Annual Report 2009

Sixt Aktiengesellschaft

THE SIXT GROUP IN FIGURES

in EUR million	2009	2008	Change 2009 on 2008 in %	2007
Revenue	1,602	1,774	-9.7	1,569
thereof in Germany	1,264	1,424	-11.3	1,267
thereof abroad	338	350	-3.4	302
thereof operational [1]	1,368	1,527	-10.4	1,381
thereof rental revenue	758	789	-3.9	703
thereof leasing revenue	407	420	-3.2	374
Profit from operating activities (EBIT)	67.0	154.9	-56.7	177.7
Profit before taxes (EBT)	15.1	86.7	-82.6	137.7
Consolidated profit for the period	10.4	61.4	-83.1	93.6
Net income per share (basic)				
ordinary share (EUR)	0.40	2.43	-83.5	3.73
preference share (EUR)	0.42	2.48	-83.1	3.77
Total assets	2,097	2,469	-15.1	2,047
Lease assets	838	902	-7.1	750
Rental vehicles	638	1,058	-39.7	916
Equity	485	493	-1.6	461
Equity ratio (%)	23.1	20.0	+3.1 points	22.5
Non-current financial liabilities	776	735	+5.6	699
Current financial liabilities	335	651	-48.5	385
Dividend per share				
ordinary share (EUR)	0.20 [2]	0.80	-75.0	1.18
preference share (EUR)	0.22 [2]	0.82	-73.2	1.20
Total dividend, net	5.2 [2]	20.4	-74.4	29.7
Number of employees [3]	2,981	2,776	+7.4	2,341
Number of locations worldwide (31 Dec.) [4]	1,923	1,879	+2.3	1,684
thereof in Germany [5]	530	526	+0.8	517

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

CONTENTS

Driving is more than just getting from A to B. If you rent or lease a vehicle, you expect value for money, quality, 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. Established in 1912, the Company has achieved a unique market position thanks to its numerous strengths, including its wide choice of premium products in the two business areas of vehicle rental and leasing, the excellent value for money it offers, its employees' systematic service orientation and its strong innovation culture. The Sixt brand stands for the "spirit of mobility" in the best sense.

Sixt also develops tailored concepts combining both rental and leasing products. The Company is represented in some 100 countries. It maintains alliances with famous names in the hotel industry, leading airlines and numerous prominent service providers in the tourism sector.

Sixt's long-term strategy is aimed at continuing its international expansion, maintaining a systematic focus on strong earnings and achieving a sustained increase in its enterprise value.

www.sixt.com **http://ag.sixt.de/investor-relations**

Dear Shareholders,

2009 was a year of transition for the Sixt Group. After five years of continuous above-market growth, we had to adapt our Company to a market and economic environment that has changed significantly due to the recession and the financial crisis. This adjustment was a success. Sixt is in a strong strategic, operating and financial position to profit more than average when the economy starts to recover.

- In 2009, we comfortably met our declared goal of reporting a clearly positive result with profit before taxes (EBT) of EUR 15.1 million. Thanks to a strong fourth quarter, we were able to exceed our original earnings forecast. A key factor here is that the various measures instituted at the end of 2008 to increase our earnings quality and reduce operating costs had the planned effects in the course of the year. As a result, EBT in the fourth quarter of 2009 was up considerably on the prior-year period again. This has allowed Sixt to continue its tradition of generating a profit in every year of its almost 100-year history.

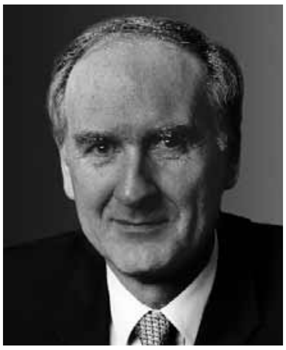
- Consolidated revenue reached EUR 1.6 billion. Encouragingly, rental revenue (-3.9%) and revenue from the leasing business (-3.2%) only fell slightly despite the global economic downturn. This trend corresponds to roughly stable demand in the two business units. Our expectation at the beginning of the year that the recession would not lead to a slump in demand for mobility services proved to be correct.

- Sixt is maintaining its principle of pursuing of a shareholder-friendly but strictly earnings-driven dividend policy in a challenging market environment. At the Annual General Meeting, the Managing Board and Supervisory Board will propose a payment of EUR 0.20 per ordinary share and EUR 0.22 per preference share for financial year 2009. This will increase the dividend payout rate (based on consolidated profit) from 33% to 50%. This dividend proposal should also be seen in the context of the substantial 89% rise in the price of Sixt's ordinary shares and the 77% rise in its preference shares in 2009 which clearly outperformed the benchmark index, the SDAX. This shows that the market rewarded the measures taken to secure and increase profitability.

Erich Sixt

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

The adjustment measures implemented in the past financial year consisted first and foremost of a reduction in the rental fleet. In 2009, we added approximately 16% fewer vehicles to the rental fleet, whose average size in Germany and abroad was down 6% year-on-year. This cautious fleet policy reflected the highly uncertain economic environment especially at the beginning of the year under review and led to a reduction in fleet costs, which are far and away the largest vehicle rental cost item. It was clear that the effects of the adjustments to the rental fleet would not be felt immediately, but in the course of the year since vehicles are held for approximately six months. Improving our earnings quality was another focus in 2009. We took a fundamental look at our customer relationships to see whether sufficient earnings could be generated on the basis of the



Detlev Pätsch

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

Dr. Julian zu Putlitz

(born 1967), has been with Sixt since 2009 and is responsible for finance and controlling.

existing conditions. Our guiding principle in the current difficult market environment is very clear: we put earnings increases above volume growth.

In addition, many measures were taken in the past financial year to improve internal efficiency. All cost items in the operating business as well as key structures and processes were reviewed. The Sixt Group has always been lean and powerful and we aim to continue using this competitive advantage in the future.

However, cost awareness alone is not enough. Innovative strength, with which we constantly provide our customers with compelling reasons to use Sixt, is key for our long-term market success. For example, in 2009 we again expanded our online and mobile phone-based services offering in the Vehicle Rental Business Unit to give rental customers additional ways to quickly and comfortably rent vehicles. The importance of the Internet for Sixt is growing steadily. Our customers now make more than 40% of their reservations online and the Internet is also becoming more and more important as a promotion and communications channel.

Sixt is well positioned operationally at the beginning of 2010. Among other things, we benefit from the Group's financial strength. At approximately 23%, our equity ratio at the end of 2009 again clearly exceeded the market average. In addition, the successful placement of a EUR 300 million bond with a three-year term in November 2009 gives us new operating scope. This solid capital and financing base is a competitive advantage that cannot be underestimated, especially in today's banking and capital market environment.

Despite initial weak signs of an economic recovery, we are continuing to take a cautious approach to planning the current year. A rapid and comprehensive economic upturn in the core European countries is not yet in sight. Cost pressures on companies remain high. Consumers are uncertain how their economic situations will develop. As a result, we are anticipating developments on the vehicle rental and leasing markets to be muted and will continue to pursue the cautious fleet policy we adopted in 2009. We will focus our communications even more strongly on informing customers of the benefits of rental and leasing solutions, especially when the goal is to reduce mobility costs. The fact remains that the recession and the financial crisis provide Sixt with opportunities for additional business as well as entailing risks.

Due to the muted development of the international mobility markets, we expect consolidated revenue to fall slightly in 2010. However, on the earnings side we will continue to profit from the full effects of the measures to cut costs and increase efficiency implemented in 2009 and will adhere closely to the principle of "earnings before revenue". For this reason we aim to significantly increase our consolidated profit before taxes (EBT) in the current financial year as against 2009.

We are convinced that, in the long term, both business units will again grow faster than the market if the overall economy picks up. A high quality of service, the permanent pursuit of innovation, cost awareness and a solid financing base will remain the cornerstones of our strategy.

Pullach, March 2010

Sincerely

The Managing Board

ERICH SIXT	DETLEV PÄTSCH	DR. JULIAN ZU PUTLITZ

Dr. Gunter Thielen

General

In 2009, the Supervisory Board of Sixt Aktiengesellschaft duly performed the duties assigned to it by law and the Articles of Association. It dealt in detail with the Company's position and advised the Managing Board regularly. To this end, four meetings were held during the course of the year 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 in written and verbal form and is always involved in decisions of particular importance.

To this end, the Managing Board prepares a quarterly written report that 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's discussions with the Managing Board focus in particular on the development of business, the Company's profitability, the planning and corporate strategies. In all instances, the Supervisory Board 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 additional Company documents 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 a timely manner 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. This form of resolution was used on various occasions in the reporting period.

As in the previous year, the Supervisory Board formed no committees in 2009, as it consists of only three members and the establishment of committees is not therefore expected to increase efficiency.

Key topics

At the four regular meetings, the Supervisory Board was informed in detail by written and oral reports by the Managing Board on all key questions relating to business development, strategic planning, the risk situation, risk management and the financing structure of Sixt Aktiengesellschaft and 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 in Germany and abroad and also provided detailed information on the course of business in each Business Unit, taking account of the respective competitive situation.

The Supervisory Board's discussions and deliberations in 2009 focused on the following topics in particular:

- The Supervisory Board dealt in detail with the Group's strategy and with the necessary strategic adjustments in light of the considerably altered economic conditions in the wake of the financial market crisis. In this context, the Managing Board explained the effects of the reduction in the rental fleet initiated at the end of 2008 on the Group's revenue, cost and earnings development.

- The Supervisory Board discussed the demand situation on the vehicle rental market in view of the sharp downturn in economic output in the countries in which the Sixt Group's operations are conducted by its own companies. The Managing Board reported that demand had remained largely stable despite many companies striving to reduce travel costs. This was also due to the fact that rental cars are in many cases a more cost-effective means of travel compared with other modes of transport. In this respect, increased savings efforts of companies also offer new business opportunities to Sixt.

- The procurement policy for the rental and leasing fleets with a view to achieving a cost-effective financing mix and the strategy for securing the residual values through buy-back agreements with manufacturers and dealers was an important issue. The Managing Board explained that leases with manufacturers should also be used in future to a certain extent.

- The Managing Board informed the Supervisory Board in detail about progress in achieving the goal of increasing prices for both business and private customers in the Vehicle Rental Business Unit. In this context, the Managing Board reported on customers' reactions and the Competitors' market behaviour. Increased charges for leasing customers by passing on generally higher refinancing costs were also discussed.

- The Supervisory Board dealt in detail with operating cost developments, especially fleet and personnel costs.

- The Supervisory Board also discussed the Group's financing strategy against the backdrop of the financial market crisis and strategic planning for the coming years. It noted with approval the Managing Board's decision to issue a new bond to safeguard the Group's medium- and long-term financial structure. The bond with a volume of EUR 300 million and a term of three years was issued in November 2009.

- The Supervisory Board also addressed the effects of the Bilanzrechtsmodernisierungsgesetz (BilMoG – German Accounting Law Modernisation Act), the structure of the internal control system (ICS) and the resources and findings of the internal audit department. Topics such as corporate governance and compliance within the Group were also discussed.

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 in 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 2009, 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 2009 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 2009 in accordance with the requirements of the Handelsgesetzbuch (HGB – German Commercial Code) and the consolidated financial statements and the group management report as at 31 December 2009 in accordance with section 315a of the HGB and in compliance with IFRSs, as adopted by 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 30 June 2009.

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 held on 26 March 2010. 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. They confirmed that there were no material weaknesses in the internal control system or the risk management system in relation to the financial reporting process and that there are no material 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

The following changes in the Managing Board of Sixt Aktiengesellschaft took place in 2009.

Hans-Norbert Topp, who had been the member of the Managing Board responsible for Sales since 2004, left the Managing Board effective 18 November 2009. Erich Sixt, the Chairman of the Managing Board, has now assumed responsibility for Sales.

Karsten Odemann, who had been the member of the Managing Board responsible for Finance and Controlling since 2004, stepped down on 31 August 2009. His successor is Dr. Julian zu Putlitz, formerly a partner at management consultancy Roland Berger Strategy Consultants.

The Supervisory Board would like to thank Mr Topp and Mr Odemann for their successful work on behalf of Sixt and wish them all the best for the future.

There were no changes in the Supervisory Board of Sixt Aktiengesellschaft in the year under review. The Annual General Meeting of Sixt Aktiengesellschaft on 30 June 2009 confirmed Thierry Antinori, Deputy Chairman of the Supervisory Board, and Ralf Teckentrup, member of the Supervisory Board, in office for the maximum term allowed by law by a large majority.

In 2009, the Sixt Group successfully completed the adjustment from a long period of growth to a market environment that has deteriorated significantly. This adjustment required substantial efforts on the part of all involved. In light of these achievements, the Supervisory Board would like to thank the Managing Board and all Group employees for their dedication and hard work in the past year.

Pullach, March 2010

The Supervisory Board

DR. GUNTER THIELEN	THIERRY ANTINORI	RALF TECKENTRUP
Chairman	Deputy Chairman	Member

SIXT
EXTREME
BMW

SIXT SHARES AND PROFIT PARTICIPATION CERTIFICATES

- **Dynamic performance by Sixt shares in 2009: ordinary shares up 89%, preference shares up 77%**
- **Shares outperform the benchmark SDAX index**
- **Investor-friendly dividend payout rate of 50%**

Stock markets recover in 2009

The international stock and capital markets staged a recovery in 2009. After the stock exchanges had suffered significant losses in the previous year because of the financial crisis and the resulting economic downturn, and after a poor start to the year 2009, the major stock indices rallied consistently over the rest of the year. According to experts, the main drivers of this positive development were massive support packages implemented by governments, the International Monetary Fund (IMF) and central banks to stabilise the financial sector and fight the recession. In line with the recovery on the stock markets, growth expectations for major economies were also gradually revised upwards in the course of 2009.

The stock markets in Europe, the USA and Asia ended the year 2009 higher, in some cases significantly. After initially falling to its low for the year of 3,588 points on 9 March 2009, the Deutscher Aktienindex (DAX) rose continuously to its high of 6,026 points on 29 December 2009. It closed the year at 5,957 points. This represents a rise of 24%, compared with a decline of 40% in 2008. The pan-European Stoxx 50 index advanced by 21% in 2009 (2008: -44%). The American Dow Jones index rose by 19% (2008: -34%), and Japan's Nikkei index also gained 19% (2008: -42%). The stock exchanges in Asia's emerging economies also recorded sharp increases. The SDAX, which includes Sixt Aktiengesellschaft's ordinary shares, advanced by 27%, following the worst performance in its history in 2008 (-46%).

Dynamic performance by Sixt shares

The prices of Sixt ordinary shares and Sixt preference shares rose substantially in 2009, after falling in the previous year. The price of ordinary shares almost doubled in the course of the year. Both ordinary and preference shares significantly outperformed their benchmark index, the SDAX, during the year under review.

Sixt ordinary and preference shares

Source: Commerzbank

Sixt's ordinary shares reached their low for the year of EUR 8.12 on 3 March 2009. They then experienced a steady rally, reaching their high for the year of EUR 23.44 on 25 November 2009. The year-end price was EUR 21.94, up 89% on the Xetra price at the end of 2008 (EUR 11.60).

Sixt preference shares also declined at the beginning of the year, reaching their low for the year of EUR 7.16 on 6 March 2009. As with the ordinary shares, their price then started to head upwards again. The shares reached their high for the year of EUR 18.45 on 15 December 2009. The price was EUR 17.15 at the end of the year, 77% higher than the Xetra price at the end of 2008 (EUR 9.71).

With this rise, the market rewarded the measures to increase earnings that Sixt had initiated in the course of the year.

Stable shareholder structure

As far as the Company is aware, there were no significant changes to the shareholder structure of Sixt Aktiengesellschaft in 2009.

As at the end of 2009, 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 received. 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 2009.

Relative performance of Sixt ordinary and preference shares against the SDAX

Source: Commerzbank

Strict earnings-driven dividend policy

Sixt Aktiengesellschaft has always adhered to the principle of permitting its shareholders to share in the Company's performance by distributing an appropriate dividend. This means that dividend payments from net assets are avoided and the dividend policy is aligned with the need to strengthen the equity base in view of the Group's ongoing international expansion.

In accordance with the proposal by the Managing Board and Supervisory Board, the Annual General Meeting on 30 June 2009 resolved to pay a dividend of EUR 0.80 per ordinary share and EUR 0.82 per preference share for financial year 2008. This represents a modest reduction in the dividend compared with the previous year, a move aimed at strengthening the Company's equity base with a view to facilitating the Group's long-term expansion strategy and financing requirements in a more difficult economic environment.

At the Annual General Meeting on 17 June 2010, the Managing Board and Supervisory Board will propose a dividend of EUR 0.20 per ordinary share and EUR 0.22 per preference share for financial year 2009. The proposed dividend takes into account the year-on-year decline in consolidated earnings and the continuing difficult economic environment. According to this proposal, the total distribution for 2009 amounts to EUR 5.2 million (previous year: EUR 20.4 million). Measured in terms of the consolidated profit after minority interests, the dividend payout rate has risen to 50% (previous year: 33%). Based on the share price at the end of 2009 and the dividend proposed by the Managing Board and Supervisory Board, the yield is 0.9% for ordinary shares and 1.3% for preference shares.

In-depth communication

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

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: 1.89%)
	CDAX (weighting of ordinary shares: 0.02%, weighting of preference shares: 0.02%)
	Prime All Share (weighting of ordinary shares: 0.02%, weighting of preference shares: 0.02%)
Trading segment	Prime Standard
Designated sponsors	Commerzbank AG, UniCredit Bank AG

	2009	2008
Earnings per share – basic (EUR)		
Ordinary shares	0.40	2.43
Preference shares	0.42	2.48
Dividend (EUR)		
Ordinary shares	0.20 [1]	0.80
Preference shares	0.22 [1]	0.82
Number of shares		
(as at 31 December)	25,225,350	25,225,350
Ordinary shares	16,472,200	16,472,200
Preference shares	8,753,150	8,753,150
High (EUR)[2]		
Ordinary shares	23.44	35.50
Preference shares	18.45	28.15

	2009	2008
Low (EUR)[2]		
Ordinary shares	8.12	8.74
Preference shares	7.16	7.40
Year-end price (EUR)[2]		
Ordinary shares	21.94	11.60
Preference shares	17.15	9.71
Dividend yield (%)[3]		
Ordinary shares	0.9	6.9
Preference shares	1.3	8.4
Market capitalization		
(EUR million)[4]		
as at 31 December	512	276

1 Proposal by the management
2 All prices refer to Xetra closing prices
3 Based on year-end prices
4 Based on ordinary and preference shares

In order to meet the public's growing need for information, the Managing Board again engaged in regular, in-depth dialogue with analysts and investors from Germany and abroad in 2009. The discussions served to explain Sixt's strategic orientation and business development on the one hand, and to put it in the context of the relevant sector and capital market environment on the other. In the year under review, dialogue focused on the extensive actions taken to align the operations of the Sixt Group with the changed economic environment.

In 2009, the Managing Board again staged roadshows in Germany and abroad, which met with considerable interest. Discussions were held with investors in Frankfurt am Main, Munich, Paris, London and Amsterdam, among other places.

Between reporting dates in 2009, the Managing Board kept in direct contact with the media by way of conference calls. These have taken place for years and have proved to be a good opportunity – in addition to the regular events such as the annual earnings press conference and the Annual General Meeting – to report on Sixt's business development to the public and to comment on current topics relevant to the Group. The business and financial media again showed keen interest in these conference calls in the period under review.

Prominent financial and research institutions track the Company's performance and publish research reports based on close dialogue with the Managing Board. In 2009, research reports were prepared by, among others, BayernLB, Commerzbank, HSBC Trinkaus & Burkhardt, Merck Finck & Co., M.M. Warburg & Co., Reuschel & Co., UniCredit, WestLB and GSC Research.

To cater to the growing need for information of investors, analysts and the media, the Managing Board will continue to take the initiative in the future in seeking direct dialogue with these target groups, using suitable communication channels. The aim is to explain the Sixt Group's strategy, basic principles, specific business model and prospects as well as its solid capital and financing base, and hence to demonstrate the significant role played by Sixt shares on the capital market.

Profit participation certificates 2004/2011

Overall, the profit participation certificates issued by Sixt in the autumn of 2004 with an aggregate principal amount of EUR 100 million recorded a positive performance in financial year 2009. Although the price fell initially in line with the general weakness in the capital market, reaching a low of 75.0% on 23 January 2009, it then rallied continuously, taking the price to its high of 105.6% on 29 December 2009. It closed the year at 105.5% (prior-year reporting date: 90.5%). All the above prices refer to floor trading in Frankfurt (closing prices).

A portion of the principal amount of the profit participation certificates, totalling EUR 50 million, matured on 31 December 2009. According to the terms and conditions of the profit participation certificates, this amount becomes payable on the first bank working day following the Annual General Meeting on 17 June 2010.

Sixt profit participation certificate information

Issuer	Sixt Aktiengesellschaft
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., in accordance with the terms and conditions of the profit participation certificates
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, payable in accordance with the terms and conditions of the profit participation certificates 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, payable in accordance with the terms and conditions of the profit participation certificates on the first bank working day following the Annual General Meeting at which the Annual Financial Statements for financial year 2011 are presented.

Under the provisions of the Bilanzrechtsmodernisierungsgesetz (BilMoG – German Accounting Law Modernization Act), which came into effect in 2009, listed companies have to issue a corporate governance declaration for financial years beginning after 31 December 2008 (section 289a of the Handelsgesetzbuch (HGB – German Commercial Code)). This declaration can be found on the website of Sixt Aktiengesellschaft at http://ag.sixt.de/investor-relations.

Corporate governance declaration in accordance with section 289a of the HGB

Corporate Governance

For Sixt Aktiengesellschaft, good and responsible corporate management and supervision (corporate governance) is 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 18 June 2009.

Declaration of conformity in accordance with section 161 of the AktG

In accordance with Section 161 of the Aktiengesetz (AktG – German Public Companies Act), the managing board and supervisory board of German listed companies are required to issue an annual declaration indicating the extent to which they have complied and are complying with the German Corporate Governance Code. They must also explain which recommendations of the Code have not been or are not being applied. The Managing Board and Supervisory Board of Sixt have issued and published such a declaration of conformity every year since 2002. Every declaration of conformity is made available to the public for a period of five years on the Company's website at http://ag.sixt.de/investor-relations. The most recent declaration of conformity with the version of the Code valid since June 2009 was published by the two bodies in December 2009, and reads as follows:

The recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated 18 June 2009 (hereinafter referred to as "Code") 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:

- In the D&O insurance policy of Sixt Aktiengesellschaft, no deductible has been agreed for members of the Managing Board for the period up to 30 June 2010, and for members of the Supervisory Board there is no deductible after that date either (section 3.8 of the Code). Sixt Aktiengesellschaft believes that a deductible would not improve the motivation or sense of responsibility of the members of the Managing and Supervisory Boards, especially given that the Managing Board/Supervisory Board members could insure any deductibles themselves.

- Section 4.2.3 (4) of the Code recommends agreeing, when contracts of service are entered into with Managing Board members, that payments to Managing Board members on premature termination without cause should not exceed the value of two years' remuneration including incidental benefits (cap on severance payments). Sixt Aktiengesellschaft has not agreed any caps on severance payments in the contracts of service with Managing Board members. Because contracts of service with Managing Board members cannot be terminated unilaterally before the end of the term of office without cause, it is not possible to agree a cap on severance payments in the event that a contract of service with a Managing Board member is unilaterally terminated prematurely without cause.

- The key features of the remuneration system for members of the Managing Board and the concrete provisions of a stock option plan are explained in more detail in the Annual Report. The remuneration of the Managing Board and members of the management is disclosed in the notes to the consolidated financial statements separately for fixed salaries, performance-related components and long-term incentives. No individualized breakdown of the disclosures is given in compliance with the resolution of the Annual General Meeting on 14 July 2005, because Sixt Aktiengesellschaft believes that an individualized breakdown would be too great an intrusion into the private affairs of the Managing Board members. 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 decides on a case-by-case basis whether to specify an age limit when appointing Managing Board members (section 5.1.2 of the Code), because the Supervisory Board believes that to specify a general age limit would impose a blanket restriction on selection and would thus not be in the interests of Sixt Aktiengesellschaft.

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

- Proposed candidates for the Supervisory Board chair are not announced to shareholders (section 5.4.3 of the Code), because under the provisions of the AktG the election of the Supervisory Board chair is exclusively the responsibility of the Supervisory Board.

- The remuneration of members of the Supervisory Board comprises fixed components only. The aggregate amount is disclosed in the Consolidated Financial Statements (section 5.4.6 of the Code). The remuneration paid to members of the Supervisory Board is specified in the Articles of Association. It does not have any performance-related components.

- Sixt Aktiengesellschaft will disclose all price-sensitive information to analysts and all shareholders (section 6.3 of the Code). Sixt Aktiengesellschaft believes that disclosure to all shareholders of all non-price-sensitive information addressed to financial analysts and similar parties would not benefit their information interests to any greater extent.

