditions, which means they are subject to rigid fairness control by the courts regarding their content and the way they, or legal concepts described in them, are presented to the other contractual party by the person using them. The standard is even stricter if they are used vis-à-vis consumers such as our Online Retail customers. Due to the frequent changes to the legal framework, particularly with regard to court decisions relating to general terms and conditions, we may not be able to fully protect ourselves against the risk that a court could invalidate such standardized contractual terms or declare them unenforceable, even if prepared with legal advice, which could impact a significant number of our agreements. In particular, almost all contracts we conclude with our Online Retail customers contain standardized terms. Should a court determine that any of these terms violate consumer protection laws, it could hold that the consumer has the right to withdraw from the agreement or declare the contract invalid altogether.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.5 Our vehicles may become subject to safety recalls by their manufacturers or by the government, which would negatively impact our business and our reputation.

Our business and reputation could be negatively impacted if any parts, components or equipment from one of our suppliers suffers from broad-based quality control issues or becomes the subject of a product recall. As a leasing provider of vehicles, we may be required to participate in a product recall by retrieving recalled cars from customers and declining to lease these cars until we have taken all of the steps described in the recall. If a large number of vehicles is subject to simultaneous recalls, we may not be able to lease those vehicles to our customers for a significant period of time, and we may be unable to obtain adequate replacement parts or vehicles from another supplier in a timely manner. These recalls, depending on their severity, could materially affect our fleet utilization rate and revenues, damage our customer relations and brand image, and reduce the residual value of the vehicles involved.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.6 The control and prevention mechanisms of our compliance structure might not be sufficient to adequately protect us from all legal, financial or organizational risks.

The control and prevention mechanisms of our compliance and internal control structure may prove insufficient to manage the risks to which we are exposed. For example, we are subject to numerous environmental regulatory requirements related to the ownership, storage or use of petroleum products such as gasoline, diesel fuel and motor oil. Many of these environmental regulations impose strict liability regardless of our knowledge of the violation. Such is the case, for example, if a customer returns a leased vehicle to one of our parking facilities and motor oil leaking from the vehicle contaminates the groundwater before we have the opportunity to examine the vehicle for potential damage.

Moreover, we may be subject to the various anti-money laundering laws in force in Germany and other countries where we operate. As our contracts are generally distance contracts where the

customer has not been physically present for identification purposes, we are considered a high-risk business under the German Anti-Money Laundering Act (*Geldwäschegesetz*) and are required to conduct enhanced due diligence of our customers. In particular, if we do not take sufficient measures to establish the customer's identity, or if we do not have appropriate risk-based procedures in place to determine whether the customer is a so-called "politically exposed person" (*i.e.*, natural persons who are or have been entrusted with prominent public functions and immediate family members or persons known to be close associates of such persons), we may be found to be in violation of the German Anti-Money Laundering Act (*Geldwäschegesetz*). Moreover, although of decreasing importance, cash purchases of used vehicles remain common place and are a primary focus of anti-money laundering investigations. While we have implemented a group-wide compliance program to address compliance risks and continuously work to improve the effectiveness and efficiency of this program, this program may not be adequate under anti-money laundering laws to which we are subject.

There is a risk that our compliance and control procedures may fail to prevent us from incurring liability to our customers, such as if our employees intentionally or unintentionally fail to comply with our best practice standards, such as our "double-check" principle. For example, in the course of our day-to-day advisory services, we provide customers with information, including information relating to gross vehicle prices, which customers require in order to be able to correctly assess the tax implications of their leasing decisions. If we provide incorrect information we could incur liability to our customers. In addition, there is a risk that we may fail to identify fraudulent invoices that we review for our customers as part of the invoice management services we provide, or as a result of accounting mistakes that result in overpayment of our bills. If we then charge the relevant amount to our customers, there is a risk that those customers may subsequently claim damages from us for the loss they suffer as a result and that those customers may cease to conduct business with us.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.7 We may be subject to litigation or administrative proceedings that could disrupt and harm our business.

If we violate any applicable law or regulation, governmental authorities may take legal action against us, the members of our governing bodies or our employees. An unfavorable ruling may result in damage claims by third parties or other adverse legal consequences, including severe criminal and civil sanctions, injunctions against future conduct, profit disgorgements, occupational and employment bans, the loss of business licenses or permits or other restrictions. In addition to monetary and nonmonetary sanctions, monitors could be appointed to review future business practices in order to ensure compliance with applicable laws and we may otherwise be required to modify our business practices and our compliance program. Regardless of outcome, potential litigation or administrative proceedings can be costly and may also damage our reputation and have a material adverse impact on our ability to compete for business.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.8 Potential changes in the International Financial Reporting Standards relating to the accounting of leasing could have a negative impact on the willingness of customers to lease vehicles for their operating business.

There is uncertainty about the form and implementation of the potential reform of the International Financial Reporting Standards currently under discussion. In August 2010, the International Accounting Standards Board ("IASB") and the U.S. Financial Accounting Standards Board published for public comment joint proposals to reform the reporting of lease contracts under International Accounting Standard ("IAS") 17. The proposals, if accepted,

would require leases, including pure operating leases, to be recognized as an asset or liability on the reporting company's balance sheet. In view of such plans, concerns have arisen that lessees whose financial reporting follows International Financial Reporting Standards could incur considerable additional administrative expenses. In response to criticism both on the initial proposal as well as a subsequent amendment, IASB is currently further revising its proposal. Notwithstanding potential changes to any final proposal, the proposed reform of IAS 17 may still have a negative impact on the willingness of leasing customers to refinance future investments through leasing and may increase administrative costs for lessees and lessors.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.9 Adverse developments in tax laws and regulations may adversely affect demand for our services and could increase our tax burden.

Changes in tax regulation, such as the taxation of leasing transactions, company cars, vehicle fuels and motor vehicle emissions, could directly impact the investment behavior of our customers, decreasing demand for vehicle leasing and management services. In particular, tax laws may be amended in the future so as to prohibit our customers from writing off as an operating expense their lease installments related to vehicles used for business purposes.

Further, changes in tax laws could increase our tax burden. Our ability to use tax loss carryforwards and other deferred tax assets and, thus, the recoverability of deferred tax assets accounted for in the Sixt Leasing Group's audited combined financial statements depend on the national tax legislation of the countries where we are subject to taxation. In addition, ongoing and future tax audits may have a detrimental impact on the amount of tax loss carryforwards and other deferred tax assets and related recognized deferred tax assets. Deferred tax assets are recognized if it is expected that sufficient future taxable profit is available. As future developments are uncertain and partly beyond management's control, assumptions are necessary to estimate future taxable profits as well as the period in which deferred tax assets will recover. If management considers it probable that all or a portion of a deferred tax asset cannot be realized, a corresponding valuation allowance is taken into account. In addition, the uncertainty regarding the tax environment in some countries we are operating in could limit our ability to enforce our rights. Future interpretations and developments of tax regimes may thus affect our tax liability.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.10 Pending and future tax audits could lead to additional tax liabilities.

We are subject to routine audits by various tax authorities. The German tax authorities are currently conducting a tax audit for the 2003 through 2007 assessment periods and recently initiated a tax audit for the 2008 through 2011 assessment periods. While we are of the strong opinion that we have assessed and paid all taxes correctly, it is possible that upon conclusion of these or future audits, the relevant tax authorities and/or courts may require us to pay additional taxes if they disagree with our tax treatment of various aspects of our operations.

Certain aspects of our operations expose us to particular tax risks in connection with such audits. For example, while we believe that our depreciation practices during the 2003 through 2007 assessment periods complied with applicable rules and regulations, the relevant tax authorities might determine that we wrongly depreciated the total purchase price of vehicles covered by buy-back agreements. In addition, the relevant tax authority might treat sale-and-leaseback transactions differently than we have. We are of the strong opinion that we have correctly assessed the corporate and trade income tax and value-added tax applicable to the aforementioned cases. Nevertheless, we cannot rule out with certainty that tax authorities might challenge such assessment.

We also face several tax risks in connection with the services and products we offer to our customers, in particular relating to the accounting treatment of the vehicles we lease out to customers. Furthermore, the tax treatment of the services and products we offer to our customers might raise complex issues with regard to indirect taxes (*Verkehrssteuern*). While we are of the strong opinion that our indirect tax practices comply with all applicable rules and regulations, we nevertheless cannot rule out with certainty that tax authorities might challenge such assessment.

In the case of sales of vehicles to foreign jurisdictions, the relevant tax authorities might challenge our assessment of applicable export and import taxes. While we are of the strong opinion that our tax practices comply with all applicable rules and regulations, we nevertheless cannot rule out with certainty that tax authorities might challenge our treatment.

If the tax authorities were to successfully challenge any of the tax practices described above, or our tax treatment of any other aspect of our business, we may be required to make additional tax and interest payments, which could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.3.11 Significant reorganizations that we have undergone in the past may result in an additional tax burden.

In the tax years not yet audited we underwent significant reorganization measures in Germany and internationally. The taxation of these measures depends, among others, on the accurate assessment of the fair market value of shares in privately-held subsidiaries or the absence or existence of certain tax-relevant intentions. These reorganization measures may, given their complexity and scope, entail unforeseen adverse tax consequences that could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.4 Risks Associated with Our Shareholder Structure and the Carve-Out

1.4.1 We rely on Sixt SE in many aspects of our business and have historically shared certain services and profited from advantages that might no longer be available to Sixt Leasing as a separately listed company.

Prior to the offering and listing, the Company was a wholly owned subsidiary of Sixt SE, and we have historically relied on Sixt SE in many aspects of our business. Upon completion of the offering, Sixt SE will continue to hold at least 40% of the Company's share capital (assuming placement of the maximum number of the offered shares and full exercise by the banks to acquire additional shares in the Company from Sixt SE) and its ownership may decline over time should it sell additional shares. Many of our relationships with car manufacturers, dealers and third-party service providers are a legacy of the time during which we have been part of the Sixt SE Group, and there can be no guarantee that we will be able to maintain these relationships once we start operating our business independently. Following the IPO, we will continue to rely on a substantial number of services from the Sixt SE Group (excluding Leasing) that are required to conduct our business operations; for example, we will continue to resell services provided by the Sixt SE Group (excluding Leasing) to our customers. We will also continue to rely on the Sixt SE Group (excluding Leasing)'s personnel to provide services to our customers. Moreover, many of our customer contacts are initiated via the Sixt SE Group (excluding Leasing)'s websites and there can be no guarantee that such customer referrals will continue following our separation.

In addition, we have in the past relied on financial, administrative and other resources of the Sixt SE Group to operate our business. In connection with our separation from the Sixt SE Group, we will need to create our own financial, administrative and other support systems or contract with third parties to replace functions and services previously provided by the Sixt SE Group (excluding Leasing). In particular, we are currently in the process of establishing our own treasury, investor relations, compliance, risk management and human resources functions. We

have entered into various outsourcing agreements with Sixt SE or certain of its subsidiaries under which Sixt SE or certain of its subsidiaries will provide certain services to us for a limited period. Except for the License Agreement, the Financing Agreement and the agreement on the assumption of liabilities entered into between the Company as principal and Sixt SE as agent on April 17, 2015, all other agreements have an indefinite term, they generally grant either party the right to terminate after an agreed notice period, which ranges from three months to twelve months depending on the agreement. These services may not be sufficient to meet our needs, and, after these agreements expire, we may not be able to replace these services at all or obtain these services at prices and on terms as favorable as we currently have. For example, we currently rely on the expertise of employees of Sixt SE and other related parties for the appraisal of the residual values of our used vehicles, and we may fail to find adequate replacement services should we no longer have access to this expertise.

As a business line of the Sixt SE Group, we historically had access to a wide range of administrative, financial, information technology, logistics and other services that are provided centrally to the Sixt SE Group companies. Our financial statements included in the Prospectus for periods prior to our separation from the Sixt SE Group may not fully reflect the additional costs of us operating as a separately listed company. We may incur increased administrative expenses as a separately listed company, including expenses for services that will continue to be provided by the Sixt SE Group (excluding Leasing) pursuant to services agreements at prices intended to correspond to those obtainable from third parties.

As a substantially smaller company, we may lose the benefit of some economies of scale and synergies that the Sixt SE Group was able to achieve with respect to our operations. We have no experience operating as a separately listed entity, and it is possible that these increased costs will be materially higher than anticipated.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.4.2 Sixt SE can continue to exercise significant influence over us, and the interests of Sixt SE may conflict with the interests of our other shareholders.

Upon completion of the offering, Sixt SE will continue to hold at least 40% of the Company's share capital (assuming placement of the maximum number of the offered shares and full exercise by the banks to acquire additional shares in the Company from Sixt SE). In addition, as long as Sixt SE is one of our shareholders (even if Sixt SE disposes of all but one of the Company's shares), Sixt SE has the right to appoint one member of the Supervisory Board. The interests of Sixt SE (and any affiliated companies) could conflict with the interests of the other shareholders. In light of expected attendance at the shareholders' meetings, the size of its stake means that Sixt SE will likely be in a position to pass resolutions at our general shareholders' meeting regardless of how other shareholders vote, including resolutions electing the members of the Supervisory Board. In particular, it can determine the allocation of profit and hence our dividend policy. In addition, Sixt SE can determine the future composition of the Supervisory Board and therefore, indirectly, of the Management Board, and also adopt certain resolutions on other significant matters such as major capital measures or the conclusion of a domination and profit/loss transfer agreement, regardless of how other shareholders vote.

German company law requires the approval of at least three-quarters of the share capital represented at the time a vote is taken to pass resolutions on certain matters, such as creating authorized or conditional capital, changing the corporate purpose (*Unternehmensgegenstand*), mergers, spin-offs and conversions to a different form of legal entity. If due to low participation by other shareholders at a general shareholders' meeting at least three-quarters of the share capital represented at the time a vote is taken belong to Sixt SE, it will be able to pass with its own votes resolutions which require a qualified majority of votes cast or of the share capital

represented. Sixt SE will also be able to block resolutions at the general shareholders' meeting, including resolutions requiring a qualified majority of votes cast or share capital represented.

In the future, Sixt SE or affiliated companies could also acquire or dispose of holdings in companies which directly or indirectly compete with us, which may intensify potential conflicts of interest between Sixt SE and other shareholders.

The mere potential for Sixt SE to exert influence and especially actual voting at the general shareholders' meeting or the exertion of influence in any other way that conflicts with the interests of our other shareholders may have a significant adverse impact on the Company's share price and may, in turn, make it more difficult for us to raise further capital or only allow us to do so on unfavorable terms. Even if Sixt SE does not participate in a future capital increase, it could become more difficult for us to raise new capital.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.4.3 Sixt SE Group is not prohibited from, directly or indirectly, engaging in business activities similar to ours using the same brands and trademarks.

Sixt SE Group could decide to engage in business activities similar to ours as it is under no statutory or contractual non-compete obligation. Considering that the License Agreement between Sixt Leasing and Sixt SE is non-exclusive, Sixt SE could engage in such business activities using the same brands and trademarks we rely on for conducting our business. In addition, Sixt SE or affiliated companies could also acquire or dispose of holdings in companies which directly or indirectly compete with us, which may intensify potential conflicts of interest between Sixt SE and other shareholders.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.4.4 Membership of the same persons on several boards may result in conflicts of interest between Sixt Leasing AG, Sixt SE and other companies of the Sixt SE Group.

In addition to the fact that Sixt SE owns a majority stake in us and may use its influence in Sixt Leasing's Supervisory Board, we are closely integrated in the Sixt SE Group. In particular, there is some overlap in personnel between Sixt SE and us ("**Dual Mandates**"), which is common practice in comparable corporate structures. The most important Dual Mandate is held by the chairman of Sixt Leasing's Supervisory Board, Mr. Erich Sixt, who is also chairman of the management board of Sixt SE. The chairman of Sixt Leasing's Supervisory Board and certain of our employees are included in Sixt SE's performance-based compensation schemes. These persons may therefore have an economic interest in promoting the affairs of Sixt SE.

It cannot be excluded that in some cases there may be a conflict of interest in engaging in and structuring business relations between the Sixt Leasing Group and other companies in the Sixt SE Group.

The German Stock Corporation Act (*Aktiengesetz*) and Corporate Governance Code (*Deutscher Corporate Governance Kodex*) contain provisions aimed at protecting companies from the negative effects of potential conflicts of interest in case of personnel overlap. Members of the management boards of stock corporations (*Aktiengesellschaften*) such as Sixt Leasing have a legal duty to act solely in the interests of their respective companies. In the case of Dual Mandates, this duty can mean that board members are not permitted to vote on certain decisions in one or both of the companies. Even though he is a member of the management board of Sixt SE, Mr. Erich Sixt is not allowed to make any decisions that are not in our interests. Despite these regulations, we cannot exclude the possibility that in some cases conflicts of interest may arise which are resolved to the detriment of the Sixt Leasing Group. In particular, it cannot be excluded that the involvement of the members of the Management Board and other employees

of ours in the group strategy of Sixt SE may result in some of these individuals – who hold offices or other functions in the Sixt SE Group – acting in the interests of Sixt SE. The same holds true with regard to the possible individual economic interests of such persons.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.4.5 The financial information presented in the Prospectus may not be fully representative of our results as a separately listed company.

The Sixt Leasing Group's audited combined financial statements for the fiscal years ended December 31, 2012, 2013 and 2014 are based on a series of assumptions and estimates which affect the recognition and amount of assets and liabilities, income and expenses and contingent liabilities, including in particular income taxes and the inclusion of certain subsidiaries that were owned by Sixt SE in the reporting periods. Accordingly, the historical financial information included in the Prospectus does not necessarily fully reflect changes that have occurred or will occur when Sixt Leasing operates as a separate company. Use of these assumptions and estimates means that the Sixt Leasing Group's audited combined financial statements presented in the Prospectus are likely not to be fully representative of what the financial position, results of operations and cash flows would have been had Sixt Leasing been a separately listed entity during the periods presented.

The materialization of any of the risks described above could have a material adverse effect on Sixt Leasing's business, net assets, financial condition, cash flows and results of operations.

1.5 Risks Related to the Shares and the Offering

1.5.1 The Company may fail to comply with the additional requirements, which will be applicable to it as a public company.

Following the IPO, the Company will for the first time be subject to the legal requirements of German companies listed on a regulated market. The Company's management team will need to develop the expertise necessary to comply with the numerous regulatory and other requirements applicable to public companies, including requirements relating to corporate governance, listing standards and securities and investor relations issues. While the Company was a subsidiary of Sixt SE, it was indirectly subject to requirements to maintain an effective system of internal control over financial reporting under German law. However, as a public company, the Company's management will have to evaluate the internal control system independently with new thresholds of materiality, and to implement necessary changes to the Company's internal control system. There can be no guarantee that the Company will be capable of responding to these additional requirements without difficulties and inefficiencies that could cause it to incur significant additional costs and/or could expose it to regulatory or civil litigation or penalties.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.5.2 We may decide to use the net proceeds we receive from the IPO differently from our intention as of the date of the Prospectus due to a change in circumstances.

We may decide to use the net proceeds we receive from the IPO differently from our intention as of the date of the Prospectus due to a change in circumstances. At the low end, mid-point and high end of the price range of €17.90 to €21.30 and assuming that the maximum number of new shares (5,586,593 shares) is placed, the Company will at the low end, mid-point and high end of the price range, receive net proceeds of approximately €94.8 million, €104.0 million and €113.3 million, respectively. The Company intends to use the net proceeds in an amount of approximately €82.0 million to reduce current external financial liabilities, which as of

February 28, 2015 amounted to €188.3 million and might increase or decrease until the Company receives the net proceeds from the IPO. However, the Company together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the net proceeds to the Company may not reach the amount of €104.0 million at the mid-point or of €113.3 million at the high-end end of the price range. Any remainder is intended to be used as a liquidity reserve for general corporate purposes or to make payments of principal and interest on financial indebtedness incurred by the Company.

Any failure to use the net proceeds from this offering effectively could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.5.3 We may not be able to pay dividends in the foreseeable future.

We may not be able to generate sufficient unappropriated retained earnings to be able to distribute dividends under requirements of German corporate law. Under German corporate law, a company may only pay dividends if it shows unappropriated retained earnings in its unconsolidated German Commercial Code (*Handelsgesetzbuch (HGB)*) financial statements.

The materialization of the risk described above could cause the price of the shares in the Company to fall, in which case investors could lose some or all of their investment.

1.5.4 The market price and trading volume of the shares in the Company may fluctuate significantly, in which case investors could lose some or all of their investment.

Prior to the IPO, there was no public market for the shares in the Company. There is no guarantee that a liquid trading in the shares will develop and become established. Investors may not be in a position to sell their shares in the Company quickly or at the market price if there is no active trading in the Company's shares.

The trading price of the shares in the Company may be volatile and could fluctuate widely in response to factors beyond our control, including general market conditions of the securities and other markets in Germany and elsewhere in the world. In particular, the performance and fluctuation of the market prices of other companies with business operations located mainly in Germany that have listed their securities in Frankfurt may affect the volatility in the price of and trading volumes for the shares in the Company. In particular, we expect the development of the share price of Sixt SE to be significantly correlated with the development of the price of shares in the Company. These broad market and industry factors may significantly affect the market price and volatility of the shares in the Company, regardless of our actual operating performance.

Furthermore, the combined value of the shares in the Company and the shares in Sixt SE following the IPO may not equal or exceed the value of Sixt SE shares prior to the IPO. Until the market has fully evaluated the business of Sixt SE excluding our business, as well as our business on a stand-alone basis, the price at which the shares in the Company trade may fluctuate considerably.

In addition, the Management Board is authorized to purchase up to 10% of the outstanding shares in the Company until April 7, 2020. The purchase of treasury shares may reduce the liquidity of the Company, may reduce the amount of funds available for other investments in its business operations, and, if financed by additional debt, may cause the Company's debt ratios to deteriorate. If the purchase of treasury shares fails to achieve the benefits intended by the Management Board, the cash expended would be lost.

The materialization of any of the risks described above could cause the price of the shares in the Company to fall, in which case investors could lose some or all of their investment.

1.5.5 Any future sales of the shares in the Company by existing shareholders could depress the market price of the shares.

Upon completion of the offering, Sixt SE will continue to hold at least 40% of the Company's share capital (assuming placement of the maximum number of the offered shares and full exercise by the banks to acquire additional shares from Sixt SE). There may be a significant adverse effect on the market price of the shares in the Company if Sixt SE or any other major shareholder were to sell substantial amounts of the shares on the public exchange or if market participants were to become convinced that such sales might occur.

The materialization of the risk described above could cause the price of the shares in the Company to fall, in which case investors could lose some or all of their investment.

1.5.6 Future capitalization measures may lead to substantial dilution, i.e., a reduction in the value of the shares in the Company and the control rights of existing shareholders' interests in us. Future offerings of debt or equity securities may adversely affect the market price of the shares.

We may require additional capital in the future to finance our business operations and growth. The raising of additional equity through the issuance of new shares, the potential exercise of conversion or option rights by holders of convertible bonds or bonds with warrants or the fulfillment of conversion obligations relating to such bonds, which may be issued in the future, and the exercise of stock option rights which may be granted to the Management Board members and certain other employees, may dilute shareholder interests. The Company's articles of association currently provide for the issuance of up to 7,512,500 additional shares as authorized capital, and up to 7,512,500 additional shares as conditional capital. The Company intends to cancel the existing authorized capital and to create a new authorized capital equaling 50% of the share capital after the registration of the capital increase to create the new shares offered in the IPO. The new authorized capital after the IPO will amount to 10,305,796 additional shares. We may issue all of these shares without any action or approval by the shareholders, and under certain limited conditions, for example in the event of a capital increase against contributions in kind, without reserving any preemptive subscription rights for the shareholders. Because our decision to issue securities in any future offering will depend on market conditions and other factors beyond our control, we cannot predict or estimate the amount, timing or nature of future offerings. Thus, holders of shares in the Company bear the risk that future offerings might reduce the market price of the shares and dilute their shareholdings in us.

The materialization of the risk described above could cause the price of the shares in the Company to fall, in which case investors could lose some or all of their investment.

1.5.7 Future sales of the shares in the Company by Sixt SE or a capital increase carried out by us in which Sixt SE does not participate could trigger change of control provisions in our contracts.

Various agreements to which Sixt Leasing Group companies are party specify particular legal consequences if certain companies in the Sixt Leasing Group cease to be indirectly controlled by Sixt SE (these are known as change of control clauses). Change of control is generally assumed to have taken place if Sixt SE ceases to hold an indirect majority of share capital or voting rights in the relevant company, while other agreements define a change of control as only occurring if further events take place (e.g., certain competitors obtain a majority). Depending on the underlying agreements, the companies of Sixt Leasing Group are subject to various legal consequences in the event of a change of control, such as obligations to buy out the shares of other shareholders, obligations to sell certain holdings owned by companies in Sixt Leasing Group, termination rights of other parties to the contract and/or obligations to repay creditors.

We generally have no ability to influence the actions of Sixt SE in respect of the disposal of its shares in the Company or nonparticipation in a capital increase by us which could result in Sixt SE holding a smaller stake in us, possibly triggering change of control provisions in our contracts.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.5.8 The offering may not be completed if the underwriters terminate the Underwriting Agreement or if we withdraw from the offering.

On April 24, 2015, the underwriters entered into an agreement with the Company and Sixt SE for the underwriting of the shares in the Company in connection with the IPO (the “**Underwriting Agreement**”). The Underwriting Agreement can be terminated by certain of the underwriters under certain circumstances. If the Underwriting Agreement is terminated because Joh. Berenberg, Gossler & Co. KG and COMMERZBANK Aktiengesellschaft withdraw before the publication of the offering in the German Federal Gazette (*Bundesanzeiger*), because the Company withdraws from the offering, or because the implementation of the capital increase for the creation of new shares in the Company in connection with the offering is not registered in the commercial register in a timely manner, the offering will lapse or the offering will not take place, in which case any allotments already made to investors will be invalidated and investors will have no claim for delivery. Claims with respect to subscription fees already paid and costs incurred by an investor in connection with the subscription will be governed solely by the legal relationship between the investor and the financial intermediary to which the investor submitted its purchase order. Investors who engage in short-selling bear the risk of being unable to satisfy their delivery obligations. The Company would receive no proceeds from the offering in the event of a termination of the Underwriting Agreement.

Furthermore, even if the offering is completed, we may not be able to place all of the shares in the Company, which may result in substantially lower proceeds from the IPO and could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

1.5.9 The Management Board, with the approval of the Supervisory Board, could resolve upon the downlisting of the shares in the Company from the regulated market segment to the entry standard or upon the delisting of the shares in the Company from the Frankfurt Stock Exchange without the shareholders’ approval and without the payment of compensation.

The shares in the Company will be listed on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) with simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*). According to a recent decision of the German Federal Court (*Bundesgerichtshof*), a company’s management board, with the approval of the supervisory board, can resolve upon a downlisting of the company’s shares from the regulated market segment (Prime Standard) to the non-regulated market (Entry Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) or delisting of the company’s shares from the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) without the company’s shareholders’ approval or payment of compensation to the company’s shareholders. Therefore, the shares in the Company could be downlisted from the regulated market segment (Prime Standard) to the non-regulated market (Entry Standard) or delisted without consent of our shareholders and without payment of compensation. After a downlisting or delisting decision, broker-dealers may be less willing or able to sell and/or make a market in the shares of the Company, which may make it more difficult for shareholders to dispose of, or to obtain accurate quotations for the price of, the shares in the Company.

A downlisting or delisting of the shares in the Company could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations and could cause the price of the shares in the Company to fall, in which case investors could lose some or all of their investment.

1.5.10 If the Company decides to pursue a transformation of legal form into a European company (Societas Europaea – SE), it would tie up substantial personnel resources and incur significant expenses.

As our business expands beyond Germany, the Company may seek a corporate form that better reflects our Europe-wide operations. The Company therefore envisions transforming its legal form from a German stock corporation (*Aktiengesellschaft*) into a European company (*Societas Europaea – SE*) in the future. The transformation of legal form into a European company (*Societas Europaea – SE*) may require the Company to commit substantial management, operational and other resources that could otherwise be invested in our business. Pursuing such a transformation of legal form would also incur significant expenses, *e.g.*, for legal and other advisors. We cannot guarantee that being organized as a European company (*Societas Europaea – SE*) will provide the Company with any organizational or operational advantages compared to a German stock corporation (*Aktiengesellschaft*). Furthermore, as a European company (*Societas Europaea – SE*), the Company may face additional administrative requirements that divert management attention from other business concerns.

The materialization of any of the risks described above could have a material adverse effect on our business, net assets, financial condition, cash flows and results of operations.

2. GENERAL INFORMATION

2.1 Responsibility Statement

Sixt Leasing AG, with its registered office at Zugspitzstraße 1, 82049 Pullach, Germany, and registered with the commercial register of the local court (*Amtsgericht*) of Munich, Germany, under docket number HRB 155501 (“**Sixt Leasing**” or the “**Company**” and, together with its consolidated subsidiaries, the “**Sixt Leasing Group**,” “**we**,” “**us**” or “**our**”), together with Joh. Berenberg, Gossler & Co. KG, Hamburg, Germany (“**Berenberg**”) and COMMERZBANK Aktiengesellschaft, Frankfurt am Main, Germany (“**COMMERZBANK**” and, together with Berenberg, the “**Joint Global Coordinators**”), and together with Baader Bank Aktiengesellschaft, Unterschleißheim, Germany (“**Baader Bank**” or the “**Joint Bookrunner**” and together with the Joint Global Coordinators, collectively referred to as the “**Joint Bookrunners**” or the “**Underwriters**”), have assumed responsibility for the contents of this prospectus (the “**Prospectus**”) pursuant to Section 5(4) of the German Securities Prospectus Act (*Wertpapierprospektgesetz*) and declare that the information contained in the Prospectus is, to the best of their knowledge, correct and contains no material omissions.

Where a claim relating to the information contained in the Prospectus is brought before a court, the plaintiff investor might, under the national legislation of the member states of the European Economic Area (“**EEA**”), have to bear the costs of translating the Prospectus before the legal proceedings are initiated.

The information in the Prospectus will not be updated subsequent to the date hereof except for any significant new event or significant error or inaccuracy relating to the information contained in the Prospectus that may affect an assessment of the securities and occurs or comes to light following the approval of the Prospectus but before the completion of the public offering or admission of the securities to trading, whichever is later. These updates must be disclosed in a prospectus supplement in accordance with Section 16(1) sentence 1 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*).

2.2 Purpose of the Prospectus

For the purpose of the public offering of securities, the Prospectus relates to 5,586,593 of the Company’s New Shares (as defined below) and to 6,780,362 of the Company’s existing ordinary bearer shares with no par value, each representing a notional value of €1.00 and with full dividend rights from January 1, 2015, consisting of:

- 5,586,593 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against cash contributions (the “**IPO Capital Increase**”) to be resolved by an extraordinary shareholders’ meeting of the Company on or about May 4, 2015 (the “**New Shares**”);
- 5,167,281 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of Sixt SE (the “**Selling Shareholder**”) (the “**Existing Shares**” and, together with the New Shares, the “**Base Shares**”); and
- 1,613,081 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of the Selling Shareholder in connection with a possible over-allotment (the “**Over-Allotment Shares**” and, together with the Base Shares, the “**Offer Shares**”).

For the purpose of admission to trading on the regulated market of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and the simultaneous admission to the sub-segment of the regulated market with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), the Prospectus relates to up to 5,586,593 New Shares and 15,025,000 of the Company’s existing ordinary bearer shares (being the entire share capital of the Company following the registration of the capital increase) with no par value, each with a notional value of €1.00 and with full dividend rights from January 1, 2015.

2.3 Forward-looking Statements

The Prospectus contains forward-looking statements. A forward-looking statement is any statement that does not relate to historical facts or events or to facts or events as of the date of the Prospectus. This applies, in particular, to statements in the Prospectus containing information on the Sixt Leasing Group's future earnings capacity, plans and expectations regarding its business growth and profitability, and the general economic conditions to which the Sixt Leasing Group is exposed. Statements made using words such as “predicts”, “forecasts”, “plans”, “endeavors” or “expects” may be an indication of forward-looking statements.

The forward-looking statements in the Prospectus are subject to risks and uncertainties, as they relate to future events, and are based on estimates and assessments made to the best of the Company's present knowledge. These forward-looking statements are based on assumptions, uncertainties and other factors, the occurrence or non-occurrence of which could cause the Company's actual results, including the financial condition and profitability of the Sixt Leasing Group, to differ materially from or fail to meet the expectations expressed or implied in the forward-looking statements. These expressions can be found in several sections in the Prospectus, particularly in the sections entitled “I Risk Factors,” “10 Management's Discussion and Analysis of Net Assets, Financial Condition, and Results of Operations,” “11 Markets and Competition,” “12 Business” and “27. Recent Developments and Outlook,” and wherever information is contained in the Prospectus regarding the Sixt Leasing Group's intentions, beliefs, or current expectations relating to its future financial condition and results of operations, plans, liquidity, business outlook, growth, strategy and profitability, as well as the economic and regulatory environment to which the Sixt Leasing Group is subject.

In light of these uncertainties and assumptions, it is also possible that the future events mentioned in the Prospectus might not occur. In addition, the forward-looking estimates and forecasts reproduced in the Prospectus from third-party reports could prove to be inaccurate (for more information on the third-party sources used in the Prospectus, see “—2.4 Sources of Market Data”). Actual results, performance or events may differ materially from those in such statements due to, among other reasons:

- changes in general economic conditions, including changes in gross domestic product (“GDP”) in the markets in which we operate, consumer spending, investments and changes in the unemployment rate;
- changes in the markets in which Sixt Leasing operates;
- changes in competition levels as well as downward pressure on prices and profitability;
- the occurrence of commercial, performance or other operational risks;
- changes to the taxation, including taxation of corporations and/or company and privately used vehicles;
- changes in laws and regulations;
- changes affecting currency exchange rates; and
- changes affecting interest rate levels.

Moreover, it should be noted that neither the Company nor any of the Underwriters assumes any obligation, except as required by law, to update any forward-looking statement or to conform any such statement to actual events or developments. Nevertheless, the Company has the obligation to disclose any significant new event or significant error or inaccuracy relating to the information contained in the Prospectus that may affect an assessment of the securities and occurs or comes to light following the approval of the Prospectus, but before the completion of the public offering or the admission of the securities to trading, whichever is later. These updates must be disclosed in a prospectus supplement in accordance with Section 16(1) sentence 1 of the German Securities Prospectus Act (*Wertpapierprospektgesetz*).

See “1 Risk Factors” for a further description of some of the factors that could influence the Company’s forward-looking statements.

2.4 Sources of Market Data

Except as otherwise indicated, the information contained in the Prospectus on the market environment, market developments, growth rates, market trends and competition in the markets and segments in which the Sixt Leasing Group operates or which are served by the Sixt Leasing Group are based on the Company’s assessments. These assessments, in turn, are based in part on internal observations of the markets and on various market studies.

The following sources were used in the preparation of the Prospectus:

- Automobilwoche, Publication, “Stabiler Outlook for Residual Values (*Stabiler Ausblick für Restwerte*)”, published August 25, 2014 (“**Automobilwoche**”);
- DAT Group, Publication, “2015 DAT Report”, published January 2015 (“**DAT Report**”);
- Dataforce Verlagsgesellschaft für Business Informationen mbH, Report, “Dataforce Analysis New Registration Data as per IRIS (*Dataforce Analyse Neuzulassungen auf Basis von IRIS*)”, accessed March 10, 2015 (“**Dataforce**”);
- European Automobile Manufacturers Association, Publication, “The Automobile Industry Pocket Guide 2014-2015”, published September 2014 (“**ACEA**”);
- European Automobile Manufacturers Association, Spreadsheet, “New Registrations in EUROPE (By country) - 2014”, updated March 2015 (“**ACEA New Registrations 2014**”);
- European Automobile Manufacturers Association, Spreadsheet (provisional), Subjects: EU + EFTA Countries New Registration Figures by Market (New Light Commercial Vehicles); New Passenger Car Registrations by Market (European Union), as of March 26, 2015 (“**ACEA New Registrations 2015**”);
- European Commission, Special Report, “European Economic Forecast Winter 2015: European Economy”, published February 2015 (“**European Economic Forecast Winter 2015**”);
- Eurostat, Database, Subject: Gross domestic product at market prices, updated March 2015 (“**Eurostat Database**”);
- Federation of German Leasing Companies (Bundesverband Deutscher Leasing-Unternehmen (BDL)), Publication, “Leasing Market 2014: Annual Press Conference (Leasing-Markt 2014: Jahrespressekonferenz des Bundesverbandes Deutsche Leasing-Unternehmen)”, published November 19, 2014 (“**BDL 2014 Annual Press Conference**”);
- Firmenauto, Publication, “It’s PROGRESSING (*Es geht VORAN*)”, Nicole Holzer, published May 2014 (“**Firmenauto May 2014**”);
- German Federal Statistical Office (*Statistisches Bundesamt*), Database, Subject: Transport (*Verkehr*), updated September 5, 2014 (“**Federal Statistical Office, Transport**”);
- German Federal Statistical Office (*Statistisches Bundesamt*), Press Release, “Gross domestic product increased considerably in 4th quarter of 2014 (*Bruttoinlandsprodukt im 4. Quartal 2014 kräftig gestiegen*)”, published February 13, 2015 (“**Federal Statistical Office, Press Release No. 048 of February 13, 2015**”);
- Google Analytics, Database, Subject: Traffic Sources (*Trafficquellen*), referenced October 2014 to March 2015 (“**Google Analytics**”);

- International Monetary Fund, World Economic Outlook Database, Subject: Gross domestic product, updated October 2014 (“**WEO Database**”);
- Leaseurope, Publication, “Key Facts and Figures 2013”(“**Leaseurope Facts and Figures 2013**”);
- Swiss Federal Statistical Office (*Bundesamt für Statistik*), Database, Subject: Mobility and Transport (*Mobilität und Verkehr*), updated February 2015 (“**Swiss Federal Statistical Office, Mobility and Transport**”);
- Swiss Federal Statistical Office (*Bundesamt für Statistik*), Database, Subject: Unemployment, accessed March 5, 2014 (“**Swiss Federal Statistical Office, Unemployment**”);
- Swiss Federal Statistical Office (*Bundesamt für Statistik*), Press Release, “Increase in road motor vehicle stock despite fall in registrations (*Fahrzeugbestand wächst trotz Rückgang bei den Neuzulassungen*)”, published February 5, 2015 (“**Swiss Federal Statistical Office, Press Release 05.02.2015**”); and
- Swiss State Secretariat for Economic Affairs (*Staatssekretariat für Wirtschaft*), Database, “Gross Domestic Product Quarterly Data, Production Approach”, last modified March 3, 2015 (“**Swiss State Secretariat for Economic Affairs**”).

It should be noted, in particular, that reference has been made in the Prospectus to information concerning markets and market trends. Such information was, *inter alia*, obtained from the abovementioned sources. The Company has accurately reproduced such information and, as far as it is aware and able to ascertain from information published by such third parties, no facts have been omitted that would render the reproduced information inaccurate or misleading. Nevertheless, prospective investors are advised to consider this data with caution. For example, market studies are often based on information or assumptions that may not be accurate or appropriate, and their methodology is inherently predictive and speculative.

Irrespective of the assumption of responsibility for the content of the Prospectus by the Company and the Underwriters (see “—2.1 Responsibility Statement”), neither the Company nor the Underwriters have independently verified the figures, market data or other information on which third parties have based their studies. Accordingly, the Company and the Underwriters make no representation or warranty as to the accuracy of any such information from third-party studies included in the Prospectus notwithstanding the preceding paragraph. Prospective investors should note that the Company’s own estimates and statements of opinion and belief are not always based on studies of third parties.

2.5 Documents Available for Inspection

For the period during which the Prospectus is valid, the following documents will be available for inspection during regular business hours at the Company’s offices at Zugspitzstraße 1, 82049 Pullach, Germany (tel. +49 (0) 89 74444-5120):

- the Company’s articles of association (the “**Articles of Association**”);
- the Sixt Leasing Group’s audited combined financial statements prepared in accordance with International Financial Reporting Standards as adopted by the EU (“**IFRS**”) for the fiscal years ended December 31, 2012, 2013, 2014; and
- the Company’s audited unconsolidated financial statements prepared in accordance with the German Generally Accepted Accounting Principles of the German Commercial Code (*Handelsgesetzbuch (HGB)*) (“**German GAAP**”) for the fiscal year ended December 31, 2014.

The above documents are also available on the Company’s website. In reliance on the exemption provided by section 264 para. 3 of the German Commercial Code (*Handelsgesetzbuch (HGB)*),

the Company refrained from publishing its unconsolidated financial statements in the German Federal Gazette (*Bundesanzeiger*) and on the Company's website under Investor Relations (<http://ir.sixt-leasing.com>).

The Company's future consolidated financial statements, unconsolidated financial statements and condensed consolidated interim financial statements will be available from the Company on its website after the initial public offering ("IPO") and from the paying agent designated in the Prospectus (see "16 General Information on the Company and the Group—16.7 Notifications, Paying Agent").

2.6 Currency Presentation and Presentation of Figures

In the Prospectus, "euro", "EUR" and "€" refer to the single European currency adopted by certain participating member states of the European Union ("EU"), including the Federal Republic of Germany ("Germany").

Where financial data in the following tables is labelled "audited," this means that such data has been taken from the audited financial statements mentioned above. The label "unaudited" is used in the following tables to indicate financial data that has not been taken from the audited financial statements mentioned above but has been taken or derived from the Company's internal reporting system or has been calculated based on information contained in the audited combined financial statements or the Company's internal reporting system. All of the financial data presented in the text and tables below is shown in millions of euro (in € million), except as otherwise stated. Certain financial data (including percentages) in the following tables has been rounded according to established commercial standards. As a result, the aggregate amounts in the following tables may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures appearing elsewhere in the Prospectus. Furthermore these rounded figures may not add up exactly to the totals contained in the tables. Financial information presented in parentheses denotes the negative of such number presented. A dash ("–") signifies that the relevant figure is not available, while a zero ("0.0") signifies that the relevant figure is available but has been rounded to zero.

3. THE OFFERING

3.1 Subject Matter of the Offering

The offering (including any potential Over-Allotment) relates to the sale of 12,366,955 Offer Shares with no par value (*Stückaktien*), each representing a notional value of €1.00 and with full dividend rights from January 1, 2015, consisting of:

- 5,586,593 newly issued ordinary bearer shares with no par value (*Stückaktien*) from a capital increase against cash contributions to be resolved by an extraordinary shareholders' meeting of the Company;
- 5,167,281 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of the Selling Shareholder; and
- 1,613,081 existing ordinary bearer shares with no par value (*Stückaktien*) from the holdings of the Selling Shareholder in connection with a possible Over-Allotment.

The offering consists of a public offering of the Offer Shares in Germany and the Grand Duchy of Luxembourg (“**Luxembourg**”) and private placements of the Offer Shares in certain jurisdictions outside Germany and Luxembourg. In the United States, the Offer Shares will be offered for sale to qualified institutional buyers in reliance on Rule 144A (“**Rule 144A**”) under the U.S. Securities Act of 1933, as amended (the “**Securities Act**”). Outside the United States, the Offer Shares will be offered in reliance on Regulation S under the Securities Act (“**Regulation S**”).

The IPO Capital Increase to create the New Shares, which is expected to be approved by the extraordinary shareholders' meeting of the Company on or about May 4, 2015 and to be registered with the commercial register on May 6, 2015, would result in an increase in the Company's share capital of up to €5,586,593. The New Shares will be issued upon registration of the IPO Capital Increase with the commercial register. Assuming the IPO Capital Increase is approved by the extraordinary shareholders' meeting of the Company and registered with the commercial register of the Company in the maximum amount, the share capital of the Company will amount to €20,611,593. The share capital of the Company represented by the Offer Shares, including the Over-Allotment Shares, will total €12,366,955. Thus, approximately 60% of the Company's shares (after effectuation of the issuance of all New Shares) will be offered (approximately 52% without the Over-Allotment Shares).

Immediately prior to the offering, all of the Company's share capital was held by the Selling Shareholder (see “*15 Information on the Selling Shareholder*”). Following completion of the offering, the Selling Shareholder will hold less than 50% of the Company's share capital (prior to and independently from the exercise, if any, of the Greenshoe Option). The aggregate number of shares placed will, however, be limited to ensure that the Selling Shareholder will always hold at least 40% of the share capital in the Company following the completion of the Offering. The Selling Shareholder will receive consideration for the sale of the Existing Shares and the shares from the exercise of the Greenshoe Option, if any (after deduction of fees and commissions). The Company will receive the proceeds from the sale of the New Shares (after deduction of fees and commissions), but will not receive any of the proceeds from the sale of the Existing Shares or the shares from the exercise of the Greenshoe Option, if any.

The Underwriters are acting in the following capacities: Berenberg and COMMERZBANK are acting as the Joint Global Coordinators and Joint Bookrunners and Baader Bank is acting as Joint Bookrunner.

3.2 Price Range, Offer Period, Offer Price and Allotment

The price range within which purchase orders may be placed is €17.90 to €21.30 per Offer Share (the “**Price Range**”).

The offer period, during which investors may submit purchase orders for the Offer Shares, is expected to begin on April 27, 2015 and is expected to end on May 6, 2015 at 12:00 noon CEST (Central European Summer Time) for retail investors (natural persons) and at 16:00 CEST (Central European Summer Time) for institutional investors (the “**Offer Period**”). Retail investors (natural persons) may submit purchase orders for the public offering in Germany and Luxembourg during the Offer Period at the branch offices of the Underwriters. Purchase orders must be of at least 25 Offer Shares and limit steps must be denominated in full euro amounts or euro cent figures of 10, 20, 30, 40, 50, 60, 70, 80 or 90 cents. Multiple purchase orders are permitted.

The Company and the Selling Shareholder reserve the right, together with the Joint Bookrunners, to increase or decrease the total number of Offer Shares, to increase or decrease the upper limit and/or the lower limit of the Price Range and/or to extend or shorten the Offer Period. Changes in the number of Offer Shares, changes to the Price Range or the extension or shortening of the Offer Period will not invalidate any offers to purchase that have already been submitted. If such change requires the publication of a supplement to the Prospectus, investors who submitted purchase orders before the supplement is published shall have the right, under the German Securities Prospectus Act (*Wertpapierprospektgesetz*), to withdraw these offers to purchase within two business days of the publication of the supplement. Instead of withdrawing the offers to purchase placed prior to the publication of the supplement, investors may change their orders or place new limited or unlimited offers to purchase within two business days of the publication of the supplement. To the extent that the terms of the offering are changed, such change will be published by means of electronic media (such as Thomson Reuters or Bloomberg) and, if required by the German Securities Trading Act (*Wertpapierhandelsgesetz*) or the German Securities Prospectus Act (*Wertpapierprospektgesetz*), as an ad hoc release via an electronic information system and on the Company’s website and as a supplement to the Prospectus. Investors who have submitted offers to purchase will not be notified individually. Under certain conditions, the Joint Global Coordinators, on behalf of the Underwriters, may terminate the underwriting agreement relating to the offering entered into between the Company and the Selling Shareholder on April 24, 2015 (the “**Underwriting Agreement**”), even after commencement of trading (*Aufnahme des Handels*) of the Company’s shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), see “20 Underwriting—20.5 Termination/Indemnification”.

After the expiration of the Offer Period, the offer price and the final number of the Offer Shares placed in the offering will be set jointly by the Company, the Selling Shareholder and the Joint Bookrunners. The price will be set on the basis of the purchase orders submitted by investors that have been collated in the order book prepared during the bookbuilding process. Price-setting is expected to take place on or about May 6, 2015. These orders will be evaluated according to the prices offered and the investment horizons of the respective investors. This method of setting the number of shares that will be placed at the offer price is, in principle, aimed at maximizing proceeds, as well as protecting the Selling Shareholder’s minimum shareholding of at least 40% of the share capital and its maximum shareholding of less than 50% of the Company’s share capital (prior to and independently from the exercise, if any, of the Greenshoe Option). Consideration will also be given to whether the offer price and the number of shares to be placed allow for the reasonable expectation that the share price will demonstrate steady performance in the secondary market given the demand for the Company’s shares noted in the order book. Attention will be paid not only to the prices offered by investors and the number of investors wanting shares at a particular price, but also to the composition of the group of shareholders in the Company that would result at a given price, and expected investor behavior. For further information regarding allotment criteria, see “—3.7 Allotment Criteria”. None of the Company, the Selling Shareholder or the Underwriters will charge expenses to investors. Investors will have to bear customary transaction and handling fees charged by their brokers or other financial institutions through which they hold their securities.

After the offer price has been set, the Offer Shares will be allotted to investors on the basis of the offers to purchase then available. The offer price, the final number of Offer Shares and the final number of New Shares placed in the offering (that is, the results of the offering) are expected to be published on or about May 6, 2015 by means of an ad hoc release and via an electronic information system and on the Company's website.

Investors who have placed orders to purchase Offer Shares with one of the Underwriters can obtain information from that Underwriter about the offer price and the number of Offer Shares allotted to them on the business day following the setting of the offer price. As commencement of trading (*Aufnahme des Handels*) of the Company's shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) is expected to take place not earlier than the second business day following the setting of the offer price, investors may not have obtained information about the number of Offer Shares allotted to them at the time of commencement of trading. Book-entry delivery of the allotted Offer Shares against payment of the offer price is expected to take place one business day after commencement of stock exchange trading. Should the placement volume prove insufficient to satisfy all orders placed at the offer price, the Company and the Selling Shareholder jointly reserve the right to reject orders, or to accept them only in part.

3.3 Expected Timetable for the Offering

The following is the expected timetable of the offering, which may be extended or shortened:

April 24, 2015	Approval of the Prospectus by the German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i> , the “ BaFin ”) and publication of the approved Prospectus on the Company's website. Notification of the approved Prospectus to the Luxembourg Commission for the Supervision of the Financial Sector (<i>Commission de Surveillance du Secteur Financier</i>).
April 27, 2015	Commencement of the Offer Period. Application for listing filed with the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>).
May 4, 2015	Resolution on the IPO Capital Increase for the issuance of the New Shares.
May 6, 2015	Registration of the IPO Capital Increase with the commercial register. Listing approval issued by the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>). Close of the Offer Period for retail investors (natural persons) at 12:00 noon (Central European Summer Time) and for institutional investors at 16:00 (Central European Summer Time). Determination of the offer price and allotment; publication of the offer price as an ad hoc release on an electronic information system and subsequently on the Company's website.
May 7, 2015	First day of trading.
May 11, 2015	Book-entry delivery of the Offer Shares against payment of the offer price (closing).

The Prospectus will be published on the Company's website at <http://ir.sixt-leasing.com> under Investor Relations after approval by the BaFin on April 24, 2015. In addition, free copies of the

printed Prospectus will be available during regular business hours at the Company's offices at Zugspitzstraße 1, 82049 Pullach, Germany (tel. +49 (0) 89 74444-5120).

3.4 Information on the Shares

3.4.1 Voting Rights

Each share in the Company carries one vote at the Company's shareholders' meeting. There are no restrictions on voting rights.

3.4.2 Dividend and Liquidation Rights

The Offer Shares carry full dividend rights from January 1, 2015. In the event of the Company's liquidation, any proceeds will be distributed to the holders of the Company's shares in proportion to their interest in the Company's share capital. The Company, as transferor, and the Selling Shareholder, as transferee, are parties to a profit and loss transfer agreement executed on April 17, 2013 and registered under the Company's docket number with the commercial register of the local court (*Amtsgericht*) of Munich on August 14, 2013 (the "**Profit and Loss Transfer Agreement**") that came retroactively into effect as of January 1, 2013 and will be terminated as of April 30, 2015 (inclusive) (the "**PLTA Termination Date**"). The Profit and Loss Transfer Agreement replaced an until December 31, 2012 existing domination, profit and loss transfer agreement (the "**Domination Profit and Loss Transfer Agreement**") and together with the Profit and Loss Transfer Agreement, the "**(D)PLTAs**") between the Company and Sixt AG (now: Sixt SE). For periods until the PLTA Termination Date, the Company is obliged under the Profit and Loss Transfer Agreement to transfer its entire net (annual) income (*(Jahres-)Überschuss*), if any, (subject to the allocation of amounts to retained earnings to the extent economically justified from a reasonable business assessment) to the Selling Shareholder. In turn, the Selling Shareholder is obliged to assume the Company's entire (annual) net loss (*(Jahres-)Fehlbetrag*), if any. The amount of the net (annual) income or loss is determined by the unconsolidated annual financial statements of the Company prepared in accordance with German GAAP and, with respect to the period from January 1, 2015 until the PLTA Termination Date, by unconsolidated interim financial statements of the Company for such period prepared in accordance with German GAAP, respectively. Under the (D)PLTAs, the Company transferred profits to the Selling Shareholder in the amount of €38.6 million, €33.3 million and €25.2 million in the 2012, 2013 and 2014 fiscal years, respectively. The Selling Shareholder and the Company believe that the Company will have a claim for loss compensation under the Profit and Loss Transfer Agreement for the period from January 1, 2015 until the PLTA Termination Date amounting to approximately €4.4 million. In respect of such expected claim for loss compensation, the Selling Shareholder decided to make an advance payment (*Abschlagszahlung*) in the amount of €4.4 million by no later than May 4, 2015 (the "**PLTA Advance Payment**"). If the final amount of the loss compensation claim for the period from January 1, 2015 until the PLTA Termination Date is lower than the PLTA Advance Payment, the Company will repay the difference and if the final amount of the loss compensation claim is higher than the PLTA Advance Payment, the Selling Shareholder will make an additional payment to cover the difference.

3.4.3 Form and Certification of the Shares

All of the Company's shares are ordinary bearer shares with no par value. The Company's current share capital in the amount of €15,025,000.00 is represented by one global share certificate, which will be deposited with Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany ("**Clearstream**"). The New Shares will be represented by a second global share certificate, which will also be deposited with Clearstream.

Section 5(3) of the Articles of Association excludes the shareholders' right to receive individual share certificates unless mandated by the rules of a stock exchange to which the shares are

admitted. Pursuant to Section 5(4) of the Articles of Association, the Company's management board (the "**Management Board**") determines the form of the share certificates. The Offer Shares provide holders thereof with the same rights as all of the other shares of the Company and do not provide any additional rights or advantages.

3.4.4 Delivery and Settlement

The delivery of the Offer Shares against payment of the offer price is expected to take place on May 11, 2015. The Offer Shares will be made available to the shareholders as co-ownership interests in the global share certificate.

At the shareholder's option, the Offer Shares purchased in the offering will be credited either to a securities deposit account maintained by a German bank with Clearstream or to a securities account of a participant in Euroclear Bank S.A./N.V., 1 Boulevard Roi Albert II, 1120, Brussels, Belgium, as the operator of the Euroclear system, or to Clearstream Banking S.A., 42 Avenue JF Kennedy, 1855 Luxembourg, Luxembourg, for the account of such shareholder.

3.4.5 ISIN/WKN/Common Code/Ticker Symbol

International Securities Identification Number (ISIN)	DE000A0DPRE6
German Securities Code (<i>Wertpapierkennnummer</i> , WKN)	A0DPRE
Common Code	122260330
Ticker Symbol	LNSX

3.5 Transferability of the Shares

The Company's shares are freely transferable in accordance with the legal requirements for bearer shares. Except for the restrictions set forth in "*—3.9 Lock-up Agreement, Limitations on Disposal*" and "*20 Underwriting—20.6 Selling Restrictions*," there are no prohibitions on disposals or restrictions with respect to the transferability of the Company's shares.

3.6 Selling Shareholder

Immediately prior to the offering, Sixt SE holds 100% of the Company's outstanding share capital. For a discussion of the ownership structure of the Selling Shareholder, see "*15 Information on the Selling Shareholder—15.1 Shareholder Structure (Before and After the Offering)*".

3.7 Allotment Criteria

The allotment of Offer Shares to retail investors (natural persons) and institutional investors will be decided after consultation with the Joint Bookrunners. The decision ultimately rests with the Company and the Selling Shareholder. Allotments will be made on the basis of the quality of the individual investors and individual orders and other important allotment criteria to be determined after consultation with the Joint Bookrunners. The allocation to retail investors (natural persons) will be compatible with the "Principles for the Allotment of Share Issues to Private Investors" published by the Commission of Stock Exchange Experts (*Börsensachverständigenkommission*). "Qualified investors" (*qualifizierte Anleger*) under the German Securities Prospectus Act (*Wertpapierprospektgesetz*), as well as "professional clients" (*professionelle Kunden*) and "suitable counterparties" (*geeignete Gegenparteien*) as defined under the German Securities Trading Act (*Wertpapierhandelsgesetz*), are not viewed as "private investors" (*Privatanleger*) within the meaning of the allocation rules.

3.8 Stabilization Measures, Over-Allotments and Greenshoe Option

In connection with the placement of the Offer Shares, COMMERZBANK or its affiliates, acting for the account of the Underwriters, will act as the stabilization manager and may, as stabilization manager, and acting in accordance with legal requirements (Section 20a(3) of the German Securities Trading Act (*Wertpapierhandelsgesetz*) in conjunction with Commission Regulation (EC) No. 2273/2003 of December 22, 2003), make over-allotments and take stabilization measures to support the market price of the Company's shares and thereby counteract any selling pressure.

The stabilization manager is under no obligation to take any stabilization measures. Therefore, no assurance can be provided that any stabilization measures will be taken. Where stabilization measures are taken, these may be terminated at any time without notice. Such measures may be taken from the date the shares of the Company are listed on the regulated market of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and must be terminated no later than 30 calendar days after such date (the "**Stabilization Period**").

These measures may result in the market price of the Company's shares being higher than would otherwise have been the case. Moreover, the market price may temporarily be at an unsustainable level.

Under the possible stabilization measures, investors may, in addition to the Base Shares, be allocated up to 1,613,081 Over-Allotment Shares as part of the allocation of the shares to be placed ("**Over-Allotment**"). For the purpose of a possible Over-Allotment, the stabilization manager, for the account of the Underwriters, will be provided with up to 1,613,081 Over-Allotment Shares in the form of a securities loan; this number of Over-Allotment Shares will not exceed 15% of the Base Shares. In addition, the Selling Shareholder will grant the Underwriters an option to acquire up to 1,613,081 existing ordinary bearer shares of the Company at the offer price less agreed commissions (the "**Greenshoe Option**"). This option will terminate 30 calendar days after the commencement of the stock exchange trading of the Company's shares.

The stabilization manager, for the account of the Underwriters, is entitled to exercise the Greenshoe Option to the extent Over-Allotments were initially made; the amount of shares is to be reduced by the number of shares held by the stabilization manager as of the date on which the Greenshoe Option is exercised and that were acquired by the stabilization manager in the context of stabilization measures.

Within one week after the end of the Stabilization Period, an announcement will be made in various media outlets distributed across the entire EEA as to whether stabilization measures were taken, when price stabilization started and finished, and the price range within which stabilization measures were taken; the latter will be made known for each occasion on which price stabilization measures were taken. Exercise of the Greenshoe Option, the timing of its exercise and the number and type of shares concerned will also be announced promptly in the same manner.

3.9 Lock-up Agreement, Limitations on Disposal

In the Underwriting Agreement, the Company has agreed with each Underwriter that, during the period commencing on April 24, 2015 and ending six months after the first day of trading of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (currently expected to take place on May 7, 2015), to the extent legally permissible, without the prior written consent of the Joint Global Coordinators, which may not be unreasonably withheld or delayed, the Company, its Management Board or its supervisory board will not, and will not agree to:

- announce or effect any capital increase from authorized capital; or

- propose a capital increase to its shareholders; or
- announce, execute or propose to its shareholders any offering of financial instruments that carry conversion or option rights to shares in the Company; or
- enter into any transaction or perform any action with a similar economic effect to those described in the bullet points above.

The Company may, however, (i) issue or sell any shares or other securities to employees and members of executive bodies of the Company or its subsidiaries under management and employee participation plans and (ii) pursue any corporate action, including the issuance of new shares, undertaken by the Company for purposes of the entering into any joint venture or the acquisition of any companies, provided that the parties to the joint venture or acquiring entity to which such shares will be issued agree to comply with the same restrictions on the disposal of the shares vis-à-vis the Underwriters as apply to the Selling Shareholder.

For the period commencing on April 24, 2015 until the date which falls six months after the first day of trading of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) (currently expected to take place on May 7, 2015), the Selling Shareholder has undertaken to the Underwriters that it will not, and will not agree to, without prior written consent of the Joint Global Coordinators, which consent may not be unreasonably withheld or delayed,

- offer, sell, distribute, transfer or otherwise dispose of any of its shares or other equity securities in the Company; or
- cause or approve the announcement, execution or implementation of any increase in the share capital of the Company or a placement of shares of the Company; or
- propose any increase in the share capital to the Company's shareholders or vote in favor of such an increase; or
- cause or approve the announcement, execution or proposal of any issuance of financial instruments that carry conversion or option rights to shares in the Company; or
- enter into any transaction or perform any action with a similar economic effect to those described in the bullet points above.

The foregoing shall not apply if the Selling Shareholder grants or sells shares under management and employee participation plans.

3.10 Admission to the Frankfurt Stock Exchange and Commencement of Trading

The Company expects to apply for admission of its shares to trading on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, to the sub-segment thereof with additional post-admission obligations (Prime Standard) on or about April 27, 2015. The listing approval is expected to be announced on May 6, 2015. Trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) is currently expected to commence on May 7, 2015.

3.11 Designated Sponsors

Berenberg, Neuer Jungfernstieg 20, 20354 Hamburg, Germany and COMMERZBANK, Kaiserstr. 16 (Kaiserplatz), 60311 Frankfurt am Main, Germany, have agreed to assume the function of a designated sponsor of the Company's shares traded on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) for a period of at least two years. Pursuant to the designated sponsor agreement expected to be concluded among each of the designated sponsors and the Company, the designated sponsors will, among other things, place limited buy and sell orders for the Company's shares in the electronic trading system of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) during regular trading hours. This is intended to achieve

greater liquidity in the market for the Company's shares. The designated sponsors may be authorized under the designated sponsor agreements to delegate their duties under the designated sponsors' agreements to authorized third parties.

3.12 Interests of Parties Participating in the Offering

In connection with the offering and the admission to trading of the Company's shares, the Underwriters have formed a contractual relationship with the Company and the Selling Shareholder.

The Underwriters are acting for the Company and the Selling Shareholder on the offering and coordinating the structuring and execution of the offering. In addition, both Berenberg and COMMERZBANK have been appointed to act as designated sponsors for the Company's shares and COMMERZBANK has been appointed to act as paying agent. The Underwriters have a financial interest in the offering because upon its successful implementation, they will receive the commission agreed upon in the Underwriting Agreement.

The Selling Shareholder will receive the proceeds of the Existing Shares sold in the offering as well as the proceeds of the shares from the exercise of the Greenshoe Option, if any. Assuming full placement of all Existing Shares and Over-Allotment Shares at the mid-point of the Price Range and full exercise of the Greenshoe Option, and after deducting fees and expenses to be paid by the Selling Shareholder in connection with the offering, the net proceeds to the Selling Shareholder from the offering would amount to approximately €127.9 million, or 55% of the total net proceeds from the offering (see "*4 Proceeds of the Offering and Costs of the Offering and Listing*"). The Selling Shareholder will offer its shares to partially divest its stake in the Company and to ensure a sufficient free float and trading liquidity in the Company's shares. The Selling Shareholder will also be released from the guarantees or other credit support provided to the lenders in respect of the current external financing of the Company, if the Company redeems such current external financing with the net proceeds from the offering. The Selling Shareholder may also receive payments of principal and interest on the debt financing provided by the Selling Shareholder to the Company from the net proceeds of the offering of the New Shares (after existing external financial liabilities of the Company have been redeemed with such net proceeds from the offering).

Some of the Underwriters or their affiliates have, and may from time to time in the future continue to have, business relations with the Sixt Leasing Group and the Selling Shareholder (including lending activities) or may perform services for the Sixt Leasing Group or the Selling Shareholder in the ordinary course of business.

4. PROCEEDS OF THE OFFERING AND COSTS OF THE OFFERING AND LISTING

At the mid-point of the Price Range, gross proceeds from the offering are expected to total approximately €242.4 million (assuming placement of all Offer Shares). Assuming expenses related to the offering and commissions payable to the Underwriters of a total of approximately €10.4 million, the total net proceeds from the offering would amount to approximately €232.0 million.

The Company will receive only the proceeds of the offering resulting from the sale of New Shares. The Company will not receive any proceeds from the sale of Existing Shares and the shares from the exercise of the Greenshoe Option, if any.

Assuming that the maximum number of New Shares (5,586,593 shares) is placed, the Company will, at the low end, mid-point and high end of the Price Range, receive gross proceeds of approximately €100.0 million, €109.5 million and €119.0 million, respectively, and estimated net proceeds of approximately €94.8 million, €104.0 million and €113.3 million, respectively. However, the Company together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the gross proceeds and net proceeds to the Company may not reach the amount of €109.5 million and €104.0 million at the mid-point or of €119.0 million and €113.3 million at the high-end end of the price range.

At the low end, mid-point and high end the offer price will amount to €17.90, €19.60 and €21.30, respectively, and gross proceeds to the Selling Shareholder (assuming placement of the maximum number of Existing Shares and full exercise of the Greenshoe Option, *i.e.*, 6,780,362 shares in total) will amount to approximately €121.4 million, €132.9 million and €144.4 million, respectively, and estimated net proceeds will amount to approximately €116.7 million, €127.9 million and €139.2 million, respectively.

The costs of the Company related to the offering of the Offer Shares and listing of the Company's entire share capital are expected to total approximately €3.8 million (excluding underwriting and placement commissions payable to the Underwriters), of which approximately €1.6 million will be borne by the Selling Shareholder, which means that the Company will ultimately bear approximately €2.2 million thereof. The Selling Shareholder will bear a percentage of the offering and listing-related costs of the Company equal to the ratio of (i) the gross proceeds from the Existing Shares placed in the offering to (ii) the sum of the gross proceeds from the New Shares and Existing Shares placed in the offering and the amount of the Capital Contribution by the Selling Shareholder.

Assuming an (i) offer price at the low end, mid-point and high end of the Price Range, (ii) placement of the maximum number of Offer Shares, (iii) full exercise of the Greenshoe Option and (iv) full payment of the discretionary fee of up to €2.4 million, €2.6 million and €2.9 million, at the low end, mid-point and high end of the Price Range, respectively, the commission payable to the Underwriters will amount to €6.1 million, €6.7 million and €7.2 million, respectively. Of that total, €3.0 million, €3.3 million and €3.6 million, respectively is attributable to the placement of the New Shares and will be borne by the Company, €2.8 million, €3.0 million and €3.3 million, respectively, is attributable to the placement of the Existing Shares and will be borne directly by the Selling Shareholder and €0.3 million, €0.3 million and €0.4 million, respectively, is attributable to the placement of the Over-Allotment Shares and will be borne directly by the Selling Shareholder.

None of the Company, the Selling Shareholder or the Underwriters will charge expenses to investors. Investors will have to bear customary transaction and handling fees charged by their brokers or other financial institutions through which they hold their securities.

5. REASONS FOR THE OFFERING AND LISTING

The Company intends to list its shares on the regulated market segment (*regulierter Markt*) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and, simultaneously, on the sub-segment thereof with additional post-admission obligations (Prime Standard) of the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) to access the capital markets. The Company also intends to pursue the offering to receive the proceeds from the placement of the New Shares.

Assuming that the maximum number of New Shares (5,586,593 shares) is placed, the Company will, at the low end, mid-point and high end of the Price Range, receive gross proceeds of approximately €100.0 million, €109.5 million and €119.0 million, respectively, and estimated net proceeds of approximately €94.8 million, €104.0 million and €113.3 million, respectively. However, the Company together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the gross proceeds and net proceeds to the Company may not reach the amount of €109.5 million and €104.0 million at the mid-point or of €119.0 million and €113.3 million at the high-end end of the price range.

The Company intends to use the net proceeds of the offering of the New Shares in an amount of approximately €82.0 million to reduce current external financial liabilities, which as of February 28, 2015 amounted to €188.3 million and might increase or decrease until the Company receives the net proceeds of the offering of the New Shares. Any remainder is intended to be used as a liquidity reserve for general corporate purposes or to make payments of principal and interest on financial indebtedness incurred by the Company.

At the low end, mid-point and high end of the Price Range, gross proceeds to the Selling Shareholder (assuming placement of the maximum number of Existing Shares and full exercise of the Greenshoe Option, *i.e.*, 6,780,362 shares in total) will amount to approximately €121.4 million, €132.9 million and €144.4 million, respectively, and estimated net proceeds will amount to approximately €116.7 million, €127.9 million and €139.2 million, respectively.

The Selling Shareholder will offer its shares to partially divest its stake in the Company and to ensure a sufficient free float and trading liquidity in the Company's shares. The Selling Shareholder will also be released from the guarantees or other credit support provided to the lenders in respect of the current external financing of the Company, if the Company redeems such current external financing with the net proceeds from the offering. The Selling Shareholder may also receive payments of principal and interest on the debt financing provided by the Selling Shareholder to the Company from the net proceeds of the offering of the New Shares (after existing external financial liabilities of the Company have been redeemed with such net proceeds from the Offering).

6. DIVIDEND POLICY; RESULTS AND DIVIDENDS PER SHARE; USE OF PROFITS

6.1 General Provisions Relating to Profit Allocation and Dividend Payments

The shareholders' share of the Company's profits is determined based on their respective interests in the Company's share capital. Being a German stock corporation (*Aktiengesellschaft*), the distribution of dividends for a given fiscal year, and the amount and payment date thereof, are resolved by the shareholders' meeting of the subsequent fiscal year either upon a joint proposal by the Management Board and the Supervisory Board or upon the Management Board's or the Supervisory Board's proposal. The shareholders' meeting must be held within the first eight months of each fiscal year.

The Company has currently only issued no par value ordinary bearer shares. However, if the Company issues preference shares, holders of preference shares will receive a preference dividend out of the annual profits, which exceeds that for the ordinary shares by an amount of €0.02 per preference share, but at least a preference dividend in an amount of €0.02 per preference share will be paid subject to sufficient Company's profits for the fiscal year. For more information, see "17 Description of Share Capital of Sixt Leasing AG and Applicable Regulations—17.3 Authorized Capital".

Dividends may only be distributed from the distributable profit (*Bilanzgewinn*) of the Company. The distributable profit is calculated based on the Company's unconsolidated financial statements prepared in accordance with German GAAP. Accounting principles set forth in German GAAP differ from IFRS in material respects.

When determining the distributable profit, the net income or loss for the fiscal year (*Jahresüberschuss/-fehlbetrag*) must be adjusted for profit/loss carry forwards (*Gewinn-/Verlustvorräge*) from the prior fiscal year and releases of or allocations to reserves. Certain reserves are required to be set up by law, and amounts mandatorily allocated to these reserves in the given fiscal year must be deducted when calculating the distributable profit. The Management Board must prepare unconsolidated financial statements (balance sheet, income statement and notes to the financial statements) and a management report for the previous fiscal year by the statutory deadline and present these to the Supervisory Board and the Company's auditors immediately after preparation. At the same time, the Management Board must present to the Supervisory Board a proposal for the allocation of the Company's distributable profit pursuant to Section 170 of the German Stock Corporation Act (*Aktiengesetz*). According to Section 171 of the German Stock Corporation Act (*Aktiengesetz*), the Supervisory Board must review the unconsolidated financial statements, the Management Board's management report and the proposal for the allocation of the distributable profit and report to the shareholders' meeting in writing on the results.

The shareholders' meeting's resolution on the allocation of the distributable profit requires a simple majority of votes to be passed. The shareholders' meeting may also resolve that the dividends be distributed partially or entirely in kind, for example as a distribution of treasury shares if held by the Company at that time. Dividends resolved by the shareholders' meeting are due and payable immediately after the relevant shareholders' meeting, unless the dividend resolution provides otherwise, in compliance with the rules of the respective clearing system. Any dividends not claimed within three years pass to the Company. Since all of the Company's dividend entitlements are evidenced by one global dividend coupon deposited with Clearstream, Clearstream transfers the dividends to the shareholders' custodian banks for crediting to their accounts. German custodian banks are under the same obligation to distribute the funds to their customers. Shareholders using a custodian bank located outside Germany must inquire at their respective bank regarding the terms and conditions applicable in their case. Notifications of any distribution of dividends resolved upon are published in the German Federal Gazette (*Bundesanzeiger*) immediately after the shareholders' meeting. To the extent dividends can be distributed by the Company in accordance with German GAAP and corresponding decisions are

taken, there are no restrictions on shareholder rights to receive dividends. Generally, withholding tax (*Kapitalertragsteuer*) is withheld from dividends paid. For more information on the taxation of dividends, see “21 Taxation in the Federal Republic of Germany—21.2 Taxation of Shareholders—21.2.1 Taxation of Dividend Income” and “22 Taxation in the Grand Duchy of Luxembourg—22.1 Luxembourg Taxation of Shares of a Non-Resident Company—22.1.1 Withholding Taxes”.

6.2 Dividend Policy and Earnings per Share

The Company aims to balance the expectations of investors with regard to dividend payments with the profit retention requirements of the Company to secure its capital base and to support its ambition for long-term continuity and value creation. The Company aspires to pay dividends of approximately 30% up to 40% of Sixt Leasing Group’s annual net income, provided that the Company’s business performance is satisfactory.

However, there can be no assurance with respect to any given year that the Company will pay dividends in this amount or at all. In determining whether or not to declare a dividend, the Management Board will take into account its view of the general business environment and market conditions, the Company’s operating results, its operating cash flow, its investment and capital management initiatives, its future funding and financing requirements, its ambition to maintain a sound and solid capital structure, taxation considerations, any contractual, legal or regulatory restrictions on the payment of dividends and any other factors that the Company may deem relevant.

The Company expects to pay dividends to its shareholders for the first time in respect of the fiscal year 2015. Dividends in respect of the fiscal year 2015, if any, will be resolved by the annual shareholders’ meeting in 2016 and become due and payable immediately after the relevant shareholders’ meeting, unless the dividend resolution provides otherwise. The annual shareholders’ meeting is expected to take place in June or July 2016. However, there can be no assurance that the Company will be in a position to pay dividends in the envisaged amount or at all in respect of the fiscal year 2015 or in the future.

Under the (D)PLTAs, the Company transferred profits to the Selling Shareholder in the amount of €38.6 million, €33.3 million and €25.2 million in 2012, 2013 and 2014, respectively. The Company intends to terminate the Profit and Loss Transfer Agreement as of April 30, 2015. For more information on the Profit and Loss Transfer Agreement, see “3 The Offering—3.4 Information on the Shares—3.4.2 Dividend and Liquidation Rights”.

The following table shows the total and per share net income for the 2012, 2013 and 2014 fiscal years attributable to the Company’s shareholders, as shown in the Sixt Leasing Group’s audited combined financial statements prepared in accordance with IFRS for the 2012, 2013 and 2014 fiscal years:

	<u>2012</u>	<u>2013</u> IFRS	<u>2014</u>
Combined profit for the period attributable to the shareholders of the Company (audited and in € million)	12.0	15.5	19.0
Per share combined profit for the period attributable to the shareholders of the Company (audited and in €) ⁽¹⁾	0.80	1.03	1.27

(1) The per share figures are calculated assuming that 15,025,000 shares – the number of shares issued and outstanding as of the date of the Prospectus but prior to the issuance of the New Shares – were issued and outstanding during the entire 2012, 2013 and 2014 fiscal years.

The audited combined financial statements in the Prospectus disclose dividend payments in the amount of €32.0 million, €24.4 million and €22.6 million in the fiscal years ended December 31, 2012, 2013 and 2014, respectively. The audited combined financial statements were prepared in accordance with IFRS as if the German tax group as a consequence of the (D)PLTAs between

Sixt SE and the Company had not existed in the relevant periods and assuming that the Company would have been obliged to settle all of its trade and corporate income tax related obligations. See F-1 for more information.

As a result, the dividend payments disclosed in the combined financial statements differ from the amounts actually paid to Sixt SE under the (D)PLTAs in the relevant years.

7. CAPITALIZATION AND INDEBTEDNESS; STATEMENT ON WORKING CAPITAL

The following tables set forth the combined capitalization and indebtedness of the Sixt Leasing Group as of February 28, 2015, adjusted for (i) the Pre IPO Capital Measures (as defined below) and (ii) the completion of this offering and application of the proceeds therefrom as described in “5 Reasons for the Offering and Listing”.

The Selling Shareholder will make a cash contribution in the amount of €30.0 million into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*), Section 272 para. 2 no. 4 German Commercial Code (*Handelsgesetzbuch (HGB)*), by no later than May 4, 2015 to increase the Company’s equity before the IPO (the “**Capital Contribution**”). Prior to the offering, Sixt SE as lender and the Company as borrower entered into a new loan agreement (the “**Financing Agreement**” and, together with the Capital Contribution, the “**Pre IPO Capital Measures**”). For more information on material agreements, see “13. Material Agreements—13.1 Financing Arrangements”).

7.1 Capitalization

	As of February 28, 2015	As adjusted for the Pre IPO Capital Measures*	As adjusted for the completion of the offering and application of the proceeds therefrom**/**
		(in € million) (unaudited)	
Total current debt ⁽¹⁾	915.1	228.2	146.2
of which secured ⁽²⁾	442.4	105.8	23.8
of which guaranteed ⁽³⁾	194.0	113.0	31.0
of which unguaranteed/unsecured	414.5	115.2	115.2
Total non-current debt ⁽⁴⁾	113.6	770.5	770.5
of which secured ⁽²⁾	81.9	758.8	758.8
of which guaranteed	81.9	81.9	81.9
of which unguaranteed/unsecured	31.7	11.7	11.7
Shareholders’ equity ⁽⁵⁾	16.3	46.3	150.3
Share capital ⁽⁶⁾	15.0	15.0	20.6
Legal reserves	—	—	—
Other reserves	1.3	31.3	129.7
Total	1,045.0	1,045.0	1,067.0

* It is assumed that the Capital Contribution in an amount of €30.0 million will be used to reduce total current debt. Furthermore, it is assumed that the Financing Agreement replaces €656.9 million of total current debt and €20 million of non-current debt by way of novation.

