Sixt Aktiengesellschaft

Ready to serve you.

Annual Report 2007

The Sixt Group in figures

in EUR million	**2007**	2006	Change 2007 on 2006 in %	2005
Revenue	1,569	1,443	+ 8.7	1,336
thereof in Germany	1,267	1,212	+ 4.6	1,141
thereof abroad	302	231	+ 30.4	195
thereof operational [1]	1,381	1,211	+ 14.0	1,076
Profit from operating activities (EBIT)	177.7	153.3	+ 15.9	123.6
Profit before taxes (EBT)	137.7	121.6	+ 13.2	90.9
Consolidated profit for the period	93.6	73.8	+ 26.9	56.0
Net income per share (basic)				
per ordinary share (EUR)	3.73	2.95	+ 26.4	2.47
per preference share (EUR)	3.77	3.36	+ 12.2	2.51
Total assets	2,047	1,558	+ 31.4	1,317
Lease assets	750	544	+ 38.0	523
Rental vehicles	916	646	+ 41.7	463
Equity	461	393	+ 17.3	266
Equity ratio (%)	22.5	25.2	- 2.7 points	20.2
Non-current financial liabilities	699	441	+ 58.4	477
Current financial liabilities	385	279	+ 37.8	148
Dividend per share				
per ordinary share (EUR)	1.18	1.05	+ 12.4	0.80
per preference share (EUR)	1.20	1.07	+ 12.2	0.82
Total dividend, net	29.7	26.3	+ 13.0	20.0
Number of employees [2]	2,341	2,015	+ 16.2	1,923
thereof in Germany	1,702	1,484	+ 14.7	1,397
thereof abroad	639	531	+ 20.3	526
Number of locations worldwide (31 Dec.) [3]	1,684	1,564	+ 7.7	1,443
thereof in Germany [4]	517	474	+ 9.1	447

[1] Revenue from rental and leasing business, excluding revenue from the sale of used vehicles
[2] Annual average
[3] Including franchisees
[4] Excluding SIXTI

Contents

Sixt – Ready to serve you

Driving is more than just getting from A to B. If you rent or lease a vehicle, you don't just expect competitive prices, but also convenience, flexibility and safety - in many cases worldwide.

Sixt is a leading international provider of high-quality mobility services for business and corporate customers as well as private travellers. The Company has achieved a unique market position thanks to its broad range of premium products and comprehensive automobile mobility services. For many years, Sixt has been the largest car rental company in Germany and Austria, and is also one of the leading vendor-neutral, non-bank full-service leasing companies. The Company is represented by its own national companies and highly efficient franchise partners at over 3,500 service points in more than 85 countries. Sixt also offers a number of additional services such as arranging flights, hotels and travel packages.

Sixt's main strategic goals are continuing its international expansion, a systematic focus on strong earnings and sustainably increasing the value of the company.

www.sixt.de

Erich Sixt

(born 1944), joined the Company in 1969 and is Chairman of the Managing Board.

Dear Shareholders,

Sixt's success story is continuing. 2007 was another year of record revenue and earnings for our Company. In addition, we further improved our competitive position with growth that exceeded the general market trend, in some cases significantly. In detail, this means:

- Consolidated operating revenue from the rental and leasing business increased by 14.0% to EUR 1.38 billion in 2007. This proves once again that, thanks to innovative premium products and services and a strong sales function, Sixt is able to broaden its customer base sustainably around the world. The fact that we further extended our lead in the German vehicle rental market and increased our market share to 29%, despite fierce competition, is evidence of the operational effectiveness of our Group.

- Consolidated EBT rose by 13.2% to EUR 137.7 million in 2007, thus keeping pace with the significant growth in revenue, despite higher operating costs. A pre-tax margin of 10%, expressed in terms of operating revenue, puts us significantly ahead of our competitors.

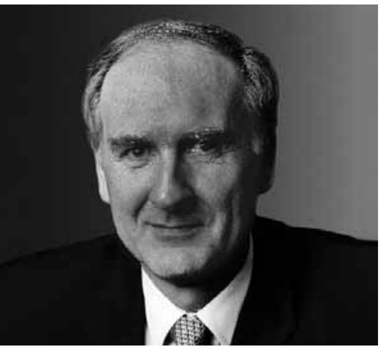
- Our international business is increasingly becoming the Group's growth driver. We made considerable strides last year in important European markets such as France, the United Kingdom and Spain. In 2007, international business contributed 23% to consolidated EBT, compared with 12% a year earlier.

We are very satisfied with this performance. While our main competitors had to deal with far-reaching internal change, Sixt continued to step on the gas. We would like to acknowledge and thank our employees for this successful performance.

Nevertheless, it would be wrong to rest on our laurels. This is why we are again setting ambitious, yet realistic targets for the coming years.

One thing is certain: The outlook for Sixt remains positive. We meet all the requirements for continuing our dynamic development in the highly promising mobility market and for growing faster than our competitors. The reasons are as follows:

- Sixt is set to benefit from the ongoing national and international consolidation in the vehicle rental and leasing sector. Business travellers, private individuals and tourists are making ever-increasing demands on flexible, individually tailored mobility solutions, combined with high service quality. These demands can only be met by providers with a highly attractive vehicle fleet, a close-knit infrastructure and sophisticated control systems.



Detlev Pätsch
(born 1951), joined Sixt in 1986 and is responsible for operations.

Karsten Odemann
(born 1961), has been with Sixt since 2004 and is responsible for finance and controlling.

- An increasing number of companies and private individuals recognise that rental and leasing are flexible, cost-effective and capital-efficient ways of being mobile. Sixt offers end-to-end mobility, ranging from a single day to several years. As the innovation leader, we will continue to make the development of new mobility concepts our responsibility in the future.

- Even though we have experienced rapid growth in other Western European countries in the past few years, our share of between 5% and 10% of the vehicle rental market in most Sixt corporate countries means that we are still in the process of catching up. Sixt therefore has considerable potential for growth outside Germany.

- Sixt is also experiencing rapid growth in the more than 75 countries where we are represented by franchise partners. In 2007, we again took advantage of the local know-how of our partners to enter a total of nine new markets cost-efficiently and without exposing the Company to financial risk. We have identified especially promising opportunities in countries where the mobility markets are only gradually developing and where Sixt is among the pioneers, such as Eastern Europe, India, or China.

- Our strong brand will help our international expansion. Sixt is regarded as an appealing, innovative brand with an excellent price-performance ratio. In Germany, Sixt is among the most well known service brands in existence. Our brand marketing enjoys a high level of awareness across sector boundaries.

- We are ready for further growth, financially as well as in terms of strategy. Boasting an equity ratio of 22.5% at the end of 2007, our Group continues to occupy the lead position in our industry. In the past few years, we have used a number of corporate actions to diversify our financing structure and put it on a long-term basis, so that the turbulence observed on the international financial markets since the middle of 2007 is not restricting our freedom of action. The long-standing practice of returning the vast majority of used rental and lease vehicles to manufacturers and dealers on the basis of fixed repurchase agreements gives Sixt a secure basis for calculating its fleet costs.

In spite of all these strengths, it remains to be said that the current price of Sixt shares in no way reflects the Group's prospects. The price-earnings ratio is significantly below the average for the shares included in benchmark indices such as the SDAX. We regard this fact as an incentive to make Sixt's strengths and potential even more transparent to investors and analysts and to convince them of the long-term positive environment in the sectors relevant for us, in order to arrive at a more adequate market valuation for Sixt shares.

Our good operational performance allows us to maintain our traditional shareholder-friendly and earnings-driven dividend policy in 2007. The Managing Board and Supervisory Board will propose to the Annual General Meeting on 19 June 2008 an increase in the dividend to EUR 1.18 per ordinary share and EUR 1.20 per preference share. This would be the fourth consecutive dividend increase.

Hans-Norbert Topp
(born 1961), Chief Sales & Distribution Officer, has been with Sixt Aktiengesellschaft since 2004.

We look ahead with optimism to 2008. Europe's economic environment remains positive, even if there are increasing warning signs of an economic downturn, especially from the USA. Even though we cannot expect Sixt's high growth rates of the past few years to continue as a matter of course, we believe that there are good prospects for another year of record operating revenue and operating profit in 2008. A key prerequisite will be our ability to pass on rising operating costs by increasing our prices accordingly.

The Sixt Group is in a healthy condition. Its strategy, operations, and finances put it in a position to benefit from the global trend towards individual, professional mobility services and to grow faster than the competition in both Business Units. In doing so, we will not waver from our basic principles – a consistent service focus, premium product quality, the permanent pursuit of innovation and compliance with strict profitability benchmarks. Our long-term objective – to become Europe's leading mobility services provider – remains unchanged.

Pullach, March 2008

Sincerely,

The Managing Board

ERICH SIXT   KARSTEN ODEMANN   DETLEV PÄTSCH   HANS-NORBERT TOPP

Dr. Karl Josef Neukirchen
Chairman of the Supervisory Board of
Sixt Aktiengesellschaft

General

During the year under review, the Supervisory Board performed the duties assigned to it by law and the Articles of Association. In accordance with these duties, it dealt in detail with the Company's position and monitored and advised the Managing Board on an ongoing basis.

Monitoring of and advice to the Managing Board

To discharge its monitoring duties, the Supervisory Board primarily uses a reporting system designed according to its specifications as well as a catalogue it has compiled of actions that can only be implemented with the prior approval of the Supervisory Board. This ensures that the Supervisory Board is regularly, promptly and comprehensively informed of the Company's position and is always involved in decisions of particular importance.

The core of the reporting system is a quarterly written report by the Managing Board, which contains, among other things, detailed information on the economic and financial position of Sixt Aktiengesellschaft and its subsidiaries in Germany and abroad. This is supplemented by detailed reports by the Managing Board at the regular meetings of the Supervisory Board, where the Supervisory Board discusses with the Managing Board the development of business, planning and corporate strategy. In all instances, the Supervisory Board carefully examined, discussed in detail and commented on the reports and draft resolutions submitted by the Managing Board. Apart from the documents presented to the Supervisory Board as part of the Managing Board's reports, it was not necessary for the Supervisory Board to consult the Company's accounts and records in the year under review.

The Chairman of the Supervisory Board was in regular contact with the Chairman of the Managing Board and the other members of the Managing Board outside the regular Supervisory Board meetings and was thus informed in advance of current business developments and significant transactions. The provisions of the German Corporate Governance Code and of the Aktiengesetz (AktG - German Public Companies Act) governing the reporting duties by the Managing Board to the Supervisory Board were consistently observed.

Supervisory Board resolutions are regularly taken at physical meetings. If necessary, Supervisory Board resolutions are also passed by way of conference calls or written documents circulated between meetings. In the year under review, one resolution was passed outside the physical meetings.

No committees existed within the three-member Supervisory Board of Sixt Aktiengesellschaft in the year under review.

Supervisory Board Meetings

The Supervisory Board held four meetings, which took place in accordance with the legally prescribed frequency of two meetings per calendar half-year. In them, the Supervisory Board informed itself in detail on the basis of written and oral reports by the Managing

Board on the course of business and all key questions relating to the further development of the Company, strategic planning, the risk situation and risk management as well as the financing structure of the Sixt Group, and discussed these issues with the Managing Board. At these meetings, the Managing Board explained, among other things, the latest revenue and earnings developments in the Sixt Group and also provided detailed information on the course of business in each Business Unit, with reference to the respective competitive situation. In addition, the discussion focused on the following topics:

- In the Vehicle Rental Business Unit, the Supervisory Board primarily addressed the development of revenue and profits in Germany and abroad, with particular focus on the UK, Spain and France.

- In the Leasing Business Unit, the main focus of deliberations was on the debate during the year under review surrounding the tax treatment of interest and lease instalments prompted by the business tax reform, as well as the increasing competition in the leasing sector, its impact on achievable margins and strategic countermeasures to be taken by the Sixt Group. As in previous years, the Supervisory Board also concerned itself with the arrangements for returning lease vehicles to suppliers with buy-back obligations. In addition, it discussed with the Managing Board the precautionary measures that had to be taken to deal with the risk of insolvency of a supplier with a buy-back obligation and that had a significant negative impact on Sixt Leasing AG's profit for the year.

- In its examination and discussion of the cost situation, the Supervisory Board focused primarily on fleet and personnel expenses.

- As part of its deliberations on a new employee equity participation programme, the Supervisory Board examined the "Matching Stock Programme" introduced in the year under review for members of the Managing Board and other senior executives of the Sixt Group. The programme aims among other things to improve the Company's long-term retention of qualified employees.

Corporate Governance

Corporate management and supervision at Sixt Aktiengesellschaft are based on the principles of the German Corporate Governance Code. In the Corporate Governance Report, which is published as part of the Annual Report, the Managing Board and Supervisory Board report on corporate governance at Sixt Aktiengesellschaft in accordance with section 3.10 of the Code. Moreover, in December 2007, the Managing Board and Supervisory Board issued a declaration of conformity pursuant to section 161 of the Aktiengesetz (AktG – German Public Companies Act) and made it permanently available to shareholders on the Company's website. With minor exceptions, all of which were agreed between the Managing Board and the Supervisory Board, Sixt Aktiengesellschaft has complied with the recommendations of the Government Commission on the German Corporate Governance Code.

Audit of the 2007 annual financial statements and consolidated financial statements
The Managing Board of the Company prepared the annual financial statements and the management report of Sixt Aktiengesellschaft as at 31 December 2007 in accordance with the requirements of the HGB (German Commercial Code) and the consolidated financial statements and the group management report as at 31 December 2007 in accordance with section 315 a of the HGB and in compliance with IFRSs as applied in the EU. The annual financial statements, including the management report, of Sixt Aktiengesellschaft and the consolidated financial statements, including the group management report, were audited by Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Munich, and granted an unqualified audit opinion. The audit took place on the basis of the engagement by the Supervisory Board in compliance with the resolution of the Annual General Meeting on 12 June 2007.

The above documents, together with the auditor's audit reports and the Managing Board's proposal on the appropriation of the unappropriated profit, were sent to the members of the Supervisory Board in sufficient time for detailed examination. They were the subject of detailed discussion and examination at the Supervisory Board meeting to approve the financial statements held on 31 March 2008. The auditors of the annual financial statements and of the consolidated financial statements attended this meeting. They reported on the material findings of their activities and gave the Supervisory Board all information requested. The auditors also explained the findings of their audit of the risk situation and the Company's risk management in detail and confirmed that there are no risks at Sixt Aktiengesellschaft and the Group companies that are not mentioned in the reports.

The Supervisory Board noted the auditor's findings with approval and established on conclusion of its own review that, for its part, it has no objections either. The Supervisory Board approved the annual and consolidated financial statements as well as the management and group management reports prepared by the Managing Board and audited by the auditor. The annual financial statements have therefore been formally adopted in accordance with the provisions of the AktG. Following detailed deliberation and review of the proposal made by the Managing Board for the appropriation of the unappropriated profit the Supervisory Board concurs with this proposal.

The auditor included in his audit the Managing Board's Dependent Company Report in accordance with section 312 of the AktG covering the relationship between Sixt Aktiengesellschaft and its affiliated companies, and submitted his audit report to the Supervisory Board. The audit by the auditor did not give rise to any objections. The following unqualified audit opinion was issued:

"On completion of our review and assessment in accordance with professional standards, we confirm that
1. *the actual disclosures contained in the Report are accurate,*
2. *the consideration paid by the Company for the transactions listed in the Report was not inappropriately high,*
3. *in the case of the measures described in the Report, there are no circumstances that would indicate a materially different assessment than that of the Managing Board."*

Likewise, the Supervisory Board's examination of the Dependent Company Report in accordance with section 312 of the AktG covering the relationship between Sixt Aktiengesellschaft and its affiliated companies did not give rise to any objections. The Supervisory Board therefore concurs with the auditor's finding. Following the completion of its own examination, the Supervisory Board has no objections to the Managing Board's declaration at the end of the Dependent Company Report.

Changes in the Managing Board and Supervisory Board
In 2007, The Supervisory Board resolved to appoint Hans-Norbert Topp as member of the Managing Board for another five years.

In the Supervisory Board, Dr. Dietrich Bernstorff resigned as a member of the Supervisory Board of Sixt Aktiengesellschaft with effect from 11 May 2007. Alternative member Wolfgang Richter succeeded him as a member of the Supervisory Board from that date. The Supervisory Board then proposed Ralf Teckentrup to the Annual General Meeting on 12 June 2007 for election as a new Supervisory Board member. Wolfgang Richter resigned as a member with effect from the same day. The Annual General Meeting elected Ralf Teckentrup as a new member of the Supervisory Board and Wolfgang Richter as an alternate member.

Dr. Bernstorff had been a member of the Supervisory Board of Sixt Aktiengesellschaft since the Company was established in 1986 and had been its Deputy Chairman. He had been associated with Sixt Aktiengesellschaft for an unusually long time and had worked extremely hard in the interests of the Company. Dr. Bernstorff died in December 2007. Sixt Aktiengesellschaft owes him a great debt of gratitude and will always honour his memory.

The Supervisory Board would like to thank the Managing Board and all employees for their dedication and extremely successful work in the past year.

Pullach, April 2008

The Supervisory Board

DR. KARL JOSEF NEUKIRCHEN	THIERRY ANTINORI	RALF TECKENTRUP
Chairman	Deputy Chairman	Member

More than 300,000 satis

(Rent quickly from Sixt

fied customers per year.

and be one of them)

Sixt Shares and Profit Participation Certificates

- Sixt shares affected by increasingly volatile financial markets in 2007
- Fourth consecutive dividend increase
- Attractive dividend yield

Subprime crisis influences capital markets

The international stock markets were dominated by increasing volatility in 2007. After the major stock indices experienced an upward trend in the first six months, the subprime crisis, i.e. the collapse of the residential real estate segment in the USA financed by loans to borrowers with poor credit ratings, led to sustained volatility on the international financial markets in summer 2007. Also, fears of a downturn in the US economy and the associated effects on Europe increased towards year-end.

Consequently, key stock indices in the USA and Europe recorded significantly lower year-on-year growth. For the year as a whole, the Dow Jones was up 6.2% (2006: +16%), while the Euro Stoxx 50 rose by 6.9% (2006: +15%) and the pan European Stoxx 50 actually fell by 0.3% (2006: +10%). By contrast, the DAX stock index generated a stable year-on-year performance, rising 22% as in 2006 to 8,067 points (year-end). However, the MDAX only grew by 4.9% (2006: +29%), among other things because many investors switched to the less cyclical DAX stocks as a result of the subprime crisis. The SDAX, which includes Sixt's ordinary shares, fell by 6.8% following a rise of 30% the previous year.

Sixt shares affected by stock market turbulence

Following substantial price increases in previous years, Sixt shares declined in 2007. Ordinary and preference shares underperformed the SDAX, their benchmark index. Notwithstanding the Company's strong operating business and renewed record revenue and earnings figures, the shares failed to continue their positive trend of previous years.

SIXT SHARE PRICES FALL DESPITE RECORD RESULTS

Sixt ordinary and preference shares

from 1 January 2007 to 31 December 2007

Source: BayernLB

In this context it should be noted that the prices of mobility shares in 2006 were driven by market speculation due to changes in ownership at major car rental and leasing companies. Furthermore, in the second half of 2007, the turbulence on the financial markets and fears of an economic downturn led investors to increasingly doubt whether cyclical stocks, particularly in the travel and tourism sectors, would be able to continue their positive performance. In this environment, a number of major car rental companies experienced significant price losses. Avis Europe reported a drop of around 53%, Dollar Thrifty fell by 48%, the Avis Budget Group was down approx. 45% and Hertz fell by around 17%.

Sixt's ordinary shares reached their high for the year of EUR 52.00 on 2 February 2007. Afterwards, the price dropped particularly in the second half of 2007, reaching a low for the year of EUR 29.55 on 21 November. During the rest of the year, the price moved roughly within the EUR 30 to EUR 33 range. The 2007 year-end price was EUR 30.61, down 28.0% on the price quoted at the end of 2006.

Following their high of EUR 36.50 on 22 February, preference shares also went into decline in 2007, reaching a low for the year of EUR 21.60 on 21 November. The shares recovered temporarily at the beginning of December, topping EUR 24, but ultimately fell to EUR 22.25 at year-end. This represents a year-on-year decline of 24.8%.

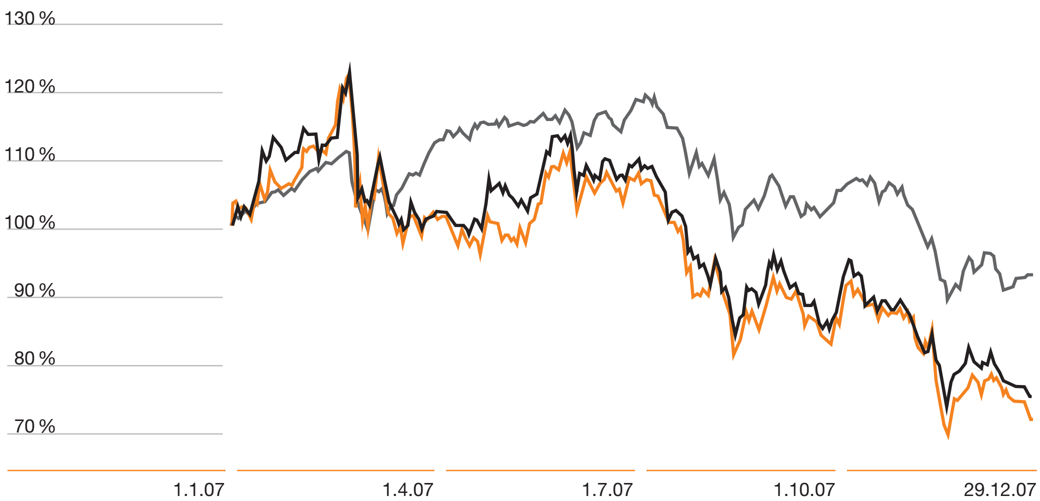
Shareholder structure stable

In 2007, Sixt Aktiengesellschaft received only one disclosure regarding voting rights in accordance with the provisions of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) which was published in March 2007. According to this disclosure, Fidelity International Limited's voting rights declined to 2.73%. As far as the Company is aware, there were no other significant changes to the shareholder structure.

SIXT SHARES IN THE DOWNDRAFT OF THE CAPITAL MARKETS

Sixt ordinary shares, preference shares and SDAX

from 1 January 2007 to 31 December 2007



Sixt ordinary shares   Sixt preference shares   SDAX

Source: BayernLB

Erich Sixt Vermögensverwaltung GmbH, of which Erich Sixt is the sole shareholder, continues to hold 56.8% of the ordinary voting shares. No other disclosures regarding blocks of voting rights have been submitted. 43.2% of the ordinary shares and 100% of the non-voting preference shares were therefore in free float (as defined by Deutsche Börse) in the hands of private and institutional investors as at the reporting date of 31 December 2007.

Dividends increased again

Sixt Aktiengesellschaft has always adhered to the principle of permitting its shareholders to share in the Company's success by distributing an appropriate dividend. The Company pursues an earnings-driven dividend policy which avoids making dividend payments from net assets and takes into account the need to support the equity base in view of the ongoing expansion of the Group in Germany and abroad.

The proposal by the Managing Board and the Supervisory Board to pay dividends for the 2006 financial year of EUR 1.05 per ordinary share and EUR 1.07 per preference share was approved by a large majority of shareholders at the Annual General Meeting on 12 June 2007. In each case, this represented an increase of 25 euro cents per share as against the previous year. This reflects Sixt's extremely healthy earnings development in 2006. The total dividend rose by 31.4% to EUR 26.3 million (previous year: EUR 20.0 million).

At the Annual General Meeting on 19 June 2008, the Managing Board and Supervisory Board will propose a dividend of EUR 1.18 per ordinary share and EUR 1.20 per preference share for financial year 2007. This would be the fourth dividend increase in a row. The proposal allows shareholders to benefit from the Group's very strong earnings. It also reinforces the Group's equity base with a view to Sixt's worldwide growth.

This corresponds to a total dividend of EUR 29.7 million, a year-on-year increase of 13%. At 3.9% per ordinary share and 5.4% per preference share, the dividend yield is therefore attractive.

Sixt share information

Classes of shares	No-par value voting ordinary bearer shares (WKN: 723132, ISIN: DE0007231326) No-par value non-voting preference bearer shares (WKN: 723133, ISIN: DE0007231334)
Stock exchanges	Xetra, Frankfurt, Munich, Stuttgart, Hanover, Düsseldorf, Hamburg, Berlin-Bremen
Major indices	SDAX (weighting of ordinary shares: 1.238 %) CDAX (weighting of ordinary shares: 0.021 %, weighting of preference shares: 0.019 %) Prime All Share (weighting of ordinary shares: 0.021 %, weighting of preference shares: 0.019 %)
Trading segment	Prime Standard
Designated Sponsors	Commerzbank AG, HypoVereinsbank AG

	2007	2006
Earnings per share – basic (EUR)		
Per ordinary share	3.73	2.95
Per preference share	3.77	3.36
Dividend (EUR)		
Per ordinary share	1.18[2]	1.05
Per preference share	1.20[2]	1.07
Number of shares		
(as at 31 December)	25,049,550	24,906,350
Ordinary shares	16,472,200	16,472,200
Preference shares	8,577,350	8,434,150
High (EUR)[1]		
Ordinary shares	52.00	48.00
Preference shares	36.50	35.45

	2007	2006
Low (EUR)[1]		
Ordinary shares	29.55	21.50
Preference shares	21.60	17.45
Year-end price (EUR)[1]		
Ordinary shares	30.61	42.49
Preference shares	22.25	29.60
Dividend yield (%)[3]		
Ordinary shares	3.9	2.5
Preference shares	5.4	3.6
Market capitalization		
(EUR million)[4]		
as at 31 December	695	950

1 All prices refer to floor trading in Frankfurt
2 Proposal by the management
3 Based on year-end prices
4 Based on ordinary and preference shares

Continuous communication with the capital markets

Sixt is committed to the principles of open, timely and extensive communication with the capital markets, individual shareholders and the media. As a large, fast-growing publicly held corporation whose shares are listed in Deutsche Börse's Prime Standard segment, Sixt is required to comply with high transparency standards and extensive disclosure requirements. Sixt meets these obligations with a wide range of communication measures.

In order to meet these obligations and the public's growing need for information, the Managing Board again engaged in regular, in-depth dialogue with analysts and investors in 2007. This dialogue served to explain Sixt's strategic orientation and business development on the one hand, and to put it in the context of the relevant sector and capital market environment on the other.

The Managing Board's roadshows in Germany and abroad were well received. In 2007, Board members held discussions with investors in Frankfurt am Main, Munich, London, Edinburgh, New York, Boston, Toronto, Vienna, Paris and Zurich, among other places.

In addition, the Managing Board again used the publication of the preliminary figures for financial year 2006 and the 2007 quarterly reports to answer questions directly from the media in telephone conferences. These conferences have taken place for years and have proved to be a good opportunity – in addition to the regular events such as the annual earnings press conference and the Annual General Meeting – to report on Sixt's business development to the public and to comment on current topics relevant to the Group. Keen interest was again shown by the business and financial media in the period under review.

Prominent financial and research institutions actively track the Company's performance and publish research reports on a regular basis based on close dialogue with the Managing Board. In 2007, studies were published by BayernLB, WestLB, M.M.Warburg, HypoVereinsbank (UniCredit), Sal. Oppenheim, Goldman Sachs and GSC Research, among others. Sixt's Managing Board is looking at suitable ways of meeting investors' and analysts' information requirements even better in the future with the aim of expanding coverage of Sixt's shares and of intensifying dialogue with the capital market.

Profit participation certificates 2004/2011

The profit participation certificates issued by Sixt in the autumn of 2004 with an aggregate principal amount of EUR 100 million recorded a negative performance in financial year 2007. The consistent upward trend since the initial listing on 14 October 2004 continued at first in the year under review, reaching a high of 124.90% of the principal amount on 28 March. Following distribution of the profit share of 9.05%, the price fell to its low of 107.00% on 10 December 2007, since it was not completely immune to the increasing alarm signals on the capital and financial markets. At year-end, the price was 107.75% (prior-year reporting date: 122.10%).

The following overview provides a run-down of the key data relating to the profit participation certificates:

Sixt profit participation certificate information	
Aggregate principal amount	EUR 100 million
Denomination	1 million bearer certificates of EUR 100 each
ISIN	DE000A0DJZP8
Listing	Official market, Frankfurt Stock Exchange
Profit distribution	9.05 % p. a.
Distribution date	First bank working day following the Annual General Meeting at which the Annual Financial Statements for the relevant financial year are presented
Term	50% of the principal amount with a term until 31 December 2009, 50% of the principal amount with a term until 31 December 2011

Sixt Aktiengesellschaft considers good and responsible corporate management and supervision (corporate governance) to be an important means of ensuring and enhancing capital market confidence in the Company. Responsible management that focuses on long-term value creation is therefore of central importance for the Company. The basic hallmarks of good corporate governance are efficient and trusting collaboration between the Managing Board and the Supervisory Board, respect for shareholders' interests and open corporate communication, both externally and internally.

The recommendations of the Government Commission on the German Corporate Governance Code are an established benchmark for corporate management at German listed companies. The Managing Board and the Supervisory Board of Sixt affirm their commitment to the principles of the German Corporate Governance Code published by the Government Commission on 26 February 2002 and last amended on 14 June 2007.

In accordance with Section 161 of the Aktiengesetz (AktG – German Public Companies Act), the managing board and supervisory board of German listed companies are required to issue an annual declaration indicating the extent to which they have complied and are complying with the German Corporate Governance Code. They must also explain which recommendations of the Code have not been or are not being applied. The Managing Board and Supervisory Board of Sixt have issued and published such a declaration of conformity every year since 2002. Every declaration of conformity is made available to the public for a period of five years on the Company's website. The most recent declaration of conformity with the version of the Code valid since June 2007 was published by the two bodies in December 2007, and reads as follows:

Declaration of conformity in accordance with section 161 of the AktG
The Managing Board and Supervisory Board of Sixt Aktiengesellschaft declare that:

The recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated 14 June 2007 announced by the Federal Ministry of Justice in the official section of the electronic Bundesanzeiger (Federal Gazette) have been and will be complied with, with the following exceptions:

- Notification of the convening of the General Meeting together with the convention documents is sent to all domestic and foreign financial services providers, shareholders and shareholders' associations by electronic means on request (section 2.3.2 of the Code).

- To the extent that Sixt Aktiengesellschaft's existing D&O policy provides insurance cover, there is no deductible for members of the Managing Board or the Supervisory Board (section 3.8 of the Code).

- Exceptions from the Code's recommendations are not explicated in the Annual Report (section 3.10 of the Code).

- The key features of the remuneration system for members of the Managing Board and the concrete stock option plan are explained in more detail in the Annual Report. The compensation of the Managing Board and members of the management is disclosed in the Notes to the Consolidated Financial Statements and is divided into a fixed salary, performance-related components and long-term incentives (section 4.2.3 of the Code). No individualised breakdown of the disclosures is given. As a result, no compensation report is prepared and the value of stock option plans is not indicated (section 4.2.5 of the Code).

- The Supervisory Board specifies age limits on a case-by-case basis when appointing members of the Managing Board (section 5.1.2 of the Code).

- Since, in accordance with the Articles of Association, the Supervisory Board of Sixt Aktiengesellschaft consists of three people, no committees were formed (sections 5.3.1 to 5.3.3 of the Code).

- The compensation of members of the Supervisory Board comprises fixed components only. The aggregate amount is disclosed in the Consolidated Financial Statements. The compensation paid to members of the Supervisory Board for personal services rendered is disclosed in the Consolidated Financial Statements as required by law, and is not individualised (section 5.4.7 of the Code).

- Sixt Aktiengesellschaft will disclose all price-sensitive information to analysts and all shareholders (section 6.3 of the Code).

- The Consolidated Financial Statements are published within the statutory periods. Interim reports are published within the periods stipulated by stock exchange law (section 7.1.2 of the Code).

Pullach, December 2007

For the Supervisory Board of Sixt AG
signed Dr. Karl Josef Neukirchen
(Chairman)

For the Managing Board of Sixt AG
signed Erich Sixt
(Chairman)

The declaration of conformity is available on Sixt Aktiengesellschaft's website (www.sixt.de).

Annual document pursuant to section 10 of the German Securities Prospectus Act
The Wertpapierprospektgesetz (WpPG - German Securities Prospectus Act), which entered into force in 2005, stipulates in section 10 that issuers whose securities are admitted to trading on an organised market must provide the public at least once a year with a document that contains, or refers to, all information which the company has published or made available to the public in the preceding twelve months in accordance with certain capital market regulations.

The disclosures of Sixt Aktiengesellschaft in accordance with stock exchange and securities trading law summarised in the Annual Document may be viewed online in the Investor Relations section of the Company's website at www.sixt.de or requested from Sixt Aktiengesellschaft.