- The Consolidated Financial Statements are published within the statutory periods. Interim reports are published within the periods stipulated by stock exchange law. Sixt Aktiengesellschaft believes that compliance with the publication deadlines specified in section 7.1.2 sentence 4 of the Code does not benefit to any greater extent the information interests of investors, creditors, employees and the public.

Pullach, December 2009

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

Relevant disclosures on corporate governance practices

The practices used in the management of Sixt Aktiengesellschaft and the Sixt Group comply fully with the statutory provisions. Above and beyond this, the following should be noted:

Strategic and operational management of the Group is performed on the basis of planning policies and regular comprehensive reports to the Managing Board. The reports cover the risk management system, the internal control system and the internal audit system.

The risk management system, whose functioning and extent are documented in the risk manual, specifies several types of reports. Among other things, the Managing Board and the Supervisory Board receive a comprehensive risk report each year. In addition, the Managing Board is regularly informed about relevant issues by the Company's functional units. The internal control system consists of measures and controls to ensure compliance with statutory provisions and corporate guidelines. It specifies regular reports by the Company's Business Units, audit reports and regular working meetings relating to different topics. The internal control system relates to measures such as planned audits and other audits, the results of which are documented in the respective audit and activity reports to the Managing Board.

Working practices of Managing Board and Supervisory Board

In accordance with Article 6 (1) of the Company's Articles of Association, the Managing Board of Sixt Aktiengesellschaft consists of one or more persons appointed by the Supervisory Board for a period of up to five years. Currently the Managing Board has three members, who are responsible for the basic strategic orientation, daily operations and the monitoring of risk management at Sixt Aktiengesellschaft and in the Sixt Group. In addition, the members of the Managing Board perform functions at other Group companies, for example as Supervisory Board members or Managing Directors. Since Sixt AG is the Group's strategic and financial holding company, the daily operations are managed within the Vehicle Rental and Leasing Business Units. The Managing Board members of the holding company are at the same time Managing Directors of Sixt GmbH & Co. Autovermietung KG, the operational management company of the Vehicle Rental Business Unit. The Chairman of the Managing Board of Sixt Aktiengesellschaft, Erich Sixt, is at the same time the Chairman of the Supervisory Board of Sixt Leasing AG, the operational management company of the Leasing Business Unit.

The members of the Managing Board perform the duties assigned to them under clearly defined portfolio responsibilities in accordance with the executive organisation chart and the rules of procedure.

The Chairman of the Managing Board is responsible for the Company's long-term strategic orientation. In addition, he is in charge of Group development, sales, marketing, international franchising, IT and personnel. The Chief Operations Officer is responsible for the rental business at rental offices and for the fleet, as well as areas such as yield management, pricing, quality management, and customer service. The Chief Financial Officer is in control of the overall management of all the Group's finance departments, including finance and accounting, controlling, risk management and auditing.

Managing Board meetings, at which cross-portfolio issues are discussed, are held as and when necessary.

Because of its current size of only three members, the Managing Board has not formed any committees.

In accordance with Article 8 of the Articles of Association, the Supervisory Board of Sixt Aktiengesellschaft has three members. Two members are elected by the Annual General Meeting in accordance with the provisions of the AktG. Another member is appointed to the Supervisory Board by the shareholder Erich Sixt. The Supervisory Board elects a Chairman and a Deputy Chairman from among its members (Article 10 (1) of the Articles of Association).

The Supervisory Board's main tasks include the supervision of the Managing Board and the appointment of Managing Board members. Membership of the Managing Board and the Supervisory Board is mutually exclusive, so simultaneous membership of both Boards is not permitted. The Supervisory Board adopts resolutions at meetings. Resolutions may also be adopted by casting written, telegraphic or verbal votes, if instructed by the Chairman of the Supervisory Board and no member objects to this procedure. Resolutions of the Supervisory Board are adopted by a simple majority, unless the law requires otherwise (Article 11 (3) of the Articles of Association).

The Managing Board and the Supervisory Board cooperate closely in the interests of the Sixt Group. The Managing Board informs the Supervisory Board regularly, promptly and comprehensively on all matters of strategic planning, business development, the risk situation and risk management that are relevant to the Company and the Group. In this regard, the Managing Board agrees the Company's strategic orientation with the Supervisory Board and discusses the implementation of strategy at regular intervals. Documents required to make decisions, in particular the annual financial statements and management report of Sixt Aktiengesellschaft, the consolidated financial statements, the Group management report, including the auditors' reports, are forwarded to the members of the Supervisory Board in good time before the respective meeting.

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 on its website at http://ag.sixt.de/investor-relations or requested from the Company.

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 five 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 were entitled to purchase new preference shares of Sixt Aktiengesellschaft, whereby the interest in the distribution of profits and the Company's assets attaching to these shares ranked equally with the preference shares previously issued. For this purpose, the Company's share capital had originally been contingently increased by up to EUR 2,657,920, composed of up to 1,038,250 preference bearer shares (Contingent Capital III).

As at the beginning of the financial year, convertible bonds with conversion rights for up to 194,600 preference shares (as at 1 January 2009) had been issued in accordance with the authorisation mentioned above. The conditions for exercising conversion rights were not met in the year under review, and consequently the last tranche of the convertible bond was repaid at its principal amount in accordance with the bond terms and conditions. The programme has thus been completed; there are no further conversion rights under the programme.

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 employee participation in the form of shares while avoiding any dilutive effects for 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 a maturity of seven years. The total invested by all participants must not exceed EUR 3.5 million. The Supervisory Board of Sixt Aktiengesellschaft can resolve at any time to increase the total investment volume above EUR 3.5 million. The Managing Board of Sixt Aktiengesellschaft – with the approval of the Supervisory Board if the Managing Board itself is 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 unweighted 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 seven phantom shares per tranche in accordance with the MSP terms and conditions.

Under the MSP, one tranche of phantom shares has been and will be allocated on 1 December each year during the years 2007 to 2011 (a total of five tranches), so that each participant is entitled to subscribe to seven phantom shares a year for each MSP share (up to a total of 35 phantom shares).

The allocated phantom shares can only be exercised after a lock-up period of three years, starting from the allocation of the respective tranche. The phantom shares 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 shares corresponds to the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the phantom shares for the tranche concerned are allocated. The exercise price is the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the phantom shares of a tranche are exercised. Phantom shares 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 shares expire without replacement.

The exercise gain for a tranche, calculated if the phantom shares 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 eight 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 shares 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 shares 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 shares, 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 shares already allocated but not yet exercised and the entitlements to unallocated phantom shares 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 owned 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 2009.

Members of the Supervisory Board held no ordinary shares or preference shares of Sixt Aktiengesellschaft as at 31 December 2009.

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 439,040 phantom shares (as at 31 December 2009). 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 15a WpHG

Sixt Aktiengesellschaft has received no disclosures for the 2009 financial year regarding the acquisition or sale of the Company's shares by members of the Managing or Supervisory Boards.

SIXT
TREMENDOUS
AUDI

- **Sixt Group successfully adapts to depressed economic environment**
- **Consolidated EBIT reaches EUR 67.0 million**
- **High level of stable demand in both business units: rental revenue -3.9%, leasing revenue -3.2%**
- **Goal for 2010: significant increase in EBT**

A. Business and general environment

1. Group activities and services portfolio

The Sixt Group is an international provider of high-quality, end-to-end mobility services. It offers its customers tailored products that provide mobility for periods ranging from one day to five years. Sixt is primarily active in the business areas of vehicle rental and leasing. Other activities such as online services round out the offering. These are disclosed in the Group's segment reporting under the "Other" item.

Sixt operates its **Vehicle Rental Business Unit** through its own rental offices and in cooperation with highly efficient franchisees and cooperation partners. The Company is active almost worldwide. In Germany, Sixt has a market share of over 30%, making it the market leader. At some commercial airports in Germany, a particularly important segment for the rental business, the Company's market share is even higher. The Business Unit's primary target group comprises business and corporate customers, which in the year under review accounted for 52% of rental revenue (2008: 54%). In addition, Sixt has intensified its business with private customers and holidaymakers in recent years. The Group is also active in the accident replacement business and has recently recorded revenue growth in this segment.

In Germany, Sixt has a dense network of service points. As at 31 December 2009, the number of rental offices stood at 530 (2008: 526; excluding locations maintained by the European low-cost brand SIXTI). Abroad, the Company is represented through service points in the core European countries, i.e. the UK, Spain, France, Belgium, the Netherlands, Luxembourg, Austria and Switzerland (Sixt Corporate countries). Sixt is thus one of Europe's largest car rental companies. In addition, it is represented by franchise partners in other European countries and many countries outside Europe (Sixt Franchise countries). As a result, the Sixt brand has an almost global presence. As at 31 December 2009, the number of Sixt service points worldwide was 1,923 (2008: 1,879).

The offering of Sixt Vehicle Rental is augmented by further products. These include:

- **"SIXT holiday"** is an international holiday car rental offering specially tailored to holiday destinations. It is an all-inclusive, prepaid product; after making a reservation, customers receive a voucher that they then use to rent the vehicle of their choice at their holiday destination. The price includes extras such as insurance (excluding any deductible), taxes and mileage.

- **"SIXTI"** is a low-cost vehicle rental offering that is clearly distinguished from Sixt's vehicle rental services. It is aimed at private customers who are willing to accept certain rental conditions in return for the particularly cost-effective mobility offerings they seek. Sixt is the only provider in this market segment with an European focus. Since mid-2008, SIXTI has also been operating a pilot project, the "SIXTI Car Club" in Berlin. This is a car sharing offering specially tailored to the mobility requirements of price-conscious city dwellers. It allows members to rent renowned vehicle brands equipped to a high standard – at particularly low prices, at any time and at short notice. The car rental club has continuously expanded its presence in the German capital and, as at 31 December 2009, had 40 sites across the city.

- **"Sixt Limousine Service & Chauffeur Drive"** is an individual, exclusive mobility offering for business travellers and for other occasions such as sightseeing trips. It is available in more than 60 countries worldwide. For this offering, Sixt uses a fleet of attractive premium vehicles and specially trained chauffeurs.

- Sixt maintains a number of close strategic partnerships, some of which are long-established, with companies in the tourism and mobility industries. This enables it to offer its customers comprehensive, integrated mobility services and numerous price benefits. In particular, these partners include airlines, hotel chains, hotel reservation and marketing associations, and other mobility service providers such as the ADAC (the German motorists' association).

- Sixt is the only international mobility services provider able to offer its customers integrated products combining both rental and leasing components, such as the "Sixt CarAbo". This is an attractive rental product that offers frequent business travellers maximum flexibility. For a fixed monthly fee, "CarAbo" customers can rent a vehicle from the category of their choice at any time and at over 1,000 Sixt service points in nine European countries.

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. In this business area, Sixt uses innovative, fully online solutions. These allow fleet managers to prepare reports on their entire fleet or individual vehicles, increase transparency over their fleet and thus achieve cost savings.

Sixt Leasing AG is one of the largest non-bank, vendor-neutral leasing companies in Germany. The Business Unit also has a presence in other countries, including through its own operations in Austria, Switzerland and France. As at 31 December 2009, the number of leasing contracts in Germany and abroad amounted to 60,800 (2008: 65,100). Full-service leasing and fleet management accounted for 93% of the total lease portfolio. Sixt offers leasing products and services in a further 30 countries via franchisees.

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 performs various financing functions and provides internal control 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 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 general economic conditions, which affect in particular private consumption and companies’ willingness to spend money on travel or invest. The Sixt Group’s business activities may also be affected by economic developments, such as the economic and capital market crisis that has persisted since autumn 2008.

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

The key financial control parameters (financial performance indicators) in the Vehicle Rental Business Unit include:

- the economic capacity 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 the 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 key overarching control parameters 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/EBT)
- the status of cash funds 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 the Vehicle Rental Business Unit (expressed in relation to the Business Unit's operating revenue)
- a pre-tax return on sales of 5% in the Leasing Business Unit (expressed in relation to the Business Unit's operating revenue)
- an equity ratio of at least 20% at Group level.

4.3 Non-financial performance indicators

The Group's non-financial performance indicators include in particular:

- **Systematic service culture:** Sixt has always positioned itself as a premium provider. The Company boasts above-average quality of service, employees with a strong customer focus and a high standard of vehicles. Service responsiveness and service quality are the key differentiators distinguishing service companies from the competition. Business and corporate customers, Sixt's main customer group, attach considerable importance to the speed and ease of the rental process. The consistent service orientation has to be backed by the necessary employee skills. Guaranteeing service quality, for example through suitable training and development activities, is an important factor in ensuring the Company's future success.

- **High-quality vehicle fleet:** 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. Therefore, over half of the vehicle fleet by value is made up of prominent brands such as BMW, Mercedes-Benz and Audi. The vehicles offer top-of-the-range technical functionality and premium features such as navigation systems, the BMW ConnectedDrive information service and engines that offer high performance coupled with particularly economical operation. Sixt also considers it very important to be able to offer a range of vehicle types and sizes for a wide variety of requirements, including trucks, estate cars, convertibles, off-road vehicles and smaller city cars.

- **High brand awareness:** Based on 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. A similarly high score is usually achieved only by large consumer goods manufacturers. According to the study, the level of brand awareness is coupled with mostly positive ratings of the Company's image. It found that Sixt is perceived as a premium brand with the best service, the friendliest employees and the fastest and least complicated rental processes. In the Company's experience, it is because of the high level of brand awareness that travellers selecting a car rental company primarily choose Sixt. Efficient and proactive communication plays an important role in this context. All advertising and marketing campaigns aim to position the Sixt brand to reflect the Company's strategic orientation and above all to increase brand awareness abroad.

- **Innovation leadership:** It is essential for both business units to adapt their products and services continually to the changing economic and social environment and to the individual requirements of their customers. For example, they need to respond to the fact that business and corporate customers have ever decreasing time budgets for travel. Over the past decades, Sixt has frequently launched innovative products and services on the market with the aim of making rental and leasing processes as simple, easy and transparent as possible. In many cases, these innovations are important features that distinguish the Company from the competition. The promotion and expansion of the Group's innovative culture is therefore an important performance indicator.

4.4 Non-financial targets

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

- to safeguard and extend its leadership of the vehicle rental market in Germany
- to extend its market position in the Sixt Corporate countries in Europe and thus ensure over the long term that foreign markets make a significantly higher contribution to revenue and earnings from the rental business
- to expand the leasing business abroad, in both the Sixt Corporate countries and the Sixt Franchise countries
- to maintain its positioning as a premium provider, in terms of both the quality of the products and services and the alignment of the vehicle fleet
- to develop innovative business models aimed at adapting the Sixt offering to changing mobility requirements and new mobility patterns
- to continuously improve staff expertise, for example through traineeships and the “Sixt College”
- to increase efficiency in all of the Company's processes.

5. Economic environment

In 2009, the global economy went through the most severe recession in post-war history, after the insolvency of the investment bank Lehman Brothers had caused the crisis on the international financial markets to worsen dramatically in autumn 2008. As a result, the interbank market came to a halt at times and credit supply to the economy faltered. The turbulence in the financial sector spread to other sectors and caused a significant fall in demand for goods in almost all industrialised and emerging economies. Diminishing investor and consumer confidence initially led to sharp price falls on the financial markets.

Nevertheless, the decline of the global economy was halted in the course of 2009 thanks to the decisive action taken by governments and central banks. Macroeconomic demand revived in all major economic areas with the help of comprehensive economic stimulus packages. The financial markets stabilised as a result of support measures for the banking sector and in response to expansionary fiscal policy with very low base rates. Towards the end of the year, confidence started to build in a gradual recovery of the global economy in 2010.

According to figures published by the International Monetary Fund (IMF), global gross domestic product (GDP) retreated by 0.8% in 2009 (2008: +3.0%). The figures reveal that the US economy contracted by 2.5% (2008: +0.4%) and the eurozone economy by 3.9% (2008: +0.6%). China's GDP, by contrast, grew by 8.7% (2008: +9.6%) while India's advanced by 5.6% (2008: +7.3%). The IMF puts the decline in gross domestic product in Central and Eastern Europe at 4.3% (2008: +3.1%)

The German economy contracted by 5.0% in 2009, its first decline in six years and the sharpest downturn since the Second World War.

Sources:
Bundesverband deutscher Banken e.V. (Association of German Banks), Economic Report January 2010
European Central Bank, Monthly Bulletin, January 2010
Press release from Statistisches Bundesamt (Federal Statistical Office) dated 13 January 2010
International Monetary Fund (IMF), World Economic Outlook, January 2010

6. Segment report

6.1 Vehicle Rental Business Unit

6.1.1 Sector developments

The international vehicle rental market is characterised by ongoing fierce competition. Sixt estimates the size of the European vehicle rental market at around EUR 8 billion and forecasts long-term annual revenue growth of between 3% and 5%. The sector continues to be dominated by a small number of international providers. Germany is Europe’s most significant single market, accounting for almost one third of revenue, followed by France, the United Kingdom and Spain.

According to estimates by the Bundesverband der Autovermieter e.V. (BAV – German Association of Car Rental Companies), the market volume in Germany contracted by around 10% year-on-year in 2009 as a result of the financial and economic crisis. This took the volume to around EUR 2.3 billion, thus interrupting the continuous growth of the German rental market for the first time in five years.

According to the information available to the Company, the process of concentration among Germany’s car rental companies, which has been discernible for decades, continued in the year under review. Especially smaller and regional providers that do not operate a nationwide network of rental offices have a high fixed cost base and are unable to offer many state-of-the-art services, such as online and mobile reservations, came under additional pressure as a result of the economic downturn. As in the past, it is the large international service providers that have good prospects in the important segments of tourism and business travel. The number of independent car rental companies in Germany fell from around 1,400 in the early 1990s to around 540 in 2008. The Company believes that this falling trend continued in the year under review. According to an estimate by Dresdner Bank, around three quarters of sector revenue was attributable to the four largest companies.

According to data published by the Verband der Automobilindustrie e.V. (VDA – German Automotive Industry Association), the international vehicle business performed better than expected. Initially, new passenger car registrations had been forecast to fall by a double-digit percentage in 2009. However, government incentives in a large number of countries stimulated the new vehicle business, so that passenger car sales only declined by 3% in the year under review. In Western Europe, 13.6 million new vehicles were registered, 1% more than in the previous year. At 23%, Germany recorded the strongest growth. In the new EU member states, the financial and economic crisis led to a 27% fall in demand. Sales in the US market fell by 21%, while the Japanese market was down 7%.

Sources:
Dresdner Bank, Vehicle Rental Sector Report, April 2009
Bundesverband der Autovermieter Deutschlands e.V. (BAV – German Association of Car Rental Companies), Market Data 1988 – 2008 (as at January 2010)
Verband der Automobilindustrie e.V. (VDA – German Automotive Industry Association), press release dated 15 January 2010

6.1.2 Developments in the Vehicle Rental Business Unit

In spite of the difficult economic environment, demand in Sixt's Vehicle Rental Business Unit was largely stable at a high level in 2009. Although companies cut back to a certain extent on their business travel and their travel budgets, Sixt largely offset this trend by successfully attracting new customer business. Sixt was helped in this regard by the fact that, when budgets are tight, companies and business customers specifically opt for the most cost-effective means of transport, which is often a rental car.

The Company also profited from the strength of its brand: Experience has shown that Sixt tends to be preferred over other providers because the brand is associated with positive attributes such as service quality, flexibility and value for money. What is more, the Company further increased its international presence. In addition to strengthening business in its European core markets, it drove forward the expansion of its global franchise activities.

Following several years of strong growth, Sixt successfully adapted its vehicle rental business to a significantly more restrained market environment in 2009. Since the end of 2008, it has pursued a very cautious fleet policy and has reduced the size of the rental fleet, because fleet expenses are by far the largest cost item. However, since vehicles are held in the fleet for an average of six months, the adjustment could only take effect after a time lag, which resulted in disproportionately high costs and therefore a loss in the first half of 2009. The effects of the reduction in the fleet size, combined with strict cost management and successive price increases, subsequently led to an improvement in earnings.

The Vehicle Rental Business Unit's revenue was EUR 961.8 million in 2009, a decline of 13.1% compared with the prior-year figure (EUR 1.11 billion). Rental revenue of EUR 758.0 million was 3.9% down on the previous year (EUR 788.7 million). Other revenue from rental business fell by 36.0%, from EUR 318.4 million in the previous year to EUR 203.8 million in 2009, due to the reduction in the fleet size and the partial switch in fleet financing to leasing. This item also includes revenue that Sixt agrees with vehicle manufacturers, for example for advertising services.

Revenue generated by the Business Unit in Germany declined by 15.4%, from EUR 811.4 million in 2008 to EUR 686.2 million in 2009. Rental revenue fell by 3.9% to EUR 542.9 million in the same period. Abroad, the Business Unit generated revenue of EUR 275.6 million, a year-on-year decrease of 6.8% (2008: EUR 295.7 million). The international share of total segment revenue was 28.6%, after 26.7% in 2008.

The Business Unit generated earnings before taxes (EBT) of EUR 3.3 million (2008: EUR 76.7 million). Earnings in the first six months were still heavily impacted by the effects of adjustments to the fleet size; however, in the second half of the year the cost-cutting measures, combined with rental price increases, led to a renewed improvement. The return on sales – the ratio of EBT to segment revenue – was 0.3% (2008: 6.9%).

Key figures for the Vehicle Rental Business Unit			Change
in EUR million	**2009**	2008	in %
Revenue	961.8	1,107.1	-13.1
thereof rental revenue	758.0	788.7	-3.9
thereof other revenue from rental business	203.8	318.4	-36.0
thereof abroad	275.6	295.7	-6.8
Earnings before net finance costs and taxes (EBIT)	29.5	121.6	-75.7
Earnings before taxes (EBT)	3.3	76.7	-95.7

Developments in Germany: Sixt enjoyed largely constant demand, while demand declined in the domestic vehicle rental market as a whole. As a result, the Company was able to consolidate its position as the clear market leader in Europe's largest vehicle rental market, with a market share of over 30% (2008: around 30%; basis: market data supplied by the BAV industry association). At some German airports, it had a market share of more than 40%. The network of rental offices was expanded slightly to 530 offices, compared with 526 offices in 2008.

Developments abroad: With rental offices in Belgium, France, Luxembourg, the UK, the Netherlands, Austria, Switzerland and Spain, as well as Germany, Sixt covers over 70% of the European rental market. The performance of the rental business in these Corporate countries, where Sixt is represented by its own network of offices and its own vehicle fleets, was mixed in 2009. Overall, the Business Unit's revenue of EUR 275.6 million generated abroad was down on the previous year (EUR 295.7 million). Business development in Spain continued its encouraging trend, with Sixt's revenue increasing by a double-digit percentage.

Sixt had 475 corporate rental offices outside Germany in the financial year (2008: 509 offices). The decline is primarily due to the market-driven streamlining of the rental office networks in the UK and in France.

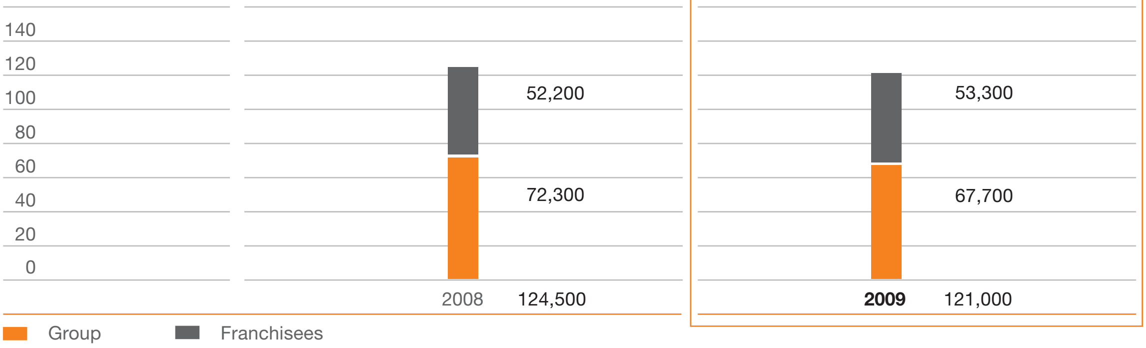
Sixt expanded its presence in the other regions of the world in the year under review by partnering with highly efficient franchisees. For example, new agreements were signed with franchisees in Ireland, Peru, Mexico, Angola and Mozambique. In addition, Sixt expanded its network of rental offices in the Persian Gulf, opening new offices in the emirate of Sharjah and in Abu Dhabi, the capital of the United Arab Emirates. In 2009, the number of rental offices operated by Sixt franchisees rose worldwide to 918 (2008: 844 offices).

As at the end of 2009, Sixt had a total of 1,923 rental offices (including franchisees) in around 100 countries, 44 more than at the end of 2008 (1,879 offices).

