Sixt relies on entrepreneurs in their business.

Annual Report 2008

Sixt Aktiengesellschaft

The Sixt Group in figures

in EUR million	2008	2007	Change 2008 on 2007 in %	2006
Revenue	1,774	1,569	+13.1	1,443
thereof in Germany	1,424	1,267	+12.4	1,212
thereof abroad	350	302	+15.8	231
thereof operational [1]	1,527	1,381	+10.6	1,211
Profit from operating activities (EBIT)	154.9	177.7	-12.8	153.3
Profit before taxes (EBT)	86.7	137.7	-37.0	121.6
Consolidated profit for the period	61.4	93.6	-34.3	73.8
Net income per share (basic)				
per ordinary share (EUR)	2.43	3.73	-34.8	2.95
per preference share (EUR)	2.48	3.77	-34.2	3.36
Total assets	2,469	2,047	+20.6	1,558
Lease assets	902	750	+20.3	544
Rental vehicles	1,058	916	+15.5	646
Equity	493	461	+6.9	393
Equity ratio (%)	20.0	22.5	-2.5 points	25.2
Non-current financial liabilities	735	699	+5.2	441
Current financial liabilities	651	385	+69.3	279
Dividend per share				
per ordinary share (EUR)	0.80 [5]	1.18	-32.2	1.05
per preference share (EUR)	0.82 [5]	1.20	-31.7	1.07
Total dividend, net	20.4	29.7	-31.5	26.3
Number of employees [2]	2,776	2,341	+18.6	2,015
thereof in Germany	1,982	1,702	+16.5	1,484
thereof abroad	794	639	+24.3	531
Number of locations worldwide (31 Dec.) [3]	1,879	1,684	+11.6	1,564
thereof in Germany [4]	526	517	+1.7	474

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

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Sixt – The spirit of mobility

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 90 countries. Sixt has also established a closely-knit network of partner companies in the international tourism industry, including more than 40 airlines and many well-known hotels.

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.com

Letter to shareholders

Dear Shareholders,

2008 was an eventful year in many respects. There have been many unexpected developments in our industry, too, although one thing has remained consistent: Sixt again outperformed the market. The increasing deterioration of the economy and the continuing financial crisis adversely affected the conditions for our business, but Sixt was still able to widen the gap to its competitors. The following key figures confirm this:

» Sixt's consolidated operating revenue from rental and leasing business rose by 10.6% to EUR 1.53 billion in 2008. Our strategy of convincing customers of the familiar Sixt quality by providing premium products and comprehensive service has been proved right even in an economic downturn.

» In the Vehicle Rental Business Unit, where revenue expanded by 9.9%, we grew about twice as fast as the market which, according to our estimates, recorded growth of between 3 and 5%. In Germany, Sixt rent a car's revenue increased by 8.1%, outperforming the estimated industry growth rate of 2% by an even more impressive margin. We extended our position as Germany's market leader and successfully continued our drive to catch up internationally in 2008.

» The Leasing Business Unit's leasing revenue rose by 12.3% last year, outpacing the average growth rate in the German equipment leasing sector.

Although operating growth was encouraging in spite of the economic downturn, earnings failed to keep pace with this development. Consolidated earnings were weighed down by a significant increase in expenses in 2008, driven especially by expansion-related fleet costs as well as higher financing costs in the wake of the financial market crisis. The cost situation deteriorated sharply in the course of the year, especially in the fourth quarter, as growth in our operating business slowed considerably and Sixt recorded disproportionate cost increases. Given this environment, we successively adjusted our earnings forecast throughout the year. At EUR 86.7 million, full-year consolidated earnings before taxes (EBT) were below the previous year's figure of EUR 137.7 million. This demonstrates Sixt's ability to generate a significant profit in spite of the unexpectedly tougher conditions.

In view of the continuing economic downturn, we believe that a reliable dividend policy is of particular importance. After four consecutive dividend increases, we are proposing a moderate reduction in the dividend for 2008. In this way, we want to further strengthen the Group's equity base and take account of the financing requirements in the current market environment. At the same time, we want to let you share in the economic success of our Company in line with our earnings-driven dividend policy. We will therefore propose to the Annual General Meeting on 30 June 2009 to pay a dividend of EUR 0.80 per ordinary share and EUR 0.82 per preference share.

Conclusion: We fully met our goal of setting a new revenue record last year. We believe our consolidated earnings are satisfactory in view of the significant deterioration in the market environment.

Sixt is in a healthy condition at the beginning of 2009. However, it is difficult to assess at present how the recessionary environment will impact demand for mobility services. The situation entails risks, but also offers opportunities. In any case Sixt is in a fit shape to stay on course even during the current phase of market weakness:

» For Sixt, efficiency is of utmost importance. We have traditionally placed great emphasis on flexible structures, a lean organisation and efficient rental and leasing processes. In the past few years, we have fine-tuned our IT resources for requirements-driven purchasing and the management of our rental fleet. Sixt's high-performance, continuously learning forecast system is unique in the industry. This type of yield management system is essential to ensuring maximum fleet utilization, especially during times of great market uncertainty.

» No other company in our industry is so soundly financed as Sixt. Even though our business expanded again, our equity ratio was 20% at the end of 2008, a figure that far exceeds the market average. Financial strength is a clear competitive advantage in times of structural disruption in the financial services industry. In addition, buy-back agreements with manufacturers and dealers for the vast majority of vehicles in our rental and leasing fleets ensure that Sixt has minimised the risk of marketing used vehicles from its fleet – a tremendous advantage given the further weakness in the German used car market.

» Sixt is the only provider able to develop integrated mobility services. By offering flexible and cost-effective rental and leasing products from a single source, we give our customers tailored fleet concepts to provide mobility for periods ranging from one day to four years. By linking the vehicle rental and leasing offering, we help international companies in particular to meet their goal of reducing mobility costs.

» Sixt continues to enjoy excellent growth opportunities. As Germany's unchallenged market leader, we are driving our expansion in the European core markets, where we have our own national organisations. In the medium term, we want to achieve a significant increase in our market share in Corporate countries outside Germany. Our share of the vehicle rental market in most of these markets is currently between 5 and 10%. In addition, Sixt is represented by franchisees in over 80 countries. With this type of internationalisation, which entails few business risks, we use local expertise to establish the Sixt brand. Market shares of more than 20% in some countries demonstrate the potential of our franchise network.

» Sixt boasts a special corporate culture. Our employees assume responsibility quickly and make our customers' wishes their own. They act like “entrepreneurs within the Company”. This motto for the current Annual Report illustrates how important committed employees are for our success.

Given the weak economy and the unpredictable situation on the financial markets, a cautious approach to planning the current year makes sense. At present, Sixt expects demand for mobility services in the European core countries to be similar to the previous year, providing that the economic environment does not deteriorate dramatically.

Many companies will review their mobility costs in 2009. In doing so, they will recognise that, from a cost perspective, integrated concepts offering a combination of vehicle rental and full service leasing components are often hard to beat. Our main task in this situation is to highlight the cost advantages of our products compared with other modes of transport, such as air or rail, through specific communication measures. This also applies to business with private customers.

To safeguard earnings, we will selectively reduce the size of our rental fleet in 2009. Since vehicles are generally held for periods of 6 months, we can only do this with a time lag, so the related costs are only expected to decline from the second quarter onwards. We have structured our supply agreements with manufacturers and dealers flexibly so that we can act swiftly if demand changes. In addition, price increases are still on the agenda in the rental and leasing sector. In the past few months, we have already started to apply revised prices to private customers and some lease agreements. Now that our competitors have also recognised and publicly announced the need for price increases, we believe that there will be opportunities to implement the overdue increases for business and corporate customers in the course of the year.

Overall, we are currently anticipating a significant level of consolidated profit before taxes for 2009. Given the tremendous planning uncertainty, it would not be credible to make any more detailed statements at present.

In spite of the challenges facing us, we are optimistic about the long-term prospects for our Group. Sixt is on the right path: Our strategy is focused on the global growth market for high-quality mobility services. The robustness of our business model has proved itself even under tougher conditions. For this reason, we are sticking to our long-term goal of growing faster than the market in the Vehicle Rental and Leasing Business Units.

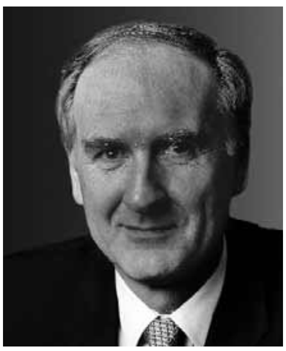
Pullach, March 2009

Sincerely
The Managing Board

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

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

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



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

Report of the Supervisory Board

General
In 2008, the Supervisory Board of Sixt Aktiengesellschaft duly performed the duties assigned to it by law and the Articles of Association. It advised the Managing Board regularly and monitored the management of the Company critically. To this end, four meetings were held during the course of the year under review in compliance with the legally prescribed frequency of two meetings per calendar half-year.

In accordance with its requirements, 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 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 regularly discusses with the Managing Board the development of business, planning and corporate strategy. In all instances, the Supervisory Board carefully examined and discussed in detail 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 members of the Supervisory Board were in regular contact with the Managing Board even outside the regular Supervisory Board meetings and were thus informed in advance of current business developments and significant transactions. This applied in particular to the Chairman of the Supervisory Board and the Chairman of the Managing Board. 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 generally taken at physical meetings. If necessary, resolutions can also be passed by way of conference calls or written documents circulated between meetings. Two resolutions were passed by circulating written documents in the year under review.

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

Key topics
At the regular meetings held in 2008, the Supervisory Board was informed in written and verbal form concerning the business development as well as all key questions relating to the development of the Company, strategic planning, the risk situation, risk management and the financing structure of the Sixt Group. These issues were discussed in detail with the Managing Board, whose members took part in all meetings. 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, taking account of the respective competitive situation.

In addition, it focused on the following topics in particular:

- The Supervisory Board dealt with the measures taken to further expand and strengthen Sixt's competitive position, both in the core European countries and outside Europe. It agrees with the Managing Board that further internationalisation of Sixt's business remains a central strategic task.

- Since the competitive environment in equipment leasing had intensified further, the Supervisory Board concerned itself with measures to boost the performance of Sixt Leasing AG, with a special focus on corporate processes, pricing and cost control.

- In view of the crisis on the international financial markets, which escalated in 2008, the Supervisory Board discussed in detail the possible impact on the financing terms for Sixt's fleet, especially as a result of banks widening their credit spreads. In this context, the Supervisory Board was informed about the Managing Board's plans for the Group's financial structure for 2009.

- In view of the financial crisis and the poor overall economic situation, the procurement policy of Sixt Vehicle Rental for 2009 and the strategy for securing the residual values of rental and leasing vehicles were of particular interest.

- In addition, the Supervisory Board also addressed the development of the Group's Internet activities, given that this medium has significantly gained in importance as a sales and communication channel for Sixt.

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 2008, 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 have been agreed between the Managing Board and the Supervisory Board, Sixt Aktiengesellschaft complies with the recommendations of the Government Commission on the German Corporate Governance Code.

Audit of the 2008 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 2008 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 2008 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, 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 19 June 2008.

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 examination. They were the subject of detailed discussion and examination at the Supervisory Board meeting to approve the financial statements held on 3 April 2009.
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 provided information to the Supervisory Board. 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. The Supervisory Board concurs with the proposal made by the Managing Board for the appropriation of the unappropriated profit.

The auditor included in its 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 its 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."*

Equally, 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 concluding declaration in the Dependent Company Report.

Changes in the Managing Board and Supervisory Board
There were no changes in the Managing Board of Sixt Aktiengesellschaft in the year under review.

The composition of the Supervisory Board changed as follows in 2008: Dr. Gunter Thielen, Chairman of the Supervisory Board of Bertelsmann AG and Chairman of the Executive Board of the Bertelsmann Stiftung, became a new member of the Supervisory Board of Sixt Aktiengesellschaft with effect from 1 May 2008. Dr. Karl Josef Neukirchen left the Supervisory Board at the same time. The Supervisory Board elected Dr. Thielen as its Chairman to succeed Dr. Neukirchen. This resolution, which had been passed by circulating written documents, was confirmed at the next regular meeting.
The Supervisory Board, including on behalf of the Managing Board, would like to thank Dr. Neukirchen for his many years of successful work as Chairman of the Supervisory Board of Sixt Aktiengesellschaft and wish him all the best for the future.

The Sixt Group continued on its growth path in 2008 in a more difficult market environment and once again achieved a high level of consolidated earnings. The Supervisory Board would like to thank the Managing Board and all employees for their dedication and successful work in the past year.

Pullach, April 2009
The Supervisory Board

Dr. Gunter Thielen
Chairman

Thierry Antinori
Deputy Chairman

Ralf Teckentrup
Member


Jamie Smith
SIXT

Without them our sales chart would not have any momentum.
(Sixt relies on customer-focused employees)
Sixt
Aktiengesellschaft

Sixt Shares and Profit Participation Certificates

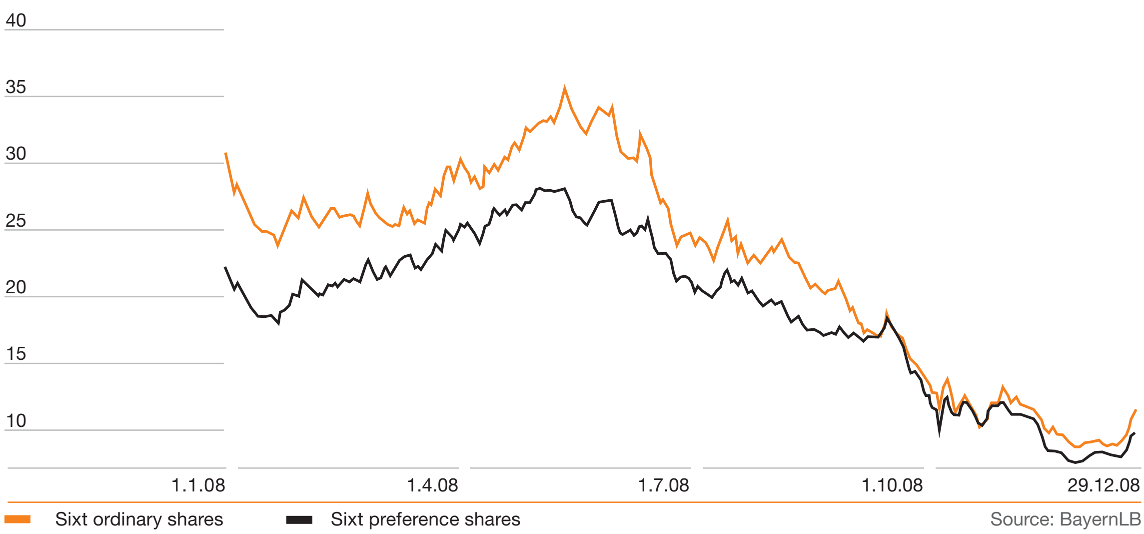
» **Sixt shares 2008 affected by financial crisis and economic downturn in 2008**
» **Dividend and dividend yield remain attractive**

Stock markets experience significant price falls
The year 2008 was dominated by in some cases extreme price falls on stock exchanges around the world. The main cause was the crisis on the international capital and financial markets, which had started with the collapse of the US real estate segment (subprime crisis) in the previous year. Although at the beginning of the year many market participants had expected the upward trend of previous years to continue, prices fell sharply in the course of the year in the wake of the increasingly worsening financial crisis. Especially in the autumn, stock exchanges saw share prices literally collapse: the turmoil on the financial markets accelerated the economic downturn in the most important economies, which in turn put additional pressure on share prices.

Against this background, the key national and international stock indices recorded sharp losses. The American Dow Jones lost 34% (2007: +6%) of its value, while the pan European Stoxx 50 retreated by as much as 44% (2007: -0.3%). After ending the previous year at 8,067 points, the German stock index (DAX) briefly climbed to its high for the year of 8,100 points before heading downwards to finish at 4,810 points. This represents a decline of 40%, compared with an increase of 22% in 2007. The SDAX, which includes Sixt Aktiengesellschaft's ordinary shares, recorded the worst year in its history in 2008, sliding by 46% to 2,801 points.

Sixt shares track downward trend
Neither Sixt ordinary shares nor its preference shares were able to escape the general negative trend on international stock exchanges in 2008, and prices declined significantly as a result. As in other industries, investors were concerned that the crisis of the financial system could spill over into other sectors, for example because banks would only fulfil their financing function for the economy to a limited extent.

Sixt ordinary and preference shares
from 1 January 2008 to 31 December 2008



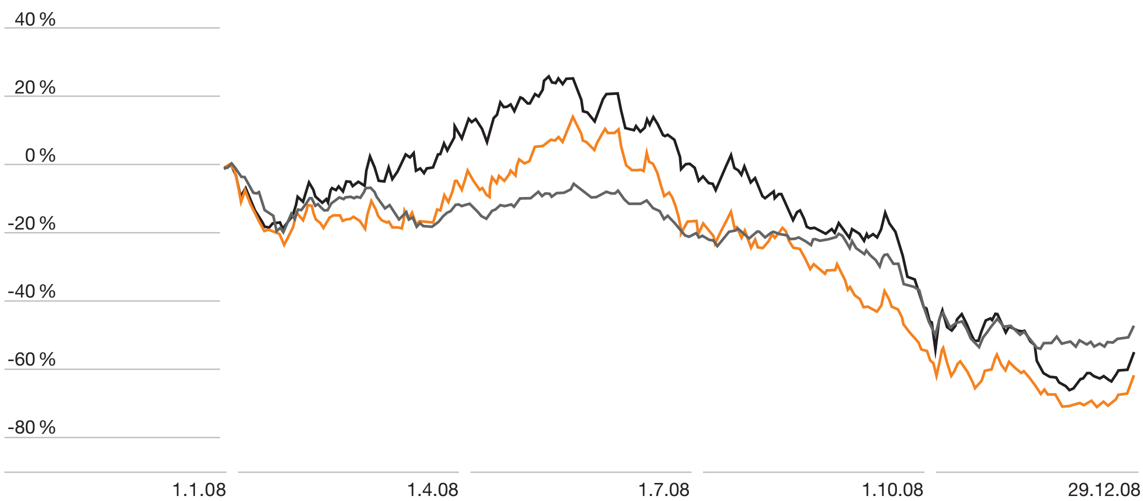
In the case of Sixt shares, the negative development in the entire automotive industry, which started threatening the existence of automobile manufacturers and their suppliers, weighed additionally on the share prices of many car rental companies, because investors and analysts as well often treat them as part of the automotive segment. The price of shares in US car rental company Hertz tumbled by 68% in the course of 2008. Prices fell even more sharply at Avis Europe (92%) and Dollar Thrifty (95%).

After a small decline early in the year, Sixt ordinary shares started a continuous upward trend, reaching their high for the year of EUR 35.84 on 19 May 2008. However, share prices went on a steady decline in the second half of the year, falling to a low for the year of EUR 8.82 on 1 December. The year-end price was EUR 11.56, down 62% on the 2007 year-end closing price.

Sixt preference shares also increased steadily in the first half of the year, reaching their high for the year of EUR 28.40 on 8 May 2008. However, tracking the development of the ordinary shares, the price declined continuously in the second half of the year to a low of EUR 7.35 on 3 December. The share price subsequently recovered slightly, closing at EUR 9.96 at the end of the year, down 55% on the 2007 year-end closing price.

Although at times both ordinary and preference shares outperformed their benchmark index, the SDAX, in 2008, significant price falls in the second half, especially in the fourth quarter, caused both share classes to give up their relative advantage. Over the course of the year as a whole, they suffered greater losses than the index.

Sixt ordinary shares, preference shares and SDAX
from 1 January 2008 to 31 December 2008



Sixt ordinary shares Sixt preference shares SDAX Source: BayernLB

Shareholder structure stable

In 2008, Sixt Aktiengesellschaft received two disclosures regarding voting rights from the JP Morgan Chase Investment Management Group, according to which its voting rights rose above and subsequently fell below the 3% threshold. Details were published in August and September. Sixt Aktiengesellschaft is not aware of any other material changes in shares of voting rights.

As at the end of 2008, Erich Sixt Vermögensverwaltung GmbH, all shares of which are owned by the Sixt family, continues to hold 56.8% of the ordinary voting shares. No other disclosures regarding blocks of voting rights have been submitted to the Company. 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 2008.

Earnings-driven dividend policy

On the whole, Sixt Aktiengesellschaft pursues an earnings-driven dividend policy, which meets shareholders' need to earn a return while at the same time focusing on strengthening the Company's equity base in view of the Group's continuing international expansion.
In accordance with the proposal by the Managing Board and Supervisory Board, the Annual General Meeting on 19 June 2008 resolved to pay a dividend of EUR 1.18 per ordinary share and EUR 1.20 per preference share for financial year 2007. In each case, this represented an increase of 13 euro cents per share as against the previous year. This again reflects Sixt's healthy earnings development in 2007. The total distribution rose by 13.0% to EUR 29.7 million (previous year: EUR 26.3 million).