** It is assumed that all New Shares are fully placed at the mid-point of the Price Range and generate net proceeds of €104.0 million. However, the Company together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the net proceeds to the Company may not reach the amount of €104.0 million at the mid-point of the price range.

*** It is assumed that an amount of €82.0 million of the net proceeds will be used to reduce total current debt, all of which was previously secured and guaranteed.

(1) Represents the current liabilities and provisions as shown in the audited combined financial statements of the Sixt Leasing Group.

(2) Security consists of leased vehicles granted as collateral.

- (3) Guarantees include guarantees (*Bürgschaften*) issued by Sixt SE as guarantor in favor of Sixt Leasing Group. Some of the debt guaranteed by Sixt SE is also secured by leased vehicles granted as collateral.
- (4) Represents the non-current liabilities and provisions as shown in the audited combined financial statements of the Sixt Leasing Group.
- (5) Represents the total equity as shown in the audited combined financial statements of the Sixt Leasing Group.
- (6) Represents the subscribed capital as shown in the unconsolidated financial statements of Sixt Leasing.

7.2 Indebtedness

	As of February 28, 2015	As adjusted for the Pre IPO Capital Measures*	As adjusted for the completion of the offering and application of the proceeds therefrom**/**
		(in € million) (unaudited)	
A. Cash	12.5	12.5	34.5
B. Cash equivalents	—	—	—
C. Trading securities	—	—	—
D. Liquidity (A) + (B) + (C)⁽¹⁾	12.5	12.5	34.5
E. Current financial receivables⁽²⁾	13.3	13.3	13.3
F. Current bank debt	112.0	82.0	0.0
G. Current portion of non-current debt	23.8	23.8	23.8
H. Other current financial debt ⁽³⁾	658.4	1.5	1.5
I. Current financial debt (F) + (G) + (H)⁽⁴⁾	794.2	107.3	25.3
J. Net current financial indebtedness (I)-(E)- (D)⁽⁵⁾	768.4	81.5	(22.5)
K. Non-current bank loans	60.0	60.0	60.0
L. Bonds issued	—	—	—
M. Other non-current loans ⁽⁶⁾	41.9	698.8	698.8
N. Non-current financial indebtedness (K) + (L) + (M)⁽⁷⁾	101.9	758.8	758.8
O. Net financial indebtedness (J) + (N)⁽⁸⁾	870.3	840.3	736.3

* It is assumed that the Capital Contribution in an amount of €30.0 million will be used to reduce current bank debt. Furthermore, it is assumed that the Financing Agreement replaces €656.9 million of other current financial debt and €20 million of other non-current loans by way of novation.

** It is assumed that all New Shares are fully placed at the mid-point of the Price Range and generate net proceeds of €104.0 million as of February 28, 2015, resulting in a respective increase in cash on an adjusted basis. However, the Company together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the net proceeds to the Company may not reach the amount of €104.0 million at the mid-point of the price range.

*** It is assumed that an amount of €82.0 million of the net proceeds will be used to reduce current bank debt.

- (1) Represents cash and bank balances as shown in the audited combined financial statements of the Sixt Leasing Group.

- (2) Represents receivables from related parties and other financial receivables as shown in the audited combined financial statements of the Sixt Leasing Group.
- (3) Represents borrower's note loans and other financial liabilities and liabilities to related parties as shown in the audited combined financial statements of the Sixt Leasing Group.
- (4) Represents current liabilities to banks, finance lease liabilities, borrower's note loans and other financial liabilities as shown in the audited combined financial statements of the Sixt Leasing Group.
- (5) Represents current liabilities to banks, plus: (i) current finance lease liabilities, (ii) borrower's note loans and (iii) other financial liabilities less (i) cash and bank balances, (ii) current receivables from related parties and (iii) current other financial receivables as shown in the audited combined financial statements of the Sixt Leasing Group.
- (6) Represents finance lease liabilities and liabilities to related parties as shown in the audited combined financial statements of the Sixt Leasing Group.
- (7) Represents non-current bank loans, non-current liabilities to related parties and non-current finance lease liabilities as shown in the audited combined financial statements of the Sixt Leasing Group.
- (8) Represents current liabilities to banks, plus: (i) current finance lease liabilities, (ii) borrower's note loans and (iii) other financial liabilities, (iv) non-current bank loans, (v) non-current liabilities to related parties, (vi) non-current finance lease liabilities, less (i) current receivables from related parties, (ii) current other financial receivables, (iii) cash and bank balances as shown in the audited combined financial statements of the Sixt Leasing Group.

As of February 28, 2015 there were no contingent liabilities from guarantees or similar obligations. Other financial obligations of the Sixt Leasing Group resulting mainly from obligations under rental agreements and buildings, which are accounted for as leasing contracts, amounted to €2.9 million and purchase commitments resulting from concluded agreements concerning subsequent vehicle deliveries for the lease fleet amounted to €145.0 million.

7.3 Statement on Working Capital

The Company is of the opinion that the Sixt Leasing Group is in a position to meet the payment obligations that become due within at least the next twelve months from the date of the Prospectus.

8. DILUTION

The net book value of the Company is calculated as total assets minus the sum of total non-current and current liabilities and provisions and equals equity attributable to owners of Sixt Leasing Group. As of December 31, 2014, the net book value amounted to €12.3 million and would amount to approximately €0.82 per share based on 15,025,000 shares of the Company outstanding immediately before the offering.

The net book value calculated as total assets minus the term of total non-current liabilities and provisions and total current liabilities and provisions, which equals equity attributable to owners of Sixt Leasing Group, as of December 31, 2014, adjusted for the Capital Contribution would have amounted to €2.82 per share based on 15,025,000 shares of the Company outstanding immediately before the offering.

The dilutive effect of the offering is illustrated in the table below, demonstrating the amount by which the offer price at the low end, mid-point and high end of the Price Range exceeds the per share net book value after completion of the offering, assuming the offering had taken place on December 31, 2014 and adjusted for the Capital Contribution. In this respect, the net book value as of December 31, 2014 is adjusted for the effects of the offering, assuming (i) the resolution on the IPO Capital Increase and the issuance of the maximum number of New Shares and (ii) an increase in the net book value at the low end, mid-point and high end of the Price Range by €94.8 million, €104.0 million and €113.3 million, respectively. However, the Company together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the increase of the net book value at the mid-point or at the high-end end of the Price Range could be lower as if all New Shares would have been placed at the mid-point or high-end of the Price Range. The assumed increase is based on the expected net proceeds not considering any tax effects. The adjusted net book value is expressed as a per share figure, assuming 20,611,593 outstanding shares of the Company upon completion of the offering (this per share figure being referred to as the “**Post-IPO per Share Net Book Value**”).

	As of December 31, 2014		
	Low End	Mid-Point	High End
Price per share (in €)	17.90	19.60	21.30
Per share net book value ⁽¹⁾ (based on 15,025,000 outstanding shares of the Company before the offering) (in €)	0.82	0.82	0.82
Per share net book value ⁽¹⁾⁽²⁾ (based on 15,025,000 outstanding shares of the Company before the offering) and adjusted for the Capital Contribution (in €)	2.82	2.82	2.82
Post-IPO per Share Net Book Value (net book value) ⁽¹⁾ (in €) .	6.65	7.10	7.55
Amount by which the price per share exceeds the Post-IPO per Share Net Book Value (immediate dilution per share) (in €) .	11.25	12.50	13.75
Immediate dilution (in %)	62.8	63.8	64.6

(1) Net book value is calculated as total assets minus the sum of total non-current liabilities and provisions and total current liabilities and provisions, which equals equity attributable to owners of Sixt Leasing Group.

(2) The PLTA Advance Payment is not reflected in the adjusted per share net book value (equity attributable to owners of Sixt Leasing Group).

Each of the New Shares will have the same voting rights as the Company’s existing shares. Prior to the offering, the Selling Shareholder held 100% of the voting rights. Upon completion of the offering (including exercise of the Greenshoe Option in full), the voting rights held by the Selling Shareholder would amount to 40%.

9. SELECTED COMBINED FINANCIAL INFORMATION AND COMPANY INFORMATION

Although each of the entities included in the Sixt Leasing Group was historically under the common control of Sixt SE, not all of them were historically owned by the Company. Sixt SE engaged in a reorganization prior to this offering in order to combine Sixt SE's leasing and fleet management business within the Sixt Leasing Group. As a result of the reorganization, the Sixt Leasing Group does not have consolidated financial statements for each of the last three years. Instead, Sixt Leasing has prepared combined financial statements, which include the historical financial information of the entities included in the Sixt Leasing Group as of December 31, 2014 and reflect the results of operations of the Sixt Leasing Group as if it had been consolidated for all periods presented. The financial information contained in the following tables has been taken or derived from the audited combined financial statements of the Sixt Leasing Group as of and for the fiscal years ended December 31, 2012, 2013 and 2014. The audited combined financial statements of the Sixt Leasing Group as of and for those periods were prepared in accordance with IFRS and as if the German tax group as a consequence of the (D)PLTAs between Sixt SE and the Company had not existed in the relevant periods and assuming that the Company would have been obliged to settle all of its trade and corporate income tax related obligations. As a result, the dividend payments as disclosed in the combined financials differ from the profits transferred to Sixt SE under the (D)PLTAs. Additional information in the Prospectus has been taken from the audited unconsolidated financial statements of the Company as of and for the fiscal year ended December 31, 2014, which were prepared in accordance with German GAAP.

Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Munich, (“Deloitte”) has audited and issued an unqualified auditor's report with respect to the Sixt Leasing Group's combined financial statements as of and for the fiscal years ended December 31, 2012, 2013 and 2014 and with respect to the unconsolidated financial statements of the Company as of and for the fiscal year ended December 31, 2014. These financial statements and reports are included in the Prospectus, beginning on page F-1.

Where financial data in the following tables is labelled “audited,” this means that such data has been taken from the audited financial statements mentioned above. The label “unaudited” is used in the following tables to indicate financial data that has not been taken from the audited financial statements mentioned above but has been taken or derived from the Company's internal reporting system or has been calculated based on information contained in the audited combined financial statements or the Company's internal reporting system.

All of the financial data presented in the text and tables below is shown in millions of euro (in € million), except as otherwise stated. Certain financial data (including percentages) in the following tables has been rounded according to established commercial standards. As a result, the aggregate amounts in the following tables may not correspond in all cases to the aggregated amounts of the underlying (unrounded) figures appearing elsewhere in the Prospectus. Furthermore these rounded figures may not add up exactly to the totals contained in the tables. Financial information presented in parentheses denotes the negative of such number presented. A dash (“–”) signifies that the relevant figure is not available, while a zero (“0.0”) signifies that the relevant figure is available but has been rounded to zero.

The following selected financial information should be read together with the “10 Management's Discussion and Analysis of Net Assets, Financial Condition, and Results of Operations” section, the Sixt Leasing Group's audited combined financial statements, including the related notes, contained in the Prospectus and the additional financial information contained in the Prospectus, beginning on page F-1.

9.1 Combined Income Statement Data

	For the year ended December 31,		
	2012	2013	2014
	(audited, unless otherwise stated) (in € million, unless otherwise stated)		
Revenue	556.5	546.1	575.0
Operating revenue ⁽¹⁾ (unaudited)	393.7	403.0	427.9
Leasing Business Unit	542.0	520.8	518.4
Leasing revenue	379.2	378.3	387.5
Of which:			
Operating leasing revenue	176.4	180.0	194.1
Service revenue	202.8	198.4	193.4
Sales revenue	162.8	142.5	130.9
Fleet Management Business Unit	14.5	25.3	56.6
Fleet management revenue	14.5	24.8	40.4
Sales revenue	–	0.6	16.2
Other operating income	3.2	9.7	5.0
Fleet expenses and cost of lease assets	348.0	328.2	337.7
Personnel expenses	16.1	16.0	17.6
Wages and salaries	13.8	13.7	15.0
Social security contributions	2.3	2.3	2.6
Depreciation and amortization expenses	140.4	152.3	158.3
Depreciation of lease assets ⁽²⁾	140.3	152.2	158.1
Depreciation of equipment	0.1	0.1	0.1
Amortization of intangible assets	0.1	0.0	0.1
Other operating expenses	15.9	16.2	17.6
Earnings before interest and taxes (“EBIT”)	39.3	43.1	48.7
Net finance costs	(22.9)	(22.3)	(23.1)
Interest income	1.1	1.4	1.9
Interest expense	24.1	23.7	25.0
Earnings before taxes (“EBT”)	16.3	20.7	25.6
Income tax expense ⁽³⁾	4.4	5.2	6.6
Profit	12.0	15.5	19.0
Of which attributable to shareholders of Sixt Leasing Group	12.0	15.5	19.0
Earnings per share – basic and diluted (in €)	0.80	1.03	1.27

(1) Operating revenue is revenue less Leasing Business Unit’s sales revenue and less Fleet Management Business Unit’s sales revenue.

(2) Including write down of vehicles intended for sale.

(3) Income tax expenses were calculated as if the German tax group as a consequence of the (D)PLTAs between Sixt SE and the Company had not existed in the relevant periods and assuming that the Company would have been obliged to settle all of its trade and corporate income tax related obligations.

9.2 Combined Statement of Financial Position Data

	As of December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Assets			
Non-current assets			
Intangible assets	0.1	0.1	0.8
Equipment	0.3	0.3	0.3
Lease assets	725.6	774.6	902.4
Non-current financial assets	—	—	0.0
Non-current other receivables and assets	4.0	2.8	1.6
Deferred tax assets	0.4	0.4	0.1
Total non-current assets	730.4	778.2	905.2
Current assets			
Inventories	17.7	9.6	20.0
Trade receivables	55.8	60.9	57.8
Receivables from related parties	18.0	28.9	52.7
Current other receivables and assets	17.8	31.5	31.3
Cash and bank balances	2.7	12.8	13.8
Total current assets	111.9	143.6	175.7
Total assets	842.3	921.9	1,080.9
Equity and Liabilities			
Equity			
Equity attributable to owners of Sixt Leasing Group	28.7	15.6	12.3
Total equity	28.7	15.6	12.3
Non-current liabilities and provisions			
Non-current financial liabilities	74.0	84.3	81.8
Non-current liabilities to related parties	—	20.0	20.0
Non-current other liabilities	0.0	0.1	0.1
Deferred tax liabilities	12.5	8.5	11.4
Total non-current liabilities and provisions	86.6	112.9	113.3
Current liabilities and provisions			
Current other provisions	2.8	3.3	3.9
Current financial liabilities	30.6	153.7	177.3
Trade payables	79.8	78.4	76.6
Liabilities to related parties	594.4	530.1	659.8
Current other liabilities	19.5	27.9	37.7
Total current liabilities and provisions	727.1	793.3	955.3
Total equity and liabilities	842.3	921.9	1,080.9

9.3 Combined Cash Flow Statement Data

	For the year ended December 31,		
	2012	2013	2014
	(audited) (in € million)		
Net cash flows from (used in) operating activities ⁽¹⁾	(61.8)	(59.5)	(142.1)
Net cash flows from (used in) investing activities	(0.2)	(0.2)	(0.8)
Net cash flows from (used in) financing activities ⁽²⁾	57.2	69.8	144.0
Net change in cash and cash equivalents	(4.7)	10.1	1.1

- (1) Proceeds from disposal of lease assets (2012: €161.7 million, 2013: €139.5 million, 2014: €130.6 million) and payments for investments in lease assets (2012: €(370.9) million, 2013: €(337.5) million, 2014: €(420.2) million) are included in net cash flows from (used in) operating activities.
- (2) Net cash flows from (used in) financing activities include dividend payments of €32.0 million, €24.4 million and €22.6 million for the years 2012, 2013 and 2014, respectively, as disclosed in the combined financials. Under the (D)PLTAs, the Company transferred profits to the Selling Shareholder in the amount of €38.6 million, €33.3 million and €25.2 million in 2012, 2013 and 2014, respectively. For more information on the Profit and Loss Transfer Agreement, see “3 The Offering—3.4 Information on the Shares—3.4.2 Dividend and Liquidation Rights”.

9.4 Segment Data

	Leasing			Fleet Management			Reconciliation			Sixt Leasing Group		
	For the year ended December 31,			For the year ended December 31,			For the year ended December 31,			For the year ended December 31,		
	2012	2013	2014	2012	2013	2014	2012	2013	2014	2012	2013	2014
	(audited) (in € million, unless otherwise stated)			(audited) (in € million, unless otherwise stated)			(audited) (in € million, unless otherwise stated)			(audited) (in € million, unless otherwise stated)		
External revenue . . .	542.0	520.8	518.4	14.5	25.3	56.6	—	—	—	556.5	546.1	575.0
Internal revenue	0.0	0.0	0.0	0.0	0.0	0.0	(0.0)	(0.0)	(0.0)	—	—	—
Total revenue	542.0	520.8	518.4	14.5	25.3	56.6	(0.0)	(0.0)	(0.0)	556.5	546.1	575.0
Depreciation and amortization	140.4	152.3	158.3	—	—	0.0	—	—	—	140.4	152.3	158.3
Interest income	1.3	1.6	2.1	0.1	0.2	0.1	(0.3)	(0.4)	(0.3)	1.1	1.4	1.9
Interest expenses . . .	(24.0)	(23.7)	(24.9)	(0.3)	(0.4)	(0.5)	0.3	0.4	0.3	(24.1)	(23.7)	(25.0)
EBT ⁽¹⁾	17.2	20.5	23.5	(0.9)	0.3	2.2	—	—	—	16.3	20.7	25.6
Investments	371.1	337.6	421.0	—	—	0.0	—	—	—	371.1	337.6	421.0
Segment assets	838.4	914.6	1,052.5	11.8	20.0	29.0	(8.3)	(13.2)	(0.7)	842.0	921.4	1,080.8
Segment liabilities . . .	795.9	889.6	1,029.4	13.2	21.1	28.0	(8.3)	(13.2)	(0.7)	800.8	897.5	1,056.7
Employees (number) ⁽²⁾	225	210	248	8	17	27	—	—	—	233	227	275

(1) Earnings before taxes.

(2) Annual average.

9.5 Other Financial and Statistical Data

	For the year ended December 31,		
	2012	2013	2014
	(unaudited, unless otherwise stated) (in € million, unless otherwise stated)		
Operating revenue ⁽¹⁾	393.7	403.0	427.9
EBT (audited)	16.3	20.7	25.6
EBT margin revenue ⁽²⁾ (in percent)	2.9	3.8	4.5
EBT margin operating revenue ⁽³⁾ (in percent)	4.2	5.1	6.0
Write-down rate ⁽⁴⁾ (in percent)	0.44	0.23	0.39
Number of contracts ⁽⁵⁾⁽⁶⁾ (year-end, thousands)	62.2	76.2	97.4
<i>Leasing</i> ⁽⁵⁾ (year-end, thousands)	55.2	60.4	65.9
<i>Fleet Management</i> (year-end, thousands)	7.0	15.8	31.4 ⁽⁷⁾
Revolving quota ⁽⁸⁾ (in percent)	93.9	100.4	106.2

- (1) Operating revenue is revenue less Leasing Business Unit's sales revenue and less Fleet Management Business Unit's sales revenue.
- (2) EBT margin revenue is calculated as EBT for the period divided by revenue for the period (the "**EBT Margin Revenue**").
- (3) EBT (including EBT contribution from Leasing Business Unit's sales revenue and from Fleet Management sales revenue) divided by operating revenue (the "**EBT Margin Operating Revenue**").
- (4) Write-down rate is calculated by dividing expenses from write-downs of receivables by operating revenue.
- (5) Including 5.6 thousand (2012), 6.2 thousand (2013) and 5.2 thousand (2014) new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report.
- (6) Including 8.3 thousand (2012), 7.7 thousand (2013) and 7.2 thousand (2014) pure service contracts.
- (7) Including approximately 7,400 contracts attributable to a Fleet Management customer with whom we have terminated our fleet management contract as of December 31, 2014. We continued, however, to service all of its vehicles until March 31, 2015.
- (8) The revolving quota relates to our Fleet Leasing contracts only (excluding order book and service contracts) and is obtained by dividing the number of vehicles distributed at the beginning of a new lease term ("**Infleets**") by the number of vehicles returned at the end of a lease term ("**Defleets**") in 2012, 2013 and 2014 for all customers who were already customers during the respective previous year (*i.e.*, 2011, 2012, 2013).

10. MANAGEMENT'S DISCUSSION AND ANALYSIS OF NET ASSETS, FINANCIAL CONDITION, AND RESULTS OF OPERATIONS

Prospective investors should read the following discussion together with the Sixt Leasing Group's audited combined financial statements as of and for the years ended December 31, 2012, 2013 and 2014, which are included in the Prospectus. The presentation in this section contains forward-looking statements that involve risks, uncertainties and assumptions. The Sixt Leasing Group's actual results may differ materially from those anticipated in these forward-looking statements as a result of a number of factors, including those set out under the captions "2 General Information—2.3 Forward-looking Statements" and "1 Risk Factors" in the Prospectus.

10.1 Overview

We believe that with a total of approximately 97.4¹ thousand leasing, service and fleet management contracts as of December 31, 2014 and combined revenue and EBT in 2014 of €575.0 million and €25.6 million, respectively, we are one of the leading manufacturer-independent full-service vehicle leasing providers and vehicle fleet managers in Germany. We also have operations in Austria, Switzerland, France and The Netherlands, which constitute approximately 8.2² thousand contracts (as of December 31, 2014) of our overall contract portfolio. We offer our corporate customers both full-service leasing solutions (Fleet Leasing) and pure-play fleet management and consulting solutions (Fleet Management). Through our website, *sixt-neuwagen.de*, we also offer private and business customers (up to 20 vehicles) vehicle leasing solutions, including our leasing product vario-financing (Online Retail).

We operate primarily in the German vehicle leasing market and organize our business operations in two reporting segments:

- **Leasing Business Unit.** The Leasing Business Unit includes our Fleet Leasing and Online Retail businesses:
 - **Fleet Leasing.** Our Fleet Leasing business, which is the largest of our businesses by number of contracts, offers leasing contracts and associated services to corporate customers. In addition to generating revenue from leasing vehicles to customers, our Fleet Leasing business provides a number of additional services, some of which it sources from Sixt SE or certain of its subsidiaries (Sixt SE and its predecessors, together with its consolidated subsidiaries, being referred to as the "**Sixt SE Group**" and excluding the Sixt Leasing Group, the "**Sixt SE Group (excluding Leasing)**"). Revenue from providing these services, which include vehicle maintenance, tire replacements, accident service packages and the management of vehicle insurance, fuel cards, vehicle taxes, and radio license fees, is also shown as leasing revenue. Our Fleet Leasing business also generates revenue from selling used vehicles we have previously leased to customers.

1 Including 5.2 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 97.4 thousand contracts (2014) include 7.2 thousand (2014) pure service contracts.

2 Including 0.4 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 8.2 thousand contracts (2014) include 0.7 thousand (2014) pure service contracts.

More than 89%¹ of the Fleet Leasing contracts we were servicing as of December 31, 2014 involve the provision of at least one service in addition to the lease itself and so provide us with revenue from both leasing and the provision of additional services. In certain cases, such as when we hope to enter into a future leasing relationship, our Fleet Leasing business provides fleet management and other additional services to customers that do not lease any vehicles from us. Payments received for such services are also recorded under leasing revenue.

- **Online Retail.** Our Online Retail business, which is the smallest of our businesses by number of contracts, offers private and business customers (up to 20 vehicles) leasing services via our online platform, *sixt-neuwagen.de*, which allows our customers to configure an extensive selection of the latest vehicle models from over 30 car manufacturers. Like our Fleet Leasing business, our Online Retail business generates revenue primarily from leasing vehicles and from selling vehicles that have previously been leased to customers. Approximately 27%² of the Online Retail contracts we were servicing as of December 31, 2014 involve the provision of at least one additional service, and we aim to increase the revenue we generate from the provision of such services in the future.

As the majority of our leases are operating leases, the Leasing Business Unit includes the vehicles that it leases to customers as lease assets on its balance sheet, which results in the Leasing Business Unit having significantly more assets than the Fleet Management Business Unit. See “—10.12 Significant Accounting Policies—10.12.1 Lease Assets” and “14 Regulatory Environment—14.1 Leasing Contracts” for a description of the difference between operating leases and finance leases.

In 2014, leasing revenue amounted to €387.5 million (2013: €378.3 million) and €23.5 million in EBT (2013: €20.5 million), representing 90.6% of our operating revenue (2013: 93.9%) and 91.8% of our total EBT (2013: 99.0%). As of December 31, 2014, the Leasing Business Unit had segment assets of €1,052.5 million (December 31, 2013: €914.6 million).

- **Fleet Management Business Unit.** The Fleet Management Business Unit provides fleet management services through Sixt Mobility Consulting GmbH, which manages and optimizes fleets for customers from varying industries and of different sizes, ranging from mid-sized companies to international corporations, with our target fleet size being 300 vehicles or more.

The Fleet Management Business Unit generates revenue primarily from management fees, service fees and handling fees for selling customers’ used vehicles, which it records under fleet management revenue. In addition, the Fleet Management Business Unit generates revenue by reselling vehicles it purchases from its customers, which it records under sales revenue. Many of the services provided by the Fleet Management Business Unit are sourced from other subsidiaries of Sixt SE, with the Fleet Management Business Unit sometimes acting as a re-seller of these services.

As the Fleet Management Business Unit only provides services, it does not generally record any vehicles as lease assets on its balance sheet.

In 2014, we generated €40.4 million in fleet management revenue (2013: €24.8 million) and €2.2 million in EBT (2013: €0.3 million), representing 9.5% of our operating revenue (2013: 6.2%) and 8.6% of our total EBT (2013: 1.4%). As of December 31, 2014, the Fleet Management Business Unit had segment assets of €29.0 million (December 31, 2013: €20.0 million).

1 Excluding order book.

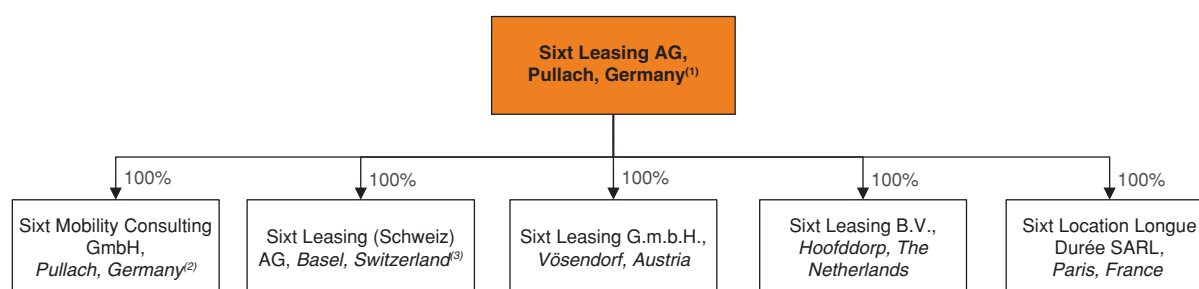
2 Excluding order book.

Sixt SE Group, which we believe is a leading German premium mobility service provider, has been active in the full-service leasing market since 1967. This business has been conducted by the Company and its predecessors since 1988 and has benefited from the Sixt SE Group (excluding Leasing)’s strong brand recognition and reputation for innovation and customer service. Although we continue to depend on the Sixt SE Group for financing and certain other services, we intend to build up own treasury, compliance, human resources, investor relations and other functions to achieve greater organizational independence from the Sixt SE Group (excluding Leasing).

10.2 Preparation of the Combined Financial Statements and Reorganization of the Sixt Leasing Group

Although each of the entities included in the Sixt Leasing Group was historically under the common control of Sixt SE, not all of them were historically owned by the Company. As described below, Sixt SE engaged in a reorganization prior to this offering in order to combine Sixt SE’s leasing and fleet management business within the Sixt Leasing Group.

As a result of the reorganization transactions described below, the Sixt Leasing Group does not have consolidated financial statements for each of the last three years. Instead, Sixt Leasing has prepared combined financial statements, which include the historical financial information of the entities included in the Sixt Leasing Group as of December 31, 2014 and reflect the results of operations of the Sixt Leasing Group as if it had been consolidated for all periods presented. The combined financial statements were prepared as if the German tax group as a consequence of the (D)PLTAs between Sixt SE and the Company had not existed in the relevant periods and assuming that the Company would have been obliged to settle all of its trade and corporate income tax related obligations. As a result, the dividend payments as disclosed in the combined financials differ from the profits transferred to Sixt SE under the Profit and Loss Transfer Agreement. As of December 31, 2014, the Sixt Leasing Group comprised: (i) Sixt Leasing AG, Pullach, Germany (ii) Sixt Mobility Consulting GmbH, Pullach, Germany (iii) Sixt Leasing (Schweiz) AG, Basel, Switzerland, (iv) Sixt Leasing G.m.b.H., Vösendorf, Austria, (v) Sixt Leasing B.V., Hoofddorp, The Netherlands and (vi) Sixt Location Longue Durée SARL, Paris, France. The diagram below shows the entities included in the Sixt Leasing Group’s audited combined financial statements:



- (1) The Company is party to the Profit and Loss Transfer Agreement with Sixt SE, which it intends to terminate as of April 30, 2015. For more information on the Profit and Loss Transfer Agreement, see “3 The Offering—3.4 Information on the Shares—3.4.2 Dividend and Liquidation Rights”.
- (2) The Company and Sixt Mobility Consulting GmbH entered into a profit and loss transfer agreement on March 27, 2015.
- (3) Sixt Leasing (Schweiz) AG entered into a joint venture with BFM Business Fleet Management AG, a wholly owned subsidiary of Swisscom AG, on November 5, 2014 (the “JV Agreement”). Pursuant to the JV Agreement, Managed Mobility AG (the “JV Co.”) was founded on March 12, 2015, with Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG, each holding 50% of the shares in JV Co. The shareholding in JV Co. held by Sixt Leasing (Schweiz) AG is not reflected in the chart.

The following legal reorganization steps took place between January 1, 2012 and December 31, 2014, the period covered by the audited combined financial statements included in the Prospectus:

- In 2014, the 100% interest in Sixt Leasing B.V. was contributed to the Company for cash.
- In 2013, the Company's wholly owned subsidiary, Sixt Allgemeine Leasing (Schweiz) AG, acquired Sixt Leasing (Schweiz) AG. In 2014, Sixt Leasing (Schweiz) AG was merged into its parent company, Sixt Allgemeine Leasing (Schweiz) AG. Following the merger, Sixt Allgemeine Leasing (Schweiz) AG was renamed "Sixt Leasing (Schweiz) AG".

In addition, between January 1, 2012 and December 31, 2014, the Company distributed the following subsidiaries to Sixt SE or its subsidiaries were disposed of by the Company and contributed to Sixt SE: (i) Sixt Franchise GmbH, Pullach, Germany, (ii) Sigma Grundstücks- und Verwaltungs GmbH, Pullach, Germany, (iii) Akrimo GmbH & Co. KG, Pullach, Germany and (iv) Sixt Autoland GmbH, Pullach, Germany. The results of operations and financial position of these subsidiaries have therefore not been included in the Sixt Leasing Group's audited combined financial statements for the fiscal years ended December 31, 2012, 2013 and 2014.

In November 2014, Sixt Leasing (Schweiz) AG entered into a 50/50 joint venture agreement with BFM Business Fleet Management AG, a wholly owned subsidiary of Swisscom AG. As the formation of the 50/50 joint venture occurred after December 31, 2014, it is not reflected in the combined financial statements included in the Prospectus. For more information on this 50/50 joint venture, see "*19 Certain Relationships and Related Party Transactions—19.3 Joint Venture Agreement between Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG*".

10.3 Key Factors Influencing the Net Assets, Financial Condition and Results of Operations

We believe that the factors discussed below have contributed to the development of our net assets, financial condition and results of operations in the periods for which financial information is presented in the Prospectus. Our net assets, financial condition, and results of operations will continue to be subject to a range of influences that in turn depend on a number of other factors. These influences include, in particular:

10.3.1 Macroeconomic Developments

Macroeconomic developments in Germany and the other European countries in which we operate are a key factor affecting demand for our services and so our results of operations. The state of the economy has a direct influence on the level of corporate fleet investment and the demand for fleet management services from business customers, as well as the demand for new vehicles from retail customers. Each of 2012, 2013 and 2014 was characterized by modest levels of GDP growth in Germany, where we conduct most of our business. This economic growth had a positive influence on the demand for new vehicles, with new passenger vehicle registrations in Germany increasing by 100 thousand, or 3%, from 3.17 million in 2013 to 3.27 million in 2014 (Source: *Dataforce*), and on demand for fleet management services. The growing demand is reflected in the increase of 35.2 thousand, or 56.6%, in the number of our total contracts, from 62.2 thousand as of December 31, 2012 to 97.4 thousand as of December 31, 2014, the increase of €8.3 million, or 2.2%, in our leasing revenue, from €379.2 million in 2012 to €387.5 million in 2014, and the increase of €25.9 million, or more than 100%, in our fleet management revenue, from €14.5 million in 2012 to €40.4 million in 2014.

Macroeconomic conditions also influence the creditworthiness of our counterparties, which affects our exposure to both our customers and those of our suppliers especially those with which we have vehicle buy-back agreements. We perform regular credit checks on our customers over the course of our lease agreements. If a concrete default risk is identified, a valuation allowance

is recognized or the relevant receivable is derecognized. Our extensive credit checks and vetting processes have contributed to our low average write-down rate of approximately 0.35% of operating revenue from 2012 to 2014, calculated as the average of the annual expenses from write-downs of receivables as percentage of the average annual operating revenue over the period.

For further information on our markets, see “*11 Markets and Competition*”. For further information on the risks associated with macroeconomic developments, see “*1 Risk Factors—1.1 Risks Related to Our Industry and Our Business*”.

10.3.2 Competition

The vehicle leasing market in Germany and the other countries in which we operate is characterized by intense competition. Most competitors in the standalone fleet leasing business compete on price. As a result, this market segment is dominated by captive leasing providers associated with the major vehicle manufacturers, who are able to benefit from economies of scale and favorable terms for acquiring vehicles, and major financial institutions, who are able to benefit from funding costs that are lower than those of independent providers. Because of this competition, the pure-play fleet leasing business is generally characterized by lower margins and lower returns on equity than the provision of additional fleet management and other services. Our focus is therefore on providing a differentiated service that involves additional services, which allows us to compete based on quality and experience, and our sophisticated information technology systems. The majority of our software tools have been developed by our in-house IT team with the priorities of our customers in mind, and we continue to improve these tools. In addition, we benefit from our independent status, which enables us to provide a service that is deemed to be more impartial than that of those of our competitors that are associated with a particular manufacturer. In the retail area, we also aim to provide additional services to our customers in order to differentiate our service offering in a manner that we hope will allow us to compete on the basis of more than merely price, while our independent status enables us to provide our retail customers with an extensive selection of customizable vehicles.

Our competitive advantages have enabled us to benefit from high levels of customer retention, with our revolving quota (which is determined by dividing the number of new vehicles our existing customers (customers that have already been customers in the previous year) lease by the number of vehicles they cease leasing in that particular year) increasing from 100.4% in 2013 to 106.2% in 2014.

For further information on our competition, see “*11 Markets and Competition*”. For further information on the risks associated with our competitive environment, see “*1 Risk Factors—1.1 Risks Related to Our Industry and Our Business*”.

10.3.3 Volumes, Pricing and Cost of Services

Our leasing revenue and fleet management revenue are driven primarily by the volume of the leasing and other services we provide and the prices we charge for those services. While our fleet management contracts generally consist primarily of the payment of fees for services, many of the contracts in our leasing business involve both granting a customer the use of a vehicle and the provision of additional services. Accordingly, each monthly payment we receive under our leasing contracts (and so our leasing revenue) is generally made up of different components, including: (i) a portion representing payment for the use of the vehicle and the financing element of the lease and (ii) a portion representing payment for the additional services we provide.

The use and financing component of our leases is generally fixed at the commencement of the lease agreement and remains constant over the term of our lease agreements, which as of December 31, 2014 had an average term of approximately 39 months and an average remaining term of approximately 19 months in our Leasing Business Unit. As a result, the profitability of this component is influenced by changes in our cost of funding, with any increase in our cost of

funding, for example as a result of an increase in prevailing interest rates, having a direct negative impact on profitability.

In the case of our additional services, we offer our customers three payment models: (i) a fixed fee model, (ii) an advance payment model and (iii) a “pay-as-you-go” model.

The fixed fee model, which is often selected by customers for services such as maintenance for regular wear and tear and tire replacements, involves the customer paying fixed monthly installments that are set at the beginning of the relevant contract and do not change over the term of that contract. The profitability of our provision of services under this model is therefore affected by changes in the cost of providing such services. Any increase in the price we pay to the third-party providers of such services, some of which are other entities in the Sixt SE Group (excluding Leasing), increases our fleet expenses and cost of lease assets. While our sourcing benefits from our experience, long-standing supplier relationships and bulk-buying power, which allows us to negotiate package discounts and volume bonuses and so offer more attractive pricing to our customers, some of our costs, such as the price of engine oil used for the oil changes that are part of regular maintenance checks, are determined by factors that are outside our control, including global commodity prices, with any increase in such costs having a direct negative impact on our profitability.

The advance payment model is similar to the fixed fee model in that the customer pays fixed monthly installments that are set at the beginning of the relevant contract. Under this model, however, either we or the customer is required to make an adjusting payment at the end of the relevant contract, depending on whether the actual cost of providing the relevant services over the term of the contract exceeded, or fell short of, the total of the fixed monthly installments. In these cases, the customer ultimately bears the risk of fluctuations in the market prices for these services, although as such fluctuations affect our revenues as well as our costs, they also have an impact on our margins.

Under the “pay-as-you-go” model, the costs of providing the relevant service to the customer are charged to the relevant customer at the time they are incurred. In these cases, the customer also bears the risk of fluctuations in the market prices for these services. Although we do not generally charge a margin on the cost of providing services under this model, our customers are required to pay us a management fee for our coordination of the provision of such services.

For some services, such as maintenance for regular wear and tear or tire replacements, customers are able to choose which payment model best suits their needs. Other services, such as vehicle tax payments and radio licensing fees, are generally charged on a pass-through basis. In addition, in all cases, customers may be required to make additional one-off payments at the end of a lease agreement if a vehicle is returned with more than a normal amount of wear and tear or with excess kilometers.

In each of these payment models, we are exposed to the default risk of our customers, as we are required to make upfront payments that we may be unable to recover if a customer were to default on any of its payment obligations.

For further information on the risks associated with our pricing and service sourcing and default risk associated with our customers, see “1 Risk Factors—1.1 Risks Related to Our Industry and Our Business” and “—10.11 Quantitative and Qualitative Disclosure About Market Risk—10.11.3 Counterparty Default Risk”.

Furthermore, some of our operating costs, such as personnel expenses, cannot be directly passed through to our customers. Personnel expenses amounted to €17.6 million in 2014, increasing only slightly as compared with the preceding periods (2013: €16.0 million; 2012: €16.1 million). This stability is mainly due to the fact that we outsource many of the services we offer to our customers to Sixt SE, certain of its subsidiaries and other third party service providers. Many of the costs we incur for outsourcing the provision of these services are recognized in other operating expenses, primarily in other personal services, call center services and IT expenses. In

the future, we will also be required to pay a substantial license fee under the license agreement that the Company concluded with Sixt SE on April 23, 2015 (the “**License Agreement**”). This License Agreement allows us to use certain Sixt SE intellectual property rights that are central to our business operations. For further information on the License Agreement, see “*13 Material Agreements—13.2 License Agreement with Sixt SE*”.

10.3.4 Depreciation and Residual Values

As the majority of our customer leases are operating leases, we record most of the vehicles we lease to our customers as assets on our balance sheet. Each of these assets is initially recorded at acquisition cost and is generally depreciated on a straight-line basis over the term of the relevant lease to its calculated residual value, which is its estimated value at the end of the lease. These calculated residual values influence the prices we charge for our leases, as we can charge lower prices if we expect to be able to realize a higher price upon the sale of the vehicle at the end of the lease. Depreciation of lease assets (including write-down of vehicles intended for sale) is our largest individual expense, amounting to €158.1 million in 2014 (2013: €152.2 million) and equating to 27.5% of our total revenue in 2014 (2013: 27.9%). Any changes in depreciation could therefore have a material effect on our EBIT, EBT and overall profitability.

As a vehicle’s calculated residual value, and so the depreciation rate, is determined at the beginning of the relevant lease, changes in prevailing market prices for used vehicles can result in the fair market value of a particular vehicle deviating from its book value, which is its acquisition cost less accumulated depreciation. We regularly review market prices in the used vehicle markets to determine whether the estimated residual value of our vehicles continues to reflect their expected fair market value at the end of the relevant lease agreement. If the expected fair market value of a vehicle at the end of the relevant lease agreement is found to be less than its estimated residual value, we write down the book value of the vehicle on our balance sheet and recognize an impairment loss in our income statement, which we record under depreciation of lease assets. The vehicle’s new book value is depreciated using its existing depreciation schedule but to its new (lower) estimated residual value. Any decline in market prices in the used vehicle markets could therefore result in us incurring additional depreciation expense. In addition, sustained declines in prevailing market prices for used vehicles could require us to increase our depreciation rates and/or write down the value of our entire fleet, which would have a direct negative impact on our profitability.

For further information on the risks associated with residual values, see “*1 Risk Factors—1.1 Risks Related to Our Industry and Our Business—1.1.8 We may not be able to dispose of our used vehicles at desirable prices, and we face risks related to the residual value of our vehicles and in connection with such sales.*” and “*—10.11 Quantitative and Qualitative Disclosure About Market Risk—10.11.2 Residual Value Risk*”.

10.3.5 Remarketing

The Leasing Business Unit generates sales revenue by selling used vehicles that have previously been leased by customers. The Fleet Management Business Unit also generates sales revenue by re-selling vehicles that it purchases from its customers.

The price at which we are able to sell a vehicle, and so the revenue we are able to generate from that sale, is primarily determined by prevailing market prices for used vehicles of the particular make, model, mileage, age and general condition of the vehicle at the time of the sale. As vehicle sales contribute a substantial amount to our revenue (sales revenue from our Leasing and Fleet Management Business Unit contributed 29.3% in 2012, 26.2% in 2013 and 25.6% in 2014 to our total revenue in 2012, 2013 and 2014), any change in prevailing market prices for used vehicles could have a material effect on our results of operations. While we have entered into buy-back agreements with certain manufacturers and dealers that provide us with the right to sell vehicles back to those suppliers at a fixed repurchase price, only 58% of our leased vehicles were covered

by such arrangements as of December 31, 2014. In addition, the percentage of our leased vehicles covered by buy-back agreements has been declining particularly due to the increase of Online Retail contracts, which are less frequently covered by buy-back agreements than Fleet Leasing contracts. The expected stronger growth of Online Retail leasing contracts, as compared to Fleet Leasing contracts, may contribute to a further decrease of the percentage of our leased vehicles covered by buy-back agreements. In connection with such buy-back agreements we are exposed to the default risk of our counterparties, particularly dealers, and the risk that such counterparties may refuse to comply with their obligations. In some cases, we may re-sell vehicles on the open market if prevailing market prices for used vehicles at the time we wish to sell a vehicle are higher than our agreed repurchase price. See “12 Business—12.5 Vehicle Remarketing (Buy-back Agreements)” for more information.

The profitability of our remarketing efforts is generally determined by the difference between the price we are able to achieve at the time of a particular sale and the book value of the relevant vehicle (in the case of our leasing business) or the price at which we bought the vehicle from our customer (in the case of our Fleet Management business). Changes in market prices for used vehicles can therefore significantly impact the profitability of our vehicle sales.

For further information on the risks associated with remarketing, see “1 Risk Factors—1.1 Risks Related to Our Industry and Our Business—1.1.8 We may not be able to dispose of our used vehicles at desirable prices, and we face risks related to the residual value of our vehicles and in connection with such sales.” and “—10.11 Quantitative and Qualitative Disclosure About Market Risk—10.11.2 Residual Value Risk”.

10.3.6 Accessibility and Cost of Funding

We have historically been part of the Sixt SE Group and have benefited from the funding available to the Sixt SE Group, which we have utilized to acquire the vehicles we lease to our customers. The majority of our funding continues to come from an arrangement with Sixt SE, which also guarantees all of our obligations to third-party funding providers. The significance of the funding provided to us by the Sixt SE Group is illustrated by our total liabilities to related parties of €679.8 million as of December 31, 2014 (63.6% of our total liabilities and provisions), as compared with total financial liabilities of €259.1 million (24.2% of our total liabilities and provisions) as of such date. We also obtain funding from refinancing certain of our lease assets under finance leases. As of December 31, 2014, we had €22.9 million in current finance lease liabilities and €21.8 million in non-current finance lease liabilities.

The funding we obtain from the Sixt SE Group is provided to us (and other Sixt SE Group entities) at a price that is based on the Sixt SE Group’s weighted average cost of capital, which reflects the cost to Sixt SE of its various debt and equity instruments. In 2014, our financial liabilities (including other sources of financing) had an average interest rate of 2.9%¹. As our pricing reflects our current cost of funding, any increase in our cost of funding could negatively impact our margins.

We intend to continue to make use of the financing provided to us by Sixt SE Group (excluding Leasing) under the Financing Agreement for a certain period following the offering, the proceeds of which will allow us to take the first step towards obtaining our own stand-alone financing. For more information, see “13 Material Agreements—13.1 Financing Arrangements”. Following the offering, we intend to progressively increase the proportion of our new lease assets that we fund using sources other than the Sixt SE Group (excluding Leasing). Hence, the further development of our operations is expected to be largely dependent on our ability to access funding as an independent entity and the cost of that funding.

¹ Calculated as interest expense divided by the result of the sum of financial liabilities as of December 31, 2013 and financial liabilities as of December 31, 2014 divided by two.

For further information on the risks associated with the accessibility and cost of our funding, see “1 Risk Factors—1.1 Risks Related to Our Industry and Our Business” and “1 Risk Factors—1.2 Financing Risks”.

10.4 Results of Operations

The following table provides an overview of our results of operations for the periods presented:

	For the year ended December 31,		
	2012	2013	2014
	(audited, unless stated otherwise)		
	(in € million, unless otherwise stated)		
Revenue	556.5	546.1	575.0
Operating revenue ⁽¹⁾ (unaudited)	393.7	403.0	427.9
Leasing Business Unit	542.0	520.8	518.4
Leasing revenue	379.2	378.3	387.5
Of which:			
Operating leasing revenue	176.4	180.0	194.1
Service revenue	202.8	198.4	193.4
Sales revenue	162.8	142.5	130.9
Fleet Management Business Unit	14.5	25.3	56.6
Fleet management revenue	14.5	24.8	40.4
Sales revenue	–	0.6	16.2
Other operating income	3.2	9.7	5.0
Fleet expenses and cost of lease assets	348.0	328.2	337.7
Personnel expenses	16.1	16.0	17.6
Wages and salaries	13.8	13.7	15.0
Social security contributions	2.3	2.3	2.6
Depreciation and amortization expenses	140.4	152.3	158.3
Depreciation of lease assets ⁽²⁾	140.3	152.2	158.1
Depreciation of equipment	0.1	0.1	0.1
Amortization of intangible assets	0.1	0.0	0.1
Other operating expenses	15.9	16.2	17.6
Earnings before interest and taxes (EBIT)	39.3	43.1	48.7
Net finance costs	(22.9)	(22.3)	(23.1)
Interest income	1.1	1.4	1.9
Interest expense	24.1	23.7	25.0
Earnings before taxes (EBT)	16.3	20.7	25.6
Income tax expense ⁽³⁾	4.4	5.2	6.6
Profit	12.0	15.5	19.0
Of which attributable to shareholders of Sixt Leasing Group	12.0	15.5	19.0
Earnings per share – basic and diluted (in €)	0.80	1.03	1.27

(1) Operating revenue is revenue less Leasing Business Unit’s sales revenue and less Fleet Management Business Unit’s sales revenue.

(2) Including write down of vehicles intended for sale.

(3) Income tax expenses were calculated as if the German tax group as a consequence of the (D)PLTAs between Sixt SE and the Company had not existed in the relevant periods and assuming that the Company would have been obliged to settle all of its trade and corporate income tax related obligations.

10.4.1 Revenue

Revenue in the Leasing Business Unit comprises (i) revenue from the contractually agreed lease installments (operating leasing revenue) and fees for associated services, such as repairs, fuel and tires, as well as the settlement of accident claims (service revenue), (ii) payments received upon the sale of vehicles (sales revenue) and in the Fleet Management Business Unit (i) fees for fleet management services (fleet management revenue) and (ii) payments received upon the sale of vehicles (sales revenue). The following table provides a breakdown by segment and region of our revenue for the periods presented:

	Germany			International ⁽¹⁾			Total		
	For the year ended December 31,			For the year ended December 31,			For the year ended December 31,		
	2012	2013	2014	2012	2013	2014	2012	2013	2014
	(audited, unless stated otherwise) (in € million)			(audited, unless stated otherwise) (in € million)			(audited, unless stated otherwise) (in € million)		
Leasing Business Unit									
Leasing revenue	318.9	311.6	327.2	60.3	66.7	60.2	379.2	378.3	387.5
<i>Operating leasing revenue</i> ⁽²⁾	145.8	145.8	160.5	30.6	34.2	33.6	176.4	180.0	194.1
<i>Service revenue</i> ⁽²⁾	173.1	165.8	166.8	29.7	32.5	26.6	202.8	198.4	193.4
Sales revenue	147.2	120.7	113.4	15.6	21.8	17.5	162.8	142.5	130.9
Total	466.1	432.4	440.7	75.9	88.4	77.7	542.0	520.8	518.4
Fleet Management Business Unit									
Fleet management revenue	14.5	24.8	40.4	–	–	–	14.5	24.8	40.4
Sales revenue	–	0.6	16.2	–	–	–	–	0.6	16.2
Total	14.5	25.3	56.6	–	–	–	14.5	25.3	56.6
Sixt Leasing Group total	480.6	457.7	497.3	75.9	88.4	77.7	556.5	546.1	575.0
Operating Revenue ⁽³⁾	333.4	336.4	367.7	60.3	66.7	60.2	393.7	403.0	427.9

(1) International includes subsidiaries in France, Austria, Switzerland and The Netherlands.

(2) Unaudited. Taken or derived from the Company's internal reporting system.

(3) Unaudited. Operating Revenue is calculated as group total revenue minus Leasing Business Unit's sales revenue and minus Fleet Management Business Unit's sales revenue.

10.4.1.1 2013 Compared with 2014

Total revenue increased by €28.9 million, or 5.3%, from €546.1 million in 2013 to €575.0 million in 2014, primarily due to an increase of €31.3 million, or more than 100%, in the revenue generated by the Fleet Management Business Unit, which was partly offset by a decrease of €2.4 million, or 0.5%, in the revenue generated by the Leasing Business Unit. Revenue generated in Germany increased by €39.6 million, or 8.7%, while international revenue decreased by €10.7 million, or 12.1%.

The slight decrease in the Leasing Business Unit's revenue was primarily due to a decrease of €11.6 million, or 8.1%, in sales revenue, which more than offset the increase of €9.2 million, or 2.4%, in leasing revenue. The increase in leasing revenue was primarily due to a €14.1 million, or 7.8%, increase in operating leasing revenue from contractually agreed lease installments as a result of the increase in the number of leasing contracts serviced by the Leasing Business Unit in 2014. This factor was partly offset by a €4.9 million, or 2.5%, decrease in service revenue, mainly as a result of a decrease in fuel revenues caused by declining fuel prices, which reduced the amount we charged to our customers for fuel. German leasing revenue increased by €15.6 million, or 5.0%, primarily as a result of the increase in the number of contracts serviced by

the Leasing Business Unit in Germany, while international leasing revenue decreased by €6.5 million, or 9.7%, primarily as a result of the decrease in fuel revenues mentioned above. The decrease in the Leasing Business Unit's sales revenue, which declined in both our German and our international businesses, was primarily due to the fact that fewer used vehicles were sold in 2014 than in 2013.

The significant increase in the Fleet Management Business Unit's revenue was due to an increase of €15.7 million, or 63.3%, in fleet management revenue, which consists of revenue relating to service components, contractual management fees and revenue from the settlement of accident claims, and an increase of €15.6 million in sales revenue from €0.6 million in 2013 to €16.2 million in 2014. The increase in fleet management revenue was primarily due to the increase in the number of contracts serviced by the Fleet Management Business Unit in 2014, while the increase in the Fleet Management Business Unit's sales revenue was primarily due to the Fleet Management Business Unit reselling more vehicles purchased from customers in 2014 than in 2013, as it expanded its used vehicles sales business.

10.4.1.2 2012 Compared with 2013

Total revenue decreased by €10.4 million, or 1.9%, from €556.5 million in 2012 to €546.1 million in 2013, primarily due to a decrease of €21.2 million, or 3.9%, in the revenue generated by the Leasing Business Unit, which was partly offset by an increase of €10.8 million, or 74.5%, in the revenue generated by the Fleet Management Business Unit. Revenue in Germany decreased by €22.9 million, or 4.8%, while international revenue increased by €12.6 million, or 16.5%.

The decrease in the Leasing Business Unit's revenue was primarily due to a decrease of €20.3 million, or 12.5%, in sales revenue, as well as a decrease of €0.9 million, or 0.2% in leasing revenue. The decrease in leasing revenue was primarily due to a €4.4 million, or 2.2%, decrease in revenue from the provision of services mainly as a result of a decrease in fuel revenues caused by declining fuel prices and lower fuel volumes, partly offset by a €3.6 million, or 2.0%, increase in operating leasing revenue from contractually agreed lease installments as a result of the increase in the number of contracts serviced by the Leasing Business Unit in 2013. German leasing revenue decreased by €7.2 million, or 2.3%, primarily as a result of the decrease in fuel revenues mentioned above, while international leasing revenue increased by €6.4 million, or 10.6%, primarily as a result of the increase in the number of international contracts serviced by the Leasing Business Unit, particularly in France. The decrease in the Leasing Business Unit's sales revenue was primarily due to a €26.5 million, or 18.0%, decrease in German sales revenue, mainly as a result of the sale of fewer vehicles in 2013 than in 2012, partly offset by an increase of €6.2 million, or 39.7%, in international sales revenue mainly as a result of an increase in the number of vehicles sold in 2013.

The significant increase in the Fleet Management Business Unit's revenue was primarily due to an increase of €10.3 million, or 70.7%, in fleet management revenue, with the increase of €0.6 million (from nil) in sales revenue also contributing. The increase in fleet management revenue was primarily due to the increase in the number of contracts serviced by the Fleet Management Business Unit in 2013, while the increase in the Fleet Management Business Unit's sales revenue was primarily due to the Fleet Management Business Unit starting to resell vehicles purchased from customers in 2013.

10.4.2 Other Operating Income

Other operating income comprises (i) income from previously derecognized receivables, (ii) income from the reversal of provisions, (iii) income from forwarding costs to third parties, (iv) income from currency translation and (v) miscellaneous other operating income, which primarily includes income from the reversal of liabilities and allowances.

The following table provides a breakdown of our other operating income for the periods presented:

	For the year ended December 31,		
	2012	2013	2014
	(audited) (in € million)		
Income from previously derecognized receivables	0.3	0.1	0.9
Income from the reversal of provisions	0.0	0.6	0.7
Income from forwarding costs to third parties	0.3	0.1	0.4
Income from currency translation	0.2	0.1	0.6
Miscellaneous other operating income	2.4	8.8	2.4
Total	3.2	9.7	5.0

10.4.2.1 2013 Compared with 2014

Other operating income decreased by €4.7 million, or 48.5%, from €9.7 million in 2013 to €5.0 million in 2014, primarily due to a decrease of €6.4 million in miscellaneous other operating income as a result of the non-recurrence in 2014 of income that had been recorded in 2013 from (i) termination payments made by a large vehicle manufacturer in connection with its termination of buy-back agreements, (ii) the reversal of accruals for tires and maintenance and (iii) a reversal in the allowance amount for receivables.

10.4.2.2 2012 Compared with 2013

Other operating income increased by €6.5 million, or more than 100%, from €3.2 million in 2012 to €9.7 million in 2013, primarily due to an increase of €6.4 million in miscellaneous other operating income as a result of the factors described above.

10.4.3 Fleet Expenses and Cost of Lease Assets

Fleet expenses and cost of lease assets comprises ongoing expenses for lease operations and the direct costs attributable to preparing vehicles for sale. The following table provides a breakdown of our fleet expenses and cost of lease assets for the periods presented:

	For the year ended December 31,		
	2012	2013	2014
	(audited) (in € million)		
Selling expenses	166.5	143.6	144.3
Fuel	94.2	92.3	86.4
Repair, maintenance and reconditioning	57.4	59.9	71.0
Insurance	9.5	9.3	10.6
External rent expenses	6.4	5.9	5.8
Vehicle licenses	3.5	4.1	5.3
Transportation	3.6	3.5	3.7
Taxes and charges	3.3	4.3	4.4
Radio licenses	0.7	2.1	2.1
Vehicle return expenses	1.4	1.8	1.3
Other expenses	1.5	1.4	2.8
Total	348.0	328.2	337.7

10.4.3.1 2013 Compared with 2014

Fleet expenses and cost of lease assets increased by €9.5 million, or 2.9%, from €328.2 million in 2013 to €337.7 million in 2014, primarily due to increased repair, maintenance and reconditioning expenses as a result of an increase in repairs for vehicle damage, primarily in Germany, and our entry into more tire and maintenance agreements. This factor was partly offset by a decrease in fuel expenses, primarily as a result of a decrease in fuel prices. Selling expenses, insurance expenses, vehicle licenses, transportation expenses, taxes and charges and other expenses all increased slightly as a result of the greater number of contracts serviced by us in 2014, while external rent expenses and vehicle return expenses decreased slightly. Radio license expenses remained stable.

Fleet expenses and cost of lease assets in the Leasing Business Unit decreased by €18.2 million, or 6.0%, from €304.9 million in 2013 to €286.7 million in 2014, while fleet expenses and cost of lease assets in the Fleet Management Business Unit increased by €27.7 million, or more than 100%, from €23.3 million in 2013 to €51.0 million in 2014.

10.4.3.2 2012 Compared with 2013

Fleet expenses and cost of lease assets decreased by €19.8 million, or 5.7%, from €348.0 million in 2012 to €328.2 million in 2013, primarily due to decreased selling expenses as a result of the decrease in the number of vehicle sales. Fuel expenses, insurance expenses, external rent expenses, transportation expenses and other expenses all decreased slightly, primarily as a result of declining fuel prices and lower volumes, while repair, maintenance and reconditioning expenses, vehicle license expenses, taxes and charges, radio license expenses and vehicle return expenses all increased slightly, primarily as a result of the increase in the number of contracts serviced by us in 2013.

Fleet expenses and cost of lease assets in the Leasing Business Unit decreased by €29.9 million, or 8.9%, from €334.8 million in 2012 to €304.9 million in 2013, while fleet expenses and cost of lease assets in the Fleet Management Business Unit increased by €10.1 million, or 76.5%, from €13.2 million in 2012 to €23.3 million in 2013.

10.4.4 Personnel Expenses

Personnel expenses includes wages, salaries and social security contributions, which primarily comprise employer contributions to statutory social insurance schemes. We outsource the provision of certain services to other entities in the Sixt SE Group, which results in a lower headcount and reduced personnel expenses. Many of the costs we incur for outsourcing the provision of these services are recognized in other operating expenses, primarily in other personnel services, call center services and IT expenses. The following table provides a breakdown of our personnel expenses for the periods presented:

	For the year ended December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Wages and salaries	13.8	13.7	15.0
Social security contributions	2.3	2.3	2.6
Total	16.1	16.0	17.6

10.4.4.1 2013 Compared with 2014

Personnel expenses increased by €1.6 million, or 10.0%, from €16.0 million in 2013 to €17.6 million in 2014, primarily due to the increase in headcount from an average of 227 employees in 2013 to an average of 275 employees in 2014, which resulted mainly from the growth of our Online Retail and Fleet Management businesses, as well as the addition of a number of IT personnel.

10.4.4.2 2012 Compared with 2013

Personnel expenses decreased by €0.1 million, or 0.6%, from €16.1 million in 2012 to €16.0 million in 2013, primarily due to the decrease in headcount from an average of 233 employees in 2012 to an average of 227 employees in 2013, which resulted mainly from a decrease in the number of employees required by our Fleet Leasing business due to a decrease in employees at Sixt Leasing AG and Sixt Leasing B.V., The Netherlands that was only partly offset by an increase in the number of employees in the Fleet Management Business Unit.

10.4.5 Depreciation and Amortization Expenses

The following table provides a breakdown of our depreciation and amortization expenses, which are incurred almost exclusively by the Leasing Business Unit, for the periods presented:

	For the year ended December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Lease assets and lease vehicles intended for sale	140.3	152.2	158.1
Equipment	0.1	0.1	0.1
Intangible assets	0.1	0.0	0.1
Total	<u>140.4</u>	<u>152.3</u>	<u>158.3</u>

10.4.5.1 2013 Compared with 2014

Depreciation and amortization expenses increased by €6.0 million, or 3.9%, from €152.3 million in 2013 to €158.3 million in 2014, primarily due to the increase in the number of lease vehicles on our balance sheet.

10.4.5.2 2012 Compared with 2013

Depreciation and amortization expenses increased by €11.9 million, or 8.5%, from €140.4 million in 2012 to €152.3 million in 2013, primarily due to the increase in the number of lease vehicles on our balance sheet, and included an amount reflecting the termination of certain buy-back agreements with a large vehicle manufacturer, for which we received termination payments.

10.4.6 Other Operating Expenses

The following table provides a breakdown of our other operating expenses for the periods presented:

	For the year ended December 31,		
	2012	2013	2014
	(audited) (in € million)		
Commissions	1.3	1.0	0.3
Rental expenses for business premises	1.1	1.0	1.2
Other selling and marketing expenses	0.2	0.7	1.8
Expenses from write-downs of receivables	1.8	0.9	1.7
Legal and advisory costs ⁽¹⁾	5.3	4.6	1.9
Other personnel services ⁽¹⁾	0.9	1.6	3.0
Call center services expenses ⁽¹⁾	2.6	3.7	4.6
IT expenses ⁽¹⁾	1.4	1.5	2.1
Miscellaneous expenses	1.4	1.2	1.2
Total	15.9	16.2	17.6

(1) Reflects a portion of our outsourcing expenses.

10.4.6.1 2013 Compared with 2014

Other operating expenses increased by €1.4 million, or 8.6%, from €16.2 million in 2013 to €17.6 million in 2014, primarily as a result of an increase in other personnel services, other selling and marketing expenses and call center services expenses mainly due to the increase in our Online Retail volumes, partly offset by a decrease in legal and advisory costs.

10.4.6.2 2012 Compared with 2013

Other operating expenses increased by €0.3 million, or 1.9%, from €15.9 million in 2012 to €16.2 million in 2013, primarily as a result of an increase in call center services expenses, other personnel services and other selling and marketing expenses mainly due to an increase in our Online Retail volumes, partly offset by a decrease in legal and advisory costs.

10.4.7 Earnings before Interest and Taxes (EBIT)

10.4.7.1 2013 Compared with 2014

EBIT increased by €5.6 million, or 13.0%, from €43.1 million in 2013 to €48.7 million in 2014, as the increase in our revenue exceeded the increase in our operating expenses.

10.4.7.2 2012 Compared with 2013

EBIT increased by €3.8 million, or 9.7%, from €39.3 million in 2012 to €43.1 million in 2013, as the decrease in our revenue was more than offset by the decrease in our operating expenses.

10.4.8 Net Finance Costs

The following table provides a breakdown of our net finance costs for the periods presented:

	For the year ended December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Other interest and similar income	0.6	0.5	0.4
Other interest and similar income from related parties	0.6	0.9	1.5
Interest and similar expenses	(4.3)	(5.1)	(4.4)
Interest and similar expenses for related parties	(19.8)	(18.6)	(20.6)
Net finance costs	(22.9)	(22.3)	(23.1)

10.4.8.1 2013 Compared with 2014

Net finance costs increased by €0.8 million, or 3.6%, from €22.3 million in 2013 to €23.1 million in 2014, primarily as a result of an increase in the amount of liabilities owed to related parties to fund the increase in our lease fleet, the impact of which was somewhat offset by lower prevailing interest rates, which were reflected in the new agreement with Sixt SE we entered into in October 2014.

The Leasing Business Unit's net finance costs increased by €0.7 million, or 3.2%, from €22.1 million in 2013 to €22.8 million in 2014, while the Fleet Management Business Unit's net finance costs increased by €0.2 million, or 100%, from €0.2 million in 2013 to €0.4 million in 2014.

10.4.8.2 2012 Compared with 2013

Net finance costs decreased by €0.6 million, or 2.6%, from €22.9 million in 2012 to €22.3 million in 2013, primarily as a result of a decrease in the amount of liabilities owed to related parties as well as lower prevailing interest rates.

The Leasing Business Unit's net finance costs decreased by €0.6 million, or 2.6%, from €22.7 million in 2012 to €22.1 million in 2013, while the Fleet Management Business Unit's net finance costs remained stable at €0.2 million.

10.4.9 Earnings Before Taxes (EBT)

10.4.9.1 2013 Compared with 2014

EBT increased by €4.9 million, or 23.7%, from €20.7 million in 2013 to €25.6 million in 2014, as the increase in our EBIT was only partly offset by the increase in our net finance costs. EBT Margin Revenue increased from 3.8% to 4.5%. EBT Margin Operating Revenue increased from 5.1% to 6.0%.

The Leasing Business Unit's EBT increased by €3.0 million, or 14.6%, from €20.5 million in 2013 to €23.5 million in 2014. The Leasing Business Unit's EBT margin, calculated as Leasing Business Unit's EBT divided by Leasing Business Units total revenue, increased from 3.9% to 4.5%. The Leasing Business Unit's EBT margin operating revenue calculated as Leasing Business Unit's EBT divided by leasing revenue, increased from 5.4% to 6.1%. The increase in Leasing Business Unit's EBT was primarily due to our leasing revenue increasing by a greater amount than our operating costs, resulting in increased margins, which was only partly offset by a slight increase in net finance costs. The increase in our leasing revenue resulted from the overall increase in the number of leasing contracts serviced by us in 2014, which was mainly driven by an

increase in our Online Retail contracts, which tend to have higher margins than our Fleet Leasing contracts.

The Fleet Management Business Unit's EBT increased by €1.9 million, from €0.3 million in 2013 to €2.2 million in 2014. The Fleet Management Business Unit's EBT margin, calculated as Fleet Management Business Unit's EBT divided by total revenue, increased from 1.2% to 3.9%. The Fleet Management Business Unit's EBT margin operating revenue calculated as Fleet Management Business Unit's EBT divided by fleet management revenue, increased from 1.2% to 5.4%. The increase in Fleet Management Business Unit's EBT was primarily due to our fleet management revenue increasing by a greater amount than our operating costs as a result of a combination of an increase in the number of Fleet Management contracts serviced by us in 2014 and an increase in average margins as our increased experience allowed us to cut unnecessary costs. This effect was only slightly offset by an increase in net finance costs.

10.4.9.2 2012 Compared with 2013

EBT increased by €4.4 million, or 27.0%, from €16.3 million in 2012 to €20.7 million in 2013, while net finance costs decreased. EBT Margin Revenue increased from 2.9% to 3.8%. EBT Margin Operating Revenue increased from 4.2% to 5.1%

The Leasing Business Unit's EBT increased by €3.3 million, or 19.2%, from €17.2 million in 2012 to €20.5 million in 2013. The Leasing Business Unit's EBT margin, calculated as Leasing Business Unit's EBT divided by Leasing Business Unit's total revenue, increased from 3.2% to 3.9%. The Leasing Business Unit's EBT margin operating revenue calculated as Leasing Business Unit's EBT divided by Leasing Business Unit's leasing revenue, increased from 4.5% to 5.4%. The increase in Leasing Business Unit's EBT was primarily due to our operating costs decreasing by more than the decrease in our leasing revenue and slightly decreased net finance costs, resulting in increased margins. These increased margins were mainly driven by an increase in the number of Online Retail contracts serviced by us in 2013, which tend to have higher margins than our Fleet Leasing contracts.

The Fleet Management Business Unit's EBT increased by €1.2 million from €(0.9) million in 2012 to €0.3 million in 2013 while the Fleet Management Business Unit's EBT margin, calculated as Fleet Management Business Units EBT divided by either total revenue or fleet management revenue, increased from (6.2)% to 1.2%. The increase in Fleet Management Business Unit's EBT was primarily due to our fleet management revenue increasing by a greater amount than our operating costs as a result of a combination of an increase in the number of Fleet Management contracts serviced by us in 2013 and an increase in average margins as our increased experience allowed us to cut unnecessary costs.

10.4.10 Income Tax Expense

The audited combined financial statements were prepared in accordance with IFRS as if the German tax group as a consequence of the (D)PLTAs between Sixt SE and the Company had not existed in the relevant periods and assuming that the Company would have been obliged to settle all of its trade and corporate income tax related obligations. The following table provides a breakdown of our income tax expense for the periods presented:

	For the year ended December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Current tax expenses	6.8	9.3	3.3
Deferred tax expenses (income)	(2.4)	(4.1)	3.3
Total	<u>4.4</u>	<u>5.2</u>	<u>6.6</u>

10.4.10.1 2013 Compared with 2014

Income tax expense increased by €1.4 million, or 26.9%, from €5.2 million in 2013 to €6.6 million in 2014, primarily due to the increase of €7.4 million in deferred tax expenses, which resulted mainly from changes in the difference between the carrying amount of the lease assets on our balance sheet and their tax basis, partly offset by changes in the corresponding temporary differences resulting from our receivables and other assets. This increase more than offset the €6.0 million decrease in current tax expenses that resulted from the decrease in our taxable income, which is calculated using the unconsolidated financial statements of the legal entities prepared in accordance with respective local tax law.

10.4.10.2 2012 Compared with 2013

Income tax expense increased by €0.8 million, or 18.2%, from €4.4 million in 2012 to €5.2 million in 2013, primarily due to the increase of €2.5 million in current tax expenses as a result of the increase in our taxable income. This factor was partly offset by the increase of €1.7 million in deferred tax income as a result of changes in the difference between the carrying amount of the leased assets, receivables and other liabilities on our balance sheet and their tax basis, partly offset by changes in the corresponding differences for our tax loss carryforwards and other assets.

10.4.11 Profit

10.4.11.1 2013 Compared with 2014

Profit increased by €3.5 million, or 22.6%, from €15.5 million in 2013 to €19.0 million in 2014.

10.4.11.2 2012 Compared with 2013

Profit increased by €3.5 million, or 29.2%, from €12.0 million in 2012 to €15.5 million in 2013.

10.5 Assets

The following table provides an overview of our assets as of the dates shown:

	As of December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Non-current assets			
Intangible assets	0.1	0.1	0.8
Equipment	0.3	0.3	0.3
Lease assets	725.6	774.6	902.4
Non-current financial assets	—	—	0.0
Non-current other receivables and assets	4.0	2.8	1.6
Deferred tax assets	0.4	0.4	0.1
Total non-current assets	730.4	778.2	905.2
Current assets			
Inventories	17.7	9.6	20.0
Trade receivables	55.8	60.9	57.8
Receivables from related parties	18.0	28.9	52.7
Current other receivables and assets	17.8	31.5	31.3
Cash and bank balances	2.7	12.8	13.8
Total current assets	111.9	143.6	175.7
Total assets	842.3	921.9	1,080.9

10.5.1 Non-Current Assets

10.5.1.1 December 31, 2013 Compared to December 31, 2014

In 2014, non-current assets increased by €127.0 million, or 16.3%, from €778.2 million as of December 31, 2013 to €905.2 million as of December 31, 2014. This increase was almost entirely due to the increase of €127.8 million, or 16.5%, in lease assets as a result of the increase in the number of vehicles we purchased in order to service the increased demand for our leasing services. Non-current other receivables and assets, which primarily includes the non-current portion of finance lease receivables resulting from the few lease agreements with customers that are classified as finance leases, decreased by €1.2 million as a result of a decrease in the number of such agreements, while intangible assets increased by €0.7 million as a result of increased payments on account in respect of software and increased amounts for internally developed software. Equipment and non-current financial assets remained stable at €0.3 million and €0.0 million, respectively, while deferred tax assets decreased by €0.3 million as a result of changes relating to lease assets and the use of tax loss carryforwards, partly offset by changes relating to other liabilities.

10.5.1.2 December 31, 2012 Compared to December 31, 2013

In 2013, non-current assets increased by €47.8 million, or 6.5%, from €730.4 million as of December 31, 2012 to €778.2 million as of December 31, 2013. This increase was again almost entirely due to the increase of €49.0 million, or 6.8%, in lease assets as a result of the increase in the number of vehicles we purchased in order to service the increased demand for our leasing services. Non-current other receivables and assets decreased by €1.2 million as a result of a decrease in the number of agreements with customers classified as finance leases. Intangible assets, equipment, non-current financial assets and deferred tax assets remained stable at €0.1 million, €0.3 million, nil and €0.4 million, respectively.

10.5.2 Current Assets

10.5.2.1 December 31, 2013 Compared to December 31, 2014

In 2014, current assets increased by €32.1 million, or 22.4%, from €143.6 million as of December 31, 2013 to €175.7 million as of December 31, 2014. This increase was primarily due to the increase of €23.8 million, or 82.4%, in receivables from related parties mainly as a result of an increase in receivables owing from Sixt GmbH & Co. Autovermietung KG and the increase of €10.4 million in inventories mainly as a result of an increase in the amount recorded for vehicles intended for sale. Trade receivables, which result almost exclusively from services invoiced in the course of the leasing and fleet management business and vehicle deliveries, decreased by €3.1 million as a result of record-date effects and lower revenue recognition and periodic accruals for net sales for several service products, while current other receivables and assets decreased by €0.2 million as a result of a decrease in current finance lease receivables, which correspond to the current portion of receivables relating to those lease agreements with customers that are classified as finance leases. Cash and bank balances increased by €1.0 million primarily as a result of increased cash flows from financing activities, partly offset by an increase in net cash flows used in operating activities and a slight increase in net cash flows used in investing activities.

10.5.2.2 December 31, 2012 Compared to December 31, 2013

In 2013, current assets increased by €31.7 million, or 28.3%, from €111.9 million as of December 31, 2012 to €143.6 million as of December 31, 2013. This increase was primarily due to the increase of €13.7 million, or 77.0%, in current other receivables and assets as a result of a significant increase in the amount recorded for the claims for delivery of vehicles, as well as the increase of €10.9 million in receivables from related parties as a result of an increase in

receivables owing from Sixt GmbH & Co. Autovermietung KG and the increase of €10.1 million in cash and bank balances as a result of decreased net cash flows used in operating activities and slightly decreased net cash flows used in investing activities, partly offset by increased net cash flows from financing activities. The increase of €5.1 million in trade receivables, which was due to the normal course of increased business, also contributed to the overall increase, which was partly offset by the decrease of €8.1 million in inventories mainly as a result of a decrease in the amount recorded for lease vehicles intended for sale.

10.6 Liabilities

The following table provides an overview of our liabilities as of the dates shown:

	As of December 31,		
	2012	2013	2014
	(audited, unless otherwise stated)		
	(in € million)		
Non-current liabilities and provisions			
Non-current financial liabilities	74.0	84.3	81.8
Non-current liabilities to related parties	–	20.0	20.0
Non-current other liabilities	0.0	0.1	0.1
Deferred tax liabilities	12.5	8.5	11.4
Total non-current liabilities and provisions	86.6	112.9	113.3
Current liabilities and provisions			
Current other provisions	2.8	3.3	3.9
Current financial liabilities	30.6	153.7	177.3
Trade payables	79.8	78.4	76.6
Liabilities to related parties	594.4	530.1	659.8
Current other liabilities	19.5	27.9	37.7
Total current liabilities and provisions	727.1	793.3	955.3
Total liabilities (unaudited)	813.7	906.2	1,068.6

10.6.1 Non-Current Liabilities and Provisions

10.6.1.1 December 31, 2013 Compared to December 31, 2014

In 2014, non-current liabilities and provisions increased by €0.4 million, or 0.4%, from €112.9 million as of December 31, 2013 to €113.3 million as of December 31, 2014. This increase was primarily due to the increase of €2.9 million, or 34.1%, in deferred tax liabilities as a result of changes relating to leased assets and other liabilities partly offset by changes relating to receivables. These factors were partly offset by a slight decrease of €2.5 million in non-current financial liabilities as a result of the drawdown of two loans amounting to a total of €60.0 million, the reclassification of €50.9 million of borrower's note loans as current liabilities and the decrease in finance lease liabilities by €11.6 million, or 34.7%, from €33.4 million as of December 31, 2013 to €21.8 million as of December 31, 2014. Non-current liabilities to related parties remained stable at €20.0 million.

10.6.1.2 December 31, 2012 Compared to December 31, 2013

In 2013, non-current liabilities and provisions increased by €26.3 million, or 30.4%, from €86.6 million as of December 31, 2012 to €112.9 million as of December 31, 2013, primarily as a result of the €20.0 million increase in non-current liabilities to related parties as a result of a loan granted by Sixt SE, as well as a €10.3 million increase in non-current financial liabilities primarily due to an increase in non-current finance lease liabilities, partly offset by the decrease of

€4.0 million in deferred tax liabilities as a result of changes relating to leased assets and receivables, partly offset by changes related to other assets and other liabilities.

10.6.2 Current Liabilities and Provisions

10.6.2.1 December 31, 2013 Compared to December 31, 2014

In 2014, current liabilities and provisions increased by €162.0 million, or 20.4%, from €793.3 million as of December 31, 2013 to €955.3 million as of December 31, 2014. This increase was primarily due to the increase of €129.7 million, or 24.5%, in liabilities to related parties as a result of an increase in liabilities to Sixt SE, as well as the increase of €23.6 million in current financial liabilities mainly as a result of an increase in borrower's note loans, which were reclassified from non-current financial liabilities, and an increase of finance lease liabilities partly offset by a decrease in liabilities to banks. The increase of €9.8 million in current other liabilities was mainly due to an increase in deferred income. The increase in current other provisions, which consists primarily of provisions for taxes and personnel provisions, also contributed to the overall increase. The overall increase was partly offset by the decrease of €1.8 million in trade payables, which comprise liabilities arising from deliveries to us, particularly vehicles for the lease fleet.