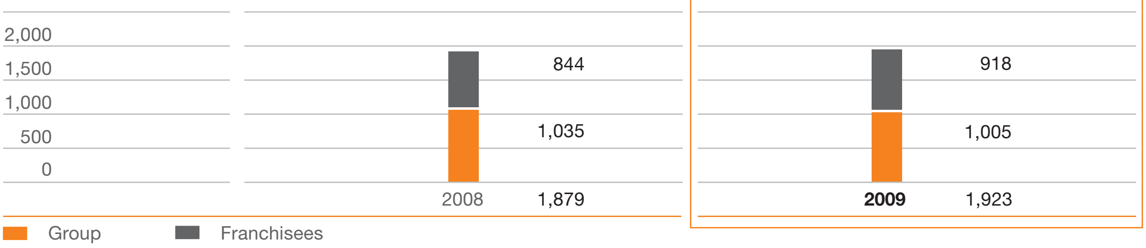
Adjustments to the rental fleet: Sixt pursued a cautious fleet policy in 2009 and reduced the size of its rental fleet. In the Sixt corporate countries, the average size of the rental fleet was 67,700, compared with 72,300 in full-year 2008 (-6.4%).
If the vehicles in franchise countries are included, Sixt's global vehicle fleet totalled 121,000 vehicles in 2009, 2.8% fewer than in 2008 (124,500 vehicles).

Average number of vehicles – Group and franchisees

in thousands of vehicles



Rental offices – Group and franchisees



Price increases: As announced, Sixt increased its prices for vehicle rental in 2009. There is consensus in the industry that the increases are necessary from a business point of view, because prices have stagnated or declined for years, while fleet operating costs have risen significantly. For Sixt's main target group, business and corporate customers, prices rose by up to 10% in some cases. For private customers, prices rose by between 3 and 5%.

Successful sales to business customers: Sixt acquired a large number of new customers in the year under review, including some high-profile international corporations and middle-market companies. Sixt benefited from its decision to focus its sales activities on the middle market at an early stage. At the same time, the Company deepened its existing cooperation with a large number of business customers by offering tailored mobility solutions. Against this background, Sixt was one of the first providers in the market to analyse the costs of the entire rental process (selection of manufacturer, booking channels, vehicle check-out and return, accident management, etc.) together with its customers and thus optimise the process for both sides. Another focus was on synchronising the sales activities in Germany and abroad. The aim was to give customers a uniformly high standard of quality plus single-source support.

Expansion of the private customer business: SIXT holiday provides Sixt's customers with a cost-effective and convenient all-inclusive offering for their holidays. In the year under review, SIXT holiday could be booked in around 100 countries, including in almost all attractive holiday regions in Europe, Asia and South America. Demand for this type of business was particularly brisk throughout the Mediterranean.

The accident replacement business, where demand is independent of general economic conditions, expanded rapidly in 2009.

Prestigious awards: In 2009, Sixt again won awards for its high level of customer orientation and high-quality mobility solutions. The Company won the "2009 World's Best Award" as the best car rental company in the world from the renowned international tourism magazine "Travel + Leisure" in New York. The magazine's readers rated international rental car providers according to vehicle selection, vehicle availability, car rental location, service and value for money. According to those surveyed, Sixt offers its customers by far the best overall service.

In addition, Sixt won the prestigious "Business Traveller Award" as the best car rental company in Europe for the third consecutive year and was awarded the well-known "Autoflotte Flotten-Award" as the best car rental company in Germany for the fourth time in succession.

Innovative mobility solutions: Sixt's use of state-of-the-art technology and introduction of new services gives credence to its claim to be the innovation leader in vehicle rental.

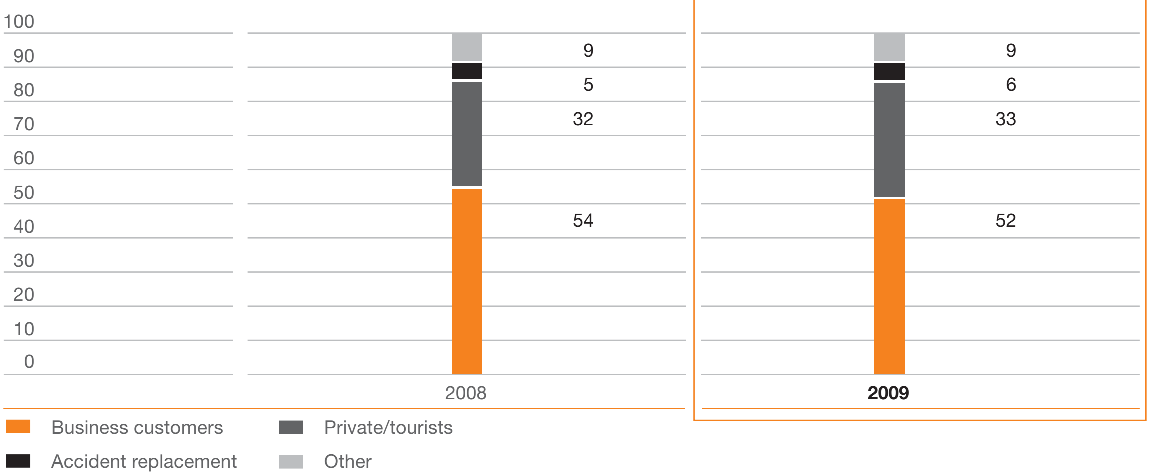
The importance of the Internet as a booking channel increased further in 2009. In the year under review, customers made an average of 45% of reservations online (2008: 42%). Sixt is the first vehicle rental company to offer its customers booking channels for smartphones, in addition to allowing them to make vehicle bookings on the go via their mobile phones. An iPhone application has been available since the end of 2008 and applications for other smartphones followed suit in 2009. This gives customers significant added service value, ranging from making a simple booking to managing reservations and providing a GPS-supported display of the nearest Sixt rental office, including distance and driving directions. In addition, Sixt card holders have fast and easy access to their personal tariffs and business customers to their corporate tariffs. The applications are upgraded all the time, making the rental process even easier for customers and allowing additional functions to be offered.

Sixt also offers its customers integrated products combining both rental and leasing components, such as “Sixt CarAbo”. For a fixed monthly fee, frequent business travellers can get a vehicle from the category of their choice at any time at over 1,000 Sixt service points in nine European countries. This product guarantees flexibility and meets the increased demand for comprehensive mobility solutions, especially among business and corporate customers.

In June 2009, Sixt launched the virtual car dealership, autohaus24.de. In its role as a broker, autohaus24.de acts as a sales partner, primarily for dealers. Prices and discounts are specified by the dealers and the purchase agreement is entered into between customers and dealers. This makes autohaus24.de one of the first portals for addressing potential new car buyers on the Internet and putting them in touch with dealers. The automotive portal autobild.de operated by Axel Springer Verlag, one of the partners in the platform, provides relevant content produced by its independent automotive editorial team.

Vehicle rental revenue – breakdown by customer group

in %



6.2 Leasing Business Unit

6.2.1 Sector developments

The industry association Leaseurope has calculated that, impacted by the worsening global financial and economic crisis, new business in the European leasing sector declined by a moderate 5% or so to around EUR 330 billion in 2008. Developments in the biggest national markets presented a mixed picture. Volumes in Germany and France increased slightly in that year. However, the market situation in Europe deteriorated considerably in the first half of 2009, with the volume of new contracts falling by 38.6% to EUR 100.8 billion. All major national markets recorded significant year-on-year declines in new business. Data for full-year 2009 was not available at the time of preparing this report.

According to data published by the Bundesverband Deutscher Leasing-Unternehmen e.V (BDL – German Association of Leasing Companies), leasing remained the most important alternative to credit purchases in Germany in 2009, especially for middle-market companies. Nevertheless, the sector suffered a sharp year-on-year fall in new business, which contracted by 22.6% to EUR 42.1 billion. The BDL noted at the beginning of 2010 that the recession was also having a massive impact on the leasing sector. Moreover, elements of the business tax reform of 2008, such as the dual trade tax levy, had a negative influence on the leasing market, according to the BDL. In equipment leasing, which also includes the vehicle segment, the volume of new contracts was EUR 39.3 billion in 2009 (-22.7%). As a result, the leasing ratio, which is the proportion of total capital expenditure for the economy as a whole accounted for by equipment leases, decreased from 22.1% to 21.1%.

In the vehicle leasing segment, new business in Germany was 21.0% lower in 2009 than in 2008. The BDL attributes this to two main factors. Firstly, the refinancing terms for leasing companies deteriorated as a result of the financial and economic crisis, which meant that many providers were unable to realise the full extent of the new business they had budgeted. Secondly, the continuing collapse in the residual values of vehicles returned at the end of leases meant that in some cases their values were significantly below the amounts originally calculated. Leasing providers allocated the resulting excess costs to the terms of new contracts, which in turn had a dampening effect on demand.

A survey conducted on behalf of the BDL in 2008 found that more than half of all commercial lessees are prepared to pay a fair price for a comprehensive fleet management service offering. For this reason, Sixt Leasing believes that full-service-leasing, its core business, continues to have positive market potential in the medium term. Partnering with an experienced full-service leasing provider enables companies to reduce their mobility costs in an uncertain market environment. For leasing companies, a comprehensive service offering centred on fleet management provides higher margins on average than pure finance leasing.

Sources:
European Federation of Leasing Company Associations (Leaseurope): Leaseurope statistics at www.leaseurope.org
Bundesverband Deutscher Leasing-Unternehmen e.V. (BDL): BDL Leasing-News, December 2009 and market data at www.leasingverband.de

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 large number of fleet management services. Companies in particular, but increasingly private individuals as well, use this offering to achieve cost and service benefits.

At the end of 2009, Sixt had 60,800 leases in Germany and abroad in its portfolio, a decline of 6.6% compared with the previous year (65,100). In addition to the continuing reluctance to invest caused by the economic crisis, this contraction was the result of the conscious realignment of the lease portfolio to focus more on high-margin full-service leasing contracts. Including the leases signed with Sixt's international franchise partners, the total number of contracts in Sixt's portfolio stood at 132,000 last financial year, a year-on-year decrease of 2.9% (2008: 136,000 contracts).

At a total of EUR 406.5 million, the Business Unit's leasing revenue was down slightly on the previous year's level (2008: EUR 419.8 million; -3.2%). In Germany, leasing revenue in 2009 amounted to EUR 355.2 million, compared with EUR 375.8 in the year before (-5.5%). This means that Sixt Leasing performed better than the market average despite the difficult environment: according to data from the BDL, revenue for the vehicle leasing segment as a whole contracted by 21.0% year-on-year in 2009. Abroad, Sixt generated revenue of EUR 51.3 million, 16.6% more than in 2008 (EUR 44.0 million). The leasing business turned in an especially strong performance in Switzerland in particular.

Revenue from the sale of used leasing vehicles, which can be subject to considerable fluctuation, totalled EUR 228.3 million in 2009, 5.7% less than in 2008 (EUR 242.0 million).

Total segment revenue was EUR 634.8 million in the past financial year, slightly short of the EUR 661.8 million generated in the previous year (-4.1%).

Segment profit before taxes (EBT) amounted to EUR 5.7 million in 2009. This was above the previous year's figure of EUR 0.2 million, in spite of tighter financing terms and conditions and a weak used car market. The measures initiated at the end of 2008, such as focusing new business on high-margin full-service contracts, adjusting prices and optimising internal processes, started to bear fruit in the efforts to return to the strong earnings generated in the past. The return on sales – the ratio of EBT to the segment's operating revenue – was 1.4% (2008: 0.0%).

Key figures for the Leasing Business Unit			Change
in EUR million	**2009**	2008	in %
Leasing revenue	406.5	419.8	-3.2
thereof abroad	51.3	44.0	+16.6
Sales revenue	228.3	242.0	-5.7
Total revenue	634.8	661.8	-4.1
Earnings before net finance costs and taxes (EBIT)	39.5	38.3	+3.1
Earnings before taxes (EBT)	5.7	0.2	> +100

In the 2009 financial year, Sixt Leasing focused its operations on expanding its consulting services, introducing additional innovative products and cooperating more closely with partners as part of joint initiatives for customers.

Additional consulting services: As a full-service leasing company providing its customers with expertise designed to achieve more efficient fleet management, Sixt Leasing again launched new consulting services in the past year. These assist customers in further enhancing fleet management and reducing mobility costs. The enhancements implemented in 2009 included additional functionality for the already comprehensive reporting offering, which allows customers to prepare detailed fleet analyses. Internet-based reporting systems provide fleet managers with up-to-date information, such as mileage analyses, consumption and accident statistics, or detailed cost reports. For the first time, Sixt customers can now also benchmark their fleets and obtain proposed solutions for specific management tasks. The incentive system for reducing CO_2 emissions introduced in the previous year met with particular interest in 2009. The system allows companies to cut their tax bill by reducing emissions, thus combining environmental protection with cost savings.

In addition, Sixt Leasing intensified its mobility consulting offering in 2009. Given the cost-cutting programmes of many companies, Sixt now also offers support in replacing or adding vehicles for large fleets. The objective is to optimise the fleet structure and make it more cost-effective without any significant decline in performance. Closely partnered by Sixt, the process delivers – in some cases significant – savings within a short period of time. The offering was successfully used in several major companies in 2009.

Innovations: As in vehicle rental, Sixt also lays claim to being an innovation leader in leasing. This is reflected, for example, in the consistent use of Internet technology. Among other things, Sixt Leasing started its own blog in spring 2009: at www.leasingblog24.de, customers can find the latest information on all important aspects of leasing and can also contact each other directly. In August 2009, Sixt Leasing expanded its online offering at www.sixt-leasing.de by adding a novel application for vehicle repairs. This allows customers to track the status of accident repairs being carried out on their leased vehicles, plan further mobility requirements in detail and thus limit the cost of replacement vehicles.

The online dealer portal offers companies and car dealers support for and simplified handling of vehicle orders and deliveries, eliminating the need to use paper documents. Sixt already uses this innovative platform to process over 75% of all lease vehicle orders.

Cooperation partners: A close-knit network of cooperation partners allows Sixt Leasing to offer its customers cost-effective additional services on a regular basis. In cooperation with leading European tyre specialist Euromaster, Sixt Leasing provided support for customers switching to summer tyres and fitting winter tyres as part of a special campaign in 2009. Sixt Leasing is planning to further strengthen its partner network and hence to continue giving its customers tangible service and price benefits in the future.

Internationalisation: Expanding its international business is an important strategic objective for Sixt Leasing. In 2009, Sixt Leasing had its own national organisations in Germany, Switzerland, Austria and France. The leasing organisation in Austria was reorganised at the end of the year under review in order to provide better customer support. In around 30 other countries, Sixt offers its leasing services through highly efficient franchisees. As part of its geographical expansion in the future, Sixt Leasing will continue tracking the mobility requirements of many companies that value integrated and tailored services from a single source when entering new national markets.

Private leasing: Leasing can be an interesting alternative to buying a vehicle not only for companies, but also for private customers. Attractive leasing terms are often the first advantage over using private finance or a bank loan to purchase a vehicle. In addition, private customers have access to Sixt Leasing's know-how for many individual service offerings over the entire lease term. This includes, for example, transparent accident handling and a fair return process. Sixt Leasing plans to expand its private customer business further.

7. Research and development

Since it is a pure service provider, Sixt did not engage in any research and development activities worth reporting in financial year 2009.

B. Results of operations, net assets and financial position

1. General

The consolidated financial statements of Sixt Aktiengesellschaft for the year ended 31 December 2009 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. Preparation of the consolidated financial statements requires management to make assumptions and estimates that affect the reported amounts of assets, liabilities and provisions, as well as of income and expenses. Actual amounts may differ from these estimates. A detailed description of the accounting principles, consolidation methods and accounting policies used is published in the notes to the consolidated financial statements. As in previous years, the Group's revenue development is expressed by operating revenue as well as by consolidated revenue. Operating revenue is the total amount of revenue from rental business (including other revenue from rental business) and leasing business. Revenue from the sale of used leasing vehicles, which depends primarily on general fleet policy and is predominantly based on firm 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.

2. Overall assessment of the financial year

In 2009, the Sixt Group adapted from a multi-year growth period to much more depressed market and economic conditions. Over the course of the year under review, the strategic and operational measures instituted at the end of 2008 – a conservative fleet policy, strict cost management and an increase in rental prices – led to a successive improvement in earnings following negative results in the first half of the year. Despite the effects of the financial crisis and the global economic downturn, demand for rental and leasing services remained virtually stable at Sixt in 2009.

Following a strong final quarter, Sixt exceeded its own expectations for financial year 2009. The Group comfortably met its target of generating a clearly positive profit before taxes (EUR 15.1 million), although this figure was significantly below the previous year (EUR 86.7 million). Consolidated revenue was down by 9.7% year-on-year, at EUR 1.60 billion. In line with the principle of a shareholder-friendly but earnings-driven dividend policy, the Managing Board and Supervisory Board are proposing a dividend of EUR 0.20 per ordinary share and EUR 0.22 per preference share for financial year 2009.

3. Revenue development

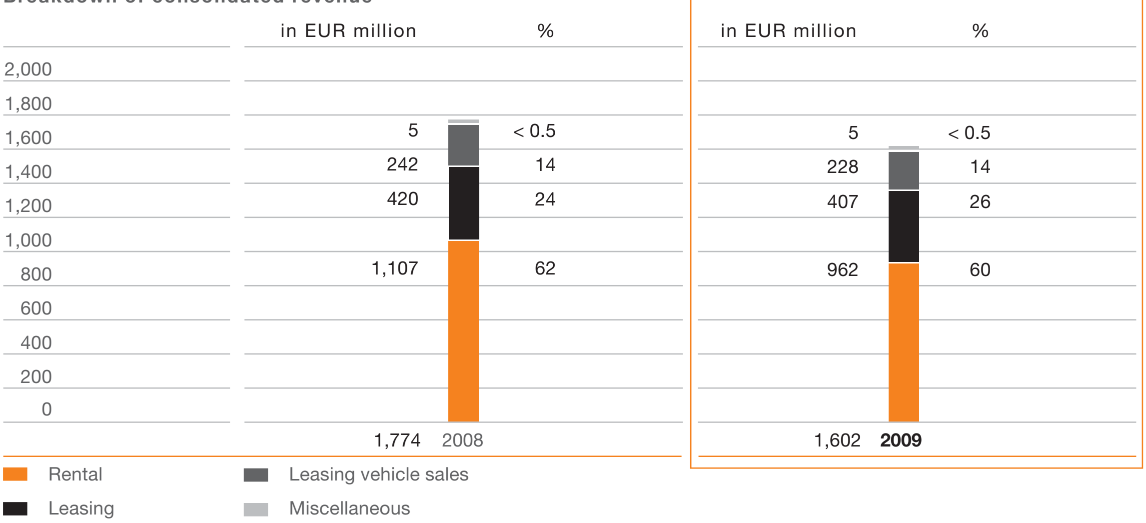
3.1 Developments in the Group

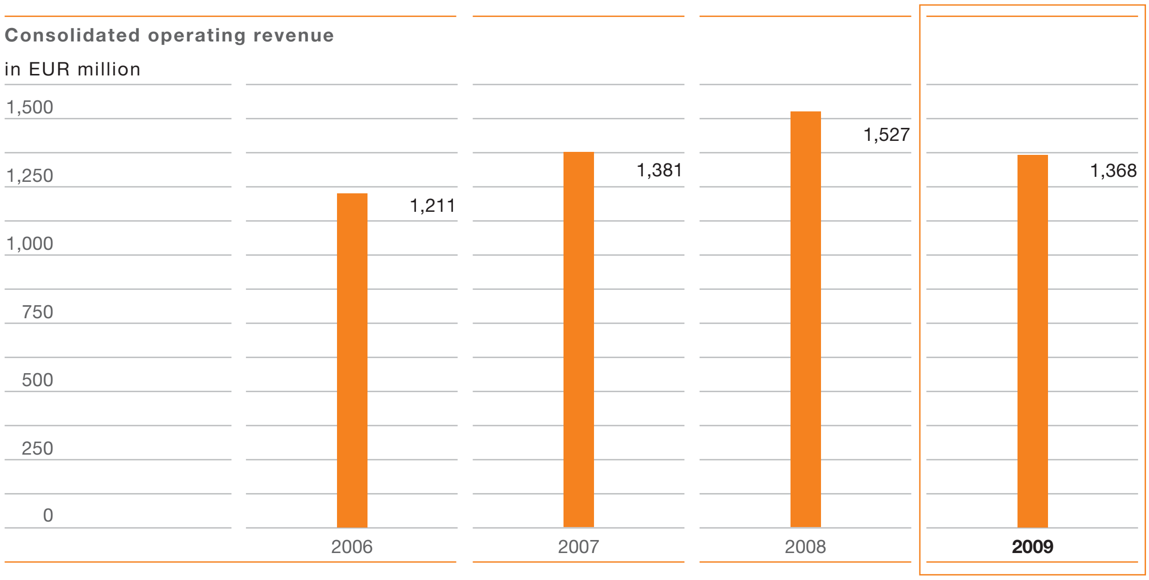
Total consolidated revenue amounted to EUR 1.60 billion in 2009. This represents a decline of EUR 172.4 million or 9.7% as against the previous year (EUR 1.77 billion).

At EUR 1.37 billion, consolidated operating revenue from rental and leasing business (excluding revenue from the sale of used leasing vehicles) fell by EUR 158.6 million or 10.4% compared with the prior-year figure (EUR 1.53 billion). The decline is primarily due to the development of other revenue from rental business. The main reasons for the sharp decrease in this revenue were the switch in financing part of the rental fleet to leasing during the year under review and the reduction of the rental fleet, as the volume discounts granted by automobile manufacturers that are common to the industry were correspondingly lower.

The Managing Board is encouraged by the fact that customer demand in both the Vehicle Rental and Leasing Business Units remained more or less stable in 2009 despite the adverse conditions caused by the recession and the financial crisis.

Breakdown of consolidated revenue





3.2 Revenue breakdown by region

In 2009, Sixt generated consolidated revenue of EUR 1.26 billion in Germany, down EUR 160.4 million or 11.3% on the previous year (EUR 1.42 billion). Revenue in both business units was below the 2008 figures. At EUR 542.9 million, rental revenue remained more or less stable (-3.9% as against EUR 564.8 million in the previous year). In contrast, other revenue from rental business fell sharply to EUR 143.3 million (-41.8% compared with EUR 246.6 million in 2008). Revenue from leasing activities in Germany also declined by only 5.5% year-on-year to EUR 355.2 million (2008: EUR 375.8 million). Revenue from the sale of used leasing vehicles in Germany, which is generally subject to fluctuations, was down 6.3% from EUR 232.2 million in the previous year to EUR 217.6 million.

Foreign consolidated revenue decreased by EUR 11.9 million or 3.4% from EUR 349.5 million to EUR 337.6 million in 2009. As in Germany, rental revenue fell by 3.9% from EUR 223.9 million to EUR 215.1 million. At EUR 60.5 million, other revenue from rental business was 15.7% below the previous year (EUR 71.8 million). Foreign leasing revenue increased by 16.6% in 2009 from EUR 44.0 million to EUR 51.3 million, continuing its growth trend of recent years. Foreign revenue from the sale of used leasing vehicles amounted to EUR 10.7 million (2008: EUR 9.8 million; +8.9%).

Germany therefore accounted for 78.9% of consolidated revenue in the year under review (2008: 80.3%), while 21.1% was generated in other European countries (2008: 19.7%). In relation to consolidated operating revenue, revenue generated abroad decreased by 3.8% to EUR 326.9 million (2008: EUR 339.7 million), and therefore fell less sharply than revenue in Germany. As a result, the international share of consolidated operating revenue rose from 22.2% to 23.9%.

4. Earnings development

Consolidated income statement (condensed) in EUR million	2009	2008	Absolute change	Change in %
Consolidated revenue	1,601.5	1,773.9	-172.4	-9.7
thereof consolidated operating revenue [1]	1,368.3	1,526.9	-158.6	-10.4
Fleet expenses and cost of lease assets	691.4	746.4	-55.0	-7.4
Personnel expenses	134.1	129.4	+4.7	+3.6
Depreciation and amortisation expense	404.8	416.9	-12.1	-2.9
Net other operating income/expense	304.2	326.3	-22.1	-6.8
Earnings before net finance costs and taxes (EBIT)	67.0	154.9	-87.9	-56.7
Net finance costs	-51.9	-68.2	+16.3	+23.8
Profit before taxes (EBT)	15.1	86.7	-71.6	-82.6
Income tax expense	4.7	25.3	-20.6	-81.3
Consolidated profit for the period	10.4	61.4	-51.0	-83.1
Earnings per ordinary share [2] (EUR)	0.40	2.43	-2.03	-83.5

[1] Not including proceeds from the sale of used leasing vehicles
[2] Basic earnings, based in 2009 on 25.2 million shares (weighted), and in 2008 on 25.1 million shares (weighted)

Other operating income reached EUR 21.0 million, down 6.6% on the prior-year figure (EUR 22.5 million).

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 fell by 7.4% from EUR 746.4 million in the previous year to EUR 691.4 million in 2009. This decline is due primarily to the reduction in the rental fleet. In addition, expenses were reduced by the sale of fewer used leasing vehicles, which led to correspondingly lower expenses from the disposal of residual values. Fuel costs, transport costs and taxes also declined, while the cost of maintenance and repairs increased slightly.

Personnel expenses climbed by 3.6% to EUR 134.1 million (2008: EUR 129.4 million). The increase reflects the growth of the workforce in the Group’s operational areas in the previous year. To improve service quality in the vehicle rental area Sixt also took on staff in the year under review who were previously employed in partner companies.