At the Annual General Meeting on 30 June 2009, the Managing Board and Supervisory Board will propose a dividend of EUR 0.80 per ordinary share and EUR 0.82 per preference share for financial year 2008. The aim of the modest reduction in the dividend compared with the previous year is to accommodate the continuing strengthening of the Company's equity base with a view to facilitating the Group's future expansion and financing requirements in a substantially more difficult economic environment. It should be noted in this context that the dividend increased four times in succession in the previous years.

On the basis of this proposal, the total dividend for 2008 will be EUR 20.4 million, 32% less than in the previous year.

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: 1.10%)
	CDAX (weighting of ordinary shares: 0.016%, weighting of preference shares: 0.016%)
	Prime All Share (weighting of ordinary shares: 0.016%, weighting of preference shares: 0.016%)
Trading segment	Prime Standard
Designated sponsors	Commerzbank AG, HypoVereinsbank AG

	2008	2007
Earnings per share – basic (EUR)		
Per ordinary share	2.43	3.73
Per preference share	2.48	3.77
Dividend (EUR)		
Per ordinary share	0.80 [2]	1.18
Per preference share	0.82 [2]	1.20
Number of shares		
(as at 31 December)	25,225,350	25,049,550
Ordinary shares	16,472,200	16,472,200
Preference shares	8,753,150	8,577,350
High (EUR) [1]		
Ordinary shares	35.84	52.00
Preference shares	28.40	36.50

	2008	2007
Low (EUR) [1]		
Ordinary shares	8.82	29.55
Preference shares	7.35	21.60
Year-end price (EUR) [1]		
Ordinary shares	11.56	30.61
Preference shares	9.96	22.25
Dividend yield (%) [3]		
Ordinary shares	6.9	3.9
Preference shares	8.2	5.4
Market capitalization		
(EUR million) [4]		
as at 31 December	278	695

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

However, Sixt continues to offer an attractive dividend yield: on the basis of the share price at the end of 2008 and the dividend proposed by the Managing Board and Supervisory Board, the yield is therefore 6.9% for ordinary shares and 8.2% for preference shares.

Continuous dialogue with the capital markets

Sixt is committed to the principles of timely, detailed and open 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.

In order to meet these obligations and the public's growing need for information about the Group, the Managing Board again engaged in regular, in-depth dialogue with analysts and investors from Germany and abroad in 2008. In addition to Sixt's strategic orientation and business performance, the talks held in the year under review focused in particular on the potential impact on the Sixt Group of the turbulence on the capital and financial markets.

Roadshows and investor conferences held in Germany and abroad were also used to meet the increased need for information in the light of the financial crisis. Board members held talks with investors at various venues, including London, Brocket Hall (UK), Frankfurt/Main, Edinburgh, Paris, Helsinki, Copenhagen and Munich.

In addition, the Managing Board again used the publication of the preliminary figures for financial year 2007 and the 2008 quarterly reports to answer questions directly from the media in conference calls. These conference calls have been established for years and have proved to be a good opportunity – in addition to the annual earnings press conference and the Annual General Meeting – to provide timely reports on Sixt's business development to the public and to comment on current topics relevant to the Group.

Prominent financial and research institutions track the Company's performance and publish research reports based on close dialogue with the Managing Board. In 2008, such reports were prepared by, among others, BayernLB, Berenberg Bank, Commerzbank, HSBC Trinkaus & Burkhardt, HypoVereinsbank (Unicredit), M.M. Warburg & Co., Reuschel & Co., WestLB and GSC Research.

In view of the significant decline in the share price, the Managing Board will continue in 2009 to engage in dialogue with the capital markets, and in particular to explain in more detail the Sixt Group's strategic orientation, its prospects, especially its international business, as well as its solid capital and financing base.

Profit participation certificates 2004/2009 - 2011

Overall, the profit participation certificates issued by Sixt in the autumn of 2004 with an aggregate principal amount of EUR 100 million also recorded a negative performance in financial year 2008. In the first half of the year, the price followed a slow but continuous upward trend, reaching a high of 114.0% of the principal amount on 3 June 2008. However, as the financial crisis deepened and uncertainty increased among many investors, the price fell to a low of 87.0% on 26 November. At year-end, the price was 90.5% (prior-year reporting date: 107.6%). All prices refer to floor trading in Frankfurt (closing prices).

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, to be repaid on the first bank working day following the Annual General Meeting at which the Annual Financial Statements for financial year 2009 are presented 50% of the principal amount with a term until 31 December 2011, to be repaid on the first bank working day following the Annual General Meeting at which the Annual Financial Statements for financial year 2011 are presented

Corporate Governance Report

Sixt Aktiengesellschaft considers good and responsible corporate management and supervision (corporate governance) to be an essential 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 most recently amended on 6 June 2008.
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. Every declaration of conformity is made available to the public for a period of five years on the Company's website at www.sixt.com. The most recent declaration of conformity with the version of the Code valid since June 2008 was published by the two bodies in December 2008, and reads as follows:

Declaration of conformity in accordance with section 161 of the AktG
The recommendations of the “Government Commission on the German Corporate Governance Code” in the version dated 6 June 2008 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 sentence 4 of the Code).

Pullach, December 2008

For the Board of Directors of Sixt AG	For the Supervisory Board of Sixt AG
signed Erich Sixt	**signed Dr. Gunter Thielen**
(Chairman)	(Chairman)

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

Annual document pursuant to section 10 of the German Securities Prospectus Act
The Wertpapierprospektgesetz (WpPG – German Securities Prospectus Act) stipulates in section 10 that listed companies provide the public at least once a year with a document that contains, or refers to, all information that the company has published or made available to the public in the preceding twelve months in accordance with certain capital market regulations.
Sixt Aktiengesellschaft's disclosures in accordance with section 10 of the WpPG may be viewed in the Investor Relations section of Sixt Aktiengesellschaft'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 were authorised to 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 were eligible 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 was originally contingently increased by up to EUR 2,657,920, composed of up to 1,038,250 preference bearer shares (Contingent Capital III).

The beneficiaries and the principal amounts of the respective bonds were decided by the Managing Board or, if members of the Managing Board were concerned, by the Supervisory Board. The Company issued convertible bonds with conversion rights for up to 194,600 preference shares (as at 31 December 2008) 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 principal 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.

Employee equity participation programme (Matching Stock Programme) 2007
The Managing Board and Supervisory Board of Sixt Aktiengesellschaft resolved in 2007 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 the Company and its affiliated companies. The programme enables continued employee participation in the form of shares. In addition, it makes participation more attractive for employees and avoids 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 which has not been terminated at the time of subscribing for 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 an original maturity of 7 years. If the bonds are acquired later, the maturity is shortened accordingly. 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 is 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, all shares of which are held by the Sixt family, held 56.8% (9,355,911 shares) of the ordinary shares of Sixt Aktiengesellschaft as at the reporting date of 31 December 2008.

Members of the Supervisory Board held no ordinary shares or preference shares in Sixt Aktiengesellschaft as at 31 December 2008.

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 for a total of 60,000 preference shares in Sixt Aktiengesellschaft (as at 31 December 2008), 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 SDAX stock exchange index.

Under the MSP employee equity participation programme launched in 2007, members of the Managing Board subscribed for bonds of Sixt Aktiengesellschaft with a total principal amount of EUR 400,000, which under the MSP terms and conditions grant their holders the right to subscribe for up to 15,680 MSP shares and thus for a maximum of 548,800 phantom stocks (as at 31 December 2008). 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 24 June 2008 they each sold 20,000 no-par value preference shares of Sixt Aktiengesellschaft (ISIN DE0007231334), which they had previously acquired on 24 June 2008 by exercising the conversion right attached to the convertible bond issued in 2005 to executives and eligible employees, at a price of EUR 23.311 per preference share, in an off-exchange 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.


SIXT

Without them our special service would lack that special something.

(Sixt relies on service-oriented employees)

Sixt relies on entrepreneurs in their business

- » **Employees who are committed and eager to take decisions**
- » **Customer focus and service responsiveness are key success factors**
- » **Human resources work is of strategic importance**

Sixt stands for high-quality and comprehensive mobility services. Customers renting or leasing vehicles receive flexible, convenient solutions fully tailored to their requirements. But it is Sixt's employees who bring the spirit of mobility to life – by making the wishes and needs of their customers their own and taking pleasure in keeping their customers mobile. That is how they act as entrepreneurs within the Company.

All-round support for customers

Customers sense the quality of a service as soon as they book the rental car through the hotline. Agents recommend the right vehicle for the purpose and ensure that the car is at the right rental office at the right time and at the right price. At the counter, employees guide their customers through the entire rental process in a friendly and competent manner, and with as little red tape as possible. They give comprehensive advice, yet the process only takes a short time, so that travellers can get the required vehicle as quickly as possible. If any difficulties are encountered on the road, Sixt Assistance employees will be on hand promptly to provide help reliably so that customers can get to their destinations without further problems.

Sixt therefore believes in employees who have important attributes in common: they have to be committed, success-driven, creative, accomplished and flexible. Customer focus and service responsiveness are of key importance in everything they do.

Focus on customer orientation

Behaviour that centres exclusively on customers cannot be defined in any rule book. Rather, it has to be anchored in each individual employee. The requirements are exacting: the employees have to be able to assess what their customers really want. Private customers, for example, may want to have the once-in-a-lifetime experience of driving their dream car. Business customers, by contrast, are on a tight time budget and want to reach their destination fast and in comfort. Tourists, in turn, do not want to negotiate the terms of their rental vehicle at their holiday destination, but to pick up their car as effortlessly as possible.

Customer orientation means building and maintaining a culture of innovation. Employees have to gear their actions to continuously improving their services and becoming even better at anticipating the needs and wishes of their customers. To achieve that, they need to be ready to take decisions and, not least, be able to think flexibly, always focusing on the question of “What can I do better?”. The goal of each employee must be to make each customer “their customer”.

Human resources as a success factor

Employees are therefore a key factor for business success. For this reason, Sixt attaches strategic importance to its human resources work, especially in the recruitment of junior managers. All applicants are taken through an all-day selection process (assessment centre), where both their professional and their personal skills are assessed.

A typical feature of Sixt's employee selection process is the trial day. Each applicant must spend a day at a Sixt branch: This gives them the opportunity to test their own abilities in their future working environment. At the same time, they can use the trial day to develop suggestions for improvement and show customer-oriented thinking, and possibly even display leadership qualities. This method has been used for 15 years to test applicants – university graduates and school leavers alike – at both a professional and a personal level. As a result, all employees at Sixt have demonstrated core qualities at an early stage that are of critical importance for the Company's success and, above all, for its relations with customers.

In 2008, about 60 management trainees and around 75 vocational trainees learning to be car sales staff, office administrators, office communication specialists and marketing specialists joined the Company. Sixt responds to growing internationalisation by placing increasing emphasis on training its junior managers abroad. The total number of trainees reached 230 last year, a record in the Company's history.

Employee development at the “Sixt College”

Customer orientation and a culture of innovation are systematically supported in the Company. The “Sixt College” offers employees a comprehensive seminar programme for professional and personal development. The programme covers key topics, such as improving sales techniques at the counter or in the field, management skills for trainees, the tools required by future branch managers, or innovation issues. In 2008 alone, about 1,200 employees took part in seminars lasting several days.

Sixt employees are encouraged to assume business responsibility throughout their careers. Sixt allows employees to develop their skills and reach goals the way they want to. All this serves a single purpose: maximum customer satisfaction.

Without them our expansion would not be global.

(Sixt relies on flexible employees)

SIXT
Aktiengesellschaft

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Group Management Report

- **Sixt Group's operating revenue up 10.6% to EUR 1.53 billion in 2008**
- **Strong pace of growth abroad continues unabated**
- **Earnings impacted by high fleet and financing costs**
- **EBT reaches EUR 86.7 million**
- **Record investments of almost EUR 3.6 billion**

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 the Group's segment reporting under the item “Other”.

In the **Vehicle Rental Business Unit**, Sixt operates worldwide – apart from in North America – 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 30%. Sixt's market share at some commercial airports in Germany, an important segment in the rental business, significantly exceeds this figure. While the Business Unit's primary target group comprises business and corporate customers, which accounted for 54% of rental revenue, Sixt has intensified its business with private customers and tourists in recent years. Accident replacement business, on the other hand, is only of minor significance.

Sixt has a dense service network in Germany. As at 31 December 2008, this numbered 526 rental offices (excluding rental offices for the European SIXTI low-cost brand). Abroad, Sixt is represented with its own rental offices in the core European countries, i.e. Belgium, France, the UK, Luxembourg, 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 2008, the number of Sixt rental offices worldwide stood at 1,879.

The offering of Sixt Vehicle Rental is augmented by the following products:

- “Sixt Holiday Cars” is an international holiday car rental offering specially tailored to holiday regions. It is an all-inclusive, prepaid product and, 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.

- “SIXTI”, the Group's low-cost offering, 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 2008, SIXTI had 92 (previous year: 84) rental offices in nine countries, 31 (previous year: 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 numerous 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).

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 vendor-neutral advice concerning vehicle selection, vehicle procurement, vehicle 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 innovative, end-to-end web-based solutions, fleet managers can also prepare individual vehicle reports, thereby increasing the transparency of their fleet data.

Sixt Leasing AG is one of the largest non-bank, vendor-neutral leasing companies in Germany. 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 65,100 as at the end of 2008. Full-service leasing and fleet management accounted for 93% of the total number of contracts. In addition, Sixt offers leasing products and services through franchisees in around 40 other countries.

2. Group structure and management

Sixt Aktiengesellschaft acts as the holding company for the Sixt Group and 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.

Economically, the Group is dependent on the general economic conditions, which affect in particular the readiness of companies and private customers to spend money on travel and on companies' willingness to invest.

4. Business management and corporate objectives

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.

4.1 Financial performance indicators

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 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)
- the status of cash and cash equivalents and refinancing opportunities.

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 culture:** For many years, Sixt has positioned itself as a premium provider combining above-average service quality with a high vehicle standard. Service responsiveness and service quality are the key differentiators distinguishing service companies from the competition. For example, the speed and ease of the rental process are very important for business and corporate customers, Sixt's main customer group. The consistent service orientation has to be backed by the necessary employee skills. Strengthening service quality, for example with suitable training, is an important factor in ensuring the Company's future success.

» **Attractive vehicle offering:** 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. These vehicles offer top-of-the range technical functionality and premium features such as navigation systems. 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 and off-road vehicles.

» **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 rental 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. In the coming years, they will above all focus on increasing brand awareness 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. 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 and Spain, and thus ensure over the long term that foreign markets make a significantly greater contribution to earnings from rental business

- to expand the leasing business abroad, both in 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 continue to enhance service quality through product innovation
- to improve staff expertise continuously
- to increase efficiency in all Company processes.

5. Economic environment

The global economy already lost some of its momentum in the first half of 2008. Negative factors included the continuing uncertainty on the financial markets as a result of the escalating subprime crisis in the United States and further rises in commodity prices. From September 2008, the downturn accelerated unexpectedly sharply, triggered by, among other factors, the collapse or near-collapse of major financial institutions. By the end of the year, the world's leading economies had slid into recession. A major factor in this development was that the growing tensions in the financial sector increasingly spilled over into other sectors. The economy slowed noticeably as a result of the faltering supply of credit and a general decline in demand. Waning investor and consumer confidence led to further price falls on the financial markets. The prices of many commodities fell sharply. Governments and central banks around the world initiated comprehensive support packages to halt the downward trend and maintain the ability of the financial system to function.

According to estimates by the International Monetary Fund (IMF), global gross domestic product (GDP) increased by only 3.4% in 2008 (2007: +5.2%). No economic area was able to escape the recessionary developments. Growth in the euro zone, for example, only reached 1.0% in 2008 (2007: +2.6%). The German economy also recorded a clear downward trend in autumn 2008. According to official figures, Germany's GDP rose by a mere 1.3% in 2008 (2007: +2.5%), and even this was attributable only to the economy's robust performance in the first few months of the year.

Sources:
Bundesverband deutscher Banken e.V. (Association of German Banks), Economic Report January 2009
European Central Bank, Monthly Bulletin, January 2009
Press release from Statistisches Bundesamt (Federal Statistical Office) dated 14 January 2009
International Monetary Fund, World Economic Outlook, January 2009

6. Segment report

6.1 Vehicle Rental Business Unit

6.1.1 Sector developments

The vehicle rental market is hotly contested internationally. Sixt estimates the volume of the European rental market at around EUR 8 billion, with long-term average growth of around 5% a year. The market continues to be dominated by a small number of large international providers.

The Bundesverband der Autovermieter Deutschlands (BAV – German Association of Car Rental Companies) estimates that Germany's market volume increased by around 2% in 2008, from EUR 2.55 billion to EUR 2.6 billion (2007: +6%), thus continuing the growth trend of previous years, although at a more moderate pace. The number of rental vehicles also increased slightly, by around 2.6%, to 200,000; of this total, 152,000 vehicles were passenger cars (+2%).

The Company attributes the market growth to the growing trend for many large businesses to dismantle their own vehicle pools and replace them with rental cars, among other factors.

The process of concentration that has been in evidence among German car rental companies for many years continued in the year under review. The BAV estimates that the number of car rental companies declined by around 30 to around 540 in 2008. As a result of the consolidation process, large international companies again gained additional market share.

The international financial crisis and the significant slowdown in the economy had a negative impact on passenger vehicle sales in Europe in 2008. According to the Verband der Automobilindustrie (VDA – German Association of the Automotive Industry), 14.7 million new passenger vehicles were registered, 8% fewer than in 2007 (including new EU members). Sales also declined by 8% to 13.6 million vehicles; the decline was only 3% in the first half of the year, but 15% in the second. In Germany, 3.1 million passenger vehicles were sold, 1.9% fewer than in 2007. Automobile manufacturers responded to the decline in demand around the world by cutting capacity, introducing short-time working, or reducing their workforce. This pushed some manufacturers into critical financial situations, which prompted governments to provide support packages in the form of loans and guarantees, for example in the United States or France.

Sources:
Bundesverband der Autovermieter Deutschlands e.V. (BAV), market data 1988 - 2008 (as at February 2009)
Verband der Automobilindustrie e.V. (VDA - German Association of the Automotive Industry), press releases dated 6 and 14 January 2009

6.1.2 Developments in the Vehicle Rental Business Unit

2008 was another year of successful business performance for Sixt's Vehicle Rental Business Unit. Driven by the continuous enhancement of the sales organisation, the number of customers increased in Germany and abroad, especially in the core target group of business travellers. As in the previous year, the rate of expansion in vehicle rental, the engine of growth for the Sixt Group, exceeded the industry average. This helped Sixt to increase its market share in Germany and other important European countries, again making the Company one of the fastest growing international vehicle rental companies in 2008.

The Business Unit's revenue advanced to EUR 1.11 billion in 2008, an increase of 9.9% compared with the prior-year figure (EUR 1.01 billion). Pure rental revenue amounted to EUR 788.7 million, 12.1% more than in 2007 (EUR 703.5 million). By contrast, other revenue from rental business (e.g. insurance recoveries, subsidies, licence revenue, commissions) only rose by 4.9%, from EUR 303.6 million in 2007 to EUR 318.4 million in 2008.

The Business Unit's revenue generated in Germany grew by 8.1%, from EUR 750.9 million in 2007 to EUR 811.4 million in 2008. Sixt thus expanded significantly faster than the German market as a whole (BAV estimate for 2008: around 2%) and the Company believes that it further consolidated its position as market leader.
Abroad, the Business Unit generated revenue of EUR 295.7 million, a year-on-year increase of 15.4% (2007: EUR 256.2 million). The international share of total segment revenue was 26.7% in 2008, compared with 25.4% in the previous year.

Earnings performance in the year under review was impacted by a significant increase in operating costs, especially due to higher expenses for the enlarged fleet. Particularly in the fourth quarter, earnings were reduced by disproportionate cost increases, because economic factors considerably slowed the pace of revenue growth compared with the first nine months.
At EUR 76.7 million, segment profit before taxes (EBT) was consequently 37.7% down on the previous year (EUR 123.2 million). The increase in fleet costs reflects not only the expansion-related enlargement of the rental fleet, but also higher prices for repairs, fuel, vehicle preparation etc. The return on sales, the ratio of EBT to segment revenue, was 6.9% (2007: 12.2%).

Key figures for the Vehicle Rental Business Unit			Change
in EUR million	2008	2007	in %
Revenue	1,107.1	1,007.1	+9.9
thereof rental revenue	788.7	703.5	+12.1
thereof other revenue from rental business	318.4	303.6	+4.9
thereof abroad	295.7	256.2	+15.4
Earnings before net finance costs and taxes (EBIT)	121.6	146.3	-16.8
Earnings before taxes (EBT)	76.7	123.2	-37.7

Growth in Germany: The encouraging business performance in the German home market resulted in the expansion of the already dense network of rental offices, from 517 offices in 2007 to 526 in 2008. On the basis of the BAV's market calculations, Sixt had a market share of around 30% in 2008, as against 29% in the previous year. Sixt has thus further consolidated its position as the unchallenged market leader. At some German airports, it had a market share of more than 40%.