10.6.2.2 December 31, 2012 Compared to December 31, 2013

In 2013, current liabilities and provisions increased by €66.2 million, or 9.1%, from €727.1 million as of December 31, 2012 to €793.3 million as of December 31, 2013. This increase was primarily due to the increase of €123.1 million in current financial liabilities as a result of an increase in liabilities to banks, as well as the increase of €8.4 million in current other liabilities mainly as a result of an increase in deferred income. These factors were partly offset by a decrease of €64.3 million in liabilities to related parties primarily as a result of a decrease in liabilities to Sixt SE and Sixt SAS and a decrease of €1.4 million in trade payables. Current other provisions increased by €0.5 million, mainly as a result of increased personnel provisions.

10.7 Equity

10.7.1 December 31, 2013 Compared to December 31, 2014

In 2014, equity attributable to owners of the Sixt Leasing Group decreased by €3.3 million, or 21.2%, from €15.6 million as of December 31, 2013 to €12.3 million as of December 31, 2014. This decrease was primarily due to the payment of a dividend in the amount of €22.6 million in 2014, which more than offset the increase in equity attributable to the Sixt Leasing Group's profit of €19.0 million in 2014. This dividend payment disclosed in the combined financial statements differs from the amount actually paid to Sixt SE under the Profit and Loss Transfer Agreement, which amounted to €25.2 million in 2014. For more information on the Profit and Loss Transfer Agreement, see "3 The Offering—3.4 Information on the Shares—3.4.2 Dividend and Liquidation Rights".

10.7.2 December 31, 2012 Compared to December 31, 2013

In 2013, equity attributable to owners of the Sixt Leasing Group decreased by €13.1 million, or 45.6%, from €28.7 million as of December 31, 2012 to €15.6 million as of December 31, 2013. This decrease was primarily due to the payment of a dividend in the amount of €24.4 million in 2013, which more than offset the increase in equity attributable to the Sixt Leasing Group's profit of €15.5 million in 2013. The negative impact of €4.1 million attributable to a cash-effective shareholder transaction with the Sixt Leasing Group also contributed to the decrease. This dividend payment disclosed in the combined financial statements differs from the amount actually paid to Sixt SE under the Profit and Loss Transfer Agreement, which amounted to

€33.3 million in 2013. For more information on the Profit and Loss Transfer Agreement, see “3 The Offering—3.4 Information on the Shares—3.4.2 Dividend and Liquidation Rights”.

10.8 Liquidity and Capital Resources

We have historically been part of the Sixt SE Group and have benefited from the funding available to the Sixt SE Group, which we have utilized to acquire the vehicles we lease to our customers. The majority of our funding continues to come from an arrangement with Sixt SE, which also guarantees all of our obligations to third-party funding providers. This funding is reflected in our liabilities to related parties of €679.8 million as of December 31, 2014, most of which is recorded as current liabilities, as it may be called for repayment within the next twelve months. Historically, this funding has been rolled over and refinanced at maturity. We intend to continue to make use of the financing available to the Sixt SE Group (excluding Leasing) for a certain period following the offering, the proceeds of which will allow us to take the first step towards obtaining our own stand-alone financing. Following the offering, we intend to progressively increase the proportion of our new lease assets that we fund using sources other than the Sixt SE Group (excluding Leasing). For more information, see “—10.6.2 Current Liabilities and Provisions”.

10.8.1 Cash Flow

The following table provides an overview of our cash flow for the periods presented:

	For the year ended December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Net cash flows from (used in) operating activities ⁽¹⁾	(61.8)	(59.5)	(142.1)
Net cash flows from (used in) investing activities	(0.2)	(0.2)	(0.8)
Net cash flows from (used in) financing activities ⁽²⁾	57.2	69.8	144.0
Net change in cash and cash equivalents	(4.7)	10.1	1.1

(1) Proceeds from disposal of lease assets (2012: €161.7 million, 2013: €139.5 million, 2014: €130.6 million) and payments for investments in lease assets (2012: €(370.9) million, 2013: €(337.5) million, 2014: €(420.2) million) are included in net cash flows from (used in) operating activities.

(2) Net cash flows from (used in) financing activities include dividend payments of €32.0 million, €24.4 million and €22.6 million for the years 2012, 2013 and 2014, respectively, as disclosed in the combined financials. Under the (D)PLTAs, the Company transferred profits to the Selling Shareholder in the amount of €38.6 million, €33.3 million and €25.2 million in 2012, 2013 and 2014, respectively. For more information on the Profit and Loss Transfer Agreement, see “3 The Offering—3.4 Information on the Shares—3.4.2 Dividend and Liquidation Rights”.

10.8.1.1 2013 compared with 2014

10.8.1.1.1 Net Cash Flows from Operating Activities

Net cash flows used in operating activities increased by €82.6 million, or 138.8%, from €59.5 million in 2013 to €142.1 million in 2014, primarily due to an increase of €91.6 million, or 46.3%, in net payments for investments in lease assets, *i.e.*, payments for investments in lease assets less proceeds from disposal of lease assets, as a result of the increase in the number of lease contracts serviced by us. Changes in net working capital also had a negative impact on net cash flows used in operating activities, with larger increases in inventories, which increased by €10.4 million (2013: decrease of €8.1 million) and other net assets, which increased by

€47.0 million (2013: increase of €41.4 million), and a decrease in trade payables, which decreased by €1.8 million (2013: decrease of €1.4 million) being only slightly offset by a €3.1 million decrease in trade receivables (2013: €5.1 million increase). Higher other non-cash expenses, lower income taxes paid in cash and higher depreciation and amortization expenses also helped ameliorate the negative impact of the changes in net working capital.

10.8.1.1.2 Net Cash Flows Used in Investing Activities

Net cash flows used in investing activities increased by €0.6 million from €0.2 million in 2013 to €0.8 million in 2014, primarily as a result of increased payments for investments in intangible assets and equipment.

10.8.1.1.3 Net Cash Flows from Financing Activities

Net cash flows from financing activities increased by €74.2 million, or 106.3%, from €69.8 million in 2013 to €144.0 million in 2014, primarily as a result of cash inflows of €145.4 million in 2014 due to the increased amount of financing provided to us by related parties, as compared with cash outflows of €55.8 million in 2013, and cash inflows of €60.0 million in 2014 from borrower's note loans and long-term bank loans.

10.8.1.2 2012 compared with 2013

10.8.1.2.1 Net Cash Flows from Operating Activities

Net cash flows used in operating activities decreased by €2.3 million, or 3.7%, from €61.8 million in 2012 to €59.5 million in 2013, primarily due to a decrease of €11.1 million, or 5.6%, in net payments for investments in lease assets, *i.e.*, payments for investments in lease assets less proceeds from disposal of lease assets. Changes in net working capital had a negative impact on net cash flows used in operating activities, with a smaller decrease in trade payables, which decreased by €1.4 million (2012: €14.6 million), and a decrease in inventories of €8.1 million (2012: increase of €3.3 million) only slightly offsetting the significant negative effect of the increase in other net assets of €41.4 million (2012: €0.3 million). Higher depreciation and amortization expenses also contributed to the decrease in net cash flows used in operating activities.

10.8.1.2.2 Net Cash Flows Used in Investing Activities

Net cash flows used in investing activities, which consisted of payments for investments in intangible assets and equipment, remained stable at €0.2 million.

10.8.1.2.3 Net Cash Flows from Financing Activities

Net cash flows from financing activities increased by €12.6 million, or 22.0%, from €57.2 million in 2012 to €69.8 million in 2013, primarily as a result of an increase in current and non-current financial liabilities as a result of the factors described above and increased payments received from long-term financing from related parties. These factors were partly offset by decreased short-term financing from Sixt SE, as we repaid amounts previously borrowed.

10.8.2 Capital Expenditures

Our capital expenditures are financed through operating cash flows before payments for investments in lease assets, the proceeds from the disposal of lease assets and cash inflows from financing activities, in particular the funds provided to us from Sixt SE. The following table shows our capital expenditures for the periods presented and reflects the fact that the vast majority of our capital expenditures relate to payments for investments in lease assets, which are recognized in net cash flows from operating activities:

	For the year ended December 31,		
	2012	2013	2014
	(unaudited)		
	(in € million)		
Payments for investments in lease assets ⁽¹⁾	370.9	337.5	420.2
Payments for investments in intangible assets and equipment	0.2	0.2	0.8
Payments for investments in financial assets	—	—	0.0
Capital Expenditures	371.1	337.7	421.0

(1) Payments for investments in lease assets are included in net cash flows from (used in) operating activities.

10.8.2.1 Major Capital Expenditures in 2012, 2013 and 2014

Our total capital expenditures increased by €83.3 million, or 24.7%, from €337.7 million (or 61.8% of our total revenue) in 2013 to €421.0 million (or 73.2% of our total revenue) in 2014, primarily as a result of the acquisitions of additional vehicles for which we have concluded lease contracts, reflecting the increased number of lease contracts serviced by us. We financed these acquisitions primarily with funds provided to us by Sixt SE, resulting in an increase in current liabilities to related parties as of December 31, 2014. Payments for investments in lease assets are included in our net cash flow from operating activities.

Our total capital expenditures decreased by €33.4 million, or 9.0%, from €371.1 million (or 66.7% of our total revenue) in 2012 to €337.7 million (or 61.8% of our total revenue) in 2013, primarily as a result of a decrease in investments in lease assets.

10.8.2.2 Capital Expenditure since December 31, 2014 and Major Ongoing Capital Expenditures

Our capital expenditures between December 31, 2014 and February 28, 2015 amount to approximately €63.0 million and relate mainly to acquisitions of additional vehicles for which we have concluded lease contracts, reflecting the increasing number of lease contracts serviced by us in Germany and the other European countries in which we operate.

Likewise, our major ongoing capital expenditures, *i.e.*, projects that have been initiated but have not been finalized as of the date of the Prospectus, also relate mainly to acquisitions of additional vehicles. As of February 28, 2015, our purchase commitments resulting from concluded agreements concerning subsequent vehicle deliveries for the lease fleet amounted to €145.0 million. Currently, we are financing these acquisitions as described above. In the future, we will finance these acquisitions primarily with funds available to us under the Financing Agreement with Sixt SE and external financial liabilities.

10.8.2.3 Future Capital Expenditures and Planned Capital Expenditures for 2015 and 2016

As of the date of the Prospectus, the Management Board has made commitments on several future capital expenditures mainly related to several IT-projects amounting to a total investment of approximately €1.3 million in 2015.

In addition, to the extent new lease contracts are concluded, the Company is required under these lease contracts to supply the leased vehicle to the customer. To fulfill these obligations, we plan to acquire the required additional lease vehicles and primarily fund them with the financing available to us under the Financing Agreement and from the proceeds from the offering.

The Management Board has not yet made any commitments on capital expenditures for the fiscal year 2016.

10.8.3 Financial Liabilities and Liabilities to Related Parties

10.8.3.1 Non-Current Financial Liabilities

The following table provides a breakdown of our non-current financial liabilities as of the dates shown:

	As of December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Borrower's note loans	50.9	50.9	–
Liabilities to banks	–	–	60.0
Finance lease liabilities	22.4	33.4	21.8
Non-current financial liabilities	73.3	84.3	81.8

10.8.3.1.1 December 31, 2013 Compared to December 31, 2014

In 2014, non-current financial liabilities slightly decreased by €2.5 million, or 3.0%, from €84.3 million as of December 31, 2013 to €81.8 million as of December 31, 2014. This decrease was due to the drawdown of two loans amounting to a total of €60.0 million, the reclassification of €50.9 million of borrower's note loans as current liabilities and the decrease in finance lease liabilities.

10.8.3.1.2 December 31, 2012 Compared to December 31, 2013

In 2013, non-current financial liabilities increased by €11.0 million, or 15.0%, from €73.3 million as of December 31, 2012 to €84.3 million as of December 31, 2013. This increase was due to the increase in finance lease liabilities. The non-current borrower's note loans remained stable at €50.9 million.

10.8.3.2 Current Financial Liabilities

The following table provides a breakdown of our current financial liabilities as of the dates shown:

	As of December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Borrower's note loans	–	–	51.0
Liabilities to banks ⁽¹⁾	20.7	143.5	102.3
Finance lease liabilities	8.9	9.3	22.9
Other liabilities	0.9	0.9	1.2
Current financial liabilities	30.6	153.7	177.3

(1) Includes short-term borrowings at variable interest rates taken out by utilizing the credit lines available to the Sixt Leasing Group.

In 2014, current financial liabilities increased by €23.6 million, or 15.4%, from €153.7 million as of December 31, 2013 to €177.3 million as of December 31, 2014. This increase was primarily due to the reclassification of our borrower's note loans from non-current financial liabilities to current financial liabilities and the increase in finance lease liabilities, partly offset by a decrease in our liabilities to banks as a result of the repayment of certain amounts outstanding under available credit lines.

In 2013, current financial liabilities increased by €123.1 million, from €30.6 million as of December 31, 2012 to €153.7 million as of December 31, 2013. This increase was primarily due to us drawing on the amounts available to us under our bank credit lines.

In 2014, liabilities to related parties increased by €129.7 million, or 23.6%, from €550.1 million as of December 31, 2013 to €679.8 million as of December 31, 2014. This increase was primarily due to an increase in liabilities to Sixt SE, as we used the funding available to us from Sixt SE to partly finance the increased investment in our lease fleet, which could not be fully funded from net cash flows from operating activities.

In 2013, liabilities to related parties decreased by €44.3 million, or 7.5%, from €594.4 million as of December 31, 2012 to €550.1 million as of December 31, 2013. This decrease was primarily due to a decrease in liabilities to Sixt SE and Sixt SAS, as the decrease in our investments in lease assets and the decrease in our net cash flows used in operating activities meant that we did not require as much funding from the Sixt SE Group to finance our lease fleet investments.

The following table provides a maturity profile of our financial liabilities and finance lease liabilities (including expected future interest payable) as of December 31, 2014:

	As of December 31, 2014							
	2015	2016	2017	2018	2019	2020	2021 and later	Total
	(audited) (in € million)							
Financial liabilities								
Borrower's note loans	53.1	—	—	—	—	—	—	53.1
Liabilities to banks	102.9	0.7	60.4	—	—	—	—	163.9
Other finance lease liabilities	23.2	14.8	7.3	0.6	—	—	—	45.9
Liabilities to related parties ⁽¹⁾	660.2	0.4	20.4	—	—	—	—	681.1
Total	839.4	15.9	88.0	0.6	—	—	—	944.0

(1) Our liabilities to related parties relate primarily to our funding from the Sixt SE Group (excluding Leasing), much of which is provided on a short-term basis pursuant to a cash pooling arrangement, and so can be called for repayment within the next twelve months. Such funding has historically been rolled over and refinanced at maturity and we expect to be able to continue to refinance such funding with the Sixt SE Group (excluding Leasing) following the offering.

Assuming that the maximum number of New Shares (5,586,593 shares) is placed, the Company will at the low end, mid-point and high end of the Price Range, receive net proceeds of approximately €94.8 million, €104.0 million and €113.3 million, respectively. The Company intends to use the net proceeds of the offering of the New Shares in an amount of approximately €82.0 million to reduce current external financial liabilities, which as of February 28, 2015 amounted to €188.3 million and might increase or decrease until the Company receives the net proceeds from the IPO. However, the Company together with the Selling Shareholder reserves the right not to issue all of the New Shares in case of a pricing above the low end of the Price Range. Therefore, the net proceeds to the Company may not reach the amount of €104.0 million at the mid-point or of €113.3 million at the high-end end of the price range. The liabilities to related parties as they related to financing that was provided to us by Sixt SE will be refinanced with the proceeds from the core loan facility (the “**Core Loan**”) under the Financing Agreement. For information on the Core Loan and the maturity profile of the Core Loan see “13. *Material Agreements*—13.1 *Financing Arrangements*—13.1.1.1 *Core Loan*”.

10.9 Contingent Liabilities and Other Financial Obligations

As of each of December 31, 2012, 2013 and 2014, we had no contingent liabilities under guarantees or similar obligations.

In addition to provisions and liabilities, we have other financial obligations that result mainly from obligations under building rental agreements, which are accounted for as operating leases. The following table shows the maturity profile of our other financial obligations as of December 31, 2014:

	As of December 31,		
	2012	2013	2014
	(audited)		
	(in € million)		
Due within one year	0.8	0.8	0.7
Due in one to five years	2.6	2.4	2.3
Due in more than five years	0.9	0.3	0.0
Total	4.2	3.5	3.0

Purchase commitments resulting from agreements concluded as of December 31, 2014 in respect of vehicle deliveries for the lease fleet in the coming year amount to approximately €128.0 million (December 31, 2013: €125.4 million, December 31, 2012: €115.8 million).

10.10 Additional Information from the Unconsolidated Annual Financial Statements Prepared in Accordance with German GAAP as of and for the Year Ended December 31, 2014

The Company’s 2014 unconsolidated financial statements have been prepared in accordance with German GAAP. According to these financial statements, the Company’s subscribed capital remained stable at €15.0 million as of December 31, 2014. In 2014, the Company’s result from ordinary activities amounted to €25.7 million, a decrease of €7.6 million, or 22.8%, compared to the Company’s result from ordinary activities of €33.3 million in 2013. A total of €25.2 million in 2014 and €33.3 million in 2013 were transferred to Sixt SE pursuant to the Profit and Loss Transfer Agreement. For more information on the Profit and Loss Transfer Agreement, see “3 *The Offering*—3.4 *Information on the Shares*—3.4.2 *Dividend and Liquidation Rights*”. For further information on the Company’s unconsolidated financial statements, see the notes to its unconsolidated financial statements, which are set forth on pages F-55 *et seq.* of the Prospectus.

10.11 Quantitative and Qualitative Disclosure About Market Risk

In addition to general market and operational risks, we are exposed to a number of financial risks arising out of our operating activities, including, in particular, interest rate risk, counterparty default, residual value risk and liquidity risk. Our risk management system, which is operated by Sixt SE and certain of its subsidiaries pursuant to an outsourcing agreement that also covers treasury, credit checks and anti-money laundering, is designed to identify possible risks and to mitigate their potentially negative impact on our financial development.

Sixt SE has installed an internal control and risk management system designed to identify at an early stage all developments that can lead to significant losses or endanger the existence of the various Sixt SE Group companies or the group itself. Efficient tools ensure that risks are decentrally and centrally identified, evaluated and managed swiftly. The internal audit function monitors the efficiency of the risk management system. Sixt SE's risk management system covers all activities required for the systematic handling of potential risks in the different Sixt SE Group companies, starting with risk identification and documentation, analysis and assessment through to the management and monitoring of material risks. It is defined by a formal process that firmly integrates all relevant Sixt SE Group divisions and segments. The Sixt SE Group's risk management system thereby registers the relevant individual risks.

Risk management is handled in accordance with the principle of segregation of duties and monitoring. Financial risks are thereby identified, evaluated and secured in collaboration with the operating units. Management has prepared written risk management rules and has defined guidelines for certain areas such as interest rate risk, counterparty default risk, residual value risk and liquidity risk.

10.11.1 Interest Rate Risk

Interest rate risk arises from our operating activities in that changes in prevailing interest rates impact the profitability of our leasing business, as lease installments are set for the term of the lease at the beginning of the lease agreement. In our dealings with corporate customers, we generally try to counter such interest rate risk by including interest escalation clauses in the relevant framework agreement that apply to all new contracts concluded under such framework agreements. In addition, this interest rate risk is partly mitigated by refinancing assets with matching maturities.

We are also exposed to risk arising from the mismatch between the fixed interest rates on which our lease agreements are based and the variable interest rates on which our external financing is based. This mismatch creates the risk of wider spreads between finance income and finance expense which, if negative, may lead to losses on our lease agreements. Increased borrowing costs have a material impact on our cost base, and we may not be able to pass such costs on to our customers. While we may enter into some derivative contracts to hedge some of this interest rate exposure from time to time, there can be no guarantee that such hedges will be effective or that losses will be completely avoided.

The following table provides an overview of the impact of reasonably possible change in interest rates on the relevant balance sheet date on equity and profit or loss. This analysis assumes that all other variables remain constant and does not include any tax effects:

	Profit or loss		Equity	
	Yield curve			
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Liabilities to banks (Effect in € million, audited)				
December 31, 2014				
Cash flow sensitivity	(1.6)	1.6	(1.6)	1.6
December 31, 2013				
Cash flow sensitivity	(1.4)	1.4	(1.4)	1.4
December 31, 2012				
Cash flow sensitivity	(0.0)	0.0	(0.0)	0.0
	Profit or loss		Equity	
	Yield curve			
	10 bp increase	10 bp decrease	10 bp increase	10 bp decrease
Liabilities to related parties (Effect in € million)				
December 31, 2014				
Cash flow sensitivity	(0.7)	0.7	(0.7)	0.7
December 31, 2013				
Cash flow sensitivity	(0.5)	0.5	(0.5)	0.5
December 31, 2012				
Cash flow sensitivity	(0.6)	0.6	(0.6)	0.6

10.11.2 Residual Value Risk

Exposure to market price risk arises from the return of vehicles by customers when we are acting as a lessor. In the event that used leasing vehicles are to be sold on the open market, we are exposed to changes in the prices for used vehicles and developments in the used vehicle market generally, particularly in Germany. These market price risks are closely monitored and analyzed on a regular basis. To mitigate the risks of re-selling returned vehicles, we enter into buy-back agreements with dealers and manufacturers that contain agreed repurchase conditions calculated in accordance with market conditions at the time the agreement is entered into. The majority of our corporate customer contracts are covered by buy-back agreements, with approximately 58% of all leasing vehicles held as of December 31, 2014 (December 31, 2013: 68%) being covered by buy-back agreements with manufacturers or dealers. As a result, we are exposed to the default risk of these suppliers, as there is a possibility that they may not be able to meet their repurchase commitments. When selecting vehicle dealers, we therefore pay close attention to their economic stability. We also conduct regular credit checks on those of our suppliers with which we have buy-back agreements.

10.11.3 Counterparty Default Risk

Counterparty default risk is the risk that lessees fail to meet their payment obligations during the term of their contracts or only pay part thereof. Counterparty default risk generally increases at times of economic stress, as a weakening economic environment can trigger more payment defaults. Our maximum exposure to counterparty default risk is initially represented by the carrying amount of our financial assets.

We assess the creditworthiness of each new customer by performing credit checks in accordance with internal guidelines prior to entering into agreements. The creditworthiness of corporate customers is also regularly reviewed during the term of the relevant lease agreement. This precautionary measure helps to avoid and/or mitigate future risks arising from the customer

relationship. In the event of a concrete default risk, we recognize a valuation allowance or derecognize the relevant receivable. We believe that our risk metering and control systems, and our default risk management organization, comply with the Minimum Requirements for Risk Management (*Mindestanforderungen an das Risikomanagement – MaRisk*) as defined by the BaFin.

10.11.4 Liquidity Risk

Liquidity risk is the risk that existing liquidity reserves are not sufficient to meet our financial obligations as they fall due. Our approach to managing liquidity is to ensure that we always have sufficient liquidity to meet our obligations when due, under both normal and stressed conditions. We manage our liquidity in close coordination with Sixt SE, although we intend to progressively increase our external funding following the offering. Liquidity risk is managed via financial planning performed in accordance with internal guidelines. The Sixt SE Group has sufficient opportunities for refinancing in the capital markets and by credit lines not yet used.

10.11.5 Exchange Rate and Country Risk

Our reporting currency is the euro and all our subsidiaries other than Sixt Leasing (Schweiz) AG (the functional currency of which is the Swiss franc) prepare their financial statements in euro. As a result, we are not exposed to any significant foreign currency translation risk. In addition, we are not exposed to any significant foreign exchange transaction risk, as most transactions we enter into are denominated in euro.

10.12 Significant Accounting Policies

In preparing the combined financial statements, it is often necessary to make judgments, estimates and assumptions that affect both the items reported in the combined statement of financial position and the combined income statement, as well as in the disclosures contained in the notes to the combined financial statements. The following are the Sixt Leasing Group's significant accounting policies.

10.12.1 Lease Assets

In accordance with IAS 17, each lease must be classified as either a finance lease or an operating lease. The basis for classifying a lease is the extent to which the risks and benefits relating to the leased asset are attributable to the lessor or the lessee.

A lease is classified as a finance lease if all opportunities and risks associated with ownership are essentially transferred to the lessee pursuant to the lease agreement, for example, if, among other things, the lease agreement (i) transfers ownership of the leased asset to the lessee at the end of the lease term or grants the lessee the right to purchase the leased asset at the end of the lease term for a price that is so much lower than the expected fair value of the asset that it is sufficiently certain that the lessee would exercise such right, (ii) has a term that is substantially equivalent to the useful economic life of the asset, even if legal title is not transferred to the lessee at the end of the term or (iii) requires payments, the current value of which at the commencement of the lease is equivalent to the fair value of the leased asset. All other leases are classified as operating leases.

The Sixt Leasing Group is both a lessee and a lessor, leasing assets from finance companies and entering into leasing agreements pursuant to which customers are granted the right to use vehicles against payment and to obtain further services for an agreed period.

Assets leased out by the Sixt Leasing Group as a lessor under finance leases must be included on the lessee's balance sheet. In these cases, the Sixt Leasing Group reports the present value of the contractually agreed minimum lease payments as an asset under other receivables and assets.

Assets leased out by the Sixt Leasing Group as a lessor under operating leases are carried on the balance sheet at cost less straight-line depreciation to their estimated residual values. Impairment losses are recognized in the event that an indication of value impairment exists.

The initial cost of the lease assets is recorded net of bonuses and other discounts from manufacturers or car dealers. The Sixt Leasing Group acquires many of its vehicles pursuant to repurchase programs (buy-back agreements). Under these programs, the manufacturers or car dealers agree to repurchase vehicles at specified terms and conditions, subject to certain eligibility criteria (such as car condition and mileage requirements). The Sixt Leasing Group depreciates vehicles such that the net book value on the date of return to the manufacturers is intended to equal the contractually covered residual values, thereby minimizing any loss.

Lease assets acquired outside of buy-back agreements are depreciated based upon their estimated residual values at their expected dates of disposal. The estimation of residual values requires the Sixt Leasing Group to make assumptions regarding the age and mileage of the vehicle at the time of disposal, as well as expected used vehicle auction market conditions. This results in a market price risk exposure, which is evaluated by the Sixt Leasing Group periodically by estimating residual values and adjusting depreciation rates if the remaining useful life is substantial. Any adjustments to depreciation are made prospectively. Any differences between actual residual values and those estimated result in a gain or loss on disposal and are recorded as part of vehicle depreciation.

In accordance with IAS 17, assets leased by the Sixt Leasing Group as lessee under finance leases are recorded on the balance sheet at the inception of the lease at the lower of the present value of the relevant minimum lease payments or their fair value. Such assets are depreciated to their calculated residual values on a straight-line basis over the respective lease terms. Impairment losses are recognized in the event that an indication of value impairment is given. The corresponding liabilities to the lessor are recognized as liabilities arising from future lease payments under other liabilities. Assets leased by the Sixt Leasing Group as lessee under operating leases are not recognized as Sixt Leasing Group assets, with payments for such leases being recorded as an expense on the income statement.

10.12.2 Revenue Recognition

Revenue is measured at the fair value of the consideration received or receivable. It is the amount received for goods and services provided in the course of ordinary operating activities. Revenue from services is recognized when the service is rendered and the amount of the revenue can be reliably determined. Discounts, bonuses and value-added tax (“VAT”), sales tax or other taxes relating to the goods or services provided are deducted from recorded revenue.

10.12.2.1 Leasing

Payments received from operating leases are allocated to the income statement on a straight-line basis over the term of the relevant lease agreement. Only the interest rate portion of finance lease installments is recognized in the income statement under interest income.

Estimated unguaranteed residual values used in computing the lessor’s gross investment in the lease are reviewed regularly. If there has been a reduction in the estimated unguaranteed residual value, the income allocation over the lease term is revised and any reduction in respect of amounts accrued is recognized immediately.

10.12.2.2 Vehicle Sales

Vehicle sales are recognized when the vehicle is delivered and ownership is transferred, the amount of the revenue and the costs still to be incurred can be determined reliably and an incoming benefit is probable.

10.12.3 Net Interest Income

Although most leases are classified as operating leases, the Sixt Leasing Group does have some leases that are classified as finance leases, as substantially all the risks and rewards incidental to ownership are essentially transferred to the customer as lessee. Amounts due under finance leases are recognized as receivables at the amount of the Sixt Leasing Group's net investment in the leases and are subsequently measured under the effective interest method.

Finance lease income is recognized within finance income based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease. The Sixt Leasing Group hereby aims to allocate finance income over the lease term on a systematic and rational basis. Lease payments relating to the period are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.

Further interest income and expense presented in net finance costs is recognized on an accrual basis taking into account the outstanding loan amount and the applicable rate of interest. The effective interest method is applied for this.

10.12.4 Taxes

Income tax expense is the aggregate of current tax expense and deferred taxes. Current tax expense is calculated on the basis of the taxable income for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred taxes are the tax assets and liabilities expected to be payable or recoverable resulting from differences between the carrying amounts of assets and liabilities in the combined financial statements and their corresponding tax base.

In accordance with the balance sheet liability method as defined by IAS 12 (Income taxes), deferred taxes are generally recognized for all temporary taxable differences arising from the deviations in the valuation of assets and liabilities in the IFRS combined balance sheet as against their corresponding tax base. In addition, deferred tax assets are only recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred taxes are measured at the tax rates that are expected to apply to the period when the temporary differences reverse or the tax loss carryforwards are used based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Until changes to tax laws are ratified, deferred taxes are measured at current tax rates. A corporation tax rate of 15% (2012-2014) was used to calculate deferred taxes at the German companies. In each year, a solidarity surcharge of 5.5% on the corporation tax was also included and a trade tax rate of 9.1% (2012-2014) was applied; an aggregate tax rate of 24.93% (2012-2014) was used to calculate deferred taxes at the German companies.

Deferred taxes are all recognized in the combined income statement. Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Sixt Leasing Group intends to settle its current tax assets and liabilities on a net basis.

10.12.5 Impairment Testing

Impairment tests are performed at each balance sheet date regarding the carrying amounts of all non-current, non-financial assets, including lease assets, to determine whether there is an

indication of impairment. If any such indication exists, the asset's recoverable amount is estimated.

Assets may be grouped together for impairment testing into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units ("CGU"). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

10.12.6 Inventories

Vehicles held for sale are recognized in inventories. These are measured at their carrying amount, and are regularly compared with the net realizable value. If the costs of inventories are not recoverable, a write-down below cost to net realizable value is recognized. A new assessment of net realizable value is made in each subsequent fiscal year.

10.12.7 Financial Assets

Current financial assets consist primarily of receivables and cash and bank balances. Financial assets are recognized when the Sixt Leasing Group has a contractual right to receive cash or another financial asset from another entity. Purchases and sales of financial assets are generally recognized at the settlement date. Financial assets are initially recognized at fair value plus transaction costs, if applicable. Subsequent measurement is based on the allocation of the financial assets according to the IAS 39 categories that are relevant for the Sixt Leasing Group.

Loans and receivables (LaR) are non-derivative financial assets that are not quoted in an active market. They are measured at amortized cost using the effective interest method. Receivables and cash and bank balances are assigned to this measurement category. Interest income from items in this category is calculated using the effective interest method unless the receivables are short-term and effect of interest accumulation is immaterial.

Financial assets carried at amortized cost are assessed at each balance sheet date to determine whether there is objective evidence of impairment. Objective evidence that financial assets are impaired includes, for example, default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers and observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

The Sixt Leasing Group considers evidence of impairment for financial assets carried at amortized cost at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. Impairment is measured on a collective basis for financial assets that are not individually significant. Collective assessment is carried out by grouping together assets with similar risk characteristics, such as customer group, customer credit quality, transaction type and age of the receivable. Financial assets that have no identified impairment are also grouped together based on similar risk characteristics for calculating an incurred but unreported impairment provision that reflects the historical loss experience of the portfolio. As soon as information becomes available that a financial asset is impaired, it is removed and assessed on an individual observed collective basis.

In addition to management expectations, when assessing collective impairment, the Sixt Leasing Group uses historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows of the asset discounted at the asset's original effective interest rate.

Losses are recognized in profit or loss and reflected in an allowance account. When the Sixt Leasing Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of the impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, the previously recognized impairment loss is reversed through the income statement.

The Sixt Leasing Group derecognizes a financial asset if the contractual rights to cash flows from the financial asset expire or the financial asset and substantially all the risks and rewards associated with the financial asset are transferred to a third party.

10.12.8 Provisions

Provisions are recognized if (i) the Sixt Leasing Group has a present obligation (legal or constructive) to third parties as a result of a past event and (ii) an outflow of resources embodying economic benefits is more likely than not; provided a reliable estimate can be made of the probable amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties inherent in the obligation. Where a provision is measured on the basis of the estimated cash flows for meeting the obligation, these cash flows are discounted if the effect of time value of money is material.

10.12.9 Financial Liabilities

Financial liabilities are classified as other liabilities.

Other financial liabilities are initially recognized at fair value plus transaction costs and subsequently measured at amortized costs using the effective interest method.

11. MARKETS AND COMPETITION

11.1 Geographic Markets

We believe that we are one of the leading manufacturer-independent full-service leasing providers and fleet managers in Germany. Given this focus, we are most significantly affected by developments in and related to the automotive leasing market in Germany. Outside of Germany, we also operate our Fleet Leasing and Fleet Management business lines through subsidiaries in Austria, Switzerland, France and The Netherlands, and we are therefore also affected by similar developments in each of these countries and in Europe as a whole.

11.1.1 German Market

With a GDP of €2.9 trillion in 2014, Germany has the largest economy in the EU. Compared to other major European countries, Germany's economy proved to be relatively resilient throughout the recent financial crisis and was one of the first countries to show signs of recovery after the crisis. From 2009 to 2013, German GDP grew by a compound annual growth rate ("CAGR") of 3.41%, compared to 2.51% for the EU overall (Source: *Eurostat Database*). From 2015 to 2019, GDP based on purchasing-power parity per capita growth in Germany is expected to continue at a CAGR of 3.58%, slightly below the EU with an expected CAGR of 3.84% (from 2015 to 2019) (Source: *WEO Database*). This strong economic performance contributes to a low unemployment rate of 5.0% in 2014, compared to 10.2% in the EU overall (Source: *European Economic Forecast Winter 2015*).

Germany is home to one of Europe's most developed automotive infrastructures. As of January 1, 2014, there were 230,377 kilometers of roads in Germany, including 12,917 kilometers of freeways (Source: *Federal Statistical Office, Transport*). As of the same date, there were 43.9 million personal vehicles on the road in Germany, equivalent to a ratio of 0.539 personal vehicles per capita (Source: *ACEA*). In 2013, 14.1 million passenger vehicles were produced by German manufacturers, 38.6% of which were produced domestically. There were 43 automobile assembly and production plants in Germany in 2014, representing 19% of all such plants in the EU and producing more than three times the number of passenger vehicles of any other EU country. Germany's automotive industry is also highly competitive in today's global marketplace (Source: *ACEA*).

11.1.2 Other Geographic Markets of Significance: Swiss and French Markets

In addition to our primary operations in Germany, we also have operations in Switzerland and France.

Switzerland has shown remarkable resilience since the financial crisis, growing by a CAGR of 5.83% between 2009 and 2013 (Source: *Eurostat Database*). Its GDP in 2014, CHF 648 billion, continues the trend (Source: *Swiss State Secretariat for Economic Affairs*). The unemployment rate in 2014 was 4.5%, lower than any country in the EU (Source: *Swiss Federal Statistical Office, Unemployment*). In 2013, Switzerland had 3.8 new passenger vehicle registrations per 100 inhabitants, a higher ratio than all but two members of the EU (Source: *ACEA*). Although the number of newly registered passenger vehicles fell by 2.0% to 304 thousand vehicles in 2014 compared to registrations during the previous year, the number of vehicles on the road in total increased to roughly 4.38 million (Sources: *Swiss Federal Statistical Office, Mobility and Transport* and *Swiss Federal Statistical Office, Press Release 05.02.2015*). This leaves Switzerland with a ratio of 0.539 vehicles per capita (Source: *ACEA*).

France has the third largest GDP in the EU, with €2.14 trillion in 2014. From 2009 to 2013, France grew by a CAGR of 1.74% (Source: *Eurostat Database*). With an unemployment rate of 10.3% in 2014, France hovers around the EU average (Source: *European Economic Forecast Winter 2015*). France represents a substantial portion of the European automotive market,

comprising 13.3% of all passenger vehicles in the EU as of 2012. In 2013, 1.79 million new passenger vehicles were registered in France. Furthermore, France is the fourth largest producer of passenger vehicles in the EU in 2013 with 1.46 million vehicles and the third largest producer of all motor vehicles with 1.74 million vehicles. As of 2014, France has the second most automobile assembly and production plants in the EU. France has a ratio of 0.512 vehicles per capita, which is greater than the EU average of 0.487 vehicles per capita (Source: *ACEA*).

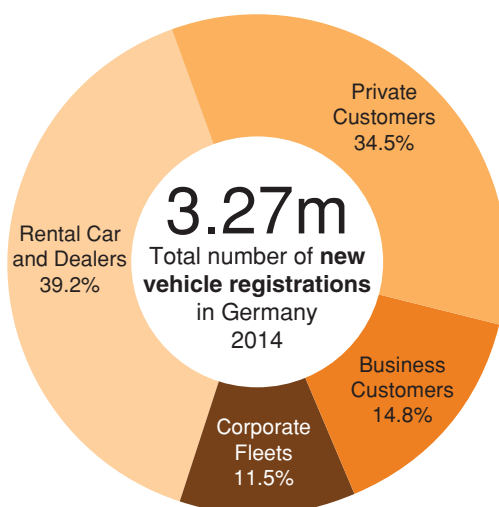
11.2 Leasing Market in Germany

Germany has a resilient and steadily growing leasing market. The leasing market for moveable assets as a percentage of overall investments in Germany has grown steadily over the last four decades, from under 5% in 1970 to 22.7% (preliminary figure) in 2014 (Source: *BDL 2014 Annual Press Conference*). The vehicle leasing market, in particular, has shown strong growth and has outpaced the growth of the leasing market for other asset types. Between 2012 and 2013, the leasing market for commercial vehicles and passenger vehicles experienced an increase of 5.2% and 5.0%, respectively, while other leasing segments, including computers and business machines, machinery and industrial equipment, as well as ships, aircraft, railway and rolling stock, all experienced negative growth rates (Source: *Leaseurope Facts and Figures 2013*).

11.3 Automotive Market in Germany

Germany is Europe's largest and most important market for new vehicles, as measured by number of newly registered vehicles in 2014. With 3.27 million new vehicle registrations in 2014, the German vehicle market is larger than that of the United Kingdom (2.80 million vehicles), France (2.17 million vehicles), Italy (1.48 million vehicles), The Netherlands (439 thousand vehicles), Austria (334 thousand vehicles) and Switzerland (331 thousand vehicles) (Source: *ACEA New Registrations 2014*). The following chart sets forth information regarding the number of new vehicles registered in Germany by market segment:

Newly registered vehicles in Germany in 2014



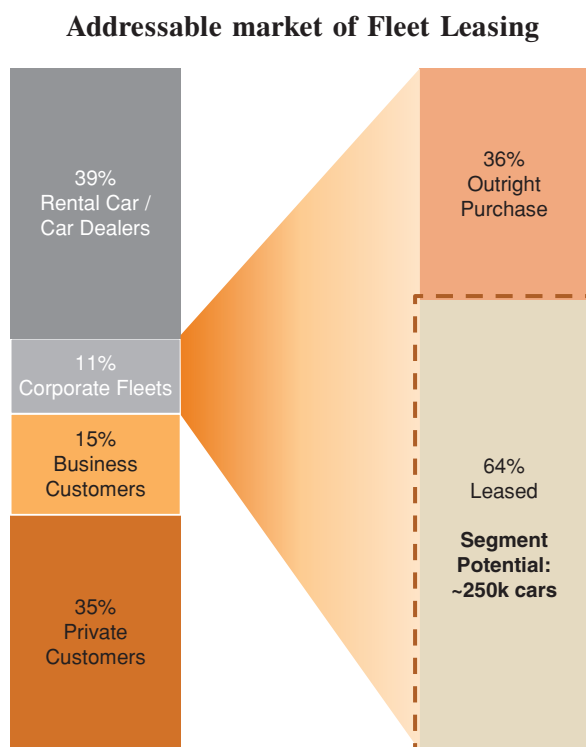
Source: *Dataforce*.

Of the 3.27 million newly registered vehicles in Germany in 2014, 1.99 million vehicles, or 61%, were attributable to market segments serviced by our business lines. Our Fleet Leasing business operates in the segment comprised of corporate fleets (20 or more vehicles), in which fleet owners registered approximately 375 thousand vehicles in 2014 (Source: *Dataforce*), and generally targets those customers with fleets of over 100 vehicles. Our Fleet Management business also operates in the corporate fleets segment, generally targeting those customers with

fleets of over 300 vehicles. Our Online Retail business operates in the private customer segment and the business customer segment (fleets up to 20 vehicles). Together, these two segments accounted for 1.61 million vehicles, or nearly 50% of all newly registered vehicles in Germany in 2014 (Source: *Dataforce*). The addressable market of each of our business lines is described below.

11.3.1 Fleet Leasing Market

Germany has an attractive market for leased fleet vehicles. Our Fleet Leasing business operates in the segment comprised of corporate fleets and generally targets those customers with fleets of over 100 vehicles. The following chart sets forth information regarding the addressable market of our Fleet Leasing business:



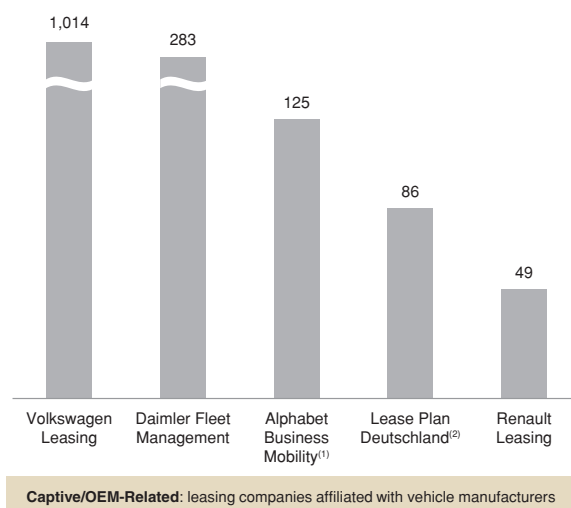
Source: *Dataforce*.

In the German fleet vehicle market, leasing is the preferred method of acquiring a vehicle. Only 36% of vehicles in small and large corporate fleets were purchased outright with cash in 2014 (Source: *Dataforce*). The remaining 64% of vehicles were acquired through leasing solutions such as those offered by our Fleet Leasing business line. Based on the 375 thousand vehicles registered by owners of corporate fleets in Germany in 2014 (Source: *Dataforce*), our management estimates the size of the market to be approximately 248 thousand newly registered vehicles under leasing contracts.

We compete in the fleet leasing market against companies affiliated with vehicle manufacturers (“**captives/OEM-related**”) as well as against manufacturer-independent leasing companies (“**non-captives**”). Although captive/OEM-related leasing companies mainly offer vehicles produced by their affiliated manufacturer, some of them have broadened their offering to include vehicles produced by other manufacturers.

The following charts set forth information regarding companies in the German vehicle leasing market.

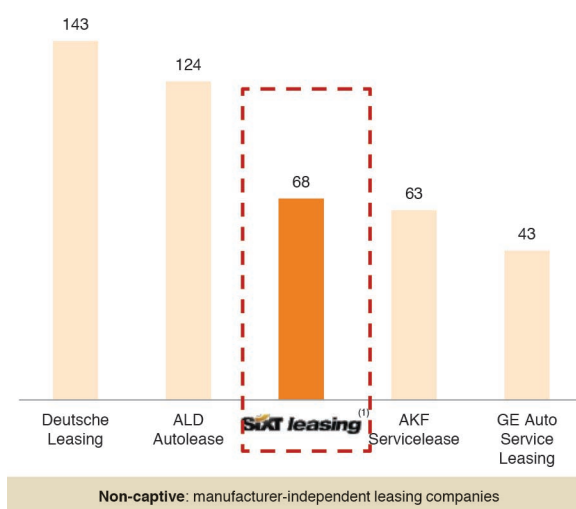
Top 5 captive/OEM-related leasing companies in Germany
(number of contracts in thousands as of 2013)



Source: *Firmenauto May 2014* and company information.

- (1) Captive with multi-brand offering; owned by BMW Group (100%).
- (2) Captive with multi-brand offering; owned by Volkswagen (50%) and Metzler family (50%); Metzler family has a put option, which allows them to sell their entire stake to Volkswagen at any time.

Top 5 non-captive leasing companies in Germany
(number of contracts in thousands as of 2013)



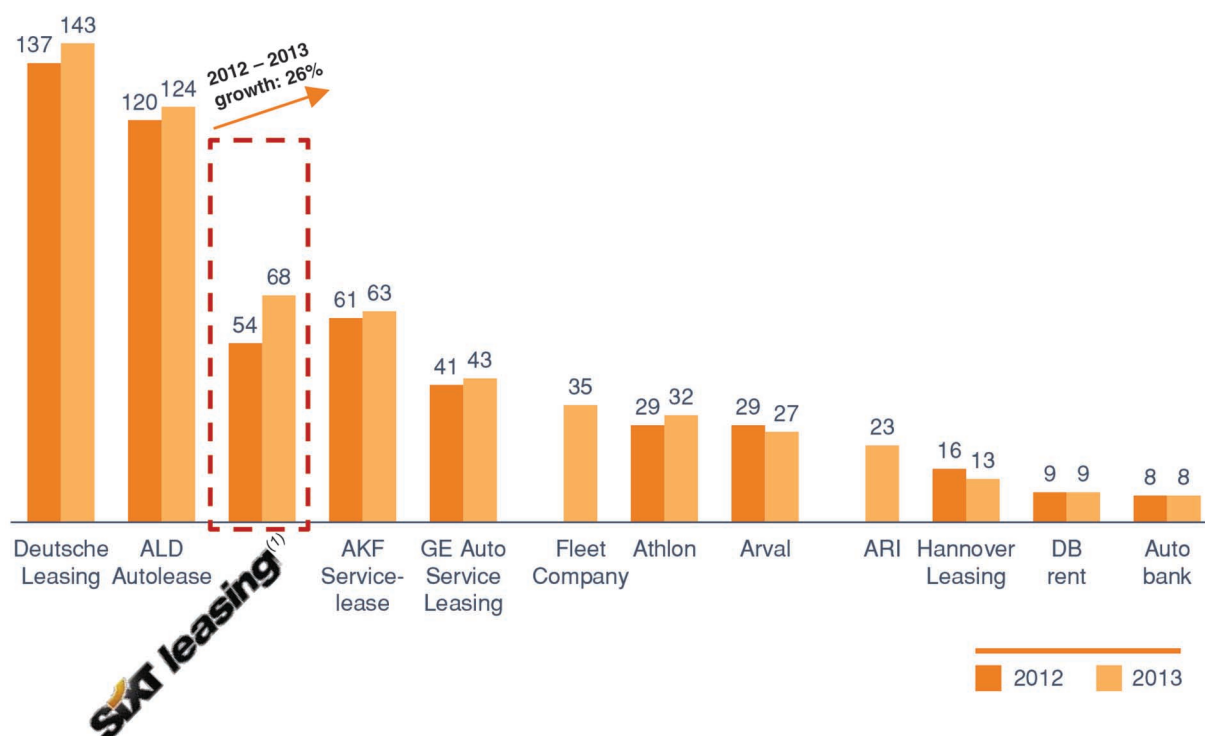
Source: *Firmenauto May 2014* and company information.

- (1) Including leasing contracts, fleet management contracts, service contracts and new contracts for which the leased vehicle has not yet been delivered to the customer (see “12. Business—12.1 Overview” for details). Excluding contracts abroad.

The following chart sets forth information regarding our position amongst our non-captive competitors in the fleet leasing and management market in Germany.

Illustrative ranking of German non-captive fleet leasing and management players

of contracts
(in thousands)



Source: *Firmenauto May 2014* and company information.

(1) Including leasing contracts, fleet management contracts, service contracts and new contracts for which the leased vehicle has not yet been delivered to the customer. Excluding contracts abroad.

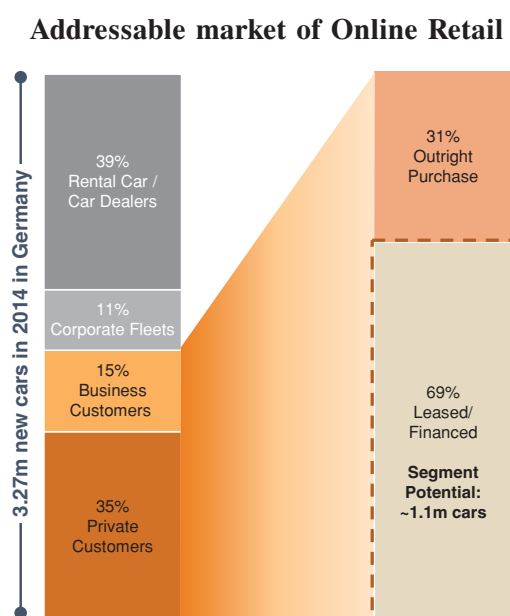
The major players in the non-captive vehicle leasing and fleet managing market include Deutsche Leasing, ALD Autolease, AKF Servicelease and GE Auto Service Leasing. As measured by the number of contracts, we are the third largest company in the non-captive market in Germany (Source: *Firmenauto May 2014*). In 2013, our two largest competitors were Deutsche Leasing with 143 thousand contracts and ALD Autolease with 124 thousand contracts. (Source: *Firmenauto May 2014*).

Although we are not the largest player in the German market, our growth rate between 2012 and 2013 surpassed that of our larger competitors. While the number of contracts serviced by Deutsche Leasing and ALD Autolease grew by 4% and 3%, respectively, between 2012 and 2013 (Source: *Firmenauto May 2014*), our total number of contracts (including leasing contracts, fleet management contracts and service contracts) in Germany increased by 26% from 54 thousand contracts in 2012 to 68 thousand contracts in 2013¹. In 2014, our market share continued to expand to a total of 89 thousand contracts², growing at a CAGR of 28% from 2012 to 2014.

11.3.2 Online Retail Market

The private and business customers vehicle leasing market in Germany is an attractive and largely untapped market by non-captive leasing players in the industry. With 35% and 15%, respectively, of all newly registered vehicles in 2014 in Germany, private and business customers (up to 20 vehicles) make up roughly half of the German automotive market (Source: *Dataforce*).

The following chart sets forth information regarding the addressable market of our Online Retail business:



Source: *Dataforce* and *DAT Report*.

About 31% of those vehicles were purchased outright with cash in 2014 (Source: *DAT Report*). The remaining 69% were acquired through leasing or financing solutions (Source: *DAT Report*), such as our Online Retail business line's leasing solutions, including our leasing product vario-financing. Based on the 1.61 million vehicles registered by private and business customers in 2014 (Source: *Dataforce*), our management thus estimates that approximately 1.1 million vehicle

- 1 Including 4.8 thousand (2012) and 5.9 thousand (2013) new contracts in Germany for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, these contracts include 7.3 thousand (2012) and 6.8 thousand (2013) pure service contracts.
- 2 Including 4.8 thousand new contracts in 2014 in Germany for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, these contracts include 6.4 thousand (2014) pure service contracts.

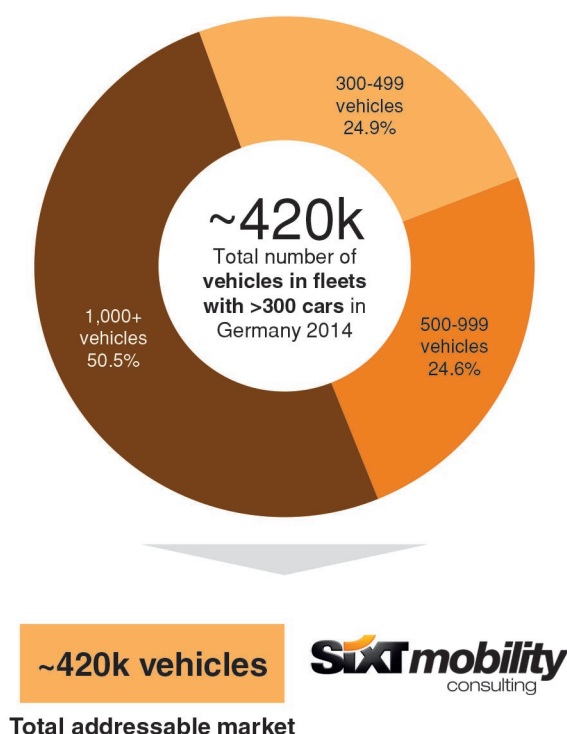
leasing and financing contracts were entered into by private and business customers in 2014. Our Online Retail business line had 6.9 thousand infleet contracts in 2014, representing a market share of approximately 0.6% and offering us a large potential for growth.

The market for vehicles leased/financed to private and business customers is currently dominated by captive leasing and financing companies. These captive companies, such as Volkswagen Leasing, convey their offering almost exclusively through the local car dealership network designated to the brand in question. This is part of the German market structure, where private and business customers are being exclusively addressed by dealers as an effect of EU regulation (*Gruppenfreistellungsverordnung*) and which are reflected in the dealer contracts between manufacturers and car dealers. Non-captive companies play a minor role in this market. Also, the few non-captive players who address this market also rely on co-operations with local dealers to bring their offering to the end customer. Most of the time, they market their offering by floor plan financing arrangements, which allow the dealer to borrow against the vehicle and repay the loan only once the dealer has sold the vehicle.

11.3.3 Fleet Management Market

Based on the number of vehicles in corporate fleets, Germany offers an attractive market for fleet management services. Our Fleet Management business operates in the segment comprised of corporate fleets and generally targets those customers with fleets of over 300 vehicles. The following chart sets forth information regarding the addressable market of our Fleet Management business:

Addressable market for Fleet Management
of existing fleet cars in Germany for fleets >300 vehicles
As of January 1, 2014



Source: Dataforce.

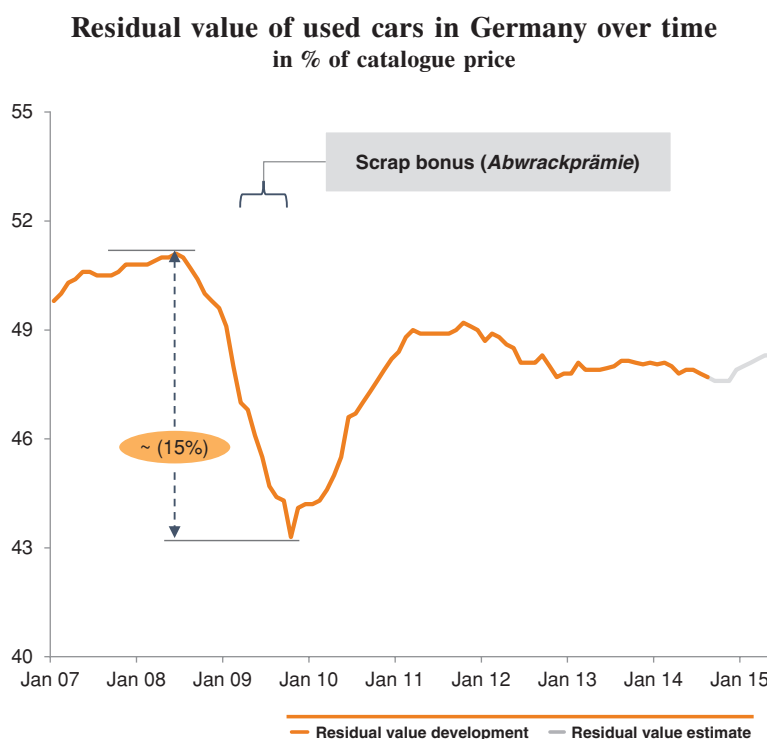
In 2014, there were 5.0 million vehicles in the inventory of German fleets. Of this amount, approximately 105 thousand vehicles belonged to fleets comprised of 300 to 499 vehicles, 95 thousand vehicles belonged to fleets comprised of 500 to 999 vehicles and 220 thousand belonged to fleets comprised of 1,000 vehicles or more (Source: *Dataforce*). Our management estimates the size of the addressable market to be approximately 420 thousand vehicles in the inventory of German fleets.

11.4 Used Car Market in Germany

In connection with the remarketing of our vehicles, we have entered into buy-back agreements with certain manufacturers and dealers that provide us with the right to sell vehicles back to those suppliers at a fixed repurchase price. However, only 58% of our leased vehicles were covered by such arrangements as of December 31, 2014. We are therefore affected by developments in the used car market, particularly in Germany.

In 2014, 7.1 million used vehicles were transferred in Germany (Source: *DAT Report*). The average vehicle on the used car market was 6.2 years old, had a mileage of 77,690 kilometers and sold at a price of €9,870 (including applicable taxes) (Source: *DAT Report*).

The following chart sets forth information regarding the residual value of used cars as a percentage of the catalogue price in Germany over time:



Source: *Automobilwoche*.

Despite a sharp drop in prices at the end of 2008, due in large part to the German government's introduction of a vehicle scrappage program (*Abwrackprämie*) from the beginning of March 2009 until the beginning of September 2009, the used vehicle market in Germany has been relatively resilient over time. After government funding for the scrappage program ran out at the end of 2009, prices of used vehicles quickly rebounded, stabilizing at prices just under pre-financial crisis levels. Prices for used vehicles are expected to remain at this level, increasing gradually over the course of 2015 (Source: *Automobilwoche*).

12. BUSINESS

12.1 Overview

We believe that with a total of approximately 97.4¹ thousand leasing, service and fleet management contracts as of December 31, 2014 and combined revenue and EBT in 2014 of €575.0 million and €25.6 million, respectively, we are one of the leading manufacturer-independent full-service vehicle leasing providers and vehicle fleet managers in Germany. We also have operations in Austria, Switzerland, France and The Netherlands, which constitute approximately 8.2² thousand contracts (as of December 31, 2014) of our overall contract portfolio. Through our extensive expertise in the purchasing and management of vehicle fleets, we optimize the total cost of ownership (“TCO”) of our fleet customers over the long term and help them to outsource and optimize their processes over the entire life cycle of a vehicle fleet. This value proposition is offered to our customers as full-service leasing solutions (Fleet Leasing) or as fleet management and consulting solutions (Fleet Management, via our subsidiary Sixt Mobility Consulting GmbH). Through our website, *sixt-neuwagen.de*, we also offer our private and business customers (up to 20 vehicles) highly attractive vehicle leasing solutions, including our leasing product vario-financing, by sharing our expertise and economies of scale in purchasing vehicles and related road time services (Online Retail). We have a resilient risk profile due to high revenue visibility and the fact that a substantial proportion of our leased vehicles are covered by buy-back agreements that transfer the residual value risk to our suppliers.

We operate primarily in the vehicle leasing market in Germany. In 2014, our Fleet Leasing business had an addressable market of approximately 248 thousand vehicles (Sources: *Dataforce*). We believe that we are well positioned to increase our share of this attractive market. As to the retail market, in 2014 private and business customers (up to 20 vehicles) leased or financed a total of approximately 1.1 million new vehicles (Sources: *Dataforce* and *DAT Report*). Although most private and business customers (up to 20 vehicles) continue to purchase vehicles directly from dealers, we believe that consumers will increasingly migrate toward online retail channels for their vehicles in the future.

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- 1 Including 5.2 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 97.4 thousand contracts (2014) include 7.2 thousand (2014) pure service contracts.
 - 2 Including 0.4 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 8.2 thousand contracts (2014) include 0.7 thousand (2014) pure service contracts.

We organize our business operations into two reporting segments:

- **Leasing Business Unit.** The Leasing Business Unit includes our Fleet Leasing and Online Retail businesses:
 - **Fleet Leasing.** Our Fleet Leasing business offers leases and associated services to corporate customers. This covers a wealth of further services alongside the classic leasing function, such as vendor-neutral advice concerning vehicle selection, vehicle procurement, vehicle maintenance over the entire contract period, tire replacements, special product offers for transparent conditions at vehicle returns, service packages in the case of accidents as well as the management of vehicle insurance, fuel cards, vehicle taxes, and radio license fees. As of December 31, 2014, we serviced 50.2¹ thousand contracts (December 31, 2013: 49.2 thousand contracts) related to Fleet Leasing. We generally attribute a customer to Fleet Leasing if we manage its vehicle fleet and those vehicles are leased from us. Our Fleet Leasing customers include American Express Services Europe Limited, Brose Fahrzeugteile GmbH & Co. Kommanditgesellschaft, E.ON SE, Deutsche Lufthansa Aktiengesellschaft, Otis Holdings GmbH & Co. KG, SEB AG, Xerox Gesellschaft mit beschränkter Haftung and other large companies.
 - **Online Retail.** We engage in the Online Retail business via our online platform, *sixt-neuwagen.de*, which was launched in 2012. This website offers customers the ability to configure the latest models from over 30 car manufacturers. All of the vehicles offered are exclusively from German vendors. As of December 31, 2014, we serviced 15.8² thousand contracts (December 31, 2013: 11.2 thousand contracts) related to Online Retail. The development of the number of contracts serviced is evidence of the growth this business line has enjoyed since its inception in 2012. We generally attribute a business customer to Online Retail if the customer has up to 20 vehicles in its fleet.
- **Fleet Management Business Unit.** Sixt Mobility Consulting GmbH, which was founded in 2011, conducts our Fleet Management business, which manages and optimizes fleets for customers from varying industries and of different sizes, ranging from mid-sized companies to international corporations. As of December 31, 2014, we serviced 31.4³ thousand contracts (December 31, 2013: 15.8 thousand contracts) related to Fleet Management. We attribute a customer to Fleet Management if we manage its fleet of vehicles without having entered into leasing agreements relating to these vehicles. Our Fleet Management customers include BP Europa SE, Kion Group AG, SAP SE and other large companies.

Our value proposition to customers is enhanced through our network of suppliers. In addition to decades of experience working with major vehicle manufacturers, we have strong relationships with dealers, oil companies, garages, tire manufacturers and dealers, insurance companies, and

1 Including 3.8 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 50.2 thousand (2014) contracts include 7.1 thousand (2014) pure service contracts.

2 Including 1.4 thousand new contracts for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 15.8 thousand (2014) contracts include 0.0 thousand (2014) pure service contracts.

3 Including approximately 7,400 contracts attributable to a Fleet Management customer with whom we have terminated our fleet management contract as of December 31, 2014. We continued, however, to service its vehicles until March 31, 2015.

other essential service providers that enable us to deliver tailor-made solutions to our customers at attractive prices.

Our proprietary software tools enable us to tailor our service offerings to the demands and requirements of our customers. These tools include FleetIntelligence, a reporting system that assists our customers' fleet managers in compiling detailed analyses of both their entire fleet and individual vehicles, and FleetOptimizer, which enables companies to identify potential cost savings within existing customer fleet configurations. We believe that our proprietary car configurator tools, which use data from third-party service providers, allow customers in all business lines to select the vehicles that best fulfill their needs. The majority of our software tools have been developed by our in-house IT team with the individual priorities of our customers in mind.

Sixt SE Group, which we believe is a leading German premium mobility service provider, has been active in the full-service leasing market since 1967. This business has been conducted by the Company and its predecessors since 1988 and has benefited from the Sixt SE Group's strong brand recognition and reputation for innovation and customer service. Although we continue to depend on Sixt SE Group for financing and certain other services, we intend to build up own treasury, compliance, human resources, investor relations and other functions to achieve greater organizational independence from the Sixt SE Group.

In 2014, we generated combined revenues of €575.0 million (2013: €546.1 million) and EBT of €25.6 million (2013: €20.7 million). The majority of our revenue and EBT is generated by our Leasing Business Unit. In 2014, our Leasing Business Unit generated revenue of €518.4 million (2013: €520.8 million) and EBT of €23.5 million (2013: €20.5 million), while our Fleet Management Business Unit generated revenues of €56.6 million (2013: €25.3 million) and EBT of €2.2 million (2013: €0.3 million).

12.2 Competitive Strengths

We believe that the following competitive strengths have been the primary drivers of our success in the past and will continue to set us apart from our competitors in the future:

12.2.1 Operations in a highly attractive market and well-positioned for future growth

We operate primarily in the vehicle leasing market in Germany. In 2014, there were 3.27 million newly registered vehicles in Germany (Source: *Dataforce*). Of this number, 375 thousand vehicles were acquired for corporate fleets (20 or more vehicles) and 66% of these vehicles were leased rather than purchased (Source: *Dataforce*). Accordingly, our management estimates the size of the addressable market of our Fleet Leasing business to be approximately 248 thousand newly registered vehicles under leasing contracts p.a. We believe we are well positioned to increase our share of this growing market due to our service offering and cross-selling opportunities.

As to the retail market, in 2014 private and business customers (up to 20 vehicles) registered 1.61 million vehicles in Germany and 69% of these vehicles were leased or financed (Sources: *Dataforce* and *DAT Report*). Accordingly, our management thus estimates that approximately 1.1 million vehicle leasing and financing contracts were entered into by private and business customers in 2014. Although most retail customers continue to purchase vehicles directly from dealers, we believe that in the future consumers will increasingly migrate toward online retail channels for their vehicle purchases.

12.2.2 Proven ability to significantly reduce the total cost of ownership of our customers' fleets

We possess expertise in the management of large and complex fleets and develop bespoke mobility concepts that aim to optimize our customers' TCO over the long term. Through our consultation services we identify ways to optimize the structure and set-up of customer fleets. We achieve economies of scale due to our cumulative purchasing power resulting in cost savings that

we are able to share with our customers throughout the vehicle life cycle. By allowing our customers to outsource and automate almost all fleet management processes, our customers are able to reduce administrative efforts. Sophisticated reporting tools allow fleet managers to identify potential cost savings within their existing fleet configurations. Furthermore, instead of paying the actual costs incurred, customers can opt to pay a fixed monthly rate for some of our services, ensuring predictability and stability of their vehicle-related costs. We believe our customers value our knowledge of the markets in which we operate, as well as our customizable reliable tools, offers and processes.

12.2.3 Early-mover advantage in offering integrated online vehicle leasing for private and business customers

Our website, *sixt-neuwagen.de*, is an online platform with a built-in car configuration tool for the German market that offers private and business customers (up to 20 vehicles) the ability to configure and generate leasing requests for new vehicles from more than 30 manufacturers. The private and business customer (up to 20 vehicles) market is currently served primarily through automotive dealers with a regionally-limited range of operations, each typically selling cars from only a small number of manufacturers, which results in a nontransparent market environment that makes it difficult for consumers to compare vehicles and offers. However, according to DAT Group, in 2014, 64% of German consumers in the market for a new car used the internet as a source of information (Source: *DAT Report*). We believe that consumers benefit significantly from the transparency and comparability which we offer through *sixt-neuwagen.de*. For example, rebates available to our customers vary significantly over time and between brands and can be factored when deciding on a new car. Our configurator tool allows consumers to compare vehicles, which they can fully customize, from more than 30 manufacturers and to choose the terms of a leasing arrangement, including its length, the expected annual mileage and desired down payment, all in real time. Users can also choose from the large range of services available to our Fleet Leasing customers. With every new selection, offers are automatically updated so the user can easily see how changes to the vehicle features and lease terms, as well as any desired additional services, affect the monthly rate. We believe we are currently among the first players in the German market to offer such an integrated online vehicle leasing platform for private and business customers and that the relationships and know-how required to develop such a platform are not easily replicated.

12.2.4 Long-standing, good supplier relationships and high-quality service network

Drawing from decades of experience, we have a deep understanding of the structure of supplier markets (manufacturers, dealers, oil companies, garages, tire dealers, insurance providers, etc.). With so many suppliers, we receive direct discounts as well as volume-based bonuses which we may then choose to share with our customers to increase the competitiveness of our offering. Further, we have concluded a vast number of cooperation agreements with suppliers and third-party service providers throughout Germany covering every phase of the vehicle life-cycle. For example, our network of cooperation partners includes major tire fitters, including FleetPartner, Vergölst and 4Fleet. When a vehicle requires general maintenance due to normal wear and tear, we can choose between more than 3,500 German garages and tire fitters that are in our network. If a vehicle requires costly body repair as a result of an accident, we offer to use one of more than 60 German body shops with which we have concluded cooperation agreements. This vast network of suppliers and third-party service providers optimizes the efficiency, and increases the competitiveness, of our service offering.

12.2.5 Strong IT capabilities driving our innovative service offering

Our strong IT capabilities advance all of our business lines. We have proprietary customer-facing software, websites and mobile applications, which are all fully integrated with our proprietary internal IT platform. In our Fleet Leasing business line, our highly visible and user-friendly car

configurator, which uses data from third-party service providers, enables our clients' employees to configure vehicles within limits predetermined by our customers. Through our car configurator's automated process, we are able to offer a swifter, speedier and cheaper process compared to traditional paper-based processes. Our Online Retail business hinges on our online car configurator available at *sixt-neuwagen.de*, through which we offer customers the possibility to configure and request leases for the latest models of over 30 car manufacturers. An important part of our Fleet Management services are provided via our multi-bid configurator that simplifies vehicle procurement for our customers as it allows them to freely configure their fleet vehicles, to compare them to potential alternative vehicles and to invite various leasing companies to forward their tenders for the customer's chosen vehicle. Other customer-facing software which we have developed includes FleetIntelligence, which is a reporting system that assists fleet managers in compiling detailed analyses of their vehicles, FleetOptimizer, which enables companies to identify cost saving potential within existing customer fleet configurations, as well as our recently launched Sixt Leasing and Mobility Consulting Apps, which enables our customers across all business lines to access our existing services, such as roadside accident assistance, from their smart phones.

Behind the scenes, our fully integrated IT platform is designed to improve our internal processes, increase our efficiency and serve more customers per customer service agent. Our Fleet Leasing and Fleet Management business lines are supported by SUNPRO, our proprietary software which manages all aspects of the workflow in a customizable manner according to customer requirements starting from the purchase of the cars up through the remarketing of the returned vehicles. Before the launch of *sixt-neuwagen.de*, we developed additional software called LEILA to take care of the purchasing and sale processes of our Online Retail business. LEILA facilitates all major steps necessary for commencement of the lease, including reviewing the contract, providing the interfaces for appraising the customer's creditworthiness and ordering the vehicle from the dealer or manufacturer, to name a few. Due to the introduction of a workflow layer, we have increased our efficiency by being able to serve more customers per customer service agent, while at the same time maintaining the level of service each customer receives. We believe that our commitment to the ongoing improvement of our IT is evidenced by the increase in the number of our IT staff from 6 employees as of December 31, 2012 to 28 employees as of December 31, 2014.

12.2.6 High customer loyalty supported by premium brand and valued customer service

We enjoy high customer loyalty as evidenced by the fact that we have been doing business with some of our most important customers for many years, *e.g.*, the average length of our relationships with our top ten Fleet Leasing customers is 14 years. Customers associate the Sixt brand with such positive attributes as quality of service, innovation, flexibility and good value for money. We believe that the strength of the Sixt brand is a cornerstone supporting the high loyalty of our customers. Moreover, for our Online Retail business, we believe, the Sixt brand enhances our credibility and supports our reputation for trustworthiness, attributes that lesser-known non-captive leasing companies would lack if they tried to enter the market. We regularly conduct online surveys of our customers' level of satisfaction (Customer Satisfaction Index). These surveys evidence high levels of customer satisfaction. In a recent study the TÜV Saarland concluded that the services we offered to our customers at *sixt-neuwagen.de* merit their highest rating (*sehr gut*) in terms of price/performance ratio. Our Fleet Management business has also been recognized for the high quality of its service offering, winning the well-known and recognized Autoflotte Award in 2012. We believe our high customer loyalty is supported by our premium brand and reputation for valued customer service.

12.2.7 High visibility on future revenues and resilient risk profile

Our Leasing and Fleet Management Business Units benefit from the long-term nature of the contracts we enter into with our customers and the predictable income stream they generate. In

Fleet Leasing our contracts, which are structured so that we receive monthly payments from the start of the lease until the vehicle is returned at the end of the contract period, typically run from 30 to 54 months. As of December 31, 2014, the average term of the lease agreements in our Leasing Business Unit was approximately 39 months, with the average remaining term of these contracts being approximately 19 months as of such date. Furthermore, the maturities of our leasing contracts (excluding order book and service contracts) are spread over the coming years, as follows: Of our Fleet Leasing and Online Retail contracts 32.6% are due to expire in 2015, 29.7% in 2016, 27.0% in 2017 and 10.7% in 2018 or beyond. The long-term nature of our contracts and the regular payments for which they provide, together with the high quality of our customers, which include E.ON SE, Deutsche Lufthansa Aktiengesellschaft, Otis Holdings GmbH & Co. OHG and other large companies, afford us a high degree of forward revenue visibility. Our revenue visibility is further evidenced by our Fleet Leasing business's 2014 revolving quota of 106.2%, which is obtained by dividing infleets by defleets for all customers who were already customers in 2013.

In addition to ensuring a predictable revenue stream, the structure of our lease contracts, together with the increasing diversification of our customer base, contribute to our resilient risk profile. Although we carry the value of the vehicles we lease as an asset on our balance sheet during the leasing period, we are often able to reduce the residual value risk typically associated with leases through the use of buy-back agreements, which transfer this risk to the manufacturer or dealer from which we purchased the vehicle and guarantee to us a minimum repurchase price. While our top ten customers account for approximately 42% of our revenues, we benefit from the fact that our customers are of varying sizes and from different sectors of the German economy. Moreover, the recent growth of our Fleet Management business, which enables us to reach customers who may not need or be interested in our leasing services, and the expansion of our Online Retail business have been contributing to the diversification of our customer base and revenue streams. Finally, we reduce the default risk of our customers through extensive creditworthiness checks, which have contributed to an average write-down rate of approximately 0.35% of operating revenue for 2012 to 2014, average calculated as the average of the annual expenses from write-downs of receivables as percentage of the annual operating revenue over the period.

12.2.8 Track record of profitable growth

We have a track record of profitable growth. Between 2012 and 2014, we had a CAGR of 25.1% as measured by the number of contracts. Over the same period our combined total revenues and operating revenues grew at a CAGR of 1.6% and 4.3% from €556.5 million and €393.7 million in 2012 to €575.0 million and €427.9 million in 2014, respectively, while our EBT Margin Operating Revenue increased from 4.2% for the year ended December 31, 2012 to 6.0% for the year ended December 31, 2014.

Each of our business lines has contributed to this profitable growth. Between 2012 and 2014, our Fleet Leasing business had a CAGR of 1.7% and our Online Retail business had a CAGR of 54.3% in each case as measured by the number of contracts. The EBT margin of our Leasing Business Unit, calculated as Leasing Business Unit's EBT divided by Leasing Business Unit's leasing revenue which accounted for €387.5 million of our operating revenue in 2014, increased from 4.5% for the year ended December 31, 2012 to 6.1% for the year ended December 31, 2014. Between 2012 and 2014, our Fleet Management business had a CAGR of 111.2% as measured by the number of contracts. In Fleet Management, operating revenue grew at a CAGR of 66.9% from €14.5 million in 2012 to €40.4 million in 2014, while EBT margin calculated as Fleet Management Business Unit's EBT divided by fleet management revenue, improved from (6.2)% for the year ended December 31, 2012 to 5.4% for the year ended December 31, 2014.

12.2.9 Experienced Management Team

Sixt Leasing's two Management Board members have approximately 25 years of combined industry-relevant experience. Sixt Leasing's chief executive officer, Dr. Rudolf Rizzolli ("CEO"), started his career as a management consultant working for an international strategy and general management consulting firm in Germany and India. He was then responsible for the restructuring of one of Germany's largest group of car retailers. In the three years prior to taking over as CEO of Sixt Leasing he was in charge of the operational management of a car retailer group with around 500 employees and revenues of approximately €250 million. Sixt Leasing's chief financial officer, Björn Waldow ("CFO"), spent eight years of his career working for a strategy and general management consulting firm in Germany. In the five years prior to taking over as CFO of Sixt Leasing he held various positions within the Sixt SE Group. For more information, see "18 Description of the Governing Bodies of Sixt Leasing AG—18.2 Management Board".

12.3 Strategy

12.3.1 Drive profitable growth of Online Retail

Our Online Retail business line had a CAGR of 54.3% between 2012 and 2014 as measured by the number of contracts. We aim to sustain and increase this strong growth level while at the same time increasing the level of current profitability per customer. In addition to constant optimization of our sales channel at *sixt-neuwagen.de*, we plan to increase our profitability per customer by raising the level of service penetration. As of December 31, 2014, approximately 15% of our Online Retail customers took advantage of at least one of our revenue-generating service products. We intend to increase our cross-selling efforts. We also plan to broaden our offering by developing configured ancillary services aimed at our Online Retail customers. To this end, we have already introduced various configured ancillary services, including the option for our Online Retail customers to trade-in their old vehicles if they decide to acquire a new vehicle from us, a flat fee service addressing the particular maintenance needs of our Online Retail customers, as well as follow-on financing possibilities if our customers wish to keep their vehicle following expiration of the lease period. Furthermore, we believe that the IPO will increase our market visibility and help expedite the growth of our Online Retail business.

12.3.2 Establish European footprint of Fleet Management

As is the case for Online Retail, we also aim to sustain and increase the strong growth of our Fleet Management business, which grew by approximately 125.7% in 2013 and approximately 98.7% in 2014 as measured by the number of contracts. Since our Fleet Management business builds primarily on our longstanding process management experience, we plan to rollout our Fleet Management services to other European countries starting with France, The Netherlands and Belgium. In line with our conservative risk policy, we generally enter new markets only at the request of existing customers.