Depreciation and amortisation expense amounted to EUR 404.8 million, down 2.9% on the prior-year figure of EUR 416.9 million. Depreciation of rental vehicles in particular decreased sharply (-13.3% to EUR 235.4 million) due to the reduction of the rental fleet. In contrast, depreciation of lease assets rose by 17.2% to EUR 161.2 million as a result of a larger volume of on-balance-sheet financing than in the previous year, and because residual values in new business were adjusted in line with the used vehicle market.

Other operating expenses were reduced by 6.8% to EUR 325.2 million (2008: EUR 348.9 million). A key factor here was the decline in lease instalments as fewer vehicles were financed by leases.

For 2009, the Sixt Group's earnings before net finance costs and taxes (EBIT) were EUR 67.0 million – 56.7% lower than the previous year's figure of EUR 154.9 million. The first quarter of 2009 in particular was still impacted by additional fleet costs, as the reduction in the rental fleet that was instituted at the end of 2008 took time to take effect. The positive effects of Sixt's cautious fleet policy then increased as the year continued. Earnings were also boosted by successive price increases in the vehicle rental area and by the adjustment of the terms and conditions of some customer lease agreements.

The EBIT margin – expressed in relation to consolidated operating revenue – declined to 4.9% from the previous year's 10.1%.

Net finance costs improved by 23.8% from EUR -68.2 million to EUR -51.9 million. The decline in interest expense to EUR 60.2 million is mainly due to the positive effects of the reduction in the rental fleet and the utilisation of lower short-term interest rates in the year under review. Other net finance costs, which increased to EUR 5.5 million, include net income from derivative financial instruments. The latter amounted to EUR 3.4 million in the year under review, compared with EUR -0.4 million in 2008.

Consolidated profit before taxes (EBT) was EUR 15.1 million, down EUR 71.6 million or 82.6% on the prior-year figure (EUR 86.7 million). The Group achieved its communicated target for the year of clearly positive EBT. Its quarterly results increased in the course of the year due to the operational adjustments. Whereas the Group recorded a substantial loss in the first quarter, EBT in the fourth quarter clearly exceeded the 2008 figure.

The EBT margin – expressed in relation to consolidated operating revenue – declined from 5.7% to 1.1%.

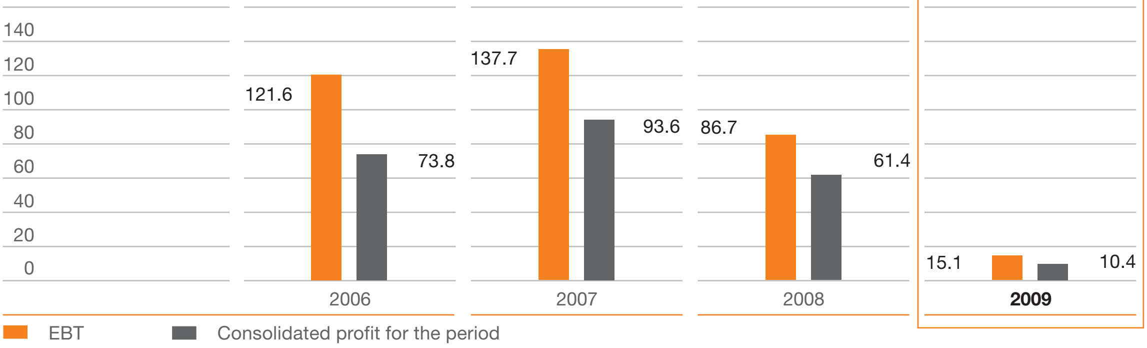
Income tax expense amounted to EUR 4.7 million (2008: EUR 25.3 million). This figure includes deferred taxes of EUR 0.5 million (2008: EUR 3.2 million). The tax rate (calculated on the basis of EBT) was 31.1% (2008: 29.2%).

The Sixt Group reported consolidated profit for financial year 2009 of EUR 10.4 million (2008: EUR 61.4 million). As in the previous year, minority interests were marginal. As a result, consolidated profit after taxes and minority interests was only slightly different, at EUR 10.4 million (2008: EUR 61.5 million).

Earnings per share (basic) for the year under review amounted to EUR 0.40 per ordinary share, compared with EUR 2.43 in 2008. Earnings per preference share were EUR 0.42 (2008: EUR 2.48). Earnings per share were not diluted as at the reporting date. In the previous year, diluted earnings amounted to EUR 2.43 per ordinary share and EUR 2.42 per preference share.

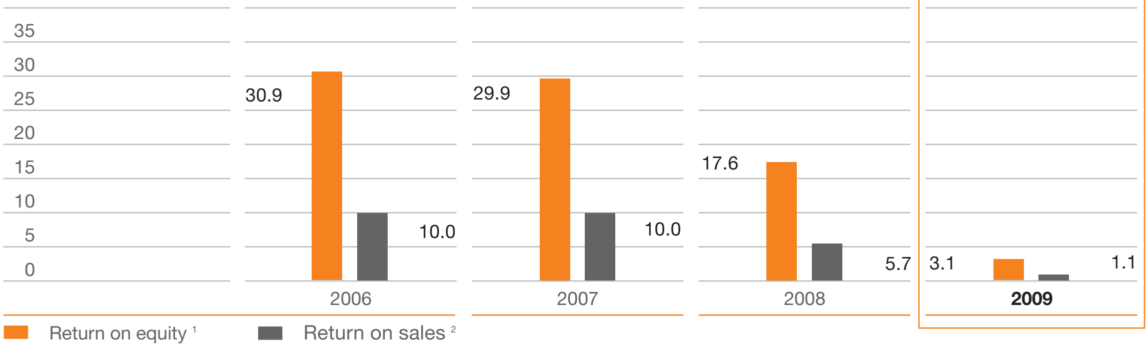
Earnings performance – Sixt Group

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 5.3 million for 2009, following EUR 23.7 million in 2008.
The Managing Board and Supervisory Board are proposing that the Annual General Meeting on 17 June 2010 appropriate these unappropriated profits as follows:

- Payment of a dividend of EUR 0.20 per ordinary share (total dividend: EUR 3.3 million)
- Payment of a dividend of EUR 0.22 per preference share (total dividend: EUR 1.9 million)

The dividend proposal, which – if approved by the Annual General Meeting – would lead to a total dividend payment of EUR 5.2 million (2008: EUR 20.4 million), reflects the sharp decline in earnings in the year under review. It results in a dividend payout rate of 50% (2008: 33%) based on the consolidated profit after minority interests.

6. Net assets

Following substantial increases in previous years, the Sixt Group's total assets declined significantly in 2009. At EUR 2,096.6 million as at the balance sheet date of 31 December 2009, they were EUR 372.7 million or 15.1% below the figure at the end of the previous year (EUR 2,469.3 million). This decrease is primarily due to the significant reduction in rental assets as a result of the cautious fleet policy pursued in the year under review. Lease assets also fell.

On the asset side of the balance sheet, non-current assets amounted to EUR 934.8 million, down EUR 65.7 million or 6.6% compared with the end of 2008 (EUR 1,000.5 million). Non-current assets remain dominated by lease assets, which declined by EUR 64.3 million or 7.1% year-on-year to EUR 838.1 million (31 December 2008: EUR 902.4 million). The decrease reflects the lower number of contracts in the leasing business. Lease assets account for 89.7% of total non-current assets (31 December 2008: 90.2%) and rose from 36.5% to 40.0% as a proportion of total assets. There were no significant changes between the two reporting dates in the other items under non-current assets.

Current assets decreased by EUR 307.0 million or 20.9%, from EUR 1,468.8 million to EUR 1,161.8 million. The key factor was the decline in rental assets by EUR 419.8 million or 39.7% to EUR 637.8 million (31 December 2008: EUR 1,057.6 million). This was affected by both the fleet reduction and the partial switch in financing via manufacturer leases. Rental assets fell significantly as a proportion of total assets to 30.4% (31 December 2008: 42.8%).

The reduction in inventories (primarily vehicles intended for sale) by EUR 22.1 million to EUR 26.0 million is due to reporting date effects. Trade receivables were down by EUR 63.7 million to EUR 197.5 million, mainly due to lower receivables from vehicle sales. This item had increased substantially in the previous year as a result of higher removals of vehicles from the fleet.

Other receivables and assets (excluding income tax receivables), which rose by EUR 174.3 million to EUR 239.3 million, include the current portion of receivables under customer leases classified as finance leases, and financial assets acquired at short notice to utilise the liquidity available due to the issue of a bond. The Group's cash and cash equivalents grew by EUR 22.5 million to EUR 45.9 million as at 31 December 2009.

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 to this asset. In financial year 2009, the advertising budget amounted to around 2% of operating revenue (2008: 2%).

7. Financial position

7.1 Financial management and financial instruments

The financial management of the Sixt Group is centralised within the Finance unit and is 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. In the year under review, a bond with a volume of EUR 300 million was placed extremely successfully on the market.

As at the end of 2009, the Sixt Group was primarily financed by the following instruments:

- a bond with a nominal value of EUR 300 million, maturing in 2012 and bearing a coupon of 5.375% p.a.
- a bond with a nominal value of EUR 225 million, maturing in 2010 and bearing a coupon of 4.5% p.a.
- profit participation capital with a nominal value of EUR 100 million, a maturity of 2009 or 2011, repayable in each case after the Annual General Meetings to which the annual financial statements for these financial years are presented, and bearing a coupon of 9.05% p.a.
- borrower's note loans totalling EUR 419 million maturing between 2010 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 (operating and finance leases) with external financial services providers, some of which are tied to particular vendors. 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 485.0 million as at 31 December 2009, compared with EUR 492.8 million at the end of the previous year. This represents a decline of EUR 7.8 million, which was mainly due to the payment in 2009 of the dividend for financial year 2008 that exceeded the consolidated profit for the year under review.

There were no changes in the share capital between the two reporting dates. It remained at EUR 64.6 million, with EUR 42.2 million attributable to ordinary shares and EUR 22.4 million to preference shares. As at 31 December 2009, the Group's equity ratio rose to 23.1% compared with 20.0% at the prior-year reporting date. This increase is due to the significant reduction in total equity and liabilities. This means that Sixt's equity ratio as at the reporting date continues to be significantly higher than the average in the German rental and leasing industry.

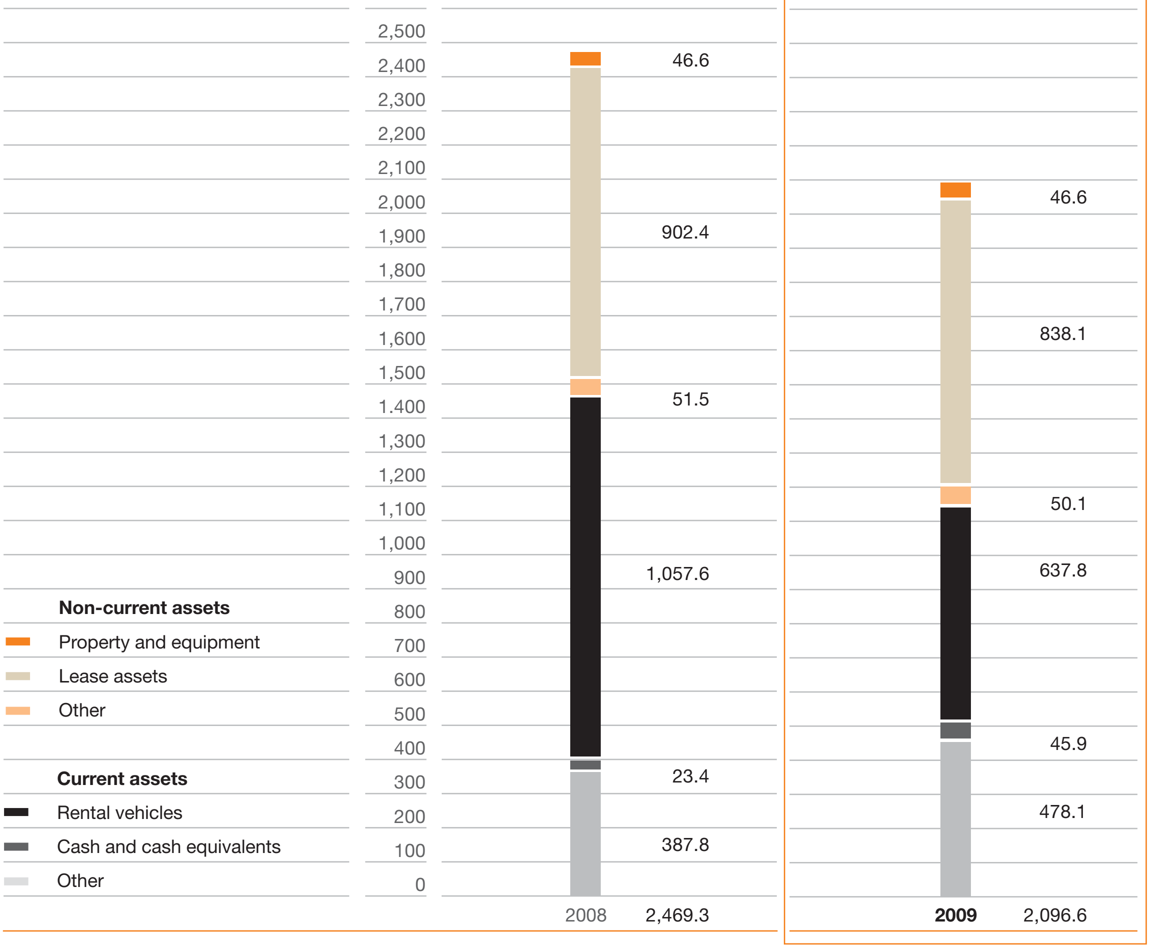
7.3 Liabilities

Non-current liabilities and provisions rose by EUR 70.1 million year-on-year to EUR 900.7 million at the end of 2009 (31 December 2008: EUR 830.6 million). Financial liabilities continue to be the dominant component; they amounted to EUR 776.2 million compared with EUR 734.8 million at the end of 2008, an increase of EUR 41.4 million. The 2005/2010 bond was reclassified from non-current to current financial liabilities due to its term to maturity of less than one year. In contrast, the 2009/2012 bond (with a nominal value of EUR 300 million) issued in November 2009 is included in non-current financial liabilities for the first time. The latter item also comprises half of the profit participation capital (nominal value: EUR 50 million) issued in 2004. In addition, non-current financial liabilities include borrower's note loans and bank liabilities with terms to maturity of more than one year in the amount of EUR 426.8 million (31 December 2008: EUR 459.2 million).

Non-current other liabilities rose by EUR 26.1 million to EUR 100.6 million, mainly because new lease purchase loans classified as finance leases were taken out to refinance lease assets with matched maturities.

Group balance sheet (condensed) – assets

in EUR million



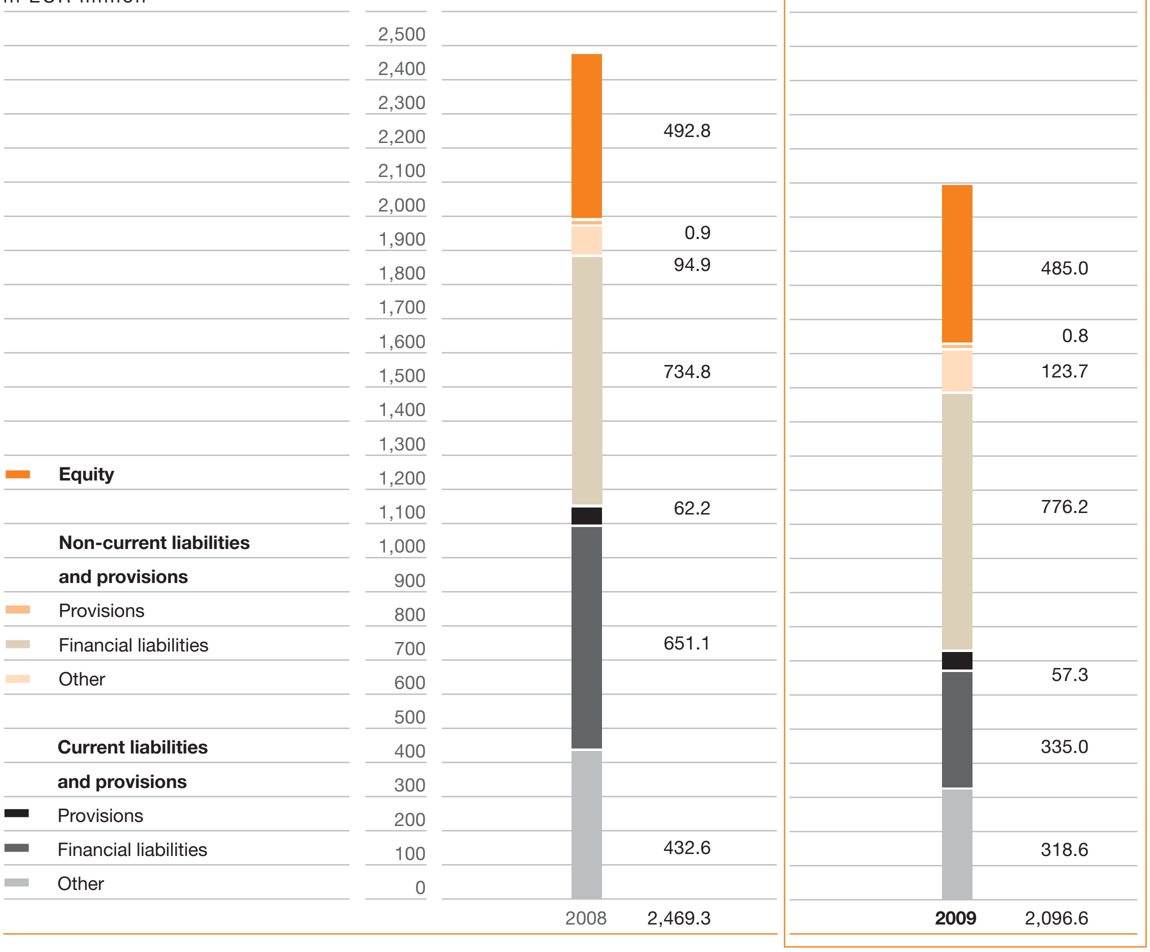
Current liabilities and provisions decreased overall by EUR 435.0 million, from EUR 1,145.9 million at the end of 2008 to EUR 710.9 million as at the 2009 balance sheet date. The decline is due primarily to the reduction in financial liabilities. These amounted to EUR 335.0 million as at 31 December 2009, EUR 316.1 million lower than at the prior-year reporting date (EUR 651.1 million). This item mainly comprises the 2005/2010 bond (EUR 225.0 million) that was reclassified under current financial liabilities in the year under review, 50% of the profit participation capital totalling EUR 100.0 million and a borrower's note loan amounting to EUR 25.0 million due in 2010.

Trade payables were reduced by EUR 137.5 million from EUR 331.0 million to EUR 193.5 million, not least due to the reduction in the rental fleet. Other current liabilities increased by EUR 23.6 million to EUR 125.2 million (31 December 2008: EUR 101.6 million); this item primarily comprised lease purchase loans (finance leases) with short maturities used for fleet refinancing (EUR 74.4 million; 31 December 2008: EUR 56.9 million).

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

Group balance sheet (condensed) – equity and liabilities

in EUR million



8. Liquidity position

For 2009, the Sixt Group reported cash flows before changes in working capital of EUR 416.5 million, EUR 60.9 million below the figure for the preceding year (EUR 477.4 million). Adding in working capital results in a net cash inflow of EUR 595.2 million (2008: net cash inflow of EUR 25.8 million).

Net cash used in investing activities amounted to EUR 278.2 million (2008: net cash used in investing activities of EUR 301.6 million), since the investments in the leasing fleet clearly exceeded the proceeds from the disposal of used leasing vehicles. Funds from the issuance of a bond at the end of the year were also invested in financial assets so as to be available at short notice.

Financing activities led to cash outflows of EUR 295.0 million; this was attributable to the significant reduction in current financial liabilities that exceeded cash inflows from the issuing of a bond (2008: cash inflow from financing activities of EUR 273.0 million).

After changes of EUR 0.5 million (2008: EUR -0.5 million) relating to exchange rates, total cash flows resulted in a rise in cash and cash equivalents as at 31 December 2009 of EUR 22.5 million, compared with a fall of EUR 3.3 million as at the 2008 reporting date.

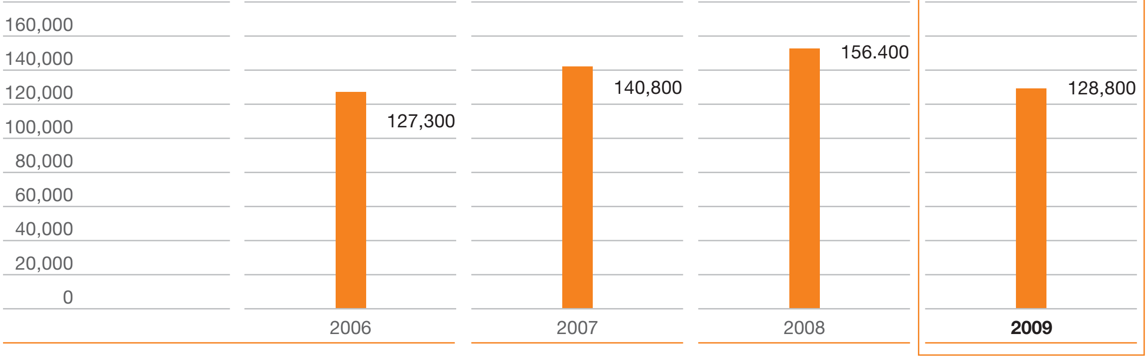
9. Investments

Sixt pursued an extremely cautious fleet policy in 2009 due to the clear change in the market environment. A total of 128,800 vehicles were added to the rental and leasing fleets, 27,600 fewer (-17.6%) than in 2008 (156,400 vehicles). The total value of the vehicles added to the fleets amounted to just under EUR 3 billion (2008: just under EUR 3.6 billion), a decline of around 17%.

The average value per rental car was just under EUR 23,600, slightly more than the previous year's figure of around EUR 23,100.

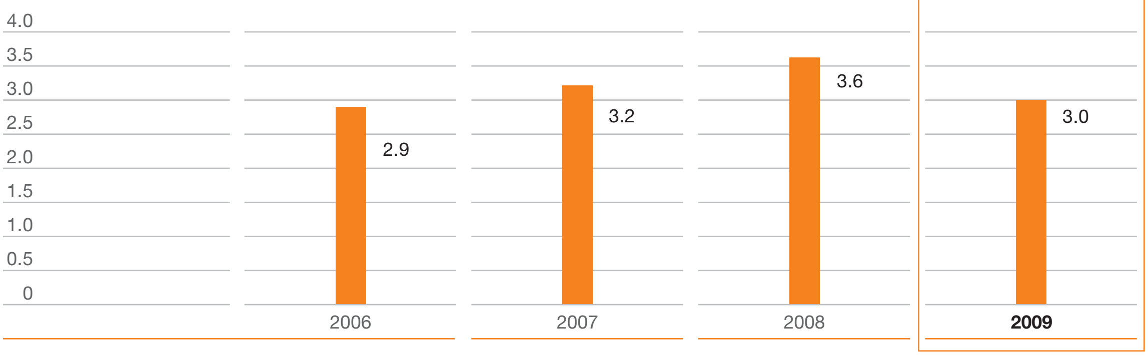
Vehicles added to the rental and leasing fleets

Number of vehicles



Vehicles added to the rental and leasing fleets

Value of vehicles in EUR billion



10. Human resources report

As an international service provider, Sixt attaches special importance to providing a high quality of service and to having employees with a strong customer focus. Customers renting or leasing vehicles expect flexible, convenient solutions tailored to their wishes and requirements. Their choice of a mobility partner is affected not only by the product quality, but also by employee appearance and commitment.

Sixt's employees are therefore a key factor for business success. As a result of this, Sixt attaches strategic importance to its human resources work, in particular to the training and continuing professional development of its senior executives and its young employees. The "Sixt-College" in Munich offers employees a comprehensive seminar programme for professional and personal development, and coordinates further training requirements for the Group companies in Sixt Corporate countries, as well as for vocational trainees.

In 2009, approximately 1,500 employees participated in seminars at the "Sixt-College", some of which were conducted over several days. The programme covered key topics, such as improving sales techniques at the counter or in the field, management skills for trainees, the knowledge required by future branch managers, or issues of general relevance. The year under review saw the offering expanded further. It now includes seminars for second-level branch managers, for example supervisor training. In addition, Sixt stepped up its internal vocational training activities.

Sixt created the "Talents" development programme in the second half of 2009 for selected young employees. The participants can complete seminars in project management or improve individual language capabilities, for example. The programme strengthens employees' integration into the Company, among other goals. In addition, Sixt, in cooperation with external seminar providers, put together a tailored, career development programme in 2009. Approximately 550 employees have been selected to participate in the seminars in 2010.