Stock option programmes

Issue of convertible bonds with options rights until 2006
The Annual General Meeting on 13 August 2003 resolved to authorise the Managing Board to issue, with the consent of the Supervisory Board, interest-bearing convertible bonds on one or more occasions until 12 August 2008 in an aggregate principal amount of EUR 2,657,920, with a maximum term of 5 years. The bonds may be issued in their principal amount to members of the Company's Managing Board, members of the management of German and foreign affiliates within the meaning of sections 15 ff of the AktG and employees who may be included due to their exceptional performance. Subject to the detailed terms and conditions of the bonds, the buyers are entitled to purchase new preference shares in Sixt Aktiengesellschaft, whereby the interest in the distribution of profits and the Company's assets attaching to these shares ranks equally with the preference shares previously issued. For this purpose, the Company's share capital has been contingently increased by up to EUR 2,657,920, composed of up to 1,038,250 preference bearer shares (Contingent Capital 2003/II).

The beneficiaries and the principal amounts of the respective bonds are decided by the Managing Board or, if members of the Managing Board are concerned, by the Supervisory Board. The Company issued convertible bonds with conversion rights for up to 372,400 preference shares (as at 31 December 2007) in accordance with the authorisation mentioned above in the period until 2006.

The conversion rights granted in each case cannot be transferred by the beneficiaries. The conversion right may only be exercised if the holders of the convertible bonds have a contract of employment with the Sixt Group and no notice of termination has been given. In certain cases special arrangements can be provided. When the conversion right is exercised, one preference share is issued for every EUR 2.56 of the principle amount of the convertible bonds.

The conversion price for the acquisition of one new share corresponds to the ratio of the official cash market price of Sixt preference shares on the Frankfurt Stock Exchange on the first day of trading after the Company's Annual General Meeting in the third financial year after the bond in question was issued to the performance.

The official cash market price means the price in the 1 p.m. auction in the Frankfurt Stock Exchange's electronic trading system (Xetra). The performance is determined by comparing the share price performance of Sixt preference shares with the performance of Deutsche Börse AG's SDAX index over two reference periods.

The first reference period comprises in each case the first 20 trading days after the beginning of the term of a convertible bond, while the second reference period comprises in each case the period from the 25th to the 6th trading day before the Annual General Meeting of Sixt Aktiengesellschaft in the financial year in which the term of the convertible bond ends.

Since the market price of Sixt preference shares may be affected between the start of the first reference period and the end of the second reference period by dividend payments and by the grant of pre-emptive rights, dividends paid during this period and the average market price for the pre-emptive rights must be added to the average for the second reference period when calculating share price performance.

The terms and conditions of the bonds provide for adjustment of the performance discount especially in the event of a capital increase from retained earnings, a capital decrease, or the purchase of own shares.

New employee equity participation programme (Matching Stock Programme) 2007
Since the authorized volume of stock options under the above programme for the issue of convertible bonds had become insufficient to offer all employees eligible for participation in the programme the full contingent of shares in 2007, the Managing Board and Supervisory Board of Sixt Aktiengesellschaft, Pullach, resolved to implement a Matching Stock Programme ("MSP") for a selected group of employees, senior executives and members of the Managing Board of the Sixt Group at Sixt Aktiengesellschaft and its affiliated companies.

The Managing Board's intention with the new programme is to continue employee participation in the form of shares, while also making the old programme more attractive for employees and avoiding further dilution for the existing shareholders of Sixt Aktiengesellschaft. Participants in the MSP must have a contract of employment with Sixt Aktiengesellschaft or one of its subsidiaries that has not been terminated at the time of subscribing to the MSP.

To participate in the MSP, each participant must make a personal investment by acquiring bonds of Sixt Aktiengesellschaft with a coupon of 6% p.a. and a maturity of 7 years. The total invested by all participants must not exceed EUR 3.5 million. The Supervisory Board of Sixt Aktiengesellschaft can resolve at any time to increase the total investment volume above EUR 3.5 million. The Managing Board of Sixt Aktiengesellschaft – with the approval of the Supervisory Board if members of the Managing Board of Sixt Aktiengesellschaft are concerned – sets the maximum participation volume for each of the beneficiaries.

The participation volume was converted into a corresponding virtual number of Sixt preference shares ("MSP shares") on the basis of the average non-weighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the start of the MSP. The average price calculated and applied was EUR 25.51. Each MSP share entitles the holder to subscribe to 7 phantom stocks per tranche in accordance with the MSP terms and conditions.

Under the MSP, one tranche of phantom stocks is allocated on 1 December each year during the years 2007 to 2011 (a total of 5 tranches), so that each participant is entitled to subscribe to 7 phantom stocks a year for each MSP share (up to a total of 35 phantom stocks).

The allocated phantom stocks can only be exercised after a lock-up period of 3 years, starting from the allocation of the respective tranche. The phantom stocks can only be exercised if the exercise price since the allocation of the respective tranche is 15% higher than the initial price of the respective tranche (exercise threshold). The initial price of the phantom stocks corresponds to the average non-weighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the phantom stocks for the tranche concerned are allocated. The exercise price is the average non-weighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the phantom stocks of a tranche are exercised. Phantom stocks allocated as part of a tranche are deemed to have been exercised on the first trading day following the end of the lock-up period, if the exercise threshold has been reached. If the exercise threshold is not reached, the phantom stocks expire without replacement.

The exercise gain for a tranche, calculated if the phantom stocks are exercised, must not exceed 3% of the earnings before taxes reported in the most recent annual financial statements of Sixt Aktiengesellschaft. If it does, the amount must be reduced proportionately for all participants.

An amount, net of the taxes and contributions on the exercise gain payable by the participant, is credited to each participant in preference shares of Sixt Aktiengesellschaft. Sixt Aktiengesellschaft does this by acquiring Sixt preference shares on behalf of and for the account of the participant. These shares are subsequently transferred to a blocked custody account in the participant's favour. The participant is free to draw on the shares after another year. The total term of the MSP, including this lock-up period, is 8 years.

If, during the term of the MSP, adjustments are made to the share capital of Sixt Aktiengesellschaft or restructuring measures are implemented that have a direct impact on the share capital of Sixt Aktiengesellschaft and this causes the value of the phantom stocks to change by 10% or more, the initial price will be adjusted to the extent necessary to compensate for the change in value of the phantom stocks caused by the corporate action. If Sixt Aktiengesellschaft distributes dividends or other assets to shareholders in the period between allocation and exercise of a tranche of phantom stocks, the initial price of this tranche must be adjusted by deducting the amount of dividend or distribution attributable to one share from the initial price.

If the bond acquired by the participant as a personal investment is redeemed early or if the participant's contract of employment is terminated, any phantom stocks already allocated but not yet exercised and the entitlements to unallocated phantom stocks are generally lost.

Disclosures relating to the ownership of shares and financial instruments on those shares

Erich Sixt Vermögensverwaltung GmbH, Pullach, of which Chairman of the Managing Board Erich Sixt is the sole shareholder, held 56.8% (9,355,911 shares) of the ordinary shares in Sixt Aktiengesellschaft as at the reporting date of 31 December 2007.

Fidelity International Limited, Hamilton, Bermuda notified the Company in accordance with section 21 of the Wertpapierhandelsgesetz (WpHG - German Securities Trading Act) that its share of the voting rights in Sixt Aktiengesellschaft had fallen below the threshold of 3% on 21 March 2007 and amounted to 2.73% (449,376 shares) as at that date. The Company had not received any further disclosures regarding shares in the voting rights in accordance with the WpHG as at the reporting date of 31 December 2007.

Members of the Supervisory Board held no ordinary shares or preference shares in Sixt Aktiengesellschaft as at 31 December 2007.

Under the existing stock option plans, convertible bonds were issued in the years up to 2006 to members of the Managing Board. These grant the right to subscribe to a total of 120,000 preference shares in Sixt Aktiengesellschaft (as at 31 December 2007), insofar as the price performance of the preference shares in relation to two reference periods defined in the relevant terms and conditions of the bond exceeds that of Deutsche Börse AG's stock exchange index SDAX. Under the new MSP employee equity participation programme, which was launched in 2007, members of the Managing Board subscribed to bonds of Sixt Aktiengesellschaft with a total principal amount of EUR 600,000, which under the MSP terms and conditions grant their holders the right to subscribe to up to 23,520 MSP shares and thus to a maximum of 823,200 phantom stocks.

No financial instruments relating to the purchase or sale of Sixt Aktiengesellschaft shares were issued to members of the Supervisory Board.

Directors' dealings in accordance with section 15 a WpHG

Karsten Odemann, Detlev Pätsch and Hans-Norbert Topp, members of the Managing Board of Sixt Aktiengesellschaft, have informed the Company that on 15 June 2007 they respectively sold 12,000 (Karsten Odemann), 20,000 (Detlev Pätsch) and 20,000 (Hans-Norbert Topp) no-par value preference shares in Sixt Aktiengesellschaft (ISIN DE0007231334), which they had previously acquired on 15 June 2007 by exercising the conversion right attached to the convertible bond issued in 2004 to executives and eligible employees, at a price of EUR 31.10 per preference share, in an off-the-floor commission transaction. Sixt Aktiengesellschaft has received no other disclosures regarding the acquisition or sale of Company shares by members of the Managing or Supervisory Boards.

So you can rent cars at even cut the marketing budget

lower prices, we have really
of our advertising agency.

- **Sixt Group again reports record revenue and earnings**
- **Operating revenue up 14.0% to EUR 1.38 billion**
- **Profit before taxes up 13.2% to EUR 137.7 million**
- **International expansion continues to gather pace**
- **Goal for 2008 is to maintain the growth trend**

A. Business and general environment

1. Group activities and services portfolio

The Sixt Group is an international mobility services provider that is primarily active in the business areas of vehicle rental and leasing. Other activities such as e-commerce are insignificant and are disclosed in segment reporting under the item "Other".

In the **Vehicle Rental Business Unit**, Sixt operates worldwide – apart from in the USA – through a network comprising its own rental offices, franchisees and cooperation partners. In Germany, the Company is the clear market leader with an estimated share of 29%. Sixt's market share at some commercial airports in Germany, an important segment in the rental business, significantly exceeds 29%. While the Business Unit's primary target group comprises business and corporate customers, business with private customers and tourists has also increased in recent years.

Sixt has a dense service network in Germany. As at 31 December 2007, this numbered 517 rental offices (excluding rental offices for its SIXTI low-cost brand).
Abroad, Sixt is represented with its own rental offices in the core European countries, i.e. Belgium, France, the UK, the Netherlands, Austria, Switzerland and Spain (Sixt Corporate countries). The Group is thus one of Europe's largest vehicle rental companies. In addition, Sixt is represented by cooperation partners and franchisees in other European countries and many countries outside Europe, with the result that Sixt has now achieved almost global reach. As at 31 December 2007, the number of Sixt rental offices worldwide stood at 1,684.

The offering in the Vehicle Rental Business Unit is complemented by the following products:

- “Sixt Holiday Cars” is a global holiday rental car offering that is specially tailored to holiday regions and available at some 3,500 rental offices and service points worldwide. It is an all-inclusive, prepaid product whereby, after making a reservation, customers receive a vehicle rental voucher for use at their destination, at a price including all additional costs such as insurance, taxes and mileage.

- Since 2003, the Group has been operating “SIXTI”, a low-cost offering that is clearly distinguished from Sixt vehicle rental services. The brand is aimed at price-conscious customers who are willing to commit to fixed rental conditions in return for low prices. Sixt is the only provider in this market segment with a European reach. At the end of 2007, SIXTI had 84 rental offices in nine countries, 27 of them in Germany.

- “Sixt Limousine Service & Chauffeur Drive” provides individual, exclusive mobility offerings for various occasions such as business or sightseeing trips in over 60 countries. For this, Sixt uses a fleet of attractive premium vehicles and specially trained chauffeurs.

- In order to be able to offer its customers comprehensive, integrated mobility services and reductions, Sixt maintains a close network of strategic partnerships, some of which are long-established. Alliances are in place particularly with airlines, hotel companies, hotel reservation and marketing associations, and other mobility services providers, such as the ADAC (a German motorists' association) and Deutsche Bahn.

In its **Leasing Business Unit**, Sixt concentrates on full-service leasing, which comprises not only pure finance leasing but a wide range of other services as well. The focus of its activities is on fleet management for corporate customers. The Leasing Business Unit's services portfolio includes advice concerning vehicle selection, vehicle procurement, maintenance over the entire contract period, transparent conditions regarding vehicle returns, service packages in the case of accidents and various other services such as fuel card management or payment of motor vehicle tax and radio licence fees. With the help of web-based solutions, fleet managers can also prepare individual vehicle analyses, thereby increasing transparency across their fleet.

Sixt Leasing AG is one of the largest vendor-neutral, non-bank leasing companies in Germany and offers customers a broad range of individual financing and service solutions. Abroad, the Leasing Business Unit is represented in Austria, Switzerland and France by its own operations. The number of leasing contracts in Germany and abroad amounted to 65,500 as at the end of 2007. Full-service leasing and fleet management accounted for 92% of the total number of contracts. In addition, Sixt offers leasing products and services in a further 40 countries (as at 31 December 2007) via franchisees.

2. Group structure and management

Sixt Aktiengesellschaft acts as the holding company for the Sixt Group. It is responsible for the strategic and financial management of the Group. It also carries out various financing functions and provides internal monitoring and advisory services, primarily for the main companies in the Vehicle Rental and Leasing Business Units. All business operations are conducted by the business units, whose main managing companies are Sixt GmbH & Co. Autovermietung KG and Sixt Leasing AG.

The overview of the companies included in the consolidated financial statements and the other Group companies of Sixt Aktiengesellschaft can be found under the section entitled “Consolidation” in the Notes to the Consolidated Financial Statements.

The Managing Board of Sixt Aktiengesellschaft is solely responsible for managing the Company. The Supervisory Board appoints, monitors and advises the Managing Board and is directly involved in decisions of fundamental importance for the Company and the Group.

3. Legal and economic factors

As the Group operates globally, the business activities of the Sixt companies are exposed to the influence of a number of different legal systems. These include road traffic, environmental protection and public order regulations, tax and insurance laws, and capital market regulations.

In the year under review, for example, emissions-based motor vehicle taxes were changed in several European countries in order to meet a related EU standard. In addition, in the first half of 2007, the leasing business was negatively impacted by the debate surrounding the business taxation reform in Germany. This centred on the future tax treatment of businesses' interest and leasing expenses. After the reform had been adopted in mid-2007 to take effect on 1 January 2008 and it then became possible to calculate the negative impact on businesses, the reluctance of leasing customers to invest evaporated.

4. Business management and corporate objectives

4.1 Financial performance indicators

The long-term business success of Sixt Aktiengesellschaft and the Sixt Group is measured using certain financial control parameters. Non-financial performance indicators are also important in this context. These indicators refer to specific strengths and skills, the relevance of which is derived from the Group's business model.

In particular, the financial control parameters (financial performance indicators) in the Vehicle Rental Business Unit include:

- the degree of commercial utilisation of the rental fleet
- the revenue per vehicle and day
- the fleet costs per vehicle and day
- the extent to which revenue from the sale of used rental vehicles is secured by buy-back agreements with suppliers.

The main financial performance indicators of relevance in the Leasing Business Unit are:

- the net margin from lease contracts
- the calculation of residual values of lease vehicles
- the extent to which revenue from the sale of used leasing vehicles is secured by buy-back agreements with suppliers.

The following overall control parameters in particular are used at the level of the Sixt Group:

- profit before taxes (EBT)
- the return on sales in the business units (EBT/operating revenue)
- the equity ratio (equity/total assets)
- leverage (total debt/operating profit).

4.2 Financial targets

The Sixt Group aims to achieve the following financial targets over the long term and therefore on a sustained basis:

- a pre-tax return on sales of at least 10% (in relation to revenue from rental business) in the Vehicle Rental Business Unit
- a pre-tax return on sales of 5% (in relation to revenue from leasing business) in the Leasing Business Unit
- an equity ratio of at least 20% at Group level.

4.3 Non-financial performance indicators

Above all, the Group's non-financial performance indicators include:

- **Strong service focus:** For many years, Sixt has positioned itself as a premium provider combining high-quality services with an above-average vehicle standard. Service responsiveness and service quality are the key differentiators distinguishing service companies from the competition. Service quality is of great importance, especially for business and corporate customers, Sixt's main customer group. Sixt's systematic service focus is reflected in many product innovations. Safeguarding and strengthening service quality, for example with suitable training for all customer-facing employees, is an important factor in ensuring the Company's future success.

- **Rental fleet attractiveness:** Sixt's positioning as a premium mobility services provider demands a modern, attractive and high-quality rental fleet that meets the requirements of its customers, especially business and corporate customers. For this reason, the BMW, Mercedes-Benz and Audi brands have for many years accounted for over half of all rental vehicles by value, a situation that continued in 2007. The vehicles offer superior technical standards such as navigation systems and luxury features. Sixt also considers it important to be able to offer a large variety of vehicle sizes and types for a range of different uses, such as trucks, estate cars, convertibles, off-road vehicles and sports cars.

- **Brand awareness:** According to a representative online survey commissioned by the Company and conducted in 2007, spontaneous awareness of the Sixt brand stands at 84% among business travellers in Germany. This is a very high score that is usually achieved only by large consumer goods manufacturers. According to the study, the high level of brand awareness is coupled with mostly positive ratings of the Company's image. Sixt is perceived as a premium brand with the best service, the friendliest employees and the fastest and least complicated processes. Efficient and proactive communication plays an important role in this context. All advertising and marketing campaigns aim to position the Sixt brand to reflect the Company's strategic orientation and, in doing so, increase perception of the brand, especially abroad.

- **Innovative strength:** It is essential for both business units to adapt their products and services continually to the changing economic and social environment and to the individual requirements of their customers. For example, they need to address the fact that business and corporate customers are budgeting less and less time for travel.

Over the past decades, Sixt has frequently launched innovative products and services on the market with the aim of making rental and leasing processes as simple, easy and transparent as possible. In many cases, these innovations are important features that distinguish the Company from the competition. The promotion and expansion of the Group's innovative culture is therefore an important performance indicator.

4.4 Non-financial targets

The Group's main qualitative and non-financial targets are:

- to safeguard and extend its leadership of the vehicle rental market in Germany
- to further extend its market position in the Sixt Corporate countries in Europe, particularly France, the UK and Spain, and thus ensure over the long term that foreign markets make a balanced contribution to revenue from rental business
- to expand the leasing business abroad, both in Sixt Corporate countries and via franchisees
- to safeguard its positioning as a premium service provider in terms of the quality of both the vehicle fleet and the products and services
- to further enhance service quality through product innovations, constant improvements in staff expertise and increases in efficiency across all Company processes.

5. Economic environment

In 2007, the global economy continued on the growth path it has been following for the past few years and was in robust health overall. Recent estimates expect it to have grown by around 5%. In addition to sustained positive economic performance in Europe and the USA, the continued strong growth was underpinned increasingly by the flourishing economies of large emerging economies. In China, for example, gross domestic product (GDP) rose by 11.4%, the strongest rate of growth for 13 years.

However, the pace of economic expansion slowed during the course of the year. At the same time, there were increasing signs that the economic environment was deteriorating. The collapse of the subprime mortgage sector in the USA triggered persistent turbulence on the international financial markets from summer 2007 onwards, and the price of commodities such as crude oil rose sharply in the second half of the year. Consequently, fears of a sharp downturn in the global economy rose towards the end of 2007, especially as expectations of a recession in the USA increased.

Despite these signs, the economy in the euro zone showed solid fundamentals at the end of the year under review. The trend in corporate earnings remained positive and employment growth robust.

In Germany, GDP rose by 2.5%, its fourth consecutive year of growth. The healthy state of the economy was attributable mainly to stable order books in the corporate sector. Private consumption, on the other hand, fell short of expectations despite the growth in employment.

Sources:
Bundesverband deutscher Banken e.V. (Association of German Banks), economic report, December 2007
European Central Bank, Monthly Bulletin, December 2007
Communiqué from the National Bureau of Statistics of China dated 24 January 2008
Press release from Statistisches Bundesamt (Federal Statistical Office) dated 15 January 2008

6. Segment report

6.1 Vehicle Rental Business Unit

6.1.1 Sector developments

According to the Datamonitor market research institute, Europe is the world's second largest rental market after the USA. Datamonitor estimates Europe's market volume in 2006 to be around EUR 6.9 billion and predicts a volume of around EUR 7.5 billion for 2009. This represents average annual growth of around 3%. The European rental market continues to be characterised by stiff competition, with a handful of large international providers predominating.

According to Datamonitor, the German vehicle rental market is the largest in Europe. The Bundesverband der Autovermieter Deutschlands (BAV – German Association of Car Rental Companies) estimates that the market volume increased by around 6% in 2007, the third consecutive year of growth, from EUR 2.4 billion to EUR 2.55 billion. This estimate is based on the fact that rental vehicle registrations rose at the same rate, while rental prices were largely stable. The Company attributes the market growth not only to the healthy state of the economy, but also to the growing trend for many large businesses to dismantle their own vehicle pools and replace them with rental cars.

The process of concentration that has been in evidence among German car rental companies for many years is still ongoing. The BAV estimated the number of car rental companies at around 570 in 2007 compared with around 580 in the previous year. This process of concentration has seen large, international companies gain additional market share.

New registrations in Western Europe's automotive market rose by 1% to around 16.0 million vehicles (including new EU members) in 2007, with trends varying from country to country. This growth rate is on a level with the previous year.

In Germany, 3.15 million new vehicles were registered in the year under review, a decline of around 10% as against the figure of 3.5 million vehicles registered in 2006. It is important to bear in mind, however, that 2006 was impacted by one-time factors due to the increase in value added tax that came into effect on 1 January 2007.

Sources:
Datamonitor, Car Rental in Europe, October 2005
Datamonitor, Car Rental in Germany, October 2005
Bundesverband der Autovermieter Deutschlands e.V. (BAV), market data 1988 - 2007 (as at February 2008) and release dated January 2008
Verband der Automobilindustrie e.V. (VDA – German Association of the Automotive Industry), press releases dated 3 January, 8 January and 15 January 2008

6.1.2 Developments in the Vehicle Rental Business Unit

Sixt recorded rapid growth in 2007 in its Vehicle Rental Business Unit. Underpinned by the rise in customer numbers fuelled by an excellent sales performance, especially in the core target group comprising business travellers, the international rental business in particular proved to be an engine of operating growth and, increasingly, an earnings driver as well. Sixt is the fastest-growing vehicle rental company worldwide.

Revenue from rental business reached a new all-time high of EUR 1,007.1 million in 2007, outstripping the prior-year figure (EUR 863.3 million) by EUR 143.8 million or 16.7%. Revenue in Germany rose by 13.1% from EUR 663.8 million to EUR 750.9 million. The Group grew substantially faster than the German vehicle rental market as a whole, for which the industry association BAV forecast growth of around 6% for 2007. New customers, especially business and corporate customers, as well as intensified business relations with existing customers contributed to this increase. Abroad, rental revenue climbed by 28.4% to EUR 256.2 million (2006: EUR 199.5 million). The international share of total segment revenue thus rose from 23.1% to 25.4%.

Profit before taxes (EBT) in the vehicle rental segment rose to EUR 123.2 million in 2007 compared with EUR 104.4 million in the previous year (+18.0%), thereby outpacing revenue growth. This performance reflects strict cost control, efficient vehicle procurement and needs-based fleet management. The return on sales, the ratio of EBT to operating revenue, improved slightly from 12.1% to 12.2%.

Key figures for the Vehicle Rental Business Unit in EUR million	**2007**	2006	Change in %
Rental revenue	1,007.1	863.3	+ 16.7
thereof abroad	256.2	199.5	+ 28.4
Earnings before net finance costs and taxes (EBIT)	146.3	122.8	+ 19.1
Earnings before taxes (EBT)	123.2	104.4	+ 18.0

International expansion: 2007 saw an encouraging trend in rental revenue in all Sixt Corporate countries where the Company has its own network of rental offices, with revenue increasing year-on-year in those countries. Sixt generated particularly high growth rates in France (+40%) and Spain (+220%). The previous year's positive trend in revenue also continued in the UK. With rental offices in Germany, France, Spain, Austria, Switzerland, Belgium, the Netherlands and the UK, Sixt covered over 70% of the entire European rental market through its own national companies in 2007. It is the leading vehicle rental company in Germany and Austria.

In 2007, Sixt also entered new national markets around the globe through franchise partners. In July, the first rental offices were opened in Belarus. With around 100 rental offices in 16 countries, the Sixt brand is therefore represented almost everywhere in the rapidly-expanding economies of Eastern and South Eastern Europe. In several Eastern European countries, Sixt now ranks among the leading rental vehicle providers with a double-digit market share. Sixt believes that demand for mobility services in these countries will increase further as local companies grow their business and international corporations continue to expand.

According to expert estimates, this is also true of China. In October 2007, a Sixt franchise partner launched the Company's operations in Beijing. A further rental office had been opened in Shanghai by the end of the year, and an office in Guangzhou (Canton) will follow in 2008. Over the medium to long term, Sixt plans to significantly expand its vehicle fleet (including leasing) in China, where it is the first international provider to offer only high-quality premium vehicles. Its use of specially trained chauffeurs is a further feature of Sixt's mobility business in China. This service is used mainly by corporate customers under long-term rental agreements.

Other countries where Sixt entered the market through franchise partners in 2007 were Algeria, Armenia, Kenya, Libya, Panama and the Caribbean islands of Saint Martin and Martinique.

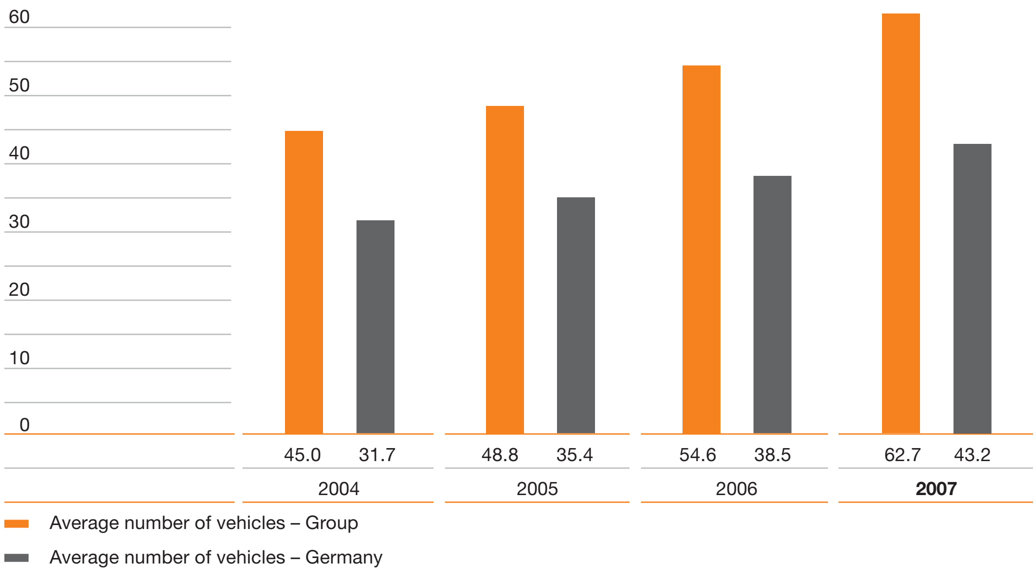
At the end of 2007, Sixt was represented in over 85 rental markets by its own rental offices and by franchise partners. Including franchisees, the number of rental offices worldwide rose to 1,684 (2006: 1,564), a net increase of 120 offices.

Business in Germany: In Germany, the number of rental offices rose to 517 at the end of 2007 compared with 474 in the previous year (+9%). In its domestic market, Sixt's Vehicle Rental Business Unit again grew at a much faster pace than the market as a whole in 2007. With revenue up 13%, Sixt continued to extend its leading position in Germany, where its share of the overall rental market is around 29% according to its own estimates. At some German airports, it has a market share of up to 40%.

Due to the expansion of operations, Sixt added more vehicles to its fleet in 2007 than it did in the previous year. The European rental fleet increased to 62,700 vehicles on average over the year (+15%; 2006: 54,600). Of these, 43,200 vehicles were attributable to Germany, 12% more than in the previous year (2006: 38,500).

Including franchisees, the rental fleet reached an average of 102,000 vehicles worldwide in 2007, compared with 92,600 vehicles in 2006 (+10%).

Rental fleet development
in thousands of vehicles

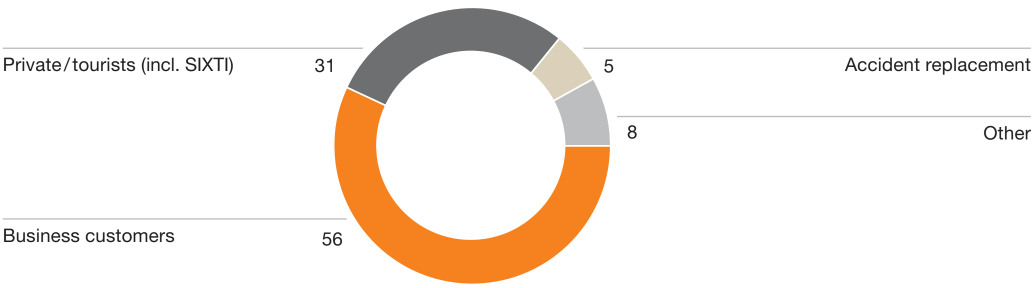


Sales activities: The positive business performance in the Vehicle Rental Business Unit reflects the further increase in Sixt's selling power. In 2007, it again acquired new high-profile customers, including international corporations and a number of middle-market companies. It also managed to significantly increase business with some existing customers. As part of the further development of its sales organisation, Sixt completed the task of setting up its own sales team to serve international business customers. The advantages for businesses include having access to the services of a central Sixt contact when expanding abroad, regardless of whether the mobility services are provided locally by a Sixt national company or a local franchise partner.

Two awards bear out the effectiveness of the sales activities. In 2007, Sixt won the prestigious “Business Traveller Award” as the best European car rental company for the second consecutive year and was awarded the “Autoflotte Flotten-Award 2007” by the “Autoflotte” trade magazine as the best car rental company in Germany.

Vehicle rental revenue in 2007 – breakdown by customer group

in %



Business with private customers: Sixt Holiday Cars provide a convenient and cost-effective all-inclusive rental product for leisure travel. In 2007, Sixt Holiday Cars could be booked in more than 85 countries worldwide and were available at over 3,500 destinations, including in every attractive holiday region in Europe, Asia and South America. In the year under review, the product was particularly successful on the holiday island of Mallorca and in Portugal and Greece. In 2007, revenue from the holiday rental car offering rose by 38%.

The SIXTI low-cost offering is aimed at private customers wishing to book extremely cost-effective rental cars on the Internet and willing to accept fixed rental and return conditions in return for low prices. In 2007, SIXTI vehicles were available at 84 rental offices in nine countries across Europe. With this brand, Sixt maintained its position as Europe's leading low-cost rental service provider.

Truck rentals: The rental of trucks and vans in the 2.8 to 12 tonne range is an attractive business area that Sixt strategically developed during the year under review. Many business customers, such as those in the media and logistics sectors, prefer the flexible booking options available with Sixt's heavier rental vehicles, which enable them to adapt their transport capacity to best suit their changing requirements. Customers in this segment also have access to a specially trained sales team. The truck fleet comprised around 5,800 vehicles on average in 2007 (2006: 5,200 vehicles). Across Europe, truck revenue rose by 14% year-on-year.

6.2 Leasing Business Unit

6.2.1 Sector developments

Within Europe, the market for leasing services varies considerably. European industry association Leaseurope and the Bundesverband Deutscher Leasing-Unternehmen (BDL – German Association of Leasing Companies) estimated the volume of new business in Europe to be around EUR 298 billion in 2006. An estimate for 2007 is not yet available.

The previous years' upward trend continued in the German leasing market, the second largest in Europe. The BDL estimated the volume of new business to be EUR 57.4 billion in 2007 compared with EUR 52.4 billion in the previous year, representing an increase of 9.5%. Equipment leasing also experienced rapid growth. For the first time, new business in this market segment reached EUR 50.3 billion, an increase of 12% year-on-year. Road vehicles, one of the strongest segments in the leasing market as a whole, experienced growth of 10% according to the estimate.

The sector was negatively impacted by the federal government's plans for Germany's business taxation reform during the year under review. Under the original plans, the reform was to be financed by including interest and the financing portion of lease instalments and rentals to a significant extent in the trade tax base. This led to considerable uncertainty among investing businesses and thus to a cautious approach to using leasing as a financing tool. Only once the taxation reform had been passed in mid-2007 was the reluctance of business investors overcome.

The private customer business, on the other hand, performed well. In light of the increase in value added tax that would come into effect on 1 January 2007, many car dealerships had offered their customers alternative forms of financing to leasing in 2006. According to information from the BDL, the leasing sector regained this lost ground in 2007.

The significance of leasing continued to rise overall. According to the BDL, around two thirds of all businesses in Germany now use leasing as a way to finance their investments. In 2007, lease investments grew by 9.5%, outpacing aggregate economy-wide investment (+8.2%).

In the motor vehicle sector, the Company believes full-service leasing in particular harbours enormous market potential. Professional advice and support enable customers to exactly identify and reduce their mobility costs, while the service business generates higher margins for leasing companies than pure finance leasing.