Growth abroad: The rental business in Corporate countries where Sixt is represented by its own network of offices and its own vehicle fleet recorded positive growth throughout 2008. With rental offices in Germany, Belgium, France, Luxembourg, the UK, the Netherlands, Austria, Switzerland and Spain, Sixt covers over 70% of the European rental market. Overall, the Business Unit's revenue generated abroad was, in some cases, significantly above the previous year. For example, Sixt recorded revenue growth of approximately 27% in France and as much as approximately 77% in Spain. In total, the number of Sixt corporate rental offices outside Germany grew to 509 in 2008 (2007: 426 offices).

Sixt also expanded its presence in other regions of the world in the reporting period. This growth was achieved with the proven route of partnering with strong franchisees. For example, new agreements were signed with franchisees in Kosovo, Kuwait, New Caledonia, Sudan, South Africa and Syria. In the Republic of Ireland and Northern Ireland, Sixt will launch its operation with franchise partners in the first half of 2009. In several countries, franchisees increased their market share in 2008, in some cases significantly: in Norway, for example, the number of rental offices tripled, and market share rose to 20%. In Poland, the number of rental offices grew by a quarter, pushing Sixt's market share to 20% as well. An important growth driver was the roll-out of Sixt's state-of-the-art software to all European franchisees. This software makes vehicle booking straightforward, quick and easy for customers. In 2008, the number of rental offices operated by Sixt franchisees rose worldwide to 844 (2007: 741 offices).

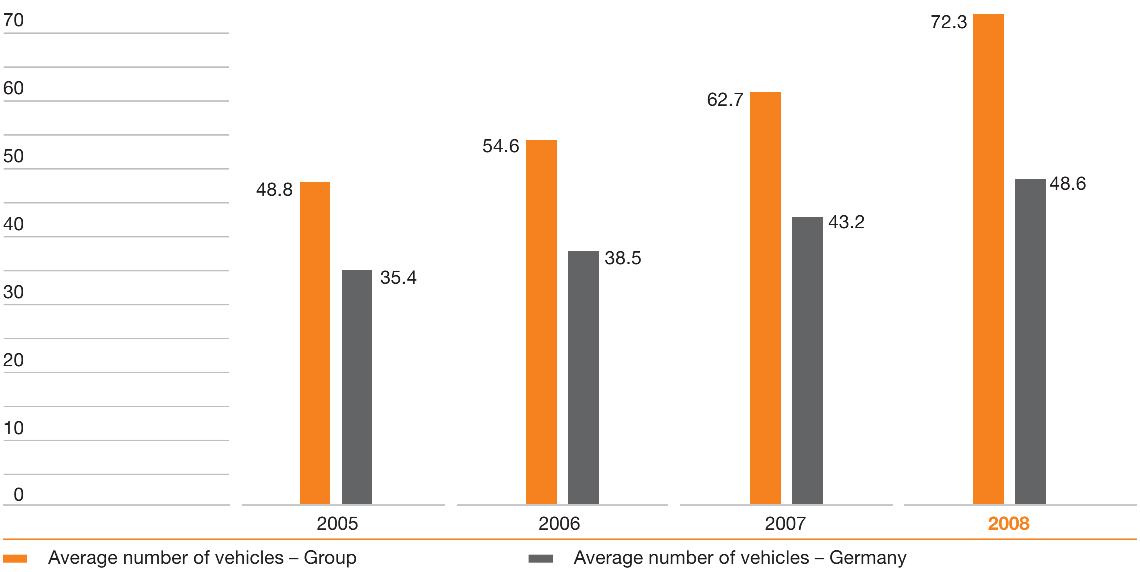
As at the end of 2008, Sixt had 1,879 rental offices (including franchisees) in over 90 countries,195 more than at the end of 2007 (1,684 offices).

Expansion of the rental fleet: In response to increasing demand and the resulting growth in business operations, Sixt added more vehicles to its own rental fleet in 2008 than in 2007. In the Corporate countries, the size of the fleet grew to an average of 72,300 vehicles in 2008, compared with 62,700 vehicles in the previous year (+15.3%). 48,600 vehicles were attributable to Germany (2007: 43,200; +12.5%). In the other Corporate countries, the rental fleet comprised an average of 23,700 vehicles (2007: 19,500; +21.5%)

If the Sixt vehicles in franchise countries are included, Sixt's global rental fleet totalled 124,500 vehicles in 2008, 22% more than in 2007 (102,000 vehicles).

Rental fleet development

in thousands of vehicles



Further enhancement of the sales organisation: In 2008, the existing cooperation with many corporate customers was intensified by the provision of tailored mobility solutions. A number of new customers were also won, including high-profile international corporations, as well as middle-market companies and private travellers. The successful sales efforts reflect the continuous enhancement of Sixt's sales organisation. Activities in 2008 focused in particular on synchronising the sales activities of franchisees and Corporate countries with the Group's corporate centre. The aim is to give customers around the world a uniformly high standard of quality and support from a single source. Another focus was the roll-out of the successful German sales organisation to other Corporate countries. In this context, for example, an effective key account management system and a specialised sales function for new customers were established in important foreign markets.

Sixt Vehicle Rental received several awards in 2008 for its high level of customer orientation and high-quality mobility solutions. For example, Sixt again won the prestigious “Business Traveller Award” as Europe's best car rental company.

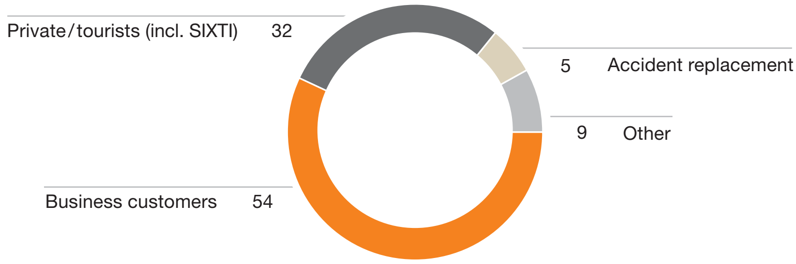
Growing business with private customers: The Sixt Holiday Cars offering is aimed at private customers requiring a cost-effective and convenient all-inclusive package for their holidays. In 2008, Sixt Holiday Cars could be booked at around 3,500 service points in more than 90 countries, including in all attractive holiday regions in Europe, Asia and South America. Demand for holiday rental cars was particularly high throughout the Mediterranean, especially in Spain. The development of Sixt's cooperation with partner travel agents was also encouraging.

Sixt aims its European SIXTI low-cost offering at private customers wishing to book extremely cost-effective rental cars on the Internet and willing to accept fixed rental and return conditions. At the end of 2008, SIXTI vehicles were available at 92 rental offices in nine European countries. In early summer 2008, Sixt launched the SIXTI Car Club in Berlin, which combines the low-cost concept with an innovative mobility offering similar to car sharing, and is tailored specifically to the mobility requirements of young, price-conscious city dwellers.

Truck rentals: The rental fleet in Sixt Corporate countries also includes trucks and vans in the 2.8 to 12 tonne range. The offering is frequently used by corporate customers and allows them to supplement capacity during times of peak demand. Private customers also make increasing use of Sixt's truck fleet to get the necessary transport capacity for moving home, for example. In 2008 the number of Sixt trucks throughout Europe grew to 6,100, up from 5,800 vehicles in the previous year. This segment's revenue rose by 2.5% compared with 2007.

Vehicle rental revenue in 2008 – breakdown by customer group

in %



6.2 Leasing Business Unit

6.2.1 Sector developments

The market for leasing services continues to present a varied picture in Europe, with differences from country to country. European industry association Leaseurope estimated the volume of new business in Europe to be around EUR 340 billion in 2007, an increase of 14% year-on-year. Data for 2008 was not available at the time of preparing this report.

The previous years' upward trend continued at a weaker pace in 2008 in the German leasing market, the second largest in Europe. Industry association BDL estimated growth of 3.3% in equipment leasing, with new business amounting to EUR 51.5 billion.

In relation to passenger vehicles, the number of new contracts rose by 7.9%, while the acquisition values of the items concerned grew by 6.9%. For the fourth quarter, however, the figures look significantly weaker (number of contracts down 3.1%, acquisition values up 0.3% compared with the prior-year quarter). The main reason for the deterioration in the course of the year was the turbulence on the financial markets. The financial crisis not only had an negative impact on demand for leasing products, it also made refinancing more difficult and more expensive for many leasing companies. In addition, the sales crisis in the vehicle sector lead to the reassessment of residual value risks. Some of the resulting additional costs are passed on to customers in the form of higher prices.

Overall, leasing has retained its strong economic significance: According to the BDL, around two thirds of all companies in Germany implemented a large proportion of their investments through this form of financing in 2008.

In the vehicle sector, the Company believes full-service leasing in particular harbours great market potential. A study, published in 2008, from research institute TNS Infratest and commissioned by the BDL confirmed this trend: In a survey of 1,100 companies, a good half of all leasing customers were prepared to pay an appropriate price for compelling service in the area of fleet management. Professional advice and support enable customers to precisely 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):
Press release dated 25 November 2008
Trend report Q4 2008, circular dated 3 February 2009

6.2.2 Developments in the Leasing Business Unit

Sixt is one of Germany's leading vendor-neutral, non-bank full service leasing providers. In addition to vehicle financing, its offering comprises a broad range of fleet management services. Companies in particular, but increasingly private individuals as well, use this offering to achieve cost and service benefits. The Business Unit's development was mixed in 2008: although segment revenue in Germany and abroad was up significantly compared with the previous year, earnings were weighed down by factors such as the impact of the financial market crisis.

The number of leasing contracts was 65,100 in 2008, similar to the level reached in the previous year (2007: 65,500). If the leasing contracts of Sixt's international franchisees are included, the total number of contracts was 136,000, compared with 129,000 in the previous year, an increase of 5.4%.

The Business Unit's leasing revenue increased by a total of 12.3% in 2008 to EUR 419.8 million (2007: EUR 373.7 million). In Germany, leasing revenue rose to EUR 375.8 million, thus exceeding the previous year's revenue of EUR 339.4 million by 10.7%. This rate of growth was significantly higher than the annual average in the German equipment leasing sector as determined by industry association BDL (+3.3%). The Business Unit's leasing revenue generated abroad increased by 28.3% to EUR 44.0 million, as against EUR 34.3 million in 2007.
The sale of used leasing vehicles, which can be subject to significant volume fluctuations, generated revenue of EUR 242.0 million for the Business Unit. This was 31.7% more than in the previous year (EUR 183.7 million).
Including the sales revenue, total segment revenue amounted to EUR 661.8 million in 2008, exceeding the prior-year figure of EUR 557.4 million by 18.7%.

Segment earnings before taxes (EBT) was EUR 0.2 million in 2008, significantly lower than in the previous year (EUR 11.9 million). The main factors driving this decline were higher financing costs in the wake of the financial market crisis, especially in the fourth quarter, and the further deterioration in the used vehicle market. In addition, there was an increase in operating costs, such as costs of more detailed credit checks or additional expenses for advertising and marketing campaigns.

Key figures for the Leasing Business Unit			Change
in EUR million	2008	2007	in %
Leasing revenue	419.8	373.7	+12.3
thereof abroad	44.0	34.3	+28.3
Sales revenue	242.0	183.7	+31.7
Total revenue	661.8	557.4	+18.7
Earnings before net finance costs and taxes (EBIT)	38.3	34.9	+9.4
Earnings before taxes (EBT)	0.2	11.9	- 98.7

Sales organisation enhanced: Sixt is the only mobility services provider in the world that can offer its customers tailored fleet solutions from a single source containing both rental and leasing components in equal measure. Integrated sales management is a key factor in this regard, because it helps to ensure that customers receive a solution tailored to their needs from Sixt's broad range of products and services. Given the international business activities of many companies and continuing cost pressure, integrated yet cost-effective mobility concepts are becoming increasingly important.

In 2008, Sixt strengthened its focus on the integration of rental and leasing sales. This practice, known as cross-selling, is aimed at intensifying relations with corporate customers. To this end, selected leasing consultants were assigned to vehicle rental sales, for example. Cross-selling also became an increasing feature of international sales. As a result, a number of companies that had previously only used Sixt's rental solutions were won over by the cost and quality benefits of an integrated offering, including full service leasing.

Innovations: True to its image as the industry's innovation leader, Sixt launched a number of novel leasing products in 2008. For example, it expanded the Internet-based “LeasingCenter” and “FleetControl” fleet management systems. These systems now allow fleet managers to document the carbon dioxide (CO_2) emissions of the vehicle fleet, for example, and reduce the emissions by implementing an innovative incentive system. For the companies, a reduction in harmful emissions can lead to significant tax savings.

In addition, Sixt Leasing launched a new website. Through its state-of-the-art web technology, private and corporate customers can find out about all the leasing services, use tools such as the vehicle configurator, receive a summary of the best offerings, or contact a Sixt leasing consultant.

Internationalisation: The expansion of the international customer base in the leasing business has a high priority for Sixt. Sixt Leasing has its own national organisations in Germany, Austria, Switzerland and France. Leasing is offered through franchise partners in another 40 countries. In 2008, Sixt offered leasing services for the first time in the Bulgarian, Kuwaiti, Panamanian, Syrian and Turkish markets.

Private leasing: At Sixt, private customers, too, can benefit from the advantages leasing offers over buying a vehicle. This is due on the one hand to the favourable terms, which are often considerably more attractive than buying a vehicle with bank loans or private finance. On the other, Sixt customers enjoy comprehensive support during the lease term as well as a fair and transparent return process. Encouraging news in 2008 was the award Sixt received as a cost-effective private leasing provider from the German consumer association “Stiftung Warentest”. Sixt was ranked among the best in a number of different financing arrangements that were tested.

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, net assets and financial position

1. General

The consolidated financial statements of Sixt Aktiengesellschaft for the year ended 31 December 2008 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 2008, the Sixt Group continued on its growth path of many years, in spite of the increasingly difficult economic conditions. Consolidated operating revenue rose by 10.6% to EUR 1.53 billion, although economic factors caused growth to slow considerably in the fourth quarter. In both business units, Sixt again expanded faster than the industry average. Earnings were negatively impacted by a significant rise in operating costs, especially fleet costs, and higher net finance costs. Consolidated profit before taxes (EBT) of EUR 86.7 million was lower than the previous year's figure of EUR 137.7 million. In line with the earnings-driven dividend policy, a dividend aligned with earnings of EUR 0.80 per ordinary share and EUR 0.82 per preference share (2008: EUR 1.18 per ordinary share, EUR 1.20 per preference share) is proposed to the Annual General Meeting on 30 June 2009.

3. Revenue development

3.1 Developments in the Group

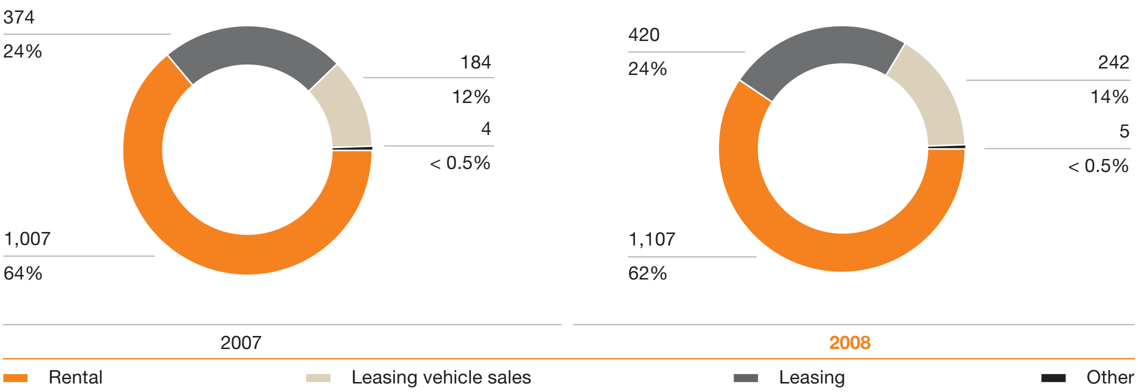
Total consolidated revenue amounted to EUR 1.77 billion in 2008, 13.1% or EUR 205.1 million more than the EUR 1.57 billion reported in 2007.

Consolidated operating revenue from rental and leasing business (excluding revenue from the sale of used leasing vehicles) rose by 10.6% or EUR 146.1 million to EUR 1.53 billion (2007: EUR 1.38 billion). This means that the target of achieving another increase in revenue, which was communicated at the beginning of the year under review, was achieved with a comfortable margin.

In both vehicle rental and leasing, revenue growth outpaced the respective industry average. In 2008, Sixt again benefited from the accelerated sales activities in Germany, and above all abroad, in previous years and from the resulting increase in its customer base. However, the rate of revenue growth slowed as the year progressed in response to the increasing deterioration of macroeconomic conditions. This applies in particular to the fourth quarter, during which consolidated operating revenue advanced by 6.1% year-on-year, compared with growth of 12.1% in the first nine months.

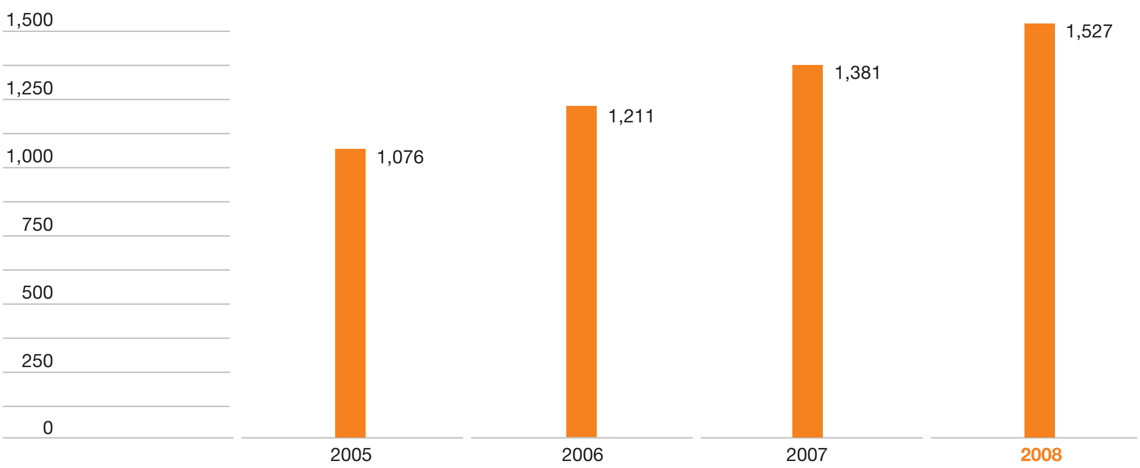
Breakdown of consolidated revenue

in EUR million



Consolidated operating revenue

in EUR million



3.2 Revenue breakdown by region

Consolidated revenue generated in Germany amounted to EUR 1.42 billion in 2008, EUR 157.3 million or 12.4%, more than in 2007 (EUR 1.27 billion). At EUR 96.1 million, most of this increase was attributable to the Leasing Business Unit, and in particular to revenue from vehicle sales (EUR 59.7 million).

Foreign revenue grew by EUR 47.7 million, or 15.8%, from EUR 301.8 million in 2007 to EUR 349.5 million in 2008.

Germany therefore accounted for 80.3% of consolidated revenue (2007: 80.8%), while 19.7% was generated in other European countries (2007: 19.2%).

In relation to consolidated operating revenue, the revenue generated abroad increased by 16.9% to EUR 339.6 million (2007: EUR 290.5 million). The international share of consolidated operating revenue thus rose from 21.0% to 22.2%.

4. Earnings development

Consolidated income statement (condensed) in EUR million	2008	2007	Absolute change	Change in %
Consolidated revenue	1,773.9	1,568.8	+205.1	+13.1
thereof consolidated operating revenue[1]	1,526.9	1,380.8	+146.1	+10.6
Fleet expenses and cost of lease assets	746.4	626.3	+120.1	+19.2
Personnel expenses	129.4	110.3	+19.1	+17.3
Depreciation and amortisation expense	416.9	333.4	+83.5	+25.0
Net other operating income/expense	-326.3	-321.1	-5.2	-1.6
Earnings before net finance costs and taxes (EBIT)	154.9	177.7	-22.8	-12.8
Net finance costs	-68.2	-40.0	-28.2	-70.3
Profit before taxes (EBT)	86.7	137.7	-51.0	-37.0
Income tax expense	25.3	44.1	-18.8	-42.7
Consolidated profit for the period	61.4	93.6	-32.2	-34.3
Earnings per ordinary share[2] (EUR)	2.43	3.73	-1.30	-34.8

1 Not including proceeds from the sale of used leasing vehicles
2 Basic, 2008 on the basis of 25.1 million shares (weighted), 2007 on the basis of 25.0 million shares (weighted)

Other operating income amounted to EUR 22.5 million, down 7.7% on the previous year's figure (EUR 35.0 million). It should be noted in this context that the prior-year figure had been impacted to a significant extent by income from the reversal of provisions and the sale of properties no longer needed for operations.

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 maintenance, repairs)

» Expenses for the sale of leasing vehicles (residual carrying amounts of vehicles as well as sales-related costs of vehicle preparation).

Fleet expenses and cost of lease assets rose by 19.2%, and thus faster than revenue, from EUR 626.3 million to EUR 746.4 million. The increase is due to another expansion of operating business, general price increases (e.g. for repairs, fuel, transport, or vehicle preparation) and the rise in revenue from the sale of used leasing vehicles, which led to higher expenses from the disposal of residual values.