12.3.3 Continue growth of Fleet Leasing and Fleet Management

With respect to our Fleet Leasing business, we intend to continue the stable growth this business line has enjoyed in the past three years in the German market. In and outside Germany, our Fleet Leasing business line had a CAGR of 1.7% between 2012 and 2014 as measured by the number of contracts. In order to support this growth we are constantly reviewing the possible introduction of new services. We carefully target only customers that match our desired customer profile and participate only in tenders that we believe we can win. In particular, we are interested in winning customers whose fleets and service needs are of a certain complexity, who are interested in pursuing a multi-brand vehicle strategy and whose fleet consists of 100 or more vehicles.

Our Fleet Management business had a CAGR of 111.2% between 2012 and 2014 as measured by the number of contracts. We intend to further grow this business line by continuing our successful strategy. As part of this strategy, we focus on fleets of purchased vehicles and on customers who wish to unbundle the servicing of their fleets from the leasing services. For the latter group of customers we offer to organize bidding contests in order to foster competition between different leasing companies. With our Fleet Management business, we target fleets consisting of 300 or more vehicles. As a result of these efforts, we succeeded in winning SAP SE and its fleet of approximately 14 thousand vehicles as a new customer in 2014, representing our largest customer win to date.

12.3.4 Expand technological capabilities

We believe that the high satisfaction levels of our existing customers, which is regularly monitored through our customer satisfaction surveys, and our appeal to new customers is predominately rooted in our technological capabilities; therefore we target further investments in our IT infrastructure of approximately €1.3 million in 2015. As our technological capabilities are based primarily on our IT-based services, we are focusing on the strengthening of our in-house IT team as well as on the extension of our long-standing partnerships with external IT service providers. In order to identify areas for improvement we are continuously monitoring internal and market developments related to IT-based services that could be relevant to our business.

12.3.5 Grow through opportunistic acquisitions

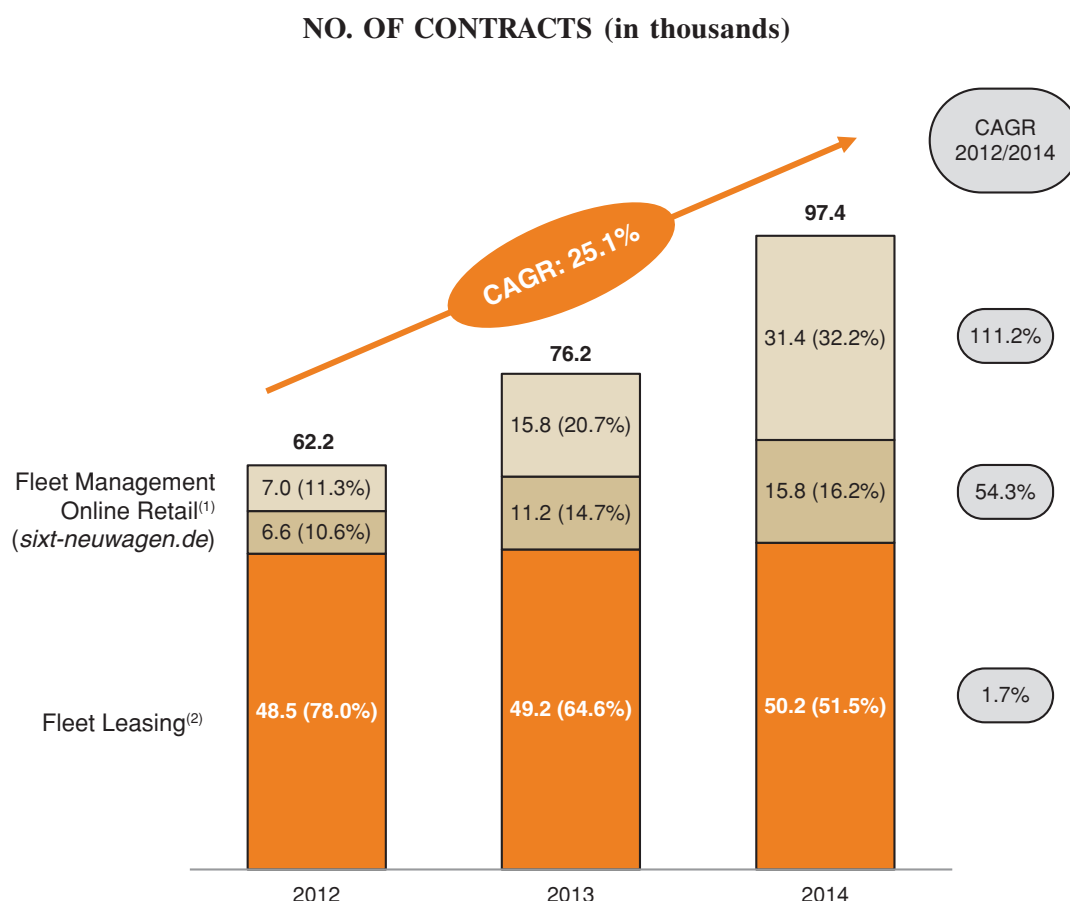
While our main focus is to grow our business organically, we also look at opportunistic acquisitions of companies or contract portfolios that we believe will be incremental to our organic growth. Strategic fit, potential to accelerate growth in geographies that we consider attractive, economic soundness and consistency with our business principles would be a precondition of any acquisition decision. To date, we have not completed any acquisitions. In order to assess and execute transactions, we generally plan to rely on the competencies of our employees and our management team as well on expert advisors.

12.4 Business Operations

We offer full-service vehicle leasing in both the commercial (Fleet Leasing) and retail sectors (Online Retail), as well as fleet management services (Fleet Management). The main geographic focus of our operations is Germany, where all three of our business lines are active. We also operate Fleet Leasing through subsidiaries in Austria, Switzerland, France and The Netherlands.

Measured by the number of contracts, Fleet Leasing is our largest business line and has a history of stable growth during the past two years. Online Retail is our smallest business line but has experienced strong growth during this period. Our second largest business line is Fleet Management, which has also shown strong growth.

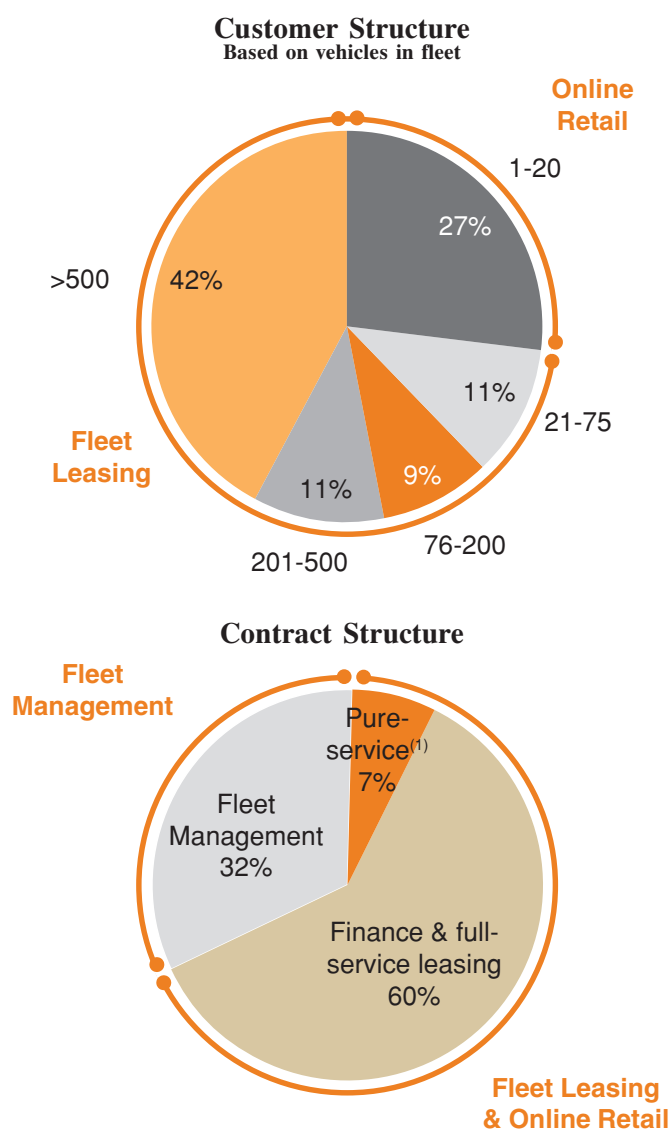
The following chart sets forth information regarding the evolution of our contracts broken down by business line:



- (1) Including 1.4 thousand new contracts in 2014 (2013: 2.1 thousand and 2012: 1.1 thousand) for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 6.6 thousand (2012), 11.2 thousand (2013) and 15.8 thousand (2014) contracts include 0.0 thousand (2012), 0.0 thousand (2013) and 0.0 thousand (2014) pure service contracts.
- (2) Including 3.8 thousand new contracts in 2014 (2013: 4.1 thousand and 2012: 4.5 thousand) for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 48.5 thousand (2012), 49.2 thousand (2013) and 50.2 thousand (2014) contracts include 8.2 thousand (2012), 7.6 thousand (2013) and 7.1 thousand (2014) pure service contracts.

As a result of this recent growth in the number of contracts, we have diversified our business lines as well as our customer base. Whereas Fleet Leasing accounted for 78.0% of our total contracts in 2012, it accounted for only 51.5% of our total contracts in 2014, as our Fleet Management and Online Retail business increased in relative importance. As a result of the growth in our Online Retail business, we have also diversified our customer base. Although we have a relatively high customer concentration in our Fleet Leasing and Fleet Management businesses, we are increasingly diversifying our customer base through the growth of Online Retail.

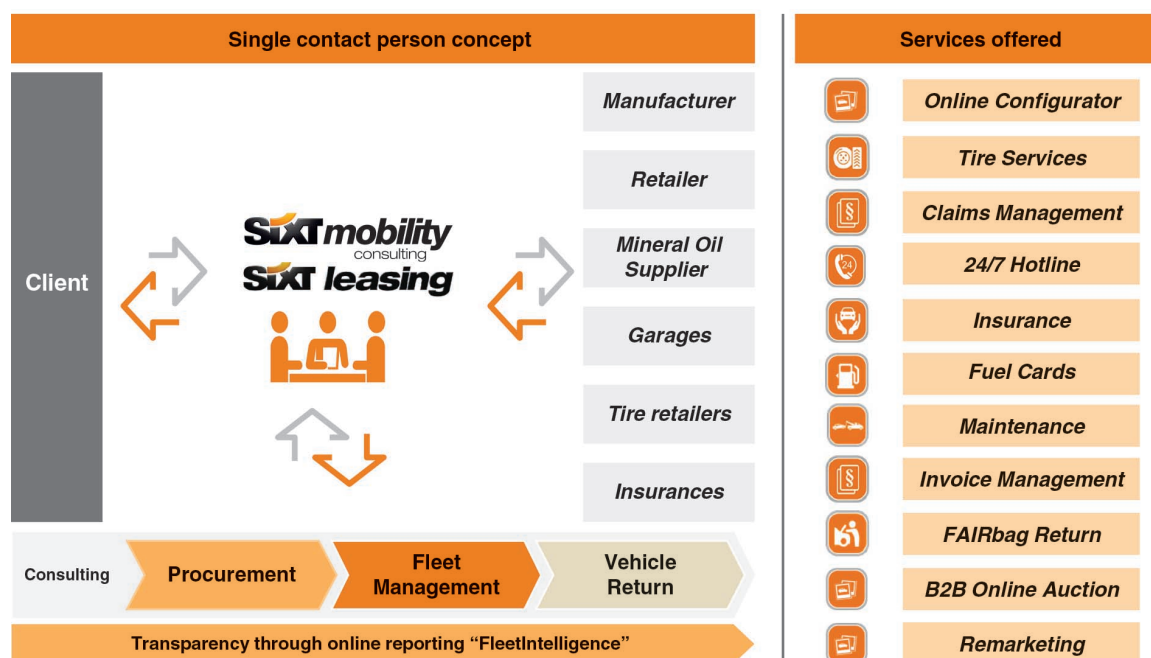
The following charts set forth information regarding the customer structure and the contract structure based on our Leasing Business Unit's contracts as of December 31, 2014:



(1) Represents Fleet Leasing contracts under which Sixt Leasing AG provides certain fleet management services, such as fuel card services, but does not lease the vehicle to the customer.

The services we offer to our customers cover the entire life cycle of the customer's vehicle or vehicle fleet. For most of the services required in the context of full-service leasing we work with carefully selected specialized providers.

The following chart sets forth information regarding the core services we provide and our coordinating role:



We offer our clients a one-stop-shop for independent full-service vehicle leasing and fleet management. The consultation process, which starts and accompanies our client contact, ensures that we are constantly in a position to meet our customers' expectations. We have defined three periods constituting the life cycle of a vehicle: procurement, fleet management and return. In the first phase, we either lease a new vehicle to our customer or help our customer procure the vehicle. The second phase begins upon delivery of the vehicle. During this cycle our customers have the greatest need for our services. In order to ensure their satisfaction, we function as a hub between our customers' needs and the outside service providers, *e.g.*, manufacturers, retailers, mineral oil companies, garages, tire retailers, insurances and others. In the final phase, we offer our customers the assistance required to make the process of the return of their vehicle as simple as possible. We believe our customers particularly value that we provide them with a single contact person and that the services we deliver are rendered highly transparent by our continuous online reporting using FleetIntelligence.

Over the course of these three phases, our Fleet Leasing and Online Retail businesses generate revenue from (a) contractually agreed lease payments for the use of a vehicle, (b) payments for the additional services we provide and (c) selling used vehicles that are returned to us by our customers. The usage component of our leases is generally set at the commencement of the lease agreement and remains constant over the term of the lease, being paid in fixed monthly installments. The additional services component of our leases is offered under three payment models: (i) a fixed fee model, in which the customer pays fixed monthly installments that are set at the beginning of the relevant contract and do not change over the term of that contract, (ii) an advance payment model, in which the customer also pays fixed monthly installments but is required to make an adjusting payment at the end of the relevant contract if the actual cost of providing those services has exceeded the total of the fixed monthly installments (if it falls short of that total, we are required to make an adjusting payment to the customer) and (iii) a "pay-as-you-go" model, in which the costs of providing the relevant service to the customer are charged to the relevant customer at the time they are incurred.

Our Fleet Management business also generates revenue over the course of these three phases, receiving management fees that are paid on a regular basis, payments for the services it provides, which can be paid using any of the three methods offered to our leasing customers, and handling fees for selling customers' vehicles, which are paid when a vehicle is sold. In addition, our Fleet

Management business generates revenue from purchasing used vehicles from its customers and reselling those vehicles on the used vehicle markets.

Our Fleet Leasing customers benefit from our service offering and our associated process management skills to the greatest extent as over 80% of them have opted for our full-service leasing offer as of December 31, 2014. To our Online Retail customers we offer market transparency in the highly nontransparent and volatile leasing markets. We believe this allows us to offer our customers attractive leasing conditions for the vehicle of their choice. To our Fleet Management customers we offer all of our services except those which are leasing related; instead we offer to help with the procurement of their vehicles.

12.4.1 Leasing

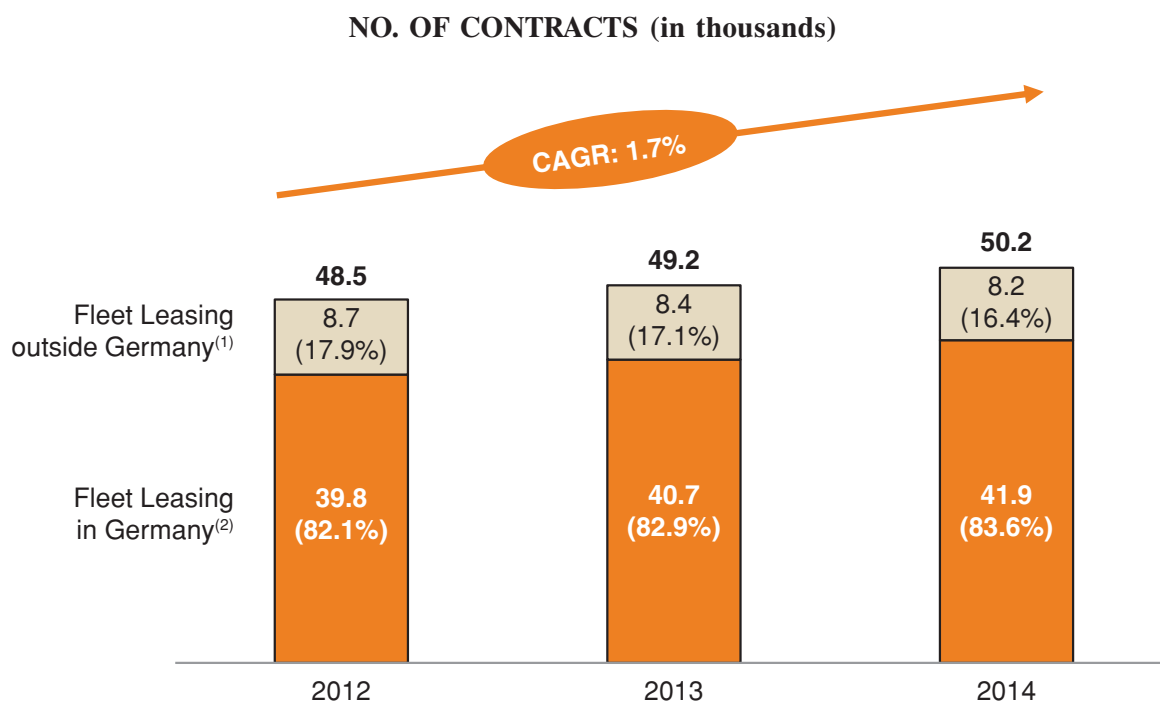
Vehicle leasing and the provision of all services required over the life cycle of a vehicle is the backbone of our business. Within our leasing business we differentiate between Fleet Leasing and Online Retail. Due to the diverging needs and interests of our Fleet Leasing and our Online Retail customers, these business lines are distinctly different, even though customers of both business lines have access to the same set of basic services.

12.4.1.1 Fleet Leasing

12.4.1.1.1 Overview

Measured by the number of contracts, our Fleet Leasing business is our largest business line and has a history of stable growth during the past three years.

The following chart sets forth information regarding the evolution of our Fleet Leasing contracts:



- (1) Including 0.4 thousand new contracts in 2014 (2013: 0.3 thousand and 2012: 0.8 thousand) outside of Germany for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 8.7 thousand (2012), 8.4 thousand (2013) and 8.2 thousand (2014) contracts include 1.0 thousand (2012), 0.9 thousand (2013) and 0.7 thousand (2014) pure service contracts.
- (2) Including 3.4 thousand new contracts in 2014 (2013: 3.8 thousand and 2012: 3.7 thousand) in Germany for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 39.8 thousand (2012), 40.7 thousand (2013) and 41.9 thousand (2014) contracts include 7.2 thousand (2012), 6.7 thousand (2013) and 6.4 thousand (2014) pure service contracts. Of the 41.9 thousand contracts in 2014 less than 1% related to fork lifts and trucks.

We provide our Fleet Leasing services to a range of clients across a diverse industry base, ranging from mid-sized companies to international corporations. Germany is our home and most important market, followed by the French and Swiss markets (representing approximately 4 thousand contracts each) and complemented by our activities in the Dutch and Austrian market. The Sixt brand is well-established and recognized among our customers, which include American Express Services Europe Limited, Brose Fahrzeugteile GmbH & Co. Kommanditgesellschaft, E.ON SE, Deutsche Lufthansa Aktiengesellschaft, Otis Holdings GmbH & Co. OHG, SEB AG, Xerox Gesellschaft mit beschränkter Haftung and other large companies. While our top ten Fleet Leasing customers accounted for 50.6% of our total

Fleet Leasing portfolio in terms of contracts in 2014, we have had relationships of between ten and twenty years with 86% of these customers in terms of contracts in 2014 and relationships of between five and ten years with the remaining 14% in terms of contracts in 2014. We have been doing business with our top ten Fleet Leasing customers for an average of 14 years.

Although our Fleet Leasing business is characterized by considerable customer concentration, the average term of our lease agreements in our Leasing Business Units as of December 31, 2014 was approximately 39 months and the remaining term of our lease agreements as of such date was approximately 19 months, with their maturities spread over the coming years.

Although vehicle leasing is the basis of our business, it is our comprehensive service offering spanning the life cycle of a vehicle that distinguishes us from our competitors. We offer our customers a one-stop-shop solution for large corporate fleets, which means that we are able to take over the purchasing, registering, and further managing of the client's vehicle. In such an arrangement, the client is able to use the vehicle, while we deal with issues related to repairs, mechanical maintenance, roadside assistance, damage handling, tire exchanges etc. Furthermore, we are able to help our clients control fleet utilization costs by providing them with fuel cards and tailored cost reporting.

As a result of our comprehensive service offering, we believe that we are able to provide a wide range of benefits to our corporate customers and their employees, including:

- lower fleet costs and vehicle optimization;
- greater budget and cash flow certainty;
- transfer of asset risks such as maintenance costs and asset disposal, *i.e.*, risk of the asset's residual value at the end of the lease;
- outsourcing of a non-core activity;
- efficient capital allocation and balance sheet utilization;
- remuneration benefits to employees through the salary packaging of vehicles; and
- improved vehicle and driver safety.

The services and benefits we provide are “end-to-end” services through the asset life-cycle, from procurement and vehicle acquisition, to management of the vehicle during the life-time of the vehicle, to the potential return and disposal of the vehicle.

Our revenues from Fleet Leasing activities result primarily from contractually agreed lease installments, which include a services-related component; volume-based bonuses from our suppliers paid retroactively; and management fees. Furthermore, we generate revenues from the sale of the used vehicles at the end of the leasing period (see “—12.5 *Vehicle Remarketing (Buy-back Agreements)*”).

12.4.1.1.2 Leasing

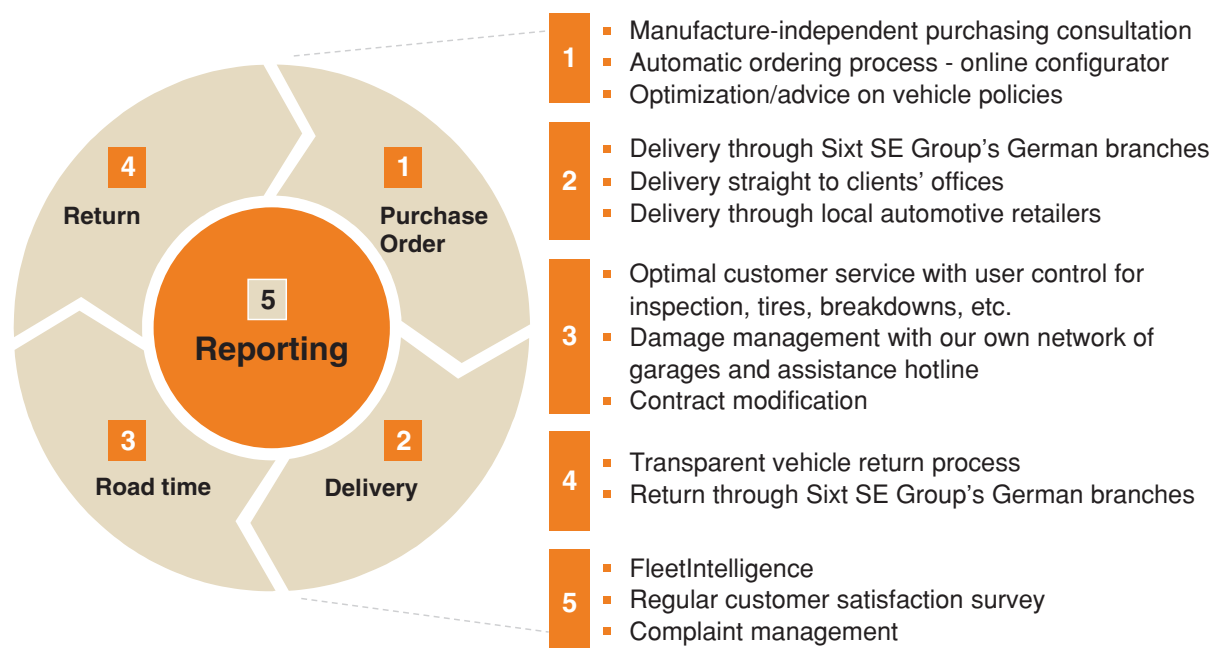
Our offer comprises the provision of use of a vehicle through a lease arrangement. As capital provider, we face the risk of the client's default. In order to monitor the quality of our receivables, we assess the creditworthiness of each new customer by means of internal guidelines. Furthermore, the creditworthiness of corporate customers is regularly monitored during the lease period.

12.4.1.1.3 Services

In addition, the services we offer to our Fleet Leasing customers span the whole life cycle of a leased vehicle, starting with services in the context of the purchase order process, followed by delivery services, those provided during the time on the road and concluding with return-related

services. Our service offering is underpinned by continuous reporting which is primarily online based and therefore highly accessible.

The following chart sets forth information regarding the nature and the context of the services we offer:



Purchase Order. Our contact with the customer begins with the purchase order process. To optimize the efficiency and transparency of this process, we have developed a car configurator. This proprietary software, which uses data from third-party service providers, enables users to configure vehicles within limits predetermined by our customers. Our car configurator conveniently informs the future driver of the monthly leasing rate, estimated fuel costs and the benefit in kind (*geldwerter Vorteil*) or taxable income the chosen vehicle will incur. Following the customization of the vehicle, the user electronically solicits approval of the chosen vehicle from the competent departments in a process that is highly customizable to our customers' requirements. The use of our car configurator is convenient for our customers because the automation of the order process regularly results in a swifter, speedier and cheaper process compared to traditionally paper-based processes. In 2014, we facilitated order processes for approximately 17 thousand cars.

Delivery. We believe that our flexible delivery options ensure satisfaction for our customers. Depending on their specific needs, customers can choose to pick up the leased vehicles from a dealer, at one of approximately 50 German rental car stations of Sixt SE Group (excluding Leasing), which are contracted to perform special leasing services for us, or at certain destination stations. In metropolitan areas we also offer immediate delivery by cooperating dealers to our customers. As the road safety of our customers is one of our primary concerns, we pay special attention to the equipment of our vehicles with winter tires, which are usually pre-installed if a vehicle is delivered during the winter months.

Road Time. During the time on the road we reduce the workload of our customers' fleet managers and ensure constant availability of assistance for the driver by being the single point of contact for all issues that arise when operating a vehicle. To this end, we have set up roadside assistance services (*24/7 Assistance*) which can be reached by telephone or using our Sixt Leasing and Mobility Consulting Apps. Once notified of damage to the vehicle, we help our customer by taking over the entire damage management process. We organize the transfer of the damaged vehicle to a garage or another suitable location and ensure the driver's mobility by providing him with a rental car. Once we have chosen a suitable garage for the required repairs, we regularly

request to be provided with an estimate of the repair costs. Following a review of the cost estimate and the proposed repair measures by our specialized mechanics, we often succeed in reducing the estimated costs.

We further keep costs low through cooperation agreements which we have concluded with garages and suppliers. For general maintenance required due to the normal wear and tear of our vehicles, we have concluded cooperation agreements with more than 3,500 German garages and tire fitters. As tires are one of the most frequently replaced parts of the vehicle, we have entered into cooperation agreements with major German tire fitters, including FleetPartner, Vergölst and 4Fleet. Furthermore, we have entered into cooperation agreements with more than 60 German body shops. Generally, we offer to use one of our partner body shops if the costs of the repair works are expected to exceed €1,000. As a consequence of the cooperation agreements, we benefit from volume-based discounts, special hourly rates and other favorable conditions. To ensure a consistently high-level of performance, the majority of our cooperation garages are audited by the Technical Inspection Association (*Technischer Überwachungs-Verein – TÜV*) and reviewed by our employees. As a result of our cost management, our customers can benefit from substantial cost savings on maintenance and repair as compared to the cost of having the services performed at an OEM garage.

Following receipt of the invoice, our specialist team conducts a plausibility control. The review process includes such basic tasks as recalculating the totals, comparing the totals to the cost estimate, but also includes an assessment of the necessity of the repair based on model-specific repair statistics. Furthermore, the prices of the spare parts as well as the man hours invoiced are benchmarked against an extensive database in order to determine the adequacy of the invoiced amounts. On average, we object to every third invoice that we review. We estimate that our invoice controls result in an attractive average reduction of the costs originally invoiced.

In addition to the cost-effective provision of services, we also focus on sustaining and furthering customer satisfaction in general. In response to our routinely conducted customer satisfaction reviews, we continuously take action aimed at improving our service levels. We have recently equipped one of our Sixt Leasing and Mobility Consulting Apps with a tool allowing our customers to track the progress of the vehicle's repair. We have also trained our employees with respect to communication, technical knowledge and stress management. In order to align the interests of our service employees with those of our customers, we have, where feasible, linked our employees' remuneration-relevant targets to the satisfaction levels of our customers. As of January 31, 2015, we have introduced a callback service during high-volume call periods and also succeeded in bringing down our average call wait time significantly.

Next to maintenance and repair offers we also offer a broad range of services ranging from tire replacement to fuel management so that we can provide our customers a true full-service offering. In 2014, in the performance of these services, we have facilitated the supply of approximately 60 million liters of fuel, repaired damage in approximately 50 thousand cases, processed approximately 150 thousand garage invoices, acquired approximately 70 thousand tires and brokered approximately 9 thousand insurance contracts.

Return. Our return process is designed to ensure uninterrupted mobility of our customers. To achieve this, we incentivize the customer to enter into a new lease agreement prior to the return of his old vehicle. Our proprietary software automatically contacts drivers six months prior to the return of the vehicle to capture their interest in a new lease. In this way, we intend to ensure the smooth transition from one lease agreement to the next. Our product FAirbag Live further assists us in providing a fair and objective damage analysis of the old vehicle as well as in administering possible payments owed by the customer due to damages to the old vehicle by establishing a live appraisal process in the presence of the customers.

Reporting. Our central reporting tool, which we call FleetIntelligence, is proprietary and is a highly customizable interface allowing fleet managers to gain an in-depth understanding of their fleet. Our software offers extensive outlier analysis functions for all types of costs. Much of the

data on the fleet is available in real time. We have also conceived a smartphone application which mobilizes FleetIntelligence. FleetIntelligence is programed to show data of different vehicle subgroups, *e.g.*, top management cars. FleetIntelligence permits the user to activate alarm functions which can be triggered if customizable thresholds *e.g.*, with respect to mileage, are crossed.

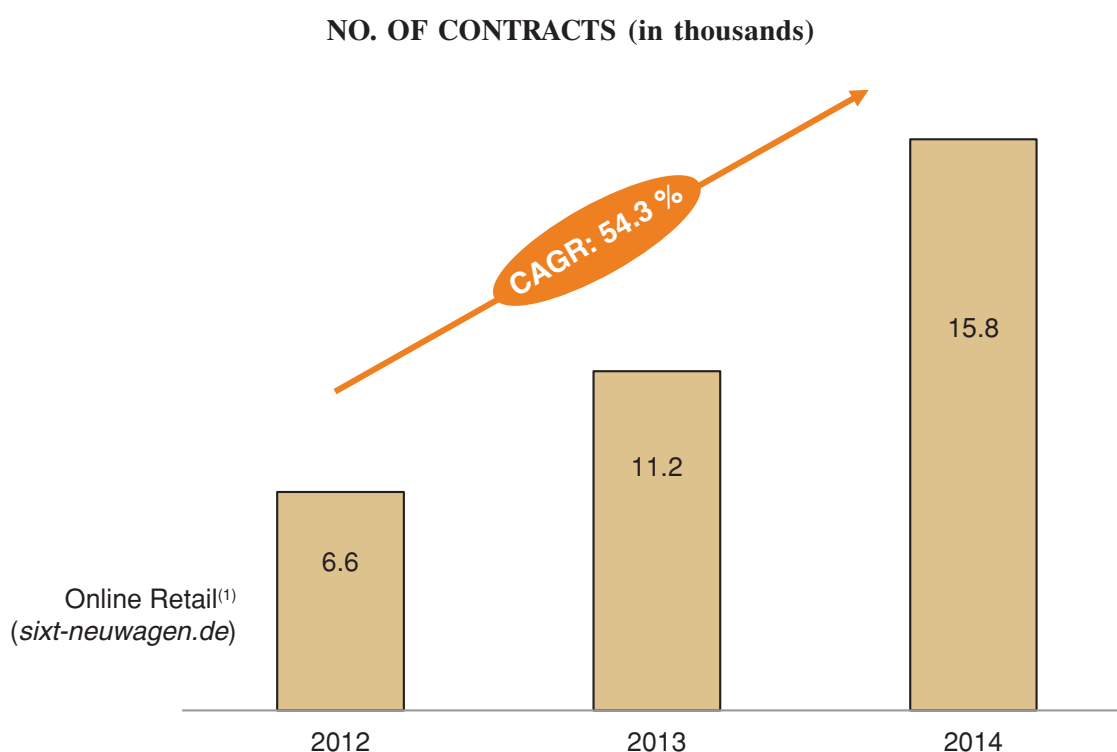
As part of our efforts to continuously improve our products, our in-house IT-team is currently developing software, which we refer to as Damage Center, that will enable our clients' fleet managers to learn more about the nature of damages and their repairs. The tool is expected to allow fleet managers to follow ongoing repairs and to obtain an overview of the repair process of all damaged vehicles. It will also enable fleet managers to evaluate repair costs and accident causes. Furthermore, information on damage assessments by independent specialists, total return costs and commonly damaged vehicle parts will be put at the hand of the fleet manager.

12.4.1.2 Online Retail (sixt-neuwagen.de)

12.4.1.2.1 Overview

Measured by the number of contracts, our Online Retail business is our smallest business line and has experienced strong growth during the last two years. It is also our youngest business line, which we started in 2012. As of December 31, 2014, we serviced 15.8 thousand contracts (December 31, 2013: 11.2 thousand contracts) related to Online Retail.

The following chart sets forth information regarding the evolution of our Online Retail contracts:



- (1) Including 1.4 thousand new contracts in 2014 (2013: 2.1 thousand and 2012: 1.1 thousand) for which the leased vehicle had not been delivered to the customer. These new contracts include follow-on contracts with existing customers, which were concluded before expiration of the existing contract and redelivery of the currently leased vehicle. In such cases, both the existing and the new contract are included in the total contract numbers we report. Furthermore, the 6.6 thousand (2012), 11.2 thousand (2013) and 15.8 thousand (2014) contracts include 0.0 thousand (2012), 0.0 thousand (2013) and 0.0 thousand (2014) pure service contracts.

Online Retail is our business line targeting private and business customers (up to 20 vehicles) in Germany. Via our online car configurator available at *sixt-neuwagen.de*, we offer customers the possibility to configure the latest models of over 30 car manufacturers with a high level of transparency. All of these are exclusively new vehicles from German vendors, which can be ordered tailored to the customers' individual configuration and specification requirements. In this way it is also ensured that they come with the full manufacturer guarantee and warranty.

In essence it is the online sales channel (available at *sixt-neuwagen.de*) which differentiates our Fleet Leasing from our Online Retail business. The backbone of the website is our car configurator, which relies on third-party data that allows the user to configure the vehicle of his choice, to solicit different leasing arrangements and to subsequently initiate the conclusion of the leasing contract. Our Online Retail customers have access to a broad range of services that are available to our Fleet Leasing customers, such as comprehensive services for wear and tear and tire replacement.

Our revenues from Online Retail activities result primarily from contractually agreed lease installments, which in some cases include a services-related component. As of December 31, 2014, approximately 15% of our customers took advantage of our revenue-generating service products. We aim to improve the take up of the additional services by the customers of our Online Retail business. To this end, we have already introduced various configured ancillary services, including the option for our Online Retail customers to trade-in their old vehicles if they decide to acquire a new vehicle from us, a flat fee service addressing the particular maintenance needs of our Online Retail customers, as well as follow-on financing possibilities if our customers wish to keep their vehicle following expiration of the lease period. Furthermore, we generate revenues from the sale of the used vehicles at the end of the leasing period (see “—12.5 *Vehicle Remarketing (Buy-back Agreements)*”).

12.4.1.2.2 Sales Channel (*sixt-neuwagen.de*)

Our sales in Online Retail are initiated solely through our website *sixt-neuwagen.de*. With its user-friendly interface, *sixt-neuwagen.de* enables our customers to conveniently browse all leasing options with price transparency. The website lets the user search for the vehicle of his choice using filters for make, model, class, fuel type, number of doors and horsepower. Based on the user's selections, the car configurator automatically displays important statistics that are relevant to the customer, such as the vehicle's gas mileage, carbon dioxide emissions and overall energy rating. Through a series of dropdown menus, the user can choose the terms of the leasing arrangement, including length of the lease, expected annual mileage and desired down payment. The webpage prominently displays the monthly rate of our offering under both our Sixt leasing product and our leasing product Sixt vario-financing. With every new selection the prices are automatically updated so the user can easily see how changes to the vehicle features and lease terms affect the monthly installments they pay. In doing so, the user can easily compare all options to find his desired vehicle at a price he can afford.

Once the user selects the basic features of the vehicle, he then has the option to fully configure the vehicle with any of the optional features that the manufacturer offers. The user can choose from a full range of paint colors, tire types, optional safety features, media players, navigation controls and many other features. The price of each additional feature is clearly marked and a full overview of the pricing for the lease is displayed on the right-hand side of the page. At any time throughout this process, the user can modify the terms of the lease agreement and immediately see the effect on the price.

In the same way the website allows the user to compare and select the features of the vehicle, *sixt-neuwagen.de* also lets the user select one or more of our many service packages. To ensure transparency, prices and detailed descriptions of the service package options are displayed for the user.

sixt-neuwagen.de also features a consumer guide with relevant and interest-driven advice on acquiring an automobile, regardless of whether that is through leasing, financing or a one-time cash payment. This consumer guide section also helps potential customers gain insight into the complete details of our multifaceted offering, from the benefits of our full-service packages, to the logistics of how to trade in his old vehicle and pick up the new one. As another example, we have developed a comprehensive guide on our damage assessment process at the end of the leasing period. This way, we seek to enable transparent decisions on required repairs, thereby increasing customers' understanding, satisfaction and pricing certainty.

12.4.1.2.3 Leasing

Our Online Retail customers in Germany can choose between two leasing products: (i) our Sixt leasing product and (ii) our Sixt vario-financing product.

Our Sixt leasing product offers certainty to our customers in terms of price and liquidity. Throughout the agreed term of the lease, we remain the legal owner of the vehicle and our customer has the right to use the vehicle in return for a fixed monthly payment. At the end of the term, the vehicle is returned to us, leaving us with the remarketing of the vehicle and the residual value risk, if any. This structure enables us to offer rates lower than otherwise available through traditional financing, because the monthly rates we charge need only cover the costs of depreciation, *i.e.*, the customer's actual usage of the vehicle over the term of the lease and the interest costs plus a margin. Customers can further reduce the prices we charge by opting to pay a special leasing down payment of 10% to 40% of the vehicle price.

Our leasing product Sixt vario-financing, which we have been offering since 2012, offers price certainty and flexibility to our customers by combining the advantages of leasing and traditional financing. Pursuant to a decision of the BaFin, we are allowed to offer our leasing product vario-financing under our existing leasing license. As with our Sixt leasing product, we remain the legal owner of the vehicle during the agreed term while our customer has the right to use the vehicle in return for a fixed monthly payment, which can be reduced further by making a down payment of 10% to 40% of the vehicle price. However, the monthly rate charged during the term of a vario-financing contract is generally lower than the rate charged under our Sixt leasing product. At the end of the contract period, the customer is in any case contractually obliged to make a final payment and has the option to either return the vehicle or purchase the vehicle by making a further payment, the amount of which is pre-agreed at the time the customer entered into the contract.

Vehicles which are returned to us following the leasing period are remarketed by us (see “—12.5 *Vehicle Remarketing (Buy-back Agreements)*”).

12.4.1.2.4 Marketing

We plan to market our Online Retail business using a multi-channel online and offline marketing strategy. These strategies include traditional marketing, online marketing, customer relationship management and working with cooperation partners. To date, our marketing efforts have been based on online marketing and working with cooperation partners. Online marketing includes the use of search engine marketing (“SEM”) and search engine optimization (“SEO”). We have also entered into arrangements with business partners, such as Sixt GmbH & Co. Autovermietung KG (“**Sixt Autovermietung**”) and Autohaus24, allowing us to market our services to the customers of these and other cooperation partners. In the future, we may extend our marketing efforts by traditional marketing strategies such as print, radio and TV advertisement. Furthermore, we are considering the introduction of a customer relationship management system in which we may introduce “customers recruit customers” schemes.

We believe that our online marketing activities in particular have contributed to an increase of visits to our website by approximately 356% between January 2012 and 2015, while orders increased by approximately 242% over the same period. With respect to online marketing, we

carefully track whether the traffic generated on our website is based on paid referrals *e.g.*, due to SEM, or due to unpaid, organic referrals *e.g.*, due to immediate requests of our website or SEO. We believe that the fact that approximately 59% of the traffic on our website is organic proves the effectiveness of our targeted online marketing efforts (Source: *Google Analytics, as measured between October 2014 and March 2015*).

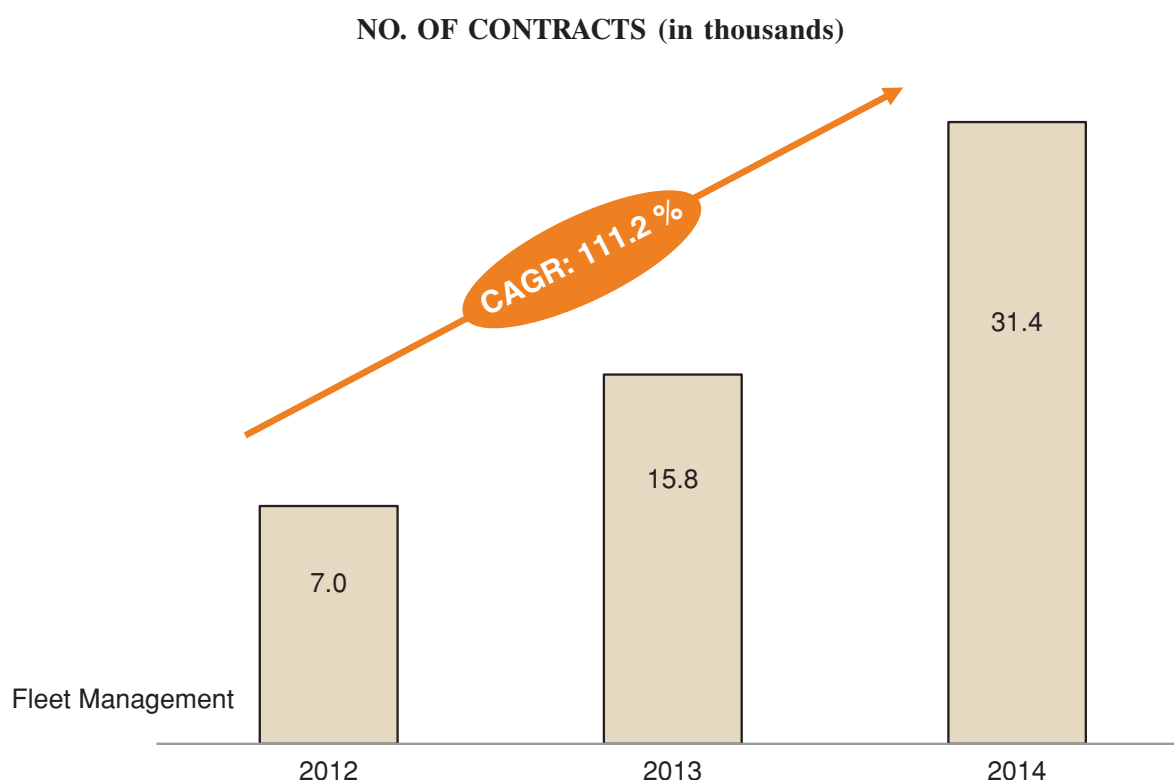
12.4.2 Fleet Management

In Fleet Management, we offer our customers all of the services required to manage their fleet of vehicles. Except for leasing related services, the range of services offered largely corresponds to the additional services available to our full-service Fleet Leasing customers. Instead of leasing related services we offer our assistance in the optimization of the procurement process.

12.4.2.1 Overview

Measured by the number of contracts, our Fleet Management business is our second largest business line and has experienced strong growth during the last three years.

The following chart sets forth information regarding the evolution of our Fleet Management contracts:



We provide our Fleet Management services to a broad range of clients across a diverse industry base, ranging from mid-sized companies to international corporations. Currently, we only offer our Fleet Management services to our customers in Germany. We are, however, building up our presence in the Austrian and the Swiss market and may decide to enter the Belgian, French and Dutch markets in the course of 2015. The Sixt brand is well-established and recognized among our Fleet Management customers, which include BP Europa SE, Kion Group AG, SAP SE and other large companies.

Our revenues from Fleet Management activities result primarily from management fees; contractually agreed installments for services; handling fees for selling customers' used vehicles; and proceeds from the sale of used vehicles that we purchase from our customers (see "*—12.5 Vehicle Remarketing (Buy-back Agreements)*").

12.4.2.2 Services

Our aim is to achieve measurable quality and cost optimization for clients that will enable them to raise their own performance. To this end, we offer our customers all of the services we offer to our Fleet Leasing customers (see “—12.4.1 Leasing—12.4.1.1 Fleet Leasing—12.4.1.1.3 Services”). We estimate that through the use of our services our fleet management clients can benefit from considerable savings in annual fleet management costs. Furthermore, we work with online-based solutions developed by our in-house IT team. Among others, this includes a multi-bid configurator, the FleetOptimizer and FleetIntelligence. The multi-bid configurator simplifies vehicle procurement for our customers as it allows them to freely configure their fleet vehicles, to compare them to potential alternative vehicles and to invite various leasing companies to forward their tenders for the customer’s chosen vehicle. The multi-bid configurator also speeds up the ordering and approval process and, depending on the vehicle model, achieves a leasing price through the tendering process that can be substantially lower than previous monthly costs.

The FleetOptimizer enables companies to identify cost-saving potential within existing customer fleet configurations and deduce measures with which the customers’ fleet expenses can be reduced over the long term. The FleetOptimizer generates intuitive graphics to facilitate the interpretation of results based on three categories: car policy, procurement and fleet management. This analysis and planning tool is available for most European countries and takes due account of national taxation and consumption parameters.

We are also continuing to enhance the specific requirements of the reporting system FleetIntelligence by supplementing it with new functions, such as the digital vehicle folder. This digital record gives users real-time access to all documents of their fleet.

For our Fleet Management customers with purchased fleets, we offer to include their used vehicles in our remarketing and sales process against payment of a handling fee. Alternatively, if our customers opt to auction their vehicle, we may participate as a bidder and, if successful, we keep the proceeds from the subsequent sale of the vehicle (see “—12.5 Vehicle Remarketing (Buy-back Agreements)”). In 2014, we generated revenues from remarketing and sales of used vehicles conducted for our Fleet Management customers in an amount of €16.2 million, or 28.6%, of our total Fleet Management revenues.

12.5 Vehicle Remarketing (Buy-back Agreements)

Upon expiry of the lease term and return of the leased vehicle we remarket and sell our used vehicles. We have entered into buy-back agreements with regard to a significant portion of our leased vehicles (covering 58% of all leased vehicles as of December 31, 2014) with dealers and manufacturers of the purchased vehicles, under the terms of which we have the right and occasionally, subject to certain conditions, the obligation to sell back the vehicles to the respective dealer or manufacturer at pre-determined conditions upon expiry of the agreed holding period. In economic terms, these buy-back agreements transfer the residual value risk to the counterparties of our buy-back agreements and provide us with a minimum repurchase price, subject, in certain cases, to any damage to the vehicle, the cost of which is typically borne by our customers. As of December 31, 2014, about 69% of the Fleet Leasing vehicles and about 37% of the Online Retail vehicles were covered by buy-back agreements with manufacturers or dealers. As we face the risk that our counterparties, and in particular dealers, may not be able to meet their repurchase commitments, we pay great attention to the economic soundness of those dealers with which we enter into buy-back agreements. Given the greater variety of models and designs and typically higher-value configuration of the vehicles in our Online Retail business, the upside potential for these vehicles in our remarketing process is significantly higher than for vehicles in our Fleet Leasing business, so that we do not aim to have the same percentage of vehicles covered by buy-back agreements in Online Retail as in Fleet Leasing. In either business line, however, some upside potential for vehicles covered by buy-back agreements remains with us, as in some cases the agreements grant us the right, but not the obligation, to include the

vehicle in our own remarketing process instead of reselling the vehicle to the manufacturer or dealer.

Our multi-step remarketing process is focused on maximizing our resale proceeds. Each vehicle is assessed by an independent appraiser and auctioned on an independent business-to-business platform. Once the first auction has expired, a second auction on our own business-to-business platform is started using the highest bid from the first auction as minimum bid. Distributors such as “Carpark”/“Autoland” (business-to-consumer) and other business-to-business and business-to-consumer resellers must participate in the second auction if they want to acquire the respective vehicle. If no higher bid is received during the second auction, the vehicle will be sold to the highest bidder from the first auction. If higher bids are received during the second auction, a final negotiation phase follows including the winner from the first auction allowing him and the winner of the second auction to outbid each other. The vehicle is finally sold to the highest bidder. If the winning bidder is our affiliate “Carpark”/“Autoland”, we may have potential to realize a gain from the final sale to the consumer.

12.6 Financing of Business Operations

For information on the financing of our business operations see “13. Material Agreements—13.1 Financing Arrangements”.

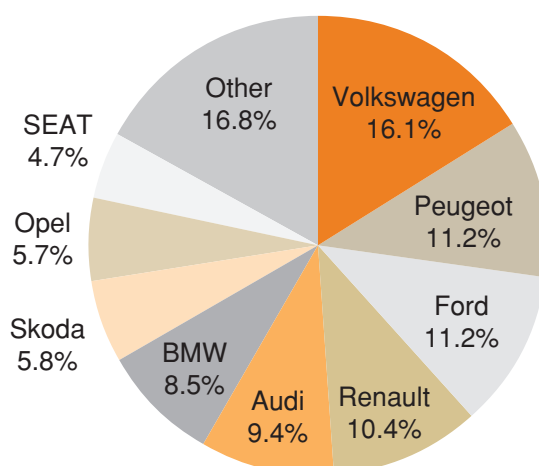
12.7 Relationship with Suppliers

12.7.1 Vehicle Suppliers

As of December 31, 2014, our portfolio included the brands of over 30 car manufacturers. By number of cars, Volkswagen, Peugeot and Ford made up the largest share of our vehicle portfolio, with 8,653 vehicles, 6,027 vehicles and 6,002 vehicles, respectively. Many of our Fleet Leasing customers receive their vehicles directly from vehicle manufacturers or importers based on terms negotiated between our Fleet Leasing customer and the manufacturer or importer. In this case we sometimes facilitate the negotiations between the manufacturer and our client and participate in the bonuses granted to our client. Vehicles for Online Retail are purchased from vendors in Germany on the basis of our pre-negotiated purchase conditions.

The following chart sets forth information regarding the composition of our vehicle portfolio by manufacturer as of December 31, 2014:

VEHICLE PORTFOLIO BY MANUFACTURER (in percent)



12.7.2 Service Suppliers

Our value proposition to customers is enhanced through our network of suppliers. In addition to decades of experience working with major vehicle manufacturers, we also have strong relationships with dealers, oil companies, garages, tire dealers, insurance companies, and other essential service providers that enable us to deliver tailor-made solutions to our customers at attractive prices. We have entered into framework agreements with a number of these suppliers in order to complement our full-service offering and provide our customers with competitively priced vehicle parts, fuel cards and repair services. Due to our purchasing power, we have obtained favorable commercial terms in each of our framework agreements, such as direct discounts on prices, special hourly rates, as well as bonuses based on the achievement of certain volume levels or market shares and of other mainly yearly targets. As of the date of the Prospectus, we have framework agreements with Volkswagen service network partners FleetPartner, 4Fleet and more than 3,500 garages and tire fitters in Germany. The framework agreements position us to pass on substantial discounts to our customers while in some cases they entitle us to bonus payments.

12.8 Information Technology

To safeguard the continued competitiveness of our product offering, we had built up an in-house IT-team of 28 people as of December 31, 2014 and are continually investing in the development of our proprietary systems and capabilities. Our high expertise in the areas of SEO and SEM are key capabilities for the successful marketing of our services. Moreover, our IT platform is fully integrated with our customer relationship management system.

12.8.1 Website Development

Ongoing IT projects include constant improvements to our website. To this end, we regularly perform advanced testing of our website through what is known as A/B tests. An A/B test compares the behavior of our users on one of our existing webpages (version A) to the behavior of a randomized sample of our customers which are automatically redirected to a variant of that same webpage (version B). Our A/B testing allows us to test modifications in our websites, such as layout and pricing structure, to determine the optimum configuration in order to achieve higher conversion rates.

We are able to achieve this relatively high level of orders per lead due to our proprietary software solution that efficiently integrates workflows and information between the web platform and our customer relationship management system. As a result of this integration, our sales representatives are equipped with additional knowledge about the customer that helps them to successfully close the leasing contract.

Further, the efficiency of our IT system and our expertise in SEO and SEM enable us to drive down costs while maintaining high leads per click and orders per lead.

12.8.2 Customer-Facing Technology

We believe we are differentiated from our competitors in the advanced capabilities of our customer-relationship management system, evidenced by our proprietary customer-facing software, including our car configurator, our multi-bid configurator, the FleetOptimizer, FleetIntelligence and our Sixt Leasing and Mobility Consulting Apps.

Our car configurator enables employees of our Fleet Leasing customers to configure vehicles within limits predetermined by our customer. The use of our car configurator is convenient for our customers because the automation of the order process regularly results in a swifter, speedier and cheaper process compared to traditionally paper-based processes. Additionally, our online car configurator available to our Online Retail customers at sixt-neuwagen.de, offers customers the possibility to configure and lease the latest models of over 30 car manufacturers.

The multi-bid configurator, an important part of the services provided by our Fleet Management business, simplifies vehicle procurement for our customers by allowing them to freely configure their fleet vehicles, to compare them to potential alternative vehicles and to invite various leasing companies to forward their tenders for the customer's chosen vehicle. The FleetOptimizer, another software utilized by our Fleet Management customers, enables companies to identify cost-saving potential within existing customer fleet configurations and deduce measures with which the customers' fleet expenses can be reduced over the long term.

Further proprietary software which we use is either aimed at improving our existing services or exploiting new technologies to introduce additional services. FleetIntelligence, for example, is a reporting system that assists fleet managers in compiling detailed analyses of both their entire fleet and individual vehicles. Additionally, the recently launched Sixt Leasing and Mobility Consulting Apps enable our customers across all business lines to access our existing services, such as roadside accident assistance, from their smart phones.

12.8.3 Internal Information Technology Infrastructure

In addition to our customer-facing software, we also rely on proprietary software to improve our internal processes, increase our efficiency and serve more customers per customer service agent. For example, we have developed software, which we call SUNPRO, that manages all aspects of the workflow in our Fleet Leasing and Fleet Management business starting from the purchase of the cars up through the remarketing of the returned vehicles. For *sixt-neuwagen.de*, we developed additional software called LEILA to take care of the purchasing and sale processes of our Online Retail business. LEILA manages most aspects of the workflow in our Online Retail business starting from the initial customer inquiry. Upon receipt of the customer's request for an offer, LEILA takes over and facilitates all major steps necessary for commencement of the lease, including reviewing the contract, building the interfaces for appraising the customer's creditworthiness and ordering the vehicle from the dealer or manufacturer, to name a few. Due to LEILA, we have increased our efficiency by being able to serve more customers per customer service agent, while at the same time maintaining the level of service each customer receives.

12.9 Intellectual Property

12.9.1 Patents

As of the date of this prospect, Sixt Leasing Group does not hold any patents.

12.9.2 Trademarks

Sixt Leasing Group has non-exclusive licenses from Sixt SE for use of, among others, the following Trademarks (as defined below), which are essential for its business activities: "SIXT Leasing", "SIXT neuwagen", "SIXT neuwagen blog", "SIXT Mobility Consulting", "SIXT lease a car", "SIXT VarioFinanzierung", "SIXT fleet optimizer", "SIXT fleet intelligence" and "SIXT FAirBag". See "13 Material Agreements—13.2 License Agreement with Sixt SE".

12.9.3 Part of Commercial Names (Firmenbestandteil) "Sixt"

Sixt Leasing Group has licenses from Sixt SE for the use of "Sixt" as part of the commercial name of the Company and its wholly owned subsidiaries. The part "Sixt" as part of the commercial names (*Firmenbestandteil*) of the companies of the Sixt Leasing Group needs to be removed once the License Agreement with Sixt SE expires or is terminated. See "13 Material Agreements—13.2 License Agreement with Sixt SE".

12.9.4 Domains

Sixt Leasing Group has licenses from Sixt SE for use of the following Internet domains, which are essential for its business activities: "sixt-leasing.com", "sixt-leasing.de", "sixt-neuwagen.de",

“sixt-leasing.ch” and “sixt-leasing.at”. See “13 Material Agreements—13.2 License Agreement with Sixt SE”.

12.10 Real Estate and Leases

Sixt Leasing does not own any properties. There are currently no plans concerning additions of material tangible fixed assets, including leased properties. Accordingly, Sixt Leasing currently does not require funding for material tangible fixed assets.

Sixt Leasing uses leased office premises, storage facilities and garage parking spaces. The most significant leased premises is at its headquarters in Pullach, Germany, which Sixt Leasing leases from a subsidiary of Sixt SE. Sixt Leasing also leases premises in Berlin, Germany; Hamburg, Germany; Walldorf, Germany; Basel and Zurich, Switzerland; Paris, France and Hoofddorp, The Netherlands.

12.11 Employees

Sixt Leasing Group employed an average of 233 employees in 2012, 227 employees in 2013 and 275 employees in 2014. In 2014, our Leasing Business Unit employed an average of 248 employees in 2014 (2013: 210 employees and 2012: 225 employees) our Fleet Management Business Unit employed an average of 27 employees (2013: 17 employees and 2012: 8 employees).

The number of employees of Sixt Leasing Group as of the date of this Prospectus does not significantly differ from the number on December 31, 2014. Furthermore, only an insignificant number of our employees are based outside Germany.

12.12 Insurance

Sixt SE entered into a group insurance covering commercial liability insurance (*Betriebshaftpflichtversicherung*), fire liability insurance (*Feuerhaftungsversicherung*), environmental liability insurance (*Umwelthaftpflicht*), commercial risks insurance (*Geschäftsversicherung*), crime insurance (*Vertrauensschadenversicherung*), criminal procedures insurance for management board members (*Spezial-Straf-Rechtsschutz*), electronic equipment insurance (*Elektronikversicherung*) and directors' and officers' („D&O“) insurance (*Vermögensschadenhaftpflicht*). Sixt Leasing is a beneficiary under these insurance policies as long as Sixt SE remains its majority shareholder. Following this offering, Sixt SE will cease to be the majority shareholder of Sixt Leasing. Therefore, Sixt Leasing would no longer benefit from these insurance policies following this offering. But it is envisaged that Sixt Leasing and Sixt Mobility Consulting GmbH accede to the group insurance of Sixt SE as policy holders, as a result of which Sixt Leasing Group will continue to benefit from substantially the same insurance coverage as it did prior to this offering. However, Sixt Leasing will obtain stand-alone D&O insurance covering the members of the Management Board and Supervisory Board. In this context, it should be noted that this D&O insurance will provide for a deductible for the members of the Management Board but not for the members of the Supervisory Board.

12.13 Legal Proceedings

During the ordinary course of its business activities, Sixt Leasing Group is regularly involved in legal proceedings, both as a claimant and as a defendant. These proceedings are routine matters regarding insurance claims, non-payment of leasing fees, labor law and other issues and do not have a significant impact on Sixt Leasing Group's business.

As of the date of the Prospectus, Sixt Leasing and Sixt Leasing Group were not involved in any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which Sixt Leasing is aware), during a period covering the previous 12 months which may have, or have had in the recent past, significant effects on Sixt Leasing and/or Sixt Leasing Group's financial position or profitability.

13. MATERIAL AGREEMENTS

The following section provides a summary of the material agreements to which the Sixt Leasing Group is a party. The Sixt Leasing Group depends on the Financing Agreement to have sufficient funding for its business operations until it can substitute the funding provided by the Financing Agreement with external financing. The Sixt Leasing Group also depends on the License Agreement with Sixt SE to non-exclusively use Trademarks (as defined below), which are essential to conducting its business operations.

13.1 Financing Arrangements

As of February 28, 2015, the Sixt Leasing Group had financial indebtedness, in particular as set forth below (nominal values, except with respect to finance lease arrangements):

- approximately €51 million under a borrower's note loan (*Schuldscheindarlehen*);
- approximately €60 million under two secured term loans with banks;
- approximately €112 million under money-market loans;
- approximately €621 million debt capital from Sixt SE itself, of which Sixt SE had provided approximately €327 million under two term loans with the Company and approximately €294 million through a settlement account; and
- approximately €46 million under several finance lease arrangements.

13.1.1 Financing Agreement between Sixt SE and Sixt Leasing AG

On April 17, 2015 Sixt SE entered into the Financing Agreement providing for the Core Loan in the amount of up to €750 million and a growth loan facility (the “**Growth Loan**”) of up to €400 million. The Company intends to roll in the inter-company loans received from Sixt SE existing as of April 30, 2015 in an amount not exceeding €750 million into the Core Loan by April 30, 2015. By the Financing Agreement, Sixt SE as Selling Shareholder provides credit to the Company until the end of 2018 (progressively decreasing as described in the following sections). The structure of the Financing Agreement includes repayment optionalities and aims at reducing the existing debt from the Selling Shareholder under the Core Loan over its term.

13.1.1.1 Core Loan

Purpose of the Core Loan is the refinancing of existing inter-company loans from Sixt SE (including the amount of the borrower's note loan (*Schuldscheindarlehen*)) by way of novation of such existing loans. The principal of the Core Loan amounts to up to €750 million and is divided into three partial amounts of up to €260 million (the “**First Partial Loan Amount**”), of €300 million (the “**Second Partial Loan Amount**”) and of €190 million (the “**Third Partial Loan Amount**”), and together with the First Partial Loan Amount and the Second Partial Loan Amount the “**Partial Loan Amounts**” or each a “**Partial Loan Amount**”).

Each of the Partial Loan Amounts must be repaid at specified repayment dates and may be prepaid at par (i.e. nominal amount plus accrued interest) at certain voluntary prepayment dates before. The following table sets forth key information on the Partial Loan Amounts of the Core Loan:

	Amount in (€ million)	Interest rate until prepayment date (%) p.a.	Date for voluntary prepayment	Interest rate after voluntary prepayment date (%) p.a.	Specified repayment date unless prepaid before
First Partial Loan					
Amount	up to 260	3.0 ⁽¹⁾⁽²⁾	June 30, 2016 ⁽⁴⁾	4.6	June 30, 2017
Second Partial					
Loan Amount . . .	300	3.0 ⁽²⁾⁽³⁾	June 30, 2017	4.6	June 30, 2018
Third Partial Loan					
Amount	190	3.0	June 30, 2018	4.6	December 31, 2018

- (1) For a portion of the Core Loan in an amount of €51 million, the fixed interest rate amounts to 4.011% p.a. until July 31, 2015.
- (2) For a portion of the Core Loan in an amount of €306.6 million the fixed interest rate amounts to 2.0% p.a. until September 30, 2015.
- (3) For a portion of the Core Loan in an amount of €20 million the fixed interest rate amounts to 2.2% p.a. until June 30, 2017.
- (4) €51 million can be prepaid on July 31, 2015.

As set out above, the interest on loan amounts outstanding under each Partial Loan Amount after the specified prepayment date is subject to an interest rate step up of 1.6% p.a. from 3.0% p.a. to 4.6% p.a. to the extent the Partial Loan Amount is not repaid. The Company may make other voluntary prepayments at the end of each half-year subject to a prepayment compensation for the interest difference to notes of the Federal Republic of Germany with a similar term.

13.1.1.2 Growth Loan

The Growth Loan can be utilized for general corporate purposes, including the refinancing of the Core Loan. Under the Growth Loan, the Company can draw up to €100 million until December 31, 2015 and then additional loan amounts of €100 million in each of calendar year 2016, calendar year 2017 and calendar year 2018. Amounts undrawn at the end of each of these calendar years are not available at a later time. All drawings under the Growth Loans must be repaid on December 31, 2018. The Company is entitled to prepay outstanding amounts under the Growth Loan without any obligation to pay prepayment fees or prepayment compensation at the end of each calendar quarter; however, these amounts may not be re-borrowed. In case of a voluntary prepayment of the Growth Loan, the Company may no longer utilize any amounts of the Growth Loan in the future. As of the date of this Prospectus, the Growth Loan has not been utilized by the Company.

The Growth Loan shall bear interest, with respect to all amounts then utilized, at a fixed interest rate of

- 3% p.a. for the period until December 31, 2015,
- 3.5% p.a. for the period from January 1, 2016 to December 31, 2016,
- 4.0% p.a. for the period from January 1, 2017 to December 31, 2017, and
- 4.5% p.a., for the period from January 1, 2018 to December 31, 2018.

A commitment fee of 1% p.a. of an available, but undrawn amount under the Growth Loan shall be payable quarterly in arrears; however, the Company may cancel the available annual Growth Loan facilities or parts hereof with effect from the end of each calendar quarter and thus avoiding a commitment for the respective amount as of the effective date of cancellation.

13.1.1.3 Other Loan Provisions

The Company has transferred, and shall transfer in the future, the title to a significant part of its vehicles to Sixt SE as collateral for the obligations under the Financing Agreement. The Company shall ensure that the book value of the cars transferred as collateral does not fall below the nominal value of the outstanding loans under the Financing Agreement.

The Financing Agreement contains representation and warranties and undertakings customary for a facilities agreement of this nature. Amongst others, the Company is subject to limitations on its ability to incur additional financial indebtedness or grant third-party security during the term of the loans under the Financing Agreement in each case subject to certain exemptions and baskets.

Further, the Financing Agreement contains rights of Sixt SE to terminate the Financing Agreement (and demand repayment of the Core Loan and the Growth Loan) customary for a facilities agreement of this nature. In particular, termination rights exist if payments of interest, principal or other amounts are not made when due, the borrower becomes insolvent or defaults on other financial liabilities or (other) contractual obligations are not complied with (unless the respective violation can be and is cured within a contractually specified period).

All outstanding amounts under the Financing Agreement become immediately due and payable, if a person (other than the Sixt SE or its affiliates) acquires more than 25% of the shares in the Company or to the extent lending under the Financing Agreement becomes illegal for Sixt SE.

13.1.2 Finance Leases

The Company entered into framework sale-and-lease-back agreements with repurchase options and, from 2012 to 2014, into various contracts hereunder for specified groups of operated cars. According to the Company's internal reporting system, the total amount of finance lease liabilities amounted to approximately €44.7 million as of December 31, 2014. The terms of the individual lease contracts vary from around 2 years to approximately 6.5 years; the last leases currently expire in December 2018. The fixed interest rates for the tranches range from approximately 2.0% p.a. to approximately 3.3% p.a.

13.2 License Agreement with Sixt SE

The Company and Sixt SE concluded the License Agreement on April 23, 2015, which will come into effect on May 1, 2015 regarding the non-exclusive use of Trademarks (as defined below), licenses for the use of "Sixt" as part of the commercial names (*Firmenbestandteil*) of the Company and its subsidiaries as well as domain licenses in the EEA⁽¹⁾ and Switzerland. The License Agreement covers the use of certain word marks (*Wortmarken*) and word and design marks (*Wortbildmarken*) (the "**Trademarks**"), including, among others, "SIXT Leasing", "SIXT neuwagen", "SIXT neuwagen blog", "SIXT Mobility Consulting", "SIXT lease a car", "SIXT VarioFinanzierung", "SIXT fleet optimizer", "SIXT fleet intelligence" and "SIXT FAirBag" and of certain domains, including, among others, "sixt-leasing.de", "sixt-neuwagen.de", "sixt-leasing.ch" and "sixt-leasing.at". The goods and services allowed to be marketed under the Trademarks comprise (a) the conduct of leasing operations with regard to motor vehicles and motor vehicle accessories as lessor with a regular contractual term of at least eleven months;

(1) Excluding the following countries: Bulgaria, Cyprus, the Czech Republic, Denmark, Estonia, Greece, Ireland, Italy, Latvia, Lithuania, Malta, Poland, Rumania, Slovakia, Slovenia, Sweden and the United Kingdom.

(b) the management of motor vehicle fleets and motor vehicle accessories (fleet management); and (c) in connection with leasing operations pursuant to (a) and/or fleet management operations pursuant to (b), any of the following: (i) the brokerage of insurances, (ii) the trading of goods and provision and brokerage of services related to motor vehicles except for renting of motor vehicles as well as the brokerage of rent agreements in respect of motor vehicles unless included in (v) below, (iii) the trading of fuel and lubricants for motor vehicles, (iv) the utilization and trading of motor vehicles, motor vehicle repair parts and motor vehicle accessories and (v) the brokerage of short-term renting agreements in respect of motor vehicles as replacement vehicles for vehicles in repair shops or damaged vehicles or for leased vehicles which have not been delivered after the lease term commenced (*Leasingvorabfahrzeuge*). Sublicenses outside the Sixt Leasing Group may only be granted subject to the prior written approval of Sixt SE.

The License Agreement has an initial term of 25 years and thereafter will automatically be extended for further periods of one year each unless the License Agreement is terminated by either party thereto in writing with a notice period of one year. The License Agreement may be terminated for due cause if, among other things, a material adverse change in the business of the Sixt Leasing Group or a change of control with respect to the Company occurs. A change of control is triggered when (a) a third party directly or indirectly acquires more than 25% of the shares in Sixt Leasing or (b) a competitor of Sixt SE Group or a person affiliated (as defined in Section 15 of the German Stock Corporation Act (*Aktiengesetz*)) with a competitor of Sixt SE Group directly or indirectly acquires more than 10% of the shares in Sixt Leasing.

The Company is obligated to pay a monthly license fee to Sixt SE of 0.25% of the revenues of the Sixt Leasing Group excluding revenues resulting from fuel deliveries or from the sale of vehicles (the “**Relevant Revenues**”) until April 30, 2020 provided that the absolute amount of the annual license fee in euro amounts at least to 105.0% of the previous year’s license fee (the “**Minimum Annual License Fee**”). If 0.25% of the annual Relevant Revenues are lower than the Minimum Annual License Fee, the Company is obliged to pay the Minimum Annual License Fee.

For the period beginning as of May 1, 2020, Sixt SE can request an increase of the monthly license fee if (i) the brand awareness or the brand value of “Sixt” has increased and (ii) the increase of the license fee is economically viable for the Sixt Leasing Group at that point in time. If the Company and Sixt SE are unable to agree upon a new license fee, the new license fee will be determined by an expert arbitrator (*Schiedsgutachter*). Once a new license fee will become effective, additional license fee increases will be excluded for a period of three years.

14. REGULATORY ENVIRONMENT

Our business activities in Europe are subject to various regulatory requirements under European and applicable national laws of the countries in which we operate, in particular, Germany, Switzerland, Austria and France.

Within the EU regulations (*EU-Verordnungen*) apply directly in all EU member states. As a result, our business is subject to these rules in all EU member states. In contrast, EU directives (*EU-Richtlinien*), while binding EU member states as to the result to be achieved, need to be implemented into national law. Hence, regarding those standards contained in EU directives that are applicable to our business, national implementing rules can differ slightly from one EU member state to another. To the extent governed by EU regulations or national laws that are based on EU directives, the regulatory environment in most other EU member states and the member states of the EEA is similar to the regulatory framework in Germany.

The regulatory requirements applicable to our business activities are subject to change, as they are continuously modified at the national, European and international level. If we fail to comply with any of these laws and regulations, we may be subject to civil liability, administrative orders, fines, or even criminal sanctions.

The following provides a brief overview of selected regulations that are applicable to our business operations.

14.1 Leasing Contracts

The overwhelming majority of the leasing contracts between us and our customers are governed by German law. Generally two types of leasing are differentiated: finance leasing and operating leasing. A lease is classified as a finance lease if the purpose of the lease agreement is primarily to finance the leasing object and the lessee carries the investment risk. All other leases are classified as operating leases. Substantially all of the lease agreements we have concluded with our customers qualify as finance lease agreements according to the guidelines issued by BaFin on finance leasing. However, in accordance with IAS 17 our lease agreements qualify as operating leases, see “10 Management’s Discussion and Analysis of Net Assets, Financial Condition, and Results of Operations—10.12 Significant Accounting Policies—10.12.1 Lease Assets”.

Leasing contracts are classified as non-standard rent agreements (*atypischer Mietvertrag*). Customarily, leasing contracts stipulate that the lessee is not entitled to any warranty claims vis-à-vis the lessor. In return, the lessor transfers any warranty claims he has vis-à-vis the distributor under the purchase agreement of the vehicle to the lessee. However, the exclusion of warranty claims of the lessee is only valid, if the transferred warranty claims vis-à-vis the distributor are recoverable and do not expose the lessee to the risk of insolvency of the distributor. The risk of any losses incurred due to maintenance and repair work, damage or destruction of the leasing object is transferred to the lessee in the leasing agreement.

14.2 Standardized Terms (*Allgemeine Geschäftsbedingungen*)

Since there are no specific statutory provisions in the German Civil Code (*Bürgerliches Gesetzbuch*) on “leasing contracts”, almost all our leasing contracts include standardized terms. Standardized terms under the laws of all jurisdictions in which we operate have to comply with statutory law on general terms and conditions, which means they are subject to rigid fairness control by the courts regarding their content and the way they, or legal concepts described in them, are presented to the other contractual party by the person using them. The standard is even stricter if they are used vis-à-vis consumers. The lawfulness of such standard clauses may be challenged by our customers, both consumers and commercial customers, before courts. If a provision is considered ineffective, the parties are bound only by the remaining parts of the contract. Should any standard clauses be declared void, we may be unable to enforce our contracts and realize the anticipated economic profits.

14.3 Consumer Protection Regulation

Leasing operators who enter into leasing agreements with consumers must comply with various consumer protection laws. Throughout the EU, consumer protection is extensively regulated on the basis of, amongst others, the following EU directives:

- Directive 2008/48/EC of the European Parliament and of the Council of April 23, 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC (the “**Directive on Credit Agreements for Consumers**”);
- Directive 2002/65/EC of the European Parliament and of the Council of September 23, 2002 concerning the distance marketing of consumer financial services and amending Council Directives 90/619/EEC, 97/7/EC and 98/27/EC;
- Directive 2011/83/EU of the European Parliament and of the Council of October 25, 2011 on consumer rights which replaced Directive 97/7/EC of the European Parliament and of the Council of May 20, 1997 on the protection of consumers in respect of distance contracts with effect as of June 13, 2014;
- Directive 2000/31/EC of the European Parliament and of the Council of June 8, 2000 on certain legal aspects of information society services, in particular electronic commerce, in the internal market;
- Directive 95/46/EC of the European Parliament and of the Council of October 24, 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data (the “**Data Protection Directive**”);
- Directive 2002/58/EC of the European Parliament and of the Council of July 12, 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector (the “**Directive on Privacy and Electronic Communications**”); and
- Directive 2005/29/EC of the European Parliament and of the Council of May 11, 2005 concerning unfair business-to-consumer commercial practices in the internal market (Unfair Commercial Practices Directive).

The aforementioned EU directives on consumer protection and the national laws which implement or complement these directives impose extensive duties and responsibilities on businesses dealing with consumers. Failure to comply with these requirements may give rise to civil liability, administrative orders (including injunctive relief) or fines and may in some cases result in an extension of warranty periods, withdrawal rights or even in the invalidity of the affected customer contracts.

14.3.1 Consumer Loan Contracts Regulation

According to the German Civil Code (*Bürgerliches Gesetzbuch*), implementing the Directive on Credit Agreements for Consumers, finance lease contracts with consumers are considered to be non-gratuitous financing assistance to which special provisions regarding consumer loans apply. These include the obligation of the lessor to comply with certain information requirements vis-à-vis the consumer. Amongst others, the customer must be informed of the full value amount of the lease agreement, *i.e.*, the main amount of debt to be repaid, the effective rate of interest to be paid, the amount of each installment to be paid and any additional costs. If these information requirements are violated, consumers have the right to withdraw from the contract or may be entitled to contractual adjustments. For example, if the effective rate of interest is stated at a rate that is too low, the lending rate on which the consumer loan contract is based is reduced by the percentage by which the effective rate of interest is too low.

Even if we comply with all information requirements, consumers also have the statutory right to withdraw from a consumer loan contract within 14 days after conclusion of the agreement (or

from the day on which the consumer receives the contractual terms and information, if that day is later than the aforementioned date) without giving any reason. Should the instructions on the consumer's right of withdrawal not have been given correctly by us, the withdrawal period extends indefinitely, unless a correct instruction is provided. The lessor's right to terminate a contract with the consumer, if the consumer is in payment default, is only permitted under strict conditions.

14.3.2 Data Protection and Cybersecurity Regulation

In our business we acquire personal data from our customers; therefore, we must comply with various data protection regulations. The collection, processing and other use of personal data is extensively regulated by both European and national legislation. At the EU level, data privacy law is primarily governed by the Data Protection Directive and – specifically with respect to electronic communication – by the Directive on Privacy and Electronic Communications. In Germany, data privacy law is mainly governed by the German Federal Data Protection Act (*Bundesdatenschutzgesetz*) (the “**Data Protection Act**”). In addition, various-sector specific statutes set forth specific data privacy rules which apply to certain industries or businesses and prevail over the general rules of the Data Protection Act. When providing internet services, the service provider must comply with the specific requirements provided in the German Telemedia Act (*Telemediengesetz*) (the “**Telemedia Act**”) which takes into consideration the peculiarities of online communication and may deviate from the general rules of the Data Protection Act. For example, the Telemedia Act, on the one hand, provides for additional information obligations which go beyond the general requirements of the Data Protection Act, *e.g.*, the requirement to include a transparent and comprehensive privacy statement as well as an imprint on a website. However, on the other hand, the Telemedia Act allows for electronic declarations of consent while the Data Protection Act, in principle, requires them to be given in written form. Compared to other European jurisdictions, the German data privacy law is known to be rather strict. For example, the Data Protection Act provides for a detailed regulatory system for commissioned data processing (*Datenverarbeitung im Auftrag*) which has to be implemented, in particular, in the context of IT outsourcings.