Sources:
Bundesverband Deutscher Leasing-Unternehmen e.V. (BDL)
BDL, press release dated 16 August 2007
BDL, October 2007 edition of Leasing-News
BDL, 2007 Annual Report (Leasing Market) dated 19 November 2007
BDL, press release dated 19 November 2007

6.2.2 Developments in the Leasing Business Unit

In Germany, Sixt is one of the largest vendor-neutral, non-bank full-service leasing companies, offering a wide range of services in addition to pure finance leasing. In the first half of 2007, this segment experienced subdued growth in demand, mainly because of market participants' uncertainty as to the future tax treatment of lease financing. However, business picked up considerably in the second half of the year and by the end of 2007 had returned to its long-term growth trend.

The number of leasing contracts (in Germany and abroad) rose to 65,500 at the end of 2007, an increase of 10% year-on-year (31 December 2006: 59,400). Including international franchisee contracts, the total number of leasing contracts rose to 129,000, compared with roughly 116,000 at the end of 2006 (+11%).
Revenue from leasing business amounted to EUR 373.7 million in 2007, exceeding the prior-year figure of EUR 348.0 million by 7.4%. In Germany, revenue was up 5.6% to EUR 339.4 million (2006: EUR 321.3 million). Foreign revenue amounted to EUR 34.3 million compared with EUR 26.7 million in 2006 (+28.6%).
Revenue from the sale of used leasing vehicles, which may be subject to significant fluctuation, declined by 19.3%, from EUR 227.7 million in 2006 to EUR 183.7 million. Including the revenue from the sale of used leasing vehicles, segment revenue reached EUR 557.4 million, a slight drop of 3.2% as against 2006 (EUR 575.7 million).

At EUR 11.9 million, profit before taxes (EBT) was also down on the previous year (EUR 13.9 million). While earnings in the first six months of the year were negatively impacted by rising interest rates and additional, expansion-related expenses, EBT for the second half of 2007 was again well above the prior-year figure. Profitability, expressed as the ratio of EBT to operating revenue, reached 3.2% in 2007 compared with 4.0% a year earlier.

Key figures for the Leasing Business Unit			Change
in EUR million	**2007**	2006	in %
Leasing revenue	373.7	348.0	+ 7.4
thereof abroad	34.3	26.7	+ 28.6
Sales revenue	183.7	227.7	- 19.3
Total revenues	557.4	575.7	- 3.2
Earnings before net finance costs and taxes (EBIT)	34.9	32.0	+ 9.1
Earnigs before taxes (EBT)	11.9	13.9	- 14.2

Sales activities: Despite the fact that business did not start to pick up sharply until the third quarter, Sixt managed to extend its customer base. In the year under review, it acquired new high-profile key accounts both in Germany and abroad, such as leisure travel group Thomas Cook. Closer business relations were developed with many existing customers. A number of small and medium-sized companies also chose Sixt as their new leasing partner.

The rising number of customers is partly the result of the further development of the sales organisation. In 2007, Sixt was particularly successful in linking the sales activities of the Vehicle Rental and Leasing Business Units. A number of companies with which Sixt has been working for many years in its Vehicle Rental Business Unit now use the Group's leasing services as well. This is because customers' mobility requirements are becoming ever more diverse mainly as a result of ongoing international expansion, resulting in growing demand for end-to-end offerings from a single provider in both the rental and the leasing market. Sixt meets this demand partly through combined support for key accounts.

Innovations: In line with its image as an innovation leader, Sixt Leasing continued to systematically expand its service range in 2007. For example, as part of an existing alliance with the ADAC (a German motorists' association), it was agreed that the association's breakdown, accident and recovery services would also be made available to Sixt Leasing customers. The advantage of this service is that it provides round-the-clock assistance in the event of an accident. If necessary, Sixt Leasing customers also receive a replacement vehicle within the shortest possible time.

In the year under review, Sixt cemented its position as one of the leading providers of innovative salary conversion models. It assists companies and employees wishing to agree a salary component in the form of a company car that may also be used for private use. In Germany, the number of salary conversions is steadily rising, as they enable both employers and employees to make sometimes substantial cost savings. A Sixt Internet application allows both sides to calculate the financial advantages of a company car as a salary component. Sixt's expertise in these models has lent additional impetus to business with existing customers in particular.

The fact that Sixt Leasing last year received Microsoft Germany's “Vendor of the Year 2007” award demonstrates that customers reward quality offerings that are innovative and needs-based. Microsoft only presents this award if a service partner significantly exceeds the contractually agreed targets.

International expansion: Sixt also expanded its Leasing Business Unit's international customer base in 2007. In addition to its own national organisations in Germany, Austria, Switzerland and France, Sixt now operates in around 40 other countries through franchise partners (as at 31 December 2007). The Sixt Corporate countries recorded encouraging revenue growth in the year under review.
Together with franchise partners, Sixt Leasing launched operations in six new countries, namely China, Guadeloupe, Qatar, Kenya, Libya and Russia. In October 2007, Sixt became the first provider in China to use only high-quality premium vehicles and offer customers individual leasing solutions.

7. Research and development

Due to Sixt's orientation as a pure service provider, no research and development activities worth reporting took place within the Group in the year under review.

B. Results of operations, financial position and net assets

1. General

The consolidated financial statements of Sixt Aktiengesellschaft for the year ended 31 December 2007 were prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the European Union. The Company is thus exempted from the requirement to prepare consolidated financial statements in accordance with German commercial law (HGB). Prior-year figures were also determined in accordance with IFRSs.

As in previous years, the Group's revenue development is best expressed in terms of the revenue generated by vehicle rentals and leasing - i.e. operating revenue. Revenue from the sale of used leasing vehicles, which depends primarily on general fleet policy and is predominantly based on buy-back agreements with manufacturers and dealers, is not recognised as operating revenue. Revenue from the sale of the used vehicles from the Vehicle Rental Business Unit is not reported under revenue, but included under "fleet expenses and cost of lease assets".

2. Overall assessment

In 2007, the Sixt Group again achieved record revenue and earnings and maintained the strong business performance of previous years. By increasing consolidated operating revenue by 14.0% to EUR 1.38 billion and consolidated profit before taxes (EBT) by a comparable 13.2% to EUR 137.7 million, it comfortably achieved the targets that had been revised upwards in the course of the year. Foreign business in particular grew at a rapid pace and made a significantly larger contribution to earnings than in the previous year. While the Vehicle Rental Business Unit recorded substantial growth in revenue and earnings, earnings in the Leasing Business Unit were down on the previous year despite an increase in revenue. However, the Managing Board describes 2007 as a very successful year overall. As a result, a renewed increase in the dividend will be proposed to the Annual General Meeting.

3. Revenue development

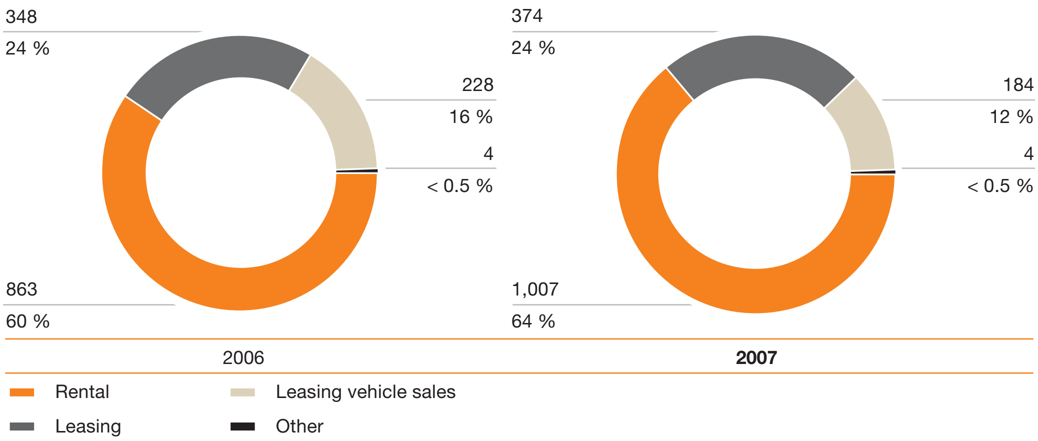
3.1 Developments in the Group

Total consolidated revenue for 2007 amounted to EUR 1.57 billion, 8.7% more than in the previous year (EUR 1.44 billion).
Consolidated operating revenue from rental and leasing business grew by 14.0%, or EUR 169.5 million, from EUR 1.21 billion in 2006 to EUR 1.38 billion. Growth therefore exceeded the target corridor of around 10%. The growth in revenue is primarily the result

of a further ramp-up in sales activities in Germany and abroad, which has led to an increase in Sixt's customer base. In addition, Sixt benefited from the general improvement in economic conditions in Germany and other European countries, which has had a positive effect on business travel.

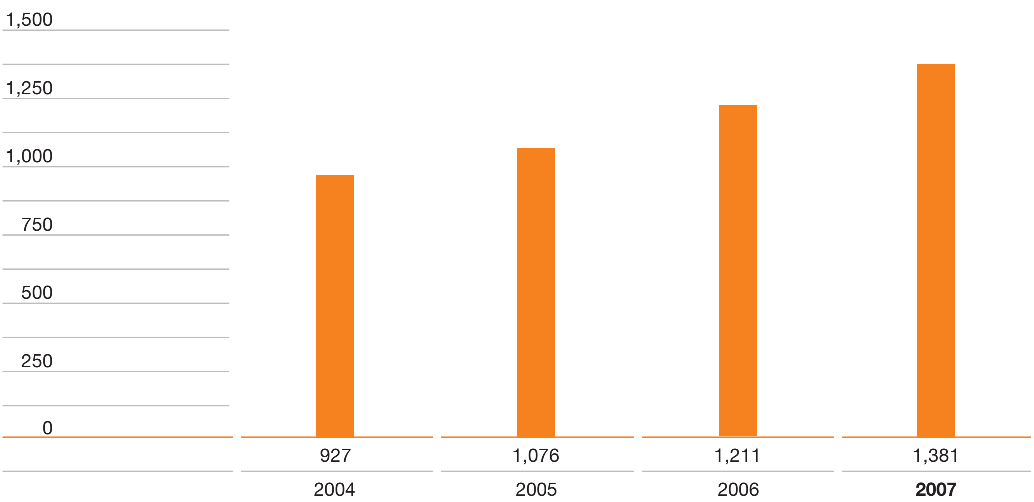
Breakdown of consolidated revenue

in EUR million



Consolidated operating revenue

in EUR million



3.2 Revenue breakdown by region

Consolidated revenue generated in Germany amounted to EUR 1.27 billion in 2007, an increase of EUR 55.3 million, or 4.6%, compared with 2006 (EUR 1.21 billion). As in the previous year, most of this growth was attributable to the Vehicle Rental Business Unit. Foreign revenue grew by EUR 70.4 million, or 30.4%, from EUR 231.4 million to

EUR 301.8 million. Germany therefore accounted for 80.8% of consolidated revenue (2006: 84.0%), while 19.2% was generated in other European countries (2006: 16.0%). In relation to consolidated operating revenue, the revenue generated abroad amounted to EUR 226.2 million and thus increased by 28.5% to EUR 290.5 million. The international share of consolidated operating revenue was therefore 21.0% (2006: 18.7%).

4. Earnings development

Consolidated income statement (condensed) in EUR million	**2007**	2006	Absolute change	Change in %
Consolidated revenue	1,568.8	1,443.1	+ 125.7	+ 8.7
thereof consolidated operating revenue[1]	1,380.8	1,211.3	+ 169.5	+ 14.0
Fleet expenses and cost of lease assets	626.3	625.2	+ 1.1	+ 0.2
Personnel expenses	110.3	100.9	+ 9.4	+ 9.2
Depreciation and amortisation expense	333.4	268.7	+ 64.7	+ 24.1
Net other operating income/expense	- 321.1	- 295.0	- 26.1	- 8.8
Earnings before net finance costs and taxes (EBIT)	177.7	153.3	+ 24.4	+ 15.9
Net finance costs	- 40.0	- 31.7	- 8.3	- 26.5
Profit before taxes (EBT)	137.7	121.6	+ 16.1	+ 13.2
Income tax expense	44.1	47.8	- 3.7	- 7.9
Consolidated profit for the period	93.6	73.8	+ 19.8	+ 26.9
Earnings per ordinary share[2] (EUR)	3.73	2.95	+ 0.78	+ 26.4

1 Not including proceeds from the sale of used leasing vehicles
2 Basic, 2007 on the basis of 25.0 million shares (weighted), 2006 on the basis of 23.9 million shares (weighted)

At EUR 626.3 million, fleet expenses and the cost of lease assets were on a level with the previous year (2006: EUR 625.2 million, +0.2%).

Expenses reported under "fleet expenses and cost of lease assets" comprise the following:

- Expenses for the rental and leasing fleets during the useful lives of the vehicles (e.g. fuel, transport costs, insurance, motor vehicle taxes, vehicle cleaning, repairs)
- Expenses for the sale of leasing vehicles (residual carrying amounts of vehicles as well as sales-related costs of vehicle preparation).

The strong business performance led to an increase in headcount. As a result, personnel expenses rose by 9.2% to EUR 110.3 million and thus at a slower pace than revenue.

Depreciation and amortisation expense totalled EUR 333.4 million, an increase of 24.1% against the 2006 figure of EUR 268.7 million. The increase is due to both a significant rise in depreciation of rental assets (+24.4% to EUR 219.9 million) and higher depreciation of lease assets (+24.7% to EUR 106.1 million). The higher depreciation and amortisation expense is in line with the increased size of the rental and leasing fleets in 2007 and the larger number of vehicles purchased.

Other operating expenses amounted to EUR 356.1 million, an increase of 13.0% (2006: EUR 315.1 million). As in the previous year, the most significant individual factor was the lease instalment expense (+6.8% to EUR 176.5 million). Selling and marketing expenses were also significantly higher than in 2006.

For 2007, the Group’s earnings before net finance costs and taxes (EBIT) was EUR 177.7 million, 15.9% more than the EUR 153.3 million generated in the previous year. EBIT therefore rose significantly faster than revenue. The faster rate of growth in Sixt’s earnings was due to overall moderate growth in operating expenses. The previous year’s sharp rise in the EBIT margin (in relation to consolidated operating revenue) was followed by another increase in the year under review, from 12.6% to 12.9%.

At EUR -40.0 million, net finance costs were again higher year-on-year (EUR -31.7 million). The increase in net finance costs is due to the fair value measurement of derivative financial instruments in accordance with IAS 39, which improved net finance costs considerably in the previous year, to the larger fleet volume required to be financed and to the year-on-year increase in short-term interest rates. The net interest expense included in net finance costs amounted to EUR 47.8 million after EUR 37.3 million in the previous year. Net interest expense includes the annual expenses for the profit participation capital (EUR 9.1 million) issued in October 2004.

EBT climbed by 13.2% as against 2006 (EUR 121.6 million) to EUR 137.7 million, thus reaching the 10% to 15% increase in operating profit that had been forecast in the course of the year. As in the previous year, the EBT margin (calculated on the basis of consolidated operating revenue) was 10.0%. The contribution of foreign business to the Group's EBT amounted to EUR 31.3 million (2006: EUR 14.2 million).

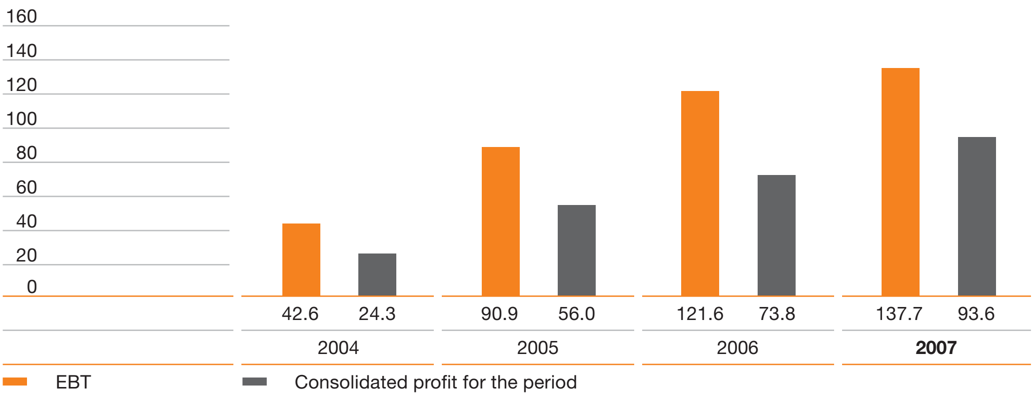
Income tax expense totalled EUR 44.1 million (2006: EUR 47.8 million); this includes deferred taxes of EUR 5.7 million (2006: EUR -4.8 million). The tax rate (calculated on the basis of EBT) was 32.0% (2006: 39.4%).

Consolidated profit amounted to EUR 93.6 million, an increase of 26.9% as against the previous year’s figure (EUR 73.8 million). Since minority interests are marginal, their effect on consolidated profit after taxes and minority interests, which amounted to EUR 93.5 million, was insignificant.

Earnings per share (basic) for 2007 amounted to EUR 3.73 per ordinary share (2006: EUR 2.95) and to EUR 3.77 per preference share (2006: EUR 3.36). On a diluted basis, i.e. after adjustment for existing conversion rights for preference shares, earnings per share amounted to EUR 3.73 per ordinary share (2006: EUR 2.95) and EUR 3.62 per preference share (2006: EUR 3.14).

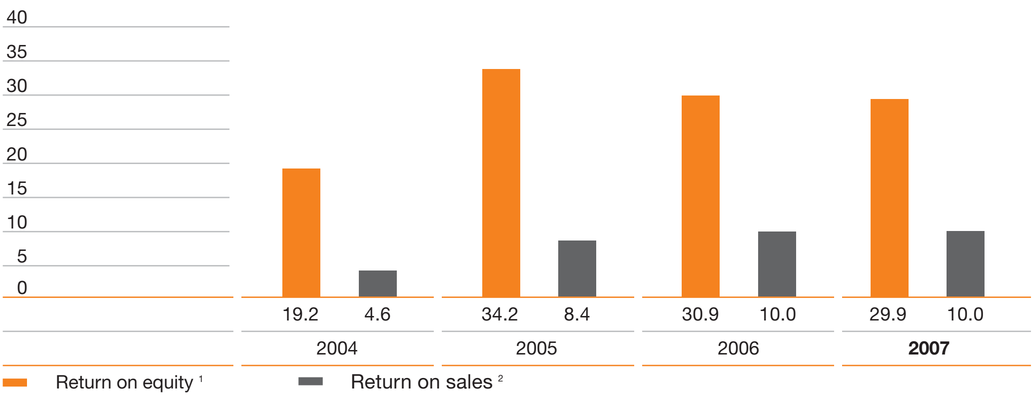
Earnings performance – Sixt Group

in EUR million



Return indicators for the Sixt Group

in %



[1] Ratio of EBT to equity
[2] Ratio of EBT to operating revenue

5. Appropriation of profit

Sixt Aktiengesellschaft prepares its annual financial statements according to the provisions of the German Commercial Code (HGB). It reported unappropriated profits of EUR 42.2 million for 2007, following EUR 57.5 million in the preceding year. The Managing and Supervisory Boards propose that the Annual General Meeting on 19 June 2008 appropriate these unappropriated profits as follows:

- Payment of a dividend of EUR 1.18 per ordinary share (total dividend: EUR 19.4 million),
- Payment of a dividend of EUR 1.20 per preference share (total dividend: EUR 10.3 million),
- Allocation of EUR 12.5 million to revenue reserves.

The dividend proposal, which – if approved by the Annual General Meeting – would lead to a total dividend payment of EUR 29.7 million (2006: EUR 26.3 million; +13%), reflects another year of positive business performance in the Sixt Group in 2007. This results in a dividend payout rate of 32% (2006: 36%) based on the consolidated profit after minority interests.

6. Net assets

At EUR 2.05 billion, the Sixt Group's total assets as at the balance sheet date of 31 December 2007 were EUR 489.2 million or 31.4% above the figure reported for the end of the previous year (EUR 1.56 billion). The increase in total assets reflects the significant rise in business volume in the year under review. The increase is equally attributable to current assets, particularly rental assets, which are reported as current assets because of the short useful lives of rental vehicles (normally 6 months), and to non-current assets, particularly lease assets.

On the asset side of the balance sheet, non-current assets amounted to EUR 839.6 million, EUR 212.5 million or 33.9% more than at the end of 2006 (EUR 627.1 million). Lease assets are by far the largest single item under non-current assets; they rose by EUR 206.5 million to EUR 750.0 million in 2007 (2006: EUR 543.5 million). In addition to the growing volume of new business, this was also due to the sharp reduction in the proportion of lease assets refinanced using operating leases and therefore not reported in the balance sheet as lease assets. Lease assets rose by 2.6 percentage points to 89.3% as a proportion of total non-current assets and by 1.7 percentage points to 36.6% as a proportion of total assets. Property and equipment increased by EUR 5.9 million to EUR 41.9 million. Deferred tax assets amounted to EUR 5.3 million as at 31 December 2007, EUR 2.0 million more than at the end of 2006.

Current assets increased by EUR 276.7 million, or 29.7%, from EUR 930.7 million at the end of 2006 to EUR 1,207.4 million as at the 2007 balance sheet date. Rental assets rose by EUR 269.7 million, or 41.7%, from EUR 646.1 million to EUR 915.8 million. This sharp rise reflects the expansion of the vehicle fleet to accommodate the increased business volume. Rental assets accounted for 44.7% of total assets (31 December 2006: 41.5%; +3.2 percentage points).

Trade receivables amounted to EUR 184.8 million, EUR 30.4 million or 19.7% more than at the end of 2006 (EUR 154.4 million). This increase was also due to the rise in business volume and reporting-date effects. Other receivables and assets (excluding income tax receivables), which fell by EUR 20.4 million to EUR 61.7 million, include among other things the current portion of receivables under customer leases classified as finance leases.

The Group's cash and cash equivalents amounted to EUR 26.7 million at the balance sheet date, an increase of EUR 7.6 million over the prior-year figure of EUR 19.1 million.

The “Sixt” brand name in particular is a significant asset that is not recognised in the balance sheet. The value of this asset can be affected, among other things, by advertising campaigns. However, the advertising expenses cannot be unambiguously allocated. In financial year 2007, the advertising budget amounted to around 2% of operating revenue.

7. Financial position

7.1 Financial management and financial instruments

The financial management of the Group is centralised within the Finance unit and performed on the basis of internal guidelines and risk policies. The tasks performed centrally include safeguarding liquidity and managing interest rate and credit risks.

In addition to credit lines granted by banks, a commercial paper programme and borrower's note loans, Sixt has a variety of capital market instruments available to it for financing business operations. After restructuring its capital base in previous years through various corporate actions focusing on the long-term horizon, in 2007 it successfully placed borrower's note loans with a total volume of EUR 258 million and maturities of between five and seven years. These are fixed-rate borrower's note loans, through which Sixt has locked in the currently attractive level of interest rates for the long term.

As at 31 December 2007, the Sixt Group was primarily financed by the following instruments:

- profit participation capital with a nominal value of EUR 100 million, a maturity of 2009 or 2011 and an interest rate of 9.05% p.a.
- a bond with a nominal value of EUR 225 million, maturing in 2010 and bearing a coupon of 4.5% p.a.
- borrower's note loans of EUR 351 million maturing between 2008 and 2014 and bearing fixed and variable market rates of interest
- credit lines with a number of reputable banks in Germany and abroad.

To finance the fleet, the Group also uses leases with external leasing providers, some of which are not vendor-neutral. As in previous years, it additionally used two off-balance sheet structured leasing programmes with a total volume of around EUR 400 million as revolving finance facilities for rental assets. These forms of financing continue to form an important part of the Group's financing mix.

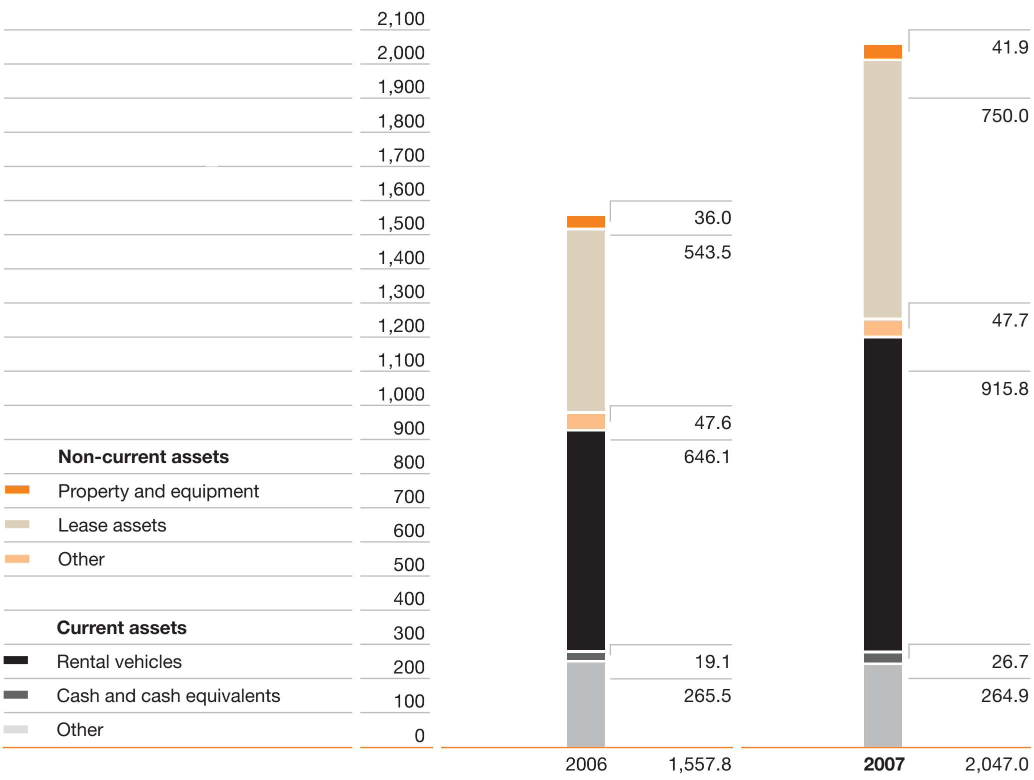
7.2 Equity

The Group's equity amounted to EUR 461.0 million as at 31 December 2007, EUR 68.1 million or 17.3% more than at the end of 2006 (EUR 392.9 million).

In the second quarter of 2007, 143,200 new preference shares were issued as a result of the conversion of convertible bonds granted to employees. This increased Sixt Aktiengesellschaft's subscribed capital to EUR 64.1 million as at 31 December 2007 (31 December 2006: EUR 63.8 million).

Group balance sheet (condensed) – assets

in EUR million



The EUR 3.1 million increase in capital reserves to EUR 192.8 million reflects the issue premium for the new preference shares. The profit for the year also drove up other reserves by a substantial EUR 64.6 million to EUR 204.1 million.

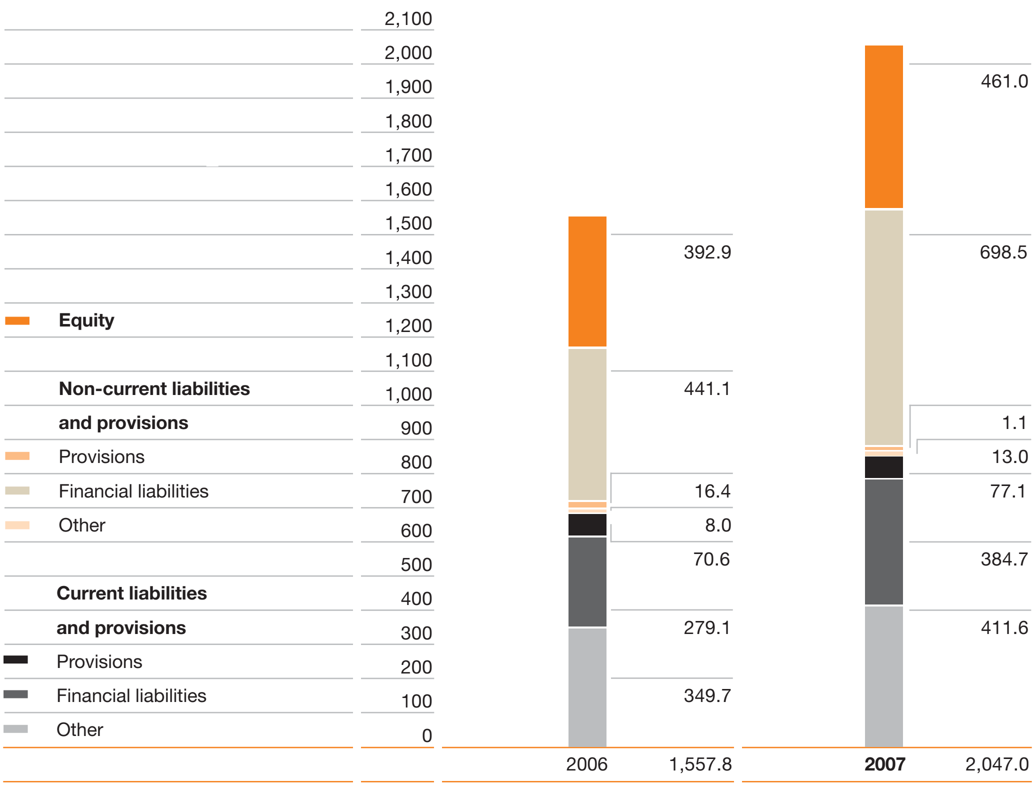
The Group's equity ratio at the end of 2007 stood at 22.5%, 2.7 percentage points lower than at the end of 2006 (25.2%). The Group therefore continues to report an equity ratio that is significantly higher than the average in the German rental and leasing industry.

7.3 Liabilities

Non-current liabilities and provisions rose by a total of EUR 247.1 million to EUR 712.6 million at the end of 2007 (31 December 2006: EUR 465.5 million). This is primarily the result of new borrower's note loans raised in the amount of EUR 258 million. Non-current financial liabilities therefore amounted to EUR 698.5 million at the balance sheet date, an increase of EUR 257.4 million over the prior-year figure of EUR 441.1 million. This item includes the 2005/2010 bond and the profit participation capital. As at the balance sheet date, this

Group balance sheet (condensed) – equity and liabilities

in EUR million



item also comprised borrower's note loans and bank liabilities with terms to maturity of more than one year in the amount of EUR 373.9 million (2006: EUR 117.2 million).

Current liabilities and provisions increased by EUR 174.0 million from EUR 699.4 million at the end of 2006 to EUR 873.4 million as at the 2007 balance sheet date. This is mainly due to the EUR 105.6 million increase in financial liabilities to EUR 384.7 million (2006: EUR 279.1 million), resulting from the greater use of bank lines of credit to finance the expanded fleet.

The increase in trade payables by EUR 73.4 million to EUR 317.5 million is primarily due to reporting-date effects. Current other liabilities amounting to EUR 94.1 million (31 December 2006: EUR 105.6 million) include among other things the liabilities under finance leases in the procurement area.

The use of lease transactions (operating leases) to refinance part of the fleet is also of importance for the Group's financial position.

8. Liquidity position

For 2007, the Sixt Group reported cash flows before changes in working capital of EUR 425.0 million, EUR 77.6 million above the figure for the preceding year (EUR 347.4 million). Including working capital results in a net cash outflow of EUR 6.2 million (2006: net cash outflow of EUR 58.4 million).
Net cash used in investing activities amounted to EUR 323.4 million (2006: net cash used in investing activities of EUR 114.9 million), since the payments to acquire lease fleet assets significantly exceeded the proceeds from the disposal of used leasing vehicles.

Financing activities generated cash inflows of EUR 337.5 million; this was primarily attributable to new borrower's note loans and greater use of short-term loans to finance the expansion of the fleet (2006: cash provided by financing activities of EUR 149.1 million). After changes of EUR -0.3 million relating to exchange rates, total cash flows resulted in an overall increase in cash and cash equivalents as at 31 December 2007 of EUR 7.6 million over the prior-year reporting date figure (2006: EUR -24.2 million).

9. Investments

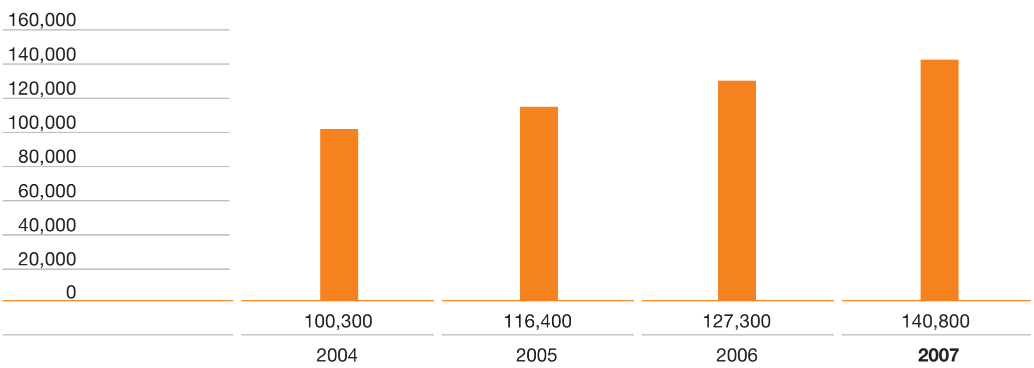
As a result of operating growth, the Group's rental and leasing fleets again saw significant expansion in 2007. In all, about 140,800 vehicles were added, almost 11% more than in 2006, when around 127,300 vehicles were added. The vehicles added to the fleets were worth around EUR 3.2 billion in total (2006: approx. EUR 2.9 billion).