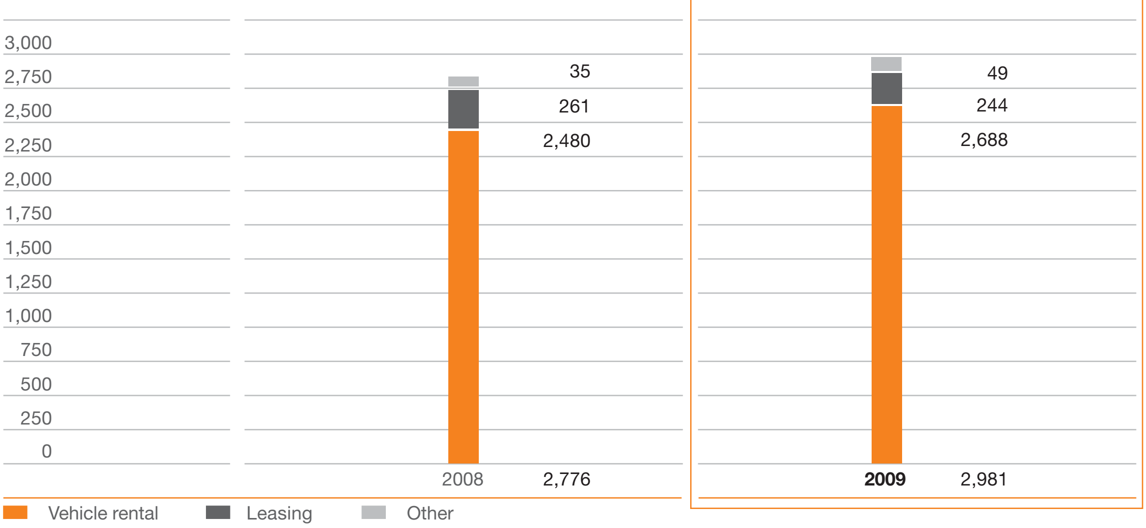
Sixt has a long tradition of acknowledging its responsibility to make qualified career training available to young people. Careers as automobile sales specialists, office administrators and office communication specialists are included. At the close of 2009, Sixt employed about 210 vocational trainees in Germany, nearly reaching the previous year's level (around 230). In addition, around 40 management trainees joined the company.

In 2009, the Sixt Group employed 2,981 people on average, of whom a third were employed abroad. This is an increase of 205 people, or 7.4%, over the previous year's figure of 2,776 people.

The Vehicle Rental Business Unit employed an average of 2,688 people in total in 2009, 208 people, or 8.4%, more than in the previous year (2,480). The increase is mainly due to the return to Sixt Group companies for quality assurance reasons of vehicle service employees who had been out-sourced to partner companies.

The Leasing Business Unit employed 17 fewer people (down 6.5%) in 2009 with an average of 244 employees (2008: 261). An average of 49 people were employed in the Other segment (2008: 35).

Number of employees by business unit (average)



11. Key features of the remuneration system

The remuneration paid to members of the Managing Board and Supervisory Board meets the statutory requirements that were valid at the time at which the remuneration was determined and 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 component is commensurate with the responsibilities and the individual performance of the Board member in question. In addition to the fixed component, the members of the Managing Board – like other senior executives of the Sixt Group – also receive non-cash benefits in the form of a company car. Furthermore, a D&O insurance policy has been taken out for individual members of the Managing Board.

The variable portion of the remuneration is based on consolidated profit before taxes (EBT). 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 that ended in the financial year. Conversion rights or option rights attaching to these no longer exist. 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 Supervisory Board's remuneration is specified in the Articles of Association of Sixt Aktiengesellschaft. These provide solely for a fixed component and therefore do not specify any variable performance-based components. The members of the Supervisory Board receive fixed remuneration of EUR 50,000 in each financial year. The Chairman receives twice this amount. If a member or Chairman of the Supervisory Board holds office for less than a full financial year, the above remuneration is paid pro rata for the actual 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 Board or members of the Supervisory Board. 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 and explanations in accordance with section 315 (4) of the Handelsgesetzbuch (HGB – German Commercial Code)

As at 31 December 2009, the share capital of Sixt Aktiengesellschaft amounted to EUR 64,576,896 in total and was composed of 16,472,199 ordinary bearer shares, one ordinary registered share and 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 2009, the ordinary shares therefore accounted for a total of EUR 42,168,832 of the share capital, and the preference shares for a total of EUR 22,408,064.

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 EUR 0.02 higher than that paid to holders of ordinary shares, and a minimum dividend of EUR 0.05 per share. Further details can be found in Article 17 of the Articles of Association of Sixt Aktiengesellschaft. 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. Moreover, compared with other financing instruments, the advantage of preference shares for Sixt Aktiengesellschaft is that the preference dividend is paid out of the unappropriated profit and that no interest expense on debt finance needs to be recognised in the income statement.

Apart from excluding voting rights for preference shares, the Company's Articles of Association do not impose any restrictions on the voting rights. Equally, they do not impose any restrictions on the transfer of shares. The Managing Board is not aware of any restrictions on voting rights or the transfer of shares arising from agreements between shareholders.

As at 31 December 2009, 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 2009.

In accordance with Article 8 (1) of Sixt Aktiengesellschaft'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 the 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 section 179 (2) sentence 1 of the AktG, Annual General Meeting resolutions entailing an amendment of the Articles of Association require a majority of at least three-quarters of the share capital represented at the adoption of the resolution unless specified otherwise in the Articles of Association. Sixt Aktiengesellschaft has 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. However, under Article 16 (2) of the Articles of Association, capital increases from retained earnings may only be resolved by a majority of 90% of votes cast. 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 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 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. 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 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.

The Annual General Meeting on 30 June 2009 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 of the Company representing up to a total of 10% of the Company's share capital in existence at the date the authorisation was granted.

The authorisation may be exercised in full or in part, on one or more occasions, by Sixt Aktiengesellschaft or its dependent or majority-owned companies. In addition, the authorisation may also be exercised by third parties acting for the Company or for the account of its dependent or majority-owned companies. When purchasing shares on the stock exchange, the Company may also use derivatives, if the restrictions laid down in the 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 while disapplying shareholders' pre-emptive rights. 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.

The authorisation to buy back own shares permits existing liquidity to be used in share buy-back programmes, for example. Moreover, it enables Sixt Aktiengesellschaft to take advantage of expansion opportunities that arise by also, if appropriate, using treasury shares as consideration in, for example, the acquisition of companies or investments in companies, while disapplying shareholders' pre-emptive rights.

As at 31 December 2009, 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 12 August 2008 on the basis of the corresponding authorisation of the Annual General Meeting on 13 August 2003 exercise their conversion rights. Conversion rights, subscription rights, or option rights issued on the basis of the authorisation of the Annual General Meeting on 13 August 2003 no longer exist.

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.

- The creditors of the 2009/2012 bond issued by the company in the total principal amount of EUR 300.0 million have, among other things, a special right of termination, subject to one month's notice after a change in control has been announced. According to the terms and conditions of the bond, a change in control occurs if the proportion of the Company's share capital held directly or indirectly by Erich Sixt, his direct descendants, his spouse and/or a family foundation together falls below 30% or if one person or several persons acting together gain control of the Company. In this context, “control” means direct or indirect (as defined in section 22 of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) legal or beneficial ownership of ordinary shares which together convey more than 50% of voting rights. The term “person” refers here to any natural or legal person or to any kind of organisation.

- 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.

All the rights described above are creditor rights commonly encountered on the capital markets and in lending transactions.

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.

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, which are outlined in the following.

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 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. During phases of economic weakness, demand for mobility services may fall as a result of cost-saving measures by companies and private households. Higher default risks (sector risks, counterparty credit risk) can also generally be expected in these times. A downturn in the overall economy, as experienced in the first half of 2009 in particular, could therefore adversely affect demand for vehicle rental and leasing products.

Sixt is also dependent on developments in tourism and personal transport. In turn, developments in the latter are 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 are growing in importance in the European Union in particular, can – in combination with widespread public debate – bring about changes in mobility patterns and could have both positive and negative effects on demand for the mobility services offered by Sixt.

Sixt's business activities are also dependent on a number of tax regulations. These include the taxation of leasing transactions and company cars, which has been the subject of political discussions on a number of occasions in past years. The taxation of fuels and emission-based motor vehicle taxes may have a material effect on customers' investment behaviour.

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 by restrictions on private and business travel as a result of such events. Since such events are difficult or even impossible to predict, consistently reliable forecasts regarding the development of travel can only be made to a very limited extent, if at all, even in the short term.

Sixt intends to increase revenue and market share in Europe in both business areas by expanding in key Western Europe countries. This goal is to be achieved primarily through organic growth; however, acquisitions in this context cannot be ruled out. The expansion strategy involves various risks including market-specific, legal, fraud, financial and personnel risks. These include possible incorrect assessments of market conditions in the countries in question, changes to national legal frameworks, the costs associated with the establishment of an effective infrastructure and the need to find qualified management personnel and suitable employees. In the case of acquisitions, there are also the customary transaction risks. If the expansion fails or is delayed, this could negatively impact the core business in Germany and negatively affect the Group's financial position and results of operations.

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 in demand – mainly among corporate customers – towards large, mostly international providers, which has been noticeable for years, is continuing. It is therefore essential that Sixt, due to its high ratio of corporate customers, provide customers with a global rental infrastructure that is available in particular in areas with a high volume of traffic, such as in airports and train stations and with as uniform a quality as possible.

Intense competition also 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 automotive 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, on being able to purchase them on competitive terms and – for reasons of pricing certainty and the reduction of residual value risks – on 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 and 2009 as a result of the economic downturn and the international financial crisis, Sixt has secured the supply of popular vehicle models for 2010 based on firm supply contracts. The further deterioration in sales in the used vehicle markets seen in 2009 may, however, negatively affect repurchase terms and conditions in individual cases.

The combination of high economic capacity utilisation of the rental fleet and vehicle availability is 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.

Sixt's planned international expansion is also leading to changes in purchasing requirements. Sixt relies on having a broad 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 apply to an even greater extent if the Group's operating business were to expand dynamically, boosting demand for vehicles. For example, such a bottleneck would be conceivable if automobile manufacturers were to change their sales strategies. However, no such trends are evident at present.

The development of the used car market in Germany in particular is important for the prices that can be obtained in the event of used rental vehicles being sold on the open market. Because of the massive government support measures for the new car market, such as the scrapping premium for old cars, the situation in the used vehicle market took another turn for the worse in 2009, after having stagnated 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 situation in the automotive industry, there is an increased risk that contractual partners, in particular dealers, may not be able to meet their repurchase commitments. In addition, there is a risk that a further deterioration of the used vehicle markets could lead to lower revenue than planned from the sale of that part of the rental fleet that is sold by the Sixt Group on the open market.

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 intrinsically 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 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. Flexible supply agreements ensure that Sixt can react quickly to unforeseeable upward and downward fluctuations in demand.

Sixt's internal yield management system – a sophisticated IT tool that has been constantly enhanced over the years and that is tailored to the varied 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, approximately 93% of all rental vehicles added to the fleet in 2009 were covered 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 dealerships ("Sixt Autoland" and "Carpark").

5. Market risks – leasing

As Sixt's leasing business predominantly focuses on corporate customers, the business unit 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 highly 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. This can have a negative effect on the margins that can be achieved 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 agreeing the residual value in buy-back agreements. In 2009, the calculated residual values of around 85% of the unit's vehicles were covered by 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 the Company's own experience and market reports. For the most part, these vehicles are sold by specialists at specially established locations under the brand names “Sixt Autoland” and “Carpark”.

Sixt protects 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 as of the end of 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. It should be noted in this regard that these measures only become effective after a time lag depending on how the relevant master agreements are structured.

The difficult market situation in many sectors of industry, specifically as a result of the economic downturn in 2008/2009, is increasing 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 compare the actual costing of mileage-related lease agreement parameters with the projected costings. 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 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 able 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, mostly Internet-based fleet management products 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. Entering into these types of hedges allows variable-rate financial liabilities to be converted into synthetic fixed-rate financing in order to limit the interest rate risk for the Group. Conversely, derivatives can also be used to achieve a prescribed share of variable interest-bearing liabilities where short- and long-term interest rate trends are expected to perform in line with this. 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. Some financial institutions that specialise in refinancing leasing companies have substantially underweighted this business area's strategic market importance. In addition, due to the ongoing weak economic environment resulting from the financial and economic crisis, the extent to which some of the banks will be able to fulfil their economic financing function in future, and the form this will take, remain uncertain. Sixt continues to have a broad and robust financing structure, which provides an adequate framework 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 covered by buy-back agreements with manufacturers and dealers, which significantly increases the security for the banks financing Sixt. However, since banks are having to accept increased risk premiums when refinancing their own activities, it cannot be ruled out that these premiums will be passed on to borrowers. This may further increase financing costs for the Sixt Group or keep them at a high level.

The Group has a strong equity base and a broad financing mix. In November 2009, Sixt Aktiengesellschaft successfully placed a bond with a principal amount of EUR 300 million and a three-year term on the capital markets. Among other things, this bond serves to refinance the EUR 225 million bond that is due in 2010. Above and beyond this, the bond gives the Group additional flexibility in its operating business.

The Sixt Group also regularly uses borrower's note loans, leasing and credit finance as refinancing instruments. The Group only utilised a portion of its credit lines in the year under review. Sixt Aktiengesellschaft and its subsidiaries have had close business relationships with a broad group of banks for many years.

8. Other risks

A complex, 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 with protecting the Group's IT systems.

The Sixt Group intends to continue investing in the Internet as a sales and communications channel for its rental and leasing products. A number of risks associated with the Internet (for example uncertainty regarding the protection of intellectual property or registered domains, dependence on technological conditions, system failures, viruses, spyware, etc.), could reduce the social acceptance of Internet offerings and impact the use of the Internet as an independent and cost-effective sales and communications channel. However, the use of Internet-based offerings and products in the Sixt Group has been rising for years, lowering customers' psychological barriers to entry.

Sixt's activities involve entering into a large number of different agreements. This is generally only possible by using standardised agreements. This means that even minor inaccuracies in the wording or changes to the legal framework could have a material effect on business activities. Sixt counteracts this risk via contract management with the help of legal experts.

The Sixt Group also relies on intellectual property rights to protect its business activities. Preserving these rights at national and international level is an important precondition for maintaining competitiveness.

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.

Strategic partnerships and cooperative ties with airlines, hotel chains and other key players in the mobility and tourism industry are an important factor in the Sixt Group's success. Agreements with these partners often contain short notice periods and are – with a few exceptions – non-exclusive. Therefore, it cannot be ruled out that existing cooperative ties will be terminated or will not be expanded due to changes in market conditions or to the partners' market or business strategies. However, a number of partnerships have been in place for many years and are based on a spirit of long-term close collaboration.

9. Disclosures in accordance with section 315 (2) no. 5 of the HGB

The Group's accounting-related internal control system and risk management system contain organisational provisions and technical requirements designed to manage the risk associated with accounting. Key elements here are the clear and appropriate separation of functions with regard to Managing Board and leadership responsibilities including management control processes, the central accounting and reporting organisation for all companies included in the Group, the technical guidelines contained in the consolidation manual, the implementation of quality assurance processes by the internal audit function and external audit procedures and consulting, systems-based security and control measures and regular comparisons with planning and financial control processes. This means that accounting-related processes are integrated overall in the Group-wide risk management system.

D. Report on expected developments

1. Economic environment

The decline of the global economy was halted in the course of 2009, not least through massive intervention by governments and central banks. At the beginning of 2010, there was no consensus among experts about the extent and strength of the economic recovery in the most important industrialised nations. According to the Bundesverband deutscher Banken e.V. (Association of German Banks), the recovery continues to be supported by government economic stimulus packages whose effect will fade in the course of the year. The economy will continue to be weighed down by factors such as high household debt in some areas, overcapacity, the reluctance of companies to invest, expectations of persistently high or rising unemployment in the course of the year and the risk of enormous government debt burdens as a result of the financial crisis.

The International Monetary Fund (IMF) was more optimistic at the start of 2010 and revised its expectations for the global economy upwards at the end of January. It now predicts growth in global gross domestic product (GDP) of 3.9% in 2010, 0.8 percentage points more than it forecast in autumn 2009. The upswing will primarily be driven by emerging economies such as China and India, where strong domestic demand is facilitating a rapid return to previous growth rates. According to the IMF, US GDP will expand by 2.7%, while eurozone GDP will increase by 1.0%. The IMF's growth forecast for the German economy has been revised significantly upwards to 1.5%. This coincides with the German federal government's prediction that Germany's economy will grow faster in 2010 than the eurozone as a whole, with German exports benefiting from a renewed increase in global demand. In its annual economic report, the German federal government forecasts that GDP will grow by 1.4%.

Sources:
Bundesverband deutscher Banken e.V. (Association of German Banks), Economic Report January 2010
European Central Bank, Monthly Bulletin, February 2010
International Monetary Fund, World Economic Outlook, January 2010
German Federal Ministry of Economics and Technology, Annual Economic Report 2010

2. Sector-specific environment

2.1 Vehicle rental

The overall conditions for vehicle rental have taken a turn for the worse as a result of the financial and economic crisis. No reliable estimate can be given of the extent to which the weaker economic environment will continue to impact on the readiness of companies and private individuals to spend money on mobility services in future. Expectations are, however, that in times of tight budgets more companies will consider vehicle rental and leasing products as a cost-effective alternative to air or rail travel when deciding how to meet their future mobility requirements.

In the course of 2009, large vehicle rental companies responded to the increased cost pressure in the industry by moderately increasing prices to business and private customers. Revenue development and the contribution margins that can be generated will respond positively to these price increases, whose full effect will be felt in 2010.

The Bundesverband der Autovermieter e.V. (German Association of Car Rental Companies – BAV) anticipates that, in future, the rising cost of owning and maintaining a vehicle will enhance the significance of vehicle rental as an alternative. Increasing prices for services such as maintenance and repairs, higher motor vehicle taxes and insurance contributions in some cases as well as rapid depreciation are increasingly weighing on mobility budgets, especially of private households. For this reason, car rental and new mobility offerings, such as professional car sharing, may become more attractive than purchasing and owning a vehicle.

Sixt continues to anticipate that the European vehicle rental industry will remain a growth market in the long term. Euromonitor International, for example, predicts continuous revenue growth in the sector in Germany until 2013. For the emerging economies in Eastern Europe and China, the Managing Board anticipates substantial long-term growth in demand for mobility services, once the economic downturn resulting from the recession and the financial crisis has been overcome.

The Company believes that, in view of the ongoing strained economic environment, industry consolidation could continue at a faster pace. In addition to the used car market, which has deteriorated further, important factors in this regard are the high refinancing costs and the more restrictive lending policies of banks, which are increasingly weighing on smaller providers. Given the difficult financial situation of some competitors and the price increases accepted in the industry, predatory price competition, for example to achieve significant increases in market share, is not to be expected at present. Sixt anticipates that most vehicle rental companies in Europe will continue to pursue a cautious fleet policy in 2010.

2.2 Leasing

The Bundesverband Deutscher Leasing-Unternehmen e.V. (German Association of Leasing Companies – BDL) forecasts that new leasing business will at best stagnate in 2010, following a decline in volume of more than 20% in 2009. It says that a very significant aspect in this regard is the development of the general conditions for leasing companies, such as refinancing terms, which have deteriorated as a result of the financial and economic crisis. Another factor weighing on many leasing providers is the collapse in residual vehicle values: increasingly, it has only been possible to market vehicles accepted back from customers at below the value originally calculated. However, the Zentralverband des Deutschen Kraftfahrzeuggewerbes (German Federation for Motor Vehicle Trades and Repairs – ZDK) predicts that demand on the used vehicle market will revive in 2010, albeit at a low level.

There is uncertainty about the planned reform of the International Financial Reporting Standards (IFRSs): according to a discussion paper issued by the International Accounting Standards Board, all leases, including pure operating leases, and the resulting rights to use assets and obligations to pay rentals are to be recognised on the lessee's balance sheet. In view of these plans, the BDL is concerned that lessees that are IFRS reporters will incur considerable additional accounting effort without adequate benefit. Reform of the International Financial Reporting Standards could therefore have a negative impact on the readiness of leasing customers to refinance future investments through leasing.

In general, however, Sixt believes that, in particular, full-service leasing and fleet management and the associated cost benefits for leasing customers present an attractive long-term growth market offering substantial and undiminished potential, both nationally and internationally. This belief is backed by a study conducted on behalf of the BDL in 2008, which found that more than half of all commercial lessees are prepared to pay a fair price for a comprehensive, value-added fleet management service offering.

3. Strategic focus areas for the Sixt Group

In spite of the moderate recovery of Europe's economy at the beginning of 2010, the Managing Board does not expect demand for mobility services to revive to any significant extent in the short term. Extreme cost pressure on companies is set to continue, resulting in restrictive spending policies for business travel. Private individuals will likewise remain highly cost conscious and nervous about future economic developments, and this could have a negative impact on tourism, for example.

Most economic experts believe, moreover, that in 2010 companies' propensity to invest will remain well below the levels seen before the recession and financial crisis took hold, because there is as yet insufficient confidence that there will be a sustained economic upturn.

Given these developments, Sixt believes that the overall conditions for rental and leasing activities will remain difficult in the current year.

However, the operational and structural countermeasures successfully implemented since the end of 2008 ensure that Sixt is well prepared for this market environment. The Sixt business model has proved adaptable. Other strengths in the current environment include the Group's solid capital and financing base and the great operational and strategic scope this provides, as well as the high level of awareness the Sixt brand enjoys, especially in Germany. What is more, the current conditions also offer opportunities for additional business, since car rental and full service leasing can often make an important contribution when companies and private individuals seek to reduce their mobility costs.

In the Vehicle Rental Business Unit, Sixt will concentrate above all on the following topics in 2010 and beyond:

- The internationalisation of the Business Unit will continue as a priority. Sixt aims to generate a significantly larger proportion of its rental revenue abroad in the long term. With shares of 5 to 10% in most Western European countries outside Germany, there are still considerable growth opportunities Sixt can tap into. Most of the growth is to be generated organically, i.e. from within the Company's own resources. Targeted acquisitions are also imaginable in selected markets, especially Spain and France. 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.

- The global franchise network is to be expanded further. Given the wide geographical presence of the Sixt brand already achieved, this is less about covering additional countries, but above all about enhancing the market position of franchise partners in the current franchise markets. Emerging economies, such as Asia or Latin America, are particularly attractive for Sixt, because mobility demand there is set to increase significantly over the coming years and their mobility markets are still at an early stage of development. Depending on market requirements, there could be demand for rental, leasing, or chauffeur services, or a combination of all products. The Company does not currently have any plans to launch operations through its own subsidiaries outside Western Europe. Sixt continues to build on risk-minimising and capital-efficient cooperation with local partners.

- In addition to traditional vehicle rental, Sixt will also continue to develop supplementary product offerings to suit the mobility patterns of specific target groups. These product offerings comprise existing private customer products such as SIXT holiday. It would also be feasible to make increased use of alternative drives in the rental fleet, initially as part of trial projects, if appropriate. However, it is a key requirement that customers have access to an acceptable infrastructure so that the use of alternative types of drives does not restrict customer mobility.

- Sixt plans to make greater use of new technologies in vehicle rental in line with the Group's consistent focus on innovation. This includes online and mobile solutions for handling the rental process, such as those already available for smartphones, as well as the intelligent use of the Internet as an advertising medium and communication channel with customers and the public at large.

In the Leasing Business Unit, Sixt will concentrate above all on the following topics in 2010 and beyond:

- Sixt will increasingly focus on integrated vehicle rental and leasing offerings and thus highlight one of the unique strategic strengths of the Group. This will make it possible to offer specific solutions tailored in particular to business and corporate customers and allow Sixt to meet customers' individual mobility requirements with leasing, short-term rental, or various combined products.

- The expansion of its foreign leasing business continues to be one of the most important strategic objectives pursued by the Business Unit in terms of both its presence in Sixt Corporate countries and the international network of franchisees. Targeted acquisitions are imaginable to achieve this objective, although strict acquisition criteria apply, similar to those in the Vehicle Rental Business Unit.

- Sixt Leasing plans to further expand its offering of – in some cases unique – high-quality fleet management products and services that give customers measurable added value and set Sixt apart from the competition. They include, for example, enhancements to Sixt's comprehensive online-supported fleet cost reporting system by adding detailed data interpretation, consistent benchmarking, and the resulting recommended actions. The product development draws on the comprehensive expertise Sixt has built over decades in the management of vehicle fleets and on its close-knit network of contacts, for example with vehicle repair shops.

4. Outlook

For 2010, the Managing Board expects demand for vehicle rental and leasing in the core European countries at best to remain stable or to decline slightly. However, this assumption is subject to considerable uncertainty, because it remains to be seen how the general economic conditions will develop further.

Sixt will continue in 2010 to pursue its objective of reducing operating costs, especially fleet costs. To achieve this, the size of the vehicle rental fleet will probably remain similar to the previous year's level, or it may be cut slightly further, depending on circumstances. The agreements with manufacturers in many cases permit flexible release orders, thus making it possible to respond to increases or decreases in demand promptly by making the necessary capacity adjustments.

