The future of mobility starts here.

Annual Report 2010

THE SIXT GROUP IN FIGURES

in EUR million	2010	2009	Change 2010 on 2009 in %	2008
Revenue	1,538	1,602	-4.0	1,774
thereof in Germany	1,187	1,264	-6.1	1,424
thereof abroad	351	338	+4.0	350
thereof operational [1]	1,328	1,368	-3.0	1,527
thereof rental revenue	807	758	+6.5	789
thereof leasing revenue	404	407	-0.7	420
Profit from operating activities (EBIT)	156.2	67.0	> +100	154.9
Profit before taxes (EBT)	102.3	15.1	> +100	86.7
Consolidated profit for the period	70.7	10.4	> +100	61.4
Net income per share (basic)				
ordinary share (EUR)	2.82	0.40	> +100	2.43
preference share (EUR)	2.85	0.42	> +100	2.48
Total assets	2,229	2,097	+6.3	2,469
Lease assets	722	838	-13.9	902
Rental vehicles	978	638	+53.4	1,058
Equity	541	485	+11.5	493
Equity ratio (%)	24.3	23.1	+1.2 points	20.0
Non-current financial liabilities	1,006	776	+29.6	735
Current financial liabilities	142	335	-57.7	651
Dividend per share				
ordinary share (EUR)	1.40[2]	0.20	> +100	0.80
preference share (EUR)	1.42[2]	0.22	> +100	0.82
Total dividend, net	34.5[2]	5.2	> +100	20.4
Number of employees [3]	2,871	2,981	-3.7	2,776
Number of locations worldwide (31 Dec.) [4]	1,852	1,923	-3.7	1,879
thereof in Germany [5]	510	530	-3.8	526

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

CONTENT

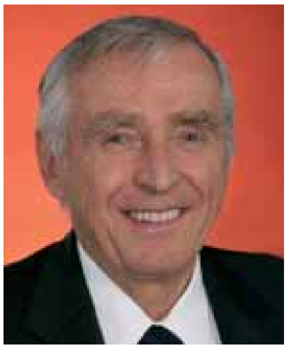
Driving is more than just getting from A to B. Anyone renting or leasing a vehicle, expects comfort, flexibility and safety at favourable prices – and this often worldwide.

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 its two business units Vehicle Rental and Leasing, the excellent value for money it offers, its employees' consistent service orientation and its strong innovation culture.

The Company is represented in well over 100 countries worldwide. It maintains alliances with famous names in the hotel industry, leading airlines and numerous prominent service providers in the tourism sector. The Sixt brand stands for the "spirit of mobility" in the best sense. Focal point of all activities is the benefits for the customers.

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



ERICH SIXT

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

Dear Shareholders,

the Sixt Group is looking back on a successful financial year 2010. While the preceding year had still been influenced by the effects of adjusting to the recessionary economic environment prevailing at the time, in the year under review the company returned faster than expected to the strong earnings from the pre-crisis years. The market's expectations were even exceeded, not least because of the very strong final quarter. Our assessment at the start of 2010, that Sixt is in a strong strategic, operating and financial position to profit more than average when the economy starts to recover, has proven to be accurate. In hard facts and figures this means:

- As predicted, we managed to raise our central performance indicator, earnings before taxes (EBT), significantly from EUR 15.1 million in 2009 to EUR 102.3 million. The upward trend that had already begun the previous year picked up momentum in 2010. Sixt continues to be the industry's benchmark as far as profitability is concerned. The significant growth in earnings was based on the interactions between increasing operative business, a cautious fleet policy, efficiency gains and cost discipline across all units and segments.

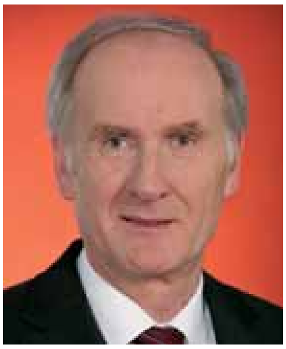
- Rental revenues in the Vehicle Rental Business Unit rose by 6.5% in 2010 to around EUR 807 million. Growth dynamics increased continuously throughout the year. The increase in sales after six months had been 2.6%. In this encouraging development we obviously benefited from the general economic recovery, as this led to an increase in international travel activities. Nonetheless, the growth in sales is also the result of intensive sales activities both at home and abroad. This way we were able to strengthen our position as Number One in the German rental vehicle market and gain market shares in key European countries.