Personnel expenses climbed by 17.3% to EUR 129.4 million (2007: EUR 110.3 million). The rise is due to the significant expansion in 2008 of the Group's workforce to deal with the growth in operations.

The total depreciation and amortisation expense rose by 25.0%, from EUR 333.4 million in 2007 to EUR 416.9 million in 2008. The increase is due to both a significant rise in the depreciation of rental assets (+EUR 51.5 million) and the higher depreciation of lease assets (+EUR 31.5 million). In 2008, more vehicles were capitalised on average than in 2007.

Other operating expenses declined by 2.0% to EUR 348.9 million (2007: EUR 356.1 million). This was attributable primarily to lower leasing expenses for refinancing the fleet, more of which was financed through loans in the financial year. However, expenses such as commission and other selling expenses related to the expansion of operating business rose further.

For 2008, the Sixt Group's earnings before net finance costs and taxes (EBIT) were EUR 154.9 million – 12.8% lower then the previous year's figure of EUR 177.7 million. This figure was impacted by the sharp rise in costs for the enlarged rental fleet. This applies in particular to the fourth quarter, when the pace of revenue growth began to slow compared with the first nine months.
As a result, the EBIT margin – in relation to consolidated operating revenue – declined to 10.1% from the previous year's 12.9%.

Net finance costs rose to EUR -68.2 million, a significant increase over the EUR -40.0 million incurred in 2007. This is primarily due on the one hand to an increase in interest expenses on bank liabilities to refinance the rental and leasing fleet. In this context, the worsening crisis on the international financial markets led to a rise in financing costs in the year under review, especially in the fourth quarter. On the other, net finance costs include net gains or losses on derivative financial instruments used to hedge interest rates. The previous year's gain of EUR 6.3 million turned into a loss of EUR 0.4 million in 2008. The net interest expense included in net finance costs amounted to EUR 69.7 million after EUR 47.8 million in the previous year. Net interest expense includes the annual expenses of EUR 9.1 million for the profit participation capital issued in October 2004.

EBT amounted to EUR 86.7 million, down 37.0% on the previous year's figure of EUR 137.7 million, thus falling short of the last EBT forecast of around EUR 100 million. This was primarily due to the slower growth in demand in the fourth quarter compared with the first nine months. The downsizing of the rental fleet, which has started, can only be achieved with a time lag, so that the last quarter was weighed down by disproportionately high fleet costs. The contribution of foreign business to the Group's EBT amounted to EUR 17.7 million (2007: EUR 31.3 million).

The EBT margin – in relation to consolidated operating revenue – declined from 10.0% to 5.7%.

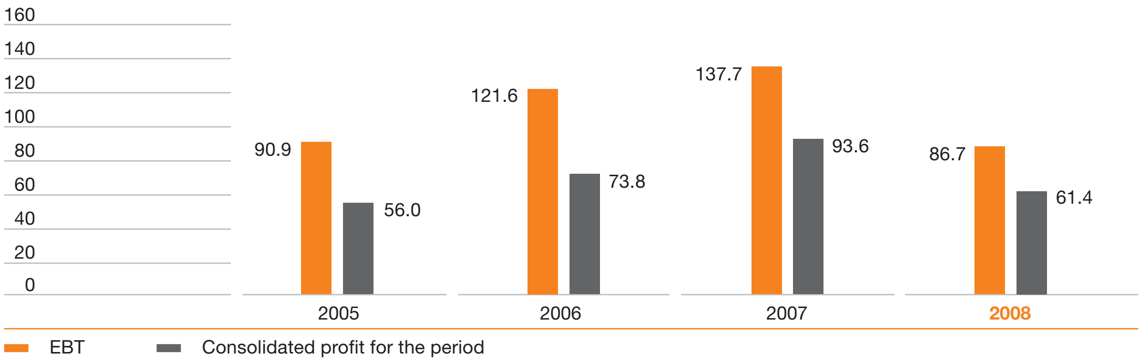
Taxes on income totalled EUR 25.3 million (2007: EUR 44.1 million); this figure includes deferred taxes of EUR 3.2 million (2007: EUR 5.7 million). The tax rate (calculated on the basis of EBT) was 29.2% (2007: 32.0%).

Consolidated profit for 2008 amounted to EUR 61.4 million in 2008, a decline of 34.3% on the EUR 93.6 million generated in the prior-year period. Since minority interests are marginal, as in the previous year, their effect on consolidated profit after taxes and minority interests, which amounted to EUR 61.5 million, was insignificant (2007: EUR 93.5 million).

Earnings per share (basic) for 2008 amounted to EUR 2.43 per ordinary share (2007: EUR 3.73) and to EUR 2.48 per preference share (2007: EUR 3.77). On a diluted basis, i.e. after adjustment for existing conversion rights for preference shares, earnings per share amounted to EUR 2.43 per ordinary share (2007: EUR 3.73) and EUR 2.42 per preference share (2007: EUR 3.62).

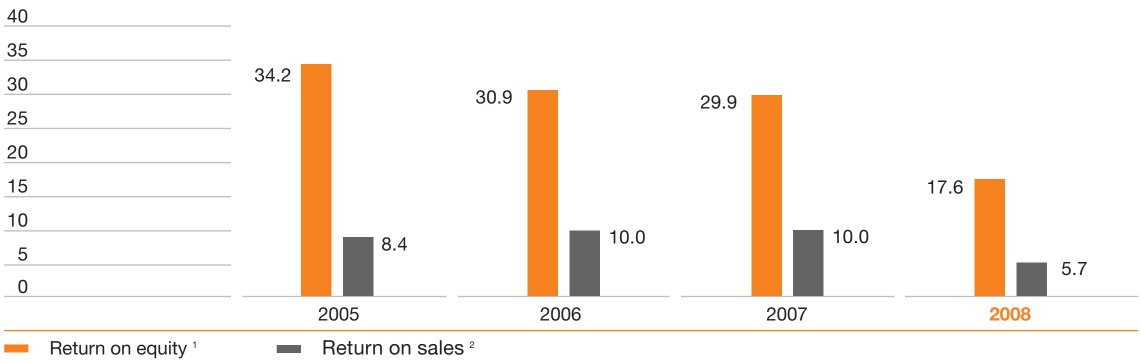
Earnings performance – Sixt Group

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 23.7 million for 2008, following EUR 42.2 million in 2007.
We propose that the Annual General Meeting on 30 June 2009 appropriate these unappropriated profits as follows:

- Payment of a dividend of EUR 0.80 per ordinary share (total dividend: EUR 13.2 million),
- Payment of a dividend of EUR 0.82 per preference share (total dividend: EUR 7.2 million),
- Allocation of EUR 3.3 million to revenue reserves.

The dividend proposal, which – if approved by the Annual General Meeting – would lead to a total dividend payment of EUR 20.4 million (2007: EUR 29.7 million), reflects the decline in earnings in the year under review and the significant deterioration in economic conditions for the Group. This results in a dividend payout rate of 33% (2007: 32%) based on the consolidated profit after minority interests.

6. Net assets

At EUR 2.47 billion, the Sixt Group's total assets as at the balance sheet date of 31 December 2008 were EUR 422.3 million or 20.6% above the figure at the end of the previous year (EUR 2.05 billion). The increase in total assets is primarily due to the expansion of the rental and leasing fleets in response to further growth in operations in the year under review. Another factor is the increasing use of on-balance-sheet financing for vehicles.

On the asset side of the balance sheet, non-current assets amounted to EUR 1,000.5 million, EUR 160.9 million or 19.2% more than on 31 December 2007 (EUR 839.6 million). Lease assets are by far the largest single item under non-current assets; they rose by EUR 152.4 million or 20.3% to EUR 902.4 million (31 December 2007: EUR 750.0 million). There were no significant changes between the two reporting dates in the other items under non-current assets. Lease assets rose by 1 percentage point to 90.2% as a proportion of total non-current assets; lease assets remained unchanged at 36.5% of total assets.

Current assets increased by 21.7% or EUR 261.4 million, from EUR 1,207.4 million to EUR 1,468.8 million. An amount of EUR 1,057.6 million was reported for rental vehicles, 15.5% or EUR 141.7 million more than at the end of 2007 (EUR 915.8 million). The increase is in line with the expected expansion of the rental business. Rental assets accounted for 42.8% of total assets (31 December 2007: 44.7%).

The increase in inventories (primarily vehicles intended for sale) by EUR 36.1 million to EUR 48.1 million is due to reporting date effects and higher removals from the rental fleet. Trade receivables rose by EUR 76.4 million to EUR 261.2 million, because of reporting date effects and the expansion of business volume.

Other receivables and assets (excluding income tax receivables), which rose by EUR 3.3 million to EUR 65.0 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 23.4 million as at 31 December 2008, a decline of EUR 3.3 million on the prior-year figure of EUR 26.7 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 2008, the advertising budget amounted to around 2% of operating revenue (2007: 2%).

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.

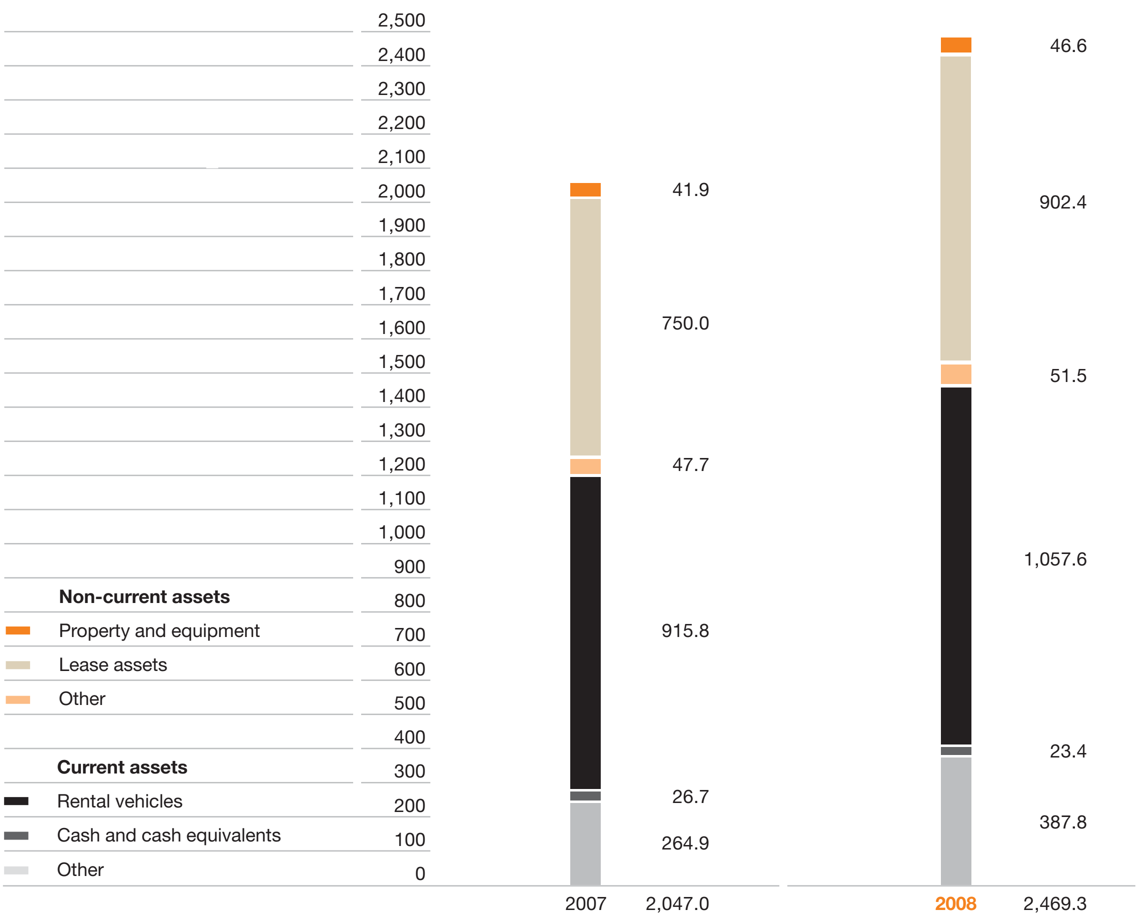
In addition to credit lines granted by banks, a commercial paper programme and borrower's note loans, Sixt has a variety of capital market instruments available to it for financing business operations. A borrower's note loan with a volume of EUR 86 million and a maturity of 5 years was successfully placed in the market in 2008.

As at 31 December 2008, 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.

Group balance sheet (condensed) – assets

in EUR million



» borrower's note loans totalling EUR 429 million maturing between 2009 and 2014 and bearing fixed and variable market rates of interest
» credit lines with a number of reputable banks in Germany and abroad.

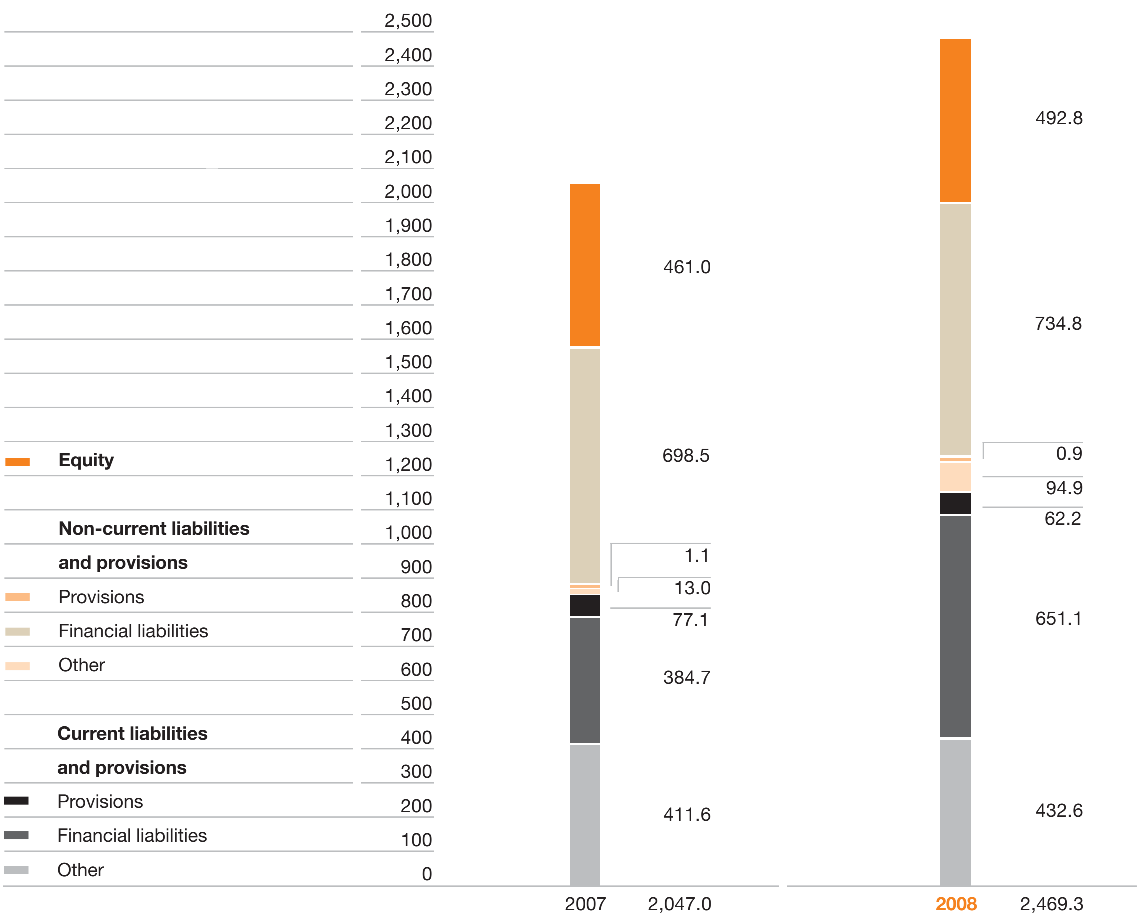
To finance the fleet, the Group also uses leases with external leasing providers, some of which are not vendor-neutral. As in previous years, it additionally used two off-balance sheet structured leasing programmes with a total volume of around EUR 400 million as revolving finance facilities for rental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

7.2 Equity

The Group's equity amounted to EUR 492.8 million as at the end of 2008, 6.9% or EUR 31.8 million more than at the previous balance sheet date (EUR 461.0 million). The consolidated profit for 2008 was offset by the reduction in equity caused by the dividend payment of EUR 29.7 million in the year under review.

Group balance sheet (condensed) – equity and liabilities

in EUR million



In the second quarter of the year under review, 175,800 new preference shares were issued by converting convertible bonds granted to employees. This increased Sixt Aktiengesellschaft's subscribed capital to EUR 64.6 million as at 31 December 2008 (31 December 2007: EUR 64.1 million).

The EUR 4.5 million increase in capital reserves to EUR 197.3 million resulted from the premium on the issue of the new preference shares and from the employee equity participation programme. The profit for the year also drove up other reserves by EUR 26.9 million to EUR 230.9 million.

In spite of strong operating growth, the Sixt Group's equity ratio of 20.0% as at the end of 2008 was satisfactory (31 December 2007: 22.5%) and still significantly higher than the average in the German rental and leasing industry.

7.3 Liabilities

Non-current liabilities and provisions rose by EUR 118.0 million to EUR 830.6 million at the end of 2008 (31 December 2007: EUR 712.6 million). Financial liabilities continue to be the key item; they amounted to EUR 734.8 million, a year-on-year increase of EUR 36.3 million (31 December 2007: EUR 698.5 million). They include the 2005/2010 bond and half of the profit participation capital issued in 2004. As at the balance sheet date, this item also comprised borrower's note loans and bank liabilities with terms to maturity of more than one year in the amount of EUR 459.2 million (31 December 2007: EUR 373.9 million). Non-current other liabilities rose from EUR 1.1 million to EUR 74.5 million, because lease purchase loans classified as finance leases were taken out to refinance lease assets with matched maturities.

Current liabilities and provisions increased by EUR 272.5 million, from EUR 873.4 million at the end of 2007 to EUR 1,145.9 million as at the 2008 balance sheet date. The rise is mainly due to the EUR 266.4 million increase in financial liabilities to EUR 651.1 million, resulting from the greater use of credit lines from banks to finance the expanded fleet.

Trade payables amounted to EUR 331.0 million as at 31 December 2008, EUR 13.5 more than at the previous year's balance sheet date. The increase is primarily attributable to reporting date effects and the expansion of the operating business. Current other liabilities were up EUR 7.5 million to EUR 101.6 million, mainly driven by an increase in tax liabilities.

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 2008, the Sixt Group reported cash flows before changes in working capital of EUR 477.4 million, EUR 52.4 million above the figure for the preceding year (EUR 425.0 million). Adding in working capital results in a net cash inflow of EUR 25.8 million (2007: net cash outflow of EUR 6.2 million). Net cash used in investing activities amounted to EUR 301.6 million (2007: net cash used in investing activities of EUR 323.4 million), since the investments in lease fleet assets exceeded the proceeds from the disposal of used leasing vehicles.

Financing activities generated cash inflows of EUR 273.0 million; this was primarily attributable to the greater use of short-term loans to finance the expansion of the fleet (2007: cash generated by financing activities of EUR 337.5 million).

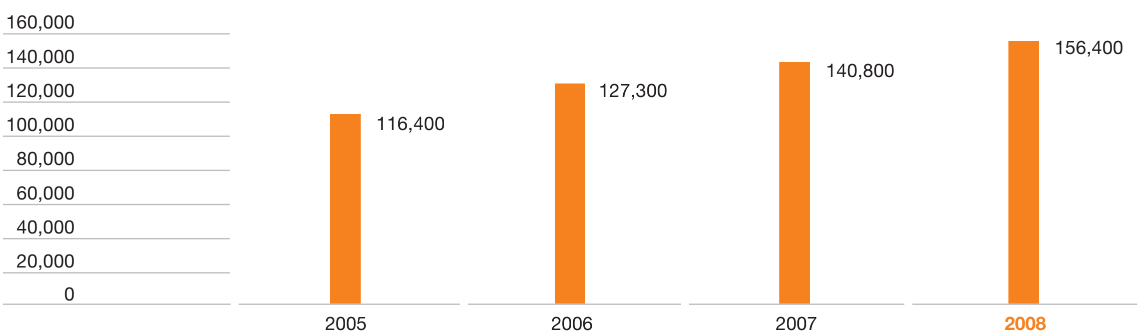
After changes of EUR -0.5 million (2007: EUR -0.3 million) relating to exchange rates, total cash flows resulted in a small decrease in cash and cash equivalents as at 31 December 2008 of EUR 3.3 million, compared with an increase of EUR 7.6 million as at the 2007 reporting date.

9. Investments

In 2008, Sixt expanded the rental and leasing fleets in response to further sharp rises in demand for long periods of the year under review. In all, about 156,400 vehicles were added, compared with about 140,800 vehicles in 2007. This represents growth of around 11%. The vehicles added to the fleets were worth just under EUR 3.6 billion in total (2007: around EUR 3.2 billion) – a record in the Company's history.
The average value per rental car was EUR 23.100, slightly more than the previous year's figure of EUR 23,000.