In general, data privacy laws regulate when and how personal data may be collected, for which purposes they may be processed, for how long data may be stored and to whom and how it may be transferred. The transfer of personal data to entities outside the EEA is subject to specific requirements. Further, data privacy laws require technical and organizational measures, such as the appointment of a data protection officer (*Datenschutzbeauftragter*), set forth the rights of data subjects (*i.e.*, the persons to whom the personal data relates *e.g.*, information rights) and determine the sanctions for infringement.

Web analysis technologies such as cookies or tracking tools (*e.g.*, Google Analytics) enable the operator of a website to personalize its offers and marketing to better match the customers' interests. Even though most web analysis tools anonymize or pseudonymize collected data and do not allow for a subsequent allocation of data to individual data subjects, the use of such tools may still be subject to data privacy laws. For example, the use of cookies is regulated by the Directive on Privacy and Electronic Communications which provides for an opt-in regime pursuant to which the use of cookies requires an informed consent of the website user. While the Directive on Privacy and Electronic Communications has not yet been fully implemented in all EU member states (*i.e.*, not in Germany), certain governments have already enacted or are considering measures that could significantly restrict the ability of companies to engage in web analysis activities, such as by regulating the level of consumer notice and consent required before a company can employ cookies or other electronic tracking tools.

In addition, certain cyber-security requirements must be fulfilled to ensure that data is processed and stored safely. These measures may include, *inter alia*, physical security against unauthorized access and manipulation (*e.g.*, secure storing and transportation of physical data carriers), password assignment, authorization concepts, logging of subsequent changes of data, separation

of data which has been collected for different purposes, reasonable encryption, as well as protection against accidental loss, destruction or damage. In addition, the management of data processing entities must ensure that appropriate compliance management measures cover the detection and control of IT-related risks.

The EU legislator is currently considering substantial changes to the EU data protection regime by way of the proposed regulation of the European Parliament and of the Council on the protection of individuals with regard to the processing of personal data and on the free movement of such data (the “**General Data Protection Regulation**”). The General Data Protection Regulation would impose a substantially increased risk of fines for non-compliance on all data processing entities. Although there is still disagreement on the maximum penalties, previous suggestions have included fines of up to €100,000,000 or 2-5% of the annual worldwide group turnover. Although the Data Protection Act already contains restrictions on so called “scoring” or “profiling” techniques, also the European legislator wants to introduce restrictions on using personal data for profiling purposes. Profiling can be defined as any form of automated processing of personal data intended to evaluate certain personal aspects relating to a natural person or to analyze or predict that natural person’s economic situation, location, health, personal preferences, reliability or behavior. If adopted as currently envisaged, the new European Regulation would introduce the obligation for undertakings to regularly conduct so-called privacy impact assessments, at least in cases where the data processing is likely to result in a high risk to the rights and freedoms of individuals. However, the General Data Protection Regulation is still in the legislative process, and it is not currently possible to foresee its precise content and wording.

In addition, also a new EU directive on cyber-security is currently in the legislative process and which could introduce further compliance burdens. At the same time the German government seeks to enact corresponding domestic legislation. The new laws on cyber-security would introduce additional duties with respect to risk management and incident reporting. However, it has not yet been decided whether – apart from certain infrastructure operators – providers of online activities in general will be subject to the new cyber-security regime, and it also not certain whether our business would qualify as such.

14.3.3 Advertising

Subject to certain exceptions, email advertisements (*e.g.*, newsletters) may only be sent to addressees who have given their explicit prior consent. In Germany, case law requires in certain cases that consent must be obtained by way of a so-called double opt-in procedure. Pursuant to such procedure, data subjects will need to give their consent twice (*e.g.*, once by filling out an online subscription form, a second time by confirming their email address after they subscribe). Also, data subjects must be clearly informed on the scope and consequences of their consent. A declaration of consent may, for example, not be hidden in general terms and conditions but must be clearly highlighted. Consent may be withdrawn at any time, without giving a reason. As an exception from the consent requirement, personalized product recommendations may be sent to customers without their explicit prior consent provided, amongst others, that such recommendations only relate to goods identical or similar to those previously purchased by the respective customer.

Also, advertisements must not be misleading, constitute an unreasonable nuisance or make use of harassment, coercion or undue influence. These criteria leave wide room for interpretation, and the assessment of courts and other competent bodies is often difficult to predict. In case of non-compliance, warning letters, amongst other possible sanctions, may be issued to a company.

14.4 German Banking Act (*Kreditwesengesetz*)

14.4.1 License for Leasing and Supervision

Since we offer finance leasing to our customers, we provide financial services (*Finanzdienstleistungen*) and we qualify as a financial services institution (*Finanzdienstleistungsinstitut*) pursuant to the German Banking Act (*Kreditwesengesetz*). Therefore, we must comply with the provisions that the German Banking Act stipulates for financial services institutions. According to Section 1 para. 1a) sentence 2 no. 10 of the German Banking Act (*Kreditwesengesetz*), the conclusion of finance lease agreements (*Finanzierungsleasingverträge*) in the capacity of a lessor and the management of asset-leasing vehicles (finance leasing) on a commercial basis requires a license. Our business holds such a license to provide financial services. The adherence to the provisions of the German Banking Act is supervised by the BaFin who is the central supervisory authority; in part it performs its responsibilities in collaboration with the German Central Bank (*Bundesbank*). The collaboration involves, in particular, the ongoing monitoring of the financial services institutions. As part of its statutory responsibilities, the BaFin may issue ordinances with respect to financial services institutions, their managing directors and their shareholders in order to prevent or remedy infringements of regulatory provisions.

14.4.2 Group Exemption under German Banking Act

Generally an entity providing debt financing to another entity is required under the German Banking Act (*Kreditwesengesetz*) to obtain a banking license. Sixt SE, however, can rely on the group exemption provision (*Konzernprivileg*) in Section 2 para. 1 no. 5 and 7 German Banking Act (*Kreditwesengesetz*). According to the group exemption provision, Sixt SE as our parent company can provide debt financing to us, a wholly owned subsidiary, without having a banking license. If however, in the future, Sixt SE no longer qualifies as a parent company or affiliated company within the meaning of the German Banking Act (*Kreditwesengesetz*) and does not satisfy any other exception from the licensing requirement, Sixt SE would be prohibited from providing further debt financing without first obtaining such a license.

14.4.3 Organizational and Reporting Requirements

Enterprises carrying out finance leasing activities are only subject to a limited number of provisions of European and German banking laws; especially, they are not subject to solvency supervision. However, they are obliged to have a number of organizational measures in place. Activities and processes material to providing financial services may generally be outsourced, if this does not incur any excessive additional risks. The financial services institution must ensure ongoing appropriate and effective risk management that includes the outsourced activities and processes. The outsourcing must not lead to a delegation of responsibility.

We must comply with most of the risk management provisions in Section 25a German Banking Act (*Kreditwesengesetz*), including the minimum risk management requirements of the BaFin that must be met by institutions (*Mindestanforderungen an das Risikomanagement – MaRisk*), which also provide for the regular issuing of risk reports. In addition, we must fulfill the risk management provisions in the German Act on Control and Transparency in Business (*Gesetz zur Kontrolle und Transparenz im Unternehmensbereich*). As part of our risk management, we must also implement measures that prevent money laundering, terrorist financing and fraudulent activities to the detriment of institutions. This includes the implementation of internal policies and adequate business and customer-related safeguards – that must be checked and updated – to prevent such fraudulent activities. Any suspicious transaction must be investigated by us. Also, amongst other obligations, enterprises carrying out finance leasing activities must promptly inform the BaFin and the German Central Bank (*Bundesbank*) of their intention to appoint or remove a member of the management bodies as well as a number of other structural measures.

In addition, with regard to remuneration of the management, the requirements stipulated by the Regulation regarding the Requirements for a Remuneration System of Institutions (*Verordnung über die aufsichtsrechtlichen Anforderungen an Vergütungssysteme von Instituten – Institutsvergütungsverordnung*) must be met.

The German Banking Act (*Kreditwesengesetz*) also stipulates a number of reporting obligations vis-à-vis the BaFin and the German Central Bank (*Bundesbank*). In particular, annual accounts together with management reports and audit reports must be filed. Also, the intention to acquire a qualifying holding in the Company, another credit or financial services institution must be notified to the BaFin and the German Central Bank (*Bundesbank*) according to Section 2c German Banking Act (*Kreditwesengesetz*). For more information, see “17 Description of Share Capital of Sixt Leasing AG and Applicable Regulations—17.10 Shareholder Notification Requirements; Mandatory Takeover Bids; Directors Dealings”.

14.5 Anti-Money Laundering Regulation

The EU directive 2005/60/EC of the European Parliament and of the Council of 26 October, 2005 on the prevention of the use of the financial system for the purpose of money laundering and terrorist financing and, on a national level, the German Anti-Money Laundering Act (*Geldwäschegesetz*) and the German Banking Act (*Kreditwesengesetz*) have a number of anti-money laundering provisions in place that we, as an enterprises carrying out finance leasing activities, must comply with.

The German Anti-Money Laundering Act (*Geldwäschegesetz*) stipulates various anti-money laundering measures financial services institutions and banking institutions must comply with when establishing a business relationship, or when carrying out occasional transactions amounting to €15,000 or more, or when there is a suspicion of money laundering or terrorist financing, or when there are doubts about the veracity or adequacy of previously obtained customer identification data. Since we are considered a high-risk business because our contracts are generally distance contracts where the customer has not been physically present for identification purposes, we must conduct enhanced due diligence. In particular, we must take measures ensuring that the customer’s identity and the identity of a beneficial owner is established and have appropriate risk-based procedures in place to determine whether the customer or beneficial owner is a so-called “politically exposed person” (*i.e.*, natural persons who are or have been entrusted with prominent public functions and immediate family members or persons known to be close associates of such persons) residing in another EU member state or in a third country. If the customer or the beneficial owner is a politically exposed person, senior management must approve the establishment of a business relationship with such a customer, adequate measures must be taken to establish the source of wealth and source of funds that are involved in the business relationship or transaction and enhanced ongoing monitoring of the business relationship must be conducted. Although certain due diligence measures may be performed through third parties, the ultimate responsibility remains with us, subject to the anti-money laundering provisions.

In February 2013, the European Commission made a proposal for a new anti-money laundering directive which would impose even stricter provisions on financial services institutions *e.g.*, with regard to due diligence, in particular, with regard to non-face-to-face business relationships or transactions, and would also extend the provisions on politically exposed persons to politically exposed persons who are entrusted with prominent public functions domestically or those who work for international organizations. When new regulations are enacted, our business must adapt its risk management and internal structure to comply with such new regulations. In case of deliberate or reckless non-compliance with anti-money laundering provisions, the supervisory authority may prohibit enterprises carrying out finance leasing activities from further conducting their services and impose fines of up to €100,000.

14.6 Insurance Broker Regulation

Since our business also promotes the conclusion of insurance contracts with regard to the leased vehicles vis-à-vis lessees, the Company also meets the criteria of an insurance broker (*Versicherungsmakler*) under German law. According to Section 34d German Trade and Commerce Act (*Gewerbeordnung*), insurance brokers (*Versicherungsvermittler*) who commercially facilitate the conclusion of insurance contracts are required to obtain a permission from the relevant Chamber of Industry and Commerce (*Industrie- und Handelskammer*). Under certain conditions entities who conduct broker services as a supplement to their principal activity may be exempt from obtaining a permission according to Section 34d German Trade and Commerce Act. Our business currently holds such an exemption; however, in the future, we may not fulfill the relevant exemption requirements any longer and may be forced to obtain a permission. Even when insurance brokers have obtained an exemption, they must comply with Sections 59-68 German Insurance Act (*Gesetz über den Versicherungsvertrag*) and the provisions of the Insurance Broker Regulation (*Verordnung über die Versicherungsvermittlung und -beratung - Versicherungsvermittlervverordnung*).

14.7 Tax Law

German tax law provides specific provisions on the treatment of lessor and lessee of lease agreements.

14.7.1 Lessor

If lease contracts fulfill certain criteria, leasing assets are capitalized on the balance sheet of the lessor who may depreciate their value over time and thereby decrease his taxable income. In order for us to capitalize leasing assets as previously described, we, as lessor, must be the “beneficial owner” (*wirtschaftliches Eigentum*) of the vehicle in the sense of the German Fiscal Code (*Abgabenordnung*). On the basis of its position as a beneficial owner, the lessor may depreciate the leased item in the course of its service life in the amount of the acquisition costs as a component of the fixed assets and amortize the leased item in accordance with Section 7 German Income Tax Act (*Einkommensteuergesetz*), Section 8, para. 1 German Corporate Income Tax Act (*Körperschaftsteuergesetz*). The German Federal Ministry of Finance (*Bundesfinanzministerium*) issued several decrees specifying when it considers the criteria of beneficial ownership of the lessor to be fulfilled and addresses the correct accounting treatment for leasing contracts. With respect to finance leasing, those criteria were, in particular, specified in the Decree by the German Federal Ministry of Finance (*Bundesfinanzministerium*) from April 19, 1971 regarding the treatment of leasing contracts on movable economic goods for income tax purposes (*BMF-Schreiben vom 19.4.1971, Ertragsteuerliche Behandlung von Leasing-Verträgen über bewegliche Wirtschaftsgüter*) (the “**Decree on the Treatment of Leasing Contracts on Movable Economic Goods**”). Although this ordinance does not specify the tax treatment conclusively and is not binding, it nonetheless has substantially influenced contractual practice. According to the Decree on the Treatment of Leasing Contracts on Movable Economic Goods, in a full amortization leasing contract the leased asset is attributed to the lessor if the basic term of the lease amounts to at least 40% and at most 90% of the common service life of the asset. Further conditions must be met in case contracts provide for partial amortization and/or a purchase option. Changes in German tax law could repeal such tax advantages and could have VAT implications.

14.7.2 Lessee

Lessees may also take advantage of tax benefits when the criteria of the Decree on the Treatment of Leasing Contracts on Movable Economic Goods are fulfilled. In that case, if leased vehicles are used for business, the lease installments paid by the lessee can be written off as operating expenses, under certain conditions, according to German income tax, German corporation tax and German trade tax law. The lessee may claim the lease installments as operating expenses in

each fiscal year such that leasing is also balance sheet neutral according to German GAAP. Advantages are yielded compared to partial payment financing alternatives in which the acquired object must be fully recognized by the purchaser or borrower who may only claim operating expenses in the amount of the interest proportion of the loan or purchase price installment.

For leased vehicles that are dually used for business and for private purposes, the German legislator created the 1% rule to simplify taxation. According to Section 8 para. 2 sentence 2 German Income Tax Act in connection with Section 6 para. 1 no. 4 German Income Tax Act (*Einkommensteuergesetz*), those who also use a company car privately can either recognize a lump sum of 1% of the gross list price of the new vehicle (plus 0.03% of the gross list price for each kilometer commuted between work and home per month) as a benefit in kind (*geldwerter Vorteil*) and other taxable income or, alternatively, the costs of using the vehicle for business purposes may be claimed; in the latter case, however, the costs must be documented through a logbook. The 1% rule also applies with regard to VAT (*Umsatzsteuer*).

14.7.3 Fuel Cards

We provide fuel card services to our customers with which they can pay their fuel bills at gas stations of designated oil companies. Following prepayment of our customers' fuel bills, we periodically issue collective invoices to our customers through which we pass on their fuel bills. Both the oil companies and we charge VAT on our invoices. VAT must only be applied to these bills if, for tax purposes, it can be established that the fuel has been delivered from the oil company to us and from us to our lessees. However, in a recent ruling the European Court of Justice held that such fuel card services generally constitute a direct fuel delivery by the oil company to the lessee, without involvement of the intermediary. Under this interpretation of the ruling, revenue passing from the consumer to the oil company would not be reflected on our profit and loss statement and would have to be treated differently for VAT purposes. Nonetheless, pursuant to a non-application exemption promulgated by the German Federal Ministry of Finance (*BMF-Schreiben vom 15.6.2004, Umsatzsteuerliche Behandlung von Kraftstofflieferungen im Kfz-Leasingbereich*) a series of transactions as described above is deemed to exist, if certain conditions are met. While we believe that our VAT practice falls within this exemption, tax authorities could challenge our assessment.

14.8 Competition Law

Within the EU, the relevant European and national antitrust provisions must be observed. Compliance with such provisions is monitored by the European Commission and the national competition authorities. Article 101 para. 2 Treaty on the Functioning of the European Union (the "TFEU") provides for the invalidity of anti-competitive agreements, which are covered by article 101 para. 1 TFEU to the extent that the requirements of article 101 para. 3 TFEU are not met. In the motor vehicle sector certain decisions and regulations give guidance on how compliance with article 101 TFEU may be ensured:

14.8.1 EU Antitrust Rules in the Motor Vehicle Sector

With regard to the application of exemptions under article 101 para. 3 TFEU, the EU has implemented certain umbrella block exemptions which create a safe harbor for groups of agreements which can be assumed to meet these requirements without an individual review. European Commission Regulation No. 330/2010 of April 20, 2010 on the application of article 101 para. 3 TFEU to categories of vertical agreements and concerted practices ("**General Block Exemption Regulation**") contains the non-sector-specific general terms and conditions under which vertical agreements (*i.e.*, an agreement or concerted practice entered into between two or more undertakings each of which operates at a different level of the production or distribution chain, and relating to the conditions under which the parties may purchase, sell or resell certain goods or services) are exempt from the application of article 101 para. 1 TFEU.

In principle, distributor agreements concluded between vehicle manufacturers and vehicle dealers may not impose restrictions on dealers with respect to what customer groups they may sell the vehicles to. According to the supplementary guidelines on vertical restraints in agreements for the sale and repair of motor vehicles and for the distribution of spare parts for motor vehicles, the term “end user” in the General Block Exemption Regulation must be read to include leasing companies. This means that distributors in selective distribution systems may generally not be prevented from selling new motor vehicles to leasing companies of their choice.

14.9 Product Safety Regulation

The vehicle industry is, to quite some extent, subject to product safety regulations. In particular, distributors who place products on the market in the EU have to ensure that the products are safe. This is also the general purpose of Directive 2001/95/EC of the European Parliament and of the Council of December 3, 2001 on general product safety (the “**General Product Safety Directive**”), as well as Directive 2007/46/EC of the European Parliament and of the Council of September 5, 2007 establishing a framework for the approval of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles (the “**Framework Directive**”) and Decision No. 768/2008/EC of the European Parliament and of the Council of July 9, 2008 on a common framework for the marketing of products (the “**Decision**”). According to these legislations, producers must only put products on the market which comply with general safety requirements. In addition, they must provide consumers with the relevant information necessary in order to assess a product’s inherent risks, particularly where such risks are not directly obvious and take precautions against such risks.

Manufacturers shall take the necessary measures to avoid such risks, including warning consumers, the withdrawal of products from the market and, as a last resort, a recall from consumers. In this context, it is important that under the General Product Safety Directive an importer of a product that was manufactured in a country outside of the EU generally qualifies as the manufacturer of the product. In addition, the manufacturer (if established in the EU), any other person presenting himself as the manufacturer by affixing to the product his name, trade mark or other distinctive mark as well as the person who reconditions the product, also qualifies as a producer.

Whereas the Framework Directive regulates the obligations of manufacturers, the General Product Safety Directive and the Decision also stipulate obligations that distributors, like us, must comply with. According to the General Product Safety Directive, distributors are obliged not to supply products which they know (or should have presumed) do not comply with general safety requirements, to participate in monitoring the safety of products placed on the market, amongst others by keeping and providing the documents necessary for tracing the origin of products. If producers or distributors know or ought to know that a product that they have placed on the market is dangerous, they must notify the competent authority and, if necessary, cooperate with them. In case of recalls, the distributors must also cooperate. Further obligations may be placed on distributors in the future, in particular, since a proposal for a new European products safety directive is currently being discussed.

In Germany, the Directive on Product Safety has been implemented by the German Product Safety Act (*Gesetz über die Bereitstellung von Produkten auf dem Markt - Produktsicherheitsgesetz*) of November 8, 2011. Further details are determined in various governmental regulations (*Rechtsverordnungen*) on the safety of specific products and product groups. A violation of the requirements of European and/or national law may be sanctioned with a fine and, in severe cases, with a criminal sanction.

15. INFORMATION ON THE SELLING SHAREHOLDER

15.1 Shareholder Structure (Before and After the Offering)

The sole shareholder of Sixt Leasing AG is Sixt SE, which has its registered office at Zugspitzstraße 1, 82049 Pullach, Germany, and is registered with the commercial register (*Handelsregister*) of the local court (*Amtsgericht*) of Munich, Germany, under docket number HRB 206738.

The following table sets forth the shareholding of the Selling Shareholder immediately prior to the offering, and its expected shareholding, together with the expected shareholding of the public float, upon completion of the offering.

Shareholder	Actual (Direct) ownership of Sixt Leasing AG (in %)		
	immediately prior to the offering	upon completion of the offering (assuming no exercise of Greenshoe Option and issuance of New Shares in full)	upon completion of the offering (assuming full exercise of Greenshoe Option and issuance of New Shares in full)
Sixt SE	100	48	40
Public float	0	52	60

The Company is directly controlled by Sixt SE due to its ownership of all voting rights in the Company and, as a result, its power to govern the financial and operating policies of the Company. The limits imposed under German law, in particular by the German Stock Corporation Act (*Aktiengesetz*), on the ability of a controlling shareholder to unduly exercise its control have been observed by Sixt SE and the Company. The profit transfer from the Company to Sixt SE for the fiscal years 2012, 2013 and 2014 were effected under the (D)PLTAs.

Sixt SE's share capital amounts to €123,029,212.16 and is divided into 16,911,454 no par value preference bearer shares not carrying voting rights, two no par value ordinary registered shares and 31,146,830 no par value ordinary bearer shares, with the ordinary shares carrying full voting rights. All no par value preference bearer shares and 39.9% of the no par value ordinary bearer shares are in free float. The remaining 60.1% of the no par value ordinary bearer shares are held by Erich Sixt Vermögensverwaltung GmbH, so that Erich Sixt Vermögensverwaltung GmbH controls approximately 60.1% of the voting rights of Sixt SE. Because approximately 35.2% of Sixt SE's share capital is represented by no par value preference bearer shares not carrying voting rights, Erich Sixt Vermögensverwaltung GmbH's participation in Sixt SE's share capital deviates from the percentage of the controlled voting rights and amounts to approximately 38.9% of the Sixt SE's total share capital including the no par value preference bearer shares not carrying voting rights.

Erich Sixt Vermögensverwaltung GmbH is in turn controlled by ES Asset Management and Services GmbH & Co. KG ("ESAMS"), which holds approximately 68.0% of its share capital. The sole general partner of ESAMS is ES Management GmbH. ESAMS is the sole shareholder of ES Management GmbH and, therefore, the sole shareholder of its own sole general partner. For purposes of voting rights notifications under the German Securities Trading Act (*Wertpapierhandelsgesetz*), the voting rights attributed to ESAMS are also attributed to Mr. Erich Sixt who is a limited partner of ESAMS.

16. GENERAL INFORMATION ON THE COMPANY AND THE GROUP

16.1 Formation, Incorporation, Commercial Name, Fiscal Year and Registered Office

The Company was founded under the name “Central Garagen CG GmbH” as a limited company (*Gesellschaft mit beschränkter Haftung*) under German law by articles of association dated October 23, 1975 and was registered with the commercial register (*Handelsregister*) at the local court (*Amtsgericht*) of Munich, Germany, under docket number HRB 49674, on November 20, 1975. It had its registered office in Munich, Germany. The Company changed its name to “Sixt Autoland Central Garagen GmbH” in 1992 and to “Sixt Autoland GmbH” in 2003, moving its headquarters to Garching, Germany, in the same year. In 2004, Sixt Autoland Direktverkauf GmbH, Munich, Germany, was merged with and into the Company, and the Company moved its headquarters to Pullach, Germany.

On November 29, 2004, Sixt Leasing Aktiengesellschaft, Pullach, Germany, the vehicle through which Sixt SE had conducted its vehicle leasing business since 1988, was merged with and into the Company (the “**Sixt Leasing Merger**”), and the Company subsequently changed its legal form to a stock corporation (*Aktiengesellschaft*) organized under German law and its legal name to “Sixt Leasing AG”. The change in legal form was registered with the commercial register (*Handelsregister*) at the local court (*Amtsgericht*) of Munich under docket number HRB 155501 on December 30, 2004.

Jota Grundbesitzgesellschaft mbH, Pullach, Germany, was merged with and into the Company in 2005.

Prior to the offering, the Company was a wholly owned subsidiary of Sixt SE which primarily operates under the commercial name “Sixt Leasing AG” and “Sixt Mobility Consulting GmbH”. The Company’s fiscal year is the calendar year.

The Company is considering a possible change of its legal form to a European company (*Societas Europaea* – SE) governed by German and European law and of its legal name to “Sixt Leasing SE” in the future.

The Company’s registered office is at Zugspitzstraße 1, 82049 Pullach, Germany (tel. +49 (0) 89 74444-5120).

16.2 History and Development

The Company has been a wholly owned subsidiary of Sixt SE, which we believe is a leading German premium mobility service provider, and has been the primary vehicle through which Sixt SE has managed its vehicle leasing business since the Sixt Leasing Merger in 2004. Prior to that time, Sixt SE conducted its leasing business through Sixt Leasing GmbH, a wholly owned subsidiary that was formed as a limited company (*Gesellschaft mit beschränkter Haftung*) under German law by articles of association dated October 11, 1988 and was registered with the commercial register (*Handelsregister*) at the local court (*Amtsgericht*) of Munich under docket number HRB 85833. In 1996, Sixt Leasing GmbH changed its legal form to a stock corporation (*Aktiengesellschaft*) organized under German law and its legal name to “Sixt Leasing AG”, and was merged with and into the Company as part of the Sixt Leasing Merger in 2004.

The principal developments in the Company’s vehicle leasing business since the Sixt Leasing Merger are the founding of Sixt Mobility Consulting GmbH to provide fleet management and mobility related consultancy services in 2011 and the launch of our web-portal sixt-neuwagen.de for Online Retail in 2012. Although we continue to depend on Sixt SE for financing and certain other services, we intend to build up treasury, compliance, human resources, investor relations and other functions to achieve greater organizational independence from Sixt SE.

16.3 Duration of the Company and Corporate Purpose

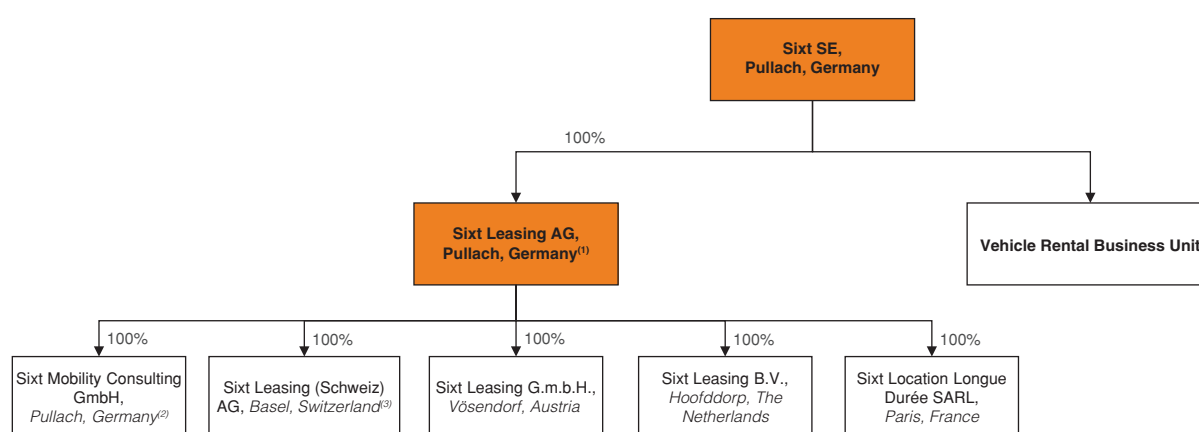
The Company was established for an unlimited period of time.

Pursuant to Section 2 of the Articles of Association, the Company's corporate purpose is (a) the conduct of leasing operations with regard to motor vehicles and motor vehicle accessories as lessor with a regular contractual term of at least eleven months; (b) the management of motor vehicle fleets and motor vehicle accessories (fleet management); and (c) in connection with leasing operations pursuant to (a) and/or fleet management operations pursuant to (b), any of the following: (i) the brokerage of insurances, (ii) the trading of goods and provision and brokerage of goods and services related to motor vehicles except for renting of motor vehicles as well as the brokerage of rent agreements in respect of motor vehicles unless included in (v) below, (iii) the trading of fuel and lubricants for motor vehicles, (iv) the utilization and trading of motor vehicles, motor vehicle repair parts and motor vehicle accessories and (v) the brokerage of short-term renting agreements in respect of motor vehicles as replacement vehicles for vehicles in repair shops or damaged vehicles or for leased vehicles which have not been delivered after the lease term commenced (*Leasingvorabfahrzeuge*). The Company can also establish branches and business premises in Germany and in other countries; establish, acquire or participate in other companies in Germany and in other countries; and manage such companies. The restrictions regarding the Company's business activities also apply to the business activities of subsidiaries and associated companies. The Company may pursue its operations fully or partially through subsidiaries or associated companies, or partially or fully transfer or assign its operations to subsidiaries or associated companies. The Company may also limit its business activities to (i) one or more of the business activities described above, (ii) the business activities of a holding company and/or (iii) the management of other own assets.

16.4 Group Structure

The Company is part of the Sixt SE Group and the parent company of the Sixt Leasing Group. The Sixt Leasing Group's audited combined financial statements include all material subsidiaries whose financial and business policy can be controlled by the Company, either directly or indirectly, and the equity interests of the Sixt Leasing Group whose financial and business policy can be influenced by the Sixt Leasing Group to a significant extent. The group of consolidated companies includes five subsidiaries as of the date of the Prospectus.

The following diagram sets forth a summary (in simplified form) the Company's position in the Sixt SE Group and the Company's significant subsidiaries as of the date of the Prospectus.



- (1) The Company is party to the Profit and Loss Transfer Agreement with Sixt SE, which it intends to terminate as of April 30, 2015. For more information on the Profit and Loss Transfer Agreement, see “3 The Offering—3.4 Information on the Shares—3.4.2 Dividend and Liquidation Rights”.

- (2) The Company and Sixt Mobility Consulting GmbH entered into a profit and loss transfer agreement on March 27, 2015.
- (3) Pursuant to the JV Agreement between Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG, JV Co. was founded on March 12, 2015, with Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG, each holding 50% of the shares in JV Co. The shareholding in JV Co. held by Sixt Leasing (Schweiz) AG is not reflected in the chart.

16.5 Significant Subsidiaries

The following table provides an overview of the Company's significant subsidiaries as of the date of the Prospectus. The shareholdings reflect the Sixt Leasing Group's direct and indirect economic interest in the respective entity. This means that shares held by the respective company itself are not taken into account when computing the percentage of participation. As of December 31, 2014, no amount was outstanding under the issued shares for each of the below listed subsidiaries.

Name and registered office	Company share of capital ⁽¹⁾ (in %)	Issued capital as of December 31, 2014 (in € million, unless otherwise specified, unaudited)	Capital reserves as of December 31, 2014	Net income/loss for the fiscal year 2014	Payables to the Company as of December 31, 2014	Receivables from the Company as of December 31, 2014
Sixt Mobility Consulting GmbH ⁽²⁾ , Pullach Germany	100	0.03	0.00	1.93	0.69	0.00
Sixt Leasing (Schweiz) AG ⁽³⁾ (in CHF), Basel, Switzerland	100	0.10	5.54	1.08	70.67	0.00
Sixt Leasing G.m.b.H ⁽³⁾ , Vösendorf, Austria.	100	0.04	0.00	0.16	0.00	1.92
Sixt Leasing B.V. ⁽³⁾ , Hoofddorp, The Netherlands	100	0.02	0.00	0.11	6.94	0.00
Sixt Location Longue Durée SARL ⁽⁴⁾ , Paris, France . . .	100	0.01	0.00	0.71	35.50	0.00

(1) Directly or indirectly held.

(2) Principal area of business: fleet management.

(3) Principal area of business: leasing.

(4) Principal area of business: leasing and long term rent. Absent a banking license, Sixt Location Longue Durée SARL may only conclude contracts with business and corporate customers that do not provide for an option or an obligation of the customer to purchase the leased or rented vehicle.

16.6 Statutory Auditor

Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Rosenheimer Platz 4, 81669 Munich, was appointed as the statutory auditor of the Company for the 2012, 2013 and 2014 fiscal years. Deloitte audited the combined financial statements prepared in accordance with IFRS and the unconsolidated financial statements prepared in accordance with German GAAP. Deloitte conducted its audits in accordance with generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (*Institut der Wirtschaftsprüfer in Deutschland e.V.*, "IDW") and issued in each case an unqualified auditor's report (*uneingeschränkter Bestätigungsvermerk*). Deloitte is a member of the German Chamber of Auditors (*deutsche Wirtschaftsprüferkammer*) and a member of the IDW.

16.7 Notifications, Paying Agent

In accordance with Section 3(1) of the Articles of Association, the Company's notifications are published in the German Federal Gazette (*Bundesanzeiger*), unless mandatory statutes provide otherwise.

In accordance with the German Securities Prospectus Act (*Wertpapierprospektgesetz*), notifications in connection with the approval of the Prospectus or any supplements thereto will be published in the manner of publication provided for in the Prospectus, *i.e.*, through publication on the Company's website at <http://ir.sixt-leasing.com> under Investor Relations, and printed copies will be provided at the Company's office at Sixt Leasing AG, Zugspitzstraße 1, 82049 Pullach Germany (tel. +49 (0) 89 74444-5120).

The paying agent is COMMERZBANK. The mailing address of the paying agent is Kaiserstraße 16 (Kaiserplatz), 60311 Frankfurt am Main, Germany.

17. DESCRIPTION OF SHARE CAPITAL OF SIXT LEASING AG AND APPLICABLE REGULATIONS

17.1 Current Share Capital; Shares

The Company's share capital currently amounts to €15,025,000. It is divided into 15,025,000 ordinary bearer shares with no par value (*Stückaktien*), each such share with a notional value of €1.00. The share capital has been fully paid up. The shares were created pursuant to German law.

17.2 Development of the Share Capital since the Company's Foundation

The share capital of the Company has developed as follows:

On November 20, 1975, the Company was incorporated in the legal form of a limited liability company (*Gesellschaft mit beschränkter Haftung*) under German law with a share capital of DM 40,000. The shareholders' meeting passed a resolution on the increase of the share capital to DM 50,000 on October 1, 1985 which was registered with the commercial register on December 23, 1985. On December 30, 2004 the Company changed its legal form by way of a conversion of Sixt Leasing GmbH into a German stock corporation (*Aktiengesellschaft*) with a share capital of €15,000,000.

By resolution of the shareholders' meeting held on December 1, 2014, the Company's share capital was increased by €25,000, from €15,000,000 to €15,025,000. The capital increase was registered with the commercial register on December 18, 2014.

Additionally, by resolution of the extraordinary shareholders' meeting expected to be held on or about May 4, 2015, the Company's share capital is expected to be increased by up to €5,586,593 against cash contributions. The sole shareholder of the Company, Sixt SE, is expected to waive its subscription right. If Sixt SE does not waive its subscription rights, no New Shares could be delivered to the investors on May 11, 2015. It is anticipated that the IPO Capital Increase will be registered with the commercial register on or about May 6, 2015.

17.3 Authorized Capital

The Company currently has an authorized capital of €7,512,500. The Company intends to cancel the existing authorized capital and create a new authorized capital equaling 50% of the share capital after the registration of the IPO Capital Increase and amounting to €10,305,796. The required resolutions are expected to be adopted by the extraordinary shareholders' meeting of the Company expected to be held on or about May 4, 2015 in connection with the IPO Capital Increase. The exact amount of the increase in authorized capital will depend on the amount of the IPO Capital Increase. The increase of the authorized capital will become effective at the time when it is registered with the commercial register. The application for registration of the increase of the authorized capital is expected to be filed on or about May 5, 2015, and the Company expects that the authorized capital will be registered on or about May 6, 2015 in the course of normal register traffic.

Under the current authorized capital (Section 4(2) of the Articles of Association), the Management Board is authorized, with the consent of the Supervisory Board, to increase the share capital of the Company in the period through April 7, 2020 in an amount of up to €7,512,500, on one or more occasions, by issuing new no par value ordinary bearer shares or no par value preference bearer shares (*Stückaktien*) against cash contributions and/or contributions in kind (the "**Authorized Capital 2015**"). In case of issuance of preference shares, the new preference shares may have the same priority as previously issued shares in the distribution of profits and/or the Company's assets. The Management Board is authorized, with the consent of the Supervisory Board, to determine the details of the rights attached to the shares (including deviations from Section 60(2) of the German Stock Corporation Act (*Aktiengesetz*)). In particular, the new shares may carry full dividend rights as of the beginning of the fiscal year preceding their issuance if no resolution regarding profit distribution for such fiscal year has been

adopted by the annual shareholders' meeting. In case the Company issues preference shares, holders of preference shares will receive a preference dividend out of the annual profits which exceeds that for the ordinary shares by an amount of €0.02 per preference share, but at least a preference dividend in an amount of €0.02 per preference share.

In the event that the annual profits for one or more fiscal years are insufficient to distribute €0.02 per preference share, any outstanding preference dividends for any fiscal years will be paid in subsequent fiscal years in a chronological order and without any interest thereon out of the annual profits for the following fiscal years before any distribution of dividends in respect of the ordinary shares in such fiscal years.

In general, shareholders are granted subscription rights for shares newly issued under the authorized capital. However, the Management Board is authorized, with the consent of the Supervisory Board, to exclude, fully or in part, the subscription rights of the shareholders: (i) in order to exclude fractional amounts from subscription rights; (ii) if necessary, in order to grant holders of conversion rights or warrants or creditors of bonds with conversion or warrant exercise obligations which will be issued by the Company or a German or foreign direct or indirect subsidiary, subscription rights to the extent they are entitled thereto; (iii) for the issuance of shares against cash contributions, if the issuing price of the new shares is not significantly below the price of the shares of the respective share class (*Aktiengattung*) at the stock exchange (within the meaning of Section 203(1) and (2) and Section 186(3) sentence 4 of the German Stock Corporation Act (*Aktiengesetz*)) and the portion of the new share capital does not exceed a total of 10% of the existing share capital, neither at the time when the authorization takes effect nor at the time when the authorized share capital is utilized or (iv) for the issuance of shares against contributions in kind, including for, but not limited to, the purpose of acquiring businesses, parts of businesses or participations in businesses or other assets in connection with a merger. If, upon the issuance of new shares, the Company has already issued non-voting bearer preference shares besides the ordinary bearer shares and if non-voting bearer preference shares and ordinary bearer shares are issued simultaneously, the Management Board is authorized, with the consent of the Supervisory Board, to exclude the subscription rights of the holders of shares of one class to the respective other class of shares, provided the subscription ratio is identical for both classes of shares ("**Cross-exclusion of Subscription Rights**"). A Cross-exclusion of Subscription Rights may be combined with a further exclusion of subscription pursuant to lit. (i) through (iv) above.

Within the scope of the Authorized Capital 2015, the Management Board is also authorized, with the consent of the Supervisory Board, to issue new shares against contribution in kind for the purpose of acquiring, directly or indirectly, repayment and/or interest claims under shareholder loans that have been or will be granted by the Selling Shareholder to the Company (the "**Shareholder Loan Claims**"). The shareholders are granted subscription rights with respect to the new shares that result in the new shares being offered to the shareholders for subscription against cash payment while the Selling Shareholder (or a third party who acquired the Shareholder Loan Claims) may pay all or part of the subscription price for the new shares subscribed for through a contribution in kind of the Shareholder Loan Claims (if so resolved by the Management Board with consent of the Supervisory Board). The authorization of the Management Board to (partially) exclude, with the consent of the Supervisory Board, subscription rights of shareholders in accordance with (i) and (ii) above or by Cross-exclusion of Subscription Rights remains unaffected. The contribution in kind may also be effected by transferring to the Company ownership of a German or foreign special purpose company, substantially all of the assets of which are the Shareholder Loan Claims. The value of the contribution in kind must at least equal the subscription price of the new shares. The value of the contribution in kind must be assessed by a valuation report of an audit firm fulfilling the legal requirements of Section 205(5) in combination with Section 33(4) no. 2 and (5) of the German Stock Corporation Act (*Aktiengesetz*).

17.4 Conditional Capital

According to Section 4(3) of the Articles of Association, the share capital of the Company is conditionally increased by up to €7,512,500 through the issuance of up to 7,512,500 new no par value bearer shares (*Stückaktien*) consisting of ordinary shares and/or non-voting preference shares. The conditional capital increase is only to be effected insofar as the holders or creditors of convertible bonds (including those with conversion obligations) or bonds with warrants which will be issued until April 7, 2020 on the basis of the shareholder authorization of April 8, 2015 (the “**Conditional Capital 2015**”), by the Company or a direct or indirect subsidiary, exercise their conversion rights or warrants or conversion obligations are fulfilled and no other form of settlement is used. The new shares will be issued at the conversion price or warrant premium to be determined in accordance with the Conditional Capital 2015 and the terms and conditions of the convertible bonds or warrants issued hereunder. The new shares are entitled to dividends as of the beginning of the financial year in which the respective rights were exercised. The Management Board is authorized to determine further details of the conditional capital increase.

The Management Board is authorized until April 7, 2020 to issue, with consent of the Supervisory Board, convertible bonds or bonds with warrants on one or more occasions in an aggregate principal amount of up to €250,000,000 and with conversion rights or warrants for up to 7,512,000 shares. In general, the shareholders have subscription rights for such bonds. However, the subscription rights can be excluded (i) in order to exclude fractional amounts (ii) if necessary in order to grant holders or creditors of conversion rights or warrants, respectively, and/or holders or creditors of conversion bonds with conversion exercise obligations, respectively, which were or will be previously issued by the Company or a subsidiary, subscription rights to the extent they would be entitled to after the exercise of the conversion rights or warrants, or the fulfillment of conversion exercise obligations, respectively, or (iii) against contribution in cash if the issue price is not substantially below its value determined in line with accepted methods of financial mathematics and does not provide for conversion rights or warrants for more than 10% of the share capital of the Company, neither at the time of the adoption nor at the time of the utilization of this authorization of April 8, 2015.

17.5 Purchase of Own Shares

The Company does not currently hold any of its own shares, nor does a third party hold any such shares on behalf of, or for account of, the Company.

In the Company’s extraordinary shareholders’ meeting held on April 8, 2015, the Management Board was authorized to purchase the Company’s own shares through April 7, 2020, up to a total of 10% of the Company’s share capital (including share capital already held or attributable pursuant to law) at the time of adoption or, if the respective amount is lower, of the utilization of this authorization. The shares may be purchased (i) on the stock exchange, (ii) by a public offer to all shareholders, (iii) by a public invitation to the shareholders to submit offers for sale, or (iv) by means of derivatives. The shares may not be used for trading in own shares. The Management Board shall be authorized to cancel (*einziehen*) the shares or to use them with the Supervisory Board’s consent as follows: (i) by selling the own shares against cash consideration, if the consideration does not significantly fall short of the price of the stock exchange at the time of the sale, provided that the purchased shares so sold do not exceed 10% of the share capital of the Company, neither at the time of the adoption of the share purchase resolution nor at the time of the utilization of the authorization to sell own shares, (ii) by using the purchased shares as consideration in kind (the purpose of acquiring businesses, parts of businesses or participations in businesses or other assets in connection with a merger), (iii) by using them for the settlement of conversion rights, warrants or conversion obligations under bonds or participation rights with conversion rights, or (iv) by offering the purchased shares to, among others, the members of the Management Board of the Company, members of the management of subsidiaries of the Company or employees of the Sixt Leasing Group. In case the Company has issued non-voting

bearer preference shares besides the ordinary bearer shares, the authorization relates to shares of both classes. The relevant stock exchange price is to be determined for each class respectively.

17.6 General Provisions Governing a Liquidation of the Company

Apart from liquidation as a result of insolvency proceedings, the Company may be liquidated only with a vote of 75% or more of the share capital represented at a shareholders' meeting. Pursuant to the German Stock Corporation Act (*Aktiengesetz*), in the event of the Company's liquidation, any assets remaining after all of the Company's liabilities have been settled will be distributed among the shareholders in proportion to their shareholdings. The German Stock Corporation Act (*Aktiengesetz*) provides certain protections for creditors which must be observed in the event of liquidation.

17.7 General Provisions Governing a Change in the Share Capital

Under the German Stock Corporation Act (*Aktiengesetz*), a German stock corporation requires a shareholder resolution passed by a majority of the votes and of at least 75% of the share capital represented at the vote to increase its share capital unless the articles of association provide for another majority of share capital represented or other requirements; under the current Articles of Association, simple capital majority is sufficient for the ordinary capital increase.

Shareholders can also create authorized capital. This requires a shareholder resolution passed by a majority of the votes and of at least 75% of the share capital represented at the vote (unless the articles of association provide for another larger majority of share capital represented; however, there is currently no such provision for the Company), authorizing the management board to issue a specific quantity of share capital within a period not exceeding five years. The nominal amount of the share capital may not exceed half of the share capital existing at the time when the authorization becomes effective.

In addition, shareholders can create conditional capital by a resolution passed with a majority of the votes and of at least 75% of the share capital represented at the vote (unless the articles of association provide for another larger majority of share capital represented; however, there is currently no such provision for the Company) for the purposes of (i) issuing shares to holders of convertible bonds or other securities granting a right to subscribe for shares; (ii) issuing shares as consideration in a merger with another company; or (iii) issuing shares offered to managers and employees of the issuing company or an affiliate. The nominal amount of conditional capital may not exceed 10% of the share capital at the time the resolution is passed in cases where it is being created to issue shares to managers and employees, and may not exceed 50% in all other cases.

Resolutions to reduce share capital require a 75% majority of the share capital represented at the vote.

17.8 General Provisions Governing Subscription Rights

In principle, the German Stock Corporation Act (*Aktiengesetz*) grants all shareholders the right to subscribe for shares to be issued in a capital increase. The same applies to the issuance of convertible bonds, bonds with warrants, profit participation rights and participating bonds. Subscription rights are freely transferable and may be traded on German stock exchanges for a prescribed period before the deadline for subscription expires. However, shareholders do not have a right to request admission to trading of subscription rights. The shareholders' meeting may, subject to a majority of at least 75% of the share capital represented at the vote, resolve to exclude subscription rights. Exclusion of shareholders' subscription rights also requires a report from the management board, which must justify and demonstrate that the company's interest in excluding subscription rights outweighs the interest of the shareholders in being granted subscription rights. In particular, excluding shareholders' subscription rights is permissible if (cumulatively):

- the company is increasing share capital against cash contributions;

- the amount of the capital increase does not exceed 10% of the share capital at issue; and
- the price at which the shares are being issued is not materially lower than the stock exchange price.

17.9 Exclusion of Minority Shareholders

Under Section 327a *et seq.* of the German Stock Corporation Act (*Aktiengesetz*), which governs the so-called “squeeze-out under stock corporation law,” upon the request of a shareholder holding 95% of the share capital (“**Majority Shareholder**”), the shareholders’ meeting of a stock corporation may resolve to transfer the shares of minority shareholders to the Majority Shareholder against payment of adequate compensation in cash. The amount of the cash payment that must be offered to minority shareholders has to reflect “the circumstances of the Company” at the time the shareholders’ meeting passes the resolution. The amount of the cash payment is based on the full value of the company, which is generally determined using the capitalized earnings method. The minority shareholders are entitled to file for a valuation proceeding (*Spruchverfahren*), in the course of which the appropriateness of the cash payment is reviewed.

Under Sections 39a and 39b of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*), in the case of a so-called “squeeze-out under takeover law,” an offeror holding at least 95% of the voting share capital of a target company (as defined in the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*)) after a takeover bid or mandatory offer, may, within three months of the expiry of the deadline for acceptances, petition the Regional Court (*Landgericht*) of Frankfurt am Main for a court order transferring the remaining voting shares to it against the payment of adequate compensation. A resolution passed by the shareholders’ meeting is not required. The consideration paid in connection with a takeover offer or a mandatory bid is considered adequate if the offeror has obtained at least 90% of the share capital that was subject to the offer based on the offer. The nature of the compensation must be the same as the consideration paid under the takeover bid or mandatory offer; a cash alternative must always be offered. In addition, after a takeover bid or mandatory offer, shareholders in a target company who have not accepted the offer may do so up to three months after the deadline for acceptances has expired, provided the offeror is entitled to petition for the transfer of the outstanding voting shares in accordance with Section 39a of the German Securities Acquisition and Takeover Act (Section 39c of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*)). The provisions for a squeeze-out under stock corporation law cease to apply once an offeror has petitioned for a squeeze-out under takeover law, and only apply again when these proceedings have been definitively completed.

In addition, under the provisions of Section 62(5) of the German Reorganization and Transformation Act (*Umwandlungsgesetz*), within three months after the conclusion of a merger agreement, the shareholders’ meeting of a transferring company may pass a resolution pursuant to Section 327a(1) sentence 1 of the German Stock Corporation Act (*Aktiengesetz*), *i.e.*, a resolution on the transfer of the shares held by the remaining shareholders (minority interests) to the transferee company (Majority Shareholder) in exchange for an adequate cash settlement if the Majority Shareholder has at least 90% of the share capital. The result of this “squeeze-out under reorganization law” is the exclusion of the minority shareholders in the transferring company. The entitlement to consideration is based on the provisions of Section 327a *et seq.* of the German Stock Corporation Act (*Aktiengesetz*).

Under Section 319 *et seq.* of the German Stock Corporation Act (*Aktiengesetz*), the shareholders’ meeting of a stock corporation may vote for integration (*Eingliederung*) with another stock corporation that has its registered office in Germany, provided the prospective parent company holds at least 95% of the shares of the company to be integrated. The former shareholders of the integrated company are entitled to adequate compensation, which must generally be provided in

the form of shares in the parent company. Where the compensation takes the form of own shares in the parent company, it is considered appropriate if the shares are issued in the same proportion as shares of the parent company would have been issued per share in the company integrated if a merger had taken place. Fractional amounts may be paid out in cash.

17.10 Shareholder Notification Requirements; Mandatory Takeover Bids; Directors' Dealings

After the Company's shares have been admitted to official trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), the Company, as a listed company, will be subject to the provisions of the German Securities Trading Act (*Wertpapierhandelsgesetz*) governing disclosure requirements for shareholdings and the provisions of the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*).

The German Securities Trading Act (*Wertpapierhandelsgesetz*) requires that anyone who acquires, sells or whose shareholding in any other way reaches, exceeds or falls below 3%, 5%, 10%, 15%, 20%, 25%, 30%, 50% or 75% of the voting rights in an issuer whose country of origin is Germany and whose shares are admitted to trading on an organized market must immediately, and no later than within four trading days of such fact, notify the issuer and at the same time the BaFin. The notice can be drafted in either German or English and sent either in writing or via fax.

The notice must include the clearly-highlighted title "Voting rights notification," the name and address of the person or entity subject to the notification obligation, the name and address of the Company, the threshold that was crossed or reached and information regarding whether the voting rights have exceeded, fallen below or reached this threshold, the voting rights held expressed as both a percentage and an absolute number as well as the date on which the threshold was crossed or reached. Additional information may be required if voting rights are attributed to the notifying person or entity based on Section 22 of the German Securities Trading Act (*Wertpapierhandelsgesetz*). As a domestic issuer, the Company must publish the content of such notices (limited to the country of residence in the case of private individuals and the name, registered seat and country in the case of legal entities) immediately, but no later than within three trading days after receiving them, by forwarding the notifications to media which can be expected to disseminate the notifications across the entire EU and the other countries within the EEA. The Company must also notify the BaFin of the notification immediately following dissemination. The notification to the BaFin must contain the text of the notice, the media to which the notification was sent and the exact time and date the information was sent to the media. The Company must also immediately transmit the notification to the German Company Register (*Unternehmensregister*) for storage. There are certain exceptions to the notice requirements.

In connection with these requirements, the German Securities Trading Act (*Wertpapierhandelsgesetz*) contains various rules that require the attribution of voting rights of certain persons associated with a shareholder or acting together with a shareholder. For example, shares belonging to a third company are attributed to a company if the latter controls the former; similarly shares held by a third company for the account of another company are attributed to the latter. Shares or financial instruments held for trading by a securities services company are not taken into account for determining the notification obligation if it is ensured that the voting rights held by them are not exercised and that they amount to no more than 5% of the voting shares, or do not grant the right to purchase more than 5% of the voting shares.

Any cooperation among shareholders that is designed to effect a permanent and material change in the business strategy of the Company can result in an attribution (*Zurechnung*) of voting rights, that is, the cooperation does not necessarily have to be specifically about the exercise of voting rights. Coordination in individual cases, however, will not trigger the attribution (*Zurechnung*) of voting rights.

Rights attached to shares held by a person or entity subject to the notification obligation, or by reason of which voting rights are attributed to such person or entity do not exist for the period during which the notification obligations are not satisfied. This does not apply to dividend rights

if the notification was omitted unintentionally and this has subsequently been remedied. If a shareholder willfully fails to file a notice or provides false information, the shareholder is excluded from exercising the dividend rights attached to his or her shares for the duration of the failure. If a shareholder fails to disclose the number of voting rights held and the shareholder acted willfully or was grossly negligent, the shareholder is generally not permitted to exercise the administrative (voting) rights attached to his or her shares for a period of six months after he or she files the necessary notification. In addition, a fine may be imposed for failure to comply with the notification obligation.

Except for the 3% threshold, similar notification obligations exist vis-à-vis the Company and the BaFin for persons or entities for reaching, exceeding or falling below the aforementioned thresholds when directly or indirectly holding financial instruments entitling their holder to unilaterally acquire existing shares of the Company carrying voting rights by binding legal agreement. This obligation also applies to “other instruments” that grant the direct or indirect holder the right to acquire unilaterally, based on a legally binding agreement, existing shares of the Company carrying voting rights that do not qualify as “financial instruments” within the meaning of the German Securities Trading Act (*Wertpapierhandelsgesetz*), for example, securities lending agreements or sales and repurchase agreements.

Section 25a of the German Securities Trading Act (*Wertpapierhandelsgesetz*) states that any person or entity, who directly or indirectly holds financial instruments or other instruments that are not covered by Section 25 of the German Securities Trading Act (*Wertpapierhandelsgesetz*), and enable the holder or a third party based on their design to acquire existing shares carrying voting rights of an issuer whose home country is Germany, must notify the issuer and, simultaneously, the BaFin immediately, and within four trading days at the latest, when reaching, exceeding or falling below 5%, 10%, 15%, 20%, 25%, 30%, 50% or 75%. Accordingly, such financial or other instruments do not necessarily entitle the holder to claim delivery of the shares. A notification requirement can be triggered if an acquisition of voting rights is only possible under the economics of the instrument, for instance, if the counterparty to such financial or other instrument can reduce or mitigate its risk by acquiring the relevant shares. Therefore, cash-settled equity swaps and contracts for the payment of price differences are subject to the notification requirement.

A shareholder who reaches or exceeds the threshold of 10% of the voting rights, or a higher threshold, is obligated to notify the issuer within 20 trading days regarding the objective (including changes in the objective) being pursued through the acquisition of voting rights, as well as regarding the source of the funds used for the purchase, unless the articles of association release the shareholder from such notification requirement. The Articles of Association have made use in Section 3(4) of the option to release shareholders from this disclosure obligation.

The German Banking Act (*Kreditwesengesetz*) requires pursuant to its Section 2c any person intending to acquire a significant participation (*bedeutende Beteiligung*) in the Company or another credit or financial services institution to notify the BaFin and the German Central Bank (*Deutsche Bundesbank*) of its intention without undue delay. The acquisition of 10% or more of the voting rights or share capital of the Company or another credit or financial services institution is deemed to be a significant participation. The required notice must contain, among others, information demonstrating the reliability of the person or, in the case of a corporation or other legal entity, the reliability of its directors and officers.

A person with a significant participation in the Company or another credit or financial services institution must also notify the BaFin and the German Central Bank (*Deutsche Bundesbank*) without undue delay of any intended increase or decrease of such participation that would result in reaching, exceeding or falling below the following thresholds 10%, 20%, 30% and 50% of the voting rights or share capital of the Company or another credit or financial services institution.

The BaFin may, within a period of sixty business days following receipt of notification, prohibit the intended acquisition or participation if there appears to be reason to assume that, among others, the person or its (future) directors and officers are not reliable, if it determines that the

Company or another credit or financial services institution is incapable of complying with prudential requirements or that the participation impairs the effective supervision of the relevant credit or financial services institution by the BaFin, or if it determines that the Company or another credit or financial services institution does not have the needed financial solidity. If a person acquires a significant participation despite such prohibition or without notifying the BaFin and the German Central Bank (*Deutsche Bundesbank*), the BaFin may preclude the person from exercising the voting rights attached to the shares. In addition, non-compliance with the disclosure requirement may result in the imposition of a fine in accordance with statutory provisions.

Furthermore, pursuant to the German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*), every person whose share of voting rights reaches or exceeds 30% of the voting rights of the Company is obligated to publish this fact, including the percentage of its voting rights, within seven calendar days by publication on the Internet and by means of an electronically operated system for disseminating financial information and subsequently, unless an exemption from this obligation has been granted by the BaFin, to submit a mandatory public tender offer to all holders of shares in the Company. The German Securities Acquisition and Takeover Act (*Wertpapiererwerbs- und Übernahmegesetz*) contains a series of provisions intended to ensure the attribution of shareholdings to the person who actually controls the voting rights connected with the shares. If the shareholder fails to give notice of reaching or exceeding the 30% threshold or fails to submit the mandatory tender offer, the shareholder is barred from exercising the rights associated with these shares (including voting rights and, in case of willful failure to send the notice and failure to subsequently send the notice in a timely fashion, the right to dividends) for the duration of the delinquency. A fine may also be imposed in such cases.

Executives of an issuer with “managerial responsibilities” within the meaning of the German Securities Trading Act (*Wertpapierhandelsgesetz*) are required to notify the issuer and the BaFin within five working days of transactions (so-called directors’ dealings) undertaken for their own account relating to the shares of such issuer or to financial instruments based on such shares. This also applies to persons who are “closely related to such executives” within the meaning of the German Securities Trading Act (*Wertpapierhandelsgesetz*). All transactions are subject to the aforementioned notification requirement as soon as they exceed an aggregate amount of €5,000 by the end of the respective calendar year.

17.11 EU Short Selling Regulation (Ban on Naked Short-Selling)

Regulation (EU) No 236/2012 of the European Parliament and of the Council of March 14, 2012 on short selling and certain aspects of credit default swaps (the “**EU Short Selling Regulation**”), the European Commission’s delegated regulation for the purposes of detailing it, and the German EU Short Selling Implementation Act (*EU-Leerverkaufs-Ausführungsgesetz*) of November 15, 2012 only permit the short selling of shares when specific criteria are met. Under the provisions of the EU Short Selling Regulation, significant net short selling positions in shares must be reported to the BaFin and also published if they exceed a specific percentage. The reporting and publication process is detailed in the German Regulation on Net-Short Positions (*Netto-Leerverkaufspositionsverordnung*) of December 17, 2012. The net short selling positions are calculated by offsetting the short positions a natural person or legal entity has in the shares issued by the issuer concerned with the long positions it has in such securities. The details are regulated in the EU Short Selling Regulation and the other regulations the European Commission has enacted on short-selling. In certain situations described in detail in the EU Short Selling Regulation, the BaFin may restrict short selling and comparable transactions after notifying the European Securities Market Association (“**ESMA**”).

18. DESCRIPTION OF THE GOVERNING BODIES OF SIXT LEASING AG

18.1 Overview

The Company's governing bodies are the Management Board, the Supervisory Board and the shareholders' meeting. The powers and responsibilities of these governing bodies are governed by the German Stock Corporation Act (*Aktiengesetz*), the Articles of Association and the bylaws of the Management Board and the Supervisory Board.

The Management Board manages the Company's business in accordance with the law, the Articles of Association and the bylaws of the Management Board, taking into account the resolutions of the shareholders' meeting. The Management Board represents the Company in its dealings with third parties. The Management Board is required to implement and maintain appropriate risk management and risk controlling measures, including setting up a monitoring system in order to ensure that any developments that could potentially endanger the continued existence of the Company can be identified early. In addition, the Management Board must report regularly to the Supervisory Board on the performance and the operations of the Company. The Management Board is also required to present to the Supervisory Board for its approval, no later than at the last Supervisory Board meeting of each fiscal year, certain business planning matters (including financial investment and personnel planning) for the following fiscal year. Furthermore, each member of the Management Board who becomes aware of any matter that is of particular significance to the Company must immediately report such matter, orally or in writing, to the chairman and the vice chairman of the Supervisory Board or to all members of the Supervisory Board. Significant matters include any development or event at an affiliated company that could have a material impact on the Company.

The Supervisory Board advises the Management Board in the management of the Company and monitors its management activities. The Management Board may not transfer management tasks to the Supervisory Board. However, pursuant to the Articles of Association in combination with the bylaws of the Management Board, the Management Board must obtain the consent of the Supervisory Board for certain transactions or actions, including transactions or actions that involve fundamental changes to the Company's net assets, financial position or results from operation.

Pursuant to the Articles of Association, the shareholders' meeting appoints two members of the Supervisory Board, with one member being appointed by the Selling Shareholder for so long as the Selling Shareholder at least holds one share of the Company. Each member of the Supervisory Board may be removed at any time by the body or party that appointed them. The Supervisory Board appoints the members of the Management Board and has the right to remove them for good cause. Simultaneous membership on the Management Board and the Supervisory Board is prohibited.

The members of the Management Board and the Supervisory Board owe duties of loyalty and due care to the Company. In discharging these duties, the members of the governing bodies are required to take into account a broad range of interests, including those of the Company, its shareholders, its employees and its creditors. The Management Board must also take into account the rights of shareholders to equal treatment and equal information. If the members of the Management Board or the Supervisory Board fail to discharge their duties, they are jointly and severally liable to the Company for damages. A D&O insurance policy, which provides for a deductible for the Management Board members but not for the Supervisory Board members, protects the Management Board and Supervisory Board members against claims for damages.

Under the German Stock Corporation Law (*Aktiengesetz*), neither individual shareholders nor any other person may use its influence on the Company to cause a member of the Management Board or the Supervisory Board to act in a manner that would be detrimental to the Company. Persons using their influence to cause a member of the Management Board or the Supervisory Board, an authorized signatory (*Prokuristen*) or an assistant manager (*Handlungsbevollmächtigter*)

to act in a manner that causes harm to the Company or its shareholders, are liable to compensate the Company for any resulting losses. Moreover, in this case, the members of the Management Board and Supervisory Board are jointly and severally liable in addition to the person using its influence if they have acted in breach of their obligations to the Company.

Generally, an individual shareholder may not take action against the members of the Management Board or the Supervisory Board if he believes that they have acted in breach of their duties to the Company and, as a result, the Company has suffered loss. The Company's claims for damages against the members of the Management Board or the Supervisory Board may generally only be pursued by the Company itself. In the case of claims against members of the Supervisory Board, the Company is represented by the Management Board, and in case of claims against members of the Management Board, it is represented by the Supervisory Board. Pursuant to a ruling by the German Federal Court of Justice (*Bundesgerichtshof*), the Supervisory Board must bring claims that are likely to succeed against Management Board members unless significant considerations of the Company's well-being, which outweigh or are at least equivalent to those in favor of such claim, render such a claim inadvisable. If the relevant governing body decides against pursuing a claim, it must nevertheless be asserted if the shareholders' meeting adopts a resolution to this effect by a simple majority.

Shareholders and shareholder associations can solicit other shareholders to file a petition, jointly or by proxy, for a special audit, for the appointment of a special representative, or to convene a general shareholders' meeting or exercise voting rights in a general shareholders' meeting in the shareholders' forum of the German Federal Gazette (*Bundesanzeiger*), which is also accessible via the website of the German Company Register (*Unternehmensregister*). If there are facts that justify the suspicion that the Company was harmed by dishonesty or a gross violation of law or the Articles of Association, shareholders who collectively hold 1% of the share capital or a pro rata share of €100,000 may also, under certain further conditions, seek damages from members of the Company's governing bodies in their own names through court proceedings seeking leave to file a claim for damages. Such claims, however, become inadmissible if the Company itself files a claim for damages.

The Company may only waive or settle a claim for damages against board members if at least three years have elapsed since the vesting of the claim, so long as the shareholders' meeting approves the waiver or settlement by a simple majority and provided that no minority of shareholders whose aggregate shareholdings amount to at least one-tenth of the share capital records an objection to such resolution in the minutes of the shareholders' meeting.

18.2 Management Board

18.2.1 Current Composition of the Management Board

Pursuant to Sections 6(1) and (2) of the Articles of Association, the Management Board consists of one or more persons and the Supervisory Board determines the exact number of the members of the Management Board. The Supervisory Board may appoint a Management Board member as chairman, vice chairman, spokesman or vice spokesman of the Management Board. Currently, the Management Board consists of two members.

Reappointment or extension, each for a maximum period of up to five years, is permissible. The Supervisory Board may revoke the appointment of a Management Board member prior to the expiration of his or her term for good cause, such as a gross breach of fiduciary duty, or if the shareholders' meeting passes a vote of no confidence with respect to such member, unless the no-confidence vote was clearly unreasonable. The Supervisory Board is also responsible for entering into, amending and terminating employment agreements with Management Board members and, in general, for representing the Company in and out of court against the Management Board.

Pursuant to Section 8 of the Articles of Association, the Company is represented vis-à-vis third parties and in court proceedings by the Management Board. If the Management Board consists of several persons, the Company will be represented by two members of the Management Board or a member of the Management Board jointly with an authorized signatory (*Prokurist*). The Supervisory Board may determine that all or specific members of the Management Board are authorized to represent the Company individually.

The table below lists the current members of the Management Board.

<u>Name</u>	<u>Age</u>	<u>Member since</u>	<u>Appointed until</u>	<u>Responsibilities</u>
Dr. Rudolf Rizzolli (CEO)	41	2012	2018	Corporate development, sales and marketing, operations, purchasing, IT and human resources
Björn Waldow (CFO)	40	2015	2018	Finance, accounting, controlling, treasury, investor relations, risk management, compliance, internal audit, legal and contract management

The following description provides summaries of the *curricula vitae* of the current members of the Management Board and indicates their principal activities outside the Sixt Leasing Group to the extent that those activities are significant with respect to the Sixt Leasing Group.

Dr. Rudolf Rizzolli was born in Bolzano, Italy, in 1973.

Dr. Rizzolli earned his doctor of business administration from the University of Luigi Bocconi in 1998. He started his career working for the Boston Consulting Group in Cologne, Germany as a project manager, consultant and associate from 1998 to 2002 and from 2002 to 2007, as a project leader and principal in Bombay, India, and Germany, concurrently (from 2003 to 2006), he worked as a consultant in his co-owned management consulting company RIMA GmbH and advised the Kamps group in Germany on company restructuring matters. From 2006 to 2012, he worked as a consultant in his co-owned management consulting company SRP Group AG and advised Schmohl AG and the Kamps Group, Switzerland, on the establishment of their group headquarters in Switzerland (2006 to 2008) and served as managing director of the Hülpert Group from 2008 to 2012. Dr. Rizzolli has been member of the Management Board of Sixt Leasing AG since 2012 and has been chairman of the Management Board, since April 1, 2015.

Alongside his office as a CEO and chairman of the Management Board, Dr. Rizzolli is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Sixt Leasing Group:

Currently:

- Sixt Ventures GmbH (managing director); and
- Nummm AG (member of the administrative board).

Previously:

- Hülpert GmbH (managing director); and
- SRP Group AG (member of the administrative board).

Other than listed above, Dr. Rizzolli has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Sixt Leasing Group within the last five years.

Björn Waldow was born in Mannheim, Germany, in 1974.

Mr. Waldow trained as a qualified banking clerk at Deutsche Bank AG, Mannheim, Germany, from 1995 to 1997 and continued working at Deutsche Bank AG throughout his higher education until 2001. Mr. Waldow graduated with distinction from the London School of Economics and Political Science with a degree in business studies in 2000 and earned his master's degree in business administration from the University of Mannheim, Germany, in 2002. In 2002, he joined Roland Berger Strategy Consultants GmbH, Munich, Germany, where he became principal (non-equity partner) before he left in 2010. In 2010, Mr. Waldow joined the Sixt SE Group in Pullach, Germany and was as managing director responsible for the Group Strategy, Group M&A, Group Risk Management and Sales Controlling divisions. Mr. Waldow has been CFO and a member of the Management Board of Sixt Leasing AG since April 1, 2015. From 2008 to 2012, he was also a lecturer at the University of Heidelberg.

Alongside his office as a CFO and member of the Management Board, Mr. Waldow is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Sixt Leasing Group:

Currently:

- DriveNow GmbH & Co. KG (chairman of the advisory council).

Previously:

- Sixt Verwaltungs-GmbH (authorized signatory (*Prokurist*));
- Sixt Systems GmbH (managing director);
- SXT Beteiligungsverwaltungs GmbH (managing director);
- SXT Verwaltungs GmbH (managing director and member of the advisory council);
- DriveNow GmbH & Co. KG (vice chairman and chairman of the advisory council);
- DriveNow Verwaltungs GmbH (managing director); and
- kud.am GmbH (managing director and liquidator).

Other than listed above, Mr. Waldow has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Sixt Leasing Group within the last five years.

The members of the Management Board may be reached at the Company's office at Zugspitzstraße 1, 82049 Pullach, Germany (tel. +49 (0) 89 74444-5120).

18.2.2 Service Agreements

New service agreements between the Company and the two members of the Management Board, Dr. Rizzolli and Mr. Waldow, were concluded on March 25, 2015. Both service agreements became effective on April 1, 2015 and replaced in Dr. Rizzolli's case his previous service agreement with the Company. The term of the service agreements runs until March 31, 2018 for Mr. Waldow and until May 31, 2018 for Dr. Rizzolli. The service agreements may generally only be terminated by mutual agreement or for cause. In the event a member of the Management Board has been suspended from the Management Board or his appointment has been revoked, the Company can release the respective member of the Management Board from his duties under his service agreement provided it continues to pay him the base compensation. Both service agreements do not provide for a termination right in the event of a change of control of the Company.

18.2.3 Compensation and Other Benefits of the Management Board Members

The following table sets forth the compensation paid to the current and former members of the Management Board and the provisions for pension obligations to former members of the Management Board as of the dates and for the periods presented:

	Management Board		
	2012 ⁽¹⁾ (unaudited)	2013 ⁽²⁾ (unaudited)	2014 ⁽²⁾ (unaudited)
	(in € thousand)		
Fixed compensation	597.2	414.0	469.0
Variable compensation	87.5	308.7	511.0
Termination benefits	–	–	–
Provisions for pension obligations to former members of the Management Board as of December 31	–	–	–

(1) Thorsten Haeser served until September 30, 2012 and Mark Thielenhaus until December 31, 2012 as members of the Management Board.

(2) Dr. Rudolf Rizzolli was the sole member of Management Board.

In addition, the members of the Management Board were allowed to invest in Sixt SE's matching stock program. In 2012 the management board of Sixt SE, with the consent of the supervisory board of Sixt SE, decided to implement a matching stock program (the "MSP 2012") which replaced the matching stock program which had been implemented in 2007 and expired in 2011 (the "MSP 2007", and together the "MSP"). Under the terms of the MSP 2012, the members of the Management Board were allowed to invest in bonds issued by Sixt SE with a coupon of 4.5% p.a. and a maturity until 2020 in minimum steps of €1,000. Each €1,000 invested in such bonds would allow to subscribe for 500 stock options per year on each December 1, from 2012 until 2016 (five tranches). The total volume of the MSP 2012 amounts to up to €5.0 million, or up to 2.5 million options per year in five consecutive annual tranches. The fair value at initial date of issue of the tranche of options granted in fiscal year 2012 (year of participation in the MSP) to members of the Management Board under the MSP amounted to €57,000, €51,000 and €49,000 for the fiscal years 2012, 2013 and 2014, respectively. As of December 2012, 2013 and 2014 members of the Management Board were granted 50,000 options each year under the MSP. Furthermore, there are rights to receive a further total of 200,000 options, 150,000 options and 100,000 options in accordance with the terms and conditions of the MSP 2012 as of December 2012, 2013 and 2014, respectively.

In addition, the Company provided and will provide benefits in kind, such as company cars, mobile phones and contributions to an accident insurance policy (*Unfallversicherung*) (the "Ancillary Benefits"). The Ancillary Benefits amounted to approximately €20,000 in 2014 and are expected to amount to approximately €40,000 in 2015.

Under the service agreements, the total maximum annual target compensation (excluding Ancillary Benefits) for both members of the Management Board is €1,720,000, of which €950,000 is an annual base salary and €770,000 is variable compensation for the fiscal year (assuming EBT equals the 2014 EBT of €25.6 million). The base salary is payable in twelve equal monthly installments. The amount of the variable component depends on the amount of EBT for the relevant fiscal year and is subject to different conditions for each member of the Management Board. In one case, the variable payment depends on the number of lease agreements (*i.e.*, excluding Fleet Management agreements) serviced by the Company in such year compared to the preceding year and in the other case that the default rate does not exceed a certain threshold. If the variable payment condition for the member of the Management Board is not fulfilled, the respective member of the Management Board is not entitled to any variable compensation in that year. Any variable compensation payable is paid in three installments:

one-third is paid after the approval of the consolidated financial statements for the relevant fiscal year and the remaining two-thirds are deferred and paid in the following two years. If the annual EBT in years in which any third of the deferred two-thirds is due has exceptionally decreased or increased, the deferred payment is decreased or increased, respectively.

18.2.4 Transaction Bonus Commitments in connection with the IPO

The members of the Management Board will receive a one-time bonus for the additional tasks and duties during the process of preparing the offering. This bonus is conditional upon the first-time listing of the Company's shares on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*) and will amount to €400,000 fixed payment. The bonus payment may be increased if a certain market capitalization of the Company is achieved based on the issue price of the shares multiplied with the number of shares of the Company at the time of the Company's IPO. The bonus is expected to be paid out over the next three years in three equal installments.

18.2.5 Shareholdings of the Management Board Members

Currently, no member of the Management Board directly or indirectly, except for the indirect shareholding due to the participation in the MSP as disclosed above in respect of the shares of Sixt SE, holds any shares in the Company or options on shares in the Company.

18.3 Supervisory Board

Pursuant to Section 9(1) of the Articles of Association, the Supervisory Board consists of three members. It is not subject to employee codetermination as provided by the German One-Third Employee Representation Act (*Drittbeteiligungsgesetz*) or the German Codetermination Act (*Mitbestimmungsgesetz*). The shareholder's meeting appoints two members of the Supervisory Board and one member is appointed by the Selling Shareholder, as long as the Selling Shareholder remains a shareholder of the Company.

A quorum of the Supervisory Board is present if all three members are present. Resolutions of the Supervisory Board are passed with simple majority, unless otherwise mandated by law. In case of a tied vote, the chairman of the Supervisory Board shall have the casting vote. This also applies to elections. If the chairman of the Supervisory Board has not been elected or if he abstains from voting, a tied vote is deemed to be a rejection of the resolution.

Section 100(5) of the German Stock Corporation Act (*Aktiengesetz*) requires the Supervisory Board to have at least one independent member with expertise in the fields of accounting or auditing. Members of the Supervisory Board are considered to be independent if such members have no business or personal relations with the Company, its Management Board, controlling shareholders or related parties which could cause a substantial and not merely temporary conflict of interest. As concerns the Supervisory Board of the Company, Prof. Dr. Englert and Mr. Bauer are considered to possess the required expertise and independence.

For each member of the Supervisory Board, the shareholders may, at the same time the respective member is elected, appoint substitute members. These substitute members will replace the elected Supervisory Board member in the event of his premature departure in an order that was defined at the time of the appointment. The term of office of the substitute member replacing the departing member terminates if a successor is elected at the next shareholders' meeting or the following one, at the close of the shareholders' meeting, otherwise on the expiry of the term of office of the departed member of the Supervisory Board. Members of the Supervisory Board who were elected by the shareholders' meeting may be dismissed at any time during their term of office by a resolution of the shareholders' meeting adopted by 75% of the votes cast. In accordance with Section 10(1) of the Articles of Association, any member or substitute member of the Supervisory Board may resign at any time, even without providing a

reason, by giving fourteen days' notice of his resignation in writing. This does not affect the right to resign with immediate effect for good cause.

18.3.1 Members of the Supervisory Board

The table below lists the current members of the Supervisory Board.

Name	Age	Member since	Appointed until ⁽¹⁾	Responsibilities
Erich Sixt (chairman)	70	2004	2018	Chairman of the management board of Sixt SE
Georg Bauer ⁽²⁾	63	2015	2018	Independent management consultant for the Tesla Group
Prof. Dr. Marcus Englert (vice chairman)	49	2015	2018	Associate Partner of Solon Management Consulting GmbH, Munich Germany

(1) In each case until the end of the general shareholders' meeting.

(2) Appointed by the Selling Shareholder.

The following description provides summaries of the *curricula vitae* of the current members of the Supervisory Board and indicates their principal activities outside the Sixt Leasing Group to the extent those activities are significant with respect to the Sixt Leasing Group.

Erich Sixt was born in Mistelbach, Austria, in 1944.