The average value per rental car fell slightly, from almost EUR 23,300 to EUR 23,000 (-1.3%).

In line with the business developments forecast for the current year, Sixt expects investments in 2008 to be at least on a level with the previous year.

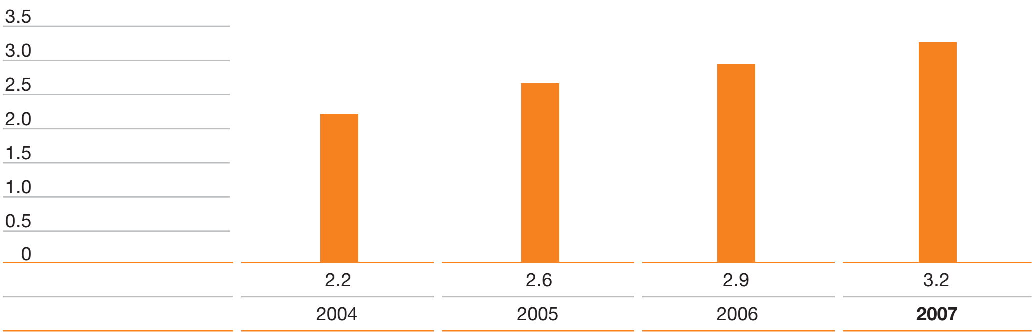
Vehicles added to the rental and leasing fleets

Number of vehicles



Vehicles added to the rental and leasing fleets

Value of vehicles in EUR billion



10. Human resources report

As an international service provider, Sixt places special emphasis on customer focus. Human resources are therefore a key success factor for the Group, which is why Sixt attaches strategic importance to human resources activities and in particular to recruiting its own junior managers.

This human resources policy is reflected in exhaustive professional recruitment processes for new employees, wide-ranging personnel development measures, attractive incentive systems and a team-oriented corporate culture.

Sixt's strong business performance led to a sharp rise in headcount in the year under review. The Company employed 2,341 people on average in 2007, an increase of 16.2% over the average 2006 headcount of 2,015. Of these, 1,702 staff members were employed at the corporate centre in Pullach and at Sixt branches in Germany (2006: 1,484; +14.7%). A further 639 people were employed abroad (2006: 531; +20.3%).

The Vehicle Rental Business Unit employed an average of 2,061 people in total in 2007, 287 more than in the previous year (+16.2%). The increase is primarily attributable to the expansion of the rental office network. In the Leasing Business Unit, the number of employees rose by 29 to 252 (+13.0%). Around 70% of employees are assigned to operating areas and are directly customer-facing.

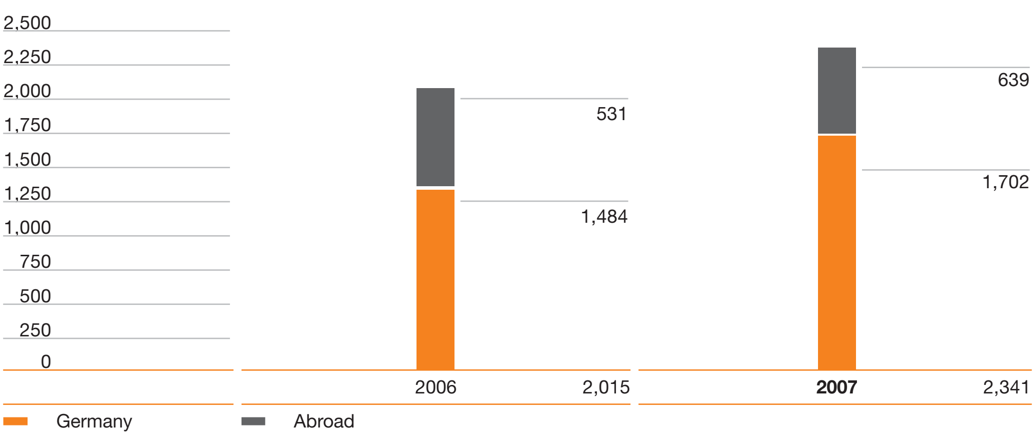
Sixt has always acknowledged its responsibility to provide skilled vocational training. These positions are for specialists in the areas of automobile sales management, office management and office communication. In 2007, training was expanded significantly. As at 31 December 2007, Sixt employed 142 vocational trainees throughout Germany, 42% more than in the previous year (100 vocational trainees).

Sixt also offers practical management training in the form of a trainee programme. To this end, the Company has stepped up contact with universities and systematically seeks out

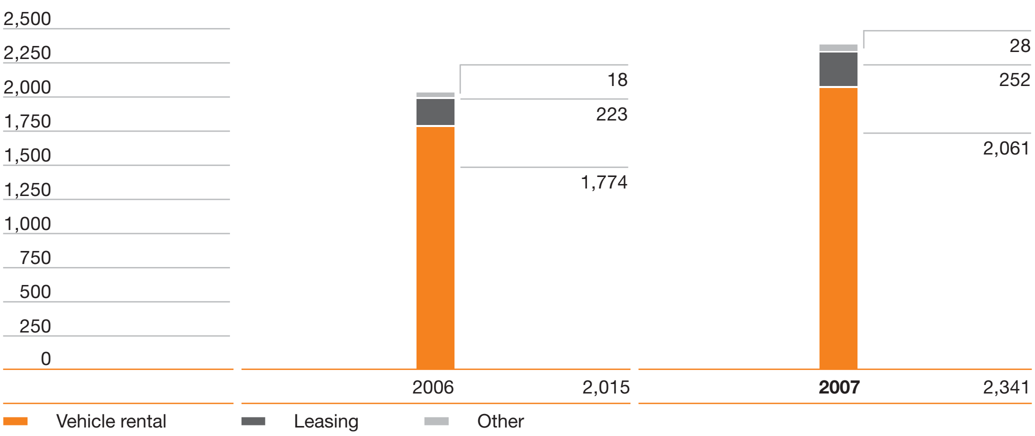
suitable graduates. In 2007, a total of 21 assessment centres were organised for the purpose of selecting applicants. Around 50 university graduates were accepted onto the trainee programme.
As part of the ongoing internationalisation of its rental and leasing activities, Sixt is placing increasing emphasis on training junior managers at companies outside Germany. Therefore, in 2007 20 trainees were working at Sixt braches abroad, primarily in Spain and France.

In 2007, Sixt extended the range of personal and professional development options on offer to include additional internal seminars. Throughout the Group, 1,150 participants received training, with the main emphasis on courses that are designed to enhance staff skills in day-to-day operations.

Number of employees by region



Number of employees by business unit



11. Key features of the remuneration system

In addition to meeting the statutory requirements, the remuneration paid to members of the Managing and Supervisory Boards complies largely with the recommendations and suggestions contained in the German Corporate Governance Code.

It is the Supervisory Board's responsibility to determine the remuneration paid to members of the Managing Board of Sixt Aktiengesellschaft. The structure of the remuneration system is regularly reviewed to test its appropriateness. The Managing Board's remuneration comprises fixed and variable components, which are reported as a total amount for all Managing Board members.

The fixed basic salary is commensurate with the responsibilities and the individual performance of the Board members concerned. In addition to the fixed basic salary, the members of the Managing Board – like other senior executives of the Sixt Group – also receive non-cash benefits in the form of company cars.
The variable portion of the remuneration is based on consolidated profit before taxes (EBT). Any variable remuneration only becomes payable to Managing Board members once a defined minimum EBT has been reached. Contracts of service with Managing Board members impose a cap on the variable portion of the remuneration.
The remuneration paid to members of the Managing Board and the Group's senior executives also includes a share-based payment component. Until 2006, convertible bonds with option rights were issued under a stock option programme. In 2007, this stock option programme was replaced by a new employee equity participation programme, the “Matching Stock Programme”. Details of share-based payment are provided in the section entitled “Share-based payment” in the Notes to the Consolidated Financial Statements.

The remuneration paid to members of the Supervisory Board is governed by the Company's Articles of Association. It comprises a fixed component, but no variable component.

The Group has no pension obligations towards members of the Managing and Supervisory Boards. For further details of the remuneration paid to members of executive bodies, please refer to the section entitled “Total remuneration of the Supervisory Board and Managing Board” in the Notes to the Consolidated Financial Statements.

12. Disclosures in accordance with section 315 (4) of the Handelsgesetzbuch (HGB – German Commercial Code)

As at 31 December 2007, the share capital of Sixt Aktiengesellschaft amounted to EUR 64,126,848.00 in total and was composed of 16,472,199 ordinary bearer shares and one ordinary registered share, as well as 8,577,350 non-voting preference bearer shares. The Company's shares are all no-par value shares with a notional interest in the share capital of EUR 2.56 per share. The ordinary shares therefore account for a total of EUR 42.2 million of the share capital, and the preference shares for a total of EUR 21.9 million of the share capital.

Only the ordinary shares carry voting rights; each ordinary share conveys one vote at the Annual General Meeting. Subject to mandatory statutory provisions, the preference shares do not convey any voting rights. They grant a preferential right to profits, based on which holders of preference shares receive a dividend from unappropriated profit for the year that is 2 euro cents higher than that paid to holders of ordinary shares, and a minimum dividend of 5 euro cents per share. Further details can be found in Article 17 of the Articles of Association of Sixt Aktiengesellschaft.

Apart from excluding voting rights for preference shares, the Company's Articles of Association do not impose any restrictions on the voting rights. Neither do they impose any restrictions on the transfer of shares. The Managing Board is not aware of any restrictions on voting rights or the transfer of shares arising from agreements between shareholders.

As at 31 December 2007, Erich Sixt Vermögensverwaltung GmbH, of which Chairman of the Managing Board Erich Sixt is the sole shareholder, held 9,355,911 ordinary voting shares, conveying 56.8% of the voting rights. The Company has not received any information about, and the Managing Board is not aware of, any further direct or indirect interests in the share capital exceeding 10% of the voting rights as at 31 December 2007.

In accordance with Article 8 (1) of the Company's Articles of Association, the Company's Supervisory Board consists of three members. Two of these members are elected by the Annual General Meeting in accordance with the provisions of the German law governing public companies. One member of the Supervisory Board is appointed by the shareholder Erich Sixt. This right to appoint one member of the Supervisory Board also extends to his heirs to the extent that they are shareholders. In all other respects, there are no shares conveying special control rights.

The Company is not aware of any employees holding shares in the Company's capital where the employees' control rights are not exercised directly.

The members of the Company's Managing Board are appointed and dismissed by the Supervisory Board in accordance with section 84 of the Aktiengesetz (AktG – German Public Companies Act) and Article 6 of the Articles of Association. The Supervisory Board adopts resolutions in this regard by a simple majority of votes cast. The members of the Managing Board are appointed by the Supervisory Board for a maximum of five years in accordance with the law and may be reappointed. The law only permits the Supervisory Board to dismiss a member of the Managing Board prior to expiration of the term of office for good cause.

Amendments to the Articles of Association are resolved by the Annual General Meeting. Subject to mandatory statutory provisions, the preference shares do not carry any voting rights in this context. In accordance with Article 16 (2) of the Articles of Association, resolutions are adopted by a simple majority of votes cast unless mandatory statutory provisions require otherwise, and by the simple majority of the share capital represented at the time of the resolution if the law also requires a majority of the capital. However, under the aforementioned Article of the Articles of Association, capital increases from retained earnings may only be resolved by a majority of 90% of votes cast. Mandatory statutory provisions require resolutions to amend the Articles of Association to be adopted by a qualified majority if, for example, they concern a change to the purpose of the Company or the creation of authorised or contingent capital; in each case, they require a majority of at least three quarters of the share capital represented at the time of the resolution. In accordance with Article 18 of the Articles of Association, amendments to the Articles of Association that only concern the formal wording may also be resolved by the Supervisory Board instead of the Annual General Meeting. In accordance with the law, all resolutions to amend the Articles of Association must be entered in the Company's commercial register in order to be effective.

In accordance with the law, the Managing Board has sole responsibility for managing Sixt Aktiengesellschaft and represents the Company in and out of court.

In accordance with Article 4 (4) of the Articles of Association, the Managing Board is authorised to increase the share capital on one or more occasions in the period up to and including 11 June 2012, with the consent of the Supervisory Board, by up to a maximum of EUR 12,752,000.00 by issuing new no-par value bearer shares against cash and/or non-cash contributions (Authorised Capital). The authorisation also includes the power to issue new non-voting preference shares (up to the ceiling allowed by law); the interest in the distribution of profits and/or company assets attaching to any non-voting preference shares issued ranks equally with the non-voting preference shares previously issued. Further details, including details of the Managing Board's authorisation to disapply shareholders' pre-emptive rights in certain situations, can be found in the aforementioned Article of the Articles of Association.

Furthermore, the Annual General Meeting on 12 June 2007 resolved to authorise the Managing Board, in accordance with section 71 (1) no. 8 of the AktG, to purchase up to a total of 2,490,635 of the Company's ordinary bearer and/or preference bearer shares in the period up to and including 11 December 2008. The authorisation may be exercised in full or in part, on one or more occasions, by Sixt Aktiengesellschaft or its contracted or majority investees. Treasury shares are purchased on the stock market or by way of a public offer. The authorisation may be exercised for any purpose permitted by law; purchases for the purpose of trading in treasury shares are excluded. In this context, the Managing Board is also authorised, in certain situations specified in more detail in the authorisation and with the consent of the Supervisory Board, to use the purchased treasury shares with shareholders' pre-emptive rights disapplied. This is the case where treasury shares are sold in return for cash consideration at a price that is not significantly lower than the applicable market price of the share class concerned at the time of the sale and where treasury shares are used as consideration for the acquisition of non-cash benefits or as share-based payment for salaried employees and members of the management bodies of the Company or its contracted or majority investees. The Managing Board is further authorised, with the consent of the Supervisory Board, to fully or partly cancel treasury shares without a further resolution being adopted by the Annual General Meeting.

As at 31 December 2007, Sixt Aktiengesellschaft's share capital has been contingently increased by up to EUR 13,473,280.00 by issuing up to 5,263,000 new no-par value shares in accordance with Article 4 (6) of the Articles of Association (Contingent Capital 2003/I).

The contingent capital increase will only be implemented to the extent necessary to service profit participation certificates, convertible profit participation certificates, bonds with warrants and convertible bonds issued in the period up to and including 12 August 2008 on the basis of the authorisation resolved by the Annual General Meeting on 13 August 2003.

Furthermore, as at 31 December 2007, the Company's share capital has been contingently increased by up to EUR 2,077,312.00, composed of up to 811,450 non-voting preference bearer shares, in accordance with Article 4 (7) of the Articles of Association; the interest in the distribution of profits and company assets attaching to these shares ranks equally with the preference shares previously issued (Contingent Capital 2003/II). The contingent capital increase will only be implemented to the extent that the holders of convertible bonds issued by Sixt Aktiengesellschaft in the period up to and including 12 August 2008 on the basis of the corresponding authorisation of the Annual General Meeting on 13 August 2003 exercise their conversion rights.

In the event of a change of control, including as the result of a takeover bid, various creditors of the Company have the following rights:

- The creditors of profit participation certificates 2004/2009 - 2011 issued by the Company have the right to tender their certificates to the Company in the event of a change of control in accordance with the terms and conditions of the profit participation certificates. A change of control within the meaning of the terms and conditions of the profit participation certificates occurs if the proportion of voting shares in the Company held directly by Erich Sixt or indirectly through Erich Sixt Vermögensverwaltung GmbH or other asset management companies falls below 50% of the voting share capital, or if the proportion of voting rights that Erich Sixt holds in Erich Sixt Vermögensverwaltung GmbH falls below 50%. In accordance with the terms and conditions of the profit participation certificates, this excludes, among other things, a reduction in the share of the Company's voting capital as a result of a transfer to members of Erich Sixt's family.

- The creditors of bearer bonds 2005/2010 issued by the Company in the total principal amount of EUR 225.0 million have a special right of termination subject to one month's notice, if the Company announces to the holders of profit participation certificates 2004/2009 – 2011 a change of control as described above.

- A lending bank has the right to demand immediate repayment of the borrower's note loan of EUR 25.0 million the Company raised in August 2006, if Erich Sixt and/or the members of his family jointly no longer directly or indirectly hold a share of 50% plus one vote of the Company's voting rights or if the Company no longer directly or indirectly holds a share of at least 50% plus one vote in Sixt Leasing AG or a share of at least 50% plus one vote of the voting rights of Sixt GmbH & Co. Autovermietung KG.

The Company has no agreements with members of the Managing Board or employees that would entitle them to compensation in the case of a takeover bid.

13. Discussions in accordance with section 315 (4) of the Handelsgesetzbuch (HGB – German Commercial Code)

The disclosures with respect to section 315 (4) of the HGB are discussed as follows in accordance with sections 120 (3) and 175 (2) of the Aktiengesetz (AktG – German Public Companies Act):

The law governing public companies in Germany permits up to 50% of the company's share capital to be issued in the form of non-voting preference shares in addition to ordinary voting shares. Sixt Aktiengesellschaft has made limited use of this option and issued a total of 8,577,350 preference shares as at 31 December 2007; this corresponds to approximately 34.2% of the share capital. The non-voting preference shares accommodate those shareholders who are interested first and foremost in the return and in value growth, and not primarily in voting rights. Compared with other financing instruments, preference shares also have the advantage that the preference dividend is paid out of the unappropriated profit and that no interest expense on debt finance is reported in the income statement. If the preference dividend is not paid or not paid in full in one particular year, and if the arrears are not paid in the following year in addition to the full preference dividend of that year, the preference shareholders are entitled to a voting right in accordance with section 140 (2) of the AktG until such time as the arrears have been paid. Furthermore, section 141 of the AktG states that a resolution of the Annual General Meeting involving the restriction or revocation of preferential status requires the consent of preference shareholders, who must adopt a resolution in this regard at a separate meeting of preference shareholders. The same applies for an issue of preference shares that rank ahead of or equally with existing non-voting preference shares, insofar as the preference shareholders' statutory pre-emptive rights have been disapplied. However, the consent of preference shareholders is not required when subscription rights are granted, since the Company reserves the right to issue further preference shares that rank ahead of or equally with existing non-voting preference shares in accordance with section 4 (1) of the Articles of Association.

Other than the exclusion of voting rights for preference shares, no restrictions on voting rights required by the Articles of Association are provided for in the AktG.

By law, amendments to the Articles of Association require a three-quarters majority of the share capital represented at the adoption of the resolution, unless specified otherwise in the Articles of Association. Sixt Aktiengesellschaft made use of the option of specifying different majority requirements by means of a provision in the Articles of Association that is common among listed companies; this provision states that Annual General Meeting resolutions can be adopted by a simple majority of votes cast or of the share capital represented, insofar as this does not conflict with any mandatory statutory provisions. This makes it easier to amend the Articles of Association of Sixt Aktiengesellschaft.

According to section 202 ff. of the AktG, the Articles of Association may authorise the Managing Board to increase the share capital up to a certain nominal amount by issuing new shares against contributions (authorised capital). Such an authorisation may only be resolved by the Annual General Meeting for a maximum period of five years, whereby a majority of at least three-quarters of the share capital represented must approve the resolution. The Annual General Meeting is then no longer involved in the implementation of the capital increase itself. The nominal amount of the authorised capital must not exceed one half of the share capital available at the time of authorisation. According to section 71 (1) no. 8 of the AktG, the Annual General Meeting may also authorise the Managing Board to acquire the Company's treasury shares for a period of up to 18 months; these may not exceed 10% of the share capital.

Sixt Aktiengesellschaft has made use of both authorisation options. The authorisation of the Managing Board to issue new shares from authorised capital allows it to meet any capital requirements of Sixt Aktiengesellschaft quickly and flexibly and, depending on market conditions, to make use of attractive financing options. By the same token, the authorisation also permits existing liquidity to be used to acquire treasury shares for share buy-back programmes. Through the authorised capital and the authorisation to acquire treasury shares, Sixt Aktiengesellschaft is also in a position to take advantage of expansion opportunities that arise; in some cases, this may involve using newly issued or treasury shares as consideration while disapplying shareholders' pre-emptive rights, for example for the acquisition of companies or investments in companies.

In accordance with section 192 ff of the AktG, the Annual General Meeting may resolve to increase share capital by a majority of at least three-quarters of the share capital represented; this increase will only be implemented to the extent that use is made of a conversion or subscription right that the Company grants on the new shares (contingent capital). The nominal amount of the contingent capital must not, in total, exceed one half of the share capital available at the time the resolution regarding the contingent capital increase was passed. Sixt Aktiengesellschaft has two different sets of contingent capital, which service the conversion and exchange rights issued by the Managing Board based on the authorisations of the Annual General Meeting of 13 August 2003. These authorisations, which are described in more detail in the notes to the consolidated financial statements, each run until 12 August 2008.

The Company has granted the creditors of certain of its various financing instruments special call or tender rights that can also be exercised in the event of a change in control in connection with a takeover offer. These rights, the features of which vary for each financing instrument, come into effect in the event that the existing majority of voting rights in Sixt Aktiengesellschaft held indirectly by Erich Sixt through Erich Sixt Vermögensverwaltung GmbH falls to below 50% of the voting rights, or below 50% of voting rights plus one vote, as the case may be. In all cases, these are creditor rights commonly encountered on the capital markets and in lending transactions.

C. Risk report

1. Risk management system

In accordance with the Gesetz zur Kontrolle und Transparenz im Unternehmensbereich (KonTraG – German Act on Control and Transparency in Business), Sixt Aktiengesellschaft has installed a risk management system designed to identify at an early stage all developments that can lead to losses or endanger the existence of the Company or of the Group. An efficient tool ensures that risks can be identified, evaluated and managed swiftly.

The Sixt Group's overall risk management system is composed of detailed planning, reporting and early warning systems (some of which have been proven in years of practice) both centrally at Group level and in the individual functional areas down to the level of the individual rental offices. Group financial control is responsible for central risk management and reports to the Managing Board.

As an international Group, Sixt is exposed to a variety of risks.

2. General market risks

The Sixt Group's main activities are vehicle rental and leasing, both of which are centred in Germany. Both business units are, to a certain extent, dependent on the overall economic environment in Europe, as this has a major effect on the readiness of companies and private individuals to spend money on travel and, in turn, on the demand for mobility services. A downturn in the overall economy could therefore have a negative impact on demand for vehicle rental and lease products.

Sixt is also dependent on the development of tourism and personal transport. In turn, development of the latter is dependent on a variety of factors that the Company cannot influence. These include, for example, the expansion of the public transport infrastructure, improvements in traffic flow and the coordination of the combined use of different modes of transport. Legal requirements relating to environmental protection, which – particularly in the European Union – are growing in importance, can lead to widespread public debate, which in turn can bring about changes in mobility patterns.

In addition, the Group's business is affected by national and international developments such as political unrest, armed conflicts, acts of terrorism and epidemics and, as a result of such events, by restrictions on private and business travel. Since such events are difficult or even impossible to predict, sustainably reliable forecasts regarding the development of travel can only be made to a very limited extent, if at all, even in the short term.

3. Market risks – vehicle rental

The vehicle rental industry – both in Germany and internationally – continues to be dominated by intense predatory competition, in which price is a central factor. The trend towards large, mostly international providers, which has been noticeable for years, is continuing. Strong price competition carries the risk that individual market participants attempt to gain market share in the short term by consciously implementing a below-cost pricing policy, in some cases even accepting operating losses. However, no such tendency is evident at present.

General developments in the motor vehicle industry are important for the Vehicle Rental Business Unit, owing to their effects on terms and conditions for purchasing vehicles. Sixt is highly dependent on the supply of popular vehicle models, their purchase on competitive terms and – for reasons of pricing certainty – on the granting of repurchase commitments by manufacturers and dealers. These factors influence both the purchase prices of vehicles and the revenue that can be generated from vehicle sales.

High capacity utilisation of the rental fleet combined with the latter's availability are of great importance for the success of the Group. Availability relates not only to the absolute size of the rental fleet but also to vehicle types that meet customer wishes.

The continuing international expansion of Sixt also changes purchasing requirements. Sixt relies on having a wide supplier base in all Corporate countries, whereby some vehicle fleets have to be tailored to specific regional needs. Were Sixt is no longer able to add a sufficient number of vehicles to the fleet, or to offer enough vehicles with features that reflect the Group's premium orientation, this could adversely affect its revenue and earnings development. This would be even more acute if the Group's operating business were to expand dynamically, boosting demand for vehicles. For example, such a bottleneck would be conceivable if the sales strategies of automobile manufacturers were to change. However, no such tendencies are evident at present.

The development of the used car market in Germany is important for the prices that can be obtained in the event of used rental vehicles being freely marketed. This market remains strained and, as a result, it offers only limited opportunities at present for additional revenues from vehicle sales in excess of the repurchase prices agreed with the suppliers.

Demand in the vehicle rental business is also dependent on numerous random factors, such as the weather and short-term changes in customers' mobility requirements, and is therefore difficult to forecast. This is why sophisticated, reliable and tried-and-tested fleet management tools are so important.

4. Risk management – vehicle rental

By remaining vendor-neutral, Sixt can diversify risks when purchasing vehicles for the Vehicle Rental Business Unit. This enables the Group to select the most popular models and negotiate the best terms and conditions from a number of different manufacturers and dealers in each case, without having to take the specific sales interests of particular manufacturers into account. Sixt distributes its purchasing volumes over a number of suppliers and bases vehicle deliveries on intra-year requirements planning. Flexible agreements with vehicle manufacturers enable the Company to a certain extent to stagger vehicle orders over a period of time to meet concrete demand.

Sixt's yield management system – a sophisticated IT tool that has been constantly enhanced over the years and which is tailored to the various requirements of the rental business – enables the Company to align its purchasing activities with demand and to manage the availability of vehicles at the individual rental offices. The yield management system is permanently optimised on the basis of the constantly growing volume of history data generated by the Company's rental activities. Systematic fleet and offering management ensure the highest possible level of fleet utilisation.

In order to minimise the risks associated with the sale of vehicles, 93% of all rental vehicles added to the fleet in 2007 were secured by fixed buy-back agreements with the manufacturers or dealers. This means that repurchase prices were agreed for these vehicles at the time of acquisition. The Company therefore has a reliable basis for calculating the development of its fleet costs. By minimising the resale risk, Sixt is largely independent of the situation on the used-car market.
Sixt regularly assesses the creditworthiness of its contractual partners according to strict standards. Especially when motor trade markets are strained, the possibility that contractual partners – especially dealers – might not be able to fulfil their repurchase commitments cannot be fully excluded. In this case, Sixt would be obliged to market the vehicles on the used-car market at its own economic risk, for example through its own dealership (Sixt Autoland).

5. Market risks – leasing

As the Leasing Business Unit focuses to a large extent on corporate customers, it is highly dependent on companies' investment behaviour. This investment behaviour is influenced – apart from general cyclical factors – by the underlying economic and tax conditions for vehicle leasing. Companies need very reliable planning on which to base their investment decisions. Higher taxes on leasing transactions and company cars, such as those temporarily discussed and planned by policymakers in recent years, can adversely affect the attractiveness of fleet solutions based on leasing arrangements.

As in the past, the leasing market in Germany is dominated by various bank- or manufacturer-controlled companies. These enjoy on the one hand extremely good purchasing terms, owing to their close relationships with the manufacturers, and on the other, as bank-controlled providers, good refinancing terms. For this reason, there is intense competition in terms of price and conditions in the automobile leasing market, which has a negative effect on achievable margins and, as a consequence, on the Sixt Group's results of operations.

6. Risk management – leasing

The potential material risks to the operating activities of the Leasing Business Unit generally relate to the resale of vehicles, changes in interest rates and customers' ability to pay.

In order to guard against the risks associated with the resale of vehicles, the Leasing Business Unit also maintains a strict policy of securing the residual value through buy-back agreements. In 2007, the calculated residual values of around 92% of the Unit's vehicles were secured through buy-back agreements, predominantly with car dealers. When selecting dealers, Sixt looks very closely at their financial stability. It checks the creditworthiness of vehicle suppliers on a regular basis. The value of vehicles to be sold directly by Sixt on the used vehicle market is analysed regularly based on its own experience and market observations. For the most part, these vehicles are sold by specialists at a specially established location under the brand name “Sixt Autoland”.

Sixt protected itself against interest rate risks resulting from a possible change in market rates by agreeing interest escalation clauses with the majority of its large customers. In cases where interest escalation clauses are not used, it guards against the risks by refinancing assets at matching maturities.

Sixt assesses the creditworthiness of each new customer with the aid of internal guidelines. Furthermore, customer creditworthiness is regularly monitored during the lease period. This precautionary measure helps to avoid and/or mitigate future risks arising from the customer relationship.

Regular analyses are performed in order to check the actual costing of mileage-related lease agreement parameters against the projected costing. If significant deviations are identified, the agreement costings are modified accordingly in order to avoid risks at the time of final settlement.

In the Leasing Business Unit, Sixt focuses its offering on the full-service leasing product, which provides for a variety of services to business and private customers in addition to finance leasing. In this context, the Company can leverage its many years of experience in the management of vehicle fleets and its position as a major purchaser of vehicles. Owing to its positioning as a full-service leasing company, Sixt is in a position to substantially reduce the dependence of its business success in the Leasing Business Unit on pure finance leasing, which is under price pressure. Moreover, the continuous development of new products, especially in fleet management, gives Sixt the opportunity to set itself apart from its competitors and to generate higher margins.

7. Financing risks

The Sixt Group's ordinary business activities are exposed to various financing risks. These include interest rate risks, which are limited using derivative financial instruments, among other things.

The financial instruments used by Sixt for hedging purposes are interest rate caps and interest rate swaps. By entering into these types of hedges, variable-rate financial liabilities are converted into synthetic fixed-rate financing in order to limit the interest rate risk for the Group. In this context, internal Group guidelines stipulate the main duties, responsibilities, reporting requirements and controls.

Operations, and particularly the rental business, generally use short-term financing facilities such as credit lines or, alternatively, lease agreements. Given the changes in the banking sector as a whole, banks may radically change their financing policies. Sixt maintains permanent close contacts with a group of well-known commercial banks so that it can respond to any changes early.

The Group only utilised a portion of its credit lines in the year under review. By issuing profit participation capital, several tranches of borrower's note loans and a bond, as well as through a cash capital increase, the Group diversified its financial options from 2004 to 2007, improving its financing mix in favour of longer maturities. In addition, Sixt continues to have other refinancing options at its disposal, such as leasing.

8. Other risks

A complex and high-performance IT system is essential for processing rental and leasing transactions. System malfunctions and failures can cause considerable problems in operating processes and, in serious cases, even bring them to a standstill. In order to counter these risks, Sixt has its own IT department charged with carrying out ongoing monitoring, servicing and enhancements, and for protecting the Group's IT systems.

The personal skills and know-how of the Group's employees constitute an important success factor. Particularly when operating business is expanding and new staff are recruited, Sixt is dependent on having a sufficient number of suitable staff who are able to perform the required work to the required standard. If, for instance, there is a higher turnover and therefore a loss of know-how, this could affect the quality of service in the car rental and leasing business. Sixt guards against these risks through increased involvement in training and professional development, by firmly establishing staff development as part of its corporate culture and through the use of incentive systems.

D. Report on opportunities and expected developments

1. Economic environment

At the beginning of 2008, the estimates regarding the further development of the global economy became more pessimistic again. A major factor influencing this was the continuing turbulence on the international financial markets. There were fears that the financial crisis would have a knock-on effect on the real economy, for example by leading to more restrictive business policies in the banking sector.
In early 2008, economic experts detected the risk of a recession in the US economy and warned that the downturn could spill over into Europe. Nonetheless, the macroeconomic environment in Europe as a whole is still seen as being positive and stable. At the end of January, the German government lowered its forecast for growth in Germany's gross domestic product (GDP) in 2008 from 2.0% to 1.7% in response to increasing warning signals. It also expected that private consumption would increase while development in capital spending would be more restrained.

Sources:
Bundesverband deutscher Banken e.V. (Association of German Banks), Economic Report December 2007
Press release from the German government, 23 January 2008

2. Sector-specific environment

2.1 Vehicle Rental

Even in light of the subdued economic environment, the Managing Board believes that the vehicle rental industry will continue to grow in 2008. It still views the forecast of market research institute Datamonitor – that the European market will grow at an average annual rate of approximately 3% between 2004 and 2009 – as realistic. As regards the emerging economies of Eastern Europe and parts of Asia, the Managing Board expects to see marked growth in demand for mobility services in the coming years.

Presuming that there is no major economic slowdown in Europe, Sixt expects a further increase in business travel in 2008. This belief is corroborated by the German National Tourist Board, which has predicted a 2% increase in travel in Germany, measured on the basis of overnight stays in hotels and similar establishments. The constantly high level of business travel is seen as driving this growth.

Sixt does not expect any significant changes in the structural development of the vehicle rental industry. All over Europe, the industry consolidation that has been noticeable for years is set to continue in favour of large, international providers. Given the difficult financial situation of some of Sixt's competitors, which is due for the most part to high finance charges, there are no indications of financially unsustainable price competition at present.