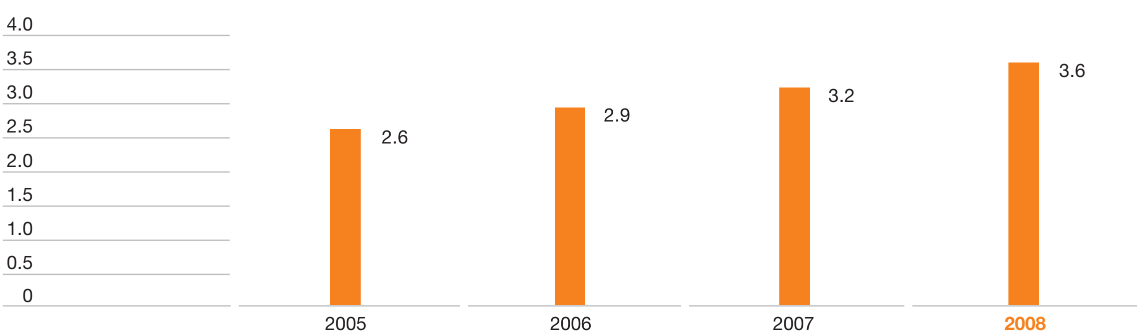
Vehicles added to the rental and leasing fleets

Number of vehicles



Vehicles added to the rental and leasing fleets

Value of vehicles in EUR billion

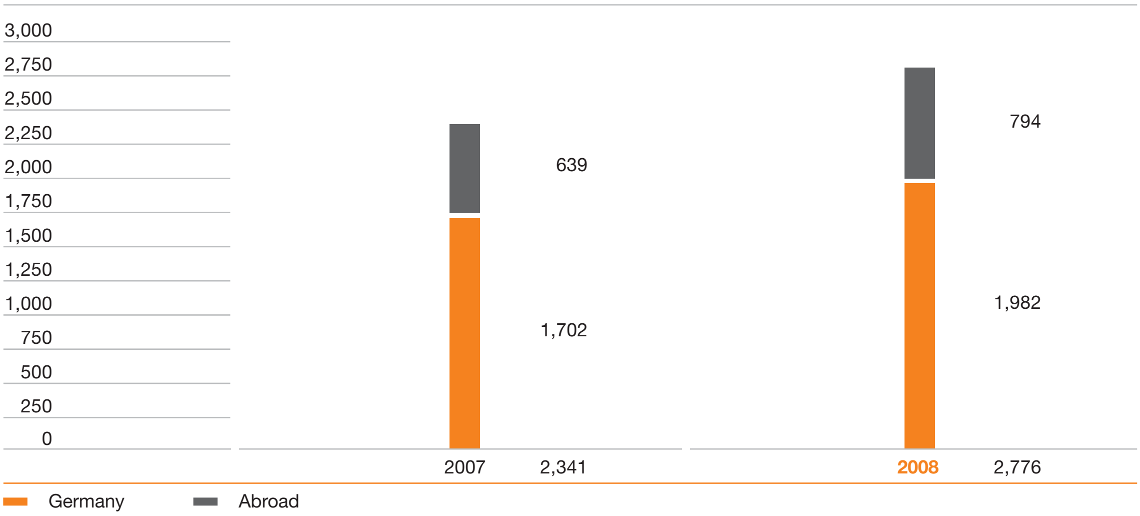


10. Human resources report

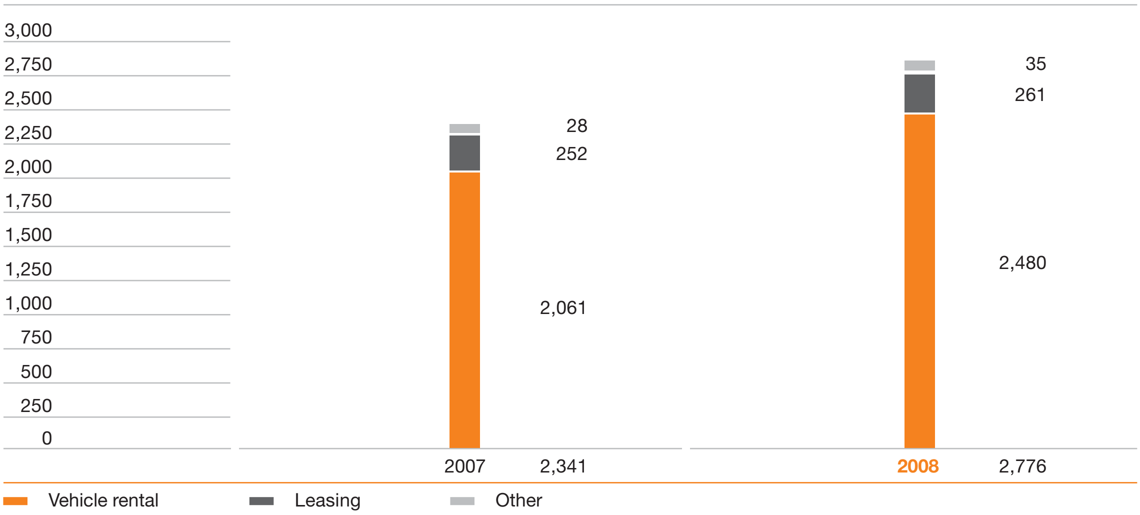
Customer orientation and service responsiveness are key success factors for the Sixt Group, which is why Sixt attaches strategic importance to human resources activities and in particular to recruiting its own junior managers.

Sixt's strong business performance in 2008 led to a further rise in headcount. The Group employed 2,776 people on average, an increase of 18.6% over the average 2007 headcount of 2,341. Of these, 1,982 staff members were employed at the corporate centre in Pullach and at Sixt branches in Germany (2007: 1,702; +16.5%). An average of 794 people were employed abroad (2007: 639; +24.3%). The headcount increased in particular in Spain, Switzerland and in the Netherlands.

Number of employees by region (average)



Number of employees by business unit (average)



The Vehicle Rental Business Unit employed an average of 2,480 people in total in 2008, 20.3% more than in the previous year (2,061). The increase is primarily attributable to the expansion of the rental office network. In the Leasing Business Unit, the number of employees rose by 3.6% to 261 (2007: 252). An average of 35 people were employed in the Other segment (2007: 28).

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. Thereafter, this stock option programme was replaced by the “Matching Stock Programme” employee equity participation 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. On the basis of a resolution passed by the Annual General Meeting on 19 June 2008, the members of the Supervisory Board receive fixed remuneration of EUR 50,000 in each financial year. The Chairman receives twice this amount. If the office of member and/or Chairman of the Supervisory Board is not held for a full financial year, the above remuneration is paid pro rata for the time the individual is a member of the Supervisory Board or holds the office of Chairman. The remuneration is payable after the end of each financial year. In addition, the members of the Supervisory Board are reimbursed for their expenses and the value added tax payable on their remuneration and expenses.

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 of Sixt Aktiengesellschaft” 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 2008, the share capital of Sixt Aktiengesellschaft amounted to EUR 64,576,896 in total and was composed of 16,472,199 ordinary bearer shares and one ordinary registered share, as well as 8,753,150 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. As at 31 December 2008, the ordinary shares therefore accounted for a total of EUR 42.2 million of the share capital, and the preference shares for a total of EUR 22.4 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 December 31, 2008, Erich Sixt Vermögensverwaltung GmbH, in which all shares are held by the Sixt family, 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 2008.

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.

The Annual General Meeting on 19 June 2008 resolved to authorise the Managing Board, in accordance with section 71 (1) no. 8 of the AktG, to purchase ordinary bearer and/or preference bearer shares representing up to 10% of the Company's share capital in existence at the date of granting the authorisation.

The authorisation may be exercised in full or in part, on one or more occasions, by Sixt Aktiengesellschaft or its dependent or majority investees. In addition, the authorisation may also be exercised by third parties acting for the Company or for the account of its dependent or majority investees. When purchasing shares on the stock exchange, the Company may also use derivatives, if the restrictions on this authorisation are complied with.

The authorisation may be exercised for any purpose permitted by law. Acquisitions 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. 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 2008, Sixt Aktiengesellschaft's share capital was 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). The contingent capital increase will only be implemented to the extent necessary to settle 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. The Company has not issued any financial instruments with conversion or option rights or conversion obligations under the above authorisation, so that no conversion or option rights or conversion obligations exist.

Furthermore, as at 31 December 2008, the Company's share capital was contingently increased by up to EUR 1,627,264, composed of up to 635,650 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 III). 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 explained 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 8,753,150 preference shares as at 31 December 2008; this corresponds to approximately 34.7% 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 article 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.

As at the balance sheet date of 31 December 2008, Sixt Aktiengesellschaft had two different sets of contingent capital, which are designed to settle 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 ran 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. Efficient tools ensure 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. The system is regularly fine-tuned. 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 and – because of the geographical focus of their activities – in Germany, 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, as experienced in the course of 2008, could therefore adversely affect 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 also a factor. The trend towards large, mostly international providers, which has been noticeable for years, is continuing. Intense 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.

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 when the vehicles are sold back. Even though the situation in the automotive industry deteriorated sharply in 2008 as a result of the economic downturn and the international financial crisis, and this development is expected to continue, Sixt has secured the supply of popular vehicle models for 2009 on the basis of firm supply contracts. Poor sales in the used vehicle markets may, however, affect repurchase terms and conditions in some cases.

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 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. Because of the onset of the sales crisis in the automotive industry, the situation in the used vehicle market took another turn for the worse in 2008, after the market had been stagnating at a low level in previous years. For this reason there are currently only very limited opportunities for additional revenues from vehicle sales in excess of the repurchase prices agreed with the suppliers. In view of the strained motor trade markets as a result of the current sales crisis in the automotive industry, there is an increased risk that contractual partners, in particular dealers, may not be able to meet their repurchase commitments.

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. This is especially important during times of great economic uncertainty, when demand for mobility services is even more difficult to predict.

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, 95% of all rental vehicles added to the fleet in 2008 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 to a large extent independent of the situation on the used-car market.

Sixt regularly assesses the creditworthiness of its contractual partners according to strict standards. This is especially important during times of strained motor trade markets so that the risk that contractual partners, and in particular dealers, may not be able to fulfil their repurchase commitments can be detected in a timely manner. 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 repeatedly 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 2008, the calculated residual values of around 90% 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 for new business with the majority of its large customers. In cases where interest escalation clauses are not used, it sometimes guards against the risks by refinancing assets at matching maturities.
The turbulence in the international financial markets led to a significant tightening of financing terms and conditions for Sixt in 2008, as the financing banks passed on their higher funding costs to borrowers. Sixt responded to these additional costs by adjusting the terms and conditions for a portion of its new leasing business.

The difficult market situation in many sectors of industry has increased the probability that leasing customers may default. 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 can be limited using derivative financial instruments, among other things.
In specific cases, interest rate caps and interest rate swaps can be used for hedging purposes. 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. Due to the renewed turbulence in the financial services industry in the second half of 2008, it is currently uncertain to what extent and in what form some of the banks will be able to fulfil their economic financing function in future. Sixt continues to have a robust financing structure, which provides sufficient scope for financing. For this reason, the Managing Board does not expect the ongoing market turbulence to have a material impact on the Group's financing options. A positive factor in this context is that the residual values of the vast majority of the vehicles in the rental and leasing fleets are secured by buy-back agreements with manufacturers and dealers, which significantly increases the security of the banks financing Sixt.

However, since banks must currently accept increased risk premiums in their own refinancing, these premiums are expected to be passed on to borrowers. This may further increase financing costs for the Sixt Group.

The Group only utilised a portion of its credit lines in the year under review. Sixt has a broad financing mix, comprising the profit participation capital, various tranches of borrower's note loans, a bond maturing in 2010 and a strong equity base. 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 expected developments

1. Economic environment

According to estimates of the International Monetary Fund (IMF) published at the end of January 2009, global economic growth is expected to slow to 0.5% year-on-year in 2009. As a result, the USA and some eurozone countries will meet the criteria for a recession, while economic growth will slow in emerging economies such as Brazil or China.
For the euro zone, the IMF anticipates economic output to decline by 2.0%. The German government predicts that in 2009, the German economy will experience the most severe recession in the history of the Federal Republic. Gross domestic product is forecast to contract by 2.25%. One reason for this decline is the high proportion of exports by the German economy and the resulting dependence on demand in the countries of its trading partners, which has fallen in the wake of the global economic downturn. Imports are also expected to decline significantly. Domestic demand is forecast to remain stable, while private consumption is even expected to grow marginally. The unemployment rate is set to rise considerably in response to the economic developments.

Experts believe that the German government's economic stimulus packages are an adequate response to the economic downturn and the consequences of the global financial crisis. They say their volume is sufficient to have a positive economic impact. In the light of government support packages worldwide, lower commodity prices and a declining inflation rate, the Bundesverband deutscher Banken (Association of German Banks) expects the economy to stabilise in the second half of 2009 at the earliest. However some risk factors are expected to remain, such as renewed turbulence in the financial services industry or a lack of consumer and investor confidence.

Sources:
Bundesverband deutscher Banken e.V. (Association of German Banks), Economic Report January and February 2009
European Central Bank, Monthly Bulletin, January 2009
International Monetary Fund, World Economic Outlook, January 2009
Press release of the German federal government dated 21 January 2009

2. Sector-specific environment

2.1 Vehicle rental

Overall, the conditions for the vehicle rental industry have deteriorated sharply since the second half of 2008. The turbulence on the capital and financial markets has triggered downward trends in almost all industrialised nations. The effect of the deteriorating economic environment on the readiness of companies and private individuals to spend money on mobility services cannot currently be reliably estimated. Less money spent for travel could adversely affect the results of operations, net assets and financial position of car rental companies. However, it is also feasible that companies will turn more to car rental and leasing offerings especially in times of crisis, because their mobility needs can be covered more cost-effectively that way than by operating their own fleet or by using other modes of transport, such as rail or air.

As a result of rising fleet and refinancing costs, overall cost pressure on the vehicle rental industry has increased. All major international providers have therefore publicly communicated the need for price increases. This could make it easier to push through price increases on the markets dictated by sound financial management.

Because of the deteriorating economic situation and the resulting uncertainty, there are currently no reliable estimates of the vehicle rental industry's expected development in 2009 in the most important European countries. Sixt anticipates that the European vehicle rental industry will remain a growth market in the long term. As regards the emerging economies of Eastern Europe and parts of Asia, the Managing Board still expects to see significant growth in demand for mobility services in the coming years.

The Company believes that, in view of the current economic downturn, the consolidation of the industry could accelerate further. All over Europe, this trend, which 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 not least due to sharply higher finance charges, there are no clear indications of financially unsustainable price competition at present.

2.2 Leasing

Competition in the leasing business intensified in 2008. The continuing rise in liquidity costs due to the financial market crisis and the slump in the German used vehicle market as a result of the global weakness in the automotive markets are making it difficult for the whole leasing sector to generate adequate margins in new business. Sixt does not currently believe that this environment will improve in the short term and expects increased refinancing costs and low used vehicle prices to remain.

In leasing, too, short-term factors must be distinguished from long-term trends. Sixt continues to view lease financing as an attractive growth market with excellent potential in the coming years, both in Germany and globally. This applies in particular to full-service leasing.

3. Strategic focus areas for the Sixt Group

After years of strong operating growth, Sixt is preparing itself for more modest business development in 2009, given the performance of the wider economy. In a more difficult market environment, success will depend on the Company's ability to put greater emphasis on the cost benefits of rental and leasing solutions for business and corporate customers, as well as for private customers.

In view of the sharp increases in fleet costs in 2008, price adjustments will remain an important goal in both business units. In vehicle rental, the Company started to implement differentiated price increases for private customers at the end of 2008. These are to be extended to business and corporate customers in 2009. In the leasing business, Sixt has adjusted its terms and conditions for new business since the end of 2008 in order to offset additional costs, especially financing costs.

The **Vehicle Rental Business Unit** will continue to concentrate above all on the following issues in 2009:

» Sixt plans to 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 Sixt Corporate countries, in particular France 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 also be achieved by making targeted acquisitions of local and regional competitors. To this end, Sixt continually sounds out the major European markets. However, the Company applies consistently strict criteria to the earnings, risk profile and corporate culture of potential acquisition candidates.

» Sixt is planning a further expansion of its global franchise network, especially in economic growth regions such as Latin America and Asia-Pacific, as well as Eastern Europe. The Managing Board assumes that 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. There are good growth opportunities for Sixt franchisees, particularly in those countries where mobility markets are still at an early stage of development and further market development can thus be actively influenced. Depending on market requirements, it is possible to offer rental, leasing, or chauffeur services, or a combination of all products.

- Sixt will continue to rely on its tried-and-tested franchising system, which avoids to a large extent 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 establish subsidiaries in adequately developed markets even 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 a key strategic objective. To this end, Sixt will further develop products for its private customers, such as Sixt Holiday Cars or SIXTI, and strengthen its partnerships with existing service providers, such as airlines, hotel chains, or financial services 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 in particular even more specific mobility solutions in future that are tailored to their individual needs and help them to reduce mobility costs, especially during times of economic difficulty. This allows Sixt to meet customers' individual mobility requirements with leasing (long-term), rental (short-term), or various combined products.

The **Leasing Business Unit** will concentrate above all on the following topics in 2009 and beyond:

- Sixt's plans for a significant expansion of its foreign leasing business have remained unchanged in terms of both its presence in Sixt Corporate countries and the international network of franchisees. Both organic growth and expansion through targeted acquisitions are also feasible for the Leasing Business Unit.

- 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 remain 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 strong opportunities when it comes to further optimising the leasing process and offering customers corresponding added value.

4. Outlook

For the 2009 financial year, the Managing Board assumes that demand for mobility services will be stable in the European core countries, even though this forecast is subject to a high degree of uncertainty because of the macroeconomic environment.
It anticipates operating costs to remain high or rise further, particularly with regard to fleet expenses.

Sixt has responded to the change in overall conditions by increasing its prices for some of its customers and reducing the size of the rental fleet. Since the reduction can only be implemented with a time lag, fleet costs are only expected to start declining in the second quarter of 2009.

Provided that the general economic conditions in Europe do not deteriorate further to any significant extent, and no unforeseen negative events occur that materially adversely affect the Group, Sixt anticipates another significant consolidated profit before taxes for 2009.
The considerable planning uncertainty at the present time makes it impossible to provide more specific details for this forecast or to make any projections about business development in 2010.

In spite of the current difficult conditions, the Managing Board believes that the Group remains in a good strategic, operating and financial position to maintain its growth course of recent years in the long term. The aim here is to outpace average market growth in both the Vehicle Rental Business Unit and the Leasing Business Unit.

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, a report is therefore 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 2008."

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 2008.

Pullach, 9 March 2009

Sixt Aktiengesellschaft
The Managing Board

Without them our customers would not be on the sunny side.