Mr. Sixt attended and studied business administration at Ludwig-Maximilians University, Munich, Germany. He has more than 47 years of experience within Sixt SE. Mr. Sixt started his career as a controller at Hans Sixt KG in 1967, where he was an authorized signatory (*Prokurist*) from 1969 to 1984. Since 1979, Mr. Sixt has held positions on management or supervisory boards of many of Sixt's affiliated companies. He is currently chairman of the management board of Sixt SE, chairman of the supervisory board of e-Sixt GmbH & Co. KG and managing director of Sixt Verwaltungs-GmbH. He has been chairman of the Supervisory Board of Sixt Leasing AG since 2004.

Alongside his office as chairman of the Supervisory Board, Mr. Sixt is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Sixt Leasing Group:

Currently:

- AS Invest GmbH (managing director);
- ASV Verwaltungs GmbH (managing director);
- ASV Verwaltungs GmbH & Co. Objekt Eins KG (managing director);
- Erich Sixt Vermögensverwaltung GmbH (managing director);
- e-Sixt GmbH & Co. KG (chairman of the supervisory board);
- ES Asset Management and Services GmbH (managing director);
- ES Management GmbH (managing director);
- Esmeralda GmbH (managing director);
- Esmeralda GmbH & Co. Grundstücksgesellschaft KG (managing director);

- Esmeralda GmbH & Co. Grundstücksverwaltungsges. Objekt Eins KG (managing director);
- Esmeralda GmbH & Co. Grundstücksverwaltungsges. Objekt Neun / Zehn KG (managing director);
- Esmeralda GmbH & Co. Grundstücksverwaltungsges. Objekt Alpha KG (managing director);
- Nikomedia SK GmbH (managing director);
- Pella AS GmbH (managing director);
- SE Immobilien GmbH (managing director);
- SE Immobilien GmbH & Co. Investitions KG (managing director);
- Sixt SE (chairman of the management board);
- Sixt Verwaltungs-GmbH (managing director);
- SK Invest GmbH (managing director); and
- Solid Leasing GmbH (managing director).

Previously:

- BLM Verwaltungs GmbH (managing director).

Other than listed above, Mr. Sixt has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Sixt Leasing Group within the last five years.

Georg Bauer was born in Aschau im Chiemgau, Germany, in 1951.

Mr. Bauer trained as a banking clerk at Bayerische Hypotheken- und Wechselbank, Rosenheim, Germany from 1967 to 1969. He studied at the Fachhochschule Rosenheim, Germany, graduating in 1972 with a degree in business management. From 1973 to 1978, he worked at Citibank as a manager of the World Corporate Group in Munich, Germany; Frankfurt, Germany; London, United Kingdom, and Stuttgart, Germany. From 1978 to 2003, he worked for Daimler-Benz AG. During this time, he moved from manager of sales financing and strategic development to CFO of Freightliner Credit Corporation in 1982 to director of finance sector projects and investments in 1986. He also worked for Mercedes-Benz Credit Corporation as CEO between 1992 and 1998 and started as a member of the management board of Daimler-Benz Interservices AG in 1999. After leaving Daimler-Benz AG in 2003, Mr. Bauer worked at BMW AG as an authorized representative and CEO of the financial services division from 2004 to 2010. Since 2011, Mr. Bauer has worked as an independent management consultant and since 2013, he is solely a management consultant for the Tesla Group.

Alongside his office as member of the Supervisory Board, Mr. Bauer is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Sixt Leasing Group:

Currently:

- Tesla Financial Services GmbH (managing director); and
- Allianz Global Corporate & Special Insurance (member of the advisory board).

Previously:

- BMW AG (authorized signatory (*Prokurist*) and CEO of the financial services division).

Other than listed above, Mr. Bauer has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Sixt Leasing Group within the last five years.

Prof. Dr. Marcus Englert was born in Munich, Germany, in 1965.

Prof. Dr. Englert received a master of physics from Ludwig-Maximilians University, Munich, Germany, in 1991, a PhD in nuclear physics from the European Organization for Nuclear Research (CERN), Geneva, Switzerland, and a Master of Business Administration from INSEAD, Fontainebleau, France, in 1996. He started his career in 1994 as a consultant at Boston Consulting Group in Munich, Germany. In 1998 and 1999, he served as managing director of ProSieben Media AG and from 1999 until 2003, he was chief executive officer of Kirch New Media AG, Munich, Germany. From 2003 until 2010 he acted as a managing director of Sevenone Intermedia GmbH, before he was appointed member of the management board of ProSiebenSat. 1 Media AG, Munich, Germany, in 2006. Since 2010, he has been working as senior advisor at Solon Management Consulting GmbH & Co. KG, Munich, Germany.

Alongside his office as the vice chairman of the Supervisory Board, Prof. Dr. Englert is, or has within the last five years been, a member of the administrative, management or supervisory bodies of and/or a partner in the following companies and partnerships outside the Sixt Leasing Group:

Currently:

- Atlantic Capital Partners GmbH (managing director);
- iBrothers Capital GmbH (managing director);
- iBrothers Media GmbH (managing director);
- MCE Squared GmbH (managing director);
- Media Broadcast GmbH (chairman of the supervisory board);
- Pine Hill Capital Europe GmbH & Co. KG (managing limited director);
- Pine Hill Partners GmbH (managing director);
- Rocket Internet AG (deputy chairman of the supervisory board);
- Solon Management Consulting GmbH & Co. KG (managing director and senior advisor); and
- Texas Atlantic Capital LP (general partner).

Previously:

- Demekon Entertainment AG (member of the supervisory board);
- ProSiebenSat.1 Media AG (member of the management board);
- Real Time Technology AG (vice chairman/chairman of the supervisory board); and
- Sevenone Intermedia GmbH (managing director).

Other than listed above, Prof. Dr. Englert has not been a member of any administrative, management or supervisory body of any other company or partnership outside the Sixt Leasing Group within the last five years.

The members of the Supervisory Board can be reached at the Company's office at Zugspitzstraße 1, 82049 Pullach Germany (tel. +49 (0) 89 74444-5120).

18.3.2 Supervisory Board Committees

Since the Supervisory Board of the Company only consists of three people, no committees have been formed.

18.3.3 Compensation of the Members of the Supervisory Board

Erich Sixt, Dr. Julian zu Putlitz and Detlev Pätsch served as members of the Supervisory Board during the fiscal year 2014 and received no compensation. They were only reimbursed for their out-of-pocket expenses (plus VAT, if any).

The current compensation of the Supervisory Board members is provided for in Section 14 of the Articles of Association. The Supervisory Board members' compensation takes into account the responsibilities and scope of their activities. The members of the Supervisory Board receive an annual fixed payment of €40,000 (plus VAT, if any) and the chairman of the Supervisory Board receives an annual fixed payment of €50,000 (plus VAT, if any).

Members of the Supervisory Board are also reimbursed for their out-of-pocket expenses (plus VAT, if any). The Company is obligated to take out market standard and appropriate D&O insurance for the benefit of the members of the Supervisory Board and without any deductible to the extent legally permitted.

18.3.4 Shareholdings of the Supervisory Board Members

Currently, the chairman of the Supervisory Board, Erich Sixt, is indirectly invested in the shares of the Company. For more information see “15. Information on the Selling Shareholder—15.1 Shareholder Structure (Before and After the Offering)”. No other member of the Supervisory Board directly or indirectly holds any shares in the Company or options on shares in the Company.

18.4 Advisory Board

The Management Board has established an advisory board (the “**Advisory Board**”), with the consent of the Supervisory Board, pursuant to Section 23 of the Articles of Association and the bylaws of the Management Board, which has the role of a risk management committee. The Advisory Board advises the Management Board in respect of credit risk review and control with regard to leasing transactions and dealer review as well as in each case the associated issues. If the Management Board obtains the consent of the Advisory Board with regard to these transactions, an additional consent by the Supervisory Board is not required. If the Advisory Board denies its consent to a particular transaction involving a credit and market risk assessment, the Management Board requires the Supervisory Board's consent to pursue such transaction. Members of the Advisory Board are appointed and relieved from their duties by the Management Board with the consent of the Supervisory Board. The members of the Advisory Board are strictly bound to the interests of the Company. The Advisory Board has a minimum of three and a maximum of six members. The current members of the Advisory Board are Dr. Julian zu Putlitz (chairman), member of the management board and CFO of Sixt SE, Erich Sixt (deputy chairman), chairman of the management board of Sixt SE and chairman of the Supervisory Board, Detlev Pätsch, member of the management board of Sixt SE, Alexander Sixt, member of the management board of Sixt SE and Konstantin Sixt, member of the management board of Sixt SE. The Advisory Board has formed committees and transferred decisions to such committees in accordance with its bylaws.

Currently, the members of the Advisory Board receive no compensation, but are only reimbursed for their out-of-pocket expenses (plus VAT, if any).

18.5 Share Participation Plan and Employee Offering

The Company currently does not have a share participation plan in place, but may decide to implement one in the future.

18.6 Certain Information Regarding the Members of the Management Board and Supervisory Board

In the last five years, no member of the Management Board or the Supervisory Board has been convicted of fraudulent offences. In the last five years, no member of the Management Board or the Supervisory Board has been associated with any bankruptcy, receivership or liquidation acting in its capacity as a member of any administrative, management or supervisory body or as a senior manager, except for Mr. Waldow, a member of the Management Board who served as a managing director and subsequently as liquidator of kud.am GmbH and except for Dr. Rizzolli, a member of the Management Board who served as a liquidator of RIMA GmbH. In the last five years, no official public incriminations and/or sanctions have been made by statutory or legal authorities (including designated professional bodies) against the members of the Management Board or the Supervisory Board, nor have sanctions been imposed by the aforementioned authorities. No court has ever disqualified any of the members of the Management Board or the Supervisory Board from acting as a member of the administrative, management or supervisory body of an issuer, or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

Erich Sixt is the indirect major shareholder and chairman of the management board of the Selling Shareholder and chairman of the Supervisory Board. If the interest of the Selling Shareholder should diverge from those of the Company, conflicts of interest may arise for Mr. Sixt. In this context, it should be noted that the Company rents office space for its business operations in Leipzig in a property which is indirectly owned by Mr. Erich Sixt. For further details, see “19. *Certain Relationships and Related Party Transactions—19.2 Relationships with Members of the Supervisory Board*”. Apart from this, there are no conflicts of interest or potential conflict of interest between the members of the Management Board and Supervisory Board vis-à-vis the Company and their private interests, membership in governing bodies of companies, or other obligations.

No member of the Management Board or the Supervisory Board has entered into a service agreement with a company of the Sixt Leasing Group that provides for special benefits, such as severance pay, at the end of the business relationship (other than pensions or compensation in the case of an early termination of the service agreement, which is determined on the basis of the remaining term of the agreement and the contractually agreed compensation). The members of the Management Board are not bound by restrictive covenants and may therefore engage in competing activities following the end of their office.

There are no family relationships between the members of the Management Board and those of the Supervisory Board, either among themselves or in relation to the members of the other body.

18.7 Shareholders' Meeting

Pursuant to Section 175 of the German Stock Corporation Act (*Aktiengesetz*), the annual shareholders' meeting must take place within the first eight months of each fiscal year and must be held, as the convening body shall decide, at the Company's registered office, a branch office of the Company or in a German city with a stock exchange. Except where other persons are authorized to do so by law or by the Articles of Association, the shareholders' meeting is convened by the Management Board. Notice must be issued in the German Federal Gazette (*Bundesanzeiger*) at least 30 days before the day of the shareholders' meeting (the “**Minimum Term**”); the day of the meeting itself and the day of the receipt of the notice not being included when calculating this period. The articles may provide that attendance at the meeting or the exercise of voting rights shall require the shareholders giving notice of their attendance prior to the meeting. The notice of attendance must be delivered to the Company at least six days prior to the shareholders' meeting at the address specified for this purpose in the notice calling the shareholders' meeting. The articles or the notice if authorized by the articles may provide for a shorter time limit which is to be calculated in days. The day of receipt shall not be included in this

calculation. The Minimum Term shall be prolonged by the number of days of the deadline for giving notice of attendance.

If the Management Board does not convene the shareholders' meeting in due time or if required for the Company's welfare, the Supervisory Board may convene the shareholders' meeting. Additionally, shareholders whose shares collectively make up 5% of the capital stock of the Company may convene a shareholders' meeting. Shareholders or shareholder associations may solicit other shareholders to make such a request, jointly or by proxy, in the shareholders' forum of the German Federal Gazette (*Bundesanzeiger*), which is also accessible via the website of the German Company Register (*Unternehmensregister*).

Prior to the shareholders' meeting, shareholders are required to register in order to be entitled to participate in the shareholders' meeting and to exercise voting rights and have to provide evidence of their shareholding in the form of a confirmation by the depository institute prior to the beginning of the twenty-first day before the shareholders' meeting.

Each ordinary share entitles its holder to one vote at the shareholders' meeting. Pursuant to Section 22 (3) of the Articles of Association, preference shares do not carry voting rights, unless otherwise mandated by law. Unless otherwise stipulated by mandatory statutory provisions or provisions of the Articles of Association, resolutions of the shareholders' meeting are adopted by a simple majority of the votes cast or, if a capital majority is required, by a simple majority of the registered share capital represented in the resolution. The Management Board is authorized to allow shareholders to vote by post or to participate in the shareholder's meeting online.

According to the current version of the German Stock Corporation Act (*Aktiengesetz*), resolutions of fundamental importance (*grundlegende Bedeutung*) require both a majority of votes cast and a majority of at least 75% of the registered share capital represented at the vote on the resolution. Resolutions of fundamental importance include:

- amendments, other than editorial amendments, to the articles of association of the company;
- approval of contracts within the meaning of Section 179a of the German Stock Corporation Act (*Aktiengesetz*) (transfer of the entire assets of the company) and management actions of special significance that require the approval of the shareholders' meeting in compliance with legal precedents;
- capital increases, including the creation of conditional or authorized capital;
- the issuance of, or authorization to issue, convertible and profit-sharing certificates and other profit-sharing rights;
- exclusion of subscription rights as part of an authorization on the use of treasury stock;
- capital reductions, including the withdrawal of shares pursuant to Sections 237(3) to (5) of the German Stock Corporation Act (*Aktiengesetz*);
- withdrawal of shares pursuant to Section 237(2) of the German Stock Corporation Act (*Aktiengesetz*);
- liquidation of the company;
- continuation of the liquidated company after the resolution on liquidation or expiry of the time period;
- approval to conclude, amend or terminate affiliation agreements (*Unternehmensverträge*); and
- action within the meaning of the German Reorganization and Transformation Act (*Umwandlungsgesetz*).

Neither German law nor the Articles of Association limit the right of foreign shareholders or shareholders not domiciled in Germany to hold shares of the Company or exercise the voting rights associated therewith.

18.8 Corporate Governance

The German Corporate Governance Code as amended on June 24, 2014 (the “Code”) contains recommendations and suggestions for the management and supervision of German companies listed on a stock exchange. The Code incorporates nationally and internationally recognized standards of good and responsible corporate governance. The purpose of the Code is to make the German system of corporate governance and supervision transparent for investors. The Code includes recommendations and suggestions for management and supervision with regard to shareholders and shareholders’ meetings, management and supervisory boards, transparency, accounting and auditing.

There is no obligation to comply with the recommendations or suggestions of the Code. However, the German Stock Corporation Act (*Aktiengesetz*) requires that the management board and supervisory board of a German listed company declare, every year, either that the recommendations have been or will be applied, or which recommendations have not been or will not be applied and explain why the management board and the supervisory board do not/will not apply the recommendations that have not been or will not be applied. This declaration is to be made permanently accessible to shareholders. However, deviations from the suggestions contained in the Code need not be disclosed.

Prior to the listing of the shares of the Company, the Company is not obligated to issue a declaration relating to the Code.

As of the date of the Prospectus, the Company complies with, and after the listing of the Company’s shares, intends to further comply with all recommendations in the Code apart from the following:

- In the D&O insurance policy of the Company, no deductible has been agreed for members of the Supervisory Board (Section 3.8 of the Code). The Company believes that a deductible would not improve the motivation or sense of responsibility of the members of the Supervisory Board, especially given that the Supervisory Board members could insure any deductibles themselves.
- In accordance with the resolution adopted by the shareholders’ meeting on April 8, 2015, the total remuneration is currently not disclosed and broken down by individual Management Board members. In view of this resolution, individual disclosure of benefits, compensations and other benefits for each member of the Management Board using the model tables provided in the Code is not provided (Section 4.2.5, para. 3 of the Code).
- The Supervisory Board decides on a case-by-case basis whether to specify an age limit when appointing Management Board members (Section 5.1.2 of the Code), because the Supervisory Board believes that to specify a general age limit would impose a blanket restriction on selection and would thus not be in the interests of Sixt Leasing.
- Since, in accordance with the Articles of Association, the Supervisory Board of Sixt Leasing consists of three people, no committees have been formed (Sections 5.3.1 to 5.3.3 of the Code).
- An age limit as well as concrete targets for female representation in the composition of the Supervisory Board are not provided for (Section 5.4.1, sentences 2 and 3 of the Code). Given that the Supervisory Board consists of three members, of whom merely two members are elected in accordance with the Articles of Association, any limitation on age and/or sex in the selection process for suitable candidates would run counter to the interests of the Company.

- Proposed candidates for the chair of Supervisory Board are not announced to shareholders (Section 5.4.3 of the Code), because legal provisions stipulate that the election of the Supervisory Board chairperson is exclusively the responsibility of the Supervisory Board.
- The remuneration of members of the Supervisory Board is reported as an aggregate amount in the consolidated financial statements (Section 5.4.6 para. 3 of the Code); the remuneration paid to each member of the Supervisory Board is specified in the Articles of Association.
- The Company will disclose all price-sensitive information to analysts and all shareholders (Section 6.1 of the Code). The Company believes that disclosure to all shareholders of all non-price-sensitive information given to financial analysts and similar parties would not further their interest in information.
- The consolidated financial statements are published within the statutory periods. Interim reports are published within the periods stipulated by stock exchange law. The Company believes that compliance with the publication deadlines specified in Section 7.1.2 sentence 4 of the Code does not benefit to any greater extent the information interests of investors, creditors, employees and the public.

19. CERTAIN RELATIONSHIPS AND RELATED PARTY TRANSACTIONS

In accordance with IAS 24, transactions with persons or companies which are, inter alia, members of the same group as the Company or which are in control of or controlled by the Company must be disclosed, unless they are already included as consolidated companies in the Sixt Leasing Group's audited combined financial statements. Control exists if a shareholder owns more than one half of the voting rights in the Company or, by virtue of an agreement, has the power to control the financial and operating policies of the Company's management. The disclosure requirements under IAS 24 also extend to transactions with associated companies (including joint ventures) as well as transactions with persons who have significant influence on the Company's financial and operating policies, including close family members and intermediate entities. This includes the members of the Management Board and Supervisory Board (or the members of the corresponding governing bodies of Sixt SE) and close members of their families, as well as those entities over which the members of the Management Board and Supervisory Board or their close family members are able to exercise a significant influence or in which they hold a significant share of the voting rights.

Set forth below is a summary of such transactions with related parties for the fiscal years ended December 31, 2012, 2013 and 2014 up to and including the date of the Prospectus. Further information, including quantitative amounts, of related party transactions are contained in the notes to the Sixt Leasing Group's audited combined financial statements for the fiscal years ended December 31, 2012, 2013 and 2014, which are included in the "23 Financial Information" section of the Prospectus on page F-1 et seq. Business relationships between companies of the Sixt Leasing Group are not included. The companies which are directly or indirectly controlled by the Company are listed on page F-11 et seq. of the notes to the Sixt Leasing Group's audited combined financial statements for the fiscal years ended December 31, 2012, 2013 and 2014.

19.1 Relationships with the Selling Shareholder

As a wholly owned subsidiary of the Selling Shareholder, we have had various business relationships with Sixt SE and its subsidiaries excluding the Sixt Leasing Group, in particular Sixt Autovermietung, SXT Reservierungs- und Vertriebs-GmbH and SXT Dienstleistungen GmbH & Co. KG in the past and will continue to have relationships with Sixt SE and its subsidiaries excluding the Sixt Leasing Group in the future. In particular,

- The Company is party to the Profit and Loss Transfer Agreement (*Ergebnisabführungsvertrag*) with Sixt SE, which it intends to terminate as of April 30, 2015. For more information on the Profit and Loss Transfer Agreement, see "3 The Offering—3.4 Information on the Shares—3.4.2 Dividend and Liquidation Rights".

The Sixt Leasing Group has been primarily financed by loans from Sixt SE. As of December 31, 2012, 2013 and 2014, liabilities to the Selling Shareholder amounted to €567.0 million, €531.2 million and €676.5 million, respectively, while total liabilities to related parties amounted to €594.4 million, €550.1 million and €679.8 million, respectively. Sixt SE will continue to provide financing to the Sixt Leasing Group. The liabilities to related parties will be refinanced under the Core Loan available to us under the Financing Agreement with Sixt SE. For more information, see "13 Material Agreements—13.1 Financing Arrangements".

- The Sixt Leasing Group has outsourced various services to entities of the Sixt SE Group (excluding Leasing) in the past and has entered into agreements to continue the outsourcing of these services after the offering with certain Sixt SE Group (excluding Leasing) entities, including Sixt Autovermietung, SXT Reservierungs- und Vertriebs-GmbH and SXT Dienstleistungen GmbH & Co. KG. The outsourced services and the agreements described below relate to various services, including accounting, certain human resources functions, damage management, treasury, sales and backoffice management for Online Retail, maintenance, wear and tear and tire management services for customers, legal functions, certain IT functions as well as compliance,

internal audit and risk management services (the “**Outsourced Services**”). In addition, the Sixt Leasing Group has concluded agency and service agreements regarding the sale of vehicles to retail and commercial customers, employee training, marketing, the distribution of leased vehicles, repair services and the use of fuel card services. Furthermore, the Sixt Leasing Group has entered into franchise agreements with certain Sixt Leasing Group entities in Austria, Switzerland, France and The Netherlands regarding leasing and fleet management services rendered by the entities to customers in the respective territories under the brands licensed by Sixt Leasing Group from Sixt SE and sub-licensed to the franchisees. For more information, see “—19.1.2 Other Agreements”.

- Certain subsidiaries and other assets that were part of the leasing business unit within the Sixt SE Group but were directly or indirectly owned by the Selling Shareholder rather by us were transferred to us in preparation for our IPO. For more information, see “10 Management’s Discussion and Analysis of Net Assets, Financial Condition, and Results of Operations—10.2 Preparation of the Combined Financial Statements and Reorganization of the Sixt Leasing Group”.

The following table provides more information regarding the recognition of intra-group transactions relating to the services described above in the combined profit and loss statement of the Company for the fiscal years ended December 31, 2012, December 31, 2013 and December 31, 2014:

	Year ended December 31, (audited, unless stated otherwise)					
	2012	2013	2014	2012	2013	2014
	Services rendered to (€ million)			Services used from (€ million)		
Related Parties						
Sixt SE ⁽¹⁾	0.1	0.2	0.2	21.1	19.6	20.4
Sixt Autovermietung ⁽²⁾	10.6	11.1	12.5	8.6	8.8	9.5
DriveNow GmbH & Co. KG ⁽³⁾	1.6	2.0	2.3	—	—	—
SXT Reservierungs- und Vertriebs-GmbH ⁽⁴⁾	0.4	0.4	0.4	2.6	2.7	1.8
SXT Dienstleistungen GmbH ⁽⁵⁾	—	—	0.1	—	—	2.9
Other related Parties ⁽⁶⁾ (unaudited)	0.3	0.2	0.3	2.8	2.2	1.7
Sixt Leasing Group total	13.0	13.9	15.8	35.1	33.3	36.3

- (1) Sixt SE charges group financing fees, commissions for guarantees and fees for administrative services rendered.
- (2) Sixt Autovermietung (i) provides the Sixt Leasing Group with rental vehicles for use as replacement vehicles, (ii) performs certain management, consultancy, operative and administrative services for the Sixt Leasing Group which are described in greater detail under “—19.1.2 Other Agreements” and (iii) rents business premises to the Sixt Leasing Group. The Sixt Leasing Group in turn provides lease vehicles, fuel cards and insurance services to Sixt Autovermietung.
- (3) The Sixt Leasing Group provides fuel card services to DriveNow GmbH & Co. KG.
- (4) SXT Reservierungs- und Vertriebs-GmbH provides call center services and first level damage support to the Sixt Leasing Group.
- (5) Sixt Leasing Group provides administrative services to SXT Dienstleistungen GmbH relating to the management of accounts payable and accounts receivable.
- (6) Other related parties include e-sixt GmbH & Co. KG, Sixt Allgemeine Leasing GmbH & Co. KGaA, Sixt B.V., Hoofddorp, Sixt College GmbH (“**Sixt College**”), autohaus 24 GmbH, Sixt Autoland GmbH (“**Sixt Autoland**”), Sixt SAS, Sixt AG, Basel, Sixt rent-a-car AG, Basel, Sixt G.m.b.H., Vösendorf, Sixt Reparatur & Service GmbH and SXT Dienstleistungen GmbH & Co. KG.

Receivables from related parties in the amounts of €18.0 million, €28.9 million and €52.7 million for the fiscal years ended December 31, 2012, 2013 and 2014, respectively, and payables to related parties in the amounts of €594.4 million, €550.1 million and €679.8 million for the fiscal years ended December 31, 2012, 2013 and 2014, respectively, resulted primarily from the provision of operational services as described above as well as financing relationships.

19.1.1 License Agreement

The License Agreement between the Company and Sixt SE pertains to the non-exclusive use of Trademarks and “Sixt” as part of the commercial names (*Firmenbestandteil*) of the Company and its subsidiaries as well as domain licenses in the EEA and Switzerland. For more information, see “13 Material Agreements—13.2 License Agreement with Sixt SE”.

19.1.2 Other Agreements with Sixt SE and its subsidiaries

19.1.2.1 Financing Agreement

Prior to the offering, Sixt SE as lender and the Company as borrower entered into a new loan agreement. For more information, see “13 Material Agreements—13.1 Financing Arrangements”.

The other agreements comprise of the outsourcing framework agreement, the compliance, internal audit and risk management outsourcing agreements, and the agency and service agreements with Sixt Autovermietung, Sixt Reparatur und Service GmbH, Sixt Autoland and Sixt College. Payments under the other agreements are conducted on a monthly basis and plus VAT, if applicable.

19.1.2.2 Agreement on the Assumption of Liabilities

On April 17, 2015 the Company as principal and Sixt SE as agent entered into an agreement on the assumption of liabilities. The purpose of this agreement is the continuing credit-support by Sixt SE for existing financial relations where a third party had lent or otherwise provided funds to the Company as member of the entire Sixt SE Group. Under this agreement, Sixt SE shall be reimbursed for its expenses (in particular, payments under joint liability provisions and guarantees) and receive a fee of 0.5% p.a. of the respective outstanding loans or other utilizations under the relevant financial arrangements. Whereas two term loans with banks in a total amount of €60 million and finance leases in a value of approximately €46 million shall be maintained until maturity, all other financial liabilities, for which Sixt SE has assumed liability by way of a guarantee or assumption of joint and several liability, shall be reduced to €0 in four steps until August 31, 2015. If the outstanding support is not reduced accordingly, the fee payable to Sixt SE shall be increased to 4% p.a.

19.1.2.3 Outsourcing Framework Agreement

The Company and Sixt Autovermietung entered into an outsourcing agreement (*Auslagerungsrahmenvertrag*) (the “**Outsourcing Framework Agreement**”), which will come into effect as of May 1, 2015, regarding the outsourcing of certain services by the Sixt Leasing Group to Sixt Autovermietung. The services are provided by Sixt Autovermietung or entities of the Sixt SE Group (excluding Leasing). The services covered by the Outsourcing Framework Agreement include:

- ***Accounts Receivable Management (Forderungsmanagement), Accounts Receivable and Accounts Payable Accounting (Debitoren- und Kreditorenbuchhaltung).*** The services performed with regard to accounts receivable, management and accounting (*Debitorenbuchhaltung*) include direct debit services, accounting and management for in-payments, coordination of pass-through accounts (*Durchläuferkonten*) and clearing accounts (*Verrechnungskonten*), derecognition of balances and bad debts as well as the preparation of collective invoices for

customers of the Sixt Leasing Group. The accounts payable accounting (*Kreditorenbuchhaltung*) services include payment processing and invoicing regarding the additional services and fleet management.

- **IT Services.** IT services include software services, back office system management, IT infrastructure services, IT quality management (e.g., quality management, test engineering and architecture management), IT business intelligence and IT service and support. The software services encompass, among other things, the Sixt Leasing Group's mobile applications and the maintenance of the car configurator app for Fleet Leasing until its transfer to the Sixt Leasing Group.
- **Sales and backoffice Management for Online Retail.** The sales activities covered encompass the processing of leasing inquiries from new customers via sixt-neuwagen.de, the management of existing customers, including the extension of existing contracts, and entering into new contracts. The backoffice services relate to customer service and contract management.
- **Maintenance, Wear and Tear and Tire Management.** The covered services encompass primarily steering and management in respect of the maintenance of leased or managed vehicles, wear and tear repairs and tire management services provided by the Sixt Leasing Group to its Fleet Leasing and Fleet Management customers as part of its full service. For more information on the full service offering of the Sixt Leasing Group to its customers in the Fleet Leasing and Fleet Management business, see "12 Business—12.4 Business Operations—12.4.1 Leasing—12.4.1.1 Fleet Leasing—12.4.1.1.2 Leasing".
- **Damage Management.** Damage management services include assistance when damage occurs due to an accident as well as damage handling. Damage assistance includes, among other things, the organization of support at the crash scene, the facilitation of replacement vehicles, organization of the recovery service and coordination with the repair shop. Damage handling consists of, among other things, carrying out the damage notification, damage report, the organization of repair of the damage, claims settlement and complaint processing in connection with claims resulting from personal negligence, as well as negotiations with repair shops.
- **Other.** Other Outsourced Services include human resources and organizational development (e.g., employer branding, recruiting, payroll and training of employees), treasury services, including advice on refinancing, cash, interest rate and currency management and reporting and legal services.

The Sixt Leasing Group will reimburse Sixt Autovermietung and any other entity of the Sixt SE Group (excluding Leasing) for all costs incurred by them in connection with the provision of the Outsourced Services, in particular with regard to personnel costs (including social security contributions and wage tax), travel expenses, IT costs (unless covered by a separate agreement), office equipment and supplies, rent, phone and internet expenses and pay an additional remuneration in the amount of 5% of the personnel costs. Payments under the Outsourcing Framework Agreement are made on a monthly basis and plus VAT, if applicable. The Outsourcing Framework Agreement has an indefinite term and may be terminated by each party with twelve months' prior written notice at the end of each calendar month or for due cause.

19.1.2.4 Compliance, Internal Audit and Risk Management Outsourcing Agreements

The Company and Sixt Autovermietung concluded outsourcing agreements regarding the compliance, internal audit and risk management functions for the Sixt Leasing Group (the "**Internal Control Outsourcing Agreements**"), which will come into effect as of May 1, 2015, that replaced the previous outsourcing agreements regarding compliance, internal audit and risk management functions. The Internal Control Outsourcing Agreements cover services required for the Sixt Leasing Group to comply with its compliance, internal audit and risk management obligations.

The Sixt Leasing Group will reimburse Sixt Autovermietung and any other entity of the Sixt SE Group (excluding Leasing) for all costs incurred by them in connection with the provision of the outsourced compliance, internal audit and risk management services, in particular with regard to personnel costs (including social security contributions and wage tax), travel expenses, IT costs (unless covered by a separate agreement), office equipment and supplies, rent, phone and internet expenses and pay an additional remuneration in the amount of 5% of the personnel costs. Payments under the Internal Control Outsourcing Agreements are made on a monthly basis, with VAT added, if applicable. The Internal Control Outsourcing Agreements have an indefinite term and may be terminated by each party with three months' (compliance outsourcing agreement) or twelve months' (internal audit and risk management outsourcing agreements) prior written notice at the end of each calendar month.

19.1.2.5 Agency and Service Agreement Autoland

The Company concluded an agency and service agreement (the “**Autoland Agreement**”) with Sixt Autoland, which will come into effect as of May 1, 2015, replacing the former agency and service agreement between the parties dated January 18, 2013. The Autoland Agreement covers the non-exclusive sale of vehicles to private and commercial customers by Sixt Autoland on behalf of Sixt Leasing Group in return for both fixed and variable payments, as well as the rendering of additional services. The Sixt Leasing Group, in turn, provides vehicles and associated services to the employees of Sixt Autoland for market standard compensation and for reimbursement of its costs. The fixed term of the agreement runs until December 31, 2017 and will be automatically extended by one year unless terminated with six months' prior written notice.

19.1.2.6 Sixt College Agency and Service Agreement

The Company concluded an agency and service agreement (the “**College Agreement**”) with Sixt College, which will come into effect as of May 1, 2015, replacing the former agency and service agreement between the parties dated January 18, 2013. The College Agreement covers the supervision and training of all apprentices, interns, dual students and trainees who complete their education in the business lines of the Sixt Leasing Group, as well as the development and performance of training and development tools for employees of the Sixt Leasing Group. The Company, in turn, will provide suitable positions for apprentices, interns, dual students and trainees as well as vehicles for the employees of Sixt College. The Company will reimburse Sixt College for all its expenses in connection with the services provided plus a premium in the amount of 5% of all personal costs resulting from the services rendered. The Company will receive market standard compensation and reimbursement of all costs in connection with the provision of the company cars and the services provided to Sixt College. The College Agreement has an indefinite term and may be terminated by each party with twelve months' prior written notice at the end of each calendar month.

19.1.2.7 Agency and Service Marketing Agreement

The Company concluded an agency and service agreement (the “**Marketing Agreement**”), which will come into effect as of May 1, 2015, with Sixt Autovermietung regarding marketing activities. Pursuant to the Marketing Agreement, the Sixt Leasing Group is included in certain online marketing activities of the Sixt Autovermietung and vice versa. Both parties can mutually agree to extend the online marketing activities or add offline marketing activities as well. Sixt Autovermietung receives payments for including the Sixt Leasing Group in its marketing activities and vice versa. The Marketing Agreement has an indefinite term and may generally be terminated by each party with twelve months' prior written notice at the end of each calendar month. The parties can agree on different notice periods for particular marketing activities; to date, the parties have agreed on a notice period of 24 months at the end of each calendar year for particular marketing activities.

19.1.2.8 Agency and Service Distribution Agreement

The Company concluded an agency and service agreement (the “**Distribution Agreement**”), which will come into effect as of May 1, 2015, with Sixt Autovermietung regarding the distribution and return of Infleets and Defleets. Customers of the Sixt Leasing Group can also leave and collect their vehicles in connection with performance of maintenance and repair services at Sixt Autovermietung’s rental stations. Sixt Autovermietung conducts any required handling with the transport companies. Sixt Autovermietung receives a fixed fee for the infleet and defleet services and a staggered fee for the delivery and collection services depending on the distance. The Distribution Agreement has an indefinite term and may be terminated in whole or with regard to individual services by each party with twelve months’ prior written notice at the end of each calendar month.

19.1.2.9 Agency and Service Agreement regarding Repair Services

The Company concluded an agency and service agreement (the “**Repair Service Agreement**”), which will come into effect as of May 1, 2015, with Sixt Reparatur und Service GmbH (“**SRS**”) regarding the management and steering of repair services for vehicles leased to customers or under management of the Sixt Leasing Group, replacing the former repair service agreement between the parties dated January 18, 2013. The Sixt Leasing Group will reimburse SRS for all costs incurred by it in connection with the provision of the repair services, in particular with regard to personnel costs (including social security contributions and wage tax), travel expenses, IT costs (unless covered by a separate agreement), office equipment and supplies, rent, phone and internet expenses and pay an additional remuneration in the amount of 5% of the personnel costs. The Company, in turn, will provide vehicles for the employees of SRS against a market standard compensation plus any external costs incurred. The Repair Service Agreement has an indefinite term and may be terminated by each party with twelve months’ prior written notice at the end of each calendar month.

19.1.2.10 Framework Agreement regarding Fuel

The Company concluded a framework agreement (the “**Fuel Framework Agreement**”), which will come into effect as of May 1, 2015, with Sixt Autovermietung regarding the provision of fuel cards and fuel supply by the Company to Sixt SE, Sixt Autovermietung and other Sixt SE Group (excluding Leasing) companies, replacing the existing fuel framework agreement between the parties. The Company will pass-through the fuel cost and costs for other goods and services and invoice them on a monthly basis. The Fuel Framework Agreement may be terminated by each party with six months’ prior written notice at the end of each calendar month.

19.1.3 Profit and Loss Transfer Agreement

The Company, as transferor, and the Selling Shareholder, as transferee, signed the Profit and Loss Transfer Agreement on April 17, 2013, which was registered with the commercial register of the local court of Munich under the Company’s docket number on August 14, 2013, which came retroactively into effect as of January 1, 2013 and which it intends to terminate as of April 30, 2015 (the PLTA Termination Date). The Profit and Loss Transfer Agreement replaced a domination, profit and loss transfer agreement that existed between the Company and Sixt SE until December 31, 2012. For periods until the PLTA Termination Date, the Company is obliged under the Profit and Loss Transfer Agreement to transfer its entire net (annual) income ((*Jahres-Überschuss*)), if any, (subject to the allocation of amounts to retained earnings to the extent economically justified from a reasonable business assessment) to the Selling Shareholder. In turn, the Selling Shareholder is obliged to assume the Company’s entire (annual) net loss ((*Jahres-Fehlbetrag*)), if any. The amount of the net (annual) income or loss is determined by the unconsolidated annual financial statements of the Company prepared in accordance with German GAAP and, with respect to the period from January 1, 2015 until the PLTA Termination

Date, by unconsolidated interim financial statements of the Company for such period prepared in accordance with German GAAP, respectively. Under the (D)PLTAs, the Company transferred profits to the Selling Shareholder in the amount of €38.6 million, €33.3 million and €25.2 million in 2012, 2013 and 2014, respectively. The Selling Shareholder and the Company believe that the Company will have a claim for loss compensation under the Profit and Loss Transfer Agreement for the period from January 1, 2015 until the PLTA Termination Date amounting to approximately €4.4 million. In respect of such expected claim for loss compensation, the Selling Shareholder decided to make an advance payment (*Abschlagszahlung*) in the amount of €4.4 million by no later than May 4, 2015 (the PLTA Advance Payment). If the final amount of the loss compensation claim for the period from January 1, 2015 until the PLTA Termination Date will be lower than the PLTA Advance Payment, the Company will repay the difference and if the final amount of the loss compensation claim is higher than the PLTA Advance Payment, the Selling Shareholder will make an additional payment to cover the difference.

19.1.4 Capital Contribution by Sixt SE before the IPO

The Selling Shareholder will make a cash contribution in the amount of €30.0 million into the unrestricted capital reserves of the Company (*ungebundene Kapitalrücklage*), Section 272 para. 2 no. 4 German Commercial Code (*Handelsgesetzbuch (HGB)*), by no later than May 4, 2015 to increase the Company's equity before the IPO.

19.1.5 Cost Reimbursement and Indemnity Agreement

On April 23, 2015, the Selling Shareholder and the Company entered into an agreement regarding their cooperation relating to the preparation of the offering. As required by law, the Selling Shareholder will reimburse the Company for all external costs that are incurred in connection with the preparation and the execution of the offering (except for costs relating to certain corporate measures such as the IPO Capital Increase) pursuant to this agreement on a pro rata basis calculated according to the ratio of (i) the gross proceeds from the Existing Shares placed in the offering to (ii) the sum of the gross proceeds from the Existing Shares and the New Shares placed in the offering and the amount of the Capital Contribution by the Selling Shareholder. The costs to be reimbursed on such basis include, in particular, legal, auditor and other advisor fees, and underwriters' expenses of the offering. As regards underwriters' commissions, the commissions relating to the placement of the New Shares will be borne pursuant to this agreement by the Company and the commissions relating to the placement of the Existing Shares and the Over-Allotment Shares will be borne by the Selling Shareholder. The cost reimbursement obligation of the Selling Shareholder remains unaffected if the offering is postponed or cancelled. As required by law, the Selling Shareholder further agreed to indemnify the Company from all liability risks in connection with the offering on a pro rata basis according to the above ratio, including the pro rata share of all reasonable legal costs. In addition, the Company has agreed, upon indemnification by the Selling Shareholder and to the extent legally permissible, to assign certain claims that the Company may have against board members of the Company or third parties to the Selling Shareholder.

19.1.6 Franchise Agreements

Since 2008, the Company has franchise agreements (the “**Franchise Agreements**” and each a “**Franchise Agreement**”) with its wholly owned subsidiaries Sixt Leasing G.m.b.H., Vösendorf, Austria, Sixt Leasing (Schweiz) AG, Basel, Switzerland, Sixt Location Longue Durée SARL, Paris, France and Sixt Leasing B.V., Hoofddorp, The Netherlands (the “**Franchisees**” and each a “**Franchisee**”) regarding leasing and fleet management services rendered by each Franchisee to customers in the respective countries where the Franchisees have their corporate seat. The Company sub-licensed to each Franchisee the use of certain names, logos and trademarks that itself licensed from Sixt SE and advises and supports them in the implementation and application of the “Sixt Leasing System” with which the fleet leasing and fleet management services can be

performed. The Company, in turn, receives an annual franchise fee that is a certain percentage of the Franchisee's net revenues. The Franchise Agreements define net revenues as the amount that the Franchisee actually receives from customers under closed leasing contracts (*i.e.*, the leasing rate excluding VAT), excluding payments for gasoline or compensation for damages to vehicles caused by accidents, for taxes as well as revenues from car sales. The annual franchise fee is limited to 33% of the Franchisee's annual earnings before taxes. The Franchise Agreements had a fixed period of three years, which is renewed for a subsequent period of three years unless terminated by either party with twelve months' prior written notice to the end of the current term.

19.2 Relationships with Members of the Supervisory Board

For its business operations in Leipzig, the Company rents approximately 250 square meters of office space in a property indirectly owned by the chairman of the Supervisory Board, Mr. Erich Sixt. The annual rent paid for this office space amounts to less than €0.1 million.

19.3 Joint Venture Agreement between Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG

Pursuant to the JV Agreement between Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG, JV Co. was founded on March 12, 2015, with Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG, each holding 50% of the shares in JV Co. Via JV Co., Sixt Leasing and Swisscom offer mobility services, management and steering of vehicle repairs and servicing, and vehicle fleet management and operation, as well as all associated services. Sixt Leasing (Schweiz) AG's business dealings with JV Co. are conducted on a strict arm's length basis in compliance with all applicable laws.

Apart from the relationships stated above, the Company did not have any other significant business relationships with related parties.

20. UNDERWRITING

20.1 General

On April 24, 2015, the Company, the Selling Shareholder and the Underwriters entered into the Underwriting Agreement relating to the offer and sale of the Offer Shares in connection with the offering.

The offering consists of 12,366,955 ordinary bearer shares with no par value (*Stückaktien*), each representing a notional share of €1.00 in the Company's share capital and with full dividend rights as of January 1, 2015, comprising 5,586,593 New Shares from the IPO Capital Increase against cash contributions, 5,167,281 Existing Shares from the holdings of the Selling Shareholder as well as 1,613,081 Over-Allotment Shares from the holdings of the Selling Shareholder made available to the stabilization manager on behalf of the Underwriters by way of a share loan to cover potential Over-Allotments. 5,586,593 of the Offer Shares are New Shares and 6,780,362 of the Offer Shares are existing shares.

The offering consists of a public offering of the Offer Shares in Germany and Luxembourg and private placements of the Offer Shares in certain jurisdictions outside Germany and Luxembourg. The Offer Period is expected to begin on April 27, 2015 and is expected to end on May 6, 2015. In the United States, the Offer Shares will be offered for sale by the Underwriters to qualified institutional buyers in reliance on Rule 144A. Outside the United States, the Offer Shares will be offered and sold to professional and institutional investors in reliance on Regulation S. Any offer and sale of the Offer Shares in the United States in reliance on Rule 144A will be made by broker-dealers who are registered as such under the U.S. Securities Exchange Act of 1934.

The offer price for each Offer Share is expected to be determined jointly by the Company and the Selling Shareholder after consultation with the Joint Global Coordinators on or about May 6, 2015 on the basis of an order book prepared during the bookbuilding process.

<u>Underwriters</u>	<u>Number of Offer Shares to be acquired⁽¹⁾</u>	<u>Percentage of Underwritten Offer Shares</u>
Joh. Berenberg, Gossler & Co. KG Neuer Jungfernstieg 20, 20354 Hamburg, Germany	6,183,478	50.0
COMMERZBANK Aktiengesellschaft Kaiserstr. 16 (Kaiserplatz), 60311 Frankfurt am Main, Germany	4,946,782	40.0
Baader Bank Aktiengesellschaft Weißenstephaner Str. 4, 85716 Unterschleißheim, Germany	1,236,695	10.0
Total	12,366,955	100.0

(1) Assuming exercise of Greenshoe Option and issuance of all New Shares in full.

20.2 Underwriting Agreement

In the Underwriting Agreement, dated April 24, 2015, the Underwriters agreed to underwrite and purchase the Offer Shares with a view to offering them to investors in this offering. The Underwriters agreed to remit to the Company the purchase price of the New Shares (less agreed commissions and expenses), at the time the shares are delivered, which is expected to be two bank working days after admission to trading. The Underwriters further agreed to acquire

5,167,281 Existing Shares (as well as up to 1,613,081 additional shares of the Company with regard to a possible Over-Allotment) from the Selling Shareholder and to sell such shares as part of the offering. The Underwriters agreed to remit the purchase price (less agreed commissions and expenses) of the Existing Shares to the Selling Shareholder and the purchase price (less agreed commissions and expenses) of the shares from the exercise of the Greenshoe Option, if any, to the Selling Shareholder at the time the shares are delivered.

The obligations of the Underwriters are subject to various conditions, including, but not limited to, (i) the absence of a material event, *e.g.*, a material adverse change in or affecting the business, prospects, management, consolidated financial position, shareholders' equity or results of operations of the Company, or a suspension or material limitation in trading in securities generally on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*), the London Stock Exchange or the New York Stock Exchange, (ii) receipt of customary certificates, legal opinions, auditor letters, and (iii) the introduction of the Company's shares to trading on the Frankfurt Stock Exchange (*Frankfurter Wertpapierbörse*).

The Underwriters have provided and may in the future provide services to the Company and the Selling Shareholder in the ordinary course of business and may extend credit to and have regular business dealings with the Company and the Selling Shareholder in their capacity as financial institutions. For a more detailed description of the interests of the Underwriters in the offering, see "3 The Offering—3.12 Interests of Parties Participating in the Offering".

20.3 Commission

The Underwriters will offer the Offer Shares at the offer price. The Company (for the New Shares) and the Selling Shareholder (for the Existing Shares, but not for the Over-Allotment Shares, if any) will pay the Underwriters a base fee of 1.75% of their respective gross proceeds from the offering. In addition to this base fee, the Company and the Selling Shareholder may pay the Underwriters an additional discretionary fee of up to 1.25% of their respective gross proceeds from the offering (excluding a potential Over-Allotment), payable entirely at the sole discretion of the Company and the Selling Shareholder. The decision to pay any performance fee and its amount are within the sole discretion of the Company and the Selling Shareholder, and such distribution is to be made five banking days after expiry of the Stabilization Period. The Company and the Selling Shareholder will also agree to reimburse the Underwriters for certain expenses incurred by them in connection with the offering. In addition, the Selling Shareholder will pay the Underwriters a selling concession of 1.05% of the offer price for each share from the Greenshoe Option that is purchased at the offer price. This selling concession will become payable upon payment of the offer price of the respective share from the Greenshoe Option to the Selling Shareholder.

20.4 Greenshoe Option and Securities Loan

For the purpose of a possible Over-Allotment, the stabilization manager, for the account of the Underwriters, will be provided with up to 1,613,081 Over-Allotment Shares in the form of a securities loan free of charge from the Selling Shareholder; this number of Over-Allotment Shares will not exceed 15% of the Base Shares. The stabilization manager, for the account of the Underwriters, is entitled to exercise the Greenshoe Option to the extent Over-Allotments were initially made; the amount of shares is to be reduced by the number of shares held by the stabilization manager as of the date on which the Greenshoe Option is exercised and that were acquired by the stabilization manager in the context of stabilization measures. The Greenshoe Option will terminate 30 calendar days after the settlement date.

20.5 Termination/Indemnification

The Underwriting Agreement provides that the Underwriters may, under certain circumstances, terminate the Underwriting Agreement, including after the Offer Shares have been allotted and listed, up to delivery and settlement. Reasons for termination include, in particular, if:

- there has been any adverse change, or any development involving a prospective reasonably likely adverse change in or affecting the condition, business, prospects, management, consolidated financial position, shareholders' equity or results of operations of the Sixt Leasing Group;
- the Company or the Sixt Leasing Group has incurred any liability or obligation, direct or contingent, or entered into any material transaction not in the ordinary course of business, other than in each case as disclosed in the Prospectus;
- there is a suspension of trading on the Frankfurt am Main, London or New York stock exchanges;
- a general moratorium is imposed on commercial banking activities in Frankfurt am Main, London, or New York by the relevant authorities;
- a material disruption takes place in securities settlement or clearance services in Europe or the United States; or
- an outbreak or escalation of hostilities or any calamity or crisis has a material adverse impact on the financial markets in Germany, the United Kingdom or the United States, the effect of which, in any such case, is in the reasonable judgment of the Joint Global Coordinators so material and adverse as to make it impractical or inadvisable to market or underwrite the Offer Shares or to proceed with the Offering or the delivery of the Offer Shares on the terms and in the manner contemplated in the Prospectus.

If the Underwriting Agreement is terminated, the Offering will not take place, in which case any allotments already made to investors will be invalidated and investors will have no claim for delivery. Claims with respect to subscription fees already paid and costs incurred by an investor in connection with the subscription will be governed solely by the legal relationship between the investor and the financial intermediary to which the investor submitted its purchase order. Investors who engage in short-selling bear the risk of being unable to satisfy their delivery obligations.

The Company has agreed in the Underwriting Agreement to indemnify the Underwriters against certain liabilities that may arise in connection with the Offering, including liabilities under applicable securities laws.

20.6 Selling Restrictions

The distribution of the Prospectus and the sale of the Offer Shares may be restricted by law in certain jurisdictions. No action has been or will be taken by the Company, the Selling Shareholders or the Underwriters to permit a public offering of the Offer Shares anywhere other than Germany and Luxembourg or the possession or distribution of this document in any other jurisdiction where action for that purpose may be required.

The Offer Shares have not been and will not be registered under the Securities Act or with the securities regulators of the individual states of the United States. The Offer Shares may not be offered, sold or delivered, directly or indirectly, in or into the United States except pursuant to an exemption from the registration and reporting requirements of the United States securities laws and in compliance with all other applicable United States legal regulations. In the Underwriting Agreement, the Underwriters will represent and warrant that they have not offered or sold, and will refrain from offering or selling, the Offer Shares in or into the United States except to persons they reasonably believe to be qualified institutional buyers within the meaning of

Rule 144A, and outside the United States except in accordance with Rule 903 of Regulation S and in compliance with other U.S. legal regulations.

The Company does not intend to register the offering or any portion of the offering in the United States or to conduct a public offering of shares in the United States. The Prospectus has been approved solely by the BaFin.

Accordingly, neither this document nor any advertisement or any other offering material may be distributed or published in any jurisdiction other than Germany and Luxembourg except under circumstances that will result in compliance with any applicable laws and regulations. Persons into whose possession the Prospectus comes are required to inform themselves about and to observe any such restrictions, including those set out in the preceding paragraphs. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Sales in the United Kingdom are also subject to restrictions. Each of the Underwriters has represented and warranted to the Company and the Selling Shareholder that:

- (i) it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity within the meaning of Section 21 of the Financial Services and Markets Act 2000 (the “FSMA”) received by it in connection with the sale of any Offer Shares in circumstances in which Section 21(1) of the FSMA does not apply to the Company; and
- (ii) it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Offer Shares in, from or otherwise involving the United Kingdom.

The Underwriters have further represented and warranted in the Underwriting Agreement that they have not and will not publicly offer the Offer Shares in any of the member states of the EEA that have implemented Directive 2003/71/EC as amended (the “**Prospectus Directive**”) from the date of the implementation of the Prospectus Directive, unless (i) a prospectus for the Offer Shares has been previously published that has been approved by the competent authority in such member state or has been approved in another member state of the EEA that has implemented the Prospectus Directive, and the competent authority in the member state in which the offer takes place has been informed thereof in compliance with the Prospectus Directive; (ii) the offer is exclusively intended for so-called qualified investors within the meaning of the Prospectus Directive; or (iii) the offering takes place under other circumstances in which the publication of a prospectus by the Company is not required under Article 3 of the Prospectus Directive, to the extent that this exemption has been implemented in the respective member state.

21. TAXATION IN THE FEDERAL REPUBLIC OF GERMANY

The following section outlines certain key German tax principles that may be relevant with respect to the acquisition, holding or transfer of shares. This summary does not purport to be a comprehensive or exhaustive description of all German tax considerations that may be relevant to shareholders. This presentation is based upon domestic German tax laws in effect as of the date of the Prospectus and the provisions of double taxation treaties currently in force between Germany and other countries. It is important to note that the legal situation may change, possibly with retroactive effect.

This section does not replace the need for individual shareholders to seek personal tax advice. It is therefore recommended that shareholders consult their own tax advisors regarding the tax implications of acquiring, holding or transferring shares and what procedures are necessary to secure the repayment of German withholding tax (capital gains tax), if possible. Only qualified tax advisors are in the position to adequately consider the particular tax situation of individual shareholders.

21.1 Taxation of the Company

The Company's taxable income, whether distributed or retained, is generally subject to German corporate income tax at a uniform rate of 15% plus the solidarity surcharge of 5.5% thereon, resulting in a total tax rate of 15.825%.

Dividends and other shares in profits the Company receives from domestic and foreign corporations are not generally subject to corporate income tax; however, 5% of each type of income is deemed to be a non-deductible business expense. The same applies to profits earned by the Company from the sale of shares in another domestic or foreign corporation. Different rules apply to free floating dividends, *i.e.*, dividends earned on direct shareholdings in a distributing corporation equal to less than 10% of its share capital at the start of the calendar year. Such free floating dividends are fully taxed at the corporate income tax rate. The acquisition of a shareholding of at least 10% is deemed to have occurred at the start of the calendar year. Losses incurred from the sale of such shares are not deductible for tax purposes, regardless of the amount of shareholding.

In addition, the Company is subject to a trade tax with respect to its taxable trade profits from its permanent establishments in Germany.

The trade tax rate depends on the local municipalities in which the Company maintains its permanent establishments. For the Company, it currently amounts to between approximately 9.1% and 17.1% of the taxable trade profit, depending on the local trade tax multiplier.

For trade tax purposes dividends received from domestic and foreign corporations and capital gains from the sale of shares in other corporations are treated in principle in the same manner as for corporate income tax purposes. However, shares in profits received from domestic and foreign corporations are effectively 95% exempt from trade tax only if the Company held and continues to hold at least 15% (10% in the case of companies resident for tax purposes in EU member states other than Germany) of the registered share capital of the distributing corporation at the beginning or – in the case of foreign corporations – since the beginning of the relevant tax assessment period. Additional limitations apply with respect to shares in profits received from foreign non-EU corporations.

The provisions of the interest barrier restrict the extent to which interest expenses are tax deductible. Under these rules, net interest expense (the interest expense minus the interest income in a fiscal year) are generally only deductible up to 30% of the taxable EBITDA (taxable earnings adjusted for interest costs, interest income, and certain depreciation and amortization), although there are certain exceptions to this rule. Interest expense that is not deductible in a given year may be carried forward to subsequent fiscal years of the Company (interest carry-forward) and will increase the interest expense in those subsequent years. Under certain conditions, non-offsettable EBITDA can also be carried forward to subsequent years (EBITDA carry-forward). For the purpose of trade tax, however, an additional barrier to the deductibility

of interest expenses exists to the extent that the sum of certain trade taxable add-back items exceeds €100,000; since 25% of the interest expenses, to the extent they were deducted for income tax purposes, are added back then to compute the trade tax base, the deductibility generally amounts to only 75%.

Any remaining losses of the Company can be carried forward in subsequent years and used to fully offset taxable income for corporate income tax and trade tax purposes only up to an amount of €1 million. If the taxable income for the year or taxable profit subject to trade taxation exceeds this threshold, only up to 60% of the amount exceeding the threshold may be offset by tax-loss carry-forwards. The remaining 40% is subject to tax (minimum taxation). The rules also provide for a tax carry-back to the previous year in regard to corporate income tax. Unused tax carry-forwards can generally continue to be carried forward without time limitation.

If more than 50% of the subscribed capital, the membership interests, equity interests or voting rights is transferred to an acquirer (including parties related to the acquirer) within five years directly or indirectly or a comparable acquisition occurs, all tax-loss carry-forwards and interest carry-forwards are forfeited. A group of acquirers with aligned interests is also considered to be an acquiring party for these purposes. In addition, any current year losses incurred prior to the acquisition will not be deductible. If more than 25% up to and including 50% of the subscribed capital, membership interests, equity interests or voting rights of the Company is transferred to an acquirer (including parties related to the acquirer) or a comparable acquisition occurs, a proportional amount of tax-loss carry forwards, the unused losses and interest carry-forwards is forfeited. Tax-loss carry-forwards, unused losses and interest carry-forwards taxable in Germany will not expire to the extent that they are covered by hidden reserves taxable in Germany at the time of such acquisition.

21.2 Taxation of Shareholders

Shareholders are taxed particularly in connection with the holding of shares (taxation of dividend income), upon the sale of shares (taxation of capital gains) and the gratuitous transfer of shares (inheritance and gift tax).

21.2.1 Taxation of Dividend Income

In the future, the Company may pay dividends out of a tax-recognized contribution account. To the extent that the Company does pay dividends from this account, the dividends are not subject to tax. However, dividends paid out of a tax-recognized contribution account lower the acquisition costs of the shares, which may result in a greater amount of taxable capital gain upon the shareholder's sale of the shares. To the extent that dividends from the tax-recognized contribution account exceed the then lowered acquisition costs of the shares, a capital gain is recognized by the shareholder, which may be subject to tax in accordance with the provisions regarding the disposal of shares outlined below.

21.2.2 Withholding Tax

The dividends distributed by the Company are subject to a deduction at source (withholding tax) at a 25% rate on dividends distributed by the Company plus a solidarity surcharge of 5.5% on the amount of withholding tax (amounting in total to a rate of 26.375%) plus church tax (*Kirchensteuer*), if applicable. The basis for determining the dividend withholding tax is the dividend approved for distribution by the Company's general meeting.

Dividend withholding tax is withheld regardless of whether and, if so, to what extent the shareholder must report the dividend for tax purposes and regardless of whether the shareholder is a resident of Germany or of a foreign country.

As the Company's shares are admitted to be held in collective safe custody (*Sammelverwahrung*) with a central securities depository (*Wertpapiersammelbank*) and are entrusted to such central

securities depository for collective safe custody in Germany, the Company is not responsible for withholding the withholding tax; rather, it is, for the account of the shareholders, the responsibility of one of the following entities in Germany authorized to collect withholding tax do so and remit it to the relevant tax authority: (i) a domestic bank or financial service institute, a domestic securities trading company or a domestic securities trading bank (including the domestic branches of foreign banks) that holds the shares in custody or that manages them and pays out or credits the shareholders' investment income or that pays the investment income to a foreign entity, or (ii) the securities depository holding the collective deposit shares in custody if it pays the investment income to a foreign entity.

Where dividends are distributed to a company resident in another EU member state within the meaning of article 2 of the Parent-Subsidiary Directive (EC Directive 2011/96/EU of November 30, 2011, as amended, the “**Parent-Subsidiary Directive**”), the withholding of the dividend withholding tax may not be required, upon application, provided that additional requirements are met (withholding tax exemption). This also applies to dividends distributed to a permanent establishment located in another EU member state of such a parent company or of a parent company that is a tax resident in Germany if the interest in the dividend-paying subsidiary is part of the respective permanent establishment's business assets. An important prerequisite for the exemption from withholding at source under the Parent-Subsidiary Directive is that the shareholder has directly held at least 10% of the company's registered capital continuously for one year and that the German tax authorities (*Bundeszentralamt für Steuern*, with its registered office in Bonn-Beuel, An der Kuppe 1, D-53225 Bonn, Germany) have, based upon an application filed by the creditor on the officially prescribed form, certified to him that the prerequisites for exemption have been met.

The dividend withholding tax rate for dividends paid to other shareholders without a tax domicile in Germany will be reduced in accordance with the applicable double taxation treaty, if any, between Germany and the shareholder's country of residence, provided that the shares are neither held as part of the business assets of a permanent establishment or a fixed base in Germany nor as part of the business assets for which a permanent representative in Germany has been appointed. The reduction in the dividend withholding tax is generally obtained by applying to the Federal Central Office of Taxation (*Bundeszentralamt für Steuern*, with its registered office in Bonn-Beuel, An der Kuppe 1, D-53225 Bonn, Germany) for a refund of the difference between the dividend withholding tax withheld, including the solidarity surcharge, and the amount of withholding tax actually owed under the applicable double taxation treaty, which is usually 5-15%. Forms for the refund procedure may be obtained from the Federal Central Office of Taxation (<http://www.bzst.bund.de>), as well as German embassies and consulates.

Corporations that are not tax residents in Germany will receive upon application a refund of two-fifths of the dividend withholding tax that was withheld and remitted to the tax authorities subject to certain requirements. This applies regardless of any further reduction or exemption provided under the Parent-Subsidiary Directive or a double taxation treaty.

Foreign corporations will generally have to meet certain substance criteria defined by statute in order to receive an exemption from or (partial) refund of German dividend withholding tax.

The Company assumes liability for the withholding of taxes at the source on distributions. The Company is released from liability for the violation of its legal obligation to withhold and transfer the taxes at the source if it provides evidence that it has not breached its duties intentionally or grossly negligently.

21.3 Taxation of Dividends of Shareholders with a Tax Domicile in Germany

21.3.1 Individuals who Hold the Shares as Private Assets

For individuals who are tax residents in Germany (generally, individuals whose domicile or usual residence is located in Germany) and who hold the shares as private assets, the withholding tax

will generally serve as a final tax. In other words, once deducted, the shareholder's income tax liability on the dividends will be settled, and he or she will no longer have to declare them on his or her annual tax return (the "**Flat Tax**").

The purpose of the Flat Tax is to provide for separate and final taxation of capital investment income earned; in other words, taxation that is irrespective of the individual's personal income tax rate. Shareholders may apply to have their capital investment income assessed in accordance with the general rules and with an individual's personal income tax rate if this would result in a lower tax burden. In this case, the base for taxation would be the gross dividend income less the savers' allowance of €801 (€1,602 for jointly filing individuals). Any tax and solidarity surcharge already withheld would be credited against the income tax and solidarity surcharge so determined and any overpayment refunded. Income-related expenses cannot be deducted from capital gains in either case.

If the individual owns (i) at least 1% of the shares in the Company and works for the Company or (ii) at least 25% of the shares, the tax authorities may approve upon application that the dividends are treated under the partial-income method (see below "*—21.3.4 Sole Proprietors (Individuals)*").

From 2015 onwards, entities required to collect withholding taxes on capital investment income are required to likewise withhold the church tax on shareholders who pay church taxes, unless the shareholder objects in writing to the German tax authorities sharing his private information regarding his affiliation with a denomination. If church tax is withheld and remitted to the tax authority as part of the withholding tax deduction, then the church tax on the dividends is also deemed to be discharged when it is deducted. The withheld church tax cannot be deducted in the tax assessment as a special expense; however, 26.375% of the church tax withheld on the dividends is deducted from the withholding tax (including the solidarity surcharge) withheld by the Company. If no church taxes are withheld along with the withholding of capital gains tax, the shareholder who pays church tax is required to report his dividends in his income tax return. The church tax on the dividends will then be imposed during the assessment.

21.3.2 Shares Held as Business Assets

The Flat Tax does not apply to the dividends from shares held as business assets of shareholders who are tax resident in Germany. The taxation is based on whether the shareholder is a corporation, an individual or a partnership. The capital gains tax withheld and paid to the tax authorities, including the solidarity surcharge, is credited against the income or corporate income tax and the solidarity surcharge of the shareholder and any overpayment will be refunded.

21.3.3 Corporations

Dividends received by corporations resident in Germany are generally 95% exempt from corporate income tax and solidarity surcharge, irrespective of the stake represented by the shares and the length of time the shares are held. The remaining 5% is treated as a non-deductible business expense and, as such, is subject to corporate income tax (plus the solidarity surcharge) with a total tax rate of 15.825%.

Different rules apply to free-floating dividends, *i.e.*, dividends earned on direct shareholdings in the Company equal to less than 10% of its share capital at the start of the calendar year. Such free floating dividends are fully taxed at the corporate income tax rate. The acquisition of a shareholding of at least 10% is deemed to have occurred at the start of the calendar year.

Business expenses actually incurred and having a direct business relationship to the dividends may be fully deducted.

The amount of any dividends (after deducting business expenses related to the dividends) is fully subject to trade tax, unless the corporation held at least 15% of the Company's registered share capital at the beginning of the relevant tax assessment period, entitling it to an intercorporate

privilege for trade tax purposes. In the latter case, the aforementioned exemption of 95% of the dividend income applies analogously for trade tax purposes, but the business expenses directly related to the dividends (for example, financing costs) are not deductible unless they exceed the amount of dividend income exempted.

21.3.4 Sole Proprietors (Individuals)

If the shares are held as part of the business assets of a sole proprietor (individual) with his tax domicile in Germany, 40% of the dividend is tax exempt (so-called partial-income method). Only 60% of the expenses economically related to the dividends are tax deductible. The partial-income method will also apply when individuals hold the shares indirectly through a partnership (with the exception of personal investors who hold their shares through an asset management partnership). If the shares are held as business assets of a domestic commercial permanent establishment, the full amount of the dividend income (after deducting business expenses that are economically related to the dividends) is also subject to trade tax, unless the taxpayer held at least 15% of the Company's registered share capital at the beginning of the relevant tax assessment period. In the latter case, the net dividends (after deducting directly related expenses) are exempt from the trade tax. However, trade tax is generally credited – fully or in part – as a lump sum against the shareholder's personal income tax liability.

21.3.5 Commercial Partnerships

If the shareholder is a trading, or deemed to be a trading, partnership with its tax domicile in Germany, the personal income tax or corporate income tax, as the case may be, and the solidarity surcharge are levied at the level of each partner rather than at the level of the partnership. The taxation of each partner depends upon whether the partner is a corporation or an individual. If the partner is a corporation, then the dividend is generally 95% tax exempt; however, dividends from a direct shareholding representing less than 10% of the share capital are fully subject to taxation (see above “—21.3.3 Corporations”). If the partner is an individual, only 60% of the dividend income is subject to income tax (see above “—21.3.4 Sole Proprietors (Individuals)”).

Additionally, if the shares are held as business assets of a domestic commercial permanent establishment or deemed to be a trading partnership, the full amount of the dividend income is also subject to trade tax at the level of the partnership. In the case of partners who are individuals, the trade tax that the partnership pays on his or her proportion of the partnership's income is generally credited as a lump sum – fully or in part – against the individual's personal income tax liability. If the partnership held at least 15% of the Company's registered share capital at the beginning of the relevant tax assessment period, the dividends are not subject to trade tax. The business expenses directly related to the dividends (for example, financing costs) are not deductible unless they exceed the amount of dividend income exempted. However, if the partners are corporations, the 5% of the dividend income treated as non-deductible business expenses and will be subject to trade tax.

21.3.6 Financial and Insurance Sector

Special rules apply to companies operating in the financial and insurance sector (see below “—21.6 Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds”).

21.4 Taxation of Dividends of Shareholders without a Tax Domicile in Germany

The dividends paid to shareholders (individuals and corporations) without a tax domicile in Germany are taxed in Germany, provided that the shares are held as part of the business assets of a permanent establishment or a fixed base in Germany or as part of the business assets for which a permanent representative in Germany has been appointed. The withholding tax

(including solidarity surcharge) withheld and remitted to the German tax authorities is credited against the respective shareholder's personal income tax or corporate income tax liability, and any overpayment will be refunded. The same applies to the solidarity surcharge. These shareholders are essentially subject to the same rules applicable to resident shareholders, as discussed above.

In all other cases, the withholding of the dividend withholding tax discharges any tax liability of the shareholder in Germany. A refund or exemption is granted only as discussed in the section on dividend withholding tax above (see above “—21.1 Taxation of the Company”).

21.5 Taxation of Capital Gains

21.5.1 Taxation of Capital Gains of Shareholders with a Tax Domicile in Germany

21.5.1.1 Shares Held as Private Assets

Gains on the sale of shares that are held as private assets by shareholders with a tax domicile in Germany, and which were acquired after December 31, 2008, are generally taxable regardless of the length of time held. The tax rate is a uniform 25% plus the 5.5% solidarity surcharge thereon (as well as any church tax), if applicable.

The taxable capital gains are the difference between (a) the sales gains after deducting the direct sales costs and (b) the acquisition cost of the shares. Under certain conditions, prior payments from the tax-recognized contribution account may lead to reduced acquisition costs of the shares held as personal assets and, as a consequence, increase the taxable sales gain. Losses on the sale of shares may only be netted against gains on the sale of shares.

If a domestic bank or financial service provider, a domestic securities trading company or a domestic securities trading bank (the “**Domestic Paying Agent**”) sells the shares and pays out or credits the capital gains, said Domestic Paying Agent withholds a withholding tax of 25% (plus 5.5% solidarity surcharge and any church tax), if applicable and remits this to the tax authority, then the tax on the capital gain will generally be discharged. If the shares were held in safekeeping or administered by the respective Domestic Paying Agent after acquisition, the amount of tax withheld is generally based on the difference between the proceeds from the sale, after deducting expenses directly related to the sale, and the amount paid to acquire the shares. However, the withholding tax rate of 25% (plus the 5.5% solidarity surcharge thereon and any church tax), if applicable, will be applied to 30% of the gross sales proceeds if the shares were not administered by the same custodian bank since acquisition and the original cost of the shares cannot be verified or such verification is not admissible. In this case, the shareholder is entitled to verify the original costs of the shares in his annual income tax return.

From 2015 onwards, entities required to collect withholding taxes on capital investment income are required to likewise withhold the church tax on shareholders who pay church taxes, unless the shareholder objects in writing to the German tax authorities sharing his private information regarding his affiliation with a denomination. If church tax is withheld and remitted to the tax authority as part of the withholding tax deduction, then the church tax on the capital gain is also deemed to be discharged when it is deducted. The withheld church tax cannot be deducted in the tax assessment as a special expense; however, 26.375% of the church tax withheld on the capital gain is deducted from the withholding tax (including the solidarity surcharge) withheld by the Company.

A shareholder may request that all his items of capital investment income, along with his other taxable income, be subject to the progressive income tax rate instead of the uniform tax rate for private capital investment income if this lowers his tax burden. The base for taxation would be the gross income less the savers' allowance of €801 (€1,602 for jointly filing individuals). The prohibition on deducting income-related costs and the restrictions on offsetting losses also apply

to tax assessments based on the progressive income tax rate. Any tax already withheld would be credited against the income tax so determined and any overpayment refunded.

One exception to this rule is that a shareholder's capital gains are subject to the partial-income method and not the Flat Tax. Consequently, 60% of the proceeds from the sale of shares are subject to the individual income tax rate, if the shareholder, or his legal predecessor in case of acquisition without consideration, has directly or indirectly held shares equal to at least 1% of the Company's share capital at any time during the previous five years ("**Qualified Participation**"). Of the expenses economically related to the proceeds of the sale of shares, 60% is tax deductible.

In the case of a Qualified Participation, withholding tax (including the solidarity surcharge) is also withheld by the Domestic Paying Agent. The tax withheld, however, is not treated as a final tax. Hence, the shareholder is obligated to declare the gain on the sale on his income tax return. The withholding tax (including solidarity surcharge) withheld and remitted to the German tax authorities is credited against the respective shareholder's personal income tax or corporate income tax liability in the tax assessment, and any overpayment will be refunded.

21.5.1.2 Shares Held as Business Assets

The Flat Tax does not apply to proceeds from the sale of shares held as business assets by shareholders domiciled in Germany. If the shares form part of a shareholder's business assets, taxation of the capital gains realized will then depend upon whether the shareholder is a corporation, sole proprietor or partnership.

- **Corporations:** In general, capital gains earned on the sale of shares by corporations domiciled in Germany are 95% exempt from corporate income tax (including the solidarity surcharge) and trade tax, irrespective of the stake represented by the shares and the length of time the shares are held. However, 5% of the capital gains is treated as a non-deductible business expense and, as such, is subject to corporate income tax (plus the solidarity surcharge) and to trade tax. Losses from the sale of shares and any connected reductions in profit do not qualify as tax-deductible business expenses.
- **Sole proprietors (individuals):** If the shares were acquired after December 31, 2008 and form part of the business assets of a sole proprietor (individual) who is a tax resident of Germany, 60% of the capital gains on their sale is subject to the individual's tax bracket plus the solidarity surcharge (partial-income method). Correspondingly, only 60% of losses from such sales and 60% of expenses economically related to such sales are deductible. For church tax, if applicable, the partial-income method also applies. If the shares are held as business assets of a commercial permanent establishment located in Germany, 60% of the capital gains are also subject to trade tax. The trade tax is fully or partially credited as a lump sum against the shareholder's personal income tax liability.
- **Commercial partnerships:** If the shareholder is a trading, or deemed to be a trading, partnership, personal income tax or corporate income tax, as the case may be, is assessed at the level of each partner rather than at the level of the partnership. The taxation of each partner depends upon whether the respective partner is a corporation or an individual. If the partner is a corporation, the tax principles applying to capital gains that are outlined in sub-section 1 apply. If the partner is an individual, the tax principles applying to capital gains which are outlined in sub-section 2 apply. Upon application and provided that additional prerequisites are met, an individual who is a partner can obtain a reduction of his personal income tax rate for profits not withdrawn from the partnership. In addition, capital gains from the sale of shares attributable to a permanent establishment maintained in Germany by a trading partnership are subject to trade tax at the level of the partnership. As a rule, only 60% of the gains in this case are subject to trade tax if the partners in the partnership are individuals, while 5% are subject to trade tax if the partners are corporations and shares are sold. Under the principles discussed under 1 and 2 above, losses on sales and other reductions in profit

related to the shares sold are generally not deductible, or only partially deductible, if the partner is a corporation. If the partner is an individual, the trade tax the partnership pays on his or her share of the partnership's income is generally credited as a lump sum – fully or in part – against his or her personal income tax liability, depending on the tax rate imposed by the local municipality and certain individual tax-relevant circumstances of the taxpayer.

Special rules apply to capital gains realized by companies active in the financial and insurance sectors, as well as pension funds (see below “—21.6 *Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds*”).

When a Domestic Paying Agent is concerned, the proceeds from the sale of shares held in business assets are generally subject to the same withholding tax rate as those of shareholders whose shares are held as private assets (see “—21.5.1 *Taxation of Capital Gains of Shareholders with a Tax Domicile in Germany—21.5.1.1 Shares Held as Private Assets*”). However, the Domestic Paying Agent may refrain from withholding the withholding tax if (i) the shareholder is a corporation, association or estate with its tax domicile in Germany, or (ii) the shares form part of the shareholder's domestic business assets, and the shareholder informs the paying agent of this on the officially prescribed form and meets certain additional prerequisites. If the Domestic Paying Agent nevertheless withholds taxes, the withholding tax withheld and remitted (including the solidarity surcharge) will be credited against the shareholder's income tax or corporate income tax liability and any excess amount will be refunded.

21.5.2 Taxation of Capital Gains of Shareholders without a Tax Domicile in Germany

Capital gains realized by a shareholder with no tax domicile in Germany are subject to German income tax only if the selling shareholder holds a Qualified Participation or if the shares form part of the business assets of a permanent establishment in Germany or of business assets for which a permanent representative is appointed.

Most double taxation treaties provide for an exemption from German taxes and assign the right of taxation to the shareholder's country of domicile in the former case. However, certain double taxation treaties contain special provisions for shareholdings in a real estate company. In the latter case the taxation of capital gains is governed by the same rules that apply to shareholders resident in Germany.

21.6 Special Treatment of Companies in the Financial and Insurance Sectors and Pension Funds

If financial institutions or financial service providers hold or sell shares that are allocable to their trading book pursuant to Section 1a of the German Banking Act (*Kreditwesengesetz*), they will neither be able to use the partial-income method nor have 60% of their gains exempted from taxation nor be entitled to the 95% exemption from corporate income tax plus the solidarity surcharge and any applicable trade tax. Thus, dividend income and capital gains are fully taxable. The same applies to shares acquired by financial enterprises (*Finanzunternehmen*) in the meaning of the German Banking Act for the purpose of generating profits from short-term proprietary trading. The preceding sentence applies accordingly for shares held in a permanent establishment in Germany by financial institutions, financial service providers and finance companies domiciled in another EU member state or in other signatory states of the agreement on the EEA. Likewise, the tax exemption described earlier afforded to corporations for dividend income and capital gains from the sale of shares does not apply to shares that qualify as a capital investment in the case of life insurance and health insurance companies, or those which are held by pension funds.

However, an exemption to the foregoing, and thus a 95% effective tax exemption, applies to dividends obtained by the aforementioned companies, to which the Parent-Subsidiary Directive applies.

21.7 Inheritance and Gift Tax

The transfer of shares to another person by way of universal succession upon death or by gift is generally subject to German inheritance or gift tax only if

1. the decedent, donor, heir, beneficiary or other transferee maintained his or her domicile or habitual abode in Germany, or had its place of management or registered office in Germany at the time of the transfer, or is a German citizen who has spent no more than five consecutive years outside Germany without maintaining a residence in Germany (special rules apply to certain former German citizens who neither maintain their domicile nor have their habitual abode in Germany);
2. the shares were held by the decedent or donor as part of business assets for which a permanent establishment was maintained in Germany or for which a permanent representative in Germany had been appointed; or
3. the decedent or donor with place of management or registered office in Germany, either individually or collectively with related parties, held, directly or indirectly, at least 10% of the Company's registered share capital at the time of the inheritance or gift.