The Group's earnings will benefit from the fact that the measures implemented in 2009 will for the first time impact on a full financial year. In 2010, the achievement of adequate margins will have priority over volume growth for all transactions in both Business Units.

Given these developments, a decline in consolidated revenue and in consolidated operating revenue is expected for 2010 from today's perspective. However, because of the reduction in costs and increased efficiency throughout the Group, Sixt aims to achieve a significant year-on-year increase in consolidated profit before taxes (EBT). The current planning uncertainty makes it impossible at this time to provide more specific details for this forecast or to make any projections about business development in 2011.

In spite of this, the Managing Board believes that the Company is generally in a good strategic, operating and financial position to resume its long-term growth course of recent years once positive economic conditions have returned. Sixt's aim in this regard 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 2009.”

F. Corporate governance declaration

The corporate governance declaration in accordance with section 289a of the HGB is contained in this 2009 Annual Report and is available to the general public online at http://ag.sixt.de/investor-relations.

G. 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 2009.

Pullach, 10 March 2010

Sixt Aktiengesellschaft

The Managing Board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The following independent auditor's report ("Bestätigungsvermerk") was issued in accordance with section 322 HGB (German Commercial Code) on the IFRS Financial Statements 2009, 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, the statement of comprehensive income, 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 2009. 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 315a (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. 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 315a (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, 11 March 2010

Deloitte & Touche GmbH	Bögle	Papadatos
Wirtschaftsprüfungsgesellschaft	**Auditor**	**Auditor**

RESPONSIBILITY STATEMENT

by Sixt Aktiengesellschaft, Pullach, for Financial Year 2009

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, 10 March 2010

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT	DETLEV PÄTSCH	DR. JULIAN ZU PUTLITZ

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CONSOLIDATED INCOME STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2009

	Notes		EUR		EUR
			2009		2008
Revenue	[4.1]		1,601,544,321		1,773,864,270
Other operating income	[4.2]		21,026,089		22,502,807
Gross revenue			**1,622,570,410**		**1,796,367,077**
Fleet expenses and cost of lease assets	[4.3]		691,400,274		746,357,815
Personnel expenses	[4.4]				
a) Wages and salaries		114,976,532		111,304,966	
b) Social security and other pension costs		19,101,908		18,109,275	
			134,078,440		129,414,241
Depreciation and amortisation expense	[4.5]				
a) Depreciation of rental vehicles		235,419,994		271,402,295	
b) Depreciation of lease assets		161,213,613		137,525,912	
c) Depreciation of property and equipment and investment property		6,261,025		6,209,464	
d) Amortisation of intangible assets		1,928,152		1,714,190	
			404,822,784		416,851,861
Other operating expenses	[4.6]		325,199,286		348,852,565
Profit from operating activities (EBIT)			**67,069,626**		**154,890,595**
Net finance costs	[4.7]				
a) Interest income		2,772,059		2,272,566	
b) Interest expense		60,205,839		71,999,245	
c) Other net financial income		5,494,149		1,575,569	
			-51,939,631		-68,151,110
Profit before taxes (EBT)			**15,129,995**		**86,739,485**
Income tax expense	[4.8]		4,731,689		25,290,754
Consolidated profit for the period			**10,398,306**		**61,448,731**
Of which attributable to minority interests	[4.9]		36,822		-41,817
Of which attributable to shareholders of Sixt AG			**10,361,484**		**61,490,548**
Earnings per ordinary share – basic	[4.10]		0.40		2.43
Earnings per preference share – basic	[4.10]		0.42		2.48
Earnings per ordinary share – diluted	[4.10]				2.43
Earnings per preference share – diluted	[4.10]				2.42

Statement of Comprehensive Income

EUR thou.	**2009**	2008
Consolidated profit	10,398	61,449
Recognised in other comprehensive income		
Currency translation gains/losses	1,110	-4,594
Impairment losses/reversals of impairment losses on available-for-sale assets	-252	-
Related deferred tax	63	-
Total comprehensive income	**11,319**	**56,885**
of which attributable to minority interests	37	-42
of which attributable to shareholders of Sixt AG	11,282	56,897

CONSOLIDATED BALANCE SHEET

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2009

Assets	Notes	EUR 31 Dec. 2009	EUR 31 Dec. 2008
Non-current assets			
Goodwill	[4.11]	18,442,000	18,442,000
Intangible assets	[4.12]	6,386,088	5,370,804
Property and equipment	[4.13]	46,584,686	46,572,724
Investment property	[4.14]	3,183,589	3,218,777
Lease assets	[4.15]	838,146,692	902,355,807
Non-current financial assets	[4.16]	1,476,322	1,436,322
Non-current other receivables and assets	[4.17]	8,204,940	13,073,591
Deferred tax assets	[4.8]	12,335,452	10,021,529
Total non-current assets		**934,759,769**	**1,000,491,554**
Current assets			
Rental vehicles	[4.18]	637,796,162	1,057,550,589
Inventories	[4.19]	25,976,877	48,098,031
Trade receivables	[4.20]	197,490,431	261,197,149
Current other receivables and assets	[4.21]	239,339,922	65,016,515
Income tax receivables	[4.21]	15,365,919	13,614,874
Cash and bank balances	[4.22]	45,866,210	23,361,491
Total current assets		**1,161,835,521**	**1,468,838,649**
Total assets		**2,096,595,290**	**2,469,330,203**

Equity and Liabilities	Notes	EUR 31 Dec. 2009	EUR 31 Dec. 2008
Equity			
Subscribed capital	[4.23]	64,576,896	64,576,896
Capital reserves	[4.24]	198,561,968	197,308,121
Other reserves	[4.25]	221,818,451	230,890,804
Minority interests	[4.26]	5,653	5,458
Total equity		**484,962,968**	**492,781,279**
Non-current liabilities and provisions			
Non-current other provisions	[4.27]	828,905	858,232
Non-current financial liabilities	[4.28]	776,164,885	734,753,045
Non-current other liabilities	[4.29]	100,643,082	74,466,028
Deferred tax liabilities	[4.8]	23,071,284	20,492,566
Total non-current liabilities and provisions		**900,708,156**	**830,569,871**
Current liabilities and provisions			
Current other provisions	[4.30]	31,377,792	35,114,107
Income tax provisions	[4.30]	25,880,157	27,142,327
Current financial liabilities	[4.31]	335,048,881	651,096,406
Trade payables	[4.32]	193,466,170	331,036,861
Current other liabilities	[4.33]	125,151,166	101,589,352
Total current liabilities and provisions		**710,924,166**	**1,145,979,053**
Total equity and liabilities		**2,096,595,290**	**2,469,330,203**

CONSOLIDATED CASH FLOW STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2009

Consolidated Cash Flow Statement	EUR thou. 2009	EUR thou. 2008
Operating activities		
Consolidated profit for the period	10,398	61,449
Amortisation of intangible assets	1,928	1,714
Depreciation of property and equipment and investment property	6,261	6,209
Depreciation of lease assets	161,214	137,526
Depreciation of rental vehicles	235,420	271,402
Result of the disposal of intangible assets and property and equipment	-333	-1,405
Other non-cash income and expense	1,642	528
Cash flow	**416,530**	**477,423**
Change in non-current other receivables and assets	4,869	1,406
Change in deferred tax assets	-2,314	-4,694
Change in rental vehicles, net	184,334	-413,107
Change in inventories	22,121	-36,095
Change in trade receivables	63,707	-76,359
Change in current other receivables and assets	-1,998	-3,325
Change in income tax receivables	-1,751	-7,264
Change in non-current other provisions	-29	-231
Change in non-current other liabilities	26,177	73,415
Change in deferred tax liabilities	2,579	8,500
Change in current other provisions	-3,736	-4,450
Change in income tax provisions	-1,262	-10,404
Change in trade payables	-137,571	13,521
Change in current other liabilities	23,562	7,512
Net cash flows from operating activities	**595,218**	**25,848**
Investing activities		
Proceeds from disposal of intangible assets, property and equipment and investment property	11,607	5,549
Proceeds from disposal of lease assets	235,728	228,673
Payments to acquire intangible assets, property and equipment	-20,455	-17,152
Payments to acquire lease assets	-332,734	-518,589
Payments to acquire non-current financial assets	-40	-100
Payments to acquire current financial assets	-172,325	-
Net cash flows used in investing activities	**-278,219**	**-301,619**
Financing activities		
Increase in subscribed capital	-	450
Increase in capital reserves	-	4,519
Change in other reserves and minority interests	-	-4,891
Dividend payments	-20,355	-29,730
Change in current financial liabilities	-316,048	266,422
Change in non-current financial liabilities	41,412	36,221
Net cash flows used in/from financing activities	**-294,991**	**272,991**
Net change in cash and cash equivalents	**22,008**	**-2,780**
Effect of exchange rate changes on cash and cash equivalents	497	-528
Cash and cash equivalents at 1 January	**23,361**	**26,669**
Cash and cash equivalents at 31 December	**45,866**	**23,361**

See also the Notes [5.1]

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2009

EUR thou.	Subscribed capital	Capital reserve	Other reserves			Equity attributable to shareholders of Sixt AG	Minority interests	Total equity
			Retained earnings	Currency translation reserve	Miscellaneous reserves			
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 January 2009	**64,577**	**197,308**	**119,172**	**-6,814**	**118,533**	**492,776**	**5**	**492,781**
Consolidated profit 2009					10,361	10,361	37	10,398
Currency translation differences				1,110		1,110		1,110
Dividend payments 2008					-20,355	-20,355		-20,355
Other changes		1,254	3,520 [1]		-3,709	1,065	-36	1,029
31 December 2009	**64,577**	**198,562**	**122,692**	**-5,704**	**104,830**	**484,957**	**6**	**484,963**

[1] Including transfer to retained earnings of Sixt Aktiengesellschaft (EUR 3,300 thousand; 2008: EUR 12,450 thousand)

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

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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, acquire and provide support for 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 2009 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 2009 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 following revised or newly issued Standards and Interpretations were required to be applied to Sixt Aktiengesellschaft’s consolidated financial statements starting in financial year 2009:
IAS 1 (Presentation of Financial Statements), IAS 23 (Borrowing Costs), IAS 32 (Financial Instruments: Presentation) and the subsequent amendment to IAS 1, IFRS 1 (First-time Adoption of IFRSs) and IAS 27 (Consolidated and Separate Financial Statements), IFRS 2 (Share-based Payment), IFRS 7 (Financial Instruments: Disclosures), IFRS 8 (Operating Segments), IFRIC 13 (Customer Loyalty Programmes), IFRIC 14 (IAS 19 – The Limit on a Defined Benefit Asset, Minimum Funding Requirements and their Interaction) and amendments resulting from the Annual Improvements Project, to the extent that these were effective for the financial year. There were no material effects on the Group’s net assets, financial position and results of operations.

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 1	First-time Adoption of International Financial Reporting Standards	25 Nov. 2009	1 Jan. 2010
IFRS 1	Additional Exemptions for First-time Adopters	No	1 Jan. 2010
IFRS 1	Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters	No	1 July 2010
IFRS 2	Share-based Payment	No	1 Jan. 2010
IFRS 3	IAS 27 – Consolidated and Separate Financial Statements	3 June 2009	1 July 2009
IFRS 9	Financial Instruments	No	1 Jan. 2013
IAS 24	Related Party Disclosures	No	1 Jan. 2011
IAS 32	Financial Instruments: Presentation	23 Dec. 2009	1 Feb. 2010
IAS 39	Financial Instruments: Recognition and Measurement	15 Nov. 2009	1 July 2009
IFRIC 9	IAS 39 – Financial Instruments: Recognition and Measurement	30 Nov. 2009	30 June 2009
IFRIC 12	Service Concession Arrangements	25 Mar. 2009	29 Mar. 2009
IFRIC 14	Prepayments of a Minimum Funding Requirement	No	1 Jan. 2011
IFRIC 15	Agreements for the Construction of Real Estate	22 July 2009	1 Jan. 2010
IFRIC 16	Hedges of a Net Investment in a Foreign Operation	4 June 2009	1 July 2009
IFRIC 17	Distributions of Non-cash Assets to Owners	26 Nov. 2009	1 July 2009
IFRIC 18	Transfers of Assets from Customers	27 Nov. 2009	1 July 2009
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	No	1 July 2010

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 April 2009. The European Commission had not yet adopted these amendments at the reporting date, which is why they are not reflected in the accompanying financial statements.

These consolidated financial statements are in compliance with section 315a 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 whose financial and operating policies it has the power to govern.
The following (with three exceptions) wholly owned subsidiaries were fully consolidated in the consolidated financial statements of Sixt Aktiengesellschaft as at 31 December 2009 (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 (Beteiligung 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 %)	Pullach
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	CHF	100%
Sixt Asia Pacific Pte Ltd.	Singapore	200,000	SGD	88%
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%
autohaus24 GmbH	Pullach	25,000	EUR	80%
Stockflock GmbH	Pullach	25,000	EUR	100%
kud.am GmbH	Berlin	200,000	EUR	90%
Winebase GmbH	Pullach	25,000	EUR	75%
Preis24.de GmbH	Pullach	25,000	EUR	100%

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 these 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, Pullach, 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 consolidated Group as against the end of 2008.

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 2009. 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 basis, and at least once a year. 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 in the course of consolidation. All relevant receivables, liabilities and provisions between consolidated companies are eliminated, and 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 carried 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 their 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. 2009	31 Dec. 2008	**2009**	2008
Sterling	0.88900	0.96000	0.88984	0.80383
Swiss francs	1.48390	1.48600	1.50865	1.57860

3. Accounting policies

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

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

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

Income tax expense is the aggregate of current tax expense and deferred taxes. Current tax expense is calculated on the basis of the taxable income for the year. Deferred taxes are the tax assets and liabilities expected to result from differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their tax base. They are measured using the balance sheet liability method.

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

Assets

In accordance with IFRS 3 in conjunction with IAS 36, recognised **goodwill** is tested for impairment on an annual basis and written down for impairment if necessary. 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 (2010 to 2013) 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 9.3%.

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 indefinite are tested for impairment on an annual basis and, where necessary, written down to their fair value.

Property and equipment and **investment property** are carried 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 21 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 assets are impaired. 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 carried 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. If no buy-back values have been agreed, the residual value is based on the expected fair value. Write-downs for impairment are recognised when such assets are impaired.

Assets leased by the Sixt Group as lessee under operating leases are not reported as rental vehicles.

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

Receivables and other assets are carried at their principal amount after deduction of allowances for all identifiable risks. Other financial assets contained in this item are measured at amortised cost, fair value, or at the present value of future payments. Derivatives 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 their amount is uncertain 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 or current **financial liabilities** at its principal amount, including issue costs.

Liabilities are carried on initial recognition at cost (plus directly attributable transaction costs, where applicable), which corresponds to the fair value of the consideration received, and subsequently at amortised cost, with the exception of derivative financial instruments, which are measured 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 for risk management purposes to limit interest rate risk. In accordance with IAS 39, derivative financial instruments are recognised at fair value. Fair value changes are either recognised in the income statement or in other comprehensive income, depending on the nature of the hedging relationship.

The Group applies the provisions of IFRS 2, **Share-based Payments**. 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, as well as in 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 disclosures on the individual items. The areas in which amounts are most significantly affected are the following:
Property and equipment is 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 based on 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. Explanations 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 2009	Germany 2008	Abroad 2009	Abroad 2008	Total 2009	Total 2008	Change in %
Rental Business Unit							
Rental revenue	542,888	564,777	215,087	223,926	757,975	788,703	-3.9
Other revenue from rental business	143,361	246,650	60,463	71,735	203,824	318,385	-36.0
Total	**686,249**	**811,427**	**275,550**	**295,661**	**961,799**	**1,107,088**	**-13.1**
Leasing Business Unit							
Leasing revenue	355,228	375,838	51,265	43,986	406,493	419,824	-3.2
Sales revenue	217,553	232,176	10,718	9,842	228,271	242,018	-5.7
Total	**572,781**	**608,014**	**61,983**	**53,828**	**634,764**	**661,842**	**-4.1**
Other revenue	4,981	4,934	-	-	4,981	4,934	0.9
Group total	**1,264,011**	**1,424,375**	**337,533**	**349,489**	**1,601,544**	**1,773,864**	**-9.7**

The Group is divided into two segments, Rental and Leasing. These business units form the basis 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 757,975 thousand (2008: EUR 788,703 thousand) and other revenue from rental business, such as insurance recoveries, subsidies, licence and franchise fees, and commission revenue amounting to EUR 203,824 thousand (2008: EUR 318,385 thousand). Other revenue from rental business includes compensation payments from third parties totalling EUR 57,324 thousand (2008: EUR 46,317 thousand).

In line with Sixt's focus on the market segment for full-service leasing, leasing revenue comprises finance lease instalments (EUR 203,752 thousand; 2008: EUR 187,820 thousand), revenue from the settlement of claims, revenue relating to service components such as repairs, fuel, tyres, etc. and franchise fees (EUR 202,741 thousand; 2008: EUR 232,004 thousand). In the Leasing segment, compensation payments from third parties amount to EUR 2,769 thousand (2008: EUR 2,316 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. Any remaining residual amount is allocated to depreciation and amortisation expense. 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.

Part of the rental fleet is refinanced using 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 21,026 thousand (2008: EUR 22,503 thousand) includes income of EUR 1,516 thousand (2008: EUR 575 thousand) from currency translation. This item also includes income of EUR 6,739 thousand (2008: EUR 8,074 thousand) from cost allocations to third parties, income of EUR 1,727 thousand (2008: EUR 2,821 thousand) from the reversal of provisions, and net gains of EUR 1,757 thousand (2008: EUR 1,533 thousand) from asset disposals, primarily from the sale of 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. 2009**	EUR thou. 2008	Change in %
Rental Business Unit	278,619	291,852	-4.5
Leasing Business Unit	412,781	454,506	-9.2
Group total	**691,400**	**746,358**	**-7.4**

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. 2009	EUR thou. 2008	Change in %
Repairs, maintenance, reconditioning	186,702	183,293	1.9
Fuel	107,704	137,202	-21.5
Insurance	59,692	60,211	-0.9
Transportation	36,516	41,346	-11.7
Taxes and duties	12,781	23,226	-45.0
Other, including selling expenses	288,005	301,080	-4.3
Group total	**691,400**	**746,358**	**-7.4**

Personnel expenses increased from EUR 129,414 thousand in 2008 to EUR 134,078 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. 2009	EUR thou. 2008	Change in %
Wages and salaries	114,976	111,305	3.3
Social security costs	19,102	18,109	5.5
Group total	**134,078**	**129,414**	**3.6**

Average number of employees during the year:

Employees in the Group	2009	2008
Salaried employees	2,741	2,563
Hourly employees	240	213
Group total	**2,981**	**2,776**

The Rental Business Unit employed 2,688 (2008: 2,480) staff, and the Leasing Business Unit employed 244 (2008: 261) staff. The “Other” segment employed 49 (2008: 35) staff.

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

Depreciation of rental vehicles decreased by EUR 35,982 thousand to EUR 235,420 thousand (2008: EUR 271,402 thousand), as on average fewer vehicles in the rental fleet were capitalised in the year under review than in 2008. Impairment losses of EUR 5,744 thousand were charged on the rental assets of EUR 41 million. Depreciation of lease assets was EUR 23,688 thousand higher year on year at EUR 161,214 thousand (2008: EUR 137,526 thousand). Impairment losses of EUR 7,106 thousand were charged on the lease assets of EUR 229 million. However, there was a corresponding reduction in the lease instalments for refinanced lease assets reported under other operating expenses.

Depreciation and amortisation expense	EUR thou. 2009	EUR thou. 2008	Change in %
Intangible assets	1,928	1,714	12.5
Property and equipment, investment property	6,261	6,210	0.8
Lease assets	161,214	137,526	17.2
Rental vehicles	235,420	271,402	-13.3
Group total	**404,823**	**416,852**	**-2.9**

[4.6] The following table contains a breakdown of **other operating expenses**. In the financial year, operating expenses were reduced in total by EUR 23,654 thousand to EUR 325,199 thousand (2008: EUR 348,853 thousand).

Other operating expenses	EUR thou. 2009	EUR thou. 2008	Change in %
Leasing expenses	130,145	163,047	-20.2
Commissions	58,012	56,469	2.7
Expenses for buildings	39,786	36,715	8.4
Other selling and marketing expenses	25,961	33,303	-22.0
Expenses from write-downs of receivables	15,451	5,673	>100
Audit, legal, advisory and investor relations expenses	9,089	9,376	-3.1
Miscellaneous expenses	46,755	44,270	5.6
Group total	**325,199**	**348,853**	**-6.8**

Fees of EUR 331 thousand (2008: EUR 480 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; 2008: EUR 215 thousand), other assurance or valuation services (EUR 31 thousand; 2008: EUR 4 thousand), tax advice (EUR 50 thousand; 2008: EUR 152 thousand) and other services (EUR 35 thousand; 2008: EUR 109 thousand) provided for the parent or subsidiaries.

[4.7] **Net finance costs** improved by EUR 16,211 thousand year on year, from EUR -68,151 thousand to EUR -51,940 thousand. The change in this item is mainly due to interest expenses for borrower's 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. 2009	EUR thou. 2008
Income from financial assets	2,023	1,895
Income from unconsolidated affiliated companies	60	61
Expenses for unconsolidated affiliated companies	-10	-15
Net income from investments	**2,073**	**1,941**
Other interest and similar income	2,478	2,179
Other interest and similar income from affiliated companies	294	94
Interest and similar expenses	-51,078	-62,903
Interest and similar expenses for affiliated companies	-78	-46
Expenses for profit participation capital	-9,050	-9,050
Net income from derivative financial instruments	3,421	-366
Net interest expense	**-54,013**	**-70,092**
Net finance costs	**-51,940**	**-68,151**

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

Income tax	EUR thou. 2009	EUR thou. 2008
Current income tax for the reporting period	5,220	21,960
Current income tax for previous years	-974	127
Deferred taxes	486	3,204
Group total	**4,732**	**25,291**

In accordance with IAS 12 (Income Taxes), deferred taxes are recognised for all temporary differences between the carrying amounts of assets and liabilities in the IFRS consolidated balance sheet and their tax base. 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% (2008: 15%) was used to calculate deferred taxes at the German companies as at 31 December 2009. In each case, a solidarity surcharge of 5.5% on the corporation tax was also included and a trade tax rate of 11% (2008: 11%) was applied; an aggregate tax rate of 27% (2008: 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 recognised in other comprehensive income.

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% (2008: 27%) to consolidated profit for the period (before taxes) in accordance with IFRSs. The income tax rate is composed of corporation tax at 15% (2008: 15%), a solidarity surcharge of 5.5% and trade tax at 11% (2008: 11%).

Reconciliation of taxes	**EUR thou.**	EUR thou.
	2009	2008
Consolidated profit before taxes in accordance with IFRSs	15,130	86,739
Expected income tax expense	4,085	23,420
Effect of different tax rates outside Germany	-454	-110
Non-deductible operating expenses	3,936	3,950
Tax-exempt income	-69	-273
Current income tax for previous years	-974	127
Other effects	-1,792	-1,823
Effective tax expense	**4,732**	**25,291**

The other effects include deferred taxes from the tax effects of unused 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. 2009	31 Dec. 2008	**31 Dec. 2009**	31 Dec. 2008
Fleet	4,607	7,036	19,024	14,162
Receivables	37	-	3,244	5,103
Other assets	-	-	1,007	1,111
Other liabilities	926	755	2,611	3,146
Provisions	2,124	2,355	8	31
Tax loss carryforwards	7,464	2,936	-	-
	15,158	**13,082**	**25,894**	**23,553**
Offsetting	-2,823	-3,060	-2,823	-3,060
Carrying amount	**12,335**	**10,022**	**23,071**	**20,493**

No deferred tax assets were recognised for existing tax loss carryforwards of EUR 15,964 thousand (2008: EUR 26,628 thousand). The loss carryforwards for which deferred tax assets were recognised are expected to be used during the four-year planning period. In principle, the losses can be carried forward indefinitely.

Deferred tax assets and liabilities are offset if they relate to income taxes levied by the same taxation authority.

[4.9] The **profit for the period attributable to minority interests** amounted to a total of EUR 37 thousand (2008: EUR -42 thousand).

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

Dividends	EUR thou. **2009**	EUR thou. 2008
Amounts recognised as distributions to shareholders in the financial year	20,355	29,730
Dividend for financial year 2008 of EUR 0.80 (for 2007: EUR 1.18) per ordinary share	13,178	19,437
Dividend for financial year 2008 of EUR 0.82 (for 2007: EUR 1.20) per preference share	7,177	10,293

A dividend of EUR 0.20 per ordinary share and EUR 0.22 per preference share is proposed for financial year 2009. This corresponds to a total distribution for the year under review of EUR 5,220 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		**2009**	2008
Consolidated profit for the period after minority interests	EUR thou.	10,361	61,491
Profit attributable to ordinary shares	EUR thou.	6,652	40,039
Profit attributable to preference shares	EUR thou.	3,709	21,452
Weighted average number of ordinary shares		16,472,200	16,472,200
Weighted average number of preference shares		8,753,150	8,665,250
Earnings per ordinary share	EUR	0.40	2.43
Earnings per preference share	EUR	0.42	2.48

Diluted earnings per share		2008
Adjusted consolidated profit for the period	EUR thou.	61,512
Profit attributable to ordinary shares	EUR thou.	40,039
Profit attributable to preference shares	EUR thou.	21,473
Weighted average number of ordinary shares		16,472,200
Weighted average number of preference shares		8,859,850
Earnings per ordinary share	EUR	2.43
Earnings per preference share	EUR	2.42

In the previous year, diluted earnings per share reflected the interest expense (adjusted for deferred income taxes) on convertible bonds issued as part of the employee equity participation programme and the number of preference shares that were able to be issued when the associated conversion rights were exercised at the applicable exercise date (194,600 preference shares). In financial year 2009, the conditions for exercise of a conversion right were not met, so the final tranche of the convertible bond was repaid at par. There were no financial instruments in issue at the reporting date that could cause dilutive effects.