(Sixt relies on dedicated employees)

SIXT
Aktiengesellschaft

The following independent auditor's report ("Bestätigungsvermerk") was issued in accordance with section 322 HGB (German Commercial Code) on the IFRS Financial Statements 2008, 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 2008. 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, 17 March 2009

Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft Siegel München

Deloitte & Touche GmbH
Wirtschaftsprüfungsgesellschaft

(Bögle)
Auditor

(Papadatos)
Auditor

Responsibility Statement
by Sixt Aktiengesellschaft, Pullach for Financial Year 2008

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

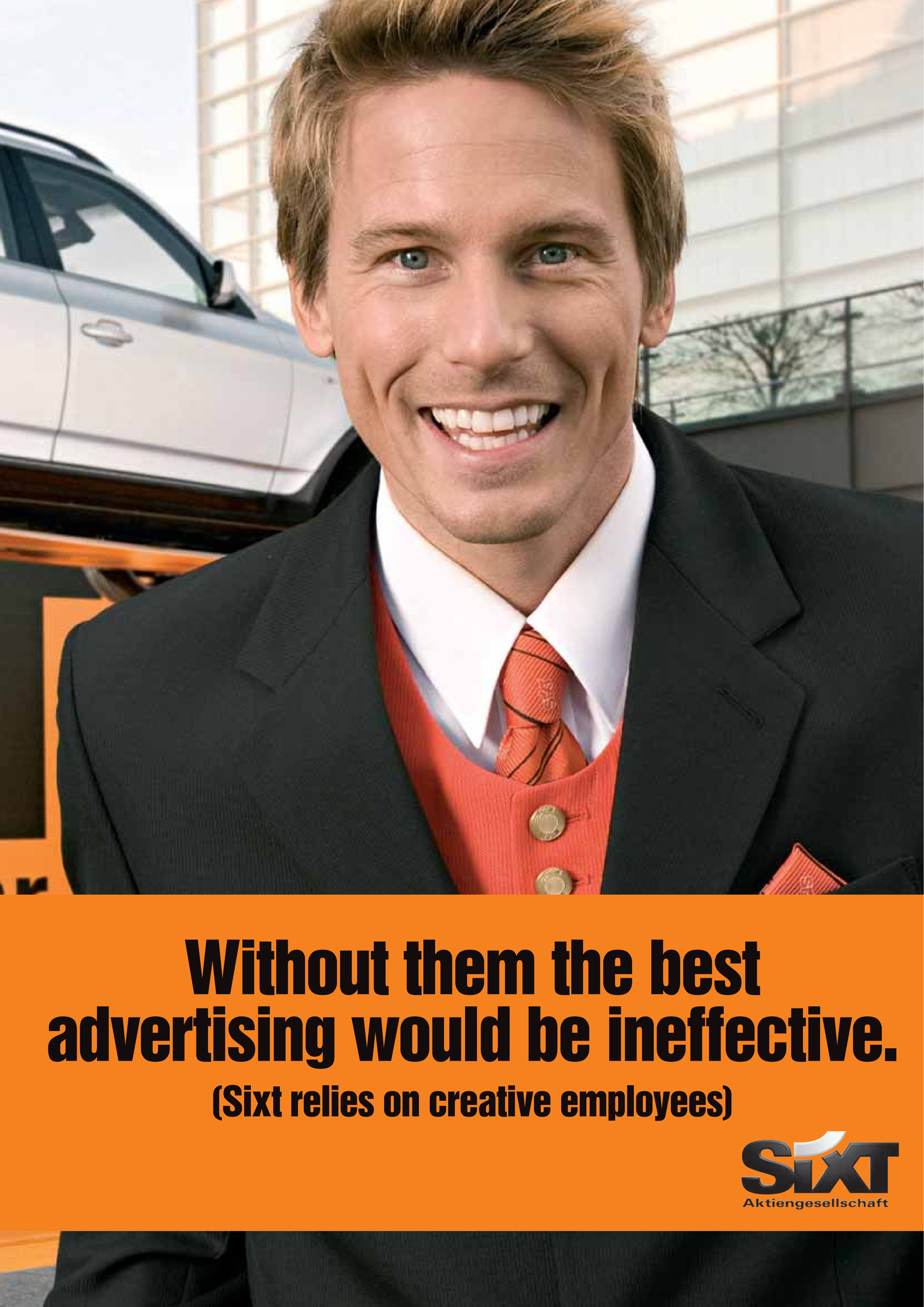
To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development 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, 9 March 2009

Sixt Aktiengesellschaft

Erich Sixt	**Karsten Odemann**	**Detlev Pätsch**	**Hans-Norbert Topp**


SIXT


Without them the best advertising would be ineffective.
(Sixt relies on creative employees)
SIXT
Aktiengesellschaft

Consolidated Income Statement

of Sixt Aktiengesellschaft, Pullach for the year ended 31 December 2008

	Notes		EUR 2008		EUR 2007
Revenue	[4.1]		1,773,864,270		1,568,827,026
Other operating income	[4.2]		22,502,807		35,033,568
Gross revenue			**1,796,367,077**		**1,603,860,594**
Fleet expenses and cost of lease assets	[4.3]		746,357,815		626,254,970
Personnel expenses	[4.4]				
a) Wages and salaries		111,304,966		94,592,877	
b) Social security and other pension costs		18,109,275		15,695,893	
			129,414,241		110,288,770
Depreciation and amortisation expense	[4.5]				
a) Depreciation of rental vehicles		271,402,295		219,915,410	
b) Depreciation of lease assets		137,525,912		106,069,568	
c) Depreciation of property and equipment and investment property		6,209,464		5,848,826	
d) Amortisation of intangible assets		1,714,190		1,615,172	
			416,851,861		333,448,976
Other operating expenses	[4.6]		348,852,565		356,151,727
Profit from operating activities (EBIT)			**154,890,595**		**177,716,151**
Net finance costs	[4.7]				
a) Interest income		2,272,566		2,834,584	
b) Interest expense		71,999,245		50,658,905	
c) Other net financial income		1,575,569		7,799,214	
			-68,151,110		-40,025,107
Profit before taxes (EBT)			**86,739,485**		**137,691,044**
Income tax expense	[4.8]		25,290,754		44,112,145
Consolidated profit for the period			**61,448,731**		**93,578,899**
Of which attributable to minority interests	[4.9]		-41,817		51,734
Of which attributable to shareholders of Sixt AG			**61,490,548**		**93,527,165**
Earnings per ordinary share – basic	[4.10]		2.43		3.73
Earnings per preference share – basic	[4.10]		2.48		3.77
Earnings per ordinary share – diluted	[4.10]		2.43		3.73
Earnings per preference share – diluted	[4.10]		2.42		3.62

Consolidated Balance Sheet
of Sixt Aktiengesellschaft, Pullach as at 31 December 2008

Assets	Notes	EUR **31 Dec. 2008**	EUR 31 Dec. 2007
Non-current assets			
Goodwill	[4.11]	18,442,000	18,442,000
Intangible assets	[4.12]	5,370,804	4,872,453
Property and equipment	[4.13]	46,572,724	41,952,104
Investment property	[4.14]	3,218,777	3,253,965
Lease assets	[4.15]	902,355,807	749,965,705
Non-current financial assets	[4.16]	1,436,322	1,336,322
Non-current other receivables and assets	[4.17]	13,073,591	14,479,989
Deferred tax assets	[4.8]	10,021,529	5,327,673
Total non-current assets		**1,000,491,554**	**839,630,211**
Current assets			
Rental vehicles	[4.18]	1,057,550,589	915,844,024
Inventories	[4.19]	48,098,031	12,002,692
Trade receivables	[4.20]	261,197,149	184,838,548
Current other receivables and assets	[4.21]	65,016,515	61,691,217
Income tax receivables	[4.21]	13,614,874	6,351,036
Cash and bank balances	[4.22]	23,361,491	26,669,015
Total current assets		**1,468,838,649**	**1,207,396,532**
Total assets		**2,469,330,203**	**2,047,026,743**

Equity and Liabilities	Notes	EUR **31 Dec. 2008**	EUR 31 Dec. 2007
Equity			
Subscribed capital	[4.23]	64,576,896	64,126,848
Capital reserves	[4.24]	197,308,121	192,789,234
Other reserves	[4.25]	230,890,804	204,032,093
Minority interests	[4.26]	5,458	35,613
Total equity		**492,781,279**	**460,983,788**
Non-current liabilities and provisions			
Non-current other provisions	[4.27]	858,232	1,089,498
Non-current financial liabilities	[4.28]	734,753,045	698,531,541
Non-current other liabilities	[4.29]	74,466,028	1,050,884
Deferred tax liabilities	[4.8]	20,492,566	11,992,557
Total non-current liabilities and provisions		**830,569,871**	**712,664,480**
Current liabilities and provisions			
Current other provisions	[4.30]	35,114,107	39,564,339
Income tax provisions	[4.30]	27,142,327	37,546,228
Current financial liabilities	[4.31]	651,096,406	384,674,690
Trade payables	[4.32]	331,036,861	317,515,660
Current other liabilities	[4.33]	101,589,352	94,077,558
Total current liabilities and provisions		**1,145,979,053**	**873,378,475**
Total equity and liabilities		**2,469,330,203**	**2,047,026,743**

Consolidated Cash Flow Statement

of Sixt Aktiengesellschaft, Pullach for the year ended 31 December 2008

Consolidated Cash Flow Statement	EUR thou. 2008	EUR thou. 2007
Operating activities		
Consolidated profit for the period	61,449	93,579
Amortisation of intangible assets	1,714	1,615
Depreciation of property and equipment and investment property	6,209	5,849
Depreciation of lease assets	137,526	106,070
Depreciation of rental vehicles	271,402	219,915
Result on disposal of intangible assets, property and equipment	-1,405	-2,360
Other non-cash income and expense	528	328
Cash flow	**477,423**	**424,996**
Change in non-current other receivables and assets	1,406	1,717
Change in deferred tax assets	-4,694	-2,008
Change in rental vehicles, net	-413,107	-489,655
Change in inventories	-36,095	16,125
Change in trade receivables	-76,359	-30,392
Change in current other receivables and assets	-3,325	20,385
Change in income tax receivables	-7,264	-5,493
Change in non-current other provisions	-231	-15,330
Change in non-current other liabilities	73,415	-2,931
Change in deferred tax liabilities	8,500	7,970
Change in current other provisions	-4,450	12,674
Change in income tax provisions	-10,404	-6,194
Change in trade payables	13,521	73,426
Change in current other liabilities	7,512	-11,509
Net cash flows from/used in operating activities	**25,848**	**-6,219**
Investing activities		
Proceeds from disposal of intangible assets, property and equipment and investment property	5,549	5,755
Proceeds from disposal of lease assets	228,673	130,336
Proceeds from disposal of non-current financial assets	-	31
Payments to acquire intangible assets, property and equipment	-17,152	-9,909
Payments to acquire lease assets	-518,589	-442,843
Payments to acquire non-current financial assets	-100	-37
Change in intangible assets, property and equipment attributable to changes in reporting entity structure	-	-6,896
Change in non-current financial assets attributable to changes in reporting entity structure	-	160
Net cash flows used in investing activities	**-301,619**	**-323,403**
Financing activities		
Increase in subscribed capital	450	367
Increase in capital reserves	4,519	3,118
Change in other reserves and minority interests	-4,891	-2,691
Dividend payments	-29,730	-26,320
Change in current financial liabilities	266,422	105,563
Change in non-current financial liabilities	36,221	257,456
Net cash flows from financing activities	**272,991**	**337,493**
Net change in cash and cash equivalents	**-2,780**	**7,871**
Effect of exchange rate changes on cash and cash equivalents	-528	-328
Cash and cash equivalents at 1 January	**26,669**	**19,126**
Cash and cash equivalents at 31 December	**23,361**	**26,669**

See also the Notes [5.1]

Consolidated Statement of Changes in Equity

of Sixt Aktiengesellschaft, Pullach as at 31 December 2008

Consolidated Statement of Changes in Equity EUR thou.	Subscribed capital	Capital reserve	Other reserves: Retained earnings	Other reserves: Currency translation reserve	Other reserves: Miscellaneous reserves	Equity attributable to shareholders of Sixt AG	Minority interests	Total equity
1 January 2007	**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 January 2008	**64,127**	**192,789**	**106,142**	**-2,220**	**100,110**	**460,948**	**36**	**460,984**
Capital increase	450	2,549				2,999		2,999
Consolidated profit 2008					61,491	61,491	-42	61,449
Currency translation differences				-4,594		-4,594		-4,594
Dividend payments 2007					-29,730	-29,730		-29,730
Other changes		1,970	13,030 [1]		-13,338	1,662	11	1,673
31 December 2008	**64,577**	**197,308**	**119,172**	**-6,814**	**118,533**	**492,776**	**5**	**492,781**

[1] Including transfer to retained earnings of Sixt Aktiengesellschaft (EUR 12,450 thousand, 2007: EUR 31,150 thousand)

See also the Notes [4.23] **to** [4.26]

Statement of recognised income and expense EUR thou.	2008	2007
Recognised directly in equity		
Currency translation	-4,594	-515
Consolidated profit for the period	61,449	93,579
Recognised income and expense	**56,855**	**93,064**
of which attributable to minority interests	-42	52
of which attributable to shareholders of Sixt AG	56,897	93,012

Without them our extraordinary range would only be ordinary.

(Sixt relies on innovative employees)

Sixt Aktiengesellschaft

Notes to the Consolidated Financial Statements
of Sixt Aktiengesellschaft, Pullach, for Financial Year 2008

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 64,576,896. 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 2008 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 2008 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 2008:

The amendments to IAS 39 (Financial Instruments: Recognition and Measurement) and IFRS 7 (Financial Instruments: Disclosures), which were required to be applied for the first time as at 1 July 2008, are complied with in the accompanying consolidated financial statements of Sixt Aktiengesellschaft.

The 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	17 Dec. 2008	1 Jan. 2009
IAS 23 (revised)	Borrowing Costs	10 Dec. 2008	1 Jan. 2009
IFRS 2 (amended)	Share-based Payment	16 Dec. 2008	1 Jan. 2009
IFRIC 12	Service Concession Arrangements	No	
IFRIC 13	Customer Loyalty Programmes	16 Dec. 2008	1 Jan. 2009
IFRIC 14	IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction	16 Dec. 2008	1 Jan. 2009

The future application of IFRIC 12 to 14 is unlikely to have any effect or any material effect on the consolidated financial statements.

In addition to the new Standards and Interpretations listed above, the IASB made various amendments to individual Standards under the IFRS Improvements Project and published them in May 2008. The European Commission has not yet adopted these amendments, which is why they are not reflected in the 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 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, 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 2008 (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.	Vösendorf
Sixt Leasing G.m.b.H.	Vösendorf
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 %
Sixt Holiday Cars GmbH	Pullach	50.000	DM	100 %
Get Your Car GmbH	Pullach	100.000	EUR	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 Sud SARL	Paris	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 Nord SARL	Paris	7.000	EUR	100 %
Sixt Limousine Service France SARL	Paris	7.000	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.à.r.l.	Luxembourg	12.500	EUR	100 %
Sixt e-ventures GmbH	Pullach	25.000	EUR	100 %
Carmondo GmbH	Munich	25.000	EUR	100 %
Stockflock GmbH	Pullach	25.000	EUR	100 %
kud.am GmbH	Berlin	200.000	EUR	90 %
Winebase GmbH	Pullach	25.000	EUR	75 %

MOHAG Autohaus Datteln GmbH & Co. KG, Datteln, in which Sixt Aktiengesellschaft holds 95% of the fixed capital totalling EUR 10,000 but which is not under the control of the Sixt Group, was also not consolidated.

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
There were no changes in the basis of consolidation as against the end of 2007.

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 2008. 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. 2008	31 Dec. 2007	**2008**	2007
Sterling	0.96000	0.73460	0.80383	0.68728
Swiss francs	1.48600	1.65570	1.57860	1.64613

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** 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 balancesheet 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 (2009 to 2012) 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.

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 items of investment property are 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. 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 best estimate of the 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 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 on a temporary basis 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 accounted for 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

Revenue is broken down as follows: [4.1]

Revenue in EUR thou.	Germany 2008	Germany 2007	Abroad 2008	Abroad 2007	Total 2008	Total 2007	Change in %
Rental Business Unit							
Rental revenue	564,777	514,079	223,926	189,422	788,703	703,501	12.1
Other revenue from rental business	246,650	236,806	71,735	66,803	318,385	303,609	4.9
Total	**811,427**	**750,885**	**295,661**	**256,225**	**1,107,088**	**1,007,110**	**9.9**
Leasing Business Unit							
Leasing revenue	375,838	339,439	43,986	34,278	419,824	373,717	12.3
Sales revenue	232,176	172,446	9,842	11,293	242,018	183,739	31.7
Total	**608,014**	**511,885**	**53,828**	**45,571**	**661,842**	**557,456**	**18.7**
Other revenue	4,934	4,261	-	-	4,934	4,261	15.8
Group total	**1,424,375**	**1,267,031**	**349,489**	**301,796**	**1,773,864**	**1,568,827**	**13.1**

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 including other related services
Leasing	Leasing including additional services (full-service and fleet management) and sales of lease assets

When combined, the reported rental and leasing revenue is also described as “operating revenue”. Revenue in the Rental Business Unit comprises rental revenue of EUR 788,703 thousand (2007: EUR 703,501 thousand) and other revenue from rental business, such as insurance recoveries, subsidies, licence and franchise fees, and commission revenue amounting to EUR 318,385 thousand (2007: EUR 303,609 thousand). Other revenue from rental business includes compensation payments from third parties totalling EUR 46,317 thousand (2007: EUR 44,235 thousand).

In line with Sixt's focus on the market segment for full-service leasing, leasing revenue comprises finance lease instalments (EUR 187,820 thousand; 2007: EUR 165,669 thousand), revenue from the settlement of claims, revenue relating to service components such as repairs, fuel, tyres, etc. and franchise fees (EUR 232,004 thousand; 2007: EUR 208,048 thousand). In the Leasing segment, compensation payments from third parties amount to EUR 2,316 thousand (2007: EUR 2,949 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 22,503 thousand (2007: EUR 35,034 thousand) includes income of EUR 575 thousand (2007: EUR 875 thousand) from currency translation. This item also includes income of EUR 8,074 thousand (2007: EUR 7,184 thousand) from cost allocations to third parties, income of EUR 2,821 thousand (2007: EUR 14,348 thousand) from the reversal of provisions, and net income of EUR 1,533 thousand (2007: EUR 2,498 thousand) from asset disposals, primarily from the sale of a property 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. 2008	EUR thou. 2007	Change in %
Rental Business Unit	291,852	256,577	13.8
Leasing Business Unit	454,506	369,678	23.0
Group total	**746,358**	**626,255**	**19.2**

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. 2008	EUR thou. 2007	Change in %
Repairs, maintenance, reconditioning	183,293	162,855	12.5
Fuel	137,202	117,126	17.1
Insurance	60,211	56,587	6.4
Transportation	41,346	31,731	30.3
Taxes and duties	23,226	20,001	16.1
Other, including selling expenses	301,080	237,955	26.5
Group total	**746,358**	**626,255**	**19.2**

Personnel expenses increased from EUR 110,289 thousand in 2007 to EUR 129,414 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. [4.4]

Personnel expenses	EUR thou. 2008	EUR thou. 2007
Wages and salaries	111,305	94,593
Social security costs	18,109	15,696
Group total	**129,414**	**110,289**

Average number of employees during the year:

Employees in the Group	2008	2007
Salaried employees	2,563	2,170
Hourly employees	213	171
Group total	**2,776**	**2,341**

The Rental Business Unit employs 2,480 (2007: 2,061) staff, and the Leasing Business Unit 261 (2007: 252) staff. The “Other” segment employs 35 (2007: 28) staff. A total of 1,982 (2007: 1,702) staff were employed in Germany, while 794 (2007: 639) staff were employed abroad.

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

Depreciation of rental vehicles rose by EUR 51,487 thousand to EUR 271,402 thousand (2007: EUR 219,915 thousand), as on average more vehicles in the rental fleet were capitalised in the year under review than in 2007. Depreciation of lease assets was EUR 31,456 thousand higher year on year at EUR 137,526 thousand (2007: EUR 106,070 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 in 2007 to their fair value by way of a EUR 181 thousand impairment loss.

Depreciation and amortisation expense	EUR thou. 2008	EUR thou. 2007	Change in %
Intangible assets	1,714	1,615	6.1
Property and equipment, investment property	6,210	5,849	6.2
Lease assets	137,526	106,070	29.7
Rental vehicles	271,402	219,915	23.4
Group total	**416,852**	**333,449**	**25.0**

[4.6] The following table contains a breakdown of **other operating expenses**. In the financial year, operating expenses were reduced in total by EUR 7,299 thousand to EUR 348,853 thousand (2007: EUR 356,152 thousand).

Other operating expenses	EUR thou. 2008	EUR thou. 2007	Change in %
Leasing expenses	163,047	176,482	-7.6
Commissions	56,469	49,507	14.1
Expenses for buildings	36,715	31,319	17.2
Other selling and marketing expenses	33,303	28,666	16.2
Expenses from write-downs of receivables	5,673	13,033	-56.5
Audit, legal, advisory and investor relations expenses	9,376	10,043	-6.6
Miscellaneous expenses	44,270	47,102	-6.0
Group total	**348,853**	**356,152**	**-2.0**

Fees of EUR 480 thousand (2007: EUR 579 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 215 thousand, 2007: EUR 211 thousand), other assurance or valuation services (EUR 4 thousand, 2007: EUR 4 thousand), tax advice (EUR 152 thousand, 2007: EUR 314 thousand) and other services (EUR 109 thousand, 2007: EUR 50 thousand) provided for the parent or subsidiaries.

[4.7] **Net finance costs** increased by EUR 28,126 thousand year on year, from EUR -40,025 thousand to EUR -68,151 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. 2008	EUR thou. 2007
Income from financial assets	1,895	1,394
Income from unconsolidated affiliated companies	61	59
Expenses for unconsolidated affiliated companies	-15	-
Net income/expense from investments	**1,941**	**1,453**
Other interest and similar income	2,179	2,506
Other interest and similar income from affiliated companies	94	329
Interest and similar expenses	-62,903	-41,575
Interest and similar expenses for affiliated companies	-46	-34
Expenses for profit participation capital	-9,050	-9,050
Net income from derivative financial instruments	-366	6,346
Net interest expense	**-70,092**	**-41,478**
Net finance costs	**-68,151**	**-40,025**

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

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

Income tax	EUR thou. 2008	EUR thou. 2007
Current income tax in the period under review	21,960	37,568
Current income tax for previous years	127	874
Deferred taxes	3,204	5,670
Group total	**25,291**	**44,112**

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. A corporation tax rate of 15% (2007: 15%) was used to calculate deferred taxes at the German companies as at 31 December 2008. In each case, a solidarity surcharge of 5.5% on the corporation tax was also included and a trade tax rate of 11% (2007: 11%) was applied; an aggregate tax rate of 27% (2007: 27%) 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 27% (2007: 38%) to consolidated profit for the period (before taxes) in accordance with IFRSs. The income tax rate is made up of corporation tax at 15% (2007: 25%), a solidarity surcharge of 5.5% and trade tax at 11% (2007: 11.6%).