The fair value represents the tax assessment base. In general that is the stock exchange price. A special discount on this amount applies to direct shareholdings of more than 25% in the Company depending on the composition of the business assets and future business figures, if, *inter alia*, the heir or beneficiary meets a five-year holding period. Depending on the degree of relationship between decedent or donor and recipient, different tax free allowances and tax rates apply. However, the Federal Constitutional Court (*Bundesverfassungsgericht*) has recently held that the current tax privileges on business assets are not consistent with the German Constitution and that new provisions must be introduced by June 30, 2016 at the latest.

The few German double taxation treaties relating to inheritance tax and gift tax currently in force usually provide that the German inheritance tax or gift tax can only be levied in the cases of (1.) above, and also with certain restrictions in case of (2.) above. Special provisions apply to certain German nationals living outside of Germany and former German nationals.

21.8 Other Taxes

No German transfer tax, VAT, stamp duty or similar taxes are assessed on the purchase, sale or other transfer of shares. Provided that certain requirements are met, an entrepreneur may, however, opt for the payment of VAT on transactions that are otherwise tax exempt. Net wealth tax is currently not imposed in Germany.

On January 22, 2013, the Council of the European Union approved the resolution of the ministers of finance from eleven EU member states (including Germany) aiming to introduce a financial transaction tax within the framework of enhanced cooperation. On February 14, 2013, the European Commission accepted the proposal for a Council Directive aiming to implement enhanced cooperation in the area of financial transaction tax. The plan focuses on levying a financial transaction tax of 0.1% (0.01% for derivatives) on the purchase and sale of financial instruments.

A joint statement issued in May 2014 by ten of the eleven participating member states indicated an intention to implement the financial transaction tax progressively, such that it would initially apply to shares and certain derivatives, with this initial implementation occurring by January 1, 2016 at the latest. However, full details are not available. Therefore it is not known to what extent the elements of the European Commission's proposal outlined in the preceding paragraph will be followed in relation to the taxation of shares. The financial transaction tax proposal remains subject to negotiation between the participating member states and was and most probably will be the subject of legal challenge. It may therefore be altered prior to any implementation, the timing of which remains unclear. Additional EU member states may decide to participate. Prospective holders of the Company's shares are advised to seek their own professional advice in relation to the financial transaction tax.

22. TAXATION IN THE GRAND DUCHY OF LUXEMBOURG

The following information is of a general nature only and is based on the laws in force in Luxembourg as of the date of the Prospectus. It does not purport to be a comprehensive description of all the tax considerations that might be relevant to an investment decision. It is included herein solely for preliminary information purposes. It is not intended to be, nor should it be construed to be, legal or tax advice. It is a description of the essential material Luxembourg tax consequences with respect to the offering and may not include tax considerations that arise from rules of general application or that are generally assumed to be known to shareholders. This summary is based on the laws in force in Luxembourg on the date of the Prospectus and is subject to any change in law that may take effect after such date. Prospective shareholders should consult their professional advisors with respect to particular circumstances, the effects of state, local or foreign laws to which they may be subject, and as to their tax position. Please be aware that the residence concept used under the respective headings applies for Luxembourg income tax assessment purposes only. Any reference in the present section to a tax, duty, levy impost or other charge or withholding of a similar nature refers to Luxembourg tax law and/or concepts only. Also, please note that a reference to Luxembourg income tax generally encompasses corporate income tax (*impôt sur le revenu des collectivités*), municipal business tax (*impôt commercial communal*), a solidarity surcharge (*contribution au fonds pour l'emploi*), as well as personal income tax (*impôt sur le revenu*). Corporate shareholders may further be subject to net wealth tax (*impôt sur la fortune*) as well as other duties, levies or taxes. Corporate income tax, municipal business tax as well as the solidarity surcharge invariably apply to most corporate taxpayers resident in Luxembourg for tax purposes. Individual taxpayers are generally subject to personal income tax, the solidarity surcharge and a temporary equalization tax (*impôt d'équilibre budgétaire*). Under certain circumstances, where an individual taxpayer acts in the course of the management of a professional or business undertaking, municipal business tax may apply as well.

22.1 Luxembourg Taxation of Shares of a Non-Resident Company

22.1.1 Withholding Taxes

Dividend payments made to shareholders by a non-resident company, such as the Company, as well as liquidation proceeds and capital gains derived therefrom are not subject to a withholding tax in Luxembourg. Therefore, the Company does not assume liability for withholding taxes at the source.

22.1.2 Income Tax

22.1.2.1 Taxation of Income Derived From Shares and Capital Gains Realized On Shares by Luxembourg Residents

22.1.2.1.1 Taxation of dividend income

Dividends and other payments derived from the shares of the Company by resident individual shareholders and non-resident individual shareholders having a permanent establishment or permanent representative in Luxembourg to which or whom such shares are attributable, will in principle be subject to tax at the ordinary rates on the dividends received from the Company. A tax credit may under certain conditions be granted for foreign withholding taxes against Luxembourg income tax due on these dividends, without exceeding in any case Luxembourg tax on such income. Under current Luxembourg tax law, 50% of the gross amount of dividends received by resident individual shareholders may be tax exempt at the level of these shareholders.

Dividends derived from the Company's shares by fully-taxable Luxembourg resident companies are subject to income taxes, unless the conditions of the participation exemption regime are satisfied.

Under the participation exemption regime, dividends derived from the shares of the Company may be exempt from income tax at the level of the shareholder if cumulatively (a) the shareholder receiving the dividends is either (i) a fully-taxable Luxembourg resident company, (ii) a domestic permanent establishment of an EU resident company falling under article 2 of the Parent-Subsidiary Directive, (iii) a domestic permanent establishment of a company limited by shares (*société de capitaux*) that is resident in a state with which Luxembourg has concluded a double tax treaty, or (iv) a domestic permanent establishment of a company limited by shares (*société de capitaux*) or of a cooperative company which is a resident of a EEA member state (other than a EU member state); and at the date on which the income is made available, (b) the distributing company is a qualified subsidiary ("**Qualified Subsidiary**"), (c) the shareholder holds or commits to hold directly (or even indirectly through certain entities) for an uninterrupted period of at least twelve months a qualified shareholding ("**Qualified Shareholding**"). A Qualified Subsidiary means (a) a fully-taxable Luxembourg resident company limited by share capital (*société de capitaux*), (b) a company covered by Article 2 of the amended Parent-Subsidiary Directive or (c) a non-resident company limited by share capital (*société de capitaux*) liable to a tax corresponding to Luxembourg corporate income tax. A Qualified Shareholding means shares representing a direct participation of at least 10% in the share capital of the Qualified Subsidiary or a direct participation in the Qualified Subsidiary of an acquisition price of at least €1.2 million (or an equivalent amount in another currency). Liquidation proceeds are assimilated to a received dividend and may be exempt under the same conditions. Shares held through a tax transparent entity are considered as being a direct participation proportionally to the percentage held in the net assets of the transparent entity. If the participation exemption does not apply, dividends may still benefit from a 50% exemption under current Luxembourg tax law.

Any shareholder which is a Luxembourg resident entity governed (i) by the law of December 17, 2010 on undertakings for collective investment, as amended, (ii) by the law of February 13, 2007 on specialized investment funds, as amended, (iii) by the law of May 11, 2007 on the family estate management company, as amended or (iv) by the law of June 15, 2004 on venture capital vehicles, as amended, is not subject to any Luxembourg corporation taxes in respect of dividends received from the Company. No tax credit is then available for Luxembourg withholding tax on dividends received from the Company.

Non-resident shareholders (not having a permanent establishment or permanent representative in Luxembourg to which or whom the shares of the Company are attributable) will in principle not be subject to Luxembourg income tax on the dividends received from the Company.

22.1.2.2 Taxation of capital gains

22.1.2.2.1 (a) Luxembourg resident Shareholders

Capital gains realized on the disposal of the shares of the Company by resident individual shareholders, who act in the course of the management of their private wealth, are not subject to income tax, unless said capital gains qualify either as speculative gains or as gains on a substantial participation ("**Substantial Participation**"). Capital gains are deemed to be speculative and are subject to income tax at ordinary rates if the shares of the Company are disposed of within six months after their acquisition or if their disposal precedes their acquisition. A participation is deemed to be substantial where a resident individual shareholder holds, either alone or together with his spouse or partner and/or minor children, directly or indirectly at any time within the five years preceding the disposal, more than 10% of the share capital of the Company. A shareholder is also deemed to transfer a Substantial Participation if he acquired free of charge, within the five years preceding the transfer, a participation that was constituting a Substantial Participation in

the hands of the transferor (or the transferors in case of successive transfers free of charge within the same five-year period). Capital gains realized on a Substantial Participation are subject to Luxembourg income tax according to the half-global rate method (*i.e.*, the average rate applicable to the total income is calculated according to progressive income tax rates and half of the average rate is applied to the capital gains realized on a Substantial Participation). A disposal may include a sale, an exchange, a contribution or any other kind of alienation of the shares of the Company.

Capital gains realized on the disposal of the Company's shares by resident individual Shareholders, who act in the course of their professional/business activity, are subject to income tax at ordinary rates. Taxable gains are determined as being the difference between the price for which the Company's shares have been disposed of and the lower of their cost or book value.

Capital gains realized by (a) a fully-taxable Luxembourg resident company or (b) the Luxembourg permanent establishment of a non-resident foreign company on the shares of the Company are subject to income tax at the maximum global rate of 29.22% (in Luxembourg City in 2015), unless the conditions of the participation exemption regime, as described above, are satisfied except that the acquisition price must be of at least €6 million for capital gain exemption purposes. Shares held through a tax transparent entity are considered as a direct participation holding proportionally to the percentage held in the net assets of the transparent entity. To the extent that expenses related to the (exempt) shareholding have reduced the shareholder's taxable profits (during the year of the sale or in prior years), these deductions will be recaptured at the time the relevant shareholding is sold. Consequently, the capital gain realized will become taxable up to the amount of the aggregate expenses and write-downs deducted during the respective and previous years in relation to the participation.

Taxable gains are determined to be the difference between the price for which the Company's shares have been disposed of and the lower of their cost or book value.

The shareholder which is a Luxembourg resident entity governed by (i) the law of December 17, 2010 on undertakings for collective investment, as amended, (ii) by the law of February 13, 2007 on specialized investment funds, as amended, (iii) by the law of May 11, 2007 on the family estate management company, as amended, or (iv) by the law of June 15, 2004 on venture capital vehicles, as amended, is not subject to any Luxembourg corporation taxes in respect of capital gains realized upon disposal of its shares.

22.1.2.2.2 (b) Non-resident Shareholders

Under Luxembourg tax laws currently in force (subject to the provisions of double taxation treaties), capital gains realized on the disposal of the Company's shares by a non-resident shareholder holding the shares of the Company through a Luxembourg permanent establishment or through a Luxembourg permanent representative to which or whom the shares are attributable are subject to income tax at ordinary rates unless the conditions of the participation exemption regime, as described above, are satisfied except that the acquisition price must be at least €6 million for capital gain purposes. Taxable gains are determined as being the difference between the price for which the shares have been disposed of and the lower of their cost or book value.

22.1.3 Net Wealth Tax

Luxembourg resident shareholders, as well as non-resident shareholders who have a permanent establishment or a permanent representative in Luxembourg to which or whom the shares of the Company are attributable, are subject to Luxembourg net wealth tax at the rate of 0.5% applied on its net assets as determined for net wealth tax purposes on the net wealth tax assessment date, except if the shareholder is (i) a resident or non-resident individual, (ii) a family estate management company governed by the amended law of May 11, 2007, (iii) an undertaking for collective investment subject to the amended law of December 17, 2010, (iv) a specialized

investment fund governed by the amended law of February 13, 2007, (v) a securitization company governed by the amended law of March 22, 2004 or (vi) is a capital company governed by the law of June 15, 2004 on venture capital vehicles, as amended.

Furthermore, in the case the shareholder is a fully-taxable Luxembourg resident collective entity (or (i) a domestic permanent establishment of an EU resident company covered by Article 2 of the amended Parent-Subsidiary Directive, or (ii) a domestic permanent establishment of a company limited by shares (*société de capitaux*) that is resident in a state with which Luxembourg has concluded a double tax treaty, or (iii) a domestic permanent establishment of a company limited by shares (*société de capitaux*) or of a cooperative company which is a resident of a EEA member state (other than a EU member state), the shares of the Company may be exempt for a given year, if the shares represent at the end of the previous year a participation of at least 10% in the share capital of the Company or a participation of an acquisition price of at least €1.2 million. The net wealth tax charge for a given year can be reduced if a specific reserve, equal to five times the net wealth tax to save, is created before the end of the subsequent tax year and maintained during the five following tax years.

22.1.4 Other Taxes

Under current Luxembourg tax laws, no registration tax or similar tax is in principle payable by the shareholder upon the acquisition, holding or disposal of the Company's shares. However, a fixed registration duty of €12 may be due upon registration of the Company's shares in Luxembourg in the case of legal proceedings before Luxembourg courts, in case the shares must be produced before an official Luxembourg authority, or in the case of a registration of the shares on a voluntary basis.

Under current Luxembourg tax law, where an individual shareholder is a resident of Luxembourg for inheritance tax purposes at the time of his/her death, the shares are included in his or her taxable basis for inheritance tax purposes.

Gift tax may be due on a gift or donation of the Company's shares if the gift is recorded in a Luxembourg notarial deed or otherwise registered in Luxembourg.

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23. FINANCIAL INFORMATION

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Sixt Leasing Group

Audited Combined Financial Statements
as of and for the fiscal years ended
December 31, 2014, December 31, 2013 and December 31, 2012
(prepared in accordance with IFRS)

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**Combined income statement and combined statement of comprehensive income
of Sixt Leasing Group, Pullach, for the financial years 2014, 2013 and 2012**

<u>Combined income statement</u>	<u>Notes</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
			in EUR thou.	
Revenue	(3.1)	575,040	546,124	556,473
Other operating income	(3.2)	4,982	9,664	3,222
		580,022	555,788	559,695
Fleet expenses and cost of lease assets	(3.3)	337,717	328,201	348,014
Personnel expenses	(3.4)			
a) Wages and salaries		15,021	13,710	13,799
b) Social security contributions		2,620	2,261	2,250
		17,641	15,972	16,050
Depreciation and amortization expenses	(3.5)			
a) Depreciation of lease assets ⁽¹⁾		158,140	152,197	140,283
b) Depreciation of equipment		83	87	77
c) Amortization of intangible assets		64	34	75
		158,287	152,317	140,435
Other operating expenses	(3.6)	17,630	16,231	15,935
Earnings before interest and taxes (EBIT)		48,745	43,067	39,261
Net finance costs	(3.7)			
a) Interest income		1,900	1,367	1,145
b) Interest expense		25,028	23,693	24,061
		–23,128	–22,326	–22,916
Earnings before taxes (EBT)		25,617	20,741	16,345
Income tax expense	(3.8)	6,585	5,215	4,388
Profit		19,032	15,526	11,957
Of which attributable to shareholders of Sixt Leasing Group		19,032	15,526	11,957
Earnings per share—basic and diluted in EUR	(3.9)	1.27	1.03	0.80

(1) Including write downs of lease assets intended for sale.

<u>Combined statement of comprehensive income</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
		in EUR thou.	
Profit	19,032	15,526	11,957
Other comprehensive income (not recognized in the income statement)			
Components that could be recognized in the income statement in future			
Currency translation gains/losses	100	–134	73
Total comprehensive income	19,133	15,392	12,030
Of which attributable to shareholders of Sixt Leasing Group	19,133	15,392	12,030

Combined statement of financial position
of Sixt Leasing Group, Pullach, as of December 31, 2014, 2013, 2012 and January 1, 2012

<u>Assets</u>	<u>Notes</u>	<u>31. Dec. 2014</u>	<u>31. Dec. 2013</u>	<u>31. Dec. 2012</u>	<u>1 Jan. 2012</u>
		in EUR thou.			
Non-current assets					
Intangible assets	(3.10)	774	132	103	174
Equipment	(3.11)	311	287	266	168
Lease assets	(3.12)	902,366	774,622	725,617	660,347
Non-current financial assets	(3.13)	35	–	–	–
Non-current other receivables and assets . . .	(3.14)	1,629	2,751	4,036	3,890
Deferred tax assets	(3.8)	54	421	384	143
Total non-current assets		905,168	778,214	730,407	664,721
Current assets					
Inventories	(3.15)	19,979	9,564	17,709	14,365
Trade receivables	(3.16)	57,805	60,869	55,773	49,804
Receivables from related parties	(4.4)	52,745	28,906	17,995	10,282
Current other receivables and assets	(3.17)	31,329	31,529	17,766	16,944
Cash and bank balances	(3.18)	13,839	12,770	2,695	7,416
Total current assets		175,697	143,640	111,938	98,811
Total assets		1,080,865	921,853	842,345	763,532
 <u>Equity and Liabilities</u>		 <u>31. Dec. 2014</u>	 <u>31. Dec. 2013</u>	 <u>31. Dec. 2012</u>	 <u>1 Jan. 2012</u>
		in EUR thou.			
Equity					
Equity attributable to owners of Sixt Leasing Group	(3.19)	12,253	15,593	28,727	48,696
Total Equity		12,253	15,593	28,727	48,696
Non-current liabilities and provisions					
Non-current financial liabilities	(3.20)	81,783	84,336	73,964	74,937
Non-current liabilities to related parties	(4.4)	20,000	20,000	–	–
Non-current other liabilities	(3.21)	124	115	47	59
Deferred tax liabilities	(3.8)	11,421	8,489	12,539	14,693
Total non-current liabilities and provisions .		113,328	112,940	86,550	89,689
Current liabilities and provisions					
Current other provisions	(3.22)	3,894	3,259	2,795	3,011
Current financial liabilities	(3.23)	177,348	153,698	30,559	176,451
Trade payables	(3.24)	76,572	78,407	79,826	94,447
Liabilities to related parties	(4.4)	659,772	530,054	594,427	333,962
Current other liabilities	(3.25)	37,698	27,902	19,462	17,277
Total current liabilities and provisions		955,284	793,321	727,068	625,147
Total equity and liabilities		1,080,865	921,853	842,345	763,532

Combined statement of cash flows
of Sixt Leasing Group, Pullach, for the financial years 2014, 2013 and 2012

<u>Combined statement of cash flows</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
	in EUR thou.		
Cash flow from operating activities			
Profit	19,032	15,526	11,957
Income taxes recognized in income statement ⁽¹⁾	3,286	9,303	6,783
Income taxes paid	– 3,005	– 9,307	– 7,537
Net interest expense recognized in income statement ⁽²⁾	23,128	22,326	22,916
Interest received	16	21	26
Interest paid	– 4,192	– 4,502	– 4,256
Depreciation and amortization	158,287	152,317	140,435
Income / loss (–) from disposal of leased and fixed assets . . .	– 2,236	628	3,875
Other (non-) cash expenses and income	9,297	– 7,993	– 2,602
Cash flows from operating activities before working capital changes	203,614	178,319	171,599
Proceeds from disposal of lease assets	130,633	139,458	161,718
Payments for investments in lease assets	– 420,187	– 337,508	– 370,880
Change in inventories	– 10,415	8,144	– 3,344
Change in trade receivables	3,064	– 5,097	– 5,968
Change in trade payables	– 1,835	– 1,418	– 14,621
Change in other net assets	– 46,956	– 41,437	– 277
Net cash flows from operating activities	– 142,082	– 59,539	– 61,773
Investing activities			
Payments for investments in intangible assets and equipment .	– 812	– 172	– 180
Payments for investments in financial assets	– 35	–	–
Net cash flows used in investing activities	– 847	– 172	– 180
Financing activities			
Changes in net assets due to cash effective shareholder transactions with Sixt Leasing Group	80	– 4,100	28
Dividend payment	– 22,553	– 24,427	– 32,015
Proceeds from borrower's note loans and long-term bank loans	60,000	–	–
Repayments of borrower's note loans and long-term bank loans	–	– 20,000	–
Other changes in financial liabilities	– 38,903	154,153	– 147,506
Payments received from long-term financing from related parties	–	20,000	–
Changes in short-term financing from related parties	145,365	– 55,835	236,725
Net cash flows from/used in financing activities	143,989	69,791	57,232
Net change in cash and cash equivalents	1,060	10,082	– 4,721
Effect of exchange rate changes on cash and cash equivalents	8	– 7	0
Cash and bank balances at 1 January	12,770	2,695	7,416
Cash and bank balances at 31 December	13,839	12,770	2,695

- (1) The difference between current income tax expenses amounting to EUR 3,286 thousand in 2014 (2013: EUR 9,303 thousand, 2012 EUR 6,783 thousand) and income taxes paid amounting to EUR 3,005 thousand in 2014 (2013: EUR 9,307 thousand, 2012: EUR 7,537 thousand) are included in other (non-) cash expenses and income.
- (2) Net interest expenses amounting to EUR 23,128 thousand in 2014 (2013: EUR 22,326 thousand, 2012: EUR 22,916 thousand) have been paid in the respective periods in the amount of EUR 4,192 thousand (2013: EUR 4,502 thousand, 2012: EUR 4,256 thousand). The difference between interest expenses and interest paid is disclosed in changes in other net assets.

**Combined statement of changes in equity
of Sixt Leasing Group, Pullach, for the financial years 2014, 2013 and 2012**

<u>Combined statement of changes in equity</u>	<u>Net assets attributable to Sixt Leasing Group</u>	<u>Total equity</u>
	<u>in EUR thou.</u>	
Balance at 1 January 2012	48,696	48,696
Profit	11,957	11,957
Other comprehensive income	73	73
Total comprehensive income	12,030	12,030
Dividends	– 32,015	– 32,015
Changes of net assets due to shareholder transaction with Sixt Leasing Group	15	15
Balance at 31 December 2012	28,727	28,727
Profit	15,526	15,526
Other comprehensive income	– 134	– 134
Total comprehensive income	15,392	15,392
Dividends	– 24,427	– 24,427
Changes of net assets due to shareholder transaction with Sixt Leasing Group	– 4,099	– 4,099
Balance at 31 December 2013	15,593	15,593
Profit	19,032	19,032
Other comprehensive income	100	100
Total comprehensive income	19,133	19,133
Dividends	– 22,553	– 22,553
Changes of net assets due to shareholder transaction with Sixt Leasing Group	80	80
Balance at 31 December 2014	12,253	12,253

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1. Basis of preparation

Background and purpose of the Combined Financial Statements

At February 24, 2015 Sixt SE, Pullach announced its plans to publicly list the Sixt Leasing Business (“Sixt Leasing Group” or “Group”).

Sixt Leasing AG (“Company”), located in Zugspitzstraße 1,82049 Pullach, is the parent company of the Sixt Leasing Group and consequently the issuer. The operating business is bundled in Sixt Leasing AG and its direct and indirect subsidiaries. Sixt SE is the parent company of Sixt Leasing Group.

According to the European Prospectus Regulation No. 809/2004 (the “European Prospectus Regulation”), the prospectus issued by the Sixt Leasing Group shall include historical financial information covering the latest three financial years, i.e. the year ended December 31, 2014 and the two prior years ended December 31, 2013 and 2012. Also, according to the European Prospectus Regulation, Sixt Leasing Group has a “Complex Financial History”, because neither stand-alone nor consolidated financial statements of the Company exist that cover the latest three financial years.

Combined Financial Statements consisting of the Combined Income Statement, Combined Statement of Comprehensive Income, Combined Statement of Cash Flows, Combined Statement of Changes in Equity and Notes to the Combined Financial Statements for financial years 2014, 2013 and 2012 as well as Combined Statement of Financial Position as of December 31, 2014, 2013 and 2012 and as of January 1, 2012 were prepared.

The Sixt Leasing Group is one of the leading manufacturer-independent full-service vehicle leasing providers and vehicle fleet managers in Germany, with further operations in France, Austria, Switzerland and the Netherlands. Alongside conventional leasing, a wide range of other services of fleet management are also offered. Companies and private individuals use the services offered to generate cost advantages and benefit from the comprehensive services and efficient processes.

The purpose of these Combined Financial Statements is to provide general historical financial information of Sixt Leasing Group for the inclusion in the prospectus for the initial public offering and for the admission to the regulated market. Therefore, the Combined Financial Statements present only the historical financial information of those entities that will be part of Sixt Leasing Group at the time of the intended initial public offering.

Scope of the entities included in the Combined Financial Statements

As of December 31, 2014, the Sixt Leasing Group consists of Sixt Leasing AG as parent company and its 100% owned direct and indirect subsidiaries. Sixt Leasing AG and its direct and indirect subsidiaries form a group according to IFRS 10.

The combined structure of the Sixt Leasing Business is comprised of the following entities:

- Sixt Leasing AG, Pullach
- Sixt Mobility Consulting GmbH, Pullach
- Sixt Leasing (Schweiz) AG, Basel, Switzerland
- Sixt Leasing B.V., Hoofddorp, Netherlands
- Sixt Location Longue Durée SARL, Paris, France
- Sixt Leasing G.m.b.H., Vösendorf, Austria

Although each of the entities included in the Sixt Leasing Group were historically under the common control of Sixt SE, not all of them were historically owned by the Company. As

described below, Sixt SE engaged in reorganization transactions prior to December 31, 2014 in order to combine Sixt SE's leasing and fleet management business within the Sixt Leasing Group. During financial years 2013 and 2014 the following entities were acquired by Sixt Leasing AG formerly directly or indirectly held by Sixt SE

- In December 2014 the 100% interest in Sixt Mobility Consulting GmbH, Pullach, Germany which operates the fleet management of the Sixt Leasing Group, until then held by Sixt SE was contributed to Sixt Leasing AG in the course of capital increase by contribution in kind.
- In December 2014 the 100% interest of Sixt Leasing B.V., Hoofddorp, Netherlands was contributed in exchange for cash.
- In financial year 2013 Sixt Leasing AG's 100% subsidiary Sixt Allgemeine Leasing (Schweiz) AG, Basel, Switzerland, acquired Sixt Leasing (Schweiz) AG, Basel, Switzerland. In financial year 2014 Sixt Leasing (Schweiz) AG was merged into its parent company Sixt Allgemeine Leasing (Schweiz) AG. Following the merger Sixt Allgemeine Leasing (Schweiz) AG was renamed into Sixt Leasing (Schweiz) AG.

Additionally the following shares in subsidiaries were distributed from Sixt Leasing AG to Sixt SE or its subsidiaries between January 1, 2012 and December 31, 2014:

- Sixt Autoland GmbH, Pullach, as of December 28, 2012
- Akrimo GmbH & Co. KG, Pullach, as of October 31, 2014
- Sixt Franchise GmbH, Pullach, as of November 20, 2014
- Sigma Grundstücks- und Verwaltungs GmbH, Pullach, as of November 20, 2014

The results of operations and financial position of these subsidiaries have therefore not been included in the Sixt Leasing Group's combined financial statements for the years ended December 31, 2012, 2013 and 2014.

As a result of these reorganization transactions described above, the Sixt Leasing Group does not have consolidated financial statements for each of the last three years reflecting the structure of the Group. Instead, the Sixt Leasing Group has prepared combined financial statements, which include the historical financial information of the entities included in the Sixt Leasing Group as of December 31, 2014 and reflects the results of the Sixt Leasing Group as if the combined group were consolidated for all periods presented.

The impact of legal reorganization (the "Reorganization") on the preparation of the Combined Financial Statements is described in the paragraph below.

Presentation of the Combined Financial Statements

The Combined Financial Statements of Sixt Leasing Group have been prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union ("EU") and taking into account the specifics to be considered in preparing Combined Financial Statements which are explained below.

These Combined Financial Statements will constitute Sixt Leasing Group's first financial statements in accordance with IFRS. Sixt Leasing Group has applied IFRS 1, First-Time Adoption of International Financial Reporting Standards ("IFRS 1") in its adoption of IFRS. In particular, the Group has applied IFRS 1.D16 (a) ("predecessor accounting method"). Under this method, the Sixt Leasing Group applies the same accounting policies which have been applied by the combined entities in the course of the preparing the consolidated IFRS financial statements of Sixt SE. Therefore, the Combined Financial Statements have been prepared by measuring assets and liabilities at the carrying amounts that have been included in Sixt SE IFRS consolidated financial statements, since transition to IFRS. This includes cumulative other

comprehensive income arising from exchange rate differences in Sixt SE IFRS consolidated financial statements, which relates to the combined Sixt Leasing Group.

As the Combined Financial Statements constitute the first financial statements of the Sixt Leasing Group, the explanation of transition effects from previous GAAP to IFRSs on the reported financial position, financial performance and cash flows is not relevant.

The Reorganization is not deemed to be a business combination within the scope of IFRS 3 *Business Combinations*. As IFRS does not provide any direct guidance for reorganizations under common control, the Combined Financial Statements reflect the carryover basis of accounting whereby:

- The carrying amount of assets and liabilities included are based on the historical carrying amounts of such assets and liabilities recognized by each entity prior to the Reorganization.
- The results and cash flows are presented as though the Reorganization occurred on January 1, 2012 and reflects the results and cash flows of the results of each entity consolidated by Sixt Leasing AG as of December 31, 2014.
- At January 1, 2012, the amounts in equity reflect the historical net assets of each entity in the Combined Group.
- Any consideration paid for entities contributed to the Group or cash received for entities disposed of are reflected in equity as a contribution or distribution in the period the cash transaction occurred.

The Combined Financial Statements were prepared by eliminating all intra-group balances within the combined group, income and expenses, unrealized gains and losses resulting from transactions between the Sixt Leasing Group entities.

Material transactions with other entities of Sixt SE, which are directly or indirectly controlled by Sixt SE, are disclosed as transactions with related parties.

The current and deferred taxes presented in the Combined Financial Statements are recalculated to take into account the reorganization of the combined entities. The Combined Financial Statements were prepared under the assumption that no German tax group between Sixt SE and Sixt Leasing AG would have existed and that Sixt Leasing AG would have been obliged to settle all income tax related obligations. This is an assumption because for tax purposes Sixt Leasing AG and Sixt SE qualify as a tax group as of the date of the preparation of these Combined Financial Statements. Furthermore Sixt Leasing AG is party to a profit and loss transfer agreement whereby 100% of the entity's profits (determined under German GAAP) are transferred to Sixt SE. However, in the Combined Financial Statements current taxes were recognized on the level of Sixt Leasing AG, as if no German tax group and no profit and loss transfer agreement would have existed.

Deferred taxes were remeasured based on the expected tax rate of Sixt Leasing AG, which differs from the expected tax rate of Sixt SE.

Any deferred tax assets for losses carried forward were recognized based on an assessment if it is probable that taxable profits will be available against which the unused tax losses can be utilized within Sixt Leasing Group and excluding entities or activities that are not part of Sixt Leasing Group.

Estimates, judgments and sources of estimation uncertainty

The Combined Financial Statements present assets and liabilities as presented in the authorized Consolidated Financial Statements of Sixt SE for the years ended December 31, 2014, 2013 and 2012 prepared under IFRS as adopted by the EU. Estimates in accordance with IFRS used in preparation of Sixt SE Consolidated Financial Statements, remain unchanged for purposes of preparation of the Combined Financial Statements. Circumstances which provide new

information to past events but have arisen subsequent to the respective reporting dates are adjusted for.

In preparing combined financial statements, it is often necessary to make judgments, estimates and assumptions that affect both the items reported in the combined statement of financial position and the combined income statement, as well as the disclosures contained in the notes to the combined financial statements. The amounts actually realized may differ from the reported amounts. Changes are recognized in the income statement on the date at which a better knowledge is gained.

The estimates and assumptions made are outlined in the disclosures on the individual items. Judgments with significant effects on the amounts recognized in the combined financial statements arise from the classification of lease arrangements into finance lease and operating lease. The areas in which amounts are most significantly affected by estimates and assumptions are the following:

- Equipment is measured on the basis of the estimated useful lives of the assets.
- Lease assets are measured on the basis of their estimated useful lives.
- Estimation of residual values
- Valuation allowances are charged on receivables based on an assessment of the identifiable risks.

Other

The Combined Financial Statements were authorized for issue by the Management Board of Sixt Leasing AG on March 27, 2015.

The Combined Statement of Financial Position is structured in current and non-current in accordance with IAS 1 as management views this classification as providing the most reliable and relevant information.

The Combined income statement is presented in accordance with the nature of expense method.

These Combined Financial Statements are presented in euro (EUR) because that is the currency of the primary economic environment in which the Group operates. All amounts have been rounded to the nearest thousand, unless otherwise indicated. Due to rounding differences figures might deviate by one thousand euros. Additionally, there can be rounding differences compared to the mathematically accurate values.

The following exchange rates have been used at the respective year ends:

	Closing date				Average rate		
	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012	2014	2013	2012
Swiss Francs	1.20230	1.22680	1.20730	1.21640	1.21277	1.22903	1.20426

2. Reporting and Valuation Policies

Income statement

Revenue

Revenue is measured at the fair value of the consideration received or receivable. It is the amount received for goods and services provided in the course of ordinary operating activities.

As one of the leading manufacturer-independent full service vehicle leasing providers the Sixt Leasing Group leases vehicles to customers principally under operating leases and recognizes rental income ratably over the life of the lease. At lease inception, the Group reviews all the

necessary criteria in IAS 17 to determine the proper lease classification. Rental revenues received, but not earned, under the lease agreements are recorded in deferred income, which is presented within other liabilities.

In addition to generating revenue from leasing vehicles to customers, the Group earns revenue from providing a number of additional services, including managing fleets. Revenue from services is recognized when the service is rendered and the amount of the revenue can be determined reliably. Discounts, bonuses and VAT/sales or other taxes relating to the goods or services provided are deducted from the revenue.

Revenue and expenses associated with fuel, tire replacements, and vehicle licensing are recorded on a gross basis within revenue and fleet expenses and cost of lease assets.

Vehicle sales are recognized when the vehicle is delivered and ownership is transferred, the amount of the revenue and the costs still to be incurred can be determined reliably and an incoming benefit is probable.

Fleet expenses, cost of leased assets and other expenses including depreciations

Expenses are recognized based on the accrual principle. Costs including depreciation incurred in earning the lease income are recognized as an expense. The depreciation policy for depreciable leased assets is consistent with the Sixt Leasing Group's depreciation policy for similar assets as explained below. Also, as explained below, it is determined whether a lease asset has become impaired, and in this case, an entity recognizes an impairment.

Net interest income

Although most leases are classified as operating leases, the Group does have some leases that are classified as finance leases as substantially all the risks and rewards incidental to ownership are essentially transferred to the customer as lessee. Amounts due under finance leases are recognized as receivables at the amount of the Group's net investment in the leases and are subsequently measured under the effective interest method. Finance lease income is recognized within finance income as the amounts are not profit and loss based on a pattern reflecting a constant periodic rate of return on the lessor's net investment in the finance lease. The Sixt Leasing Group aims to allocate finance income over the lease term on a systematic and rational basis. Lease payments relating to the period are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.

Further interest income and expense presented in net finance costs is recognized on an accrual basis taking into account the outstanding loan amount and the applicable rate of interest. The effective interest method is applied.

Income taxes

Income tax expense is the aggregate of current tax expense and deferred taxes. Current tax expense is calculated on the basis of the taxable income for the year. Taxable profit differs from profit as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible.

Deferred taxes are the tax assets and liabilities expected to be payable or recoverable resulting from differences between the carrying amounts of assets and liabilities in the combined financial statements and their corresponding tax base.

In accordance with the balance sheet liability method as defined by IAS 12 (Income taxes), deferred taxes are generally recognized for all taxable temporary differences arising from the deviations in the valuation of assets and liabilities in the IFRS combined statement of financial position as against their corresponding tax base. In addition, deferred tax assets are only

recognized to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilized. The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred taxes are measured at the tax rates that are expected to apply to the period when the temporary differences reverse or the tax loss carryforwards are used based on tax laws and rates that have been enacted or substantively enacted at the balance sheet date. Until changes to tax laws are ratified, deferred taxes are measured at current tax rates. A corporation tax rate of 15% (2012-2014) was used to calculate deferred taxes at the German companies. In each year, a solidarity surcharge of 5.5% on the corporation tax was also included and a trade tax rate of 9.1% (2012-2014) was applied; an aggregate tax rate of 24.93% (2012-2014) was used to calculate deferred taxes for the German companies.

Deferred taxes are all recognized in the combined income statement. Deferred tax assets and liabilities are offset where there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Group intends to settle its current tax assets and liabilities on a net basis.

Earnings per share

Basic earnings per share are measured in accordance with IAS 33 (Earnings per share). The calculation of basic earnings per share has been based on the profit attributable to Sixt Leasing Group for financial years 2014, 2013 and 2012 and the number of ordinary shares outstanding. For the determination of comparative figures, the Group assumed the number of shares for the comparative periods 2013 and 2012 as in the reporting period 2014.

Assets

Intangible Assets

Intangible assets include purchased and internally developed software, as well as any payments on account in respect of intangible assets.

Purchased intangible assets are capitalized at acquisition cost less accumulated depreciation and impairment, while internally generated intangible assets are only capitalized at production cost if the criteria set out in IAS 38 have been met. If the capitalization criteria have not been met, the expenses are recognized in the income statement in the year in which they are incurred. Intangible assets are amortized on a straight-line basis over a useful life of three to seven years.

Equipment

Equipment is carried at cost less straight-line depreciation and recognized impairment. The depreciable amount of equipment is allocated on a straight-line basis over their useful lives. The expected useful lives, residual values and depreciation methods are re-evaluated at the end of each reporting period and all necessary changes in estimates are applied prospectively.

Depreciation of equipment is based on the following useful lives, which apply uniformly throughout the Group:

Useful lives

Operating and office equipment 3 to 11 years

Equipment is derecognized either when on disposal or when no further economic benefit is to be expected from the continued use of the asset. The resulting gain or loss from the sale or retirement of equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognized in profit or loss.

Lease assets

Among other things, non-current assets include lease assets. Lease assets arise from leasing arrangements where Sixt Leasing Group is acting as lessor in an operating lease as classified by IAS 17 and from leasing arrangements where Sixt Leasing Group is acting as lessee under a finance lease.

Assets leased out by the Sixt Leasing Group as lessor mostly qualify as operating leases and are carried in the statement of financial position at cost less straight-line depreciation to their estimated residual values and are tested for impairment as explained below.

The initial cost of the lease assets is recorded net of bonuses and other discounts from manufacturers or car dealers. The Group acquires many of its vehicles pursuant to repurchase programs (buy-back agreements). Under these programs, the manufacturers or car dealers agree to repurchase vehicles at a specified price and date, subject to certain eligibility criteria (such as car condition and mileage requirements). The Group depreciates vehicles such that the net book value on the date of return to the manufacturers is intended to equal the contractual covered residual values, thereby minimizing any loss.

Lease assets acquired outside of buy-back agreements are depreciated based upon their estimated residual values at their expected dates of disposal. The estimation of residual values requires the Company to make assumptions regarding the age and mileage of the vehicle at the time of disposal, as well as expected used vehicle auction market conditions. This results in a market price risk exposure, which is evaluated by the Company periodically by estimating residual values and adjusting depreciation rates if the remaining useful life is substantial. Any adjustments to depreciation are made prospectively. Any differences between actual residual values and those estimated result in a gain or loss on disposal and are recorded as part of vehicle depreciation.

Sixt Leasing Group is acting as lessee under a finance lease, if substantially all risks and rewards incidental to ownership of the leased assets are considered transferred to Sixt Leasing Group. In this case, leased assets are recorded in the statement of financial position at inception of the lease at the lower of their present value of the minimum lease payments or their fair value. The corresponding liabilities to the lessor are recognized as liabilities arising from future lease payments under financial liabilities. The assets are depreciated to their contractual residual values on a straight-line basis over the respective lease terms. Impairment losses are recognized in the event that an indication of value impairment exists as explained below.

In few finance leases where Sixt Leasing Group is the lessor, a finance lease receivable, presented under other receivables and assets, is recognized and measured at the present value of the minimum lease payments, i.e. the net investment in the lease.

Impairment testing

A test of impairment is performed at each reporting date, regarding all carrying amounts of non-current, non-financial assets, including lease assets, to determine whether there is an indication of impairment. If any such indication exists, then the asset's recoverable amount is estimated.

For impairment testing, assets may be grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or cash generating units (CGUs). The recoverable amount of an asset or CGU is the greater of its value in use and its fair value less costs to sell. Value in use is based on the estimated future cash flows, discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset or CGU. An impairment loss is recognized if the carrying amount of asset or CGU exceeds its recoverable amount. Impairment losses are recognized in profit or loss.

Inventories

The vehicles returned after the lease term, which are intended for sale, are transferred from lease assets to inventories at their carrying amount. If the costs of inventories are not recoverable a write-down below cost to net realizable value is recognized. A new assessment of net realizable value is made in each subsequent period.

Financial assets

The current financial assets are composed of receivables and cash and bank balances. Financial assets are recognized when the Group has a contractual right to receive cash or another financial asset from another entity. Purchases and sales of financial assets are generally recognized at the settlement date. Financial assets are initially recognized at fair value plus transaction costs if applicable. Subsequent measurement is based on the allocation of the financial assets according to the IAS 39 categories that are relevant for the Group.

Loans and receivables (LaR) are non-derivative financial assets that are not quoted in an active market. They are measured at amortized cost using the effective interest method. Receivables and cash and bank balances are assigned to this measurement category. Interest income from items in this category is calculated using the effective interest method unless the receivables are short-term and effect of interest accumulation is immaterial.

Financial assets carried at amortized cost are assessed each reporting date to determine whether there is objective evidence of impairment. Objective evidence that financial assets are impaired includes for example default or delinquency by a debtor, indications that a debtor or issuer will enter bankruptcy, adverse changes in the payment status of borrowers or issuers, observable data indicating that there is a measurable decrease in the expected cash flows from a group of financial assets.

The Group considers evidence of impairment for financial assets carried at amortized cost at both an individual asset and a collective level. All individually significant assets are individually assessed for impairment. For financial assets that are not individually significant, impairment is measured on a collective basis. Collective assessment is carried out by grouping together assets with similar risk characteristics such as customer group, customer credit quality, transaction type and age of the receivable. For financial assets that have had no impairment identified, these financial assets have been grouped together based on similar risk characteristics such as customer group, customer credit quality, transaction type and age of the receivable, for calculating an incurred but not reported impairment provision which reflects the historical loss experience of the portfolio. As soon as information becomes available that a financial asset is impaired it is removed and assessed on an individual observed collective basis.

In assessing collective impairment, the Group uses besides their management expectations historical information on the timing of recoveries and the amount of loss incurred, and makes an adjustment if current economic and credit conditions are such that the actual losses are likely to be greater or lesser than suggested by historical trends.

An impairment loss is calculated as the difference between an asset's carrying amount and the present value of the estimated future cash flows discounted at the asset's original effective interest rate. Losses are recognized in profit or loss and reflected in an allowance account. When the Group considers that there are no realistic prospects of recovery of the asset, the relevant amounts are written off. If the amount of impairment loss subsequently decreases and the decrease can be related objectively to an event occurring after the impairment was recognized, then the previously recognized impairment loss is reversed through profit or loss.

The Group derecognizes a financial asset if the contractual rights to cash flows from the financial asset expire or the financial asset and substantially all the risks and rewards associated with the financial asset are transferred to a third party.

Equity and liabilities

Equity

Equity includes cumulative other comprehensive income resulting from exchange rate differences of entities, for which the functional currency differs from the presentation currency of the Group. No other comprehensive income is recognized from other transaction or events.

Sixt Leasing Group grants its employees an equity participation program (Matching Stock Program – MSP), which qualifies as share-based payment transaction among group entities as it is part of the Sixt SE MSP.

Under the MSP Sixt Leasing Group is obliged towards its employees to settle the share-based payments with equity instruments of Sixt SE once the underlying vesting and market conditions are met. Consequently, the MSP is classified as cash-settled share-based payment transaction in the Combined Financial Statements of Sixt Leasing Group.

For cash-settled share-based payment transactions the goods or services acquired and the liability are incurred at the fair value of the liability. Until the liability is settled, the entity shall remeasure the fair value of the liability at the end of each reporting period and at the date of settlement, with any changes in fair value recognized in profit or loss for the period.

Provisions

Provisions are recognized if the Group has a present obligation (legal or constructive) to third parties as a result of a past event, if an outflow of resources embodying economic benefits is more likely than not and provided a reliable estimate can be made of the probable amount of the obligation. The amount recognized as a provision is the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties inherent in the obligation. Where a provision is measured on the basis of the estimated cash flows for meeting the obligation, these cash flows are discounted if the effect of time value of money is material.

Financial liabilities

Financial liabilities are classified as other liabilities. Other financial liabilities are initially recognized at fair value plus transaction costs and subsequently measured at amortized costs using the effective interest method.

New IFRS and interpretations of the IFRS Interpretations Committee issued but not yet effective as of December 31, 2014

The accounting policies applied in the preparation of the Combined Financial Statements for the year ended December 31, 2014 are consistent with those used in the preparation of Sixt Leasing Group's Combined Financial Statements for the year ended December 31, 2013 and 2012.

The standards and interpretations described below were issued by the IASB or the IFRIC respectively at the reporting date but have not yet been applied by the Sixt Leasing Group as they have not been endorsed by the European Commission:

Standard/ Interpretation		Adoption by European Commission	Applicable as at
IFRS 9	Financial Instruments	No	1 Jan. 2018
IFRS 14	Regulatory deferral accounts	No	1 Jan. 2016
IFRS 15	Revenue from Contracts with Customers	No	1 Jan. 2017
Amendments to IFRS 10 and IAS 28	Sale or Contribution of Assets between an Investor and its Associate or Joint Venture	No	1 Jan. 2016
Amendments to IFRS 10, IFRS 12 and IAS 28 . . .	Investment Entities: Applying the Consolidation Exception	No	1 Jan. 2016
Amendments to IAS 1	Disclosure Initiative	No	1 Jan. 2016
Amendment to IAS 19 . . .	Defined Benefit Plans: Employee Contributions	17 Dec. 2014	1 Jul. 2014
Amendments to IAS 27 . . .	Equity Method in Separate Financial Statements	No	1 Jan. 2016
IFRIC 21	Levies	13 Jun. 2014	17 Jun. 2014
Amendments to IAS 16 and IAS 38	Clarification of Acceptable Methods of Depreciation and Amortization	No	1 Jan. 2016
Amendments to IAS 16 and IAS 41	Agriculture: Bearer Plants	No	1 Jan. 2016
Amendment to IFRS 11 . . .	Accounting for Acquisitions of Interests in Joint Operations	No	1 Jan. 2016
Annual Improvements	Annual improvement project 2010 to 2012	17 Dec. 2014	1 Jul. 2014
Annual Improvements	Annual improvement project 2011 to 2013	18 Dec. 2014	1 Jul. 2014
Annual Improvements	Annual improvement project 2012 to 2014	No	1 Jan. 2016

The Sixt Leasing Group is currently evaluating the effect of IFRS 15 on the Group's financial statements. All other standards and amendments to standards the Group are not expected to have any material effects on the Group's net assets, financial position and results of operations.

3. Explanations and disclosures on individual items of the Combined Financial Statements

3.1 Income statement

(3.1) Revenue

Revenue is broken down as follows:

Revenue	Germany			International ⁽¹⁾			Total			Change 14/13 in %	Change 13/12 in %
	2014	2013	2012	2014	2013	2012	2014	2013	2012		
	in EUR thou.										
Leasing Business Unit											
Leasing revenue	327,239	311,636	318,874	60,242	66,685	60,315	387,481	378,320	379,189	2.4	− 0.2
Sales revenue	113,444	120,727	147,206	17,476	21,759	15,571	130,920	142,486	162,777	− 8.1	− 12.5
Total	440,683	432,363	466,080	77,718	88,444	75,886	518,401	520,806	541,966	− 0.5	− 3.9
Fleet Management Business Unit											
Fleet Management revenue	40,438	24,761	14,507	−	−	−	40,438	24,761	14,507	63.3	70.7
Sales revenue	16,200	557	−	−	−	−	16,200	557	−	>100	−
Total	56,639	25,318	14,507	−	−	−	56,639	25,318	14,507	>100	74.5
Group total	497,322	457,680	480,587	77,718	88,444	75,886	575,040	546,124	556,473	5.3	− 1.9

(1) International includes subsidiaries in France, Austria, Switzerland and the Netherlands.

The Sixt Leasing Group is active in the two main business areas of leasing (financial leasing and full-service leasing of vehicles) and fleet management. Resources are allocated and the Sixt Leasing Group's performance is assessed by the Management Board on the basis of these segments (management approach).

The main activities are broken down as follows and form the basis of segment reporting in correspondence with IFRS 8:

Business segments

Leasing Vehicle leasing including additional services and sale of lease assets for companies as well as for private individuals

Fleet Management Fleet management services

In the leasing segment, operating leasing revenue comprises rental income from the contractually agreed lease installments amounting to EUR 194,091 thousand in 2014 (2013: EUR 179,950 thousand, 2012: EUR 176,383 thousand), as well as revenue relating to service components such as repairs, fuel, tires, etc. and from the settlement of accident claims in the amount of EUR 193,390 thousand in 2014 (2013: EUR 198,370 thousand, 2012: EUR 202,807 thousand).

The leasing segment sells a significant proportion of vehicles directly and therefore reports all proceeds from the sale of used lease assets under sales revenue in the leasing business unit.

In the fleet management segment fleet management revenue comprises revenue relating to service components, contractual service fees and revenue from the settlement of accident claims. Additionally, the fleet management segment realizes revenue from the sale of used vehicles bought from customers in the course of contracting new management agreements. Those revenues are disclosed in the fleet management segment under sales revenue.

In both the leasing and fleet management segment, compensation payments from third parties amount in total to EUR 5,023 thousand (2013: EUR 5,355 thousand, 2012: EUR 4,647 thousand).

(3.2) Other operating income

Other operating income in the amount of EUR 4,982 thousand as of December 31, 2014 (2013: EUR 9,664 thousand, 2012: EUR 3,222 thousand) includes among other things other income from previously derecognized receivables of EUR 918 thousand in financial year 2014 (2013: EUR 114 thousand, 2012: EUR 286 thousand), income from the reversal of provisions of EUR 746 thousand in financial year 2014 (2013: EUR 572 thousand, 2012: EUR 0 thousand), income from forwarding costs to third parties of EUR 367 thousand in financial year 2014 (2013: EUR 126 thousand, 2012: EUR 267 thousand) as well as income from currency translation in the amount of EUR 592 thousand in financial year 2014 (2013: EUR 58 thousand, 2012: EUR 234 thousand). Miscellaneous other operating income amounting to EUR 2,359 thousand in financial year 2014 (2013: EUR 8,794 thousand, 2012: EUR 2,435 thousand) mainly include income from the reversal of liabilities and allowances.

(3.3) Fleet expenses and cost of lease assets

Fleet expenses and cost of lease assets for 2014, 2013 and 2012 are broken down as follows:

<u>Fleet expenses and cost of lease assets by segment</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>Change</u> <u>14/13 in %</u>	<u>Change</u> <u>13/12 in %</u>
			in EUR thou.		
Leasing Business Unit	286,734	304,873	334,797	– 5.9	– 8.9
Fleet Management Business Unit	50,983	23,328	13,217	> 100	76.5
Group total	337,717	328,201	348,014	2.9	– 5.7

<u>Fleet expenses and cost of lease assets</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>Change</u> <u>14/13 in %</u>	<u>Change</u> <u>13/12 in %</u>
			in EUR thou.		
Selling expenses	144,322	143,589	166,498	0.5	– 13.8
Fuel	86,428	92,262	94,223	– 6.3	– 2.1
Repair, maintenance and reconditioning . .	70,972	59,886	57,375	18.5	4.4
Insurance	10,571	9,309	9,504	13.6	– 2.1
External rent expenses	5,806	5,887	6,412	– 1.4	– 8.2
Vehicle licenses	5,269	4,132	3,490	27.5	18.4
Transportation	3,716	3,537	3,601	5.1	– 1.8
Taxes and charges	4,413	4,279	3,309	3.1	29.3
Radio licenses	2,121	2,112	739	0.4	> 100
Vehicle return expenses	1,306	1,782	1,379	– 26.7	29.2
Other expenses	2,794	1,426	1,484	95.9	– 3.9
Group total	337,717	328,201	348,014	2.9	– 5.7

(3.4) Personnel expenses

The following table reflects the development of personnel expenses for the financial years 2014, 2013 and 2012:

<u>Personnel expenses</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>Change</u> <u>14/13 in %</u>	<u>Change</u> <u>13/12 in %</u>
			in EUR thou.		
Wages and salaries	15,021	13,710	13,799	9.6	– 0.6
Social security contributions	2,620	2,261	2,250	15.9	0.5
Group total	17,641	15,972	16,050	10.5	– 0.5

Social security contributions mainly include employer contributions to statutory social insurance schemes. For those companies included in the Combined Financial Statements having their registered office in Germany, the employees have a defined contribution pension plan under the statutory German pension insurance, to which the Sixt Leasing Group contributes the currently applicable rate of 9.45% (employer's share) of the remuneration liable to pension contribution.

Average number of employees during the year:

<u>Employees in the Group</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
Female employees	123	102	105
Male employees	152	125	128
Group total	275	227	233

The leasing segment employed in 2014 248 (2013: 210 and 2012: 225) members of staff and the fleet management segment employed in 2014 27 (2013: 17 and 2012: 8) members of staff.

(3.5) Expenses for depreciation and amortization

The breakdown of depreciation and amortization expenses in 2014, 2013 and 2012 is as follows:

<u>Depreciation and amortization expenses</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>Change</u> <u>14/13 in %</u>	<u>Change</u> <u>13/12 in %</u>
	<u>in EUR thou.</u>				
Lease assets and lease vehicles intended for sale	158,140	152,197	140,283	3.9	8.5
Equipment	83	87	77	−4.5	13.0
Intangible assets	64	34	75	89.0	−55.0
Group total	158,287	152,317	140,435	3.9	8.5

(3.6) Other operating expenses

The following table contains a breakdown of other operating expenses for the financial years 2014, 2013 and 2012:

<u>Other operating expenses</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>	<u>Change</u> <u>14/13 in %</u>	<u>Change</u> <u>13/12 in %</u>
	<u>in EUR thou.</u>				
Commissions	276	1,011	1,296	−72.7	−22.0
Rental expenses for business premises	1,201	1,013	1,071	18.5	−5.4
Other selling and marketing expenses	1,797	744	248	>100	>100
Expenses from write-downs of receivables	1,673	916	1,750	82.6	−47.7
Legal and advisory costs	1,859	4,599	5,302	−59.6	−13.3
Other personnel services	2,965	1,552	948	91.1	63.7
Call center services expenses	4,628	3,737	2,573	23.8	45.2
IT expenses	2,073	1,506	1,374	37.6	9.6
Miscellaneous expenses	1,159	1,152	1,373	0.6	−16.1
Group total	17,630	16,231	15,935	8.6	1.9

(3.7) Net finance costs

The following table contains a breakdown of net finance costs for the financial years 2014, 2013 and 2012:

<u>Net finance costs</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
	<u>in EUR thou.</u>		
Other interest and similar income	360	450	559
Other interest and similar income from related parties	1,540	917	585
Interest and similar expenses	−4,441	−5,072	−4,289
Interest and similar expenses for related parties	−20,587	−18,621	−19,771
Group total	−23,128	−22,326	−22,916

(3.8) Income tax expenses

The income tax expenses for 2014, 2013 and 2012 comprise the following:

<u>Income tax expenses</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
	<u>in EUR thou.</u>		
Current tax expenses	3,286	9,303	6,783
Deferred tax expenses / income (−)	3,300	−4,087	−2,396
Group total	6,585	5,215	4,388

The reconciliation of taxes explains the relationship between the expected and effective tax expense reported. The expected tax expense results from the application of an income tax rate of 24.93% (2012-2014) on earnings before taxes (EBT) in accordance with IFRS.

Reconciliation of taxes	2014	2013	2012
	in EUR thou.		
Earnings before taxes (EBT)	25,617	20,741	16,345
Expected income tax expense	6,385	5,170	4,074
Other effects	200	46	314
Reported effective tax expense	6,585	5,215	4,388

At the balance sheet date, the Group has unused tax loss carryforwards of EUR 2,613 thousand (2013: EUR 2,601 thousand, 2012: EUR 3,761 thousand) available for offset against future profits. A deferred tax asset has been recognized in respect of EUR 166 thousand (2013: EUR 444 thousand, 2012: EUR 497 thousand) of such losses. No deferred tax asset has been recognized in respect of the remaining EUR 1,948 thousand (2013: EUR 1,883 thousand, 2012: EUR 3,170 thousand) as it is not considered probable that there will be future taxable profits available. The losses may be carried forward indefinitely.

For other entities which have been part of a tax group no deferred tax assets were recognized as explained in the basis of preparation.

The following overview outlines the sources of deferred tax assets and liabilities:

Sources of the deferred tax assets and liabilities	Deferred tax assets				Deferred tax liabilities			
	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012
	in EUR thou.							
Lease assets	552	1,406	954	939	10,775	7,493	11,232	13,778
Other assets	88	–	–	–	331	312	–	–
Receivables	30	14	–	–	235	1,567	1,952	2,010
Other liabilities	617	261	197	719	1,481	821	619	571
Tax loss carryforwards	166	444	497	150	–	–	–	–
Carrying amount before offsetting .	1,454	2,124	1,648	1,807	12,821	10,192	13,803	16,358
Offsetting	1,400	1,703	1,264	1,665	1,400	1,703	1,265	1,665
Group carrying amount	54	421	384	143	11,421	8,489	12,539	14,693

(3.9) Earnings per share

Earnings per share are as follows:

Earnings per share	2014	2013	2012
Profit in EUR thou.	19,032	15,526	11,957
Profit attributable to shareholders of Sixt Leasing Group in EUR thou.	19,032	15,526	11,957
Number of shares	15,025,000	15,025,000	15,025,000
Earnings per share - basic and diluted in EUR	1.27	1.03	0.80

No financial instruments were issued in 2014, 2013 and 2012 that could cause dilutive effects.

3.2 Statement of financial position

(3.10) to (3.18) Assets

The changes in the Group's non-current assets are shown below.

Changes in non-current assets	Acquisition and producing cost				
	1 Jan. 2014	Foreign exchange differences	Additions	Disposals	Transfers
	in EUR thou.				
Purchased software	587	–	–	–	40
Internally developed software	–	–	322	–	–
Payments on account of software	40	–	384	–	–40
Intangible assets	627	–	705	–	–
Operating and office equipment	865	1	107	–1	–
Equipment	865	1	107	–1	–
Non-current financial assets	–	–	35	–	–
Lease assets	914,666	1,938	420,187	–265,627	–
Total	916,159	1,939	421,034	–265,628	–

Changes in non-current assets	Acquisition and producing cost				
	1 Jan. 2013	Foreign exchange differences	Additions	Disposals	Transfers
	in EUR thou.				
Purchased software	564	–	11	–	12
Internally developed software	–	–	–	–	–
Payments on account of software	–	–	51	–	–12
Intangible assets	564	–	63	–	–
Operating and office equipment	761	–1	109	–4	–
Equipment	761	–1	109	–4	–
Non-current financial assets	–	–	–	–	–
Lease assets	843,343	–1,547	337,508	–264,637	–
Total	844,669	–1,548	337,679	–264,641	–

Changes in non-current assets	Acquisition and producing cost					
	1 Jan. 2012	Foreign exchange differences	Additions	Disposals	Transfers	31 Dec. 2012
	in EUR thou.					
Purchased software	559	–	5	–	–	564
Internally developed software	–	–	–	–	–	–
Payments on account of software	–	–	–	–	–	–
Intangible assets	559	–	5	–	–	564
Operating and office equipment	590	0	176	–5	–	761
Equipment	590	0	176	–5	–	761
Non-current financial assets	–	–	–	–	–	–
Lease assets	794,402	666	370,880	–322,605	–	843,343
Total	795,551	667	371,061	–322,610	–	844,669

	Depreciation/Amortization					Carrying amounts	
	1 Jan. 2014	Foreign exchange differences	Depreciation/Amortization in the financial year	Disposals	31 Dec. 2014	31 Dec. 2014	31 Dec. 2013
Purchased software	–495	–	–37	–	–532	95	93
Internally developed software	–	–	–27	–	–27	295	–
Payments on account of software	–	–	–	–	–	384	40
Intangible assets	–495	–	–64	–	–559	774	132
Operating and office equipment	–579	–1	–83	1	–661	311	287
Equipment	–579	–1	–83	1	–661	311	287
Non-current financial assets	–	–	–	–	–	35	–
Lease assets	–140,044	–585	–154,539	126,370	–168,798	902,366	774,622
Total	–141,117	–586	–154,686	126,372	–170,018	903,486	775,041

	Depreciation/Amortization					Carrying amounts	
	1 Jan. 2013	Foreign exchange differences	Depreciation/Amortization in the financial year	Disposals	31 Dec. 2013	31 Dec. 2013	31 Dec. 2012
Purchased software	– 461	–	– 34	–	– 495	93	103
Internally developed software	–	–	–	–	–	–	–
Payments on account of software	–	–	–	–	–	40	–
Intangible assets	– 461	–	– 34	–	– 495	132	103
Operating and office equipment	– 495	0	– 88	3	– 579	287	266
Equipment	– 495	0	– 88	3	– 579	287	266
Non-current financial assets	–	–	–	–	–	–	–
Lease assets	– 117,726	489	– 151,950	129,143	– 140,044	774,622	725,617
Total	– 118,682	489	– 152,071	129,147	– 141,117	775,041	725,987

	Depreciation/Amortization					Carrying amounts	
	1 Jan. 2012	Foreign exchange differences	Depreciation/Amortization in the financial year	Disposals	31 Dec. 2012	31 Dec. 2012	1 Jan. 2012
Purchased software	– 386	–	– 75	–	– 461	103	174
Internally developed software	–	–	–	–	–	–	–
Payments on account of software	–	–	–	–	–	–	–
Intangible assets	– 386	–	– 75	–	– 461	103	174
Operating and office equipment	– 422	– 0	– 77	4	– 495	266	168
Equipment	– 422	– 0	– 77	4	– 495	266	168
Non-current financial assets	–	–	–	–	–	–	–
Lease assets	– 134,055	– 216	– 140,283	156,828	– 117,726	725,617	660,347
Total	– 134,863	– 216	– 140,435	156,833	– 118,682	725,987	660,688

(3.10) Intangible assets include internally developed software amounting to EUR 295 thousand as of December 31, 2014 (2013: EUR 0 thousand, 2012: EUR 0 thousand and as of January 1, 2012 EUR 0 thousand) and purchased software amounting to EUR 95 thousand as of December 31, 2014 (2013: EUR 93 thousand, 2012: EUR 103 thousand and as of January 1, 2012 EUR 174 thousand). The item also includes payments on account in respect of software amounting to EUR 384 thousand as of December 31, 2014 (2013: EUR 40 thousand, 2012: EUR 0 thousand and as of January 1, 2012 EUR 0 thousand).

(3.11) The item equipment includes operating and office equipment (mainly IT systems, fixtures and fittings and office equipment) in the amount of EUR 311 thousand as of December 31, 2014 (2013: EUR 287 thousand, 2012: EUR 266 thousand and as of January 1, 2012 EUR 168 thousand). No impairment losses were recognized in the financial years 2014, 2013 and 2012.

(3.12) Lease assets increased by 128 million to EUR 902 million as of December 31, 2014 (2013: EUR 775 million, 2012: EUR 726 million and as of January 1, 2012 EUR 660 million). As lessor, the Sixt Leasing Group primarily leases out vehicles of various brands, mainly under full-service lease agreements. Of the future minimum lease payments under operating leases totaling EUR 404 million as of December 31, 2014 (2013: EUR 377 million, 2012: EUR 363 million and as of January 1, 2012 EUR 320 million), payments of EUR 201 million as of December 31, 2014 (2013: EUR 187 million, 2012: EUR 173 million and as of January 1, 2012 EUR 181 million) are due within one year, payments of EUR 203 million as of December 31, 2014 (2013: EUR 190 million, 2012: EUR 190 million and as of January 1, 2012 EUR 139 million) are due in one to five years and payments of EUR 0.1 million as of December 31, 2014 (2013: EUR 0.1 million, 2012: EUR 0.2 million and as of January 1, 2012 EUR 0 million) are due in more than five years. The fixed-term agreements usually contain agreements on the vehicles' mileage. The resulting contingent lease payments recognized as income in the period under review amounted to EUR 0.4 million (2013: EUR 0.4 million, 2012: EUR 0.4 million and as of January 1, 2012 EUR 0.7 million).

The Group estimates the residual values covered by buyback agreements in the amount of EUR 377 million as of December 31, 2014 (2013: EUR 371 million, 2012: EUR 385 million and as of January 1, 2012 EUR 362 million) and the residual values uncovered in the amount of EUR 276 million as of December 31, 2014 (2013: EUR 169 million, 2012: EUR 104 million and as of January 1, 2012 EUR 103 million).

Lease assets of EUR 162.2 million as of December 31, 2014 (2013: EUR 143.5 million, 2012: EUR 20.8 million and as of January 1, 2012 EUR 162.5 million) are pledged as collateral for liabilities to banks.

Additionally Sixt Leasing Group as lessee refinances certain lease assets with finance lease agreements having the same maturities as the lease assets. The assets recognized due to finance lease agreements where Sixt Leasing Group is the lessee amount to EUR 41.3 million as of December 31, 2014 (2013: EUR 40.7 million, 2012: EUR 31.4 million and as of January 1, 2012 EUR 39.0 million). The agreements have a residual term of up to five years and provide for full amortization. The obligations under the finance leases are presented under financial liabilities.

(3.13) The carrying amount of affiliates not included in the Combined Financial Statements presented under financial assets amounts to EUR 35 thousand as of December 31, 2014 (2013: EUR 0 thousand, 2012: EUR 0 thousand and as of January 1, 2012 EUR 0 thousand) and reflects the shares in Sixt Mobility Consulting Österreich G.m.b.H., Vösendorf, Austria.

(3.14) Non-current other receivables and assets mainly include the non-current portion of finance lease receivables (finance installments) resulting from lease agreements with customers that are classified as finance leases. The details of the agreements are as follows:

	Gross investments				Present value of outstanding minimum lease payments			
	in EUR million							
	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012
Non-current finance lease receivables								
Due in one to five years	1.8	3.0	4.3	4.4	1.7	2.8	4.1	4.0
Unrealized finance income	0.1	0.2	0.3	0.4				

The interest rate implicit in the lease agreements is fixed at inception of the lease for the entire term. Certain of the lease agreements contain put options whereby the Group can force the lessee to purchase the vehicle at a fixed purchase price. As in the previous years, proportionate valuation allowances on current and non-current finance lease receivables amounted to EUR 0.1 million in total.

(3.15) Inventories consist mainly of vehicles intended for sale in the amount of EUR 19,979 thousand as of December 31, 2014 (2013: EUR 9,564 thousand, 2012: EUR 17,709 thousand and as of January 1, 2012: EUR 14,365 thousand).

(3.16) Trade receivables result almost exclusively from services invoiced in the course of leasing and fleet management business and from vehicle deliveries. Valuation allowances were recognized for identifiable risks.

(3.17) Current other receivables and assets falling due within one year can be broken down as follows:

Current other receivables and assets	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012
	in EUR thou.			
Financial other receivables and assets				
Current finance lease receivables	1,760	3,627	4,287	4,246
Miscellaneous assets	7,863	6,013	5,303	6,080
Non-financial other receivables and assets				
Other recoverable taxes	4,990	3,679	2,856	1,024
Insurance claims	1,784	2,119	1,563	1,793
Deferred income	3,892	3,852	3,757	3,802
Claims for vehicle deliveries	11,041	12,239	—	—
Group total	31,329	31,529	17,766	16,944

Finance lease receivables (finance installments) correspond to the current portion (due within one year) of receivables relating to lease agreements with customers that are classified as finance leases. The interest rate implicit in the lease agreements is fixed at inception of the lease for the entire term. Gross investments amount to EUR 1.9 million as of December 31, 2014 (2013: EUR 3.9 million, 2012: EUR 4.7 million and as of January 1, 2012 EUR 4.7 million), the present value of the outstanding minimum lease payments amounts to EUR 1.8 million as of December 31, 2014 (2013: EUR 3.6 million, 2012: EUR 4.3 million and as of January 1, 2012 EUR 4.3 million), and unrealized finance income to EUR 0.2 million in 2014 (2013: EUR 0.3 million, 2012: EUR 0.4 million). The agreements contain put options for Sixt Leasing Group as lessor.

(3.18) Cash and bank balances amount to EUR 13,839 thousand as of December 31, 2014 (2013: EUR 12,770 thousand, 2012: EUR 2,695 thousand and January 1, 2012: EUR 7,416 thousand) comprise cash and short-term deposits at banks with terms of under one month. The item corresponds to the cash and bank balances item in the combined statement of cash flows.

(3.19) Equity

Sixt Leasing Group is legally owned by Sixt SE, during the reporting periods. Due to the preparation of Combined Financial Statements the Sixt Leasing Groups equity is presented on a combined group structure and contains “Equity attributable to owners of Sixt Leasing Group” (see Basis of preparation). Exchange rate differences recognized in other comprehensive income cumulate to EUR 1,277 thousand as of December 31, 2014 (2013: EUR 1,177 thousand; 2012: EUR 1,311 thousand and as of January 1, 2012 EUR 1,238 thousand).

(3.20) to (3.21) Non-current liabilities

(3.20) Non-current financial liabilities comprise liabilities from issued borrower’s note loans, liabilities to banks as well as financial liabilities falling due in more than one year.

Non-current financial liabilities	Residual term of 1 to 5 years				Residual term of more than 5 years			
	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012
	in EUR thou.							
Borrower’s note loans	–	50,935	50,894	50,853	–	–	–	–
Liabilities to banks	60,000	–	–	20,000	–	–	–	–
Finance lease liabilities	21,783	33,401	22,428	4,084	–	–	642	–
Group total	81,783	84,336	73,322	74,937	–	–	642	–

Assets have been pledged as collateral for liabilities to banks.

The following table shows non-current finance lease liabilities entered into to refinance lease assets:

Non-current finance lease liabilities	Gross investments				Present value of outstanding minimum lease payments			
	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012
	in EUR thou.							
Due in one to five years	22,704	35,071	24,032	4,315	21,783	33,401	22,428	4,084
Due in more than five years	–	–	644	–	–	–	642	–
Unrealized finance portions	921	1,670	1,605	231	–	–	–	–

The interest rate underlying the contracts is fixed at inception of the contract for the entire term. The agreements feature fixed final installments and provide for full amortization. The Sixt Leasing Group obligations under finance leases are secured by way of the financing partner’s right of retention in respect of the leased assets. The minimum lease payments are covered by corresponding payments from customers under subleases.

(3.21) Non-current other liabilities are broken down as follows:

Non-current other liabilities	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012
	in EUR thou.			
Liabilities from customer deposits	124	115	37	39
Miscellaneous liabilities	–	–	9	21
Group total	124	115	47	59

(3.22) to (3.25) Current liabilities and provisions

(3.22) Obligations included in current provisions are expected to be settled within one year. They mainly consist of provisions for personnel which is primarily comprised of provisions for performance related remuneration and provisions for severance payments.

<u>Current provisions</u>	<u>Personnel</u>	<u>Miscellaneous</u> <u>in EUR thou.</u>	<u>Total</u>
Balance at 1 January 2014	2,587	672	3,259
Additions	2,592	859	3,451
Reversals	– 746	–	– 746
Utilized	– 1,690	– 388	– 2,078
Foreign exchange differences	4	4	8
Balance at 31 December 2014	2,748	1,147	3,894

<u>Current provisions</u>	<u>Personnel</u>	<u>Miscellaneous</u> <u>in EUR thou.</u>	<u>Total</u>
Balance at 1 January 2013	2,328	467	2,795
Additions	2,455	583	3,038
Reversals	– 572	–	– 572
Utilized	– 1,622	– 374	– 1,996
Foreign exchange differences	– 2	– 4	– 5
Balance at 31 December 2013	2,587	672	3,259

<u>Current provisions</u>	<u>Personnel</u>	<u>Miscellaneous</u> <u>in EUR thou.</u>	<u>Total</u>
Balance at 1 January 2012	1,902	1,109	3,011
Additions	2,149	466	2,615
Reversals	–	–	– 0
Utilized	– 1,725	– 1,116	– 2,841
Foreign exchange differences	3	7	10
Balance at 31 December 2012	2,328	467	2,795

(3.23) Current financial liabilities include in particular borrower's note loans, liabilities to banks, finance lease liabilities and other liabilities falling due within one year. They can be broken down as follows:

<u>Current financial liabilities</u>	<u>31 Dec.</u> <u>2014</u>	<u>31 Dec.</u> <u>2013</u>	<u>31 Dec.</u> <u>2012</u>	<u>1 Jan.</u> <u>2012</u>
			<u>in EUR thou.</u>	
Borrower's note loans	50,976	–	–	–
Liabilities to banks	102,287	143,471	20,749	135,389
Finance lease liabilities	22,893	9,307	8,914	40,128
Other liabilities	1,192	920	896	934
Group total	177,348	153,698	30,559	176,451

Liabilities to banks include short-term borrowings at variable rates of interest taken out by utilizing the credit lines available to the Group. Assets have been pledged as collateral for liabilities to banks. Other liabilities consist mainly of accrued interests.

The details of the current finance lease liabilities entered into to refinance lease assets are outlined below:

<u>Current finance lease liabilities</u>	<u>Gross investments</u>				<u>Present value of outstanding minimum lease payments</u>			
	<u>31 Dec. 2014</u>	<u>31 Dec. 2013</u>	<u>31 Dec. 2012</u>	<u>1 Jan. 2012</u>	<u>31 Dec. 2014</u>	<u>31 Dec. 2013</u>	<u>31 Dec. 2012</u>	<u>1 Jan. 2012</u>
	in EUR thou.							
Due within one year	23,196	9,462	9,019	40,850	22,893	9,307	8,914	40,128
Unrealized finance portions	303	155	105	722				

The interest rate implicit in the leases is fixed at inception of the lease for the entire term. The agreements provide for full amortization. The Sixt Leasing Group's obligations under finance leases are secured by way of the financing partner's right of retention in respect of the leased assets. The minimum lease payments are covered by corresponding payments from customers under subleases.

(3.24) Trade payables result mainly from the purchase of vehicles for the lease fleet, and other purchases in the course of operating activities.

(3.25) Current other liabilities falling due within one year are broken down as follows:

<u>Current other liabilities</u>	<u>31 Dec. 2014</u>	<u>31 Dec. 2013</u>	<u>31 Dec. 2012</u>	<u>1 Jan. 2012</u>
	in EUR thou.			
Payroll liabilities	111	27	186	112
Miscellaneous liabilities	9,544	7,056	4,688	8,707
Deferred income	28,042	20,820	14,587	8,458
Group total	37,698	27,902	19,462	17,277

Miscellaneous liabilities include among others customer-security deposits in the amount of EUR 6,128 thousand as of December 31, 2014 (2013: EUR 4,036 thousand; 2012: EUR 1,326 thousand and January 1, 2012 EUR 1,534 thousand).

Deferred income relates mostly to the deferral of income from advance payments by lessees, which are reversed using the straight-line method over the agreed term of the lease.

3.3 Additional disclosures on financial instruments

The following table shows the carrying amounts and fair values of the individual financial assets and liabilities for each single category of financial instrument. The fair value of financial assets and liabilities that are not regularly measured at fair value, but for which the fair value is to be specified, are assigned in the following table to the measurement levels of the fair value hierarchy.

Carrying amounts and fair values by IAS 39 measurement category:

	IAS 39 measurement method	Measurement basis for fair value	Carrying amount				Fair value			
			31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan 2012	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	1 Jan. 2012
			in EUR thou.							
Non-current assets										
Non-current finance lease receivables	IAS 17		1,629	2,751	4,036	3,890	1,669	2,823	4,154	3,835
Total			1,629	2,751	4,036	3,890	1,669	2,823	4,154	3,835
Non-current liabilities										
Liabilities to banks	FLAC	Level 2	60,000	–	–	20,000	60,574	–	–	20,266
Non-current finance lease liabilities	IAS 17		21,783	33,401	23,070	4,084	22,408	33,967	23,673	4,199
Non-current other financial liabilities ⁽¹⁾	FLAC	Level 2	124	51,050	50,941	50,912	124	53,989	55,068	52,508
Liabilities to related parties	FLAC	Level 2	20,000	20,000	–	–	20,468	20,486	–	–
Total			101,908	104,451	74,011	74,996	103,575	108,442	78,741	76,973
Of which aggregated by IAS 39 measurement category										
Financial Liabilities Measured at Amortized Costs	FLAC		80,124	71,050	50,941	70,912	81,167	74,475	55,068	72,774

(1) Non-current other financial liabilities include borrower's note loans, liabilities from customer deposits and miscellaneous liabilities.

The financial instruments in above table are classified into three levels depending on their measurement basis. Level 1 measurements are based on prices quoted in active markets. Level 2 measurements are based on parameters other than quoted prices that are observable either directly as prices or are indirectly derived from prices. Level 3 measurements are based on models that use parameters that are not based on observable market data, but rather on assumptions.

Due to factors that change in the course of time, the reported fair values can only be regarded as indicative of the values actually realizable on the market. The fair values of the financial instruments were calculated on the basis of market data available at the balance sheet date and the methods and assumptions described below.

For all current financial instruments, it was assumed that the carrying amount is a reasonable approximation of fair value.

The fair values of the non-current finance lease receivables and the finance lease liabilities, the liabilities to banks reported as non-current liabilities, and other non-current liabilities as well as non-current liabilities to related parties were calculated as the present values of the expected future cash flows. Standard market interest rates of between 0.9% p.a. and 1.2% p.a. (2013: 1.4% p.a. and 2.1% p.a., 2012: between 1.1% p.a. and 2.4% p.a.) based on the respective maturities were used for discounting.