- In the Leasing Business Unit we almost equalled the previous year's sales from leasing transactions, with around EUR 404 million for 2010. True to our strategic core principle of “earnings before revenues”, the focus was clearly on improving the quality of earnings in the contract portfolio. The success of this strategy is vindicated by leasing earnings, which more than tripled on the previous year's result.

- The rock-solid capital and financing base of the Sixt Group was instrumental for the strong performance of the operative businesses. Thus the 2010 issue of a six-year bond with a volume of EUR 250 million as well as additional financial measures, such as the issuance of a borrower's note, have broadened our financing basis and improved the long-term maturity profile of our financial liabilities. At 24%, the Group reported an equity ratio at the end of 2010 that was once again clearly above the average levels of the rental and leasing sector.

DR. JULIAN ZU PUTLITZ

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



DETLEV PÄTSCH

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

Strong earnings and financial soundness allows us to offer you, dear Shareholders, a highly attractive proposal for a dividend payment for financial year 2010. The Managing Board and Supervisory Board are proposing to the Annual General Meeting on 22 June 2011 payment of a dividend of EUR 1.00 per ordinary share and EUR 1.02 per preference share. On top, we are also willing to pay out a bonus dividend of EUR 0.40 for each ordinary and preference share. This would mean that almost EUR 35 million or half of the consolidated surplus would be paid out. In addition, we are also proposing to issue bonus shares at a ratio of 1 to 1. This would mean that every shareholder receives free of charge one new share for every Sixt share. This means we are converting a portion of our high retained earnings into share capital with dividend rights to the benefit of all shareholders. The increase in the number of shares is furthermore bound to have a positive effect on the trading volume and liquidity of our shares.

That an investment in Sixt shares is rewarding is not only documented by our shareholder-friendly dividend policy. With stock price rises of 73% (ordinary shares) and 52% (preference shares) we clearly outperformed the SDax benchmark index in 2010 for the second consecutive year. The capital market thereby rewarded the strategic advances and significant improvement in the Group's profitability.

In summary we therefore have every reason to be content with the results of the past financial year. For a service provider like Sixt, success very much depends on the competence and dedication of its employees. We owe them special thanks and recognition for the work done in the year under review.

Our outlook for 2011 is generally positive. The recovery of the world economy is set to continue, albeit at a slower growth rate. In turn we assume that the international mobility markets are likely to keep expanding. Nonetheless, it is prudent to remain cautious. The debt crisis in some European states has not yet been overcome and the political upheavals in parts of the Arab world at the start of 2011 are factors that could at least slow down the economic upturn. The threat posed by international terror is also a latent danger for travel activities, as the extensive safety measures at German airports and railway stations during the autumn of 2010 recalled.

Sixt continues to pursue the goal of sustainable and above-market growth in the two Business Units of Vehicle Rental and Leasing. To this end the share of foreign business is to be increased substantially over the coming years. Instrumental for this will be innovations that help our customers to save time and costs and reach their destination more comfortably. We are therefore taking up the new trends in people's mobility behaviour and are utilising new technological means to best serve changing needs. It is our claim to be the trail blazer in the mobility industry. Good examples of how we fill this claim with meaning are the development of market segments holding future potential, such as carsharing, the expansion of our already extensive online and mobile products and services or our pilot activities with electric vehicles. The future of mobility begins with Sixt. This key topic is also the focal point for our current annual report. Having said so it still holds true that innovations can only bear fruit on the basis of a mature service culture. This has always been a Sixt hallmark which we keep working on day by day.

We are optimistic about the Sixt Group's business performance in 2011. Looking at our strengths in the market and the positive general conditions we expect to see growing rental revenues and stable leasing revenues. Paired with the lean cost structures and the still applicable strategy of putting "earnings before revenues" we aim to increase the Group's EBT further.

In 2010 Sixt quickly found its way back to the path of success. Now we want to pick up speed again and resolutely seize the market opportunities. We should be delighted if you would accompany Sixt on this path.

Pullach, March 2011

Sincerely

The Managing Board

THORSTEN HAESER

(born 1968), has been with Sixt