Reconciliation of taxes	EUR thou.	EUR thou.
	2008	2007
Consolidated profit before taxes in accordance with IFRSs	86,739	137,691
Expected current income tax expense	23,420	52,323
Effect of different tax rates outside Germany	-110	-2,752
Non-deductible operating expenses	3,950	2,042
Tax-exempt income	-273	-92
Amounts relating to prior periods and other effects	-1,696	-7,409
Effective tax expense	**25,291**	**44,112**

Amounts relating to prior periods and other effects include deferred taxes from changes in tax rates in particular (EUR -9 thousand, 2007: EUR -2,776 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. 2008	31 Dec. 2007	31 Dec. 2008	31 Dec. 2007
Fleet	7,036	2,286	14,162	4,974
Trade receivables	-	-	5,103	5,894
Other assets	-	-	1,111	1,209
Other liabilities	755	1,774	3,146	2,940
Provisions	2,355	3,035	31	44
Tax loss carryforwards	2,936	1,301	-	-
	13,082	**8,396**	**23,553**	**15,061**
Offsetting	-3,060	-3,068	-3,060	-3,068
Carrying amount	**10,022**	**5,328**	**20,493**	**11,993**

No deferred tax assets were recognised for existing tax loss carryforwards of EUR 26,628 thousand (2007: EUR 26,780 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.

The **profit for the period attributable to minority interests** amounted to EUR -42 thousand in total (2007: EUR 52 thousand). [4.9]

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

Dividends	EUR thou. 2008	EUR thou. 2007
Amounts recognised as distributions to shareholders in the financial year	29,730	26,320
Dividend for financial year 2007 of EUR 1.18 (for 2006: EUR 1.05) per ordinary share	19,437	17,296
Dividend for financial year 2007 of EUR 1.20 (for 2006: EUR 1.07) per preference share	10,293	9,024

A dividend of EUR 0.80 per ordinary share and EUR 0.82 per preference share will be proposed for financial year 2008. This corresponds to a total distribution for the year under review of EUR 20,355 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.

Earnings per share are as follows: [4.10]

Basic earnings per share		2008	2007
Consolidated profit for the period after minority interests	EUR thou.	61,491	93,527
Profit attributable to ordinary shares	EUR thou.	40,039	61,389
Profit attributable to preference shares	EUR thou.	21,452	32,138
Weighted average number of ordinary shares		16,472,200	16,472,200
Weighted average number of preference shares		8,665,250	8,517,683
Earnings per ordinary share	EUR	2.43	3.73
Earnings per preference share	EUR	2.48	3.77

Diluted earnings per share		2008	2007
Adjusted consolidated profit for the period after minority interests	EUR thou.	61,512	93,569
Profit attributable to ordinary shares	EUR thou.	40,039	61,389
Profit attributable to preference shares	EUR thou.	21,473	32,180
Weighted average number of ordinary shares		16,472,200	16,472,200
Weighted average number of preference shares		8,859,850	8,890,083
Earnings per ordinary share	EUR	2.43	3.73
Earnings per preference share	EUR	2.42	3.62

Diluted earnings per share take account of the interest expense (adjusted for deferred income taxes) on convertible bonds issued to date 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 (194,600 preference shares; 2007: 372,400 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.	1 Jan. 2008	Foreign exchange differences	Additions	Cost Changes in reporting entity structure	Disposals	Transfers	31 Dec. 2008
Goodwill	**18,488**	**-**	**-**	**-**	**-**	**-**	**18,488**
Purchased software	5,592	-	2,251	-	1,385	550	7,008
Internally developed software	3,502	-	-	-	-	-	3,502
Payments on account in respect of software	268	-	347	-	51	-550	14
Other intangible assets	513	-	85	-	-	-	598
Intangible assets	**9,875**	**-**	**2,683**	**-**	**1,436**	**-**	**11,122**
Land and buildings	28,778	-1,479	7	-	1,822	-	25,484
Operating and office equipment	45,347	-159	11,778	-	2,485	-	54,481
Property and equipment under construction	130	-	2,684	-	35	-	2,779
Property and equipment	**74,255**	**-1,638**	**14,469**	**-**	**4,342**	**-**	**82,744**
Investment property	**7,311**	**-**	**-**	**-**	**-**	**-**	**7,311**
Lease assets	**957,588**	**3,937**	**518,589**	**-**	**326,602**	**-**	**1,153,512**
Shares in affiliated companies	1,246	-	100	-	-	-	1,346
Investments	9,186	-	-	-	-	-	9,186
Non-current financial assets	**10,432**	**-**	**100**	**-**	**-**	**-**	**10,532**
Total consolidated non-current assets	**1,077,949**	**2,299**	**535,841**	**-**	**332,380**	**-**	**1,283,709**

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

Depreciation / Amortisation						Carrying amounts	
1 Jan. 2008	Foreign exchange differences	Depreciation/ amortisation in the financial year	Changes in reporting entity structure	Disposals	31 Dec. 2008	31 Dec. 2008	31 Dec. 2007
46	**-**	**-**	**-**	**-**	**46**	**18,442**	**18,442**
3,750	-1	1,241	-	965	4,025	2,983	1,842
1,022	-	422	-	-	1,444	2,058	2,480
-	-	-	-	-	-	14	268
231	-	51	-	-	282	316	282
5,003	**-1**	**1,714**	**-**	**965**	**5,751**	**5,371**	**4,872**
5,407	-505	289	-	666	4,525	20,959	23,371
26,896	-187	5,885	-	948	31,646	22,835	18,451
-	-	-	-	-	-	2,779	130
32,303	**-692**	**6,174**	**-**	**1,614**	**36,171**	**46,573**	**41,952**
4,057	**-**	**35**	**-**	**-**	**4,092**	**3,219**	**3,254**
207,622	**223**	**137,526**	**-**	**94,215**	**251,156**	**902,356**	**749,966**
38	-	-	-	-	38	1,308	1,208
9,058	-	-	-	-	9,058	128	128
9,096	**-**	**-**	**-**	**-**	**9,096**	**1,436**	**1,336**
258,127	**-470**	**145,449**	**-**	**96,794**	**306,312**	**977,397**	**819,822**

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	**-**	**-**	**-**	**-**	**46**	**18,442**	**18,442**
2,765	-	1,033	4	52	3,750	1,842	1,744
491	-	531	-	-	1,022	2,480	2,392
-	-	-	-	-	-	268	327
180	-	51	-	-	231	282	333
3,436	**-**	**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
-	-	-	-	-	-	130	18
27,981	**-53**	**5,814**	**718**	**2,157**	**32,303**	**41,952**	**36,048**
4,022	**-**	**35**	**-**	**-**	**4,057**	**3,254**	**3,289**
154,835	**-204**	**106,070**	**-**	**53,079**	**207,622**	**749,966**	**543,527**
38	-	-	-	-	38	1,208	1,362
9,058	-	-	-	-	9,058	128	128
9,096	**-**	**-**	**-**	**-**	**9,096**	**1,336**	**1,490**
199,416	**-257**	**113,534**	**722**	**55,288**	**258,127**	**819,822**	**607,592**

[4.11] The **goodwill** of EUR 18,442 thousand (2007: 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 2,058 thousand (2007: EUR 2,480 thousand) and purchased software amounting to EUR 2,983 thousand (2007: EUR 1,842 thousand). The item also includes payments on account in respect of software amounting to EUR 14 thousand (2007: EUR 268 thousand) and other intangible assets amounting to EUR 316 thousand (2007: EUR 282 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 20,959 thousand (2007: EUR 23,371 thousand), as well as operating and office equipment (mainly IT systems, fixtures and fittings and office equipment) in the amount of EUR 22,835 thousand (2007: EUR 18,451 thousand). The item also includes expenses for property and equipment under construction in the amount of EUR 2,779 thousand (2007: EUR 130 thousand). Land charges are registered against properties for real estate financing in the amount of EUR 3,448 thousand (2007: EUR 3,704 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 6.1% p.a. or 5.1% 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 3,187 thousand are secured by real property liens (2007: EUR 3,464 thousand). Net rental income for the period is the balance of rental income of EUR 240 thousand (2007: EUR 239 thousand) and directly attributable costs of EUR 11 thousand (2007: EUR 11 thousand).

Investment property	EUR thou. 2008	EUR thou. 2007
Net rental income for the period	229	228
Indexation	5% (progressive)	5% (progressive)
Discount rate p.a.	5.1 % or 6.1 %	6.3 % or 7.6 %
Fair value at 31 December	4,773	3,615
Carrying amount at 31 December	3,219	3,254

[4.15] **Lease assets** increased by EUR 152.4 million to EUR 902.4 million (2007: EUR 750.0 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 (including fixed service fees and residual value guarantees granted by third parties) totalling EUR 1,009 million (2007: EUR 927 million), payments of EUR 462 million (2007: EUR 434 million) are due within one year, payments of EUR 547 million (2007: EUR 493 million) are due in one to five years and payments of EUR 0.5 million (2007: EUR 0.4 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 2.8 million in total (2007: EUR 3.8 million).

A proportion of the lease assets are pledged as collateral for liabilities to banks. Certain other lease vehicles are refinanced at matching maturities under finance lease agreements. These agreements are structured such that the refinanced vehicles remain attributable to the Group in the amount of EUR 90.4 million. The agreements have a residual term of one to five years and provide for full amortisation. The obligations under the leases are presented under other liabilities. A small proportion of other lease vehicles were refinanced at matching maturities under sale-and-lease-back agreements. As in the previous year, none of these sale-and-lease-back agreements are structured such that the refinanced vehicles are re-attributable to the Group as lease assets.

The carrying amount of the unconsolidated affiliates and investments presented under **non-current financial assets** is EUR 1,436 thousand (2007: EUR 1,336 thousand). It is shown in detail in the consolidated statement of changes in non-current assets. As in the previous year, no impairment losses were recognised in the year under review. [4.16]

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 12.2 million (2007: EUR 11.0 million) of the total amount. The details of the agreements are as follows: [4.17]

Non-current finance lease receivables	Gross investment		Present value of outstanding minimum lease payments	
in EUR million	31 Dec. 2008	31 Dec. 2007	31 Dec. 2008	31 Dec. 2007
Due in one to five years	13.2	12.3	12.3	11.6
Unrealised finance income	0.9	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 808 thousand (2007: EUR 697 thousand), in each case maturing in one to five years. In the previous year, it also included interest rate derivatives with positive fair values amounting to EUR 2,770 thousand.

[4.18] The **rental vehicles** item increased from EUR 915.8 million to EUR 1,057.6 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 2,702 million (2007: EUR 2,372 million). For the rental assets reported at the end of the year under review, it amounted to EUR 1,152 million (2007: EUR 1,002 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 / manufacturer financing companies. 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 remain attributable to the Group as rental assets in the amount of EUR 34.7 million (2007: EUR 51.4 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 45,502 thousand (2007: EUR 9,500 thousand). Other inventories consist mainly of fuel. In total, the portfolio of inventories increased by EUR 36,095 thousand to EUR 48,098 thousand (2007: EUR 12,003 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. 2008	EUR thou. 31 Dec. 2007
Current finance lease receivables	8,007	10,039
Receivables from affiliated companies	4,161	635
Receivables from other investees	190	290
Other assets	66,273	57,078
of which recoverable income taxes	13,615	6,351
of which other recoverable taxes	21,854	21,610
of which insurance claims	6,344	8,511
of which deferred income	14,008	14,551
of which other assets	10,452	6,055
	78,631	**68,042**

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 9.3 million (2007: EUR 11.2 million), the present value of the outstanding minimum lease payments (including fixed service fees) to EUR 8.1 million (2007: EUR 10.2 million), and unrealised finance income to EUR 1.2 million (2007: EUR 1.0 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.

Cash and bank balances of EUR 23,361 thousand (2007: EUR 26,669 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. [4.22]

Equity and liabilities

The Sixt Group's **equity** rose by EUR 31,797 thousand as against the previous year to a total of EUR 492,781 thousand (2007: EUR 460,984 thousand). The share capital of Sixt Aktiengesellschaft included in this amount increased by EUR 450 thousand year on year to EUR 64,577 thousand (2007: EUR 64,127 thousand). As with most of the EUR 4,519 thousand increase in capital reserves to EUR 197,308 thousand (2007: EUR 192,789 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 175,800 (2007: 143,200) new preference shares were issued from Contingent Capital III. Minority interests are reported in current other liabilities where interests in equity or in the net profit or loss of consolidated partnerships are affected.

Subscribed capital of Sixt Aktiengesellschaft [4.23]

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	8,753,150	22,408,064
Balance at 31 December 2008	**25,225,350**	**64,576,896**

	Ordinary shares	Non-voting preference shares
Balance at 1 January 2008	16,472,200	8,577,350
Increase due to exercise of conversion rights	-	175,800
Balance at 31 December 2008	**16,472,200**	**8,753,150**

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**). 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.

The Company has not issued any financial instruments with conversion or option rights or conversion obligations under the above authorisation, so that no conversion or option rights or conversion obligations exist.

As at 31 December 2008, the share capital of the Company was contingently increased by up to EUR 1,627,264, composed of up to 635,650 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 III**).

The Managing Board was authorised to issue 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 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 2008 increased the share capital from Contingent Capital III by EUR 450,048, composed of 175,800 preference shares. Following the issue of the preference shares, Contingent Capital III now amounts to EUR 1,627,264.

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).

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.

The Company has not issued any financial instruments with conversion or option rights or conversion obligations under the above authorisation, so that no conversion or option rights or conversion obligations exist.

[4.24] Capital reserves

Capital reserves	EUR thou. 2008	EUR thou. 2007
Balance at 1 January	192,789	189,671
Increase due to exercise of conversion rights	2,549	2,519
Other changes	1,970	599
Balance at 31 December	**197,308**	**192,789**

The increase in capital reserves by a total of EUR 4,519 thousand to EUR 197,308 thousand (2007: EUR 192,789 thousand) resulted primarily from the conversion during the financial year of convertible bonds issued to employees and the inclusion of the MSP employee equity participation programme.

[4.25] Retained earnings

Retained earnings	EUR thou. 2008	EUR thou. 2007
Balance at 1 January	106,142	75,590
Other changes	13,030	30,552
Balance at 31 December	**119,172**	**106,142**

The other changes mainly include the transfer to retained earnings of Sixt Aktiengesellschaft in the amount of EUR 12,450 thousand (2007: EUR 31,150 thousand).

Currency translation reserve [4.25]

Currency translation reserve	EUR thou. 2008	EUR thou. 2007
Balance at 1 January	- 2,220	-1,705
Differences arising on the translation of the financial statements of foreign subsidiaries	- 4,594	- 515
Balance at 31 December	**- 6,814**	**-2,220**

Other equity [4.25]

Other equity	EUR thou. 2008	EUR thou. 2007
Balance at 1 January	100,110	65,580
Consolidated profit for the period	61,491	93,527
Dividend payments	-29,730	-26,320
Transfer to retained earnings of Sixt Aktiengesellschaft	-12,450	-31,150
Other changes	- 888	-1,527
Balance at 31 December	**118,533**	**100,110**

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

Minority interests [4.26]

Minority interests	EUR thou. 2008	EUR thou. 2007
Balance at 1 January	36	35
Consolidated profit for the period	-42	52
Other changes	11	- 51
Balance at 31 December	**5**	**36**

Non-current liabilities and provisions

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. [4.27]

Non-current other provisions	Real estate	Other	Total
in EUR thou.			
Balance at 1 January 2008	1,056	33	1,089
Additions	-	2	2
Reversals	-	-	-
Utilised	-	-	-
Reclassifications	-119	-	-119
Foreign exchange differences	-114	-	-114
Balance at 31 December 2008	**823**	**35**	**858**

Non-current other provisions	Real estate	Other	Total
in EUR thou.			
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**

[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. 2008	31 Dec. 2007	31 Dec. 2008	31 Dec. 2007
Profit participation certificates	49,444	98,739	-	-
Borrower's note loans	342,134	136,435	76,057	205,839
Bonds	224,847	225,182	1,226	734
Liabilities to banks	37,511	27,383	3,534	4,219
	653,936	**487,739**	**80,817**	**210,792**

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 certificates mature in 2009 and half in 2011. Repayment will be made in each case after the Annual General Meeting to which the annual financial statements for financial years 2009 and 2011 are submitted. 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. Bonds with a principal amount of EUR 1.2 million had been issued to participants in the MSP employee equity participation programme at the balance sheet date. The bonds pay a coupon of 6.0% p.a. and mature in 2014.

Borrower's note loans with a total nominal value of EUR 429.0 million (2007: EUR 351.0 million) were issued in several tranches. A nominal amount of EUR 419.0 million (2007: EUR 343.0 million) relates to non-current financial liabilities. Interest is paid at a fixed and variable rate linked to a reference rate (Euribor), and the nominal maturities are between four and seven years. In the financial year, new borrower's note loans were issued in the nominal amount of EUR 86 million.

Liabilities to banks result from investment loans.

Non-current other liabilities include in particular interest-bearing liabilities arising from customer deposits and liabilities under leases that were entered into to refinance the lease fleet. These leases classified as finance leases are presented below: [4.29]

Non-current finance lease liabilities in EUR thou.	Gross investment		Present value of outstanding minimum lease payments	
	31 Dec. 2008	31 Dec. 2007	31 Dec. 2008	31 Dec. 2007
Due in one to five years	83,743	-	73,856	-
Unrealised finance portions	9,887	-		

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 or fixed final instalments. 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.

Current liabilities and provisions

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. [4.30]

Current other provisions	Income tax	Other			
in EUR thou.	provisions	Staff	Real estate	Miscellaneous	Total
Balance at 1 January 2008	37,546	8,154	1,372	30,038	39,564
Additions	3,424	9,388	-	2,077	11,465
Reversals	-	-	-	- 2,821	-2,821
Utilised	-13,780	-8,663	-565	-3,561	-12,789
Reclassifications	-	-	119	-	119
Foreign exchange differences	-48	19	-439	-4	-424
Balance at 31 December 2008	**27,142**	**8,898**	**487**	**25,729**	**35,114**

Current other provisions	Income tax	Other			
in EUR thou.	provisions	Staff	Real estate	Miscellaneous	Total
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**

[4.31] **Current financial liabilities** include in particular liabilities under profit participation certificates, 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. 2008	EUR thou. 31 Dec. 2007
Profit participation certificates	49,740	-
Borrower's note loans	10,000	8,000
Liabilities to banks	563,495	352,811
Other liabilities	27,861	23,864
	651,096	**384,675**

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 8 million as scheduled.
The tranche of the convertible bond issued under the employee equity participation programme that was not yet redeemable at the balance sheet date has a principal amount of EUR 0.5 million; in accordance with the conditions applicable to the bond, conversion rights for 194,600 non-voting preference shares are attached to the convertible bond. Convertible bonds with a nominal value of EUR 450 thousand were converted into 175,800 preference shares during the financial year. No new tranches of convertible bonds were issued.
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.

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

Current other liabilities	EUR thou. **31 Dec. 2008**	EUR thou. 31 Dec. 2007
Finance lease liabilities	56,921	55,415
Liabilities to affiliated companies	1,754	1,799
Liabilities to other investees	296	-
Other liabilities	42,618	36,863
of which payroll-related	1,422	2,411
of which deferred income	6,638	6,151
of which miscellaneous	34,558	28,301
	101,589	**94,077**

The other miscellaneous liabilities comprise minority interests in equity and in the net profit or loss of consolidated partnerships (EUR 1,489 thousand; 2007: EUR 1,502 thousand); no liabilities from compensation payments due to minority interests were reported in the year under review (2007: EUR 42 thousand).

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. 2008	31 Dec. 2007	**31 Dec. 2008**	31 Dec. 2007
Due within one year	57,812	56,157	56,921	55,416
Unrealised finance portions	891	741		

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 or fixed final instalments. 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. 2008	Carrying amount 31 Dec. 2007	Fair value 31 Dec. 2008	Fair value 31 Dec. 2007
Non-current assets					
Non-current financial assets	AfS	1,436	1,336	1,436	1,336
Non-current finance lease receivables	IAS 17	12,220	10,980	12,091	10,917
Non-current other receivables and assets	LaR	854	730	854	730
Interest rate derivatives	FAHfT	-	2,770	-	2,770
Total		**14,510**	**15,816**	**14,381**	**15,753**
Current assets					
Cash and cash equivalents	LaR	23,361	26,669	23,361	26,669
Trade receivables	LaR	261,197	184,839	261,197	184,839
Current other receivables and assets	LaR	70,624	58,003	70,624	58,003
Current finance lease receivables	IAS 17	8,007	10,039	7,975	10,039
Total		**363,189**	**279,550**	**363,157**	**279,550**
Non-current liabilities					
Bonds	FLAC	226,073	225,916	226,794	223,270
Borrower's note loans	FLAC	418,191	342,274	424,817	337,552
Profit participation certificates	FLAC	49,444	98,739	54,590	112,317
Liabilities to banks	FLAC	41,045	31,603	41,682	30,774
Non-current other liabilities	FLAC	610	1,051	610	1,051
Non-current finance lease liabilities	IAS 17	73,856	-	75,040	-
Interest rate derivatives	FLHfT	-	-	-	-
Total		**809,219**	**699,583**	**823,533**	**704,964**
Current liabilities					
Trade payables	FLAC	331,037	317,516	331,037	317,516
Bonds	FLAC	498	465	505	465
Borrower's note loans	FLAC	10,000	8,000	10,000	8,000
Profit participation certificates	FLAC	49,740	-	50,929	-
Liabilities to banks	FLAC	563,495	352,811	563,495	352,811
Current other liabilities	FLAC	72,032	62,061	72,032	62,061
Current finance lease liabilities	IAS 17	56,921	55,416	56,989	55,416
Total		**1,083,723**	**796,269**	**1,084,987**	**796,269**
of which aggregated by measurement category in accordance with IAS 39					
Available for Sale	AfS	1,436	1,336	1,436	1,336
Loans and Receivables	LaR	356,036	270,241	356,036	270,241
Financial Assets Held for Trading	FAHfT	-	2,770	-	2,770
Financial Liabilities Measured at Amortised Cost	FLAC	1,762,165	1,440,436	1,776,491	1,445,817
Financial Liabilities Held for Trading	FLHfT	-	-	-	-

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

In the previous year, 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.