4.2 Balance sheet

Assets

[4.11] to [4.16]

The changes in the Group's non-current assets are shown below.

Consolidated Statement of Changes in Non-current Assets in EUR thou.	Cost					
	1 Jan. 2009	Foreign exchange differences	Additions	Disposals	Transfers	**31 Dec. 2009**
Goodwill	**18,488**	**-**	**-**	**-**	**-**	**18,488**
Purchased software	7,008	3	2,944	842	29	9,142
Internally developed software	3,502	-	-	-	-	3,502
Payments on account in respect of software	14	-	17	1	-29	1
Other intangible assets	598	-	-	-	-	598
Intangible assets	**11,122**	**3**	**2,961**	**843**	**-**	**13,243**
Land and buildings	25,484	354	46	367	237	25,754
Operating and office equipment	54,481	17	10,606	11,455	5	53,654
Property and equipment under construction	2,779	-	6,842	8,031	-242	1,348
Property and equipment	**82,744**	**371**	**17,494**	**19,853**	**-**	**80,756**
Investment property	**7,311**	**-**	**-**	**-**	**-**	**7,311**
Lease assets	**1,153,512**	**64**	**332,734**	**507,531**	**-**	**978,779**
Shares in affiliated companies	1,346	-	40	-	-	1,386
Investments	9,186	-	-	-	-	9,186
Non-current financial assets	**10,532**	**-**	**40**	**-**	**-**	**10,572**
Total consolidated non-current assets	**1,283,709**	**438**	**353,229**	**528,227**	**-**	**1,109,149**

Consolidated Statement of Changes in Non-current Assets in EUR thou.	Cost					
	1 Jan. 2008	Foreign exchange differences	Additions	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**

	Depreciation / Amortisation					Carrying amounts	
	1 Jan. 2009	Foreign exchange differences	Depreciation/ amortisation in the financial year	Disposals	**31 Dec. 2009**	**31 Dec. 2009**	31 Dec. 2008
	46	**-**	**-**	**-**	**46**	**18,442**	**18,442**
	4,025	-1	1,432	821	4,635	4,507	2,983
	1,444	-	445	-	1,889	1,613	2,058
	-	-	-	-	-	1	14
	282	-	51	-	333	265	316
	5,751	**-1**	**1,928**	**821**	**6,857**	**6,386**	**5,371**
	4,525	142	316	121	4,862	20,892	20,959
	31,646	-23	5,910	8,224	29,309	24,345	22,835
	-	-	-	-	-	1,348	2,779
	36,171	**119**	**6,226**	**8,345**	**34,171**	**46,585**	**46,573**
	4,092	**-**	**35**	**-**	**4,127**	**3,184**	**3,219**
	251,156	**112**	**161,214**	**271,850**	**140,632**	**838,147**	**902,356**
	38	-	-	-	38	1,348	1,308
	9,058	-	-	-	9,058	128	128
	9,096	**-**	**-**	**-**	**9,096**	**1,476**	**1,436**
	306,312	**230**	**169,403**	**281,016**	**194,929**	**914,220**	**977,397**

	Depreciation / Amortisation					Carrying amounts	
	1 Jan. 2008	Foreign exchange differences	Depreciation/ amortisation in the financial year	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**

[4.11] The **goodwill** of EUR 18,442 thousand (2008: 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 1,613 thousand (2008: EUR 2,058 thousand) and purchased software amounting to EUR 4,507 thousand (2008: EUR 2,983 thousand). The item also includes payments on account in respect of software amounting to EUR 1 thousand (2008: EUR 14 thousand) and other intangible assets amounting to EUR 265 thousand (2008: EUR 316 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 points and administrative buildings in Germany and abroad in the amount of EUR 20,892 thousand (2008: EUR 20,959 thousand), as well as operating and office equipment (mainly IT systems, fixtures and fittings and office equipment) in the amount of EUR 24,345 thousand (2008: EUR 22,835 thousand). The item also includes expenses for property and equipment under construction in the amount of EUR 1,348 thousand (2008: EUR 2,779 thousand). Land charges are registered against properties for real estate financing in the amount of EUR 3,179 thousand (2008: EUR 3,448 thousand). No impairment losses were recognised in the year under review.

[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 2,899 thousand are secured by real property liens (2008: EUR 3,187 thousand). Net rental income for the period is the balance of rental income of EUR 240 thousand (2008: EUR 240 thousand) and expenses of EUR 11 thousand (2008: EUR 11 thousand).

Investment property	**EUR thou. 2009**	EUR thou. 2008
Net rental income for the period	229	229
Indexation	5% (progressive)	5% (progressive)
Discount rate p.a.	5.1% or 6.1%	5.1% or 6.1%
Fair value at 31 December	4,586	4,773
Carrying amount at 31 December	3,184	3,219

[4.15] **Lease assets** fell by EUR 64.3 million to EUR 838.1 million as at the reporting date (2008: EUR 902.4 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 895 million (2008: EUR 1,009 million), payments of EUR 429 million (2008: EUR 462 million) are due within one year, payments of EUR 466 million (2008: EUR 547 million) are due in one to five years and payments of EUR 0.3 million (2008: EUR 0.5 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 2.2 million in total (2008: EUR 2.8 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 138.2 million (2008: EUR 90.4 million). The agreements have a residual term of one to three years and provide for full amortisation. The obligations under the leases are presented under other liabilities.

The carrying amount of the unconsolidated affiliates and investments presented under **non-current financial assets** is EUR 1,476 thousand (2008: EUR 1,436 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 6.9 million (2008: EUR 12.2 million) of the total amount. The details of the agreements are as follows: [4.17]

Non-current finance lease receivables in EUR million	Gross investment		Present value of outstanding minimum lease payments	
	31 Dec. 2009	31 Dec. 2008	**31 Dec. 2009**	31 Dec. 2008
Due in one to five years	7.6	13.2	7.0	12.3
Unrealised finance income	0.6	0.9		

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 1,308 thousand (2008: EUR 808 thousand), in each case maturing in one to five years.

The **rental vehicles** item declined from EUR 1,057.6 million to EUR 637.8 million. One of the reasons for this decline is the lower number of rental vehicles in financial year 2009. The cost of new additions to rental assets in the financial year amounted to EUR 1,263 million (2008: EUR 2,702 million). For the rental assets reported at the end of the year under review, it amounted to EUR 702 million (2008: EUR 1,152 million). A proportion of the rental vehicles are pledged as collateral for liabilities to banks. [4.18]

As in the previous years, some rental vehicles were financed via operating leases, mainly from manufacturers / manufacturer financing companies.

As in the 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 28.0 million (2008: EUR 34.7 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 24,061 thousand (2008: EUR 45,502 thousand). Other inventories consist mainly of fuel. Total inventories decreased by EUR 22,121 thousand to EUR 25,977 thousand (2008: EUR 48,098 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. 2009**	EUR thou. 31 Dec. 2008
Current finance lease receivables	6,222	8,007
Receivables from affiliated companies	5,958	4,161
Receivables from other investees	174	190
Other assets	242,352	66,273
of which recoverable income taxes	15,366	13,615
of which other recoverable taxes	27,305	21,854
of which insurance claims	4,250	6,344
of which deferred income	11,635	14,008
of which miscellaneous other assets	11,471	10,452
of which available-for-sale financial assets	122,573	-
of which held-to-maturity financial assets	49,752	-
	254,706	**78,631**

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 amounted to EUR 6.9 million (2008: EUR 9.3 million), the present value of the outstanding minimum lease payments (including fixed service fees) to EUR 6.3 million (2008: EUR 8.1 million), and unrealised finance income to EUR 0.6 million (2008: EUR 1.2 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.

Available-for-sale financial assets relate exclusively to debt instruments and shares in money market funds. Held-to-maturity financial assets relate exclusively to short-dated debt instruments.

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

Cash and bank balances of EUR 45,866 thousand (2008: EUR 23,361 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** decreased by EUR 7,818 thousand as against the previous year to a total of EUR 484,963 thousand (2008: EUR 492,781 thousand). As in the previous year, the share capital of Sixt Aktiengesellschaft contained in this total amounted to EUR 64,577 thousand. The increase in the capital reserves by EUR 1,254 thousand to EUR 198,562 thousand (2008: EUR 197,308 thousand) is a result of the additions attributable to the employee equity participation programme.

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	Nominal value EUR
Ordinary shares	16,472,200	42,168,832
Non-voting preference shares	8,753,150	22,408,064
Balance at 31 December 2009	**25,225,350**	**64,576,896**

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 holders 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 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 also 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
As at 31 December 2009, 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 AktG and employees who were eligible on the basis of their outstanding achievements, interest-bearing convertible bonds with a maximum term of five years in an aggregate principal amount of up to EUR 2,657,920 on one or more occasions in the period up to 12 August 2008, with the consent of the Supervisory Board. The bonds entitled the buyers to purchase new preference shares in Sixt Aktiengesellschaft subject to the more detailed conditions of the bonds. Shareholders' statutory pre-emptive rights were disapplied. The contingent capital increase was only be implemented to the extent that the holders of convertible bonds issued by Sixt Aktiengesellschaft in the period up to 12 August 2008 on the basis of the corresponding authorisation of the Annual General Meeting on 13 August 2003 exercised their conversion rights. In financial year 2009, the conditions for exercise of the conversion rights were not met, so the final tranche of the convertible bond was repaid at par. There were no further conversion rights or options at the balance sheet date.

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, profit participation certificates with warrants or convertible profit participation certificates, and bonds with warrants or convertible bonds on one or more occasions in the period up to 12 August 2008, subject to the more detailed conditions of the authorisation. The aggregate amount of the profit participation certificates, bonds with warrants and/or convertible bonds to be issued on the basis of this authorisation could not exceed EUR 250 million.

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. The profit participation certificates are bearer instruments. The nominal value of these equally ranking profit participation certificates is initially EUR 100. A EUR 50 portion of this nominal value matured on 31 December 2009 and a further EUR 50 portion matures on 31 December 2011. Each profit participation certificate conveys 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 rank equally with or subordinated to the profit participation certificates; subject to the arrangements regarding loss participation. It also conveys 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 in full 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 the 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 other financial instruments in accordance with the aforementioned authorisation, so there are no further conversion rights or options or conversion obligations.

[4.24] Capital reserves

Capital reserves	**EUR thou.**	EUR thou.
	2009	2008
Balance at 1 January	197,308	192,789
Increase due to exercise of conversion rights	-	2,549
Other changes	1,254	1,970
Balance at 31 December	**198,562**	**197,308**

The increase in capital reserves by a total of EUR 1,254 thousand to EUR 198,562 thousand (2008: EUR 197,308 thousand) resulted primarily from the inclusion of the MSP employee equity participation programme.

Retained earnings

[4.25]

Retained earnings	EUR thou.	EUR thou.
	2009	2008
Balance at 1 January	119,172	106,142
Other changes	3,520	13,030
Balance at 31 December	**122,692**	**119,172**

The other changes mainly include the transfer to retained earnings of Sixt Aktiengesellschaft in the amount of EUR 3,300 thousand (2008: EUR 12,450 thousand).

Currency translation reserve

[4.25]

Currency translation reserve	EUR thou.	EUR thou.
	2009	2008
Balance at 1 January	-6,814	-2,220
Differences arising on the translation of the financial statements of foreign subsidiaries	1,110	-4,594
Balance at 31 December	**-5,704**	**-6,814**

Other equity

[4.25]

Other equity	EUR thou.	EUR thou.
	2009	2008
Balance at 1 January	118,533	100,110
Consolidated profit for the period	10,361	61,491
Dividend payments	-20,355	-29,730
Transfer to retained earnings of Sixt Aktiengesellschaft	-3,300	-12,450
Other changes	-409	-888
Balance at 31 December	**104,830**	**118,533**

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.	EUR thou.
	2009	2008
Balance at 1 January	5	36
Consolidated profit for the period	37	-42
Other changes	-36	11
Balance at 31 December	**6**	**5**

Non-current liabilities and provisions

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

Non-current other provisions in EUR thou.	Real estate	Other	Total
Balance at 1 January 2009	823	35	858
Additions	808	3	811
Reversals	-544	-	-544
Utilised	-	-	-
Reclassifications	-362	-	-362
Foreign exchange differences	66	-	66
Balance at 31 December 2009	**791**	**38**	**829**

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

[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. 2009**	31 Dec. 2008	**31 Dec. 2009**	31 Dec. 2008
Profit participation certificates	49,629	49,444	-	-
Borrower's note loans	393,397	342,134	-	76,057
Bonds	299,675	224,847	-	1,226
Liabilities to banks	30,632	37,511	2,832	3,534
	773,333	**653,936**	**2,832**	**80,817**

The profit participation certificates bearing profit-dependent interest at 9.05% p.a. have an initial nominal value 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.

Borrower's note loans with a total nominal value of EUR 419.0 million (2008: EUR 429.0 million) were issued in several tranches. A nominal amount of EUR 394.0 million (2008: EUR 419.0 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 five and seven years.

The bonds include a EUR 300 million bond issued on the capital market in financial year 2009. It pays a coupon of 5.375% p.a. and matures in 2012.There are call options for the issuer and put options for the bondholders. Bonds in the principal amount of EUR 1.2 million had been issued to participants in the MSP employee equity participation programme at the balance sheet date (2008: EUR 1.2 million). The bonds pay a coupon of 6.0% p.a. and mature in 2014.

Liabilities to banks result from investment loans. The loans have been secured by transferring ownership of assets.

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

Non-current finance lease liabilities in EUR thou.	Gross investment		Present value of outstanding minimum lease payments	
	31 Dec. 2009	31 Dec. 2008	**31 Dec. 2009**	31 Dec. 2008
Due in one to five years	109,403	83,743	100,086	73,856
Unrealised finance portions	9,317	9,887		

The interest rate implicit in the leases is fixed at inception of the lease for the entire term. The agreements feature fixed final instalments and provide for full amortisation. The Group's obligations under finance leases are secured by way of the financing partner's right of retention in respect of the leased assets. The minimum lease payments are offset by corresponding payments from customers under subleases.

Current liabilities and provisions

The liabilities included in **current other provisions** are expected to be settled within one year. [4.30]
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 subsidiaries.

Current provisions	Income	Other			
in EUR thou.	tax provisions	Staff	Real estate	Miscellaneous	Total
Balance at 1 January 2009	27,142	8,898	487	25,729	35,114
Additions	2,779	5,850	318	3,945	10,113
Reversals	-	-	-	-1,183	-1,183
Utilised	-4,045	-8,898	-389	-3,814	-13,101
Reclassifications	-	-	362	-	362
Foreign exchange differences	4	18	40	15	73
Balance at 31 December 2009	**25,880**	**5,868**	**818**	**24,692**	**31,378**

Current provisions	tax provisions	Other			
in EUR thou.		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**

[4.31] **Current financial liabilities** include in particular bond liabilities and liabilities to banks falling due within one year. They can be broken down as follows:

Current financial liabilities	**EUR thou.**	EUR thou.
	31 Dec. 2009	31 Dec. 2008
Profit participation certificates	50,000	49,740
Borrower's note loans	24,990	10,000
Bonds	225,000	-
Liabilities to banks	9,569	563,495
Other liabilities	25,490	27,861
	335,049	**651,096**

The bonds include a EUR 225 million bond issued on the capital market. It pays a coupon of 4.5% p.a., has a nominal term of five years and matures in 2010. Sixt Aktiengesellschaft (issuer) has undertaken to meet certain financial covenants; call options exist for the issuer, and put options exist for the bond creditors.

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 term is four years. In the financial year, borrower's note loans were paid down by a nominal EUR 10 million as scheduled.

Liabilities to banks include short-term borrowings at variable rates of interest taken out by utilising the credit lines available to the Group. The liabilities have been secured by transferring ownership of assets. Other liabilities consist mainly of deferred interest.

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

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

Current other liabilities	EUR thou. 31 Dec. 2009	EUR thou. 31 Dec. 2008
Finance lease liabilities	74,381	56,921
Liabilities to affiliated companies	1,672	1,754
Liabilities to other investees	2	296
Other liabilities	49,096	42,618
of which payroll-related	2,136	1,422
of which deferred income	6,181	6,638
of which miscellaneous	40,779	34,558
	125,151	**101,589**

Miscellaneous other liabilities include minority interests in equity and in the net profit or loss of consolidated partnerships (EUR 1,524 thousand; 2008: EUR 1,489 thousand). As in the previous year, no liabilities from compensation payments due to minority interests were reported in financial year 2009.

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. 2009	31 Dec. 2008	**31 Dec. 2009**	31 Dec. 2008
Due within one year	76,242	57,812	74,381	56,921
Unrealised finance portions	1,861	891		

The interest rate implicit in the leases is fixed at inception of the lease for the entire term. The agreements provide for full amortisation. The Group's obligations under finance leases are secured by way of the financing partner's right of retention in respect of the leased assets. The minimum lease payments are offset by corresponding payments from customers under subleases.

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

4.3 Additional disclosures on financial instruments

The financial assets are composed of originated loans and receivables, purchased equity and debt instruments, cash and cash equivalents, and derivatives with positive fair values, which are recognised and measured in accordance with IAS 39. Financial assets are recognised when the Group has a contractual right to receive cash or another financial asset from another entity. Purchases and sales of financial assets are generally recognised at the settlement date. Financial assets are initially recognised at fair value plus transaction costs if applicable. Transaction costs incurred for the purchase of financial assets at fair value through profit or loss are recognised immediately in profit or loss. Subsequent measurement is based on the allocation of the financial assets to the IAS 39 categories shown in the table below.

Financial assets at fair value fair value through profit or loss comprise financial assets held for trading (FAHfT). Receivables from derivatives that are not included in a hedging relationship and are reported as other financial assets are also assigned to this measurement category. Changes in the fair value of financial assets in this category are recognised in profit or loss.

Loans and receivables (LaR) are non-derivative financial assets that are not quoted in an active market. They are measured at amortised cost using the effective interest method. Trade receivables, financial receivables and loans reported in other assets, and cash and cash equivalents are assigned to this measurement category. Interest income from items in this category is calculated using the effective interest method unless the receivables are short-term and the time value of money is immaterial.

Held-to-maturity investments (FAHtM) are non-derivative financial assets with fixed or determinable payments and a fixed maturity that the entity has the positive intention and ability to hold to maturity. These instruments are measured at amortised cost. Held-to-maturity investments are reported as other financial assets.

Available-for-sale financial assets (AfS) comprise those non-derivative financial assets that are not assigned to one of the other categories. In particular, these include equity instruments and debt instruments not held to maturity and reported as other financial assets. Changes in the fair value of available-for-sale financial assets are recognised in other comprehensive income. Changes in fair value are only recognised in profit or loss when the instrument is disposed of. An impairment loss is recognised in profit or loss in the event of a prolonged or significant decline in fair value below cost. In cases where a quoted market value can be determined for equity and debt instruments, it is recognised as the fair value. If there is no quoted market price and fair value cannot be reliably estimated, such financial instruments are recognised at cost less impairment losses.

Carrying amounts and fair values by IAS 39 measurement category:

in EUR thou.	IAS 39 measurement category	Carrying amount 31 Dec. 2009	Carrying amount 31 Dec. 2008	Fair value 31 Dec. 2009	Fair value 31 Dec. 2008
Non-current assets					
Non-current financial assets	AfS	1,476	1,436	1,476	1,436
Non-current finance lease receivables	IAS 17	6,897	12,220	6,930	12,091
Non-current other receivables and assets	LaR	1,308	854	1,308	854
Interest rate derivatives	FAHfT	-	-	-	-
Total		**9,681**	**14,510**	**9,714**	**14,381**
Current assets					
Cash and cash equivalents	LaR	45,866	23,361	45,866	23,361
Trade receivables	LaR	197,490	261,197	197,490	261,197
Current other receivables and assets	LaR	60,793	70,624	60,793	70,624
Current other receivables and assets	AfS	122,573	-	122,573	-
Current other receivables and assets	FAHtM	49,752	-	49,752	-
Current finance lease receivables	IAS 17	6,222	8,007	6,227	7,975
Total		**482,696**	**363,189**	**482,701**	**363,157**
Non-current liabilities					
Bonds	FLAC	299,675	226,073	320,166	226,794
Borrower's note loans	FLAC	393,397	418,191	409,654	424,817
Profit participation certificates	FLAC	49,629	49,444	56,712	54,590
Liabilities to banks	FLAC	33,464	41,045	34,309	41,682
Non-current other liabilities	FLAC	278	610	278	610
Non-current finance lease liabilities	IAS 17	100,086	73,856	101,404	75,040
Interest rate derivatives		279	-	279	-
Total		**876,808**	**809,219**	**922,802**	**823,533**
Current liabilities					
Trade payables	FLAC	193,466	331,037	193,466	331,037
Bonds	FLAC	225,000	498	226,702	505
Borrower's note loans	FLAC	24,990	10,000	24,990	10,000
Profit participation certificates	FLAC	50,000	49,740	51,597	50,929
Liabilities to banks	FLAC	9,569	563,495	9,569	563,495
Current other liabilities	FLAC	76,260	72,032	76,260	72,032
Current finance lease liabilities	IAS 17	74,381	56,921	74,836	56,989
Total		**653,666**	**1,083,723**	**657,420**	**1,084,987**
of which aggregated by IAS 39 measurement category					
Available for sale	AfS	124,049	1,436	124,049	1,436
Loans and receivables	LaR	305,457	356,036	305,457	356,036
Financial assets held for trading	FAHfT	-	-	-	-
Held-to-maturity investments	FAHtM	49,752	-	49,752	-
Financial liabilities measured at amortised cost	FLAC	1,355,728	1,762,165	1,403,703	1,776,491
Interest rate derivatives in hedging relationships		279	-	279	-

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 non-current 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 as non-current assets and the bonds, profit participation rights, borrower's note loans, finance lease liabilities and liabilities to banks reported as non-current liabilities were calculated as the present values of the future expected cash flows. Standard market rates of interest of between 2.4% p.a. and 4.4% p.a. (2008: between 4.2% p.a. and 5.3% p.a.) based on the respective maturities were used for discounting.

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

Derivative interest rate instruments reported at the balance sheet date were included in hedge accounting and are recognised at fair value. No interest rate derivatives were reported at the previous year's balance sheet date.

Net gains from the FAHfT measurement category (measured at fair value through profit or loss) were exclusively attributable to interest deferral and disposal gains and amounted to EUR 3,421 thousand (2008: EUR 0 thousand).

Net gains on available-for-sale financial assets (AfS measurement category) amounted to EUR 560 thousand in financial year 2009 (2008: EUR 0 thousand). Losses on fair value measurement amounting to EUR 252 thousand were recognised in other comprehensive income. The change in the reported carrying amounts and fair values of financial assets resulted from additions to equity investments. There is no intention to dispose of these equity investments.

Net gains on the LaR measurement category (measured at amortised cost) amounted to EUR 576 thousand in financial year 2009 (2008: EUR 493 thousand) and related to income from payments received on receivables previously written off.

There were no impairment losses in financial year 2009 except in the LaR measurement category.

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 2,772 thousand in financial year 2009 (2008: EUR 2,273 thousand). This includes interest income from finance leases in the amount of EUR 1,137 thousand (2008: EUR 1,333 thousand). Total interest expense on financial liabilities not measured at fair value through profit or loss amounted to EUR 59,966 thousand in financial year 2009 (2008: EUR 71,436 thousand). This includes interest expense on finance leases in the amount of EUR 8,304 thousand (2008: EUR 4,809 thousand).

The following table presents financial instruments that are subsequently measured at fair value. They are divided into three levels depending on the measurement basis. Level 1 measurements are based on prices quoted in active markets. Level 2 measurements are based on inputs other than quoted prices that are observable either directly (as prices) or indirectly (derived from prices). Level 3 measurements are based on models that use inputs that are not based on observable market data, but rather on assumptions.

31 Dec. 2009 in EUR thou.	Level 1	Level 2	Level 3	Total
Financial assets in the “Available for sale” category (AfS)				
Other receivables and assets	122,573	-	-	122,573
Financial liabilities in the “At fair value through profit or loss” category				
Interest rate derivatives	-	279	-	279

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 not affect net income in the aggregate. In the previous year, no interest rate derivatives were reported at the balance sheet date.