The Verband der Automobilindustrie (VDA – German Association of the Automotive Industry) believes that there is potential for a slight improvement in the German automotive market in 2008. By contrast, the Zentralverband des Deutschen Kraftfahrzeuggewerbes (ZDK – German Association for Motor Trade and Repairs) has detected saturation tendencies in the German automotive market with its approximately 47 million passenger cars.

2.2 Leasing

Sixt continues to perceive lease financing as an attractive growth market in the coming years, both in Germany and globally. Industry association BDL has once again forecast a marked increase in equipment leasing in Germany in 2008. However, tough competition in terms of conditions is to be expected among leasing companies.

There are uncertainties regarding the organisational implementation of the business tax reform that has been in place since 1 January 2008. This is due above all to legislative efforts to put leasing companies under banking supervision for the granting of the “Bankenprivileg” (or „banking privilege“) – i.e. the ability to offset refinancing costs against their trade tax liability. In this case, the BDL fears that this would impose an unreasonably high administrative burden on the leasing sector.

3. Strategic focus areas for the Sixt Group

After the operating growth of the Sixt Group continued in 2007, the Managing Board is confident that revenue and earnings will continue to increase in the coming years and that the Group will improve its competitive position on the German and international markets for both business units. The aim here is to outpace average market growth in both the Vehicle Rental Business Unit and the Leasing Business Unit. However, given the high levels of revenue and earnings that have been reached in both business units, the growth rates of recent years will be difficult to match. A crucial factor for the future success of Sixt is that to systematically leverage the substantial market potential in both business units as well as the Group's specific strengths.

The **Vehicle Rental Business Unit** is focusing on the following activities in 2008 and thereafter:

- Sixt will continue the internationalisation of its business with a view to securing a far greater international share of rental revenue in the long term. The focus will remain on expanding the rental office network in the Corporate countries of France, the UK and Spain. With market shares of generally between 5% and 10% in Western Europe (not including Germany), there is still considerable potential for growth. Growth can be achieved both organically and by making targeted acquisitions of local and regional competitors. Thanks to the Sixt Group's solid financial structure and high equity ratio, it is in an excellent position to make acquisitions, although potential candidates are still required to meet high standards in terms of profitability, risk profile and corporate culture.

- Sixt is planning a further expansion of its global franchise network, especially in economic growth regions such as Eastern Europe, Latin America and Asia-Pacific. The Managing Board assumes that the demand for mobility in these regions will, in some cases, grow rapidly in the coming years, depending on overall economic development, on the improvement of transport infrastructures and on regulatory requirements in the countries in question. Good growth opportunities for Sixt franchisees exist, particularly in those countries in which mobility markets are still at an early stage of development and in which providers of rental, leasing or chauffeur services can help to influence market development early on. A prime example in this regard is the Chinese market, which Sixt entered in 2007 through a local partner offering leasing and chauffeur services.

  Sixt will continue to rely on its tried-and-tested franchising system, which avoids the use of the Group's own capital and minimises the financial risk of expanding into markets that are in some cases difficult to assess. Nonetheless, it is still possible that Sixt will also establish subsidiaries in adequately developed markets outside Western Europe in the medium to long term, although there are no plans to do so at present.

- Expanding the private customer business and, in turn, increasing participation in tourism markets is one of the main strategic objectives. To this end, Sixt is focusing on tailored private-customer products such as Sixt Holiday Cars or SIXTI, and on close partnerships with existing service providers such as airlines, hotel chains or financial service providers. The general trend in tourism towards upmarket individual trips offers particular growth opportunities above all to premium providers such as Sixt.

- The integration of vehicle rentals and leasing is one of the Group's strategic strengths. The aim is to offer business and corporate customers even more specific mobility solutions in future, tailored to their individual needs. This allows Sixt to meet customers' individual mobility requirements by leasing (long-term), rental (short-term) or by combined products.

- Based on its longstanding relationships with leading automobile manufacturers, Sixt will continue to gear its rental fleet to the precise needs of its customers. In this connection, the demand for vehicles with low consumption – and therefore low running costs – has increased among corporate and private customers alike. Sixt is responding to this development by including a high proportion of diesel vehicles, as well as by adding vehicles with exceptionally low consumption due to alternative drives such as natural gas or hybrids. Through this fleet policy, combined with ongoing improvements in its services, Sixt believes that it has the potential to set itself further apart from the competition.

The **Leasing Business Unit** is focusing on the following activities in 2008 and thereafter:

- In order to meet the cross-border mobility requirements of many leasing customers, Sixt will expand its presence in Europe (outside Germany) in the coming years. Both organic growth and expansion through targeted acquisitions are also feasible for the Leasing Business Unit. Furthermore, the network of franchise partners is to be expanded in Europe as well as in new markets such as South America and Asia-Pacific.

- Besides key accounts, Sixt continues to see particular business opportunities among middle-market companies of all sizes, since these are subject to constant cost and financing pressure, and their use of full-service leasing offerings is below average. Accordingly, Sixt sees small and medium-sized companies as having considerable potential for optimising fleet costs.

- Innovations in products and services are an important means of setting the Company apart from competing leasing providers. With the extensive fleet management expertise that it has built over decades, Sixt has especially good potential when it comes to generating further growth by improving its high service quality at all stages of the leasing process, thereby offering customers corresponding added value.

4. Outlook

The Managing Board sees the Sixt Group as being well positioned for 2008 from a strategic and financial perspective. Given the subdued, yet still fundamentally positive economic growth in Europe, the Board is optimistic as regards the current financial year.

In 2008, the Sixt Group expects to generate further operating growth in both business units. This means that the value of vehicles added to the rental and leasing fleet is expected to be at least that of the previous year.

Sixt anticipates further increases in operating costs, particularly with regard to fleet expenses. Accordingly, the extent to which these additional costs can be offset by increases in rental prices will be important for business development. Sixt is aiming to increase the average rental price by a low single-figure percentage rate; at the very least, the increase will be equal to the inflation rate in Germany.

Based on current estimates, the Managing Board assumes that, as a result of the business taxation reform in Germany, the tax rate in the Group will fall slightly.

For 2008, the Managing Board currently expects further increases in both consolidated operating revenue and consolidated operating profit.

This forecast assumes that the planned price increases in the rental market can be implemented, that economic conditions in Europe do not deteriorate significantly, and that no unforeseen negative events occur that will materially adversely affect the Group. On the basis of these assumptions, it appears possible that this positive operating trend will also continue in 2009.

E. Dependent company report

In accordance with section 17 of the AktG, Sixt Aktiengesellschaft is a dependent company of Erich Sixt Vermögensverwaltung GmbH, Pullach. In accordance with section 312 of the AktG, therefore a report is prepared containing the following concluding declaration by the Managing Board:

"According to the facts and circumstances known to the Managing Board at the time legal transactions subject to disclosure requirements were conducted, the Company received appropriate consideration in each case. Actions subject to disclosure requirements were neither taken nor omitted in financial year 2007."

F. Report on post-balance sheet date events

No events of special significance for the net assets, financial position and results of operations of the Group occurred after the end of financial year 2007.

Pullach, 3 March 2008

Sixt Aktiengesellschaft

The Managing Board

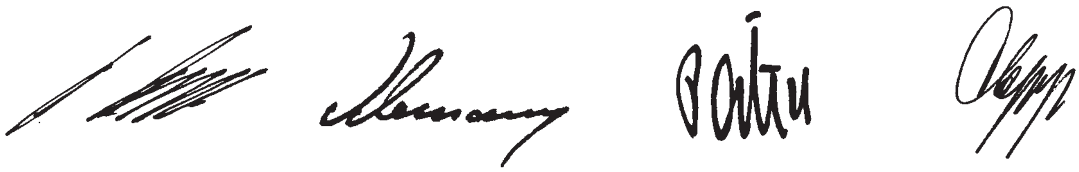
Responsibility Statement by Sixt Aktiengesellschaft, Pullach, for Financial Year 2007

in accordance with sections 297 (2) sentence 4 and 315 (1) sentence 6 of the Handelsgesetzbuch (HGB – German Commercial Code)

To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development and performance of the business and the position of the Group, together with a description of the principal opportunities and risks associated with the expected development of the Group.

Pullach, 3 March 2008

Sixt Aktiengesellschaft



ERICH SIXT KARSTEN ODEMANN DETLEV PÄTSCH HANS-NORBERT TOPP

The following independent auditor's report ("Bestätigungsvermerk") was issued in accordance with section 322 HGB (German Commercial Code) on the IFRS Financial Statements 2007, which were prepared in the German language. The translation of the independent auditors' report ("Bestätigungsvermerk") is as follows:

Independent Auditors' Report

We have audited the consolidated financial statements – comprising the income statement, balance sheet, cash flow statement, statement of changes in equity and the notes – as well as the group management report prepared by Sixt Aktiengesellschaft, Pullach, for the financial year from 1 January to 31 December 2007. The preparation of the consolidated financial statements and the group management report in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and the supplementary provisions of German commercial law required to be applied under section 315 a (1) of the Handelsgesetzbuch (HGB – German Commercial Code) is the responsibility of the Managing Board. Our responsibility is to express an opinion on the consolidated financial statements and the group management report based on our audit.

We conducted our audit of the consolidated financial statements in accordance with section 317 of the HGB and the generally accepted standards for the audit of financial statements promulgated by the Institut der Wirtschaftsprüfer (IDW). Those standards require that we plan and perform the audit such that misstatements materially affecting the presentation of the net assets, financial position and results of operations in the consolidated financial statements in accordance with the applicable financial reporting standards and in the group management report are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the group and evaluations of 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 consolidated financial statements and the group management report are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of the companies included in the consolidated financial statements, the determination of the companies to be included in the consolidated financial statements, the accounting and consolidation principles used and significant estimates made by the Managing Board as well as evaluating the overall presentation of the consolidated financial statements and the group 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 consolidated financial statements of Sixt Aktiengesellschaft, Pullach comply with IFRSs as adopted by the EU and the supplementary provisions of German commercial law required to be applied under section 315 a (1) of the HGB and give a true and fair view of the net assets, financial position and results of operations of the Group in accordance with these requirements. The group management report is consistent with the consolidated financial statements, as a whole provides a suitable understanding of the Group's position and suitably presents the opportunities and risks of future development.

Munich, 12 March 2008

Deloitte & Touche GmbH	(Bögle)	(Papadatos)
Wirtschaftsprüfungsgesellschaft	**Wirtschaftsprüfer**	**Wirtschaftsprüfer**

جير السيارات

(Recognize low-priced rental

لتأ ●●

cars in Dubai by this logo)

Consolidated Income Statement of Sixt Aktiengesellschaft, Pullach for the year ended 31 December 2007

	Notes		EUR		EUR
			2007		2006
Revenue	[4.1]		1,568,827,026		1,443,131,044
Other operating income	[4.2]		35,033,568		20,102,479
Gross revenue			**1,603,860,594**		**1,463,233,523**
Fleet expenses and cost of lease assets	[4.3]		626,254,970		625,163,299
Personnel expenses	[4.4]				
a) Wages and salaries		94,592,877		85,968,762	
b) Social security and other pension costs		15,695,893		14,999,121	
			110,288,770		100,967,883
Depreciation and amortisation expense	[4.5]				
a) Depreciation of rental vehicles		219,915,410		176,802,364	
b) Depreciation of lease assets		106,069,568		85,089,617	
c) Depreciation of property and equipment and investment property		5,848,826		5,778,101	
d) Amortisation of intangible assets		1,615,172		995,226	
			333,448,976		268,665,308
Other operating expenses	[4.6]		356,151,727		315,138,931
Profit from operating activities (EBIT)			**177,716,151**		**153,298,102**
Net finance costs	[4.7]				
a) Interest income		2,834,584		2,884,532	
b) Interest expense		50,658,905		40,160,530	
c) Other net financial income		7,799,214		5,625,568	
			- 40,025,107		- 31,650,430
Profit before taxes (EBT)			**137,691,044**		**121,647,672**
Income tax expense	[4.8]		44,112,145		47,883,617
Consolidated profit for the period			**93,578,899**		**73,764,055**
Of which attributable to minority interests	[4.9]		51,734		17,644
Of which attributable to shareholders of Sixt AG			**93,527,165**		**73,746,411**
Earnings per ordinary share – basic	[4.10]		3.73		2.95
Earnings per preference share – basic	[4.10]		3.77		3.36
Earnings per ordinary share – diluted	[4.10]		3.73		2.95
Earnings per preference share – diluted	[4.10]		3.62		3.14

Consolidated Balance Sheet of Sixt Aktiengesellschaft, Pullach as at 31 December 2007

Assets	Notes	EUR **31 Dec. 2007**	EUR 31 Dec. 2006
Non-current assets			
Goodwill	[4.11]	18,442,000	18,442,000
Intangible assets	[4.12]	4,872,453	4,796,894
Property and equipment	[4.13]	41,952,104	36,048,021
Investment property	[4.14]	3,253,965	3,289,153
Lease assets	[4.15]	749,965,705	543,527,146
Non-current financial assets	[4.16]	1,336,322	1,489,425
Non-current other receivables and assets	[4.17]	14,479,989	16,196,941
Deferred tax assets	[4.8]	5,327,673	3,319,945
Total non-current assets		**839,630,211**	**627,109,525**
Current assets			
Rental vehicles	[4.18]	915,844,024	646,104,143
Inventories	[4.19]	12,002,692	28,127,387
Trade receivables	[4.20]	184,838,548	154,446,597
Current other receivables and assets	[4.21]	61,691,217	82,075,911
Income tax receivables	[4.21]	6,351,036	858,515
Cash and bank balances	[4.22]	26,669,015	19,126,443
Total current assets		**1,207,396,532**	**930,738,996**
Total assets		**2,047,026,743**	**1,557,848,521**

Equity and Liabilities	Notes	EUR **31 Dec. 2007**	EUR 31 Dec. 2006
Equity			
Subscribed capital	[4.23]	64,126,848	63,760,256
Capital reserves	[4.24]	192,789,234	189,671,425
Other reserves	[4.25]	204,032,093	139,465,494
Minority interests	[4.26]	35,613	33,637
Total equity		**460,983,788**	**392,930,812**
Non-current liabilities and provisions			
Non-current other provisions	[4.27]	1,089,498	16,419,217
Non-current financial liabilities	[4.28]	698,531,541	441,076,100
Non-current other liabilities	[4.29]	1,050,884	3,981,908
Deferred tax liabilities	[4.8]	11,992,557	4,022,601
Total non-current liabilities and provisions		**712,664,480**	**465,499,826**
Current liabilities and provisions			
Current other provisions	[4.30]	39,564,339	26,889,903
Income tax provisions	[4.30]	37,546,228	43,740,278
Current financial liabilities	[4.31]	384,674,690	279,112,017
Trade payables	[4.32]	317,515,660	244,089,058
Current other liabilities	[4.33]	94,077,558	105,586,627
Total current liabilities and provisions		**873,378,475**	**699,417,883**
Total equity and liabilities		**2,047,026,743**	**1,557,848,521**

Consolidated Cash Flow Statement of Sixt Aktiengesellschaft, Pullach as at 31 December 2007

Consolidated Cash Flow Statement	EUR thou. **2007**	EUR thou. 2006
Operating activities		
Consolidated profit for the period	93,579	73,764
Amortisation of intangible assets	1,615	995
Depreciation of property and equipment and investment property	5,849	5,778
Depreciation of lease assets	106,070	85,090
Depreciation of rental vehicles	219,915	176,802
Impairment losses on financial assets	0	4,697
Gain/loss on disposal of intangible assets, property and equipment	- 2,360	344
Other non-cash income and expense	328	- 63
Cash flow	**424,996**	**347,407**
Change in non-current other receivables and assets	1,717	- 1,345
Change in deferred tax assets	- 2,008	3,051
Change in rental vehicles, net	- 489,655	- 360,133
Change in inventories	16,125	- 4,237
Change in trade receivables	- 30,392	- 41,714
Change in current other receivables and assets	20,385	- 25,909
Change in income tax receivables	- 5,493	6,525
Change in non-current other provisions	- 15,330	- 3,130
Change in non-current other liabilities	- 2,931	- 9,773
Change in deferred tax liabilities	7,970	- 7,861
Change in current other provisions	12,674	4,313
Change in income tax provisions	- 6,194	3,979
Change in trade payables	73,426	40,122
Change in current other liabilities	- 11,509	- 9,672
Net cash flows used in operating activities	**- 6,219**	**- 58,377**
Investing activities		
Proceeds from disposal of intangible assets, property and equipment and investment property	5,755	1,088
Proceeds from disposal of lease assets	130,336	295,772
Proceeds from disposal of non-current financial assets	31	0
Payments to acquire intangible assets, property and equipment	- 9,909	- 10,159
Payments to acquire lease assets	- 442,843	- 401,119
Payments to acquire non-current financial assets	- 37	- 430
Change in intangible assets, property and equipment attributable to changes in reporting entity structure	- 6,896	- 247
Change in non-current financial assets attributable to changes in reporting entity structure	160	128
Net cash flows used in investing activities	**- 323,403**	**- 114,967**
Financing activities		
Increase in subscribed capital	367	5,944
Increase in capital reserves	3,118	69,357
Change in other reserves and minority interests	- 2,691	- 1,919
Dividend payments	- 26,320	- 20,025
Change in current financial liabilities	105,563	131,370
Change in non-current financial liabilities	257,456	- 35,637
Net cash flows from financing activities	**337,493**	**149,090**
Net change in cash and cash equivalents	**7,871**	**- 24,254**
Effect of exchange rate changes on cash and cash equivalents	- 328	63
Cash and cash equivalents at 1 January	**19,126**	**43,317**
Cash and cash equivalents at 31 December	**26,669**	**19,126**

See also the Notes [5.1]

Consolidated Statement of Changes in Equity of Sixt Aktiengesellschaft, Pullach

Consolidated Statement of Changes in Equity EUR thou.	Subscribed capital	Capital reserve	Other reserves			Equity attributable to shareholders of Sixt AG	Minority interests	Total equity
			Retained earnings	Currency translation reserve	Mis-cellaneous reserves			
1 January 2006	**57,816**	**120,314**	**61,566**	**- 1,707**	**26,241**	**264,230**	**1,580**	**265,810**
Capital increase	5,944	69,137				75,081		75,081
Consolidated profit 2006					73,746	73,746	18	73,764
Currency translation differences					90	90		90
Dividend payments 2005					- 20,025	- 20,025		- 20,025
Reclassification of minority interests							- 1,451	- 1,451
Other changes		220	14,024 [1]	2	- 14,472	- 226	- 112	- 338
31 December 2006	**63,760**	**189,671**	**75,590**	**- 1,705**	**65,580**	**392,896**	**35**	**392,931**
Capital increase	367	2,519				2,886		2,886
Consolidated profit 2007					93,527	93,527	52	93,579
Currency translation differences				- 515		- 515		- 515
Dividend payments 2006					- 26,320	- 26,320		- 26,320
Other changes		599	30,552 [1]		- 32,677	- 1,526	- 51	- 1,577
31 December 2007	**64,127**	**192,789**	**106,142**	**- 2,220**	**100,110**	**460,948**	**36**	**460,984**

[1] Including transfer to retained earnings of Sixt Aktiengesellschaft (EUR 31,150 thousand, 2006: EUR 14,000 thousand)

See also the Notes [4.23] to [4.26]

Statement of recognised income and expense	EUR thou. **2007**	EUR thou. 2006
Recognised directly in equity		
Issue costs	-	- 1,405
Currency translation	- 515	92
Consolidated profit for the period	93,579	73,764
Recognised income and expense	**93,064**	**72,451**
of which attributable to minority interests	52	18
of which attributable to shareholders of Sixt AG	93,012	72,433

We are waiting only for

SIXT
Aktiengesellschaft

you. And you. And you...

Notes to the Consolidated Financial Statements of Sixt Aktiengesellschaft, Pullach for Financial Year 2007

1. General Disclosures

Information about the Company

Sixt Aktiengesellschaft, domiciled in Zugspitzstrasse 1, 82049 Pullach, Germany, is entered in section B of the commercial register at the Munich Local Court, under the number 79160. The Company was formed in 1986 as a result of a reorganisation of "Sixt Autovermietung GmbH", established in 1979, and has traded since then as "Sixt Aktiengesellschaft". The Company also floated on the stock market in 1986. It has registered branches in Leipzig and at Munich airport. The Company has been established for an indefinite period.

In accordance with its Articles of Association, the purpose of the Company is to rent, lease and sell vehicles, aircraft and moveable equipment, to manage and acquire companies and equity interests in companies, particularly those whose purpose wholly or partly extends to the aforementioned areas of activity, and to carry on any secondary activities that fall within these areas in the widest sense, as well as any other business activities that serve its purpose. The Company may acquire, represent and invest in other companies. The Company may partly carry out its purpose via investees or transfer existing business lines to investees.

At the reporting date, the Company's share capital amounted to EUR 64,126,848. Both ordinary shares and non-voting preference shares have been issued. The largest shareholder is Erich Sixt Vermögensverwaltung GmbH, Pullach, which holds 56.8% of the ordinary shares and voting rights. Erich Sixt Vermögensverwaltung GmbH, Pullach, is the parent of Sixt Aktiengesellschaft, Pullach, and the ultimate Group parent.

General disclosures on the consolidated financial statements

The consolidated financial statements of Sixt Aktiengesellschaft as at 31 December 2007 were prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and effective at the closing date. The term IFRSs also covers the International Accounting Standards (IASs) still in effect. All pronouncements of the International Accounting Standards Board (IASB) required to be applied for financial year 2007 and the related Interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) or the former Standing Interpretations Committee (SIC) were applied. Prior-year figures were determined in accordance with the same principles.

The new IFRS Standards and Interpretations listed below were effective for the first time for the consolidated financial statements as at 31 December 2007:

IFRS 7 (Financial Instruments: Disclosures) and IFRIC 8 (Scope of IFRS 2), which were required to be applied for the first time to the consolidated financial statements as at 31 December 2007, are complied with in the accompanying consolidated financial statements of Sixt Aktiengesellschaft.

The new Standards listed below, which may be applied on a voluntary basis, were not applied in preparing these consolidated financial statements:

Standard / Interpretation		Adoption by European Commission	Effective date
IFRS 8	Operating Segments	21 Nov. 2007	1 Jan. 2009
IAS 1 (revised)	Presentation of Financial Statements – Capital Disclosures	No	1 Jan. 2009
IAS 23 (revised)	Borrowing Costs	No	1 Jan. 2009
IFRIC 11	IFRS 2 – Group and Treasury Share Transactions	1 Jun. 2007	1 Mar. 2007
IFRIC 12	Service Concession Arrangements	No	1 Jan. 2008
IFRIC 13	Customer Loyalty Programmes	No	1 Jul. 2008
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	No	1 Jul. 2008

The Standards and Interpretations required to be applied in future periods relate to notes disclosures (IAS 1) and segment reporting (IFRS 8). The other Standards and Interpretations are unlikely to have any effect or any material effect on the consolidated financial statements.

These consolidated financial statements are in compliance with section 315 a of the Handelsgesetzbuch (HGB – German Commercial Code). Together with Regulation (EC) No. 1606/2002 of the European Parliament and the Council adopted on 19 July 2002, this forms the legal basis for consolidated accounting and financial reporting in Germany in accordance with international standards and applies to all financial years beginning on or after 1 January 2005.

The additional disclosures required by German commercial law over and above the disclosures and explanatory notes required by IFRSs are contained in the notes to the consolidated financial statements.

The consolidated income statement is prepared using the total cost (nature of expense) method.

Overall, the accompanying consolidated financial statements give a true and fair view of the net assets, financial position and results of operations.

The Group currency of Sixt Aktiengesellschaft is the euro (EUR).

The annual financial statements of Sixt Aktiengesellschaft, the Company's management report, the consolidated financial statements of Sixt Aktiengesellschaft and the Group management report, which were audited by Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Munich, and were granted an unqualified audit opinion, are published in the electronic Bundesanzeiger (Federal Gazette).

2. Consolidation

Basis of consolidation

As well as the financial statements of Sixt Aktiengesellschaft, the consolidated financial statements include the financial statements of the following companies under the control of Sixt Aktiengesellschaft (subsidiaries) in accordance with IAS 27, in which it directly or indirectly holds the majority of the voting rights or at which it has the power to govern the financial and operating policies.
The following (with three exceptions) wholly owned subsidiaries were fully consolidated in the consolidated financial statements of Sixt Aktiengesellschaft as at 31 December 2007 (the equity interest corresponds to the voting power):

Name	Domicile
Sixt GmbH & Co. Autovermietung KG	Pullach
Sixt Leasing AG	Pullach
Sixt Allgemeine Leasing GmbH & Co. KGaA	Pullach
Sixt Beteiligungen GmbH & Co. Holding KG	Pullach
Sixt VIP Services GmbH	Munich
Sixt European Holding GmbH & Co. KG	Pullach
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Alpha Immobilien KG	Pullach
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Delta Immobilien KG	Pullach
Sigma Grundstücks- und Verwaltungs GmbH & Co. Immobilien KG (equity interest: 94%)	Pullach
Sigma Grundstücks- und Verwaltungs GmbH	Pullach
Sixt Reservierungs- und Vertriebs-GmbH	Rostock
Sixt Holiday-Cars AG (equity interest: 97%)	Basel
e-Sixt GmbH & Co. KG (equity interest: 97%)	Recklinghausen
Sixt GmbH & Co Autovermietung KG	Taufkirchen
Sixt Verwaltungsgesellschaft mit beschränkter Haftung	Pullach
Sixt SAS	Paris
Sixt Location Longue Durée SARL	Paris
Sixt G.m.b.H.	Vienna
Sixt Leasing G.m.b.H.	Vienna
Sixt AG	Basel
Sixt Leasing (Schweiz) AG	Basel
Sixt B.V.	Hoofddorp
Sixt Finance B.V.	Hoofddorp
United Kenning Rental Group Ltd.	Chesterfield
Sixt Kenning Ltd.	Chesterfield
Sixt Plc.	Chesterfield
Sixt Insurance Services PCC Ltd.	St. Peter Port
United Rental Group Ltd.	Chesterfield
Europa Service Car Ltd.	Chesterfield
Sixt Belgium BVBA	Zaventem
SIXT RENT A CAR S.L.	Palma de Mallorca
Sixt rent-a-car AG	Basel
United rentalsystem GmbH	Pullach
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Gamma Immobilien KG	Pullach
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Epsilon Immobilien KG	Pullach

The two special purpose entities listed below, which operate exclusively in the real estate sector, were also consolidated in accordance with SIC 12:

Name	Domicile
Akrimo GmbH & Co. KG	Pöcking
ASX Beteiligungs-GmbH & Co FAKO KG	Pöcking

The following list shows all Group companies which have not been consolidated. These subsidiaries, most of which have no operating activities, have not been consolidated because of their insignificance in the aggregate for the presentation of a true and fair view of the net assets, financial position and results of operations of the Group. The combined revenue of these companies amounts to less than 1% of consolidated revenue.

Name	**Domicile**	**Nominal capital**		**Equity interest**
e-Sixt Verwaltungs GmbH	Munich	50,000	DM	100 %
Sixt GmbH	Leipzig	50,000	DM	100 %
Sixt Leasing (UK) Ltd.	Chesterfield	2	GBP	100 %
Sixt Verwaltungs-GmbH	Taufkirchen	25,000	EUR	100 %
Sixt Executive GmbH	Pullach	50,000	DM	100 %
UNITED rentalsystem SARL	Paris	7,000	EUR	100 %
Sixt Limousine Service Rhein Main GmbH	Frankfurt	50,000	DM	100 %
Alsa Autovermietung GmbH	Pullach	50,000	DM	100 %
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG	Pullach	25,000	EUR	100 %
Sixt Beteiligungen GmbH	Pullach	25,000	EUR	100 %
Sixt Franchise GmbH	Pullach	25,000	EUR	100 %
Sixt Travel GmbH	Taufkirchen	1,000,000	DM	97 %
Sixt Acquisition et Service SARL	Haussimont	7,622	EUR	100 %
Sixti SARL	Courbevoie	7,622	EUR	100 %
Sixt Franchise SARL	Paris	7,622	EUR	100 %
Sixt Aéroport SARL	Paris	7,622	EUR	100 %
Sixt S.R.L.	Milan	10,200	EUR	100 %
Sixti GmbH	Pullach	25,000	EUR	100 %
Sixt Immobilien Beteiligungen GmbH	Pullach	25,000	EUR	100 %
Sixt Autoland GmbH	Garching	25,000	EUR	100 %
Sixt Allgemeine Leasing (Schweiz) AG	Basel	100,000	SFR	100 %
Sixt Asia Pacific Pte Ltd.	Singapore	200,000	SGD	65 %
Sixt International Holding GmbH	Pullach	25,000	EUR	100 %
Sixt S.a.r.l.	Luxembourg	12,500	EUR	100 %
Sixt e-ventures GmbH	Pullach	25,000	EUR	100 %
Carmondo GmbH	Munich	25,000	EUR	100 %

MOHAG Autohaus Datteln GmbH & Co. KG, Datteln, in which Sixt Aktiengesellschaft holds 95% of the limited partner shares but is not under uniform management by the Sixt Group, was not consolidated as well.

A list of the Group companies is enclosed in a separate appendix to these notes to the consolidated financial statements together with the other disclosures. In accordance with section 264 b of the HGB, the following companies are exempt from the duty to prepare and publish annual financial statements under the provisions applicable to corporations: Sixt GmbH & Co. Autovermietung KG, Pullach, Sixt Beteiligungen GmbH & Co. Holding KG, Pullach, Sixt European Holding GmbH & Co. KG, Pullach, Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Alpha Immobilien KG, Pullach, Sixt

Verwaltungsgesellschaft mit beschränkter Haftung & Co. Delta Immobilien KG, Pullach, Sigma Grundstücks- und Verwaltungs GmbH & Co. Immobilien KG, Pullach, Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Gamma Immobilien KG, Pullach, Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Epsilon Immobilien KG, Pullach, e-Sixt GmbH & Co. KG, Recklinghausen, Sixt GmbH & Co Autovermietung KG, Taufkirchen.
Sixt Leasing AG, Pullach, and Sixt Reservierungs- und Vertriebs-GmbH, Rostock, make use of the exemption with regard to publication provided for in section 264 (3) of the HGB.

Changes in the consolidated Group
United rentalsystem GmbH, Pullach, was initially consolidated as at 1 January 2007; Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Gamma Immobilien KG, Pullach, and Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Epsilon Immobilien KG, Pullach, were each initially consolidated as at 31 December 2007. The three above-mentioned companies were established by the Sixt Group but were not previously included in the consolidated financial statements due to their insignificance for the Group's net assets, financial position and results of operations. There were no further changes in the basis of consolidation as against the end of 2006.

Consolidation methods
The single-entity financial statements included in the consolidated financial statements are uniformly prepared in accordance with the IFRS accounting policies applicable to the Sixt Group as at the balance sheet date, in this case 31 December 2007. Where necessary, the single-entity financial statements of the consolidated companies are adjusted to bring them into line with the accounting policies used within the Group.

Acquisition accounting is performed in accordance with IFRS 3, which requires business combinations to be accounted for using the purchase method. Assets and liabilities acquired must be recognised at fair value. Any excess of the cost of the business combination over the Group's share of the net fair values of the acquiree's assets, liabilities and contingent liabilities is recognised as goodwill and tested for impairment on a regular (at least annual) basis. Any excess of the Group's share of the net fair values of the acquiree's assets, liabilities and contingent liabilities over the cost of the business combination is recognised directly in the income statement in accordance with IFRS 3.

The assets and liabilities from the business combination to be recognised at their fair values are depreciated or amortised over their applicable useful lives. If they have an indefinite useful life, any need to recognise impairment losses is determined using the same method as for goodwill.

Intercompany transactions are eliminated on consolidation. All significant receivables, liabilities and provisions between consolidated companies are eliminated, and all intercompany profits and losses are eliminated. Intercompany income is offset against the corresponding expenses. Deferred taxes are recognised as required by IAS 12 for temporary differences arising on consolidation. Other investments are stated at the lower of cost and fair value.

The results of subsidiaries acquired during the year are included in the consolidated income statement from the effective date of acquisition.

Foreign currency translation
The financial statements of consolidated foreign subsidiaries are translated using the functional currency concept. The subsidiaries' functional currency is in each case the local currency, as the subsidiaries operate independently in the respective markets. Assets and liabilities are translated at the closing rate. Income statement items are translated at the average rates for the year. The resulting difference as against the closing rate is taken directly to equity and charged or credited to other reserves as a currency translation difference.

The exchange rates (= EUR 1) applied for currency translation purposes are shown in the table below.

		Closing rate		Average rate
	31 Dec. 2007	31 Dec. 2006	**2007**	2006
Sterling	0.73460	0.67140	0.68728	0.68211
Swiss francs	1.65570	1.60800	1.64613	1.57696

3. Accounting policies

Income statement

Revenue is measured at the fair value of the consideration received or receivable. It is the amount receivable for goods and services provided in the course of ordinary operating activities. Revenue from services is recognised as soon as the service is rendered. Any discounts, bonuses and VAT/sales or other taxes relating to the goods or services provided are deducted.

Vehicle sales are recognised when the vehicle is delivered and ownership is transferred.

Interest income and expense presented in **net finance costs** is recognised on an accrual basis taking into account the outstanding loan amount and the applicable rate of interest. Income and expense arising from profit transfer agreements is recognised at the end of the financial year, while dividend income is recognised on the date from which the shareholder is entitled to receive payment thereof.