Net gains on the LaR measurement category (measured at amortized cost) amounted to EUR 918 thousand in the fiscal year (2013: EUR 114 thousand, 2012: EUR 286 thousand) and relate to income from payments on previously derecognized receivables. For all periods presented, there were no net gains or losses on financial liabilities measured at amortized cost (FLAC measurement category) that were not measured at fair value through profit or loss.

Total interest income from financial assets not measured at fair value through profit or loss amounted to EUR 1,900 thousand in financial year 2014 (2013: EUR 1,367 thousand, 2012: EUR 1,144 thousand). This includes interest income from finance leases in the amount of EUR 344 thousand (2013: EUR 428 thousand, 2012: EUR 543 thousand). Total interest expense on financial liabilities not measured at fair value through profit or loss amounted to EUR 25,028 thousand in financial year 2014 (2013: EUR 23,693 thousand, 2012: EUR 24,061 thousand).

Financial risk management

Besides general market risks and operational risks there are different financial risks arising from the operating activities of the Sixt Leasing Group. In particular these are interest rate risks, counterparty default risks, residual value risks and liquidity risks. The risk management system of Sixt Leasing Group is designed to identify possible risks and to mitigate their potentially negative impact on the financial development of the Group.

Due to an outsourcing agreement between Sixt Leasing AG and Sixt SE respectively Sixt SE subsidiaries, besides other functions, treasury, risk management, credit worthiness checks and responsibility for the prevention of money laundering are outsourced to Sixt SE respectively its subsidiaries.

Sixt SE has installed an internal control and risk management system designed to identify at an early stage all developments that can lead to significant losses or endanger the existence of the different Sixt SE Group Companies or of the Group. Efficient tools ensure that risks are decentrally and centrally identified, evaluated and managed swiftly. The internal audit monitors the efficiency of the risk management system. Sixt SE's risk management system covers all activities for the systematic handling of potential risks in the different Sixt SE Group Companies, starting with risk identification and documentation, analysis and assessment through to the management and monitoring of material risks. It is defined by a formal process that firmly

integrates all relevant Sixt SE Group divisions and segments. The risk management system installed with Sixt SE Group thereby registers the relevant individual risks.

Moreover, risk management is handled in accordance with the principle of segregation of duties and monitoring. Financial risks are thereby identified, evaluated and secured in collaboration with the operating units. Management has prepared written risk management rules and has defined guidelines for certain areas such as interest rate risks, counterparty default risks, residual value risks and liquidity risks.

Interest rate risk

Interest rate risk arises from the Group's operating activities in that changes in prevailing interest rates impact the profitability of the Group's leasing business, as lease installments are set for the term of the lease at the beginning of the lease agreement. In its dealings with corporate customers, the Group generally tries to counter such interest rate risk by including interest escalation clauses in the relevant framework agreement that apply to all new contracts concluded under such framework agreements. In addition, this interest rate risk is partly mitigated by refinancing assets with matching maturities.

The Group is also exposed to risk arising from variable interest rate liabilities. The Group is exposed to the interest rate risk resulting from lease contracts being based on fixed interest rates and external financing being based on floating interest rates. Differences between fixed interest rates under lease contracts and floating interest rates paid for borrowed funds create a risk of wider spreads between financial revenues and financial costs which, if negative, may lead to losses on the Group's leasing contracts. Increased costs of borrowings have a material impact on the Group's cost base, which the Group may not be able to pass on to the Group's customers. While the Group may from time to time enter into some derivative contracts to hedge some of its interest rate exposure, there can be no guarantee that such hedge will be effective or that losses will be completely avoided.

The Group's interest rate risk management is also embedded in the higher-level asset-liability management of the Sixt SE group. The Sixt SE group continues to have a broad financing structure. However, as financing banks may be required to accept an increased risk premium when refinancing their own activities, it is possible that these higher premiums will be passed on to borrowers. In addition, the increasingly stringent capital requirements applicable to financial institutions could also increase the Sixt SE Group's (and so the Sixt Leasing Group's) financing costs.

This is of particular importance, recognizing, that the Sixt Leasing Group itself is exposed to liabilities with variable interested payments. A reasonably possible change in interest rates at the reporting date would result in increased (decreased) equity and profit or loss by the amounts shown below. This analysis assumes that all other variables remain constant and does not include any tax effects.

	Profit or loss Yield curve		Equity Yield curve	
	100 bp increase	100 bp decrease	100 bp increase	100 bp decrease
Liabilities to banks	Effect in EUR thou.			
31 December 2014				
Cash flow sensitivity	-1,623	+1,623	-1,623	+1,623
31 December 2013				
Cash flow sensitivity	-1,435	+1,435	-1,435	+1,435
31 December 2012				
Cash flow sensitivity	-7	+7	-7	+7

<u>Liabilities to related parties</u>	<u>Profit or loss</u> <u>Yield curve</u>		<u>Equity</u> <u>Yield curve</u>	
	<u>10 bp</u> <u>increase</u>	<u>10 bp</u> <u>decrease</u>	<u>10 bp</u> <u>increase</u>	<u>10 bp</u> <u>decrease</u>
	Effect in EUR thou.			
31 December 2014				
Cash flow sensitivity	– 660	+660	– 660	+660
31 December 2013				
Cash flow sensitivity	– 530	+530	– 530	+530
31 December 2012				
Cash flow sensitivity	– 594	+594	– 594	+594

Residual value risk

A market price risk exposure arises from returns of vehicles by customers, when Sixt Leasing Group is acting as lessor. To guard against the risks of reselling returned vehicles, the Sixt Leasing Group covers the residual values, which are calculated according to market conditions, through buy-back agreements mainly with dealers but also manufactures. This applies to the majority of vehicles in the business with corporate customers, where the residual values are covered by such agreements. In the event that used leasing vehicles are to be sold in the open market Sixt Leasing Group is dependent on the developments on the used car market, particularly in Germany. On a regular basis these market price risks are closely monitored and analyzed.

Nonetheless, the risk that contractual partners may not be able to meet their repurchase commitments cannot be excluded. When selecting vehicle dealers, Sixt Leasing Group therefore pays great attention to their economic stability. Sixt Leasing Group conducts regular and strict creditworthiness reviews of vehicle suppliers.

Counterparty default risk

Counterparty default risk is the risk that lessees fail to meet their payment obligations during the term of the contract or only pay parts thereof, resulting in payment defaults. This counterparty default risk in the customer business generally increases with a worsening economic climate, as it can trigger more payment defaults of leasing customers. Sixt Leasing Group's maximum exposure to counterparty default risk is initially represented by the carrying amounts of the financial assets.

Sixt Leasing Group assesses the creditworthiness of each new customer by means of internal guidelines. Furthermore, with corporate customers their creditworthiness is regularly monitored during the lease period. This precautionary measure helps to avoid and/or mitigate future risks arising from the customer relationship. The risk metering and control systems as well as the organization of the credit risk management of Sixt Leasing AG comply with the minimum requirements for risk management (MaRisk) as defined by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin – Federal Financial Supervisory Authority).

Analysis of trade receivables

The Segments' trade receivables are classified in the following table.

<u>Trade receivables</u>	<u>Leasing</u>	<u>Fleet Management</u> in EUR thou.	<u>Group</u>
Receivables not impaired			
Not past due	30,109	9,442	39,551
Less than 30 days	9,364	3,651	13,015
30 - 90 days	—	—	—
91 - 360 days	—	—	—
More than 360 days	—	—	—
Total receivables	39,472	13,094	52,566
Impaired receivables			
Gross receivables	5,610	3,047	8,657
Allowances	— 3,012	— 407	— 3,418
Net receivables	2,599	2,640	5,239
Group total at 31 Dec. 2014	42,071	15,734	57,805

<u>Trade receivables</u>	<u>Leasing</u>	<u>Fleet Management</u> in EUR thou.	<u>Group</u>
Receivables not impaired			
Not past due	28,486	7,420	35,906
Less than 30 days	16,749	1,064	17,812
30 - 90 days	5,042	—	5,042
91 - 360 days	—	—	—
More than 360 days	—	—	—
Total receivables	50,277	8,484	58,760
Impaired receivables			
Gross receivables	6,061	316	6,377
Allowances	— 3,992	— 275	— 4,268
Net receivables	2,068	41	2,109
Group total at 31 Dec. 2013	52,345	8,524	60,869

<u>Trade receivables</u>	<u>Leasing</u>	<u>Fleet Management</u> in EUR thou.	<u>Group</u>
Receivables not impaired			
Not past due	20,869	2,067	22,936
Less than 30 days	4,306	—	4,306
30 - 90 days	—	—	—
91 - 360 days	—	—	—
More than 360 days	—	—	—
Total receivables	25,174	2,067	27,242
Impaired receivables			
Gross receivables	25,134	8,304	33,437
Allowances	— 4,330	— 577	— 4,907
Net receivables	20,804	7,727	28,531
Group total at 31 Dec. 2012	45,978	9,794	55,773

As at the reporting date, there were no indications of potential default in the case of the trade receivables and the other receivables reported as other receivables and assets that are neither past due nor individually impaired.

Trade receivables predominantly comprise receivables from leasing end-customers and receivables from suppliers relating to the sale of used vehicles as part of their buy-back commitments, or commercial and private buyers as part of their sale on the open market.

The proceeds from payments received on previously derecognized receivables in these categories amounted to EUR 918 thousand in financial year 2014 (2013: EUR 114 thousand, 2012: EUR 286 thousand).

As of January 1, 2012 trade receivables amount to EUR 49,804 thousand. The following table shows the development of trade receivable and allowances as of December 31, 2014, 2013 and 2012:

Development of trade receivables and allowances	31 Dec. 2014	Changes	31 Dec. 2013	Changes	31 Dec. 2012
	in EUR thou.				
Gross trade receivables	61,223	– 3,914	65,137	4,458	60,679
Allowances	– 3,418	850	– 4,268	639	– 4,907
Trade receivables	57,805	– 3,064	60,869	5,097	55,773

Analysis of receivables from insurances in the other assets

In the leasing business unit the gross receivables amounted to EUR 3,480 thousand as of December 31, 2014 (2013: EUR 3,707 thousand, 2012: EUR 3,111 thousand and January 1, 2012: EUR 3,383 thousand), the allowances to EUR 1,697 thousand as of December 31, 2014 (2013: EUR 1,588 thousand, 2012: EUR 1,548 thousand and January 1, 2012: EUR 1,590 thousand), so that the resulting net receivables came to EUR 1,784 thousand as of December 31, 2014 (2013: EUR 2,119 thousand, 2012: EUR 1,563 thousand and January 1, 2012: EUR 1,793 thousand). The maximum default amount is the reported carrying amount of the net receivable.

In financial year 2014 the expenses from write-downs of both trade receivables and other assets amounted to EUR 1,673 thousand (2013: EUR 916 thousand, 2012: EUR 1,750 thousand).

Liquidity risk

Liquidity risk is the risk that existing liquidity reserves are not sufficient to meet the Group's financial obligations as they fall due. The Group's approach to managing liquidity is to ensure that the Group always has sufficient liquidity to meet its obligations when due, under both normal and stressed conditions. The Sixt Leasing Group manages its liquidity in close coordination with Sixt SE, although the Group intends to progressively increase its external funding following the offering. Liquidity risk is managed via financial planning performed in accordance with internal guidelines. The Sixt SE Group has sufficient opportunities for refinancing in the capital markets and by credit lines not yet used.

Analysis of the repayment amounts of financial liabilities and finance lease liabilities

The following table includes the repayment amounts (including expected future interest payable) at their respective maturities.

<u>Repayment amounts by maturity</u>	<u>Borrower's note loans</u>	<u>Liabilities to banks</u>	<u>Finance lease liabilities</u>	<u>Liabilities to related parties</u>	<u>Total</u>
			in EUR thou.		
2015	53,096	102,898	23,196	660,216	839,405
2016	—	656	14,843	444	15,943
2017	—	60,353	7,250	20,444	88,047
2018	—	—	610	—	610
2019	—	—	—	—	—
2020	—	—	—	—	—
2021 and later	—	—	—	—	—
31 Dec. 2014	53,096	163,906	45,900	681,104	944,006

<u>Repayment amounts by maturity</u>	<u>Borrower's note loans</u>	<u>Liabilities to banks</u>	<u>Finance lease liabilities</u>	<u>Liabilities to related parties</u>	<u>Total</u>
			in EUR thou.		
2014	2,096	143,471	10,321	530,438	686,326
2015	53,096	—	20,307	444	73,847
2016	—	—	12,196	444	12,640
2017	—	—	1,086	20,444	21,530
2018	—	—	623	—	623
2019	—	—	—	—	—
2020 and later	—	—	—	—	—
31 Dec. 2013	55,191	143,471	44,533	551,770	794,965

<u>Repayment amounts by maturity</u>	<u>Borrower's note loans</u>	<u>Liabilities to banks</u>	<u>Finance lease liabilities</u>	<u>Liabilities to related parties</u>	<u>Total</u>
			in EUR thou.		
2013	2,096	21,409	9,019	594,427	626,951
2014	2,096	—	6,782	—	8,878
2015	53,096	—	15,073	—	68,169
2016	—	—	1,085	—	1,085
2017	—	—	1,091	—	1,091
2018	—	—	644	—	644
2019 and later	—	—	—	—	—
31 Dec. 2012	57,287	21,409	33,695	594,427	706,818

<u>Repayment amounts by maturity</u>	<u>Borrower's note loans</u>	<u>Liabilities to banks</u>	<u>Finance lease liabilities</u>	<u>Liabilities to related parties</u>	<u>Total</u>
			in EUR thou.		
2012	2,096	136,049	40,850	333,962	512,956
2013	2,096	20,660	4,315	—	27,070
2014	2,096	—	—	—	2,096
2015	53,096	—	—	—	53,096
2016	—	—	—	—	—
2017	—	—	—	—	—
2018 and later	—	—	—	—	—
1 Jan. 2012	59,382	156,709	45,165	333,962	595,218

Other current financial liabilities are due within one year.

The financial liabilities and finance lease liabilities maturing in 2015 will largely be repaid by the usage of bank credit lines and/or finance lease activities.

Exchange rate and country risk

Sixt Leasing Group has determined the Euro as its presentation currency. Besides Sixt Leasing (Schweiz) AG, whose functional currency is Swiss Franc, all financial statements of Sixt Leasing Group's subsidiaries are prepared in Euro and therefore, the combined financial statements of Sixt Leasing Group are not significantly exposed to foreign exchange translation risks. Besides translation risks, also foreign exchange transaction risk is not significant to the Sixt Leasing Group as most transactions entered into by the Sixt Leasing Group are denominated in euro.

Capital management

Sixt Leasing Group aims to ensure sustainability of the business and maximize the value to shareholders. Sixt Leasing Group monitors its cost of capital with a goal of optimizing its capital structure. Sixt Leasing Group closely monitors the EBT.

Key elements of the Group's financial profile are the integration in the group-wide financing of Sixt SE and the financial instruments disclosed in non-current and current financial liabilities.

4. Other disclosures

4.1 Segment reporting

Information related to each reportable segment is set out below. Segment profit before tax (EBT) is used to measure performance because management believes that this information is the most relevant in evaluating the results of the respective segments relative to other entities that operate in the same industries.

By Business Unit	Leasing				Fleet Management				Reconciliation				Group			
	2014	2013	2012	1 Jan. 2012	2014	2013	2012	1 Jan. 2012	2014	2013	2012	1 Jan. 2012	2014	2013	2012	1 Jan. 2012
	in EUR million															
External revenue	518.4	520.8	542.0		56.6	25.3	14.5		–	–	–		575.0	546.1	556.5	
Internal revenue	0.0	0.0	0.0		0.0	0.0	0.0		–0.0	–0.0	–0.0		–	–	–	
Total revenue	518.4	520.8	542.0		56.6	25.3	14.5		–0.0	–0.0	–0.0		575.0	546.1	556.5	
Depreciation and amortization	158.3	152.3	140.4		0.0	–	–		–	–	–		158.3	152.3	140.4	
Interest income	2.1	1.6	1.3		0.1	0.2	0.1		–0.3	–0.4	–0.3		1.9	1.4	1.1	
Interest expenses	–24.9	–23.7	–24.0		–0.5	–0.4	–0.3		0.3	0.4	0.3		–25.0	–23.7	–24.1	
EBT ⁽¹⁾	23.5	20.5	17.2		2.2	0.3	–0.9		–	–	–		25.6	20.7	16.3	
Investments	421.0	337.6	371.1		0.0	–	–		–	–	–		421.0	337.6	371.1	
Segment assets	1,052.5	914.6	838.4	760.8	29.0	20.0	11.8	7.0	–0.7	–13.2	–8.3	–4.5	1,080.8	921.4	842.0	763.4
Segment liabilities	1,029.4	889.6	795.9	696.0	28.0	21.1	13.2	7.6	–0.7	–13.2	–8.3	–4.5	1,056.7	897.5	800.8	699.2
Employees ⁽²⁾	248	210	225		27	17	8						275	227	233	

(1) Corresponds to earnings before taxes (EBT).

(2) Annual average.

The geographic information below analyses the Group's revenue and non-current assets by Group Company's country of domicile. In presenting the following information, segment revenue and segment assets were based on the geographic location of the group companies.

By region	Germany				International ⁽¹⁾				Reconciliation				Group			
	2014	2013	2012	1 Jan. 2012	2014	2013	2012	1 Jan. 2012	2014	2013	2012	1 Jan. 2012	2014	2013	2012	1 Jan. 2012
	in EUR million															
Total revenue	497.4	458.0	480.6		77.8	88.6	75.9		-0.2	-0.6	-0.1		575.0	546.1	556.5	
Investments	378.9	276.7	306.5		42.1	61.0	64.6		-0.0	-0.1	-		421.0	337.6	371.1	
Segment assets	1,006.0	837.5	791.7	691.2	134.0	142.5	133.7	107.2	-59.1	-58.6	-83.5	-35.0	1,080.8	921.4	842.0	763.4

(1) International includes subsidiaries in France, Austria, Switzerland and the Netherlands.

Segment reporting is based on the accounting policies applied in the Combined Financial Statements for the financial years ending December 31, 2014, 2013 and 2012 and as of January 1, 2012. Receivables, liabilities, income and expenses between the segments are eliminated in the reconciliation to the Group figures.

Tax assets and liabilities have not been allocated to segment assets and liabilities, therefore the total segment assets and liabilities cannot be reconciled to the statement of financial position.

4.2 Contingent liabilities and other financial obligations

Contingent liabilities

As of December 31, 2014, 2013 and 2012 and January 1, 2012 there were no contingencies from guarantees or similar obligations.

Other financial obligations

In addition to provisions and liabilities, the Group has other financial obligations that result mainly from obligations under rental agreements on buildings, which are accounted for as operating leases.

<u>Other financial obligations</u>	<u>31 Dec.</u> <u>2014</u>	<u>31 Dec.</u> <u>2013</u>	<u>31 Dec.</u> <u>2012</u>	<u>1 Jan.</u> <u>2012</u>
		in EUR million		
Due within one year	0.7	0.8	0.8	1.2
Due in one to five years	2.3	2.4	2.6	2.6
Due in more than five years	0.0	0.3	0.9	1.4
Group total	3.0	3.5	4.2	5.1

Purchase commitments resulting from concluded agreements at the respective balance sheet date concerning vehicle deliveries for the lease fleet in the subsequent year amount to EUR 128.0 million as of December 31, 2014 (2013: EUR 125.4 million, 2012: EUR 115.8 million and as of January 1, 2012: EUR 121.6 million).

4.3 Share-based payment

In the years under review the Group has implemented two employee equity participation programs (Matching Stock Program – MSP). The first program was started already in 2007 (MSP 2007), while the second program was initiated as a follow-up program in 2012 with slightly amended conditions (MSP 2012). From the perspective of Sixt Leasing Group these programs classify as cash-settled share-based payment programs in the combined financial statements.

On each 1st of December every year from 2007 to 2011 one tranche of options had been allocated (a total of five tranches) under the MSP 2007. As of 2012 no further options were granted under the MSP 2007 as it had reached the specified end of its term. Under the follow-up program, the MSP 2012, also on each 1st of December every year from 2012 (first time) to 2016 (last time) one tranche of options will be allocated (a total of five tranches). In addition to the MSP shares granted in 2012, (“2012 allocation”), in fiscal years 2013 and 2014 MSP shares were granted or a legally binding right to future options to other employees (new hires). The personnel expenses for the programs were measured at each measurement date by means of a Monte Carlo simulation model based on the random walk of the price performance of Sixt preference shares with a log-normal distribution of the relative price changes. Assuming that the price of the option granted can be calculated as the discounted future expected value (with regard to the risk-neutral probability), the price development of the underlying (Sixt preference share) is simulated a large number of times and the expected value is determined by calculating the arithmetic mean of the results of the individual simulations.

In 2014, the Group recognized personnel expenses of EUR 101 thousand (2013: EUR 150 thousand, 2012: EUR 112 thousand) in connection with share-based payments and presented this amount under the personnel provisions (December 31, 2014: EUR 257 thousand; December 31, 2013: EUR 221 thousand; December 31, 2012: EUR 254 thousand; January 1, 2012: EUR 201 thousand).

4.4 Related party disclosures

The parent company of Sixt Leasing AG is Sixt SE, which is thereby the ultimate parent company of the Sixt Leasing Group at the reporting dates.

In principle, related party transactions include transactions between Sixt Leasing Group and Sixt SE and its direct and indirect subsidiaries (excluding Sixt Leasing Group), Sixt SE Group's associated companies and joint ventures.

Key management of Sixt Leasing Group is defined as those people having authority and responsibility for planning, directing and controlling the activities of Sixt Leasing Group within their function and within the interest of Sixt SE. Therefore, members of the managing boards of Sixt Leasing AG and Sixt SE, as well as their close family members are considered related parties of the Sixt Leasing Group.

Related party transactions

The following overview shows intra-group transactions between Sixt Leasing Group and Sixt SE Group, Sixt SE Group's associated companies and joint ventures:

Related Parties	Services rendered			Services used			Receivables from related companies			Liabilities to related companies		
	2014	2013	2012	2014	2013	2012	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012	31 Dec. 2014	31 Dec. 2013	31 Dec. 2012
	in EUR million											
Sixt GmbH & Co. Autovermietung KG	12.5	11.1	10.6	9.5	8.8	8.6	52.5	25.7	16.4	1.1	0.8	0.5
e-Sixt GmbH & Co. KG	0.1	0.1	0.1	–	0.5	0.8	–	–	–	–	–	–
Sixt Allgemeine Leasing GmbH & Co. KGaA	0.0	0.0	0.0	–	–	0.0	–	0.1	–	–	–	0.2
Sixt SE	0.2	0.2	0.1	20.4	19.6	21.1	–	2.7	1.1	676.5	531.2	567.0
SXT Reservierungs - und Vertriebs - GmbH	0.4	0.4	0.4	1.8	2.7	2.6	–	0.0	0.1	0.0	0.4	0.3
Sixt B.V., Hoofddorp	0.0	0.0	0.1	0.3	0.4	0.3	0.1	0.0	0.2	0.0	9.2	6.2
Sixt College GmbH	0.1	0.0	–	0.2	0.1	–	0.1	0.1	–	0.0	0.0	–
autohaus24 GmbH	0.0	0.0	0.0	0.2	0.1	0.2	–	0.0	0.0	0.1	0.0	0.1
Sixt Autoland GmbH	0.0	0.0	–	0.2	0.1	–	0.0	0.0	0.0	0.0	0.1	–
Sixt SAS, Avrigny	–	–	0.0	0.2	0.2	0.7	–	–	–	1.2	0.1	16.9
Sixt AG, Basel	–	–	–	0.0	–	–	–	–	–	–	4.1	–
Sixt rent-a-car AG, Basel	–	–	–	0.2	0.6	0.5	–	–	–	0.1	4.1	3.2
Sixt G.m.b.H., Vösendorf	–	–	–	0.2	0.2	0.3	–	–	–	0.1	0.0	0.1
DriveNow GmbH & Co. KG	2.3	2.0	1.6	–	–	–	–	0.3	0.1	–	–	–
Sixt Reparatur & Service GmbH	0.0	–	–	0.3	–	–	0.0	0.0	–	0.0	0.0	–
SXT Dienstleistungen GmbH & Co. KG	0.1	–	–	2.9	–	–	0.0	–	–	0.7	–	–
Group total	15.8	13.9	13.0	36.3	33.3	35.1	52.7	28.9	18.0	679.8	550.1	594.4

Except for Sixt SE which is Sixt Leasing AG's parent company and DriveNow GmbH & Co. KG as well as autohaus24 GmbH which are direct respectively indirect 50% joint ventures of Sixt SE, all other companies are subsidiaries of Sixt SE and sister companies to Sixt Leasing AG.

Sixt Leasing Group has entered into various outsourcing agreements with related parties. Those primarily comprise agreements with Sixt GmbH & Co. Autovermietung KG, Pullach, SXT Reservierungs- und Vertriebs- GmbH, Rostock and SXT Dienstleistungen GmbH & Co. KG, Rostock.

Sixt GmbH & Co. Autovermietung KG and its subsidiaries provide Sixt Leasing Group with rental vehicles in terms of replacement vehicles. Additionally Sixt Leasing Group receives management consultancy from Sixt SE and operative and administrative support services, such as treasury, internal revision, compliance, accounts payable and receivables posting from Sixt GmbH & Co. Autovermietung KG and rents business premises from the company. Moreover Sixt Leasing AG has outsourced its IT Administration including Software, Hardware and IT support services as well as international franchise, product management and personnel and organizational to Sixt GmbH & Co. Autovermietung KG.

Due to the service agreement with SXT Reservierungs- und Vertriebs-GmbH and SXT Dienstleistungen GmbH & Co. KG, Sixt Leasing Group has outsourced parts of its call center activities.

Sixt Leasing Group provides Sixt GmbH & Co. Autovermietung KG and other Sixt SE Group companies with lease vehicles, petrol cards and insurance services for its employees and petrol cards for its station network.

As of August 13, 2013 Sixt SE has granted a variable-interest loan amounting to EUR 20.0 million to Sixt Leasing AG with a termination at June 28, 2017. Additionally Sixt SE has granted as of October 01, 2014 a loan amounting to EUR 306.6 million to Sixt Leasing AG with a termination at September 30, 2015. The loan with an outstanding amount of EUR 306.6 million as of December 31, 2014 is secured by lease assets amounting to EUR 306.6 million.

The Group's liabilities to related parties relate primarily to the funding from the Sixt SE group, much of which is provided on a short-term basis pursuant to the above described loan and a cash pooling arrangement, and so can be called for repayment within the next twelve months. Such funding has historically been rolled over and refinanced at maturity.

In cases of providing a bank guarantee for the benefit of Sixt Leasing AG, Sixt SE receives a guarantee commission from Sixt Leasing AG. The commission fee is calculated based on the amount and depending on the term guaranteed by Sixt SE.

Moreover Sixt Leasing Group is embedded in the higher level asset-liability management of Sixt SE. The resulting liabilities to related parties are subject to variable interest rates, reflecting the intra-group interest rates.

All outstanding balances with related parties concerning intra-group transactions, which are separately disclosed in the combined financial statements as receivables and liabilities from related parties, are priced based on contractual agreements. Besides the loan granted from Sixt SE amounting to EUR 306.6 million as of December 31, 2014, none of the balances are secured. No expense has been recognized in the current or the prior years for bad or doubtful debts in respect of amounts owed by related parties.

Transactions with related individuals

The key management, which comprises the members of the Managing Board of Sixt Leasing AG and the members of the Supervisory Board of Sixt Leasing AG, who form at the same time the Managing Board of Sixt SE:

Key Management of Sixt Leasing AG

Sixt Leasing AG		
Managing Board	Membership of supervisory boards and other comparable supervisory bodies of business enterprises	
Thorsten Haeser	Member of the Supervisory Board of Wiest AG, Neusäß	until September 2012
Mark Thielenhaus	–	until December 2012
Dr. Rudolf Rizzolli Starnberg	President of the Administrative Board of Sixt Leasing (Schweiz) AG, Basel; Delegate of the Board of Directors of SRP Group AG, Schaffhausen; Member of the Administrative Board of Numnum AG, Hemishofen	for the years 2012, 2013 and 2014
Supervisory Board	Membership of supervisory boards and other comparable supervisory bodies of business enterprises	
Erich Sixt Chairman Grünwald	Chairman of the Supervisory Board of e-Sixt GmbH & Co. KG, Pullach	for the years 2012, 2013 and 2014
Dr. Julian zu Putlitz Deputy Chairman Pullach	Member of the Supervisory Board of e-Sixt GmbH & Co. KG, Pullach; President of the Administrative Board of Sixt AG, Basel	for the years 2012, 2013 and 2014
Detlev Pätsch Oberhaching	–	for the years 2012, 2013 and 2014

Total remuneration of key management of Sixt Leasing AG

<u>Key management personnel compensation</u>	<u>2014</u>	<u>2013</u>	<u>2012</u>
	<u>in EUR thou.</u>		
Short-term employee benefits	1,203	2,288	2,693
Share-based payments	65	68	57
Total compensation	1,268	2,356	2,750

The total remuneration of the key management includes the fair value at initial date of issue of the tranche of options granted in fiscal year 2014 to members of the key management under the Matching Stock Program 2012 in the amount of EUR 65 thousand (2013: EUR 68 thousand, 2012: EUR 57 thousand). At the end of the reporting year members of the key management were granted 750,000 options (2013: 719,520, 2012: 689,040) under the employee equity participation program (Matching Stock Program 2007 and 2012), and on the basis of their personal investments. In addition, there are entitlements to acquire a further total of 500,000 options in two tranches to be issued in future in accordance with the terms and conditions of the MSP 2012 (2013: 750,000, 2012: 1,000,000).

The Sixt Leasing Group rents a property belonging to the Sixt family for its operations. In the financial years 2014, as in the years 2013 and 2012, the rental expenses amounted to less than EUR 0.1 million.

Besides Erich Sixt, Chairman of the Supervisory Board of Sixt Leasing AG, other members of Sixt family received no remuneration from Sixt Leasing Group.

There were no other material transactions, such as rendering of services or granting loans between the entities of Sixt Leasing Group and key management as well as their close family members in the financial years.

4.5 Events after the reporting period

There were no events after the balance sheet date that had any material impact on the net assets, financial position and results of operations.

Pullach, 27 March 2015

The Management Board of Sixt Leasing AG

Dr. Rudolf Rizzolli

Independent Auditors' Report

To the Management Board of Sixt Leasing AG

We have audited the accompanying combined financial statements prepared by Sixt Leasing AG, Pullach, – comprising the combined income statement, the combined statement of comprehensive income, the combined statement of financial position, the combined statement of cash flows, the combined statement of changes in equity and the notes to the combined financial statements – for the business years from January 1 to December 31, 2014, January 1 to December 31, 2013 and January 1 to December 31, 2012. The preparation of the combined financial statements of the Sixt Leasing Group in accordance with IFRS, as adopted by the European Union (EU), are the responsibility of Sixt Leasing AG's management. Our responsibility is to express an opinion on the combined financial statements based on our audit.

We conducted our audit of the combined financial statements in accordance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer. 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 combined financial statements in accordance with the applicable financial reporting framework are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the group 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 combined financial statements are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in the combined financial statements, the determination of entities to be included in the combined financial statements as disclosed in the notes to the combined financial statements, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the combined financial statements. 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 combined financial statements of the Sixt Leasing Group, comply with IFRS, as adopted by the EU, and in accordance with these requirements give a true and fair view of the net assets, financial position and results of operations of the group of companies included in the combined financial statements.

Munich, March 27, 2015

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

(Löffler)
Wirtschaftsprüfer
(German Public Auditor)

(Stadter)
Wirtschaftsprüfer
(German Public Auditor)

Sixt Leasing AG

Audited Unconsolidated Financial Statements
as of and for the fiscal year ended
December 31, 2014
(prepared in accordance with HGB)

Sixt Leasing AG, Pullach

Balance Sheet as of December 31, 2014

Assets

	December 31, 2014		Previous year
	EUR	EUR	EUR
1. Cash reserve			
Cash		12	12
2. Receivables from banks			
a) Overnight deposits	5,152,076		3,656,155
b) Other receivables	<u>1,180</u>		<u>17,174</u>
		5,153,256	3,673,329
3. Receivables from customers		26,945,677	32,801,753
of which:			
From financial services institutions EUR 1,184.91 (previous year: EUR 1 thousand)			
4. Shareholdings in investees		0	23,650
5. Shareholdings in affiliated companies		150,396	157,244
6. Lease assets		782,329,139	649,400,982
7. Intangible assets			
a) Internally developed trademarks and patents, etc.	505,485		0
b) Purchased licenses, trademarks and patents, etc., as well as licenses to such rights and assets	<u>268,042</u>		<u>132,218</u>
		773,527	132,218
8. Equipment		268,867	254,079
9. Other assets		202,972,894	136,492,556
10. Prepaid expenses		3,388,379	3,246,037
		<u>1,021,982,147</u>	<u>826,181,860</u>

Sixt Leasing AG, Pullach

Balance Sheet as of December 31, 2014

Equity and Liabilities

	December 31, 2014		Previous year
	EUR	EUR	EUR
1. Liabilities to banks			
a) Demand liabilities	440		20,435
b) Liabilities with an agreed maturity or notice period	204,375,315		148,507,653
		204,375,755	148,528,088
2. Liabilities to customers			
Other liabilities			
a) Demand liabilities	1,500,002		1,432,694
b) Liabilities with an agreed maturity or notice period	3,734,497		3,551,555
		5,234,499	4,984,249
3. Other liabilities		746,678,839	615,345,866
4. Deferred income		25,613,761	19,138,619
5. Provisions			
Other provisions		21,626,173	20,261,119
6. Equity			
a) Subscribed capital	15,025,000		15,000,000
b) Capital reserves	2,922,635		2,897,635
c) Retained earnings			
Other retained earnings	505,485		26,284
		18,453,120	17,923,919
		1,021,982,147	826,181,860

Sixt Leasing AG, Pullach

Income Statement

for the period from January 1, 2014 to December 31, 2014

	EUR	EUR	2014 EUR	Previous year EUR
1. Leasing revenue		446,042,911		438,580,113
2. Leasing expenses		247,678,989		240,845,243
			198,363,922	197,734,870
3. Interest income from lending and money-market income		5,065,263		4,570,149
4. Interest expenses		24,435,410		23,028,150
			- 19,370,147	- 18,458,001
5. Commission revenue			565,173	531,400
6. Other operating income			3,951,713	4,513,941
7. General administrative expenses				
a) Personnel expenses				
aa) Wages and salaries	11,615,944			10,392,619
ab) Social security contributions and pension expenses	1,941,949			1,638,407
		13,557,894		12,031,026
b) Other administrative expenses		14,234,882		13,348,062
			27,792,775	25,379,088
8. Depreciation and valuation allowances .				
a) On lease assets		126,696,717		127,957,987
b) On intangible assets and equipment		135,782		112,120
			126,832,499	128,070,107
9. Other operating expenses			269,179	119,014
10. Depreciation and valuation allowances on receivables and certain securities as well as provisions relating to lending business			4,196,635	872,344
11. Income from appreciation of receivables and certain securities as well as from the reversal of provisions relating to the lending business			1,305,546	3,408,332
12. Result from ordinary activities			25,725,120	33,289,989
13. Taxes on income			0	- 18,834
14. Profits transferred pursuant to a profit pool, profit transfer or partial profit transfer agreement			- 25,245,919	- 33,308,823
15. Net income			479,201	0
16. Allocation to other retained earnings . .			- 479,201	0
17. Unappropriated profit			0	0

Sixt Leasing AG
Pullach

Notes for the 2014 fiscal year

1. Background

Since the entry into force on December 25, 2008 of the German Annual Tax Act 2009 and the associated amendments to the German Banking Act (*Kreditwesengesetz* – “KWG”), factoring (section 1 para. 1a sentence 2 no. 9 of the KWG) and finance leasing (section 1 para. 1a sentence 2 no. 10 of the KWG) have been financial services that require a license. Since that time, Sixt Leasing AG has been classified as a financial services institution (section 1 para. 1a of the KWG) and is therefore subject to ongoing (limited) supervision by the Federal Financial Supervisory Authority (*Bundesanstalt für Finanzdienstleistungen* – “BaFin”) and the German Central Bank (*Deutsche Bundesbank*).

2. General Information on Reporting and Valuation Policies

2.1 Outline

As a financial services institution, Sixt Leasing AG is required to prepare annual financial statements in accordance with the provisions for institutions set out in sections 340 et seq. of the German Commercial Code (*Handelsgesetzbuch* – “HGB”) in combination with the Regulation on Accounting Principles Relating to Banking Institutions and Financial Services Institutions (*Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute* – “RechKredV”). The company has therefore prepared annual financial statements as of December 31, 2014 pursuant to the provisions of the HGB applicable to corporations (*Kapitalgesellschaften*) and taking into account the provisions of sections 340 et seq. of the HGB in combination with the RechKredV applicable to financial services institutions.

With reference to section 265 para. 5 of the HGB in combination with section 340a para. 2 of the HGB and considering that Sixt Leasing AG exclusively operates a leasing business, the forms of the RechKredV have been adjusted such that leasing specific items are recognized separately in the balance sheet and the income statement.

Assets have not been offset against liabilities and expenses have not been offset against income.

The income statement was prepared using the total cost (nature of expense) method.

Where alternative presentation methods exist, certain related information has been disclosed in the notes to provide additional clarity.

2.2 Reporting and Valuation Policies

Valuations have been carried out assuming the company is a going concern pursuant to section 252 para. 1 no. 2 of the HGB.

Cash reserves and receivables from banks are recognized at their nominal value.

Receivables from customers and other assets are recognized at nominal value taking into account all identifiable risks.

Other assets include vehicles intended for sale that have been returned by the lessee at the end of the lease term and have not yet been sold. These assets are generally recognized at acquisition cost taking into account the lowest value principle (*Niederstwertprinzip*), with their value amounting to the lower of their book value at the time they are transferred to current assets and their fair market value.

Shareholdings in other investees and affiliated companies are recognized at their acquisition costs respectively at the lower fair market value.

Lease assets are recognized at acquisition cost, including incidental costs, less any purchase price reductions and taking into account any depreciation and write-downs.

Lease assets acquired in 2008/2009 are depreciated on a pro rata straight-line basis over their useful lives. Lease assets acquired since 2010 are depreciated to their contractual residual values on a straight-line basis over the respective lease terms.

Equipment is carried at acquisition cost or production cost, including incidental costs, less any purchase price reductions using the straight-line depreciation method. Assets with an acquisition cost of up to EUR 150.00 are fully depreciated in the year of their acquisition in accordance with the tax option provided in section 6 para. 2 of the German Income Tax Act (*Einkommensteuergesetz*).

Intangible assets include purchased and internally developed software, as well as any payments on account in respect of intangible assets. Use was made of the capitalization option provided in section 248 para. 2 of the HGB. Internally developed intangible assets are capitalized at production cost. Production costs exclusively include the total development costs of EUR 505 thousand. If the capitalization criteria have not been met, the expenses are recognized in the income statement in the year in which they are incurred. Intangible assets are amortized on a straight-line basis over a useful life of five years.

Taking into account other retained earnings, this results in an amount excluded from distribution in accordance with section 268 para. 8 of the HGB in the amount of EUR 479 thousand, which was allocated to the other retained earnings.

Liabilities are recognized at their settlement amounts.

Provisions are recognized at the amount required based on a reasonable business judgement.

Deferred income is allocated on a straight-line basis over the term of the corresponding agreement.

Leasing revenue is measured at the fair value of the consideration received or to be received and reflects the amount receivable for goods and services provided in the course of ordinary operating activities. Income from services is recognized as soon as the service is rendered. Discounts, bonuses and value added/sales tax are deducted from the income.

Interest income and **interest expenses** are recognized on an accrual basis taking into account the outstanding loan amount and the applicable rate of interest. Income and expenses arising from profit and loss transfer agreements are recognized at the end of the year.

Expenses and **income** are recognized on an accrual basis.

2.3 Currency Translation

Current foreign currency receivables and liabilities are translated at the exchange rate as of the reporting date. Non-current foreign currency receivables and liabilities are translated at the exchange rate as of the booking date or the higher or lower exchange rate as of the reporting date.

3. Explanations and Disclosures on Individual Items of the Unconsolidated Financial Statements

3.1 Balance Sheet

The changes in **non-current assets** and the **maturity breakdown** required by section 9 of the **RechKredV** are set out in the attached annexes to the notes.

Other assets include (among others):

	December 31, 2014	Previous year
	in EUR thousand	
Receivables from related parties	154,537	97,458
Receivables from investees	25	327

In addition, other assets include insurance claims in the amount of EUR 2,319 thousand (previous year: EUR 2,044 thousand), delivery claims for lease assets in the amount of EUR 11,041 thousand (previous year: EUR 12,239 thousand), deferred income for services falling due in the following year in the amount of EUR 5,989 thousand (previous year: EUR 5,322 thousand) and vehicles intended for sale in the amount of EUR 16,779 thousand (previous year: EUR 8,215 thousand).

The company issued a letter of subordination (*Rangrücktritt*) in the amount of EUR 1,500 thousand and a letter of comfort (*Patronatserklärung*) in the amount of EUR 10,000 thousand for receivables from related parties.

Liabilities to banks include both demand liabilities, as well as liabilities with an agreed maturity.

Liabilities to customers consist primarily of liabilities to customers with credit balances (*kreditorische Debitoren*) and customer deposits.

Other liabilities include (among others):

	December 31, 2014	Previous year
	in EUR thousand	
Liabilities to related parties	663,795	531,377
Liabilities to investees	59	422
Refinancing via sale-and-leaseback transactions	44,676	42,708

Liabilities to related parties and investees are primarily due on demand; the clearing accounts bear interest at standard market rates. The maturities of the refinancings via sale-and-leaseback transactions are also shown in the maturity breakdown pursuant to section 9 of the RechKredV in the enclosed annex.

Liabilities to related parties in the amount of EUR 663,795 thousand (previous year: EUR 531,131 thousand) are owed to the company's shareholder, Sixt SE. These liabilities result primarily from intragroup refinancings and profit transfers to Sixt SE.

Other provisions primarily include outstanding invoices, general provisions, personnel expenses and service accruals and deferrals (*Serviceabgrenzungen*).

Deferred Taxes

The company is a controlled company (*Organgesellschaft*) of Sixt SE. There are therefore no deferred taxes incurred at the controlled company (*Organgesellschaft*) level.

3.2 Income Statement

Leasing Revenue

Leasing revenue comprises:

	2014	Previous year
	in EUR thousand	
Current lease payments	163,113	149,040
Proceeds from the sale of used leasing vehicles	116,724	124,347
Other	166,206	165,193
	<u>446,043</u>	<u>438,580</u>

Revenues were generated almost exclusively domestically.

Leasing expenses in the amount of EUR 247,679 thousand (previous year: EUR 240,845 thousand) include not only current (service) expenses for the fleet and expenses in connection with the sale of used leasing vehicles, but also remitted lease payments.

Interest income includes EUR 5,053 thousand (previous year: EUR 4,555 thousand) interest income from related parties.

Interest expenses include refinancing interest to related parties in the amount of EUR 19,730 thousand (previous year: EUR 17,731 thousand).

Franchise fees are reported under **commission revenue**.

Other administrative expenses primarily include occupancy costs, agency fees and other overhead costs.

Depreciation and valuation allowances on lease assets amount to EUR 126,697 thousand (previous year: EUR 127,958 thousand). Included therein are reversals of write-downs in the amount of EUR 2,332 thousand (previous year value appreciation: EUR 1,413 thousand).

Depreciation and valuation allowances on receivables and certain securities as well as provisions relating to lending business result from defaults on receivables and write-downs on vehicles intended for sale.

Income from appreciation of receivables and certain securities and from the reversal of provisions relating to lending business in the amount of EUR 1,306 thousand (previous year: EUR 3,408 thousand) result from lower impairments of customer receivables, as well as realizations on written-off receivables.

4. Other Disclosures

4.1 Contingent Liabilities and Other Financial Obligations

The company has issued a comfort letter (*Patronatserklärung*) for the benefit of the other creditors of Sixt Leasing G.m.b.H., Vienna, with a guaranteed amount of EUR 10,000 thousand (previous year: letter of subordination in the amount of EUR 3,600 thousand).

The company has issued a letter of subordination (*Rangrücktrittserklärung*) for the benefit of the other creditors of Sixt Mobility Consulting GmbH, Pullach, in the amount of EUR 1,500 thousand (previous year: EUR 1,500 thousand).

The total value of lease assets in which a security interest has been granted amounts to EUR 468,754 thousand (previous year: EUR 143,450 thousand), thereof to the company's shareholder in the amount of EUR 306,554 thousand (previous year: EUR 0 thousand).

4.2 Equity

The subscribed capital of the company amounts to EUR 15,025 thousand (previous year: EUR 15,000 thousand) and is divided into 15,025,000 (previous year: 15,000,000) ordinary bearer shares with no par value (*Stückaktien*).

The capital reserves amount to EUR 2,923 thousand (previous year: EUR 2,898 thousand).

4.3 Parent Company

The company is a wholly owned subsidiary of Sixt SE, Pullach, and is included as a consolidated subsidiary in the consolidated financial statements of Sixt SE, which prepares consolidated financial statements for the broadest possible scope of consolidation. The consolidated financial statements and management report of Sixt SE are published in the Federal Gazette (*Bundesanzeiger*).

Sixt Leasing AG is exempted from the obligation to publish consolidated financial statements pursuant to section 291 of the HGB.

4.4 Shareholdings

The following is a list of all shareholdings of Sixt Leasing AG:

<u>Name, domicile</u>	<u>Net income</u>	<u>Equity</u>	<u>Shareholding</u>
Sixt Leasing G.m.b.H., Vösendorf	156,055 EUR	– 2,672,118 EUR	100%
Sixt Location Longue Durée S.A.R.L., Paris	714,233 EUR	3,592,881 EUR	100%
Sixt Leasing (Schweiz) AG, Basel	1,082,743 CHF	6,676,337 CHF	100%
Sixt Mobility Consulting GmbH, Pullach . .	1,926,713 EUR	795,526 EUR	100%
Sixt Mobility Consulting Österreich G.m.b.H., Vösendorf	– 9,138 EUR	29,526 EUR	100%
Sixt Leasing B.V., Hoofddorp	107,139 EUR	– 1,531,044 EUR	100%

4.5 Corporate Bodies of Sixt Leasing AG

<u>Supervisory Board of Sixt Leasing AG</u>	<u>Membership of supervisory boards and other comparable supervisory bodies of business enterprises</u>
Erich Sixt Chairman Chairman of the Management Board of Sixt SE	Chairman of the Supervisory Board of e-Sixt GmbH & Co. KG
Dr. Julian zu Putlitz Deputy Chairman Member of the Management Board of Sixt SE	Member of the Supervisory Board of e-Sixt GmbH & Co. KG President of the Administrative Board of Sixt AG, Basel
Detlev Pätsch Member of the Management Board of Sixt SE	
<u>Management Board</u>	<u>Membership of Supervisory Boards and other comparable supervisory bodies of business enterprises</u>
Dr. Rudolf Rizzolli Member of the Management Board	Delegate of the Administrative Board of SRP Group (until November 3, 2014) President of the Administrative Board of Sixt Leasing (Schweiz) AG (until June 13, 2014)

4.6 Headcount

The company employed an average of 211 people during the fiscal year (previous year: 170).

4.7 Other Information

The members of the Supervisory Board do not receive compensation.

In reliance on the statutory exception provided in section 286 para. 4 of the HGB, the total compensation of the Management Board will not be disclosed.

The statutory auditor's fees have not been disclosed in accordance with section 285 no. 17 of the HGB due to their disclosure in the notes to the consolidated financial statements of Sixt SE.

Pullach, March 27, 2015

Sixt Leasing AG

Dr. Rudolf Rizzolli

Attachment 1 to the notes

Changes in non-current assets as of December 31, 2014 - Sixt Leasing AG, Pullach

	Acquisition and/or production cost	Additions	Transfers	Disposals	Balance	Accumulated depreciation	Carrying amounts December 31, 2014	Carrying Amounts December 31, 2013	Depreciation in the fiscal year
	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR	EUR
Shareholdings in other investees . .	23,650	0	0	23,650	0	0	0	23,650	0
Shareholdings in affiliated companies	157,244	43,152	0	50,000	150,396	0	150,396	157,244	0
Lease assets	873,294,031	378,758,841	0	228,915,493	1,023,137,379	240,808,239	782,329,139	649,400,982	126,696,717
Intangible assets									
1. Internally developed trademarks and patents, etc. . .	0	532,280	0	0	532,280	26,795	505,485	0	26,795
2. Purchased licenses, trademarks and patents, etc., as well as licenses to such rights and assets	626,865	172,989	0	0	799,854	531,812	268,042	132,218	37,165
Equipment									
Other equipment, office furniture and office equipment	792,587	86,610	0	0	879,197	610,330	268,867	254,079	71,822
Total non-current assets	874,894,377	379,593,872	0	228,989,143	1,025,499,105	241,977,176	783,521,930	649,968,173	126,832,499

Sixt Leasing AG, Pullach

**Maturity breakdown pursuant to section 9 of the Regulation on Accounting Principles
Relating to Financial Institutions and Financial Services Institutions (“RechKredV”)**

	less than 3 months	3 to 12 months	1 to 5 years	more than 5 years	indefinite term	total
Maturity breakdown pursuant to section 9 of the RechKredV						
Other receivables from banks						
<i>(asset item no. 2b)</i>						
December 31, 2014 (EUR)	1,180	0	0	0	0	1,180
December 31, 2013 (EUR)	17,174	0	0	0	0	17,174
Receivables from customers						
<i>(asset item no. 3)</i>						
December 31, 2014 (EUR)	26,945,677	0	0	0	0	26,945,677
December 31, 2013 (EUR)	32,801,753	0	0	0	0	32,801,753
Liabilities to banks with an agreed maturity or notice period						
<i>(liabilities item no. 1 b)</i>						
December 31, 2014 (EUR)	92,426,061	51,949,255	60,000,000	0	0	204,375,315
December 31, 2013 (EUR)	96,600,000	907,653	51,000,000	0	0	148,507,653
Liabilities to customers with an agreed maturity or notice period						
<i>(liabilities item no. 2 b)</i>						
December 31, 2014 (EUR)	0	0	0	0	3,734,497	3,734,497
December 31, 2013 (EUR)	0	0	0	0	3,551,555	3,551,555
Supplementary Details						
Other liabilities						
<i>(liabilities item no. 3)</i>						
of which sale-and-leaseback						
(“Mietkauf-back”)						
December 31, 2014 (EUR)	4,428,394	18,249,151	21,998,634	0	0	44,676,179
December 31, 2013 (EUR)	1,416,655	7,484,238	33,807,195	0	0	42,708,087

The following independent auditors' report (Bestätigungsvermerk) has been issued in accordance with section 322 of the German Commercial Code (Handelsgesetzbuch) in German language on the German version of the annual financial statements of Sixt Leasing AG as of and for the fiscal year ended December 31, 2014 and the management report (Lagebericht). The management report is not included in this Prospectus.

Independent 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 of Sixt Leasing AG, Pullach, for the business year from January 1 to December 31, 2014. The maintenance of the books and records and the preparation of the annual financial statements and management report in accordance with German commercial law are the responsibility of the Company's management. Our responsibility is to express an opinion on the annual financial statements, together with the bookkeeping system, and on the management report based on our audit.

We conducted our audit of the annual financial statements in accordance with section 317 of the HGB („German Commercial Code”) and German generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer. 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 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 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 management, as well as evaluating the overall presentation of the annual financial statements and 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 of Sixt Leasing AG, Pullach, comply with the legal requirements and give a true and fair view of the net assets, financial position and results of operations of the Company in accordance with German principles of proper accounting. The management report is consistent with the annual financial statements and as a whole provides a suitable view of the Company's position and suitably presents the opportunities and risks of future development.

Munich, March 27, 2015

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

(Löffler)
Wirtschaftsprüfer
(German Public Auditor)

(Stadter)
Wirtschaftsprüfer
(German Public Auditor)

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24. GLOSSARY

Ancillary Benefits	Benefits in kind, such as company cars, mobile phones and contributions to an accident insurance policy (<i>Unfallversicherung</i>) provided by the Company to the Management Board.
Articles of Association	The Company's articles of association.
Authorized Capital 2015	Under the current authorized capital (Section 4(2) of the Articles of Association), the Management Board is authorized, with the consent of the Supervisory Board, to increase the share capital of the Company in the period through April 7, 2020 in an amount of up to €7,512,500, on one or more occasions, by issuing new no par value ordinary bearer shares or no par value preference bearer shares (<i>Stückaktien</i>) against cash contributions and/or contributions in kind.
Autoland Agreement	The agency and service agreement between the Company and Sixt Autoland GmbH, which will come into effect as of May 1, 2015, replacing the former agency and service agreement between the parties dated January 18, 2013.
Baader Bank	Baader Bank Aktiengesellschaft, Unterschleißheim, Germany
BaFin	The German Federal Financial Supervisory Authority (<i>Bundesanstalt für Finanzdienstleistungsaufsicht</i>).
Base Shares	The aggregate of New Shares (up to 5,586,593 newly issued ordinary bearer shares of the Company) and Existing Shares (5,167,281 existing ordinary bearer shares from the holdings of the Selling Shareholder).
Berenberg	Joh. Berenberg, Gossler & Co. KG, Hamburg Germany.
CAGR	Compound annual growth rate.
Capital Contribution	A cash contribution that will be made by the Selling Shareholder in the amount of €30.0 million into the unrestricted capital reserves of the Company (<i>ungebundene Kapitalrücklage</i>), Section 272 para. 2 no. 4 German Commercial Code (<i>Handelsgesetzbuch (HGB)</i>), by no later than May 4, 2015 to increase the Company's equity before the IPO.

Captives/OEM-related	Leasing companies affiliated with vehicle manufacturers.
CEO	Chief executive officer.
CFO	Chief financial officer.
Clearstream	Clearstream Banking Aktiengesellschaft, Mergenthalerallee 61, 65760 Eschborn, Germany.
Code	The German Corporate Governance Code, as amended on June 24, 2014.
College Agreement	The agency and service agreement between the Company and Sixt College GmbH, which will come into effect as of May 1, 2015, replacing the former agency and service agreement between the parties dated January 18, 2013.
COMMERZBANK	COMMERZBANK Aktiengesellschaft, Frankfurt am Main, Germany.
Company	Sixt Leasing AG.
Conditional Capital 2015	According to Section 4(3) of the Articles of Association, the share capital of the Company is conditionally increased by up to €7,512,500 through the issuance of up to 7,512,500 new no par value bearer shares (<i>Stückaktien</i>) consisting of ordinary shares and/or non-voting preference shares.
Core Loan	A core loan facility provided for by a Financing Agreement that Sixt SE entered into prior to the offering for the purpose of refinancing existing loans for general operative purposes.
Data Protection Act	The German Federal Data Protection Act (<i>Bundesdatenschutzgesetz</i>).
Data Protection Directive	Directive 95/46/EC of the European Parliament and of the Council of October 24, 1995 on the protection of individuals with regard to the processing of personal data and on the free movement of such data.
Decision	Decision No. 768/2008/EC of the European Parliament and of the Council of July 9, 2008 on a common framework for the marketing of products.

Decree on the Treatment of Leasing Contracts on Movable Economic Goods	The Decree by the German Federal Ministry of Finance (<i>Bundesfinanzministerium</i>) from April 19, 1971 regarding the treatment of leasing contracts on movable economic goods for income tax purposes (<i>BMF-Schreiben vom 19.4.1971, Ertragsteuerliche Behandlung von Leasing-Verträgen über bewegliche Wirtschaftsgüter</i>).
Defleets	The number of vehicles returned at the end of a lease term.
Directive on Credit Agreements for Consumers	The Directive 2008/48/EC of the European Parliament and of the Council of April 23, 2008 on credit agreements for consumers and repealing Council Directive 87/102/EEC.
Directive on Privacy and Electronic Communications	The Directive 2002/58/EC of the European Parliament and of the Council of July 12, 2002 concerning the processing of personal data and the protection of privacy in the electronic communications sector.
Distribution Agreement	The agency and service agreement between the Company and Sixt Autovermietung, which will come into effect as of May 1, 2015, regarding the distribution and return of leased vehicles at the beginning and after the expiry of the lease term.
Domestic Paying Agent	A domestic credit institution, domestic financial services institution, domestic securities trading company or a domestic securities trading bank, including a domestic branch of a foreign credit institution or financial service institution, that holds or administers shares in the Company for a shareholder, or that executes the disposal of shares in the Company and pays out or credits the capital gains for a shareholder.
Domination Profit and Loss Transfer Agreement	A domination, profit and loss transfer agreement between the Company and Sixt SE, which was replaced by the Profit and Loss Transfer Agreement.
(D)PLTAs	The Domination Profit and Loss Transfer Agreement together with the Profit Loss and Transfer Agreement.

D&O	Directors and officers.
EBIT	Earnings before interest and taxes; financial performance indicator.
EBITDA	Earnings before interest, taxes, depreciation and amortization; financial performance indicator.
EBT	Earnings before taxes; financial performance indicator.
EBT Margin Operating Revenue	EBT (including EBT contribution from Leasing Business Unit's sales revenue and from Fleet Management sales revenue) divided by operating revenue.
EBT Margin Revenue	EBT margin revenue is calculated as EBT for the period divided by revenue for the period.
EEA	European Economic Area.
ESAMS	ES Asset Management and Services GmbH & Co. KG.
ESMA	The European Securities Market Association.
EU	The European Union.
EU member states	Member states of the European Union.
EU Short Selling Regulation	Regulation (EU) No 236/2012 of the European Parliament and of the Council of March 14, 2012 on short selling and certain aspects of credit default swaps.
Euro, EUR or €	Refers to the single European currency adopted by certain participating member states of the European Union, including Germany.
Existing Shares	Existing ordinary bearer shares with no par value (<i>Stückaktien</i>) from the holdings of Sixt SE.
Financing Agreement	New loan agreement between Sixt SE, as lender, and the Company, as borrower, entered into prior to the offering.

Flat Tax	The tax amount for shareholders who are tax residents of Germany and who hold the shares as private assets, for whom the withholding tax will generally serve as a final tax. In other words, once deducted, the shareholder's income tax liability on the dividends will be settled, and he or she will no longer have to declare them on his or her annual tax return.
Fleet Leasing	The Company's full-service leasing and associated services business line offered to corporate customers.
Fleet Management	The Company's business line that provides fleet management services through Sixt Mobility Consulting GmbH, which manages and optimizes fleets for customers.
Fleet Management Business Unit	One of the Company's reporting segments, under which the Fleet Management business line is organized.
Framework Directive	The Directive 2007/46/EC of the European Parliament and of the Council of September 5, 2007 establishing a framework for the approval of motor vehicles and their trailers, and of systems, components and separate technical units intended for such vehicles.
Franchise Agreements	The franchise agreements between the Company and its wholly owned subsidiaries Sixt Leasing G.m.b.H., Vösendorf, Austria, Sixt Leasing (Schweiz) AG, Basel, Switzerland, Sixt Location Longue Durée SARL, Paris, France and Sixt Leasing B.V., Hoofddorp, The Netherlands, regarding leasing and fleet management services rendered by each Franchisee to customers in the respective countries where the Franchisees have their corporate seat.
Franchisees	The Company's wholly owned subsidiaries Sixt Leasing G.m.b.H., Vösendorf, Austria, Sixt Leasing (Schweiz) AG, Basel, Switzerland, Sixt Location Longue Durée SARL, Paris, France and Sixt Leasing B.V., Hoofddorp, The Netherlands.
FSMA	The United Kingdom's Financial Services and Markets Act 2000.

Fuel Framework Agreement	The framework agreement between the Company and Sixt Autovermietung, which will come into effect as of May 1, 2015, regarding the provision of fuel cards and fuel supply by the Company to Sixt SE, Sixt Autovermietung and other Sixt Leasing Group companies, replacing the existing fuel framework agreement between the parties.
GDP	Gross domestic product.
General Block Exemption Regulation	The European Commission Regulation No. 330/2010 of April 20, 2010 on the application of article 101 para. 3 TFEU to categories of vertical agreements and concerted practices.
General Product Safety Directive	The Directive 2001/95/EC of the European Parliament and of the Council of December 3, 2001 on general product safety.
German GAAP	The Generally Accepted Accounting Principles (GAAP) of the German Commercial Code (<i>Handelsgesetzbuch (HGB)</i>).
Greenshoe Option	An option that the Selling Shareholder has granted the Underwriters, which allows them to acquire up to 1,613,081 existing ordinary bearer shares of the Company at the offer price less agreed commissions.
Growth Loan	A loan facility that can be utilized for general corporate purposes including the refinancing of the Core Loan, which was provided for by a Financing Agreement that Sixt SE entered into prior to the offering.
HGB	The German Commercial Code (<i>Handelsgesetzbuch</i>).
IAS	The International Accounting Standards.
IASB	The International Accounting Standards Board.
IDW	The Institute of Public Auditors in Germany (<i>Institut der Wirtschaftsprüfer in Deutschland e.V.</i>).
IFRS	The International Financial Reporting Standards as adopted by the European Union.

Infleets	The number of vehicles distributed at the beginning of a new lease term.
Internal Control Outsourcing Agreements . . .	The outsourcing agreements concluded between the Company and Sixt Autovermietung regarding the compliance, internal audit and risk management functions for the Sixt Leasing Group, which will come into effect as of May 1, 2015, that replaced the previous outsourcing agreements regarding compliance, internal audit and risk management functions.
IPO Capital Increase	The capital increase against cash contributions to be resolved by an extraordinary shareholders' meeting of the Company for up to 5,586,593 newly issued ordinary bearer shares with no par value (<i>Stückaktien</i>).
Joint Bookrunners	Berenberg, COMMERZBANK and Baader Bank, also known as the Underwriters.
Joint Global Coordinators	Berenberg and COMMERZBANK.
JV Agreement	50/50 joint venture between Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG, a wholly owned subsidiary of Swisscom AG, entered into on November 5, 2014.
JV Co.	Managed Mobility AG, founded on March 12, 2015, with Sixt Leasing (Schweiz) AG and BFM Business Fleet Management AG, each holding 50% of the shares.
Leasing Business Unit	One of the Company's reporting segments, under which the Fleet Leasing and Online Retail business lines are organized.
License Agreement	Agreement between the Company and Sixt SE concluded on April 23, 2015, which will come into effect on May 1, 2015, regarding the non-exclusive use of Trademarks, licenses for the use of business names (<i>Firmen</i>) and domain licenses in certain countries of the EEA and Switzerland.
Majority Shareholder	A shareholder holding 95% of the share capital.
Management Board	The Company's management board.

MaRisk	Minimum Requirements for Risk Management (<i>Mindestanforderungen an das Risikomanagement</i>)
Marketing Agreement	The agency and service agreement between the Company and Sixt Autovermietung, which will come into effect as of May 1, 2015, regarding marketing activities.
Minimum Term	Notice must be issued in the German Federal Gazette (<i>Bundesanzeiger</i>) at least 30 days before the day of the shareholders' meeting.
MSP	The MSP 2007 together with the MSP 2012.
MSP 2007	Sixt SE's matching stock program, which had been implemented in 2007 and expired in 2011.
MSP 2012	Sixt SE's current matching stock program.
New Shares	5,586,593 newly issued ordinary bearer shares with no par value (<i>Stückaktien</i>) from a capital increase against cash contributions to be resolved by an extraordinary shareholders' meeting of the Company.
Non-captives	Manufacturer-independent leasing companies.
Offer Period	The period during which investors may submit purchase orders for the Offer Shares, expected to begin on April 27, 2015 and end on May 6, 2015 at 12:00 noon CEST (Central European Summer Time) for retail investors (natural persons) and at 16:00 CEST (Central European Summer Time) for institutional investors.
Offer Shares	The aggregate of Base Shares and Over-Allotment Shares.
Online Retail	The Company's leasing business line conducted via the online platform, <i>sixt-neuwagen.de</i> , which offers private and business customers (up to 20 vehicles) the ability to configure an extensive selection of the latest vehicle models from over 30 car manufacturers.

Outsourced Services	Various services, including accounting, international franchise management, certain human resources functions, damage management, treasury, sales and backoffice management for Online Retail, maintenance, wear and tear and tire management services for customers, legal functions, certain IT functions as well as compliance, internal audit and risk management services which the Company has outsourced to entities of the Sixt SE Group (excluding Leasing) in the past and for which the Company has entered into various agreements to continue the outsourcing of these services after the offering.
Outsourcing Framework Agreement	The outsourcing agreement (<i>Auslagerungsrahmenvertrag</i>) between the Company and Sixt Autovermietung regarding the outsourcing of certain services by the Sixt Leasing Group to Sixt Autovermietung, which will come into effect as of May 1, 2015.
Over-Allotment	A possible stabilization measure according to which investors may, in addition to the Base Shares, be allocated up to 1,613,081 additional shares from the holdings of the Selling Shareholder as part of the allocation of the shares to be placed.
Over-Allotment Shares	Existing ordinary bearer shares with no par value (<i>Stückaktien</i>) from the holdings of the Selling Shareholder in connection with a possible over-allotment.
Parent-Subsidiary Directive	The EC Directive 2011/96/EU of November 30, 2011, as amended.
Pre-IPO Capital Measures	The Capital Contribution together with the Financing Agreement
PLTA Advance Payment	An advance payment under the Profit and Loss Transfer Agreement to be conducted by no later than May 4, 2015 of €4.4 million to the Company to compensate it for its expected incurred loss in its unconsolidated interim financial statements under German GAAP for the period from January 1, 2015 until April 30, 2015.
PLTA Termination Date	April 30, 2015 (inclusive). The date when the Profit and Loss Transfer Agreement will be terminated.

Price Range	The price range within which purchase orders may be placed, which is €17.90 to €21.30 per Offer Share.
Profit and Loss Transfer Agreement	An agreement executed on April 17, 2013 between the Company, as transferor, and the Selling Shareholder, as transferee, pursuant to which the Company is until April 30, 2015 obliged to transfer its entire net (annual) income ((<i>Jahres-Überschuss</i>)) (subject to the allocation of amounts to retained earnings to the extent economically justified from a reasonable business assessment) to the Selling Shareholder and the Selling Shareholder is until PLTA Termination Date obliged to assume the Company's entire (annual) net loss ((<i>Jahres-Fehlbetrag</i>)), in each fiscal year (in each case as determined by the unconsolidated annual financial statements of the Company prepared in accordance with German GAAP).
Prospectus Directive	The Directive 2003/71/EC, as amended.
Qualified Participation	The shareholder, or his legal predecessor in case of acquisition without consideration, has directly or indirectly held shares equal to at least 1% of the Company's share capital at any time during the previous five years.
Qualified Shareholding	Shares representing a direct participation of at least 10% in the share capital of the Qualified Subsidiary or a direct participation in the Qualified Subsidiary of an acquisition price of at least €1.2 million (or an equivalent amount in another currency).
Qualified Subsidiary	A fully-taxable Luxembourg resident company limited by share capital (<i>société de capitaux</i>), a company covered by Article 2 of the amended Parent-Subsidiary Directive or a non-resident company limited by share capital (<i>société de capitaux</i>) liable to a tax corresponding to Luxembourg corporate income tax.
Regulation S	Regulation S under the Securities Act.

Repair Service Agreement	The agency and service agreement between the Company and Sixt Reparatur und Service GmbH, which will come into effect as of May 1, 2015, regarding the performance of repair services for vehicles leased to customers or under management of the Sixt Leasing Group, replacing the former repair service agreement between the parties dated January 18, 2013.
Rule 144A	Rule 144A under the Securities Act.
Securities Act	U.S. Securities Act of 1933, as amended.
Selling Shareholder	Sixt SE, the sole shareholder of the Company prior to the IPO.
SEM	Search engine marketing.
SEO	Search engine optimization.
Shareholder Loan Claims	Interest claims under shareholder loans that have been or will be granted by the Selling Shareholder to the Company.
Sixt Autoland	Sixt Autoland GmbH.
Sixt Autovermietung	Sixt GmbH & Co. Autovermietung KG.
Sixt College	Sixt College GmbH.
Sixt Leasing	Sixt Leasing AG.
Sixt Leasing Group	Sixt Leasing AG, together with its subsidiaries.
Sixt Leasing Merger	On November 29, 2004, Sixt Leasing Aktiengesellschaft, Pullach, Germany, through which Sixt SE has conducted its vehicle leasing business since 1988, was merged with and into the Company.
Sixt SE Group	Sixt SE and its predecessors, together with its consolidated subsidiaries, including the Sixt Leasing Group.
Sixt SE Group (excluding Leasing)	Sixt SE and its predecessors, together with its consolidated subsidiaries, excluding the Sixt Leasing Group.
SRS	Sixt Reparatur und Service GmbH.

Stabilization Period	The period in which stabilization measures may be taken. Such measures may be taken from the date the shares of the Company are listed on the regulated market of the Frankfurt Stock Exchange (<i>Frankfurter Wertpapierbörse</i>) until no later than 30 calendar days after such date, when the stabilization measures must be terminated.
Substantial Participation	A resident individual shareholder holds, either alone or together with his spouse or partner and/or minor children, directly or indirectly at any time within the five years preceding the disposal, more than 10% of the share capital of the Company.
Supervisory Board	The Company's supervisory board.
TCO	Total cost of ownership.
Telemedia Act	The German Telemedia Act (<i>Telemediengesetz</i>).
TFEU	Treaty on the Functioning of the European Union.
Trademarks	Certain word marks (<i>Wortmarken</i>) and word and design marks (<i>Wortbildmarken</i>), including, among others, "SIXT Leasing", "SIXT neuwagen", "SIXT neuwagen blog", "SIXT Mobility Consulting", "SIXT lease a car", "SIXT VarioFinanzierung", "SIXT fleet optimizer", "SIXT fleet intelligence" and "SIXT FAirBag" and of certain domains, including, among others, "sixt-leasing.de", "sixt-neuwagen.de", "sixt-leasing.ch" and "sixt-leasing.at".
Underwriters	The Joint Global Coordinators together with the Joint Bookrunner.
Underwriting Agreement	The underwriting agreement relating to the offering entered into with the Company, the Selling Shareholder and the Underwriters on April 24, 2015.
Us, we, our	Used in reference to the Sixt Leasing Group.
VAT	Value-added tax (<i>Umsatzsteuer</i>).

25. RECENT DEVELOPMENTS AND OUTLOOK

Corporate Developments

In preparation of this offering, the Company intends to terminate the Profit and Loss Transfer Agreement with Sixt SE, will receive payments strengthening its capital basis from Sixt SE and has entered into various agreements with Sixt SE in order to enable it to function as a separately listed company.

The Company intends to terminate as of April 30, 2015 (inclusive) the Profit and Loss Transfer Agreement, which was entered into between it and Sixt SE. Under this agreement, the Company is obligated to transfer profits to Sixt SE and Sixt SE must compensate the Company for any losses it incurs under German GAAP. Although the Company expects to continue to be profitable on a consolidated basis under IFRS for the period from January 1, 2015 until April 30, 2015, it expects to incur a loss in its unconsolidated interim financial statements under German GAAP for this period. As a result, Sixt SE decided to make the PLTA Advance Payment in an amount of €4.4 million by no later than May 4, 2015 to compensate the Company for its loss. The PLTA Advance Payment will be adjusted to reflect the final amount of the loss compensation claim pursuant to the unconsolidated interim financial statements.

In addition, Sixt SE will make the Capital Contribution in an amount of €30.0 million by no later than May 4, 2015 to increase the Company's equity before the IPO.

Finally, the Company has entered into various agreements with Sixt SE (and certain of its subsidiaries) in order to enable it to function as a separately listed company. These include the Financing Agreement, which ensures the financing of our business operations in the medium term, and the License Agreement, which has an initial term of 25 years and grants the Company the right to use certain intellectual property rights of Sixt SE, e.g., a right to use the brand "Sixt" as part of the commercial names (*Firmenbestandteil*) and as trademark for our products of the Company and its subsidiaries. For more information on these agreements, see "13. Material Agreement—13.1 Financing Agreements with Sixt SE" and "13. Material Agreement—13.2 License Agreement with Sixt SE". Moreover, the Company has entered into various service agreements with Sixt SE (or certain of its subsidiaries) ensuring the functioning of its business operations in the short term.

Business Developments and Outlook

According to the German Federal Statistical Office, German GDP increased by 1.6% in 2014 (*Source: Federal Statistical Office, Press Release No. 048 of February 13, 2015*). This economic growth had a positive influence on the demand for new vehicles, with new vehicle registrations in Germany increasing by 100 thousand, or 3%, from 3.17 million in 2013 to 3.27 million in 2014 (*Source: Dataforce*). This positive trend continued in the first two months of 2015, with 466 thousand new vehicle registrations in January and February 2015, a 5% increase compared to 445 thousand new vehicle registrations during the same period in 2014. There was also a significant number of new vehicle registrations in January and February 2015 in the other countries in which we have operations, namely France (335 thousand vehicles), The Netherlands (93 thousand vehicles), Austria (48 thousand vehicles) and Switzerland (45 thousand vehicles) (*Source: ACEA New Registrations 2015*).

After the first two months of 2015, which have developed in line with management's expectations, Sixt Leasing expects profitable growth to continue in the first quarter 2015. In line with Sixt Leasing's strategic objectives, growth in the Leasing Business Unit in January and February 2015 was mainly driven by an increasing number of new contracts in the Online Retail Business. As of February 28, 2015, the number of contracts in Online Retail increased by more than 1,000 contracts compared to December 31, 2014. In the same period, Fleet Leasing and Fleet Management contracts remained almost unchanged.

In the short term, we expect the number of contracts serviced by our Fleet Leasing business to continue to grow at low single-digit rates and the number of contracts serviced by our Online Retail business to grow significantly. In the medium term, we aim to more than double the number of our Online Retail contracts compared to December 31, 2014. While we expect the year-over-year growth rate to be higher in the short term, we expect the absolute volume of new contracts added per year will continue to increase over this period as the business gains scale. As a result of this anticipated shift in our contract mix towards Online Retail, we expect the EBT margin of our Leasing Business Unit to continue to increase. We anticipate that this improvement in the EBT margin will be supported by increased penetration of service-based revenue within Online Retail, as we expect the number of Online Retail contracts that include additional services to increase to approximately one-third of total Online Retail contracts in the medium term from approximately 27% in 2014.

Effective as of December 31, 2014, we terminated the agreements we had entered into with one of our largest Fleet Management customers. We continued, however, to service its vehicles until March 31, 2015. This customer accounts for 7,400 contracts that were concluded on terms that did not meet our profitability expectations. We expect this termination to result in a corresponding decrease in Fleet Management revenues and Fleet Management contracts for 2015. However, due to the termination of these contracts, we also expect our Fleet Management margins to increase in the short term to a low double-digit level. In the short to medium term, we believe that we will be able to more than compensate for loss of revenue from this customer and that our Fleet Management margin will be supported through the provision of additional services.

We expect that the long term growth in the number of our Fleet Management contracts will be supported by the planned roll out of our Fleet Management to other European countries. Generally, we aim to establish a stand-alone market presence in each new market we enter. However, we also consider working with local partners if such cooperation presents an interesting opportunity. In line with this approach, we recently established a 50/50 joint venture with a wholly owned subsidiary of Swisscom AG to offer mobility services, vehicle repairs and servicing, and vehicle fleet management and operation, as well as all associated services to approximately 6,000 vehicles in Switzerland.

We are currently financed primarily with funding from Sixt SE, and we expect Sixt SE to continue to provide funding to us under the terms of the Financing Agreement entered into between the Company and Sixt SE prior to the offering. Through the Financing Agreement with Sixt SE, the Company will receive a Core Loan in the amount of up to €750 million to refinance its existing loans from related parties and the borrower's note loan. The Core Loan bears interest at a fixed rate of 3% p.a., except for €51 million at a fixed interest rate of 4.011% p.a. until July 31, 2015, €306.55 million at a fixed interest rate of 2.0% p.a. until September 30, 2015 and for €20 million at a fixed rate of 2.2% p.a. until June 30, 2017. Interest payable under the Core Loan is subject to an interest rate step up of 1.6% from 3.0% to 4.6% from July 1, 2016 with respect to all outstanding amounts under the First Partial Loan Amount of up to €260 million, from July 1, 2017 with respect to all outstanding amounts under the Second Partial Loan Amount of €300 million and from July 1, 2018 with respect to all outstanding amounts under the Third Partial Loan Amount of €190 million.

After the offering, the Company plans to refinance its outstanding indebtedness under the Core Loan with third-party financing, which may include bank debt and borrowings in the capital markets, in one or more transactions to take place on or prior to the dates on which the interest rate step up becomes effective. Based on current market conditions, we expect that we will have access to external financing sufficient to support our growth path and that this financing will be available on more favorable terms than the financing currently provided through Sixt SE.

Between December 31, 2014 and the date of the Prospectus, there have been no significant changes to the Company's or Sixt Leasing Group's financial position, financial performance, cash flows or in the Company's or the Sixt Leasing Group's trading position, except for the conclusion of the License Agreement, the intended termination of the Profit and Loss Transfer Agreement with Sixt SE, the commitment by Sixt SE to pay the PLTA Advance Payment and the Capital Contribution to the Company, the termination by the Company of one of our largest Fleet Management customers and the conclusion of the Financing Agreement with Sixt SE as described in the preceding paragraphs.

26. SIGNATURE PAGE

Pullach, Hamburg, Frankfurt, Unterschleißheim April 2015

Sixt Leasing AG

Signed by: Dr. Rudolf Rizzolli

Signed by: Björn Waldow

Joh. Berenberg, Gossler & Co. KG

Signed by: Marc Gei

Signed by: Stefan Ries

COMMERZBANK Aktiengesellschaft

Signed by: Christian Eiteneyer

Signed by: Claudia Ebert

Baader Bank Aktiengesellschaft

Signed by: Christian Bacherl

Signed by: Thomas Geppelt

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