Change in fair value in EUR thou.	Change in the yield curves **31 Dec. 2009**		Change in the yield curves 31 Dec. 2008	
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Other non-current liabilities	- 6,695	6,272	-	-

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 entering into hedging transactions as part of risk management, the Group deliberately converts largely existing variable-rate liabilities into synthetic fixed-rate refinancing. In contrast, given appropriate expectations on the future development of short- and long-term interest rates, derivative instruments can also be used to achieve a defined proportion of variable-rate liabilities.

The transactions are reported under other assets or other liabilities, or in the same item as the underlying, depending on the hedging relationship. The valuations used by the transaction partners (financial institutions) are based on market yield curves. The Group had derivative financial instruments amounting to EUR 250 million in its portfolio at the balance sheet date (2008: EUR 0 million). The fair value of the transactions was EUR –0.3 million (2008: EUR 0 million) and corresponded to the market price. There is a hedging relationship (fair value hedge). The negative fair value of the hedge is offset by matching income from the underlying (financial liability).

Credit risk

Credit checks are performed in accordance with internal guidelines prior to entering into an agreement in order to minimise credit risk. Customer credit quality 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 EUR thou.	Rental	Leasing	Group
Receivables not impaired			
Not past due	79,074	29,408	108,482
less than 30 days	16,748	14,343	31,091
30–90 days	4,414	1,498	5,912
91–360 days	689	-	689
more than 360 days	11	-	11
Total receivables	**100,936**	**45,249**	**146,185**
Impaired receivables			
Gross receivables	82,813	7,386	90,199
Impairments	-36,104	-2,790	-38,894
Net receivables	**46,709**	**4,596**	**51,305**
Group 31 December 2009	**147,645**	**49,845**	**197,490**

Trade receivables EUR thou.	Rental	Leasing	Group
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**

As at the reporting date, there were no indications of potential default in the case of the trade receivables and the other receivables reported as “current other receivables and assets” that are neither past due nor individually 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 their sale on the open market.

Impairments are based on parameters such as customer group, customer credit quality, 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 15,451 thousand in financial year 2009 (2008: EUR 5,673 thousand). The proceeds from payments received on receivables written off amounted to EUR 576 thousand in financial year 2009 (2008: EUR 493 thousand).

The maximum default amount is the carrying amount of the net receivable. No credit derivatives or similar hedging instruments were used to cover credit 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.

Based on interest rate levels at the balance sheet date, no significant net cash inflows and outflows are expected in conjunction with the derivatives entered into by the Group.

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
2010	50,000	25,000	225,000	9,570	309,570
2011	-	50,000	-	18,609	68,609
2012	50,000	51,767	300,000	10,638	412,405
2013	-	216,000	-	669	216,669
2014	-	76,233	1,182	701	78,116
2015	-	-	-	733	733
2016	-	-	-	771	771
2017 and later	-	-	-	1,342	1,342
31 December 2009	**100,000**	**419,000**	**526,182**	**43,033**	**1,088,215**

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	7,582	307,582
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	-	-	-	733	733
2016 and later	-	-	-	2,113	2,113
31 December 2008	**100,000**	**429,000**	**226,724**	**604,540**	**1,360,264**

The financial liabilities maturing in 2010 will largely be repaid from financial assets invested for the short term.

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 23.1% at the balance sheet date (2008: 20.0%). 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 53.0% at the balance sheet date (2008: 56.1%). In addition to the reported financial liabilities, the Group has entered into finance and operating lease agreements to refinance its fleets.

5. Other disclosures

5.1 Segment reporting

By business area		Rental		Leasing		Other		Reconciliation		Group
in EUR million	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008
External revenue	961.8	1,107.1	634.8	661.8	4.9	5.0	-	-	1,601.5	1,773.9
Internal revenue	6.9	7.5	20.1	47.5	8.0	2.9	-35.0	-57.9	-	-
Total revenue	968.7	1,114.6	654.9	709.3	12.9	7.9	-35.0	-57.9	1,601.5	1,773.9
Depreciation and amortisation expense	242.7	278.6	161.4	137.7	0.7	0.6	-	-	404.8	416.9
Other non-cash expense	24.5	12.1	2.3	2.2	2.1	2.8	-	-	28.9	17.1
EBIT [1]	29.5	121.6	39.5	38.3	-2.0	-5.0	-	-	67.0	154.9
Interest income	3.6	1.4	1.1	1.8	43.6	55.5	-45.6	-56.4	2.7	2.3
Interest expense	-29.9	-46.0	-34.9	-39.9	-40.9	-42.5	45.6	56.4	-60.1	-72.0
Other net finance costs [2]	0.1	-0.3	-	-	5.4	1.8	-	-	5.5	1.5
EBT [3]	3.3	76.7	5.7	0.2	6.1	9.8	-	-	15.1	86.7
Investments [4]	19.7	15.9	332.9	518.9	0.6	1.0	-	-	353.2	535.8
Segment assets	946.2	1,444.9	919.3	1,000.1	1,511.8	1,222.5	-1,308.4	-1,221.8	2,068.9	2,445.7
Segment liabilities	834.9	1,322.7	813.5	896.8	1,108.6	816.7	-1,194.3	-1,107.3	1,562.7	1,928.9
Employees [5]	2,688	2,480	244	261	49	35	-	-	2,981	2,776

By region		Germany		Abroad		Reconciliation		Group
in EUR million	**2009**	2008	**2009**	2008	**2009**	2008	**2009**	2008
Total revenue	1,274.3	1,434.5	338.4	349.9	-11.2	-10.5	1,601.5	1,773.9
Investments [4]	314.6	487.7	38.6	48.1	-	-	353.2	535.8
Segment assets	1,919.6	2,175.3	491.4	502.9	-342.1	-232.5	2,068.9	2,445.7

1 Corresponds to earnings before net finance costs and taxes (EBIT)
2 Including net investment income
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. 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. Resources are allocated and the Group's performance is assessed by the Managing Board on the basis of these segments (management approach).

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.

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.

Other financial obligations in EUR million	31 Dec. 2009	31 Dec. 2008
Due within one year	75.6	87.4
Due in one to five years	93.7	96.3
	169.3	**183.7**

In a few cases, the operating leases entered into to refinance the fleet contain 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 130.1 million (2008: EUR 163.0 million) and mileage agreement payments amounted to EUR 8.0 million (2008: EUR 3.5 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 686 million (2008: EUR 484 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 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 497 thousand as at the balance sheet date (2008: EUR -528 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 from operating activities includes the following inflows and outflows of cash:

	EUR thou. 2009	EUR thou. 2008
Interest received	3,082	3,967
Interest paid	60,643	69,291
Dividends received	2,167	1,704
Income taxes paid	6,889	39,623

5.4 Share-based payment

There were two employee equity participation programmes at Sixt Aktiengesellschaft during financial year 2009. One programme was based on the issuance 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. The programme (“equity-settled share-based payment” category) expired in financial year 2009 when the last bond tranche was repaid. The conversion rights or options could not be exercised because the defined conditions were not met. There are no further rights from these bonds.

The most important features of this programme are summarised in the following.

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 five 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 outstanding achievements. Subject to the detailed terms and conditions of the bonds, the buyers were 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 ranked equally with the preference shares previously issued. The Company’s share capital was contingently increased for this purpose (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 conversion rights granted in each case could not be transferred by the beneficiaries. The conversion right could only be exercised if the holders of the convertible bonds had a contract of employment with the Sixt Group and no notice of termination had been given. In certain cases special arrangements could be provided for. When the conversion right was exercised, one preference share was issued for every EUR 2.56 of the principal amount of the convertible bonds. The conversion price for the acquisition of one new share corresponded to the ratio between the performance and 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. The performance was 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 comprised the first twenty trading days after the beginning of the term of the convertible bond, while the second reference period comprised 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 ended. Since the market price of Sixt preference shares could 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 had to be added to the average for the second reference period when calculating share price performance.
The terms and conditions of the bonds also provided 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	**2009**	2008
Outstanding at the beginning of the financial year	194,600	372,400
Settled during the financial year	-194,600	- 2,000
Exercised during the financial year	0	-175,800
Outstanding at the end of the financial year	0	194,600

The options outstanding at the beginning of the financial year 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 reflected the outperformance by Sixt shares of the reference index that was expected by management.

To replace this programme, Sixt Aktiengesellschaft launched a "Matching Stock Programme" employee equity participation programme in 2007. This programme is also an "equity-settled share-based payment" programme and is described in detail below.

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 seven years. If the bonds are acquired later, the maturity is shortened accordingly. The total invested by all participants may 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 unweighted 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 for seven phantom shares per tranche in accordance with the MSP terms and conditions.

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

The allocated phantom shares can only be exercised after a lock-up period of three years, starting from the allocation of the respective tranche. The phantom shares 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 shares corresponds to the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the phantom shares for the tranche concerned are allocated. The exercise price is the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the phantom shares of a tranche are exercised. Phantom shares 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 shares expire without replacement.

The exercise gain for a tranche, calculated if the phantom shares are exercised, may not exceed a total of 3% of the profit 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 eight 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 shares 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 shares 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 shares, the initial price of this tranche must be adjusted by deducting the amount of dividends or distributions 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 shares already allocated but not yet exercised and the entitlements to unallocated phantom shares are generally lost.

In addition to the MSP shares granted in 2007 and 2008 ("2007 allocation" and "2008 allocation"), Sixt Aktiengesellschaft granted MSP shares or a legally binding right to future phantom shares to other employees (new hires) in financial year 2009. With a small number of exceptions, the conditions for the grant of these shares or rights ("2009 allocation") corresponded to the parameters for the "2008 allocation". In contrast to the "2008 allocation", the "2009 allocation" covers the grant of three tranches of phantom shares. The market conditions as at 1 December 2009 were used as a basis for granting the first tranche of the "2009 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
	2009	2008	2007
Outstanding at the beginning of the financial year	653,072	386,904	-
Granted during the financial year	246,134	326,536	386,904
Returned during the financial year	-160,804	-60,368	-
Exercised during the financial year	-	-	-
Outstanding at the end of the financial year	738,402	653,072	386,904
Existing contractual obligation for future grant	492,268	979,608	1,547,616

Number of phantom stock options		2008 allocation	2009 allocation
	2009	2008	**2009**
Outstanding at the beginning of the financial year	52,136	-	-
Granted during the financial year	48,020	52,136	61,740
Returned during the financial year	- 4,116	-	-
Exercised during the financial year	-	-	-
Outstanding at the end of the financial year	96,040	52,136	61,740
Existing contractual obligation for future grant	96,040	156,408	123,480

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	246,134	2010	1.0 year	EUR 24.31
Tranche 2008	246,134	2011	2.0 years	EUR 24.39
Tranche 2009	246,134	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	48,020	2011	2.0 years	EUR 7.61
Tranche 2009	48,020	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

2009 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2009	61,740	2012	3.0 years	EUR 17.19
Tranche 2010	-	2013	3.0 years	EUR 17.14
Tranche 2011	-	2014	3.0 years	EUR 17.19

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 2009.

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

Simulation model parameters	**2009** allocation	2008 allocation	2007 allocation
Risk-free interest rate (%)	4.25	4.50	4.75
Expected volatility (%)	43	43	35
Expected term until exercise from issue (years)	3.0	3.0	3.0
Price of preference shares on the issue date (EUR)	17.23	7.58	25.51

The expected volatility was estimated on the basis of the implied 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 2009 have a fair value of EUR 1,435 thousand at the issue date (2008: EUR 344 thousand) for the "2007 allocation", EUR 280 thousand (2008: EUR 40 thousand) for the "2008 allocation" and EUR 360 thousand for the "2009 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 2009, the Group recognised personnel expenses of EUR 1,254 thousand (2008: EUR 1,970 thousand) in connection with equity-settled share-based payments and allocated this amount to capital reserves. EUR 185 thousand of this amount relates to employee participation in the form of convertible bonds, EUR 998 thousand to the "2007 allocation", EUR 56 thousand to the "2008 allocation" and EUR 15 thousand to the "2009 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. The resulting balances are presented separately as “Receivables from affiliated companies” and “Liabilities to affiliated companies”. The transactions are conducted on an arm’s length basis. 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	
	2009	2008	**2009**	2008	**31 Dec. 2009**	31 Dec. 2008	**31 Dec. 2009**	31 Dec. 2008
Sixt Franchise SARL	1.0	1.4	-	-	-	-	-	-
Sixt Aéroport SARL	-	-	3.3	2.9	-	-	0.2	0.2
Sixt Sud SARL	-	-	3.2	3.3	-	-	0.3	0.3
Sixti SARL	-	-	2.1	2.2	-	-	0.2	0.3
Sixt Nord SARL	-	-	2.5	1.3	-	-	0.2	0.1
UNITED rentalsystem SARL	-	-	2.3	1.6	-	-	0.2	0.1
Sixt GmbH	-	-	-	-	-	-	-	0.2
Sixt Asia Pacific Pte Ltd.	-	[1]	-	[1]	-	0.1	-	-
SIXT S.à.r.l.	[1]	-	-	-	1.5	1.2	-	-
Get Your Car GmbH	0.1	-	-	-	-	-	0.2	-
autohaus24 GmbH	[1]	[1]	0.2	0.1	0.8	0.2	-	-
kud.am GmbH	[1]	[1]	-	-	0.1	-	-	0.2
Sixt e-ventures GmbH	-	-	0.1	-	2.1	2.0	-	-
Stockflock GmbH	-	-	0.1	[1]	1.2	0.6	-	-
Sixt Immobilien Beteiligungen GmbH	-	-	-	-	-	-	0.1	-
Sixt Verw.ges. mbH &Co. Sita Immobilien KG	[1]	[1]	-	-	0.2	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 passed by the Annual General Meeting on 14 July 2005, is not published individually. Other members of the Sixt family received remuneration amounting to EUR 0.2 million (2008: EUR 0.1 million) for their activities in the Group.

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 Chairman of the Executive Board of the Bertelsmann Stiftung	Chairman of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA Chairman of the Supervisory Board of Bertelsmann AG 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 (until 24 November 2009)
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 Director of SN Airholding SA/NV (from 24 June 2009)
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 (until 2 March 2009)

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
Dr. Julian zu Putlitz (from 1 September 2009) Munich	Member of the Supervisory Board of Sixt Leasing AG (from 15 October 2009) Member of the Supervisory Board of e-Sixt GmbH & Co. KG (from 22 December 2009) President of the Administrative Board of Sixt AG, Basel (from 26 October 2009)
Detlev Pätsch Oberhaching	Member of the Supervisory Board of Sixt Leasing AG (from 15 October 2009)
Karsten Odemann (until 31 August 2009) Bad Tölz	Member of the Supervisory Board of Sixt Leasing AG (until 31 August 2009) Member of the Supervisory Board of e-Sixt GmbH & Co. KG (until 31 August 2009) President of the Administrative Board of Sixt AG, Basel (until 31 August 2009)
Hans-Norbert Topp (until 18 November 2009) Munich	Member of the Supervisory Board of Sixt Leasing AG (until 14 October 2009) President of the Administrative Board of Sixt Holiday-Cars AG (until 10 December 2009)

Total remuneration of the Supervisory Board and Managing Board of Sixt Aktiengesellschaft

	EUR thou.	EUR thou.
	2009	2008
Supervisory Board remuneration	200	200
Total remuneration of the Managing Board	5,589	6,390
of which variable remuneration	290	1,906

The total remuneration of the Managing Board includes expenses for share-based payments under the Matching Stock Programme amounting to EUR 236 thousand (2008: EUR 660 thousand). In accordance with the resolution adopted by the Annual General Meeting on 14 July 2005, the total remuneration disclosed is not broken down by individual Managing Board members.

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 shares in an (annual) tranche and a total of 439,040 phantom shares in five or three tranches in accordance with the MSP terms and conditions. The phantom stock options granted to members of the Managing Board in financial year 2009 have a fair value of EUR 640 thousand at the issue date.

Shareholdings
As at 31 December 2009, 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 of Sixt Aktiengesellschaft. No other significant holdings by members of the Managing or Supervisory Boards were reported to the Company.

Section 15a 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. Sixt Aktiengesellschaft received no disclosures regarding the acquisition or sale of shares of the Company 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 2009 in accordance with German commercial law of EUR 5,258 thousand (2008: EUR 23,673 thousand). Subject to the approval of the Supervisory Board, the Managing Board proposes utilising this unappropriated profit as follows:

	EUR thou. 2009	EUR thou. 2008
Payment of a dividend of EUR 0.20 (2008: EUR 0.80) per ordinary share	3,294	13,178
Payment of a dividend of EUR 0.22 (2008: EUR 0.82) per preference share	1,926	7,177
Transfer to retained earnings	-	3,300
Carried forward to new account	38	18

The dividend proposal, which would lead to a total distribution of EUR 5,220,133, 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 2008 was resolved unchanged by the Annual General Meeting on 30 June 2009. The distribution of EUR 20,355,343 was paid on 1 July 2009.

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 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

These consolidated financial statements are expected to be authorised for issue by the Managing Board and the Supervisory Board on 26 March 2010.

Pullach, 10 March 2010

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT | DETLEV PÄTSCH | DR. JULIAN ZU PUTLITZ

Appendix to Notes to the Consolidated Financial Statements of Sixt Aktiengesellschaft, Pullach, for Financial Year 2009

List of Shareholdings in accordance with section 313 (2) no. 4 HGB (HGB – German Commercial Code)

Name	Domicile	Nominal capital	Equity	Equity interest	Annual result
e-Sixt Verwaltungs GmbH	Munich	50,000 DM	45,921 EUR	100.0 %	4,528 EUR
Sixt GmbH	Leipzig	50,000 DM	211,505 EUR	100.0 %	4,935 EUR
Sixt Leasing (UK) Ltd.	Chesterfield	2 GBP	2 GBP	100.0 %	0 GBP
Sixt Limousine Service Rhein Main GmbH	Frankfurt	50,000 DM	43,650 EUR	100.0 %	2,615 EUR
Sixt Holiday Cars GmbH [1]	Pullach	50,000 DM	25,565 EUR	100.0 %	-361 EUR
Sixt Travel GmbH	Taufkirchen	1,000,000 DM	51,704 EUR	97.0 %	-10,438 EUR
Sixt Beteiligungen GmbH	Pullach	25,000 EUR	33,455 EUR	100.0 %	2,035 EUR
Sixt Sud SARL	Paris	7,622 EUR	34,873 EUR	100.0 %	8,195 EUR
Sixti SARL	Courbevoie	7,622 EUR	18,874 EUR	100.0 %	815 EUR
Sixt Franchise SARL	Paris	7,622 EUR	38,945 EUR	100.0 %	6,550 EUR
Sixt Aéroport SARL	Paris	7,622 EUR	10,194 EUR	100.0 %	9,575 EUR
UNITED rentalsystem SARL	Paris	7,000 EUR	36,224 EUR	100.0 %	8,023 EUR
Sixt Nord SARL	Paris	7,000 EUR	8,405 EUR	100.0 %	-701 EUR
SIXT Limousine Service France SARL	Paris	7,000 EUR	7,000 EUR	100.0 %	0 EUR
Sixt Autoland GmbH [3]	Garching	25,000 EUR	21,304 EUR	100.0 %	-1,121 EUR
Sixt Verwaltungs-GmbH	Taufkirchen	25,000 EUR	35,767 EUR	100.0 %	2,037 EUR
Sixt Franchise GmbH	Pullach	25,000 EUR	18,962 EUR	100.0 %	176 EUR
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG	Pullach	25,000 EUR	13,315 EUR	100.0 %	362 EUR
Sixti GmbH [1]	Pullach	25,000 EUR	25,000 EUR	100.0 %	6,089 EUR
Sixt Immobilien Beteiligungen GmbH	Pullach	25,000 EUR	82,406 EUR	100.0 %	11,366 EUR
Sixt Executive GmbH	Pullach	50,000 DM	66,863 EUR	100.0 %	2,822 EUR
Sixt Allgemeine Leasing (Schweiz) AG	Basel	100,000 CHF	59,476 CHF	100.0 %	-871 CHF
Sixt Asia Pacific Pte Ltd.	Singapore	200,000 SGD	326,743 SGD	88.3 %	122,295 SGD
Sixt International Holding GmbH	Pullach	25,000 EUR	18,058 EUR	100.0 %	-2,834 EUR
autohaus24 GmbH	Pullach	25,000 EUR	198,311 EUR	80.1 %	-605,848 EUR
Sixt e-ventures GmbH	Pullach	25,000 EUR	-155,308 EUR	100.0 %	-137,595 EUR
SIXT S.a.r.l.	Luxembourg	12,500 EUR	-17,321 EUR	100.0 %	1,517 EUR
Winebase GmbH	Pullach	25,000 EUR	4,422 EUR	75.0 %	-3,197 EUR
Stockflock GmbH	Pullach	25,000 EUR	-611,856 EUR	100.0 %	-377,841 EUR
kud.am GmbH	Berlin	200,000 EUR	206,165 EUR	90.0 %	-2,475 EUR
Get Your Car GmbH [2]	Pullach	100,000 EUR	100,000 EUR	100.0 %	-8,425 EUR
Preis24.de GmbH	Pullach	25,000 EUR	24,542 EUR	100.0 %	-458 EUR
MOHAG Autohaus Datteln GmbH & Co. KG	Datteln	10,000 EUR	562,455 EUR	95.0 %	2,128,513 EUR

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

2 Profit and loss transfer agreement with Sixt European Holding GmbH & Co. KG, Pullach

3 Profit and loss transfer agreement with Sixt Leasing AG, Pullach

SIXT IMPRESSIVE FORD


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Ford

BALANCE SHEET

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2009

Assets	EUR	EUR 31 Dec. 2009	EUR 31 Dec. 2008
A. Fixed assets			
I. Tangible assets			
1. Land, land rights and buildings including buildings on third-party land	468,102		468,102
2. Other equipment, operating and office equipment	-	468,102	268
II. Financial assets			
1. Shares in affiliated companies		162,826,045	162,826,045
B. Current assets			
I. Receivables and other assets			
1. Receivables from affiliated companies	1,190,518,312		1,086,744,026
2. Receivables from other investees	44,670		189,919
3. Other assets	4,156,861	1,194,719,843	17,620,919
II. Securities			
1. Other securities		172,230,597	31,922
III. Cash-in-hand and bank balances		26,019,389	8,729
C. Prepaid expenses		700,310	204,152
		1,556,964,286	**1,268,094,082**

Equity and Liabilities	EUR	EUR 31 Dec. 2009	EUR 31 Dec. 2008
A. Equity			
I. Subscribed capital	64,576,896		64,576,896
II. Capital reserves	194,194,456		194,194,456
III. Revenue reserves			
1. Other revenue reserves	134,479,937		131,179,937
IV. Profit participation capital	50,000,000		100,000,000
V. Unappropriated profit			
thereof retained profits brought forward EUR 17.870	5,257,609		23,673,213
		448,508,898	513,624,502
B. Special tax-allowable reserve		909,793	985,873
C. Provisions			
1. Provisions for taxes	15,648,283		15,946,077
2. Other provisions	2,265,960	17,914,243	3,572,863
D. Liabilities			
1. Bonds	525,000,000		225,000,000
2. Liabilities to banks	419,002,945		429,005,796
3. Liabilities to affiliated companies	64,379,731		52,627,616
4. Other liabilities	81,171,618	1,089,554,294	27,056,146
E. Deferred income		77,058	275,209
		1,556,964,286	**1,268,094,082**
Off-balance sheet items			
1. Liabilities from guarantees EUR 541,884,251 (2008: EUR 882,033,527)			

INCOME STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2009

	EUR	**EUR**	EUR
		2009	2008
1. Other operating income		7,386,465	8,891,147
2. Personnel expenses			
a) Wages and salaries	5,887,002		6,501,188
b) Social security and other pension costs	146,091	6,033,093	88,821
3. Depreciation and amortisation of intangible and tangible assets		268	67
4. Other operating expenses		3,869,425	3,418,584
5. Income from investments		10,181,961	60,579,388
6. Other interest and similar income		47,498,240	52,365,190
7. Cost of loss absorption		7,616,992	39,178,584
8. Interest and similar expenses		32,400,221	33,408,064
9. Expenses for profit participation capital		9,050,000	9,050,000
10. Result from ordinary activities		**6,096,667**	**30,190,417**
11. Taxes on income		856,108	6,539,283
12. Other taxes		820	837
13. Net income for the period		**5,239,739**	**23,650,297**
14. Retained profits brought forward		17,870	22,916
15. Unappropriated profit		**5,257,609**	**23,673,213**

FINANCIAL CALENDAR

Financial Calendar of Sixt Aktiengesellschaft	
Annual earnings press conference for financial year 2009 in Munich	**11 March 2010**
Analyst conference in Frankfurt am Main	**20 April 2010**
Publication of the 2009 Annual Report	**20 April 2010**
Publication of the 31 March 2010 Interim Report	**20 May 2010**
Annual General Meeting for financial year 2009 in Munich	**17 June 2010**
Publication of the 30 June 2010 Interim Report	**19 August 2010**
Investor conference call	**19 August 2010**
Publication of the 30 September 2010 Interim Report	**22 November 2010**

Dates and event locations subject to change.

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