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. Deferred taxes are the tax assets and liabilities expected to result from differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their tax base. They are measured using the balance-sheet liability method.

Basic earnings per share are measured in accordance with IAS 33 (Earnings per Share).

Assets

In accordance with IFRS 3 in conjunction with IAS 36, **goodwill** recognised is tested for impairment on an annual basis and, where necessary, written down. The annual impairment test is based on management's planning. The planning assumptions used to determine value in use are adapted annually to reflect current market conditions and the Company's results of operations. The model used for the impairment test is based on the discounted cash flow method, with a multi-year plan (2008 to 2011) and a growth factor of 1% taken as the basis in deriving a sustainable figure. The discount rate (before taxes and growth discount) used is currently 10.0%.

Intangible assets include purchased and internally developed software, as well as any payments on account in respect of intangible assets.

Purchased intangible assets are capitalised at cost, while internally generated intangible assets are only capitalised at cost if the criteria set out in IAS 38 have been met. If the capitalisation criteria have not been met, the expenses are recognised in the income statement in the year in which they are incurred. Intangible assets are amortised on a straight-line basis over a useful life of three to seven years.
In accordance with IAS 36, intangible assets whose useful lives cannot be determined or are generally not fixed are tested for impairment on an annual basis and, where necessary, written down to their fair value.

Property and equipment and **investment property** are stated at cost less straight-line depreciation. Low-value assets are written off in the year of acquisition.

Depreciation is based on the following useful lives, which apply uniformly throughout the Group:

Useful lives	
Buildings	50 years
Operating and office equipment	2 to 11 years

Items of property and equipment are tested for impairment regularly and investment property is tested on an annual basis and, where necessary, written down to their fair value.

Among other things, non-current assets include **lease assets**. The Sixt Group is both a lessee and a lessor. In accordance with IAS 17, lease assets are assigned to the lessee (finance leases) or the lessor (operating leases).

In accordance with IAS 17, assets leased by the Sixt Group as lessee under finance leases are recorded in the balance sheet at inception of the lease at the lower of their fair value and the present value of the minimum lease payments. Lease vehicles are depreciated to their contractual residual values on a straight-line basis over the respective lease terms. Write-downs for impairment are recognised when an impairment in value occurs. Liabilities arising from future lease payments are presented under other liabilities. Assets leased by the Sixt Group as lessee under operating leases are not recognised as assets.

Assets leased out by the Sixt Group as lessor under finance leases must be accounted for by the lessee. In such cases, the present value of the contractually agreed payments is reported as an asset under finance lease receivables. Assets leased out by the Sixt Group as lessor under operating leases are carried in the balance sheet at cost less straight-line depreciation to their calculated residual values. Impairment losses are recognised in individual cases where the fair value of the asset is lower than its carrying amount.

Shares in unconsolidated affiliates and investments presented under **non-current financial assets** are stated at the lower of cost and fair value, as they do not have a quoted market price.

Rental vehicles are stated at cost, including incidental costs and less straight-line depreciation to their residual values. In this context, the residual values are based on the buy-back value per vehicle type contractually agreed with the suppliers.

Vehicles intended for sale reported in **inventories** are stated at the lower of cost, including incidental costs and less straight-line depreciation, and net realisable value. Raw materials, consumables and supplies are stated at the lower of cost, including incidental costs and write-downs, and net realisable value.

Receivables and other assets are stated at their principal amount after deduction of allowances for all identifiable risks. Derivative financial instruments contained in this item are measured at fair value.

Equity and liabilities

Adequate **provisions** are recognised for potential obligations to third parties if these are attributable to a past event, if utilisation is more likely than not and provided a reliable estimate can be made of the probable amount of the obligation. Such liabilities are only carried as provisions if they are of uncertain amount and payment to settle the obligation is probable. They are measured at the most likely settlement amount.

Non-current provisions with residual terms of more than one year are carried at their settlement amount discounted to the balance sheet date.

In accordance with IAS 32 and IAS 39, profit participation capital with profit-dependent interest is presented under non-current **financial liabilities** at its principal amount, including issue costs.

Liabilities are carried on initial recognition at cost (where applicable, plus directly attributable transaction costs), which corresponds to the fair value of the consideration received, and subsequently at amortised cost, with the exception of derivative financial instruments, which are carried at fair value.

Miscellaneous

Acquisitions of current and non-current assets, as well as foreign-currency liabilities, are **translated into euros** at the rate prevailing at the transaction date. At each balance sheet date, foreign-currency monetary assets and liabilities are translated at the closing rate. Gains and losses arising from translation at the closing rate are recognised in the income statement.

Derivative financial instruments are used in the Group to limit interest rate risks as part of risk management. In accordance with IAS 39, derivative financial instruments are recognised at fair value. Fair value changes are either recognised in the income statement or taken to equity, depending on the nature of the hedging relationship. No hedging relationships are currently designated, which means that derivative financial instruments are recognised exclusively in the income statement.

The Group applies the provisions of IFRS 2, **Share-based payment**. Instruments granted to employees are recognised as equity settled. The expenses calculated are deferred ratably over the term of the respective instruments.

In preparing the consolidated financial statements, it is often necessary to make **estimates and assumptions** that affect both the items reported in the consolidated balance sheet and the consolidated income statement and the disclosures contained in the notes to the consolidated financial statements. The amounts actually realised may differ from the reported amounts. Changes are recognised in the income statement on the date at which a better knowledge is gained. The estimates and assumptions made are outlined in the explanatory notes on the individual items. The areas in which amounts are most significantly affected are the following:
Property and equipment are measured on the basis of the estimated useful lives of the assets. Lease assets and rental vehicles are measured on the basis of the estimated useful lives of the vehicles. Valuation allowances are charged on receivables in accordance with an assessment of the identifiable risks. Derivatives are measured on the basis of estimated market yield curves calculated by the relevant transaction partners (banks). The need for other provisions is determined using the best estimate of the most probable settlement amount of the present obligation at the balance sheet date.

4. Notes and disclosures on individual items of the consolidated financial statements

4.1 Income statement

[4.1] **Revenue** is broken down as follows:

Revenue		Germany		Abroad		Total	Change
in EUR thou.	**2007**	2006	**2007**	2006	**2007**	2006	in %
Rental Business Unit							
Rental revenue	750,885	663,803	256,225	199,490	1,007,110	863,293	16.7
Total	**750,885**	**663,803**	**256,225**	**199,490**	**1,007,110**	**863,293**	**16.7**
Leasing Business Unit							
Leasing revenue	339,439	321,303	34,278	26,663	373,717	347,966	7.4
Sales revenue	172,446	222,453	11,293	5,283	183,739	227,736	-19.3
Total	**511,885**	**543,756**	**45,571**	**31,946**	**557,456**	**575,702**	**-3.2**
Other revenue	4,261	4,136	-	-	4,261	4,136	3.0
Group total	**1,267,031**	**1,211,695**	**301,796**	**231,436**	**1,568,827**	**1,443,131**	**8.7**

The Group is divided into two segments, Rental and Leasing. These business units form the basis of the primary format of segment reporting. The main activities are broken down as follows:

Segments	
Rental	Vehicle rentals
Leasing	Leasing including additional services (full-service and fleet management) sales of lease assets

When combined, the reported rental and leasing revenue is also described as "operating revenue". Rental revenue includes compensation payments from third parties totalling EUR 44,235 thousand (2006: EUR 34,983 thousand).

In line with Sixt's focus on the market segment for full-service leasing, leasing revenue comprises finance lease instalments (EUR 165,669 thousand, 2006: EUR 161,744 thousand) and revenue relating to service components such as repairs, fuel, tyres, etc. (EUR 208,048 thousand, 2006: EUR 186,222 thousand). In the Leasing segment, compensation payments from third parties amount to EUR 2,949 thousand (2006: EUR 5,043 thousand).

As in the previous year, rental fleet vehicles were sold predominantly at fixed prices under buy-back agreements concluded with manufacturers and dealers, and therefore not sold directly in the used vehicle market. To better reflect this fact, proceeds from the sale of used vehicles in the Rental segment are not recognised as revenue and the selling expenses carried under fleet expenses and cost of lease assets are reduced by the corresponding amounts. In contrast, the Leasing segment sells a significant proportion of vehicles directly and therefore reports all proceeds from the sale of used lease assets under revenue.

To the extent that rental vehicles have been refinanced under sale-and-lease-back agreements, their disposal also does not have a material effect on the results, as the sales revenues correspond to the carrying amount disposed of. Part of the rental fleet is refinanced using structured lease transactions. Under these arrangements, the vehicles are owned by third-party companies for their useful life during rental operations and therefore also do not result in any revenue from vehicle sales in the Sixt Group.

[4.2] **Other operating income** of EUR 35,034 thousand (2006: EUR 20,102 thousand) includes income of EUR 875 thousand (2006: EUR 1,784 thousand) from currency translation. This item also includes, among other things, income of EUR 7,184 thousand (2006: EUR 3,727 thousand) from cost allocations to third parties, income of EUR 14,348 thousand (2006: EUR 2,648 thousand) from the reversal of provisions, and net income of EUR 2,498 thousand (2006: EUR 247 thousand) from asset disposals, primarily from the sale of two properties in the United Kingdom not needed for operations.

[4.3] **Fleet expenses and cost of lease assets** are broken down as follows:

Fleet expenses and cost of lease assets by segment	EUR thou. 2007	EUR thou. 2006	Change in %
Rental Business Unit	256,577	226,433	13.3
Leasing Business Unit	369,678	398,730	-7.3
Group total	**626,255**	**625,163**	**0.2**

In addition to the net carrying amounts of vehicles sold in the Leasing Business Unit, the fleet expenses and cost of lease assets item includes the direct costs of vehicle preparation relating to the sale of vehicles and current expenses for rental and lease operations. In the Rental segment, selling expenses are reduced by the corresponding amounts of sales revenue.

Fleet expenses and cost of lease assets	EUR thou. **2007**	EUR thou. 2006	Change in %
Repairs, maintenance, reconditioning	162,855	147,692	10.3
Fuel	117,126	111,557	5.0
Insurance	56,587	45,133	25.4
Transportation	31,731	30,761	3.2
Taxes and duties	20,001	15,617	28.1
Other, including selling expenses	237,955	274,403	-13.3
Group total	**626,255**	**625,163**	**0.2**

[4.4] **Personnel expenses** increased from EUR 100,968 thousand in 2006 to EUR 110,289 thousand in the year under review due to the rise in the average number of employees. Social security costs mainly include employer contributions to statutory social insurance schemes.

Personnel expenses	EUR thou. **2007**	EUR thou. 2006
Wages and salaries	94,593	85,969
Social security costs	15,696	14,999
Group total	**110,289**	**100,968**

Average number of employees during the year:

Employees in the Group	**2007**	2006
Salaried employees	2,170	1,845
Hourly employees	171	170
Group total	**2,341**	**2,015**

The Rental Business Unit employs 2,061 (2006: 1,774) staff, and the Leasing Business Unit 252 (2006: 223) staff. The "Other" segment employs 28 (2006: 18) staff. A total of 1,702 (2006: 1,484) staff were employed in Germany, while 639 (2006: 531) staff were employed abroad.

[4.5] The **depreciation and amortisation expense** in the financial year is explained in more detail below.

Depreciation of rental vehicles rose by EUR 43,113 thousand to EUR 219,915 thousand (2006: EUR 176,802 thousand), as on average more vehicles in the rental fleet were capitalised in the year under review than in 2006. Depreciation of lease assets was EUR 20,980 thousand higher year on year at EUR 106,070 thousand (2006: EUR 85,090 thousand). However, there was a corresponding reduction in the lease instalments for refinanced lease assets reported under other operating expenses. In the “Other” segment, land and buildings included in property and equipment were written down to their fair value by way of a EUR 181 thousand impairment loss (2006: EUR 405 thousand in the Vehicle Rental Business Unit).

Depreciation and amortisation expense	EUR thou. **2007**	EUR thou. 2006
Intangible assets	1,615	995
Property and equipment, investment property	5,849	5,778
Lease assets	106,070	85,090
Rental vehicles	219,915	176,802
Group total	**333,449**	**268,665**

[4.6] The following table contains a breakdown of **other operating expenses**. In the financial year, operating expenses rose by EUR 41,013 thousand to EUR 356,152 thousand in total due to the increased volume of business.

Other operating expenses	EUR thou. **2007**	EUR thou. 2006	Change in %
Leasing expenses	176,482	165,269	6.8
Commission	49,507	40,959	20.9
Expenses for buildings	31,319	29,269	7.0
Other selling and marketing expenses	28,666	25,230	13.6
Expenses from write-downs of receivables	13,033	11,328	15.0
Audit, legal, advisory and investor relations expenses	10,043	8,687	15.6
Miscellaneous	47,102	34,397	36.9
Group total	**356,152**	**315,139**	**13.0**

Fees of EUR 579 thousand (2006: EUR 780 thousand) for the auditors of the consolidated financial statements are recognised as operating expenses in the consolidated financial statements of Sixt Aktiengesellschaft. The fees break down into audit costs (EUR 211 thousand, 2006: EUR 205 thousand), other assurance or valuation services (EUR 4 thousand, 2006: EUR 119 thousand), tax advice (EUR 314 thousand, 2006: EUR 197 thousand) and other services provided for the parent or subsidiary companies (EUR 50 thousand, 2006: EUR 259 thousand).

[4.7] **Net finance costs** narrowed by EUR 8,375 thousand year on year, from EUR -31,650 thousand to EUR -40,025 thousand. The change in this item is mainly due to interest expenses for borrowers' note loans and short-term bank loans, as well as the fair value measurement of derivative financial instruments. The following table contains a breakdown of the net finance costs.

Net finance costs	EUR thou. 2007	EUR thou. 2006
Income from financial assets	1,394	1,943
Income from unconsolidated affiliated companies	59	5
Write-downs of financial assets and investments classified as current assets	-	-4,697
Net income/expense from investments	**1,453**	**-2,749**
Other interest and similar income	2,506	2,020
Other interest and similar income from affiliated companies	329	865
Interest and similar expenses	-41,575	-31,069
Interest and similar expenses for affiliated companies	-34	-42
Expenses for profit participation capital	-9,050	-9,050
Net income from derivative financial instruments	6,346	8,375
Net interest expense	**-41,478**	**-28,901**
Net finance costs	**-40,025**	**-31,650**

In accordance with IAS 23.7, borrowing costs are recognised as an expense in the period in which they are incurred.

[4.8] The **income tax expense** breaks down as follows:

Income tax	EUR thou. 2007	EUR thou. 2006
Current income tax in the period under review	37,568	53,201
Current income tax for previous years	874	-542
Deferred taxes	5,670	-4,775
Group total	**44,112**	**47,884**

In accordance with IAS 12 (Income Taxes), deferred taxes are recognised using the balance-sheet liability method for all temporary differences relating to the carrying amounts of assets and liabilities in the consolidated balance sheet in accordance with IFRSs and consolidation adjustments affecting profit or loss. In addition, deferred tax assets are recognised for the future benefits expected to arise from tax loss carryforwards.

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. Until changes to tax laws are enacted, deferred taxes are measured at current tax rates. The reduction in the tax rate due to the Unternehmensteuerreformgesetz 2008 (2008 German Business Tax Reform Act) was appropriately reflected in the calculation of deferred taxes. A corporation tax rate of 15% (2006: 25%) was therefore used to calculate deferred taxes at the German companies as at 31 December 2007. In each case, a solidarity surcharge of 5.5% on the corporation tax was also included and a trade tax rate of 11% (2006: 12%) was applied; an aggregate tax rate of 27% (previous year: 38%) was used to calculate deferred taxes at the German companies. The country-specific tax rates were used in each case to calculate deferred taxes at the foreign companies.

Deferred taxes are generally recognised in the income statement, except where they relate to items taken directly to equity.

The reconciliation of taxes explains the relationship between the expected and effective tax expense. The effective tax expense results from the application of an income tax rate of 38% (2006: 38%) to consolidated profit for the period (before tax) in accordance with IFRSs. The income tax rate is made up of corporation tax at 25%, a solidarity surcharge of 5.5% and trade tax at 11.6%.

Reconciliation of taxes	EUR thou. **2007**	EUR thou. 2006
Consolidated profit before taxes in accordance with IFRSs	137,691	121,648
Expected current income tax expense	52,323	46,226
Effect of different tax rates outside Germany	-2,752	-1,346
Non-deductible operating expenses	2,042	3,226
Tax-exempt income	-92	-295
Amounts relating to prior periods and other effects	-7,409	73
Effective tax expense	**44,112**	**47,884**

Amounts relating to prior periods and other effects include deferred taxes from changes in tax rates in particular (EUR -2,776 thousand, 2006: EUR -60 thousand), tax effects from unused foreign loss carryforwards and other tax benefits.

The following overview outlines the sources of the deferred tax assets and liabilities:

in EUR thou.	Deferred tax assets		Deferred tax liabilities	
	31 Dec. 2007	31 Dec. 2006	**31 Dec. 2007**	31 Dec. 2006
Fleet	2,286	8,183	4,974	-
Trade receivables	-	298	5,894	7,699
Other assets	-	-	1,209	1,708
Derivative financial instruments	230	223	-	-
Other liabilities	1,544	640	2,940	3,289
Provisions	3,035	3,043	44	1,022
Tax loss carryforwards	1,301	628	-	-
	8,396	**13,015**	**15,061**	**13,718**
Offsetting	-3,068	-9,695	-3,068	-9,695
Carrying amount	**5,328**	**3,320**	**11,993**	**4,023**

No deferred tax assets were recognised for existing tax loss carryforwards of EUR 26,780 thousand (2006: EUR 36,880 thousand). The loss carryforwards for which deferred tax assets were recognised will be used during the four-year planning period as expected. In principle, the losses can be carried forward indefinitely.

Deferred tax assets and liabilities are offset to the extent that the Group has an enforceable right to offset current tax assets against current tax liabilities and the deferred tax assets and liabilities relate to income taxes levied by the same taxation authority.

[4.9] The **profit for the period attributable to minority interests** amounted to EUR 52 thousand in total (2006: EUR 18 thousand).

The following **dividends** were distributed in the course of last year:

Dividends	EUR thou. **2007**	EUR thou. 2006
Amounts recognised as distributions to shareholders in the financial year	26,320	20,025
Dividend for financial year 2006 of EUR 1.05 (for 2005: EUR 0.80) per ordinary share	17,296	13,178
Dividend for financial year 2006 of EUR 1.07 (for 2005: EUR 0.82) per preference share	9,024	6,847

A dividend of EUR 1.18 per ordinary share and EUR 1.20 per preference share will be proposed for financial year 2007. This corresponds to a total distribution for the year under review of EUR 29,730 thousand. The proposed dividend is dependent upon a corresponding resolution being passed by the Annual General Meeting and was not recognised as a liability in the annual financial statements.

[4.10] **Earnings per share** are as follows:

Basic earnings per share		**2007**	2006
Consolidated profit for the period after minority interests	EUR thou.	93,527	73,746
Profit attributable to ordinary shares	EUR thou.	61,389	48,662
Profit attributable to preference shares	EUR thou.	32,138	25,084
Weighted average number of ordinary shares		16,472,200	16,472,200
Weighted average number of preference shares		8,517,683	7,466,713
Earnings per ordinary share	EUR	3.73	2.95
Earnings per preference share	EUR	3.77	3.36

Diluted earnings per share		**2007**	2006
Adjusted consolidated profit for the period	EUR thou.	93,569	73,784
Profit attributable to ordinary shares	EUR thou.	61,389	48,662
Profit attributable to preference shares	EUR thou.	32,180	25,122
Weighted average number of ordinary shares		16,472,200	16,472,200
Weighted average number of preference shares		8,890,083	8,012,313
Earnings per ordinary share	EUR	3.73	2.95
Earnings per preference share	EUR	3.62	3.14

Diluted earnings per share take account of the interest expense (adjusted for deferred income taxes) on convertible bonds issued up to 2006 as part of the employee equity participation programme and the number of preference shares that could be issued when the associated conversion rights are exercised at the applicable exercise date (372,400 preference shares; 2006: 545,600 preference shares).

4.2 Balance sheet

Assets

[4.11] to [4.16] The changes in the Group's non-current assets are shown below.

Consolidated Statement of Changes in Non-current Assets in EUR thou.	Cost						
	1 Jan. 2007	Foreign exchange differences	Additions	Changes in reporting entity structure	Disposals	Transfers	**31 Dec. 2007**
Goodwill	**18,488**	**0**	**0**	**0**	**0**	**0**	**18,488**
Purchased software	4,509	0	853	7	190	413	5,592
Internally developed software	2,883	0	334	0	0	285	3,502
Payments on account in respect of software	327	0	659	0	20	-698	268
Other intangible assets	513	0	0	0	0	0	513
Intangible assets	**8,232**	**0**	**1,846**	**7**	**210**	**0**	**9,875**
Land and buildings	24,227	-725	30	6,682	1,436	0	28,778
Operating and office equipment	39,784	-93	7,855	207	2,472	66	45,347
Property and equipment under construction	18	0	178	0	0	-66	130
Property and equipment	**64,029**	**-818**	**8,063**	**6,889**	**3,908**	**0**	**74,255**
Investment property	**7,311**	**0**	**0**	**0**	**0**	**0**	**7,311**
Lease assets	**698,362**	**-891**	**442,843**	**0**	**182,726**	**0**	**957,588**
Shares in affiliated companies	1,400	0	37	-160	31	0	1,246
Investments	9,186	0	0	0	0	0	9,186
Non-current financial assets	**10,586**	**0**	**37**	**-160**	**31**	**0**	**10,432**
Total consolidated non-current assets	**807,008**	**-1,709**	**452,789**	**6,736**	**186,875**	**0**	**1,077,949**

Consolidated Statement of Changes in Non-current Assets in EUR thou.	Cost						
	1 Jan. 2006	Foreign exchange differences	Additions	Changes in reporting entity structure	Disposals	Transfers	31 Dec. 2006
Goodwill	**18,488**	**0**	**0**	**0**	**0**	**0**	**18,488**
Purchased software	3,693	0	871	0	55	0	4,509
Internally developed software	1,015	0	281	0	0	1,587	2,883
Payments on account in respect of software	1,013	0	957	0	56	-1,587	327
Other intangible assets	513	0	0	0	0	0	513
Intangible assets	**6,234**	**0**	**2,109**	**0**	**111**	**0**	**8,232**
Land and buildings	25,553	369	13	0	1,708	0	24,227
Operating and office equipment	47,457	374	8,019	247	16,313	0	39,784
Property and equipment under construction	0	0	18	0	0	0	18
Property and equipment	**73,010**	**743**	**8,050**	**247**	**18,021**	**0**	**64,029**
Investment property	**7,311**	**0**	**0**	**0**	**0**	**0**	**7,311**
Lease assets	**651,234**	**-792**	**401,119**	**0**	**353,199**	**0**	**698,362**
Shares in affiliated companies	1,357	0	171	-128	0	0	1,400
Investments	8,927	0	259	0	0	0	9,186
Non-current financial assets	**10,284**	**0**	**430**	**-128**	**0**	**0**	**10,586**
Total consolidated non-current assets	**766,561**	**-49**	**411,708**	**119**	**371,331**	**0**	**807,008**

Depreciation / Amortisation						Carrying amounts	
1 Jan. 2007	Foreign exchange differences	Depreciation/ amortisation in the financial year	Changes in reporting entity structure	Disposals	**31 Dec. 2007**	**31 Dec. 2007**	31 Dec. 2006
46	**0**	**0**	**0**	**0**	**46**	**18,442**	**18,442**
2,765	0	1,033	4	52	3,750	1,842	1,744
491	0	531	0	0	1,022	2,480	2,392
0	0	0	0	0	0	268	327
180	0	51	0	0	231	282	333
3,436	**0**	**1,615**	**4**	**52**	**5,003**	**4,872**	**4,796**
4,853	-17	432	579	440	5,407	23,371	19,374
23,128	-36	5,382	139	1,717	26,896	18,451	16,656
0	0	0	0	0	0	130	18
27,981	**-53**	**5,814**	**718**	**2,157**	**32,303**	**41,952**	**36,048**
4,022	**0**	**35**	**0**	**0**	**4,057**	**3,254**	**3,289**
154,835	**-204**	**106,070**	**0**	**53,079**	**207,622**	**749,966**	**543,527**
38	0	0	0	0	38	1,208	1,362
9,058	0	0	0	0	9,058	128	128
9,096	**0**	**0**	**0**	**0**	**9,096**	**1,336**	**1,490**
199,416	**-257**	**113,534**	**722**	**55,288**	**258,127**	**819,822**	**607,592**

Depreciation / Amortisation						Carrying amounts	
1 Jan. 2006	Foreign exchange differences	Depreciation/ amortisation in the financial year	Changes in reporting entity structure	Disposals	31 Dec. 2006	31 Dec. 2006	31 Dec. 2005
46	**0**	**0**	**0**	**0**	**46**	**18,442**	**18,442**
2,215	0	799	0	249	2,765	1,744	1,478
346	0	145	0	0	491	2,392	669
0	0	0	0	0	0	327	1,013
129	0	51	0	0	180	333	384
2,690	**0**	**995**	**0**	**249**	**3,436**	**4,796**	**3,544**
4,308	504	840	0	799	4,853	19,374	21,245
33,636	193	4,903	20	15,624	23,128	16,656	13,821
0	0	0	0	0	0	18	0
37,944	**697**	**5,743**	**20**	**16,423**	**27,981**	**36,048**	**35,066**
3,987	**0**	**35**	**0**	**0**	**4,022**	**3,289**	**3,324**
127,968	**0**	**85,090**	**0**	**58,223**	**154,835**	**543,527**	**523,266**
0	0	38	0	0	38	1,362	1,357
4,399	0	4,659	0	0	9,058	128	4,528
4,399	**0**	**4,697**	**0**	**0**	**9,096**	**1,490**	**5,885**
177,034	**697**	**96,560**	**20**	**74,895**	**199,416**	**607,592**	**589,527**

[4.11] The **goodwill** of EUR 18,442 thousand (2006: EUR 18,442 thousand) results from the consolidation of the companies belonging to United Kenning Rental Group Ltd., Chesterfield, acquired in 2000. No impairment losses were recognised in the financial year.

[4.12] **Intangible assets** include internally developed software amounting to EUR 2,480 thousand (2006: EUR 2,392 thousand) and purchased software amounting to EUR 1,842 thousand (2006: EUR 1,744 thousand). The item also includes payments on account in respect of software amounting to EUR 268 thousand (2006: EUR 327 thousand) and other intangible assets amounting to EUR 282 thousand (2006: EUR 333 thousand). No impairment losses were recognised in the year under review.

[4.13] The **property and equipment** item includes land and buildings for rental offices/service centres and administrative buildings in Germany and abroad in the amount of EUR 23,371 thousand (2006: EUR 19,374 thousand), as well as operating and office equipment (mainly IT systems, fixtures and fittings and office equipment) in the amount of EUR 18,451 thousand (2006: EUR 16,656 thousand). The item also includes expenses for property and equipment under construction in the amount of EUR 130 thousand (2006: EUR 18 thousand). Land charges are registered against properties for real estate financing in the amount of EUR 3,704 thousand (2006: EUR 3,946 thousand). In addition, items of property and equipment have been pledged as collateral for an investment loan of EUR 0 thousand (2006: EUR 2,850 thousand).

[4.14] **Investment property** is measured at amortised cost. The fair value was calculated using the income capitalisation approach, as in the previous year. No write-downs to the lower fair value were required in the year under review. The income capitalisation approach uses currently known and estimated future rental income and a discount rate of approximately 7.6% p.a. or 6.3% p.a. (perpetual annuity). This represents the risk-free interest rate (derived from published yield curves) plus a specific risk premium. The fair value reflects the indexation of future expected instalments. Investment property is not valued by an external appraiser. Loans amounting to EUR 3,464 thousand are secured by real property liens (2006: EUR 3,729 thousand). Net rental income for the period is the balance of rental income of EUR 239 thousand (2006: EUR 228 thousand) and directly attributable costs of EUR 11 thousand (2006: EUR 17 thousand).

Investment property	EUR thou. **2007**	EUR thou. 2006
Net rental income for the period	228	211
Indexation	5% (progressive)	5% (progressive)
Discount rate p.a.	6.3 % or 7.6 %	6.0 % or 7.0 %
Fair value at 31 December	3,615	3,406
Carrying amount at 31 December	3,254	3,289

[4.15] **Lease assets** increased by EUR 206.5 million to EUR 750.0 million (2006: EUR 543.5 million). As lessor, the Group primarily leases out vehicles of various brands, mainly under full-service lease agreements. Of the minimum lease payments under operating leases totalling EUR 352.7 million (2006: EUR 320.7 million), payments of EUR 175.8 million (2006: EUR 165.3 million) are due within one year, payments of EUR 176.5 million (2006: EUR 155.1 million) are due in one to five years and payments of EUR 0.4 million (2006: EUR 0.3 million) are due in more than five years. The fixed-term agreements usually contain agreements on the vehicles' mileage and in some cases price adjustment clauses. The resulting contingent lease payments recognised as income in the period under review amounted to EUR 3.8 million in total (2006: EUR 3.9 million).

A proportion of the lease assets are pledged as collateral for liabilities to banks. Certain other lease vehicles were refinanced at matching maturities under sale-and-lease-back agreements. None of these lease agreements is structured such that the refinanced vehicles are re-attributable to the Group as lease assets (finance leases) (2006: EUR 0 million).

[4.16] The carrying amount of the unconsolidated affiliates and investments presented under **non-current financial assets** is EUR 1,336 thousand (2006: EUR 1,490 thousand). It is shown in detail in the consolidated statement of changes in non-current assets. No impairment losses were recognised in the year under review (2006: EUR 4,697 thousand).

[4.17] **Non-current other receivables and assets** mainly include the non-current portion of finance lease receivables (finance instalments excluding service fees) resulting from lease agreements with customers that are classified as finance leases. Receivables due in one to five years account for EUR 11.0 million (2006: EUR 8.8 million) of the total amount. As in the previous year, there are no amounts falling due in more than five years. The details of the agreements are as follows:

Non-current finance lease receivables in EUR million	Gross investment		Present value of outstanding minimum lease payments	
	31 Dec. 2007	31 Dec. 2006	**31 Dec. 2007**	31 Dec. 2006
Due in one to five years	12.3	9.7	11.6	9.0
Unrealised finance income	0.7	0.7		

As well as the finance instalments, the minimum lease payments also include fixed service fees. The interest rate implicit in the leases is fixed at inception of the lease for the entire term. The agreements contain put options on the part of the Group as lessor. As in the previous year, proportionate valuation allowances on current and non-current finance lease receivables amounted to EUR 0.1 million in total.

The item also includes other receivables such as deposits for leases and advances amounting to EUR 697 thousand (2006: EUR 663 thousand) and interest rate derivatives with positive fair values amounting to EUR 2,770 thousand (2006: EUR 6,670 thousand), in each case maturing in one to five years.

[4.18] The **rental vehicles** item increased from EUR 646.1 million to EUR 915.8 million due, among other things, to an increase in the number of rental vehicles in the portfolio in the financial year and a greater proportion of vehicles with superior features. The cost of new additions to rental assets in the financial year amounted to EUR 2,372 million (2006: EUR 1,974 million). For the rental assets reported at the end of the year under review, it amounted to EUR 1,002 million (2006: EUR 706 million). A proportion of the rental vehicles are pledged as collateral for liabilities to banks.

As in previous years, some rental vehicles were financed via operating leases, mainly with manufacturers. In addition, part of the rental fleet was again refinanced using structured lease transactions. Under these arrangements, the rental vehicles are transferred to and leased from non-Group third parties by a Group company on a revolving basis for the duration of their rental operation periods. These non-Group companies subsequently sell the vehicles.

As in previous years, a further proportion of the rental fleet was refinanced via finance leases. These lease agreements are structured such that the refinanced vehicles are re-attributable to the Group as rental assets in the amount of EUR 51.4 million (2006: EUR 69.0 million). The agreements mainly have a residual term of less than a year and provide for full amortisation. The obligations under the leases are presented under other liabilities.

[4.19] **Inventories** consist mainly of rental and lease vehicles intended for sale in the amount of EUR 9,500 thousand (2006: EUR 25,832 thousand). Other inventories consist mainly of fuel. In total, the portfolio of inventories decreased by EUR 16,124 thousand to EUR 12,003 thousand (2006: EUR 28,127 thousand).

[4.20] **Trade receivables** result almost exclusively from services invoiced in the course of rental and leasing business and from vehicle deliveries. Valuation allowances were recognised for identifiable risks.

[4.21] **Current other receivables and assets** falling due within one year can be broken down as follows.

Current other receivables and assets	EUR thou. **31 Dec. 2007**	EUR thou. 31 Dec. 2006
Current finance lease receivables	10,039	8,845
Receivables from affiliated companies	635	9,619
Receivables from other investees	290	50
Other assets	57,078	64,420
of which recoverable income taxes	6,351	859
of which other recoverable taxes	21,610	30,419
of which insurance claims	8,511	6,422
of which deferred income	14,551	13,132
of which other assets	6,055	13,588
	68,042	**82,934**

Finance lease receivables (finance instalments excluding service fees) 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 leases is fixed at inception of the lease for the entire term. Gross investments amount to EUR 11.2 million (2006: EUR 9.9 million), the present value of the outstanding minimum lease payments (including fixed service fees) to EUR 10.2 million (2006: EUR 9.0 million), and unrealised finance income to EUR 1.0 million (2006: EUR 0.9 million). The agreements contain put options on the part of the Group as lessor.