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 investments.

Net gains on the LaR measurement category (measured at amortised cost) amounted to EUR 493 thousand in the financial year (2007: EUR 809 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 2,273 thousand in the financial year (2007: EUR 2,835 thousand). This includes interest income from finance leases in the amount of EUR 1,333 thousand (2007: EUR 1,960 thousand). Total interest expense from financial liabilities not measured at fair value through profit or loss amounted to EUR 71,436 thousand in the financial year (2007: EUR 49,984 thousand). This includes interest expense from finance leases in the amount of EUR 4,809 thousand (2007: EUR 3,142 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 rights, borrower's note loans, finance lease liabilities 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 4.2% p.a. and 5.3% p.a. (2007: between 4.6% p.a. and 6.3% p.a.) based on the respective maturities were used for discounting.

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

In the previous year, derivative interest rate instruments used to hedge interest rates were not included in hedge accounting and were therefore recognised at fair value through profit or loss. In the year under review, no interest rate derivatives were reported at the balance sheet date.

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. In the year under review, no interest rate derivatives were reported at the balance sheet date.

Change in fair value	Change in the yield curves		Change in the yield curves	
in EUR thou.	31 Dec. 2008		31 Dec. 2007	
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Other non-current assets	-	-	7,379	-1,979

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 fleets and is therefore exposed to interest rate risk. Derivative financial instruments such as interest rate caps and interest rate swaps may in principle be 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. By concluding hedging transactions as part of risk management, the Group consciously converts largely existing variable interest-bearing liabilities into synthetic fixed-interest refinancing. 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. The Group had no derivative financial instruments in its portfolio at the balance sheet date (2007: EUR 350 million). In the previous year, the fair value of the transactions was EUR 2.8 million and corresponded to the market price. In financial year 2008, 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	Rental	Leasing	Group
in EUR thou.			
Receivables not impaired			
Not past due	104,540	28,787	133,327
less than 30 days	54,502	23,535	78,037
30-90 days	7,196	1,413	8,609
91-360 days	2,480	-	2,480
more than 360 days	543	-	543
Total receivables	**169,261**	**53,735**	**222,996**
Impaired receivables			
Gross receivables	64,892	5,936	70,828
Impairments	-30,581	-2,046	-32,627
Net receivables	**34,311**	**3,890**	**38,201**
Group 31 December 2008	**203,572**	**57,625**	**261,197**

Trade receivables	Rental	Leasing	Group
in EUR thou.			
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**
Group 31 December 2007	**136,636**	**48,203**	**184,839**

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 5,673 thousand during the financial year (2007: EUR 13,033 thousand).

The proceeds from derecognised receivables amounted to EUR 493 thousand during the financial year (2007: EUR 809 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
2009	-	10,000	498	563,495	573,993
2010	50,000	25,000	225,000	7,595	307,595
2011	-	50,000	-	18,609	68,609
2012	50,000	51,767	-	10,638	112,405
2013	-	216,000	-	669	216,669
2014	-	76,233	1,226	701	78,160
2015	-	-	-	719	719
2016 and later	-	-	-	2,114	2,114
31 December 2008	**100,000**	**429,000**	**226,724**	**604,540**	**1,360,264**

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	-	10,000	488	3,554	14,042
2010	50,000	25,000	225,000	7,581	307,581
2011	-	50,000	-	15,609	65,609
2012	50,000	51,767	-	638	102,405
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**

Exchange rate and country risk

Exchange rate risk is of only minor significance in the Sixt Group, as the vast majority of 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 20.0% at the balance sheet date (2007: 22.5%). 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 56.1% at the balance sheet date (2007: 52.9%). 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	2008	2007	2008	2007	2008	2007	2008	2007	2008	2007
External revenue	1,107.1	1,007.1	661.8	557.4	5.0	4.3	-	-	1,773.9	1,568.8
Internal revenue	7.5	6.2	47.5	26.4	2.9	2.8	-57.9	-35.4	-	-
Total revenue	1,114.6	1,013.3	709.3	583.8	7.9	7.1	-57.9	-35.4	1,773.9	1,568.8
Depreciation and amortisation expense	278.6	226.5	137.7	106.3	0.6	0.4	-	-	416.9	333.2
Other non-cash expense	12.1	24.1	2.2	1.3	2.8	12.0	-	-	17.1	37.4
EBIT [1]	121.6	146.3	38.3	34.9	-5.0	-3.5	-	-	154.9	177.7
Net finance costs [2]	-44.9	-23.1	-38.1	-23.0	14.8	6.1	-	-	-68.2	-40.0
EBT [3]	76.7	123.2	0.2	11.9	9.8	2.6	-	-	86.7	137.7
Investments [4]	15.9	9.0	518.9	443.0	1.0	0.8	-	-	535.8	452.8
Segment assets	1,444.9	1,184.6	1,000.1	926.4	1,222.5	1,186.3	-1,221.8	-1,262.0	2,445.7	2,035.3
Segment liabilities	1,322.7	1,045.6	896.8	829.8	816.7	810.5	-1,107.3	-1,149.4	1,928.9	1,536.5
Employees [5]	2,480	2,061	261	252	35	28	-	-	2,776	2,341

By region in EUR million	Germany 2008	Germany 2007	Abroad 2008	Abroad 2007	Reconciliation 2008	Reconciliation 2007	Group 2008	Group 2007
Total revenue	1,434.5	1,271.6	349.9	301.8	-10.5	-4.6	1,773.9	1,568.8
Investments [4]	487.7	406.8	48.1	46.0	-	-	535.8	452.8
Segment assets	2,175.3	1,756.3	502.9	430.4	-232.5	-151.4	2,445.7	2,035.3

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 activities, real estate leasing, or e-commerce transactions, 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”.

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.

Minimum lease payments in EUR million	31 Dec. 2008	31 Dec. 2007
Due within one year	87.4	123.5
Due in one to five years	96.3	82.5
	183.7	**206.0**

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 163.0 million (2007: EUR 176.5 million) and mileage agreement payments to EUR 3.5 million (2007: EUR 2.8 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 484 million (2007: EUR 1,836 million).

5.3 Notes on the consolidated cash flow statement [5.1]

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 -528 thousand as at the balance sheet date (2007: EUR -328 thousand).

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. 2008	EUR thou. 2007
Interest received	3,967	7,821
Interest paid	69,291	46,083
Dividends received	1,704	1,394
Income taxes paid	39,623	49,245

5.4 Share-based payment

Sixt Aktiengesellschaft had 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. As in the previous year, no new tranches of convertible bonds were issued under this authorisation. In 2007, this programme was replaced by the employee equity participation programme “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 were authorised to 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 were eligible 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 III). Following the exercise of the conversion rights in previous years and in 2008, Contingent Capital III amounted to EUR 1,627,264 as at 31 December 2008, and was composed of up to 635,650 preference shares.

The beneficiaries and the principal amounts of the respective bonds were decided by the Managing Board or, if members of the Managing Board were concerned, by the Supervisory Board. As at the balance sheet date, the Company had issued convertible bonds dating from 2006 with a coupon of 6% p.a., a carrying amount of EUR 498 thousand and conversion rights for up to 194,600 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 principal 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 the first twenty trading days after the beginning of the term of the convertible bond, while the second reference period comprises 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	2008	2007
Outstanding at the beginning of the financial year	372,400	545,600
Settled during the financial year	-2,000	-30,000
Exercised during the financial year	-175,800	-143,200
Outstanding at the end of the financial year	194,600	372,400

The conversion options are usually exercised at the end of the prescribed term. Only options from the convertible bond issued in 2005 were exercised in financial year 2008. The exercise price for stock options exercised during the financial year was EUR 17.06 (2007: EUR 20.15) per preference share. The average price (Xetra) of the preference shares at the exercise date of the options was EUR 23.04 (2007: EUR 31.88).

194,600 options with a residual term of 0.5 years (exercise date 2009) and an estimated conversion price of EUR 35.77 from tranches of convertible bonds granted and in force were outstanding at the balance sheet date. There were no options exercisable at the balance sheet date.

Measurement of options issued

The options were measured using the Black Scholes model. The parameters for the model were as follows at the grant date:

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

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)

The 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 programme enables continued employee participation in the form of shares. In addition, it makes participation more attractive for employees and avoids 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 an original maturity of 7 years. If the bonds are acquired later, the duration is shortened accordingly. 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 for 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 is 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.

In addition to the MSP shares granted in 2007 (“2007 allocation”), Sixt Aktiengesellschaft granted MSP shares or a legally binding right to future phantom stocks to other employees (primarily new recruits) in financial year 2008. With a small number of exceptions, the conditions for the grant of these shares or rights (“2008 allocation”) corresponded to the parameters for the 2007 allocation. In contrast, the 2008 allocation was conducted for the first time as at 1 December 2008 and applies to the grant of four tranches of phantom stocks. The market conditions as at 1 December 2008 were used as a basis for granting the first tranche of the 2008 allocation; the conditions as at 1 December 2007 were only used to determine the number of virtual MSP shares to be granted depending on the relevant investment volume.

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

Number of phantom stock options		2007 allocation	2008 allocation
	2008	2007	2008
Outstanding at the beginning of the financial year	386,904	-	-
Granted during the financial year	326,536	386,904	52,136
Returned during the financial year	-60,368	-	-
Exercised during the financial year	-	-	-
Outstanding at the end of the financial year	653,072	386,904	52,136
Existing contractual obligation for future grant	979,608	1,547,616	208,544

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

2007 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2007	326,536	2010	2.0 years	EUR 24.31
Tranche 2008	326,536	2011	3.0 years	EUR 24.39
Tranche 2009	-	2012	3.0 years	EUR 24.54
Tranche 2010	-	2013	3.0 years	EUR 24.66
Tranche 2011	-	2014	3.0 years	EUR 24.72

2008 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2008	52,136	2011	3.0 years	EUR 7.61
Tranche 2009	-	2012	3.0 years	EUR 7.61
Tranche 2010	-	2013	3.0 years	EUR 7.65
Tranche 2011	-	2014	3.0 years	EUR 7.66

Measurement of options issued
The 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 2008.

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

Simulation model parameters	2007 allocation	2008 allocation
Risk-free interest rate (%)	4.75	4.50
Expected volatility (%)	35.00	43.00
Expected term until exercise from issue (years)	3.0	3.0
Price of preference shares on the issue date (EUR)	25.51	7.58

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 2008 have a fair value of EUR 344 thousand at the issue date (2007: EUR 1,629 thousand) for the “2007 allocation” and EUR 40 thousand for the “2008 allocation”. These figures primarily reflect Sixt's share price performance during the 60-day reference period.

In accordance with IFRS 2, personnel expenses were recognised on the basis of the market conditions at the grant date, and not the conditions at the balance sheet date. In 2008, the Group recognised personnel expenses of EUR 1,970 thousand (2007: EUR 599 thousand) in connection with equity-settled share-based payment and allocated this amount to capital reserves. EUR 406 thousand of this amount relates to employee participation in the form of convertible bonds, EUR 1,559 thousand to the “2007 allocation” and EUR 5 thousand to the “2008 allocation” of the MSP employee equity participation programme.

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		Services used		Receivables from related parties		Liabilities to related parties	
	2008	2007	2008	2007	31 Dec. 2008	31 Dec. 2007	31 Dec. 2008	31 Dec. 2007
Sixt Franchise SARL	1.4	1.0	-	-	-	0.1	-	-
Sixt Aéroport SARL	-	-	2.9	1.7	-	-	0.2	0.3
Sixt Sud SARL	-	-	3.3	1.7	-	-	0.3	0.3
Sixti SARL	-	-	2.2	1.7	-	-	0.3	0.3
Sixt Nord SARL	-	-	1.3	-	-	-	0.1	-
UNITED rentalsystem SARL	-	-	1.6	-	-	-	0.1	-
Sixt GmbH	-	-	-	-	-	-	0.2	-
Sixt Asia Pacific Pte Ltd.	[1]	[1]	[1]	-	0.1	-	-	0.3
SIXT S.à.r.l.	-	-	-	-	1.2	-	-	-
Carmondo GmbH	[1]	[1]	0.1	[1]	0.2	0.2	-	-
kud.am GmbH	[1]	-	-	-	-	-	0.2	-
Sixt e-ventures GmbH	-	-	-	-	2.0	-	-	-
Stockflock GmbH	-	-	[1]	-	0.6	-	-	-
Sixt Verw.ges. mbH & Co. Sita Immobilien KG	[1]	-	-	-	0.1	-	-	-

[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 adopted by the Annual General Meeting on 14 July 2005, is not published individually.

The Supervisory Board and Managing Board of Sixt Aktiengesellschaft

Supervisory Board	Membership of supervisory boards and other comparable supervisory bodies of business enterprises
Dr. Gunter Thielen Gütersloh Chairman (from 1 May 2008) Chairman of the Executive Board of the Bertelsmann Stiftung	Chairman of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA (from 1 May 2008) Chairman of the Supervisory Board of Bertelsmann AG (from 8 January 2008) Member of the Supervisory Board of Groupe Bruxelles Lambert Member of the Supervisory Board of Leipziger Messe GmbH Member of the Board of Directors of Sanofi-aventis SA (from 14 May 2008)
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 Frankfurt am Main Member of the Executive Board of Thomas Cook AG	Member of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA Member of the Supervisory Board of Condor Berlin GmbH Member of the Board of Thomas Cook UK Limited Member of the Supervisory Board of Thomas Cook Airlines Belgium
Dr. Karl Josef Neukirchen Frankfurt am Main Chairman (until 30 April 2008) Former Chairman of the Managing Board of mg technologies ag	Chairman of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA (until 30 April 2008) Member of the Supervisory Board of Stadtwerke Düsseldorf AG (until 31 May 2008) Member of the Board of Directors of Clariant International AG (until 31 May 2008)

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 of Sixt Aktiengesellschaft

	EUR thou. 2008	EUR thou. 2007
Supervisory Board remuneration	200	130
Total remuneration of the Managing Board	6,390	5,822
of which variable remuneration	1,906	1,733

In accordance with the resolution adopted by the Annual General Meeting on 14 July 2005 remuneration is not published individually.

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

Under the employee equity participation programme (Matching Stock Programme), members of the Supervisory Board were not granted any MSP shares, and members of the Managing Board were granted 15,680 MSP shares on the basis of their personal investments at the end of the year under review. These MSP shares entitle them to acquire 109,760 phantom stocks in an (annual) tranche and a total of 548,800 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 2008 have a fair value of EUR 29 thousand at the issue date.

Shareholdings

As at 31 December 2008, Erich Sixt Vermögensverwaltung GmbH, all shares of which are held by the Sixt family, 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, the Managing Board members Karsten Odemann, Detlev Pätsch and Hans-Norbert Topp notified the Company in each case of the sale of 20,000 preference shares on 24 June 2008 at a price of EUR 23.311 per share, which 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 2008 in accordance with German commercial law of EUR 23,673 thousand (2007: EUR 42,203 thousand). Subject to the approval of the Supervisory Board, the Managing Board proposes utilising this unappropriated profit as follows:

	EUR thou. 2008	EUR thou. 2007
Payment of a dividend of EUR 0.80 (2007: EUR 1.18) per ordinary share	13,178	19,437
Payment of a dividend of EUR 0.82 (2007: EUR 1.20) per preference share	7,177	10,293
Transfer to retained earnings	3,300	12,450
Carried forward to new account	18	23

The dividend proposal, which would lead to a total distribution of EUR 20,355,343, appropriately reflects the 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 2007 was resolved unchanged by the Annual General Meeting on 19 June 2008. The distribution of EUR 29,730,016 was paid on 20 June 2008.

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 Sixt Aktiengesellschaft's website (www.sixt.com).

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

According to schedule, these consolidated financial statements will be authorised for issue by the Managing Board and the Supervisory Board on 3 April 2009.

Pullach, 9 March 2009

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 2008

Name	Domicile	Nominal capital	Equity	Equity interest	Annual result
e-Sixt Verwaltungs GmbH	Munich	50,000 DM	41,393 EUR	100.0 %	3,181 EUR
Sixt GmbH	Leipzig	50,000 DM	206,570 EUR	100.0 %	116,283 EUR
Sixt Leasing (UK) Ltd.	Chesterfield	2 GBP	2 GBP	100.0 %	0 GBP
Sixt Limousine Service Rhein Main GmbH	Frankfurt	50,000 DM	41,035 EUR	100.0 %	1,171 EUR
Sixt Holiday Cars GmbH [1]	Pullach	50,000 DM	25,565 EUR	100.0 %	-478 EUR
Sixt Travel GmbH	Taufkirchen	1,000,000 DM	62,142 EUR	97.0 %	-2,069 EUR
Sixt Beteiligungen GmbH	Pullach	25,000 EUR	31,420 EUR	100.0 %	1,868 EUR
Sixt Sud SARL	Paris	7,622 EUR	26,678 EUR	100.0 %	-9,141 EUR
Sixti SARL	Courbevoie	7,622 EUR	18,059 EUR	100.0 %	-5,615 EUR
Sixt Franchise SARL	Paris	7,622 EUR	32,395 EUR	100.0 %	4,560 EUR
Sixt Aéroport SARL	Paris	7,622 EUR	619 EUR	100.0 %	-11,511 EUR
UNITED rentalsystem SARL	Paris	7,000 EUR	28,201 EUR	100.0 %	92 EUR
Sixt Nord SARL	Paris	7,000 EUR	9,106 EUR	100.0 %	2,106 EUR
SIXT Limousine Service France SARL	Paris	7,000 EUR	7,000 EUR	100.0 %	0 EUR
Sixt Autoland GmbH [2]	Garching	25,000 EUR	21,304 EUR	100.0 %	-4,839 EUR
Sixt Verwaltungs-GmbH	Taufkirchen	25,000 EUR	33,729 EUR	100.0 %	2,205 EUR
Sixt Franchise GmbH	Pullach	25,000 EUR	18,786 EUR	100.0 %	895 EUR
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG	Pullach	25,000 EUR	12,953 EUR	100.0 %	1,317 EUR
Sixti GmbH [3]	Pullach	25,000 EUR	25,000 EUR	100.0 %	4,842 EUR
Sixt Immobilien Beteiligungen GmbH	Pullach	25,000 EUR	71,041 EUR	100.0 %	9,321 EUR
Sixt Executive GmbH	Pullach	50,000 DM	24,041 EUR	100.0 %	1,817 EUR
Sixt Allgemeine Leasing (Schweiz) AG	Basel	100,000 SFR	60,872 SFR	100.0 %	-7,168 SFR
Sixt Asia Pacific Pte Ltd.	Singapore	200,000 SGD	204,448 SGD	65.0 %	261,551 SGD
Sixt International Holding GmbH	Pullach	25,000 EUR	20,892 EUR	100.0 %	-1,905 EUR
Carmondo GmbH	Munich	25,000 EUR	804,159 EUR	100.0 %	-555,977 EUR
Sixt e-ventures GmbH	Pullach	25,000 EUR	-17,713 EUR	100.0 %	-41,793 EUR
SIXT S.à.r.l.	Luxembourg	12,500 EUR	-18,839 EUR	100.0 %	-29,188 EUR
Winebase GmbH	Pullach	25,000 EUR	7,618 EUR	75.0 %	-5,924 EUR
Stockflock GmbH	Pullach	25,000 EUR	-234,015 EUR	100.0 %	-259,015 EUR
kud.am GmbH	Berlin	200,000 EUR	208,641 EUR	90.0 %	8,641 EUR
Get Your Car GmbH [4]	Pullach	100,000 EUR	100,000 EUR	100.0 %	-9,183 EUR
MOHAG Autohaus Datteln GmbH & Co. KG	Datteln	10,000 EUR	456,044 EUR	95.0 %	1,858,719 EUR

[1] Profit and loss transfer agreement with Sixt GmbH & Co. Autovermietung KG, Pullach
[2] Profit and loss transfer agreement with Sixt Leasing AG, Pullach
[3] Profit and loss transfer agreement with Sixt GmbH & Co. Autovermietung KG, Pullach
[4] Profit and loss transfer agreement with Sixt European Holding GmbH & Co. KG, Pullach

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