Receivables from affiliated companies relate primarily to short-term loans to finance investments and to receivables from intercompany settlements.

The carrying amounts stated in the consolidated balance sheet for current and non-current receivables roughly correspond to the fair values of those receivables.

[4.22] **Cash and bank balances** of EUR 26,669 thousand (2006: EUR 19,126 thousand) comprise cash and short-term deposits at banks with terms of under three months. The item corresponds to the cash and cash equivalents item in the consolidated cash flow statement.

Equity and liabilities
The Sixt Group's **equity** rose by EUR 68,053 thousand as against the previous year to a total of EUR 460,984 thousand (2006: EUR 392,931 thousand). The share capital of Sixt Aktiengesellschaft included in this amount increased by EUR 367 thousand year on year to EUR 64,127 thousand (2006: EUR 63,760 thousand). As with most of the EUR 3,118 thousand increase in capital reserves to EUR 192,789 thousand (2006: EUR 189,671 thousand), this growth resulted from the conversion during the financial year of convertible bonds issued to employees. As a result of the conversion, a total of 143,200 (2006: 83,600) new preference shares were issued from Contingent Capital 2003/II.
Minority interests are reported in current other liabilities where interests in equity or in the net profit or loss of consolidated partnerships are affected. The prior-year figure was restated accordingly.

[4.23] Subscribed capital of Sixt Aktiengesellschaft

The subscribed capital is composed of	No-par value shares	Notional value EUR
Ordinary shares	16,472,200	42,168,832
Non-voting preference shares	8,577,350	21,958,016
Balance at 31 December 2007	**25,049,550**	**64,126,848**

	Ordinary shares	Non-voting preference shares
Balance at 1 January 2007	16,472,200	8,434,150
Increase due to exercise of conversion rights	-	143,200
Balance at 31 December 2007	**16,472,200**	**8,577,350**

The ordinary shares are bearer shares with the exception of one registered share, while the preference shares are exclusively bearer shares. Both classes of shares are no-par value shares. The notional interest in the share capital is EUR 2.56 per share. The preference shares entitle the holder to receive a dividend EUR 0.02 per share higher than that on the ordinary shares and a minimum dividend of EUR 0.05 per share from net retained profit for the year. The share capital is fully paid up.

Authorised capital
The Managing Board is authorised to increase the share capital on one or more occasions in the period up to and including 11 June 2012, with the consent of the Supervisory Board, by up to a maximum of EUR 12,752,000 by issuing new no-par value bearer shares against cash and/or non-cash contributions (**Authorised Capital**). The authorisation also includes the power to issue new non-voting preference shares (up to the ceiling allowed by law); the interest in the distribution of profits and/or company assets attaching to any non-voting preference shares issued ranks equally with the non-voting preference shares previously issued.

Shareholders are granted pre-emptive rights unless such pre-emptive rights are disapplied for the following reasons. The shares may be underwritten by a bank or a syndicate of banks with the obligation of offering them to the Company's shareholders for subscription (indirect pre-emptive rights).

If both ordinary and preference shares are issued and the ratios of the two share classes at the time of the respective issue are retained, the Managing Board is authorised, with the consent of the Supervisory Board, to disapply the pre-emptive rights of holders of one class of shares for shares of the other class. In this case, too, the Managing Board is entitled to implement a further disapplication of pre-emptive rights in accordance with the following provisions.

The Managing Board is also entitled to disapply the shareholders' pre-emptive rights with the consent of the Supervisory Board

a) to settle fractions while disapplying shareholders' pre-emptive rights;

b) if the issue price of the new shares in the case of capital increases against cash contributions is not materially lower than the quoted market price of existing listed shares of the relevant class at the time the issue price is finalised, and the shares issued on the basis of this authorisation do not exceed a total of 10% of the share capital either at the effective date or at the date of the utilisation of the authorisation (section 186 (3) sentence 4 of the Aktiengesetz – AktG – German Public Companies Act);

c) to the extent necessary to grant pre-emptive rights for new shares to the holders of options and/or conversion rights (profit participation certificates with warrants/convertible profit participation certificates, bonds with warrants or convertible bonds) in the amount to which they would be entitled after their options or conversion rights have been exercised or conversion obligations met; and

d) in the case of capital increases against non-cash contributions, in particular to acquire companies, parts of companies, or investments in companies, as part of business combinations and/or to acquire other assets including rights and claims.

The Managing Board is entitled, with the consent of the Supervisory Board, to stipulate the further details of the pre-emptive rights and the terms and conditions of the share issue. The Managing Board may resolve, with the consent of the Supervisory Board, that the new shares shall also carry dividend rights from the beginning of the financial year preceding their issue if the Annual General Meeting has not adopted a resolution on the appropriation of the profit for the financial year in question at the time the new shares are issued. If such a provision is not agreed, the new shares shall participate in profits from the beginning of the financial year in which they are issued.

Contingent capital

The share capital has been contingently increased by up to EUR 13,473,280 by issuing up to 5,263,000 new no-par value shares (**Contingent Capital 2003/I**). The contingent capital increase will only be implemented to the extent that

a) the holders or creditors of conversion rights or warrants linked to profit participation certificates, convertible bonds, or bonds with warrants to be issued by Sixt Aktiengesellschaft or its direct or indirect majority investees in the period up to and including 12 August 2008 on the basis of the corresponding authorisation of the Annual General Meeting on 13 August 2003, exercise their conversion or option rights; or

b) the holders or creditors of convertible profit participation certificates or convertible bonds to be issued by Sixt Aktiengesellschaft or its direct or indirect majority investees in the period up to and including 12 August 2008 on the basis of the corresponding authorisation of the Annual General Meeting on 13 August 2003, who are subject to an obligation to convert, meet their conversion obligation.

The new shares participate in the profits from the beginning of the financial year in which they come into being as a result of conversion or option rights being exercised or conversion obligations being met. The Managing Board is entitled, with the consent of the Supervisory Board, to stipulate further details regarding the implementation of the contingent capital increase.

As at 31 December 2007, the share capital of the Company was contingently increased by up to EUR 2,077,312, composed of up to 811,450 non-voting preference bearer shares; the interest in the distribution of profits and company assets attaching to these shares ranks equally with the preference shares previously issued (**Contingent Capital 2003/II**).
The Managing Board was authorised to issue to members of the Company's Managing Board, members of management of German and foreign affiliates within the meaning of sections 15 ff of the Aktiengesetz (AktG – German Public Companies Act) and employees who are eligible on the basis of their outstanding achievements, interest-bearing convertible bonds with a maximum term of 5 years in an aggregate principal amount of up to EUR 2,657,920 on one or more occasions in the period up to and including 12 August 2008, with the consent of the Supervisory Board. The bonds entitle the buyer to purchase new preference shares in Sixt Aktiengesellschaft pursuant to the more detailed conditions of the bond. Shareholders' statutory pre-emptive rights have been disapplied. The contingent capital increase will only be implemented to the extent that the holders of convertible bonds issued by Sixt Aktiengesellschaft in the period up to and including 12 August 2008 on the basis of the corresponding authorisation of the Annual General Meeting on 13 August 2003 exercise their conversion rights. The new shares participate in the profits from the beginning of the financial year in which they come into being as a result of conversion rights being exercised.
The exercise of conversion rights in financial year 2007 increased the share capital from Contingent Capital 2003/II by EUR 366,592, composed of 143,200 preference shares. Following the issue of the preference shares, Contingent Capital 2003/II now amounts to EUR 2,077,312.

Profit participation certificates, bonds with warrants and convertible bonds
The Annual General Meeting on 13 August 2003 resolved to authorise the Managing Board to issue bearer profit participation certificates on one or more occasions in the period up to and including 12 August 2008. The profit participation certificates may have bearer warrants attaching to them or they may grant the holder a conversion right for a maximum period of 10 years from the date of issue. Subject to the detailed terms and conditions of the profit participation certificates with warrants and convertible profit participation certificates, the options or conversion rights entitle holders to subscribe to ordinary shares and/or (up to the ceiling allowed by law) non-voting preference shares of Sixt Aktiengesellschaft, whereby the interest in the distribution of profits and the Company's assets attaching to any non-voting preference shares issued ranks equally with the preference shares previously issued (hereinafter referred to as "shares").
The Managing Board is further authorised, on one or more occasions up to and including 12 August 2008, to issue bearer bonds with warrants and/or convertible bearer bonds with a maximum term to maturity of 10 years instead of or in addition to profit participation certificates and to grant the holders/creditors of bonds with warrants option rights and the holders/creditors of convertible bonds conversion rights

for new shares in the Company subject to the detailed terms and conditions of the bonds with warrants or convertible bonds. The profit participation certificates, bonds with warrants and/or convertible bonds to be issued on the basis of this authorisation may not exceed EUR 250 million in total. Options and conversion rights may only be issued for a maximum of 5,263,000 no-par value shares in the Company. Profit participation certificates, bonds with warrants and/or convertible bonds may also be issued by direct or indirect majority investees of Sixt Aktiengesellschaft; in this instance, the Managing Board is entitled to guarantee the profit participation certificates, bonds with warrants and/or convertible bonds on behalf of the company and to grant the holders of profit participation certificates with warrants, convertible profit participation certificates, bonds with warrants or convertible bonds options or conversion rights for new shares in Sixt Aktiengesellschaft.
When profit participation certificates, bonds with warrants and/or convertible bonds are issued, shareholders are granted statutory pre-emptive rights. However, the Managing Board is entitled, with the consent of the Supervisory Board, to exclude from the shareholders' pre-emptive rights any fractions resulting from the subscription ratio and to disapply pre-emptive rights to the extent necessary to grant pre-emptive rights to the holders/creditors of options or conversion rights already issued or to the holders/creditors of convertible bonds subject to conversion obligations in the amount to which they would be entitled after their options or conversion rights have been exercised or their conversion obligations met. Both ordinary bearer shares and non-voting preference bearer shares (up to the ceiling allowed by law) may be issued; the interest in the distribution of profits and the Company's assets attaching to any non-voting preference shares issued will rank equally with the non-voting preference shares previously issued. The Managing Board is entitled to stipulate the further details regarding the issue of and rights attaching to the profit participation certificates, bonds with warrants and/or convertible bonds or to reach agreement on these details with the executive bodies of the investees issuing the profit participation certificates, bonds with warrants and/or convertible bonds. For this purpose, the share capital has been contingently increased by up to EUR 13,473,280 by issuing up to 5,263,000 new no-par value shares (Contingent Capital 2003/I).

On the basis of the authorisation resolved by the Annual General Meeting of Sixt Aktiengesellschaft on 13 August 2003, the Managing Board resolved on 20 September 2004, with the consent of the Supervisory Board granted on the same day, to make use of the authorisation and to issue profit participation certificates in an aggregate principal amount of up to EUR 100,000,000 with an annual interest rate of 9.05% and to offer these profit participation certificates to ordinary and preference shareholders by way of indirect pre-emptive rights. Initially, the nominal value of each of these equally ranked bearer profit participation certificates is EUR 100. A EUR 50 portion of this nominal value matures on 31 December 2009 and another EUR 50 portion matures on 31 December 2011. As a result, the original nominal value of EUR 100 will be reduced to EUR 50 after 31 December 2009. Each profit participation certificate grants a right to dividends that takes precedence over shareholders' interests in the profits; this claim is met annually for the previous financial year, after those of all other creditors, unless their entitlements are of equal rank or subordinated to the profit participation certificates; subject to the arrangements regarding loss participation. It also grants the right to receive payment of one EUR 50 portion of the nominal value on 31 December 2009 and of the other EUR 50 portion of the nominal value on 31 December 2011.
The profit participation capital shares in any losses of the Company to the extent that these exceed the freely available capital reserves and retained earnings. Loss participation is limited to the amount of profit participation capital. The entitlement to receive dividend payments is limited to the net profit of the company plus any profits brought forward and freely available capital reserves and retained earnings,

less any losses brought forward, the contribution to legal reserves and the contribution to the reserve for own shares. The distributable profit must be determined on the basis of Sixt Aktiengesellschaft's single-entity financial statements prepared and audited according to the provisions of the HGB (or other mandatory accounting principles that may replace the HGB and become applicable to the Company's single-entity financial statements) and German Accepted Accounting Principles. If a loss remains after the net loss for the year has been offset against the freely available capital reserves and retained earnings, the profit participation certificates participate in this loss in the proportion of the nominal values of the profit participation certificates concerned to the subscribed capital reported in the Company's balance sheet, plus legal reserves; this takes the form of a reduction in the repayment entitlement and is limited to the amount of their profit participation capital. Should Sixt Aktiengesellschaft become insolvent or go into liquidation, the profit participation certificates will be serviced after all non-subordinated creditors and after all subordinated creditors whose claims are classified as debt, but with precedence over other subordinated creditors whose claims are classified as equity in Sixt Aktiengesellschaft's balance sheet prepared according to the provisions of the HGB (or other mandatory accounting principles that may replace the HGB and become applicable to the Company's single-entity financial statements), and with precedence over the claims of shareholders; the profit participation certificates do not entitle holders to any share in the liquidation proceeds.

[4.24] Capital reserves

Capital reserves	EUR thou. **2007**	EUR thou. 2006
Balance at 1 January	189,671	120,314
Capital increase	-	67,846
Increase due to exercise of conversion rights	2,519	1,291
Other changes	599	220
Balance at 31 December	**192,789**	**189,671**

The increase in capital reserves by a total of EUR 3,118 thousand to EUR 192,789 thousand (2006: EUR 189,671 thousand) resulted primarily from the conversion during the financial year of convertible bonds issued to employees.

[4.25] Retained earnings

Retained earnings	EUR thou. **2007**	EUR thou. 2006
Balance at 1 January	75,590	61,566
Other changes	30,552	14,024
Balance at 31 December	**106,142**	**75,590**

The other changes mainly include the transfer to retained earnings of Sixt Aktiengesellschaft in the amount of EUR 31,150 thousand (2006: EUR 14,000 thousand).

[4.25] ## Currency translation reserve

Currency translation reserve	EUR thou. 2007	EUR thou. 2006
Balance at 1 January	- 1,705	- 1,707
Differences arising on the translation of the financial statements of foreign subsidiaries	-515	2
Balance at 31 December	**- 2,220**	**- 1,705**

[4.25] ## Other equity

Other equity	EUR thou. 2007	EUR thou. 2006
Balance at 1 January	65,580	26,241
Consolidated profit for the period	93,527	73,746
Dividend payments	-26,320	-20,025
Transfer to retained earnings of Sixt Aktiengesellschaft	-31,150	-14,000
Other changes	-1,527	-382
Balance at 31 December	**100,110**	**65,580**

Other equity mainly includes the consolidated unappropriated profit and the revaluation reserve from the transition to IFRS accounting.

[4.26] ## Minority interests

Minority interests	EUR thou. 2007	EUR thou. 2006
Balance at 1 January	35	1,580
Consolidated profit for the period	52	18
Reclassification of minority interests	-	-1,451
Other changes	-51	-112
Balance at 31 December	**36**	**35**

The reclassification of minority interests in the previous year relates to shares held by non-Group shareholders in the capital accounts of partnerships.

Non-current liabilities and provisions

[4.27] **Non-current other provisions** in the Group consist mainly of provisions for real estate as a result of obligations in connection with restructuring measures carried out in the UK. In the medium term, the obligations are likely to lead to corresponding outflows of resources over a period of two to ten years.

Non-current other provisions in EUR thou.	Real estate	Other	Total
Balance at 1 January 2007	16,386	33	16,419
Additions	237	-	237
Reversals	-14,130	-	-14,130
Utilised	-877	-	-877
Reclassifications	-219	-	-219
Foreign exchange differences	-341	-	-341
Balance at 31 December 2007	**1,056**	**33**	**1,089**

Non-current other provisions in EUR thou.	Real estate	Other	Total
Balance at 1 January 2006	19,438	111	19,549
Additions	396	-	396
Reversals	-2,392	-	-2,392
Utilised	-922	-78	-1,000
Reclassifications	-795	-	-795
Interest effects	555	-	555
Foreign exchange differences	106	-	106
Balance at 31 December 2006	**16,386**	**33**	**16,419**

[4.28] **Non-current financial liabilities** comprise liabilities under profit participation certificates, issued borrower's note loans, bonds and convertible bonds, as well as bank loans falling due in more than one year.

Non-current financial liabilities	Residual term of 1 - 5 years		Residual term of more than 5 years	
in EUR thou.	**31 Dec. 2007**	31 Dec. 2006	**31 Dec. 2007**	31 Dec. 2006
Profit participation certificates	98,739	98,294	-	-
Borrower's note loans	136,435	92,697	205,839	-
Bonds	225,182	225,553	734	-
Liabilities to banks	27,383	19,674	4,219	4,858
	487,739	**436,218**	**210,792**	**4,858**

The profit participation certificates bearing profit-dependent interest at 9.05% p.a. have an aggregate nominal amount of EUR 100 million. Half of the amount is repayable in 2009 and half in 2011. The profit participation certificates participate in the Company's loss subject to certain conditions. There are call options for Sixt Aktiengesellschaft as the issuer and put options for the profit participation certificate holders.

The bonds include a five-year, EUR 225 million bond issued on the capital market. It pays a coupon of 4.5% p.a. and matures in 2010. Sixt Aktiengesellschaft (issuer) has undertaken to meet certain financial covenants, and call options exist for the issuer and bond creditors. In addition, convertible bonds with nominal maturities of three years in each case and a coupon of 6.0% p.a. have been issued in two tranches as part of an employee equity participation programme. The aggregate nominal amount totals EUR 1.0 million. Pursuant to the conditions applicable to the bonds, conversion rights for 372,400 non-voting preference shares are attached to the convertible bonds issued as at the closing date. Convertible bonds with a nominal value of EUR 367 thousand were converted into 143,200 preference shares during the financial year. No new convertible bonds were issued. Bonds with a principal amount of EUR 0.7 million were issued to participants in the new MSP employee equity participation programme during the financial year. The bonds pay a coupon of 6.0% p.a. and have a nominal maturity of seven years.

Borrower's note loans with a total nominal value of EUR 351.0 million (2006: EUR 218.0 million) were issued in several tranches. A nominal amount of EUR 343.0 million (2006: EUR 93.0 million) relates to non-current financial liabilities. Interest is paid at a fixed and variable rate linked to a reference rate (Euribor), and the maturities are between four and seven years. In the financial year, new borrower's note loans were issued in the nominal amount of EUR 258 million.

Liabilities to banks result from investment loans.

[4.29] **Non-current other liabilities** include in particular interest-bearing liabilities arising from customer deposits. As at 31 December 2007, there were no liabilities under leases that were entered into to refinance the lease fleet and are classified as finance leases:

Non-current finance lease liabilities in EUR thou.	Gross investment		Present value of outstanding minimum lease payments	
	31 Dec. 2007	31 Dec. 2006	**31 Dec. 2007**	31 Dec. 2006
Due in one to five years	-	2,057	-	2,019
Unrealised finance portions	-	38		

Current liabilities and provisions

[4.30] The liabilities included in **current other provisions** are expected to be settled within one year. They consist mainly of provisions for taxes, legal costs, rental operations and staff provisions. In addition, provisions were set up for obligations in connection with restructuring measures carried out in the UK.

Current other provisions in EUR thou.	Income tax provisions	Other			Total
		Staff	Real estate	Miscellaneous	
Balance at 1 January 2007	43,741	9,636	2,085	15,168	26,889
Additions	11,930	7,537	-	16,599	24,136
Reversals	-	-	- 116	- 102	- 218
Utilised	- 18,161	- 8,961	- 564	- 1,150	- 10,675
Reclassifications	-	-	219	-	219
Foreign exchange differences	36	- 58	- 252	- 477	- 787
Balance at 31 December 2007	**37,546**	**8,154**	**1,372**	**30,038**	**39,564**

Current other provisions in EUR thou.	Income tax provisions	Other			Total
		Staff	Real estate	Miscellaneous	
Balance at 1 January 2006	39,609	7,681	1,858	13,190	22,729
Additions	25,629	9,266	741	3,029	13,036
Reversals	- 226	-	-	- 30	- 30
Utilised	- 21,278	- 7,303	- 1,439	- 1,107	- 9,849
Reclassifications	-	-	795	-	795
Interest effects	-	-	80	-	80
Changes in reporting entity structure	-	1	-	-	1
Foreign exchange differences	7	- 9	50	86	127
Balance at 31 December 2006	**43,741**	**9,636**	**2,085**	**15,168**	**26,889**

[4.31] **Current financial liabilities** include in particular liabilities under borrower's note loans and liabilities to banks falling due within one year. They can be broken down as follows:

Current financial liabilities	EUR thou. **31 Dec. 2007**	EUR thou. 31 Dec. 2006
Borrower's note loans	8,000	125,000
Liabilities to banks	352,811	134,909
Other liabilities	23,864	19,203
	384,675	**279,112**

Interest on the borrower's note loan due in the short term is paid at a variable rate linked to a reference rate (6 month Euribor). The nominal maturity is five years. In the financial year, borrower's note loans were paid down by a nominal EUR 125 million as scheduled.
Liabilities to banks include short-term borrowings at variable rates of interest taken out by utilising the credit lines available to the Group. The liabilities have been secured by transferring ownership of assets.
Other liabilities consist mainly of deferred interest.

[4.32] **Trade payables** comprise current liabilities arising from deliveries to the Group, particularly of vehicles for the rental and lease fleets, and other purchases in the course of operating activities.

[4.33] **Current other liabilities** falling due within one year are broken down as follows:

Current other liabilities	EUR thou. **31 Dec. 2007**	EUR thou. 31 Dec. 2006
Finance lease liabilities	55,415	74,483
Liabilities to affiliated companies	1,799	4,387
Liabilities to other investees	-	185
Other liabilities	36,863	26,532
of which payroll-related	2,411	1,672
of which deferred income	6,151	5,896
of which miscellaneous	28,301	18,964
	94,077	**105,587**

The other miscellaneous liabilities comprise minority interests in equity and in the net profit or loss of consolidated partnerships (EUR 1,502 thousand; 2006: EUR 1,451 thousand); liabilities from compensation payments due to minority interests are included in the amount of EUR 42 thousand (2006: EUR 84 thousand). The prior-year figures are restated accordingly.

The details of the current finance lease liabilities entered into to refinance the rental and lease fleets are outlined below:

Current finance lease liabilities in EUR thou.	Gross investment		Present value of outstanding minimum lease payments	
	31 Dec. 2007	31 Dec. 2006	**31 Dec. 2007**	31 Dec. 2006
Due within one year	56,157	75,479	55,416	74,483
Unrealised finance portions	741	996		

The interest rate implicit in the leases is fixed at inception of the lease for the entire term. The agreements contain call options on the part of the Group as lessee or put options on the part of the lessor. The Group's obligations under finance leases are secured by way of the lessor's right of retention in respect of the leased assets. The minimum lease payments are offset by corresponding payments from customers under sub-leases.

Deferred income relates mostly to the deferral of income from advance instalments by lessees, which are reversed using the straight-line method over the agreed term of the lease.

4.3 Additional disclosures on financial instruments

The following table shows carrying amounts and fair values in accordance with the measurement categories defined in IAS 39:

in EUR thou.	Measurement category in accordance with IAS 39	Carrying amount 31 Dec. 2007	Carrying amount 31 Dec. 2006	Fair value 31 Dec. 2007	Fair value 31 Dec. 2006
Non-current assets					
Non-current financial assets	AfS	1,336	1,489	1,336	1,489
Non-current finance lease receivables	IAS 17	10,980	8,822	10,917	8,613
Non-current other receivables and assets	LaR	730	705	730	705
Interest rate derivatives	FAHfT	2,770	6,670	2,770	6,670
Total		**15,816**	**17,686**	**15,753**	**17,477**
Current assets					
Cash and cash equivalents	LaR	26,669	19,126	26,669	19,126
Trade receivables	LaR	184,839	154,446	184,839	154,446
Current other receivables and assets	LaR	58,003	74,090	58,003	74,090
Current finance lease receivables	IAS 17	10,039	8,845	10,039	8,845
Total		**279,550**	**256,507**	**279,550**	**256,507**
Non-current liabilities					
Bonds	FLAC	225,916	225,554	223,270	222,632
Borrower's note loans	FLAC	342,274	92,697	337,552	92,697
Profit participation certificates	FLAC	98,739	98,294	112,317	115,417
Liabilities to banks	FLAC	31,603	24,532	30,774	23,959
Non-current other liabilities	FLAC	1,051	1,376	1,051	1,376
Non-current finance lease liabilities	IAS 17	0	2,019	0	1,971
Interest rate derivatives	FLHfT	0	587	0	587
Total		**699,583**	**445,059**	**704,964**	**458,639**
Current liabilities					
Trade payables	FLAC	317,516	244,089	317,516	244,089
Bonds	FLAC	465	385	465	385
Borrower's note loans	FLAC	8,000	125,000	8,000	125,000
Liabilities to banks	FLAC	352,811	134,909	352,811	134,909
Current other liabilities	FLAC	62,061	49,922	62,061	49,922
Current finance lease liabilities	IAS 17	55,416	74,483	55,416	74,483
Total		**796,269**	**628,788**	**796,269**	**628,788**
of which aggregated by measurement category in accordance with IAS 39					
Available for sale	AfS	1,336	1,489	1,336	1,489
Loans and receivables	LaR	270,241	248,367	270,241	248,367
Financial assets held for trading	FAHfT	2,770	6,670	2,770	6,670
Financial liabilities measured at amortised cost	FLAC	1,440,436	996,758	1,445,817	1,010,386
Financial liabilities held for trading	FLHfT	0	587	0	587

The carrying amounts measured in accordance with IAS 39 correspond to amortised cost.

Net gains from the FAHfT measurement category (at fair value through profit or loss) were exclusively attributable to interest rate derivatives amounting to EUR 6,346 thousand (2006: EUR 8,375 thousand).

There were no net gains on available-for-sale financial assets (AfS measurement category) during the financial year. The changes in the reported carrying amounts and fair values resulted from changes in the reporting entity structure.

Net gains on the LaR measurement category (measured at amortised cost) amounted to EUR 809 thousand in the financial year (2006: EUR 801 thousand).

As in the previous year, there were no net gains or losses in the financial year on financial liabilities measured at amortised 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 2,835 thousand in the financial year (2006: EUR 2,885 thousand). This includes interest income from finance leases in the amount of EUR 1,960 thousand (2006: EUR 1,395 thousand). Total interest expense from financial liabilities not measured at fair value through profit or loss amounted to EUR 49,984 thousand in the financial year (2006: EUR 39,184 thousand). This includes interest expense from finance leases in the amount of EUR 3,142 thousand (2006: EUR 3,368 thousand).

Due to factors that change in the course of time, the reported fair values can only be regarded as indicative of the values actually realisable 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.

If the financial instruments only had short maturities or if, as in the case of the financial assets, no fair values were available due to the absence of active markets, it was assumed that the fair values corresponded to the carrying amounts (amortised cost). The fair values of the finance lease receivables reported under non-current assets and the bonds, profit participation certificates, borrower's note loans and liabilities to banks reported under non-current liabilities were calculated as the present values of the future expected cash flows. Standard market rates of interest of between 4.6% p.a. and 6.3% p.a. (2006: between 4.5% p.a. and 6.8% p.a.) based on the respective maturities were used for discounting.

Finance lease receivables and liabilities are measured in accordance with IAS 17.

Derivative interest rate instruments used to hedge interest rates are not included in hedge accounting and are therefore recognised at fair value through profit or loss.

Sensitivity analysis
The sensitivity analysis for the reported interest rate derivatives assumes a parallel shift in the yield curves of +100/-100 basis points. This would result in the changes in the reported fair values presented in the following table. The changes would be recognised in profit or loss in the aggregate.

Change in fair value	Change in the yield curves		Change in the yield curves	
in EUR thou.	**31 Dec. 2007**		31 Dec. 2006	
	+ 100 basis points	- 100 basis points	+ 100 basis points	- 100 basis points
Other non-current assets	7,379	- 1,979	12,347	- 2,966
Other non-current liabilities	-	-	3,455	- 4,779

Financial risk management and hedging

The Sixt Group is exposed to the following financial risks, which are addressed through the risk management system that has been implemented:

Interest rate risk
As well as medium- and long-term financial instruments bearing a fixed rate of interest, the Sixt Group also uses variable-rate financial instruments to finance investments in the rental and lease fleet and is therefore exposed to interest rate risk. Derivative financial instruments such as interest rate caps and interest rate swaps are used to limit interest rate risk as part of risk management. In this context, internal Group guidelines stipulate the main duties, responsibilities, reporting requirements and controls. The notional value of these transactions at the balance sheet date is EUR 350 million (2006: EUR 650 million). The total fair value of the transactions is EUR 2.8 million (2006: EUR 6.1 million); this corresponds to the market price. The transactions are reported under other assets or other liabilities. The valuations used by the transaction partners (financial institutions) are based on market yield curves. By concluding hedging transactions as part of risk management, the Group consciously converts largely existing variable interest-bearing liabilities into synthetic fixed-interest refinancing.

In financial year 2007, as in the previous year, changes in the fair values of derivative financial instruments were recognised in the income statement.

Default risk
Credit checks are performed in accordance with internal guidelines prior to entering into an agreement in order to minimise the risk of default. Customer creditworthiness is also checked at regular intervals during the term of the agreement. In the event of a concrete default risk, a valuation allowance is recognised or the receivable in question is derecognised. In addition, there is the risk that suppliers will not be able to meet their obligations under buy-back agreements. In such cases, Sixt bears the resale risk relating to the vehicles. In this context too, Sixt performs regular credit checks.

Analysis of trade receivables

The business units' trade receivables are classified in the following table.

Trade receivables in EUR thou.	Rental	Leasing	Group
Receivables not impaired			
Not past due	59,355	24,518	83,873
less than 30 days	27,990	18,316	46,306
30-90 days	3,756	4,332	8,088
91-360 days	1,943	-	1,943
more than 360 days	640	-	640
Total receivables	**93,684**	**47,166**	**140,850**
Impaired receivables			
Gross receivables	77,528	3,709	81,237
Impairments	-34,576	- 2,672	-37,248
Net receivables	**42,952**	**1,037**	**43,989**
Balance at 31 December 2007	**136,636**	**48,203**	**184,839**

Trade receivables in EUR thou.	Rental	Leasing	Group
Receivables not impaired			
Not past due	38,433	14,790	53,223
less than 30 days	22,943	10,372	33,315
30-90 days	4,079	1,313	5,392
91-360 days	1,489	442	1,931
more than 360 days	74	95	169
Total receivables	**67,018**	**27,012**	**94,030**
Impaired receivables			
Gross receivables	84,106	2,644	86,750
Impairments	-24,192	- 2,142	-26,334
Net receivables	**59,914**	**502**	**60,416**
Balance at 31 December 2006	**126,932**	**27,514**	**154,446**

As at the reporting date, there were no indications of non-payment in the case of the trade receivables and the other receivables reported under “current other receivables and assets” that are neither past due nor impaired.

Trade receivables predominantly comprise receivables from rental and leasing business with Sixt Group 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 free marketing.

Impairments are based on parameters such as customer group, customer creditworthiness, transaction type and age of the receivable. In the event of concrete indications of default, for example the insolvency of the debtor, the relevant receivables are derecognised. The total expense for impairments and derecognitions was EUR 13,033 thousand during the financial year (2006: EUR 11,328 thousand). The proceeds from derecognised receivables amounted to EUR 809 thousand during the financial year (2006: EUR 801 thousand).

The maximum default amount is the carrying amount of the net receivable. No credit derivatives or similar hedging instruments were used to cover default risk in the period under review. A proportion of the receivables in the leasing business is collateralised by customer deposits.

Liquidity risk
Liquidity risk is managed via financial planning performed in accordance with internal guidelines. Sixt has sufficient opportunities for refinancing in the capital markets and through the use of the credit lines available to it.

Analysis of the repayment amounts of financial liabilities
The following table includes the repayment amounts (excluding accrued interest and future payable interest) of financial liabilities at their respective maturities.

Maturity	EUR thou. Profit participation certificates	EUR thou. Borrower's note loans	EUR thou. Bonds	EUR thou. Liabilities to banks	EUR thou. Total
2008	-	8,000	465	353,340	361,805
2009	50,000	10,000	488	3,554	64,042
2010	-	25,000	225,000	7,581	257,581
2011	50,000	50,000	-	15,609	115,609
2012	-	51,767	-	638	52,405
2013	-	130,000	-	669	130,669
2014	-	76,233	734	701	77,668
2015 and later	-	-	-	2,848	2,848
31 December 2007	**100,000**	**351,000**	**226,687**	**384,940**	**1,062,627**

Maturity	EUR thou. Profit participation certificates	EUR thou. Borrower's note loans	EUR thou. Bonds	EUR thou. Liabilities to banks	EUR thou. Total
2007	-	125,000	385	135,414	260,799
2008	-	8,000	491	529	9,020
2009	50,000	10,000	521	2,954	63,475
2010	-	25,000	225,000	581	250,581
2011	50,000	50,000	-	15,609	115,609
2012	-	-	-	638	638
2013	-	-	-	669	669
2014 and later	-	-	-	3,549	3,549
31 December 2006	**100,000**	**218,000**	**226,397**	**159,943**	**704,340**

Exchange rate and country risk

Exchange rate risk is of only minor significance in the Sixt Group, as receivables and liabilities are due in the local currency of the country in which the respective Group company is based. There are almost no country risks at the present time.

Capital management

The Sixt Group manages the Group's capital with the goal of creating a financial profile that supports the Group's growth targets, while providing the necessary financial flexibility and diversification. This ensures that all Group companies can operate on the basis of the going concern assumptions.

The basis of the Group's financial profile is the equity provided by the parent's investors. The Group's equity ratio (equity/total assets) was 22.5% at the balance sheet date (2006: 25.2%). Other key elements of the Group's financial profile are the financial instruments reported in non-current and current financial liabilities. The proportion of total assets accounted for by non-current and current financial liabilities amounted to 52.9% at the balance sheet date (2006: 46.2%). In addition to the reported financial liabilities, the Group has entered into lease transactions to refinance its fleet.

5. Other disclosures

5.1 Segment reporting

By business area		Rental		Leasing		Other		Reconciliation		Group
in EUR million	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006	**2007**	2006
External revenue	1,007.1	863.3	557.4	575.7	4.3	4.1	0	0	1,568.8	1,443.1
Internal revenue	6.2	5.1	26.4	23.2	2.8	2.7	- 35.4	- 31.0	0	0
Total revenue	1,013.3	868.4	583.8	598.9	7.1	6.8	- 35.4	- 31.0	1,568.8	1,443.1
Depreciation and amortisation expense	226.5	182.8	106.3	85.2	0.4	0.4	0	- 0.1	333.2	268.3
Other non-cash expense	24.1	23.0	1.3	1.5	12.0	5.0	0	0	37.4	29.5
EBIT[1]	146.3	122.8	34.9	32.0	- 3.5	- 1.5	0	0	177.7	153.3
Net finance costs[2]	- 23.1	- 18.4	- 23.0	- 18.1	6.1	4.8	0	0	- 40.0	- 31.7
EBT[3]	123.2	104.4	11.9	13.9	2.6	3.3	0	0	137.7	121.6
Investments[4]	9.0	9.7	443.0	401.3	0.8	0.7	0	0	452.8	411.7
Segment assets	1,184.6	913.3	926.4	645.9	1,186.3	969.5	- 1,262.0	- 975.1	2,035.3	1,553.6
Segment liabilities	1,045.6	806.1	829.8	570.1	810.5	607.8	- 1,149.4	- 866.9	1,536.5	1,117.1
Employees[5]	2,061	1,774	252	223	28	18	0	0	2,341	2,015

By region in EUR million	Germany 2007	Germany 2006	Abroad 2007	Abroad 2006	Reconciliation 2007	Reconciliation 2006	Group 2007	Group 2006
Total revenue	1,271.6	1,215.2	301.8	231.4	- 4.6	- 3.5	1,568.8	1,443.1
Investments[4]	406.8	383.0	46.0	28.7	0	0	452.8	411.7
Segment assets	1,756.3	1,309.1	430.4	377.0	- 151.4	- 132.5	2,035.3	1,553.6

1 Corresponds to profit from operating activities (EBIT)
2 Corresponds to net interest/investment income or expense
3 Corresponds to profit before taxes (EBT)
4 Excluding rental assets
5 Annual average

The Sixt Group is active in the two main business areas of vehicle rental and leasing. When combined, the revenue from these activities, excluding vehicle sales revenue, is also described as "operating revenue". Activities that cannot be allocated to these segments, such as financing, holding company, real estate leasing and e-commerce activities, are combined in the "Other" segment.

Segment reporting is based on the accounting policies in the consolidated financial statements. Receivables, liabilities, income and expenses between the segments are eliminated in the reconciliation to the Group figures. Intercompany revenue is calculated at arm's length prices.

Minority interests in equity and in the net profit or loss of consolidated partnerships are reported under “segment liabilities”. The prior-year figure was restated accordingly.

5.2 Contingent liabilities and other financial obligations

Contingent liabilities

In the financial year, as in the previous year, there were no contingent liabilities resulting from guarantees or similar obligations that were required to be disclosed.

Other financial obligations

In addition to provisions and liabilities, the Group has other financial obligations that result mainly from operating leases entered into to refinance the rental and lease fleets and from obligations under leases on buildings.

The main obligations in terms of minimum lease payments are shown below:

Minimum lease payments in EUR million	31 Dec. 2007	31 Dec. 2006
Due within one year	123.5	166.2
Due in one to five years	82.5	108.4
	206.0	**274.6**

The operating leases entered into to refinance the fleet contain purchase options at probable market values at the end of the lease term and, in a few cases, renewal options on an arm's length basis.

Obligations relating to fleet financing are offset by revenue from subleasing corresponding to the obligations on the financing side plus an interest margin. In the year under review, expenses in connection with lease instalments for fleet financing amounted to EUR 176.5 million (2006: EUR 165.3 million) and mileage agreement payments to EUR 2.8 million (2006: EUR 2.2 million).

Purchase commitments under agreements concluded as at the balance sheet date in respect of vehicle deliveries for the rental and lease fleets in the coming year amount to around EUR 1,836 million (2006: EUR 2,050 million).

[5.1]

5.3 Notes on the Consolidated Cash Flow Statement

The cash flow statement shows the change in cash and cash equivalents in the financial year. In accordance with IAS 7 (Cash Flow Statements), a distinction is made between cash flows from each of operating, investing and financing activities. Cash and cash equivalents correspond to the cash and bank balances item in the balance sheet. The effect of changes in foreign exchange rates on cash and cash equivalents amounts to EUR -328 thousand as at the balance sheet date (2006: EUR 63 thousand). The changes in income tax receivables and provisions for income taxes are presented separately in the balance sheet in contrast to the previous year. Current other liabilities include minority interests in equity and in the net profit or loss of consolidated partnerships.
Interest received and paid is reported in net cash flows used in operating activities because the financing costs are a key component of price calculation in both the Vehicle Rental and Leasing Business Units. In accordance with IAS 7.31 and IAS 7.35, net cash used in operating activities includes the following inflows and outflows of cash:

	EUR thou. **2007**	EUR thou. 2006
Interest received	7,821	425
Interest paid	46,083	40,526
Dividends received	1,394	1,943
Income taxes paid	49,245	35,249

5.4 Share-based payment

Sixt Aktiengesellschaft launched two employee equity participation programmes as at the balance sheet date. One programme is based on the issue of convertible bonds with option rights to employees in accordance with an authorisation granted by the Annual General Meeting on 13 August 2003. No convertible bonds were issued in 2007 under this authorisation. In 2007, this programme was replaced by a new employee equity participation programme, the “Matching Stock Programme”. Both programmes fall within the “share-based payment” category and are described in detail below.

Issue of convertible bonds with option rights until 2006
The Annual General Meeting on 13 August 2003 resolved to authorise the Managing Board to issue, with the consent of the Supervisory Board, interest-bearing convertible bonds on one or more occasions until 12 August 2008 in an aggregate principal amount of EUR 2,657,920, with a maximum term of 5 years. The bonds may be issued in their principal amount to members of the Company's Managing Board, members of the management of German and foreign affiliates within the meaning of sections 15 ff of the AktG and employees who may be included due to their exceptional performance. Subject to the detailed terms and conditions of the bonds, the buyers are entitled to purchase new preference shares in Sixt Aktiengesellschaft, whereby the interest in the distribution of profits and the Company's assets attaching to these shares ranks equally with the preference shares previously issued. For this purpose, the Company's share capital has been contingently increased by up to EUR 2,657,920, composed of up to 1,038,250 preference bearer shares (Contingent Capital 2003/II). Following the exercise of the conversion rights in previous years and in 2007, Contingent Capital 2003/II amounted to EUR 2,077,312 as at 31 December 2007, and was composed of up to 811,450 preference shares.

The beneficiaries and the principal amounts of the respective bonds are decided by the Managing Board or, if members of the Managing Board are involved, by the Supervisory Board. As at the balance sheet date, the Company had issued convertible bonds dating from 2005 and 2006 with a coupon of 6% p.a., a carrying amount of EUR 953 thousand and conversion rights for up to 372,400 preference shares in accordance with the authorisation mentioned above.

The conversion rights granted in each case cannot be transferred by the beneficiaries. The conversion right may only be exercised if the holders of the convertible bonds have a contract of employment with the Sixt Group and no notice of termination has been given. In certain cases special arrangements can be provided. When the conversion right is exercised, one preference share is issued for every EUR 2.56 of the principle amount of the convertible bonds.

The conversion price for the acquisition of one new share corresponds to the ratio of the official cash market price of Sixt preference shares on the Frankfurt Stock Exchange on the first day of trading after the Company's Annual General Meeting in the third financial year after the bond in question was issued to the performance. The official cash market price means the price in the 1 p.m. auction in the Frankfurt Stock Exchange's electronic trading system (Xetra). The performance is determined by comparing the share price performance of Sixt preference shares with the performance of Deutsche Börse AG's SDAX index over two reference periods. The first reference period comprises in each case the first twenty trading days after the beginning of the term of a convertible bond, while the second reference period comprises in each case the period from the twenty-fifth to the sixth trading day before the Annual General Meeting of Sixt Aktiengesellschaft in the financial year in which the term of the convertible bond ends.
Since the market price of Sixt preference shares may be affected between the start of the first reference period and the end of the second reference period by dividend payments and by the grant of pre-emptive rights, dividends paid during this period and the average market price for the pre-emptive rights must be added to the average for the second reference period when calculating share price performance.

The terms and conditions of the bonds provide for adjustment of the performance discount especially in the event of a capital increase from retained earnings, a capital decrease, or the purchase of own shares.

The number of stock options under this programme changed as follows:

Number of options	**2007**	2006
Outstanding at the start of the financial year	545,600	430,000
Granted during the financial year	0	203,600
Returned during the financial year	- 30,000	- 4,400
Exercised during the financial year	- 143,200	- 83,600
Outstanding at the end of the financial year	372,400	545,600

The conversion options are usually exercised at the end of the prescribed term. Only options from the convertible bond issued in 2004 were exercised in financial year 2007. The exercise price for stock options exercised during the financial year was EUR 20.15 (2006: EUR 18.01) per preference share. The average price (Xetra) of the preference shares at the option's exercise date was EUR 31.88 (2006: EUR 32.35).

The following options from tranches of convertible bonds granted and in circulation were outstanding at the balance sheet date:

	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2005	181,800	2008	0.5 years	EUR 19.56
Tranche 2006	190,600	2009	1.5 years	EUR 35.77

No new convertible bonds were issued in the year under review. There were no options exercisable at the balance sheet date.

Measurement of options issued

The measurement of options was developed using the Black Scholes model. The parameters for the model were as follows at the grant date:

Black Scholes model parameters	Tranche 2006	Tranche 2005
Risk-free interest rate (%)	3.56	2.77
Expected volatility (%)	35.00	20.00
Expected term until exercise from issue (years)	2.75	2.65
Expected dividends (EUR)	2.14	1.34
Price of preference shares on the issue date (EUR)	29.29	17.45
Expected price of preference shares on the conversion date (EUR)	37.89	19.80
Estimated exercise price per preference share (EUR)	35.77	19.56

The expected volatility was estimated on the basis of the historical volatility of the share price. The expected term used in the model was adjusted to reflect the Managing Board's best estimate of the impact of non-transferability, exercise restrictions and behaviour. The estimated exercise price reflects the outperformance by Sixt shares of the reference index, which is expected by management.

Employee equity participation programme (Matching Stock Programme) from 2007

The new employee equity participation programme (Matching Stock Programme) was launched in 2007 as the successor to the discontinued programme described above (issue of convertible bonds). The Managing Board and Supervisory Board of Sixt Aktiengesellschaft have resolved to implement a Matching Stock Programme ("MSP") for a selected group of employees, senior executives and members of the Managing Board of the Sixt Group at Sixt Aktiengesellschaft and its affiliated companies.
The Managing Board's intention with the new programme is to continue employee participation in the form of shares, while also making the programme more attractive for employees and avoiding further dilution for the existing shareholders of Sixt Aktiengesellschaft.
To participate in the MSP, each participant must make a personal investment by acquiring bonds of Sixt Aktiengesellschaft with a coupon of 6% p.a. and a maturity of 7 years. The total invested by all participants must not exceed EUR 3.5 million. The Supervisory Board of Sixt Aktiengesellschaft can resolve at any time to increase the total investment volume above EUR 3.5 million. The Managing Board of Sixt Aktiengesellschaft – with the approval of the Supervisory Board if members of the Managing Board of Sixt Aktiengesellschaft are concerned – sets the maximum participation volume for the individual beneficiaries. Participants in the MSP must have a contract of employment with Sixt Aktiengesellschaft or one of its subsidiaries which has not been terminated at the time of subscribing to the MSP.

The investment volume was converted into a corresponding virtual number of Sixt preference shares ("MSP shares") on the basis of the average non-weighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the start of the MSP. The average price calculated and applied was EUR 25.51. Each MSP share entitles the holder to subscribe to 7 phantom stocks per tranche in accordance with the MSP terms and conditions.

Under the MSP, one tranche of phantom stocks is allocated on 1 December each year during the years 2007 to 2011 (a total of 5 tranches), so that each participant is entitled to subscribe to 7 phantom stocks a year for each MSP share (up to a total of 35 phantom stocks).

The allocated phantom stocks can only be exercised after a lock-up period of 3 years, starting from the allocation of the respective tranche. The phantom stocks can only be exercised if the exercise price since the allocation of the respective tranche is 15% higher than the initial price of the respective tranche (exercise threshold). The initial price of the phantom stocks corresponds to the average non-weighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the phantom stocks for the tranche concerned are allocated. The exercise price is the average non-weighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the phantom stocks of a tranche are exercised. Phantom stocks allocated as part of a tranche are deemed to have been exercised on the first trading day following the end of the lock-up period, if the exercise threshold has been reached. If the exercise threshold is not reached, the phantom stocks expire without replacement.

The exercise gain for a tranche, calculated if the phantom stocks are exercised, must not exceed 3% of the earnings before taxes reported in the most recent annual financial statements of Sixt Aktiengesellschaft. If it does, the amount must be reduced proportionately for all participants.
An amount, net of the taxes and contributions on the exercise gain payable by the participant, is credited to each participant in preference shares of Sixt Aktiengesellschaft. Sixt Aktiengesellschaft does this by acquiring Sixt preference shares on behalf of and for the account of the participant. These shares are subsequently transferred to a blocked custody account in the participant's favour. The participant is free to draw on the shares after another year. The total term of the MSP, including this lock-up period, is 8 years.

If, during the term of the MSP, adjustments are made to the share capital of Sixt Aktiengesellschaft or restructuring measures are implemented that have a direct impact on the share capital of Sixt Aktiengesellschaft and this causes the value of the phantom stocks to change by 10% or more, the initial price will be adjusted to the extent necessary to compensate for the change in value of the phantom stocks caused by the corporate action. If Sixt Aktiengesellschaft distributes dividends or other assets to shareholders in the period between allocation and exercise of a tranche of phantom stocks, the initial price of this tranche must be adjusted by deducting the amount of dividend or distribution attributable to one share from the initial price.

If the bond acquired by the participant as a personal investment is redeemed early or if the participant's contract of employment is terminated, any phantom stocks already allocated but not yet exercised and the entitlements to unallocated phantom stocks are generally lost.

The number of stock options under this programme changed as follows:

Number of phantom stock options	**2007**
Outstanding at the start of the financial year	0
Granted during the financial year	386,904
Returned during the financial year	0
Exercised during the financial year	0
Outstanding at the end of the financial year	386,904
Existing contractual obligation for future grant	1,547,616

The following options from tranches granted were outstanding at the balance sheet date:

	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2007	386,904	2010	3.0 years	EUR 24.31
Tranche 2008	0	2011	3.0 years	EUR 24.39
Tranche 2009	0	2012	3.0 years	EUR 24.54
Tranche 2010	0	2013	3.0 years	EUR 24.66
Tranche 2011	0	2014	3.0 years	EUR 24.72

Measurement of options issued

Options were measured using a Monte Carlo simulation model. 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 stochastic 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 outcomes of the individual simulations.

The method used is based on the random walk of the price performance of Sixt preference shares with a lognormal distribution of the relative price changes. Other assumptions used by the model are: the MSP participants pursue a strategy that is profit-maximising from their perspective; constant dividend yields, drift and volatility; the cap of 3% of earnings before taxes is not achieved; no change in the share capital of Sixt Aktiengesellschaft during the term of the MSP; no change in the current MSP terms and conditions.

The average price over a 60-day period is determined for each path comprising a simulated share price performance for each tranche after the lock-up period expires, and is compared with the exercise threshold. If the figure is above the exercise threshold, the related gain on the option is discounted from the exercise date to the reporting date in accordance with the yield curve observed on 31 December 2007.

The parameters for the model were as follows at the grant date:

Simulation model parameters	
Risk-free interest rate (%)	4.75
Expected volatility (%)	35.00
Expected term until exercise from issue (years)	3.0
Average price on which initial price is based (EUR)	25.51

The expected volatility was estimated on the basis of the implicit and historical volatility of the share price. The expected term used in the model was adjusted to reflect the Managing Board's best estimate of the impact of non-transferability, exercise restrictions and behaviour such as staff turnover.

The phantom stock options issued in financial year 2007 have a fair value of EUR 1,629 thousand at the issue date. The total value of the MSP was EUR 6,759 thousand at the balance sheet date.

In 2007, the Group recognised personnel expenses of EUR 599 thousand (2006: EUR 220 thousand) in connection with equity-settled share-based payment and allocated this amount to capital reserves.

5.5 Related party disclosures

The Sixt Group has receivables from and liabilities to various unconsolidated Group companies for the purposes of intercompany settlements and financing. Interest is paid on the resulting balances on an arm's length basis at a uniform fixed rate for the Group. The balances are presented separately under “Receivables from affiliated companies” and “Liabilities to affiliated companies”.

The following provides an overview of significant transactions and account balances arising out of such relationships:

Affiliated companies in EUR million	Services rendered **2007**	 2006	Services requested **2007**	 2006	Receivables from related parties **31 Dec. 2007**	 31 Dec. 2006	Liabilities to related parties **31 Dec. 2007**	 31 Dec. 2006
Sixt Franchise SARL	1.0	0.5	-	-	0.1	0.1	-	-
Sixt Aéroport SARL	-	-	1.7	1.6	-	-	0.3	0.3
Sixt Acquisition et Service SARL	-	-	1.7	0.8	-	-	0.3	0.2
Sixti SARL	-	-	1.7	1.6	-	-	0.3	0.3
Sixt Leasing (UK) Ltd.	-	-	-	-	-	2.1	-	3.0
Sixt Asia Pacific Pte Ltd.	[1]	[1]	-	-	-	-	0.3	[1]
Carmondo GmbH	[1]	-	[1]	-	0.2	-	-	-

[1] Amount less than EUR 0.1 million

The Group rents two properties belonging to the Sixt family for its operations. In the financial year, as in the previous year, the rental expenses amounted to EUR 0.2 million. For his services as Chairman of the Managing Board, Erich Sixt receives remuneration which, in accordance with the resolution passed by the Annual General Meeting on 14 July 2005, is not published individually. Dr. Bernstorff, a member of the Supervisory Board until 11 May 2007, provided legal consulting services for the Group in the year under review, for which he received remuneration of EUR 0.1 million (2006: EUR 0.1 million).

Supervisory Board and Managing Board

Supervisory Board	**Membership of supervisory boards and other comparable supervisory bodies of business enterprises**
Dr. Karl Josef Neukirchen Frankfurt am Main Chairman Former Chairman of the Managing Board of mg technologies ag	Chairman of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA Member of the Supervisory Board of Stadtwerke Düsseldorf AG Member of the Board of Directors of Clariant International AG
Thierry Antinori Frankfurt am Main Deputy Chairman Member of the Executive Board (Marketing and Sales) of Deutsche Lufthansa AG	Member of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA Member of the Supervisory Board of Lufthansa AirPlus Servicekarten GmbH
Ralf Teckentrup Wiesbaden (from 12 June 2007) Member of the Executive Board of Thomas Cook AG	Member of the Supervisory Board of Condor Berlin GmbH Member of the Board of Thomas Cook UK Limited Member of the Supervisory Board of Günes Ekspres Havacilik A.S. (Sun Express) (until 31 May 2007) Member of the Supervisory Board of L`Tur Tourismus AG Member of the Supervisory Board of Thomas Cook Airlines Belgium (from 30 March 2007)
Dr. Dietrich Bernstorff Munich Deputy Chairman (until 11 May 2007) Lawyer	
Wolfgang Richter Gauting (from 11 May 2007 to 12 June 2007) Lawyer and tax advisor	

Managing Board	Membership of supervisory boards and other comparable supervisory bodies of business enterprises
Erich Sixt Grünwald Chairman	Chairman of the Supervisory Board of Sixt Leasing AG Chairman of the Supervisory Board of e-Sixt GmbH & Co. KG
Karsten Odemann Bad Tölz	Member of the Supervisory Board of Sixt Leasing AG Member of the Supervisory Board of e-Sixt GmbH & Co. KG President of the Administrative Board of Sixt AG, Basel
Detlev Pätsch Oberhaching	
Hans-Norbert Topp Munich	Member of the Supervisory Board of Sixt Leasing AG President of the Administrative Board of Sixt Holiday-Cars AG

Total remuneration of the Supervisory Board and Managing Board

Group	EUR thou. **2007**	EUR thou. 2006
Supervisory Board remuneration	130	104
Total remuneration of the Managing Board	5,822	5,008
of which variable remuneration	1,733	1,278

The Group has no pension obligations towards members of the Supervisory Board and Managing Board.

Under the new employee equity compensation programme (Matching Stock Programme), members of the Supervisory Board were not granted any MSP shares, and members of the Managing Board were granted 23,520 MSP shares on the basis of the their personal investments in the year under review. These shares entitle them to aquire 164,640 phantom stocks in the first tranche and a total of 823,200 phantom stocks in five tranches in accordance with the MSP terms and conditions. The phantom stock options granted to members of the Managing Board in financial year 2007 have a fair value of EUR 693 thousand at the issue date. The proportionate total value of the MSP for members of the Managing Board was EUR 2,876 thousand at the balance sheet date.

Shareholdings

As at 31 December 2007, Erich Sixt Vermögensverwaltung GmbH, in which Erich Sixt is the sole shareholder, held an unchanged 56.8% (9,355,911 shares) of the ordinary shares in Sixt Aktiengesellschaft. No other holdings on the part of members of the Managing or Supervisory Boards were reported to the Company.

Section 15 a of the Wertpapierhandelsgesetz (WpHG - German Securities Trading Act) requires the disclosure of transactions in shares or related financial instruments in excess of EUR 5,000. In accordance with this provision, Karsten Odemann notified the Company of the sale of 12,000 preference shares, Detlev Pätsch notified the Company of the sale of 20,000 preference shares and Hans-Norbert Topp notified the Company of the sale of 20,000 preference shares, in each case on 15 June 2007 at a price of EUR 31.10 per share, that they had acquired on the same day by exercising the conversion right attaching to convertible bonds issued to employees. Sixt Aktiengesellschaft has received no other disclosures regarding the acquisition or sale of Company shares by members of the Managing or Supervisory Boards during the period under review.

5.6 Proposal on the appropriation of the unappropriated profit

Sixt Aktiengesellschaft reported an unappropriated profit for financial year 2007 in accordance with German commercial law of EUR 42,203 thousand (2006: EUR 57,512 thousand). Subject to the approval of the Supervisory Board, the Managing Board proposes utilising this unappropriated profit as follows:

	EUR thou. **2007**	EUR thou. 2006
Payment of a dividend of EUR 1.18 (2006: EUR 1.05) per ordinary share	19,437	17,296
Payment of a dividend of EUR 1.20 (2006: EUR 1.07) per preference share	10,293	9,024
Transfer to retained earnings	12,450	31,150
Carried forward to new account	23	42

The dividend proposal, which would lead to a total distribution of EUR 29,730,016, appropriately reflects the healthy earnings trend of the Sixt Group in the year under review and also further strengthens the equity base. The proposal by the Managing Board and the Supervisory Board on the appropriation of the unappropriated profit for financial year 2006 was resolved unchanged by the Annual General Meeting on 12 June 2007. The distribution of EUR 26,320,351 was paid on 13 June 2007.

5.7 Declaration of conformity in accordance with section 161 of the Aktiengesetz

The declaration by the Managing Board and the Supervisory Board required by section 161 of the Aktiengesetz (AktG – German Public Companies Act) stating that the recommendations of the "Government Commission on the German Corporate Governance Code" are being complied with and which recommendations have not been applied was issued in the financial year and made permanently accessible to shareholders on the Sixt Aktiengesellschaft's website (www.sixt.de).

5.8 Authorisation of the consolidated financial statements in accordance with IAS 10.17

These consolidated financial statements will be authorised for issue by the Managing Board and the Supervisory Board on 31 March 2008.

Pullach, 3 March 2008
Sixt Aktiengesellschaft

ERICH SIXT KARSTEN ODEMANN DETLEV PÄTSCH HANS-NORBERT TOPP

Appendix to Notes to the consolidated financial statements of Sixt Aktiengesellschaft, Pullach List of Shareholdings in accordance with section 313 (2) no. 4 HGB (German Commercial Code) as at 31 December 2007

Name	Domicile	Nominal capital	Equity	Equity interest	Annual result
e-Sixt Verwaltungs GmbH	Munich	50,000 DM	38,212 EUR	100 %	4,742 EUR
Sixt GmbH	Leipzig	50,000 DM	90,286 EUR	100 %	7,983 EUR
Sixt Leasing (UK) Ltd.	Chesterfield	2 GBP	2 GBP	100 %	1,390,788 GBP
Sixt Limousine Service Rhein Main GmbH	Frankfurt	50,000 DM	39,865 EUR	100 %	1,427 EUR
Alsa Autovermietung GmbH [1]	Pullach	50,000 DM	25,565 EUR	100 %	2,700 EUR
Sixt Travel GmbH	Taufkirchen	1,000,000 DM	64,211 EUR	97 %	-311,786 EUR
Sixt Beteiligungen GmbH	Pullach	25,000 EUR	29,552 EUR	100 %	1,119 EUR
Sixt Acquisition et Service SARL	Haussimont	7,622 EUR	35,820 EUR	100 %	-1,198 EUR
Sixti SARL	Courbevoie	7,622 EUR	23,674 EUR	100 %	1,716 EUR
Sixt Franchise SARL	Paris	7,622 EUR	27,835 EUR	100 %	1,267 EUR
Sixt Aéroport SARL	Paris	7,622 EUR	12,130 EUR	100 %	-1,722 EUR
UNITED rentalsystem SARL	Paris	7,000 EUR	28,109 EUR	100 %	1,193 EUR
Sixt Autoland GmbH	Garching	25,000 EUR	21,304 EUR	100 %	-2,154 EUR
Sixt Verwaltungs-GmbH	Taufkirchen	25,000 EUR	31,524 EUR	100 %	912 EUR
Sixt Franchise GmbH	Pullach	25,000 EUR	17,892 EUR	100 %	432 EUR
Sixt S.R.L.	Milan	10,200 EUR	6,860 EUR	100 %	-3,125 EUR
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG	Pullach	25,000 EUR	11,636 EUR	100 %	2,232 EUR
Sixti GmbH [1]	Pullach	25,000 EUR	25,000 EUR	100 %	4,779 EUR
Sixt Immobilien Beteiligungen GmbH	Pullach	25,000 EUR	61,719 EUR	100 %	4,270 EUR
Sixt Executive GmbH	Pullach	50,000 DM	22,224 EUR	100 %	1,541 EUR
Sixt Allgemeine Leasing (Schweiz) AG	Basel	100,000 SFR	68,040 SFR	100 %	-31,960 SFR
Sixt Asia Pacific Pte Ltd.	Singapore	200,000 SGD	303,951 SGD	65 %	22,058 SGD
Sixt International Holding GmbH	Pullach	25,000 EUR	22,797 EUR	100 %	-1,108 EUR
Carmondo GmbH	Munich	25,000 EUR	-139,864 EUR	100 %	-164,864 EUR
Sixt e-ventures GmbH	Pullach	25,000 EUR	24,080 EUR	100 %	-920 EUR
Sixt S.a.r.l.	Luxembourg	12,500 EUR	10,349 EUR	100 %	-2,151 EUR
MOHAG Autohaus Datteln GmbH & Co. KG	Datteln	10,000 EUR	363,119 EUR	95 %	1,540,444 EUR

[1] Profit and loss transfer agreement with Sixt GmbH & Co. Autovermietung KG, Pullach


Which traffic light, officer?
(Sixt has BMW convertibles)


SIXT
Aktiengesellschaft

Balance Sheet of Sixt Aktiengesellschaft, Pullach as at 31 December 2007

Assets	EUR	EUR 31 Dec. 2007	EUR 31 Dec. 2006
A. Fixed assets			
I. Tangible assets			
1. Land, land rights and buildings including buildings on third-party land		1,428,102	1,610,958
II. Financial assets			
1. Shares in affiliated companies	159,696,045		156,671,045
2. Investments	0	159,696,045	0
B. Current assets			
I. Receivables and other assets			
1. Receivables from affiliated companies	968,999,332		824,094,734
2. Other assets	13,724,955	982,724,287	1,002,618
II. Cash-in-hand and bank balances		15,917	0
C. Prepaid expenses		97,032	401,170
		1,143,961,383	**983,780,525**

Equity and Liabilities	EUR	EUR 31 Dec. 2007	EUR 31 Dec. 2006
A. Equity			
I. Subscribed capital	64,126,848		63,760,256
II. Capital reserves	191,645,356		189,126,468
III. Revenue reserves			
Other revenue reserves	118,729,937		87,579,937
IV. Profit participation capital	100,000,000		100,000,000
V. Unappropriated profit			
- thereof retained profits brought forward EUR 41,921	42,202,932		57,512,272
		516,705,073	497,978,933
B. Special tax-allowable reserve		1,061,953	1,138,033
C. Provisions			
1. Provisions for taxes	18,204,494		17,306,527
2. Other provisions	4,169,032	22,373,526	12,067,188
D. Liabilities			
1. Bonds	225,000,000		225,000,000
2. Liabilities to banks	343,000,535		195,000,717
3. Payments received on account of orders	10,000		0
4. Trade payables	92,022		0
5. Liabilities to affiliated companies	10,410,148		14,604,605
6. Other liabilities	24,834,767	603,347,472	20,013,013
E. Deferred income		473,359	671,509
		1,143,961,383	**983,780,525**
Off-balance sheet items			
Liabilities from guarantees EUR 655,900,535 (2006: EUR 561,086,563)			

Income Statement of Sixt Aktiengesellschaft, Pullach for the year ended 31 December 2007

	EUR	EUR **2007**	EUR 2006
1. Other operating income		13,690,234	7,024,901
2. Personnel expenses			
a) Wages and salaries	1,927,153		0
b) Social security and other pension costs	34,079	1,961,232	0
3. Depreciation and amortisation of intangible and tangible assets		182,856	1,565
4. Other operating expenses		13,368,578	6,381,915
5. Income from investments		79,674,487	67,734,671
6. Income from profit transfer agreements		0	13,661,548
7. Other interest and similar income		41,336,141	34,825,797
8. Write-downs of financial assets and investments classified as current assets		0	4,659,000
9. Cost of loss absorption		20,794,231	0
10. Interest and similar expenses		27,049,942	17,967,392
11. Expenses for profit participation capital		9,050,000	9,050,000
12. Result from ordinary activities		**62,294,023**	**85,187,045**
13. Taxes on income		20,126,640	27,700,151
14. Other taxes		6,372	6,372
15. Net income for the period		**42,161,011**	**57,480,522**
16. Retained profits brought forward		41,921	31,750
17. Unappropriated profit		**42,202,932**	**57,512,272**

Financial Calendar

FINANCIAL CALENDAR FOR SIXT AKTIENGESELLSCHAFT

Press Conference on Financial Year 2007 in Munich	22 April 2008
Analysts' Conference in Frankfurt	22 April 2008
Publication of the 2007 Annual Report	22 April 2008
Interim Report as at 31 March 2008	29 May 2008
Annual General Meeting on Financial Year 2007 in Munich	19 June 2008
Interim Report as at 30 June 2008	14 August 2008
Interim Report as at 30 September 2008	20 November 2008

All dates/locations subject to change

Editorial Service

Frank Elsner Kommunikation für Unternehmen GmbH, Westerkappeln

Design

Jürgen Kreitmeier, www.trafo-vk.de

Sixt Aktiengesellschaft
Zugspitzstrasse 1
82049 Pullach
Germany
Phone +49 (0)89/7 44 44-5104
Fax +49 (0)89/7 44 44-85104
InvestorRelations@sixt.de
www.sixt.com
Reservation Centre
+49 (0)180/5 25 25 25*

*€ 0.14/min from the German fixed-line network. Mobile phone costs may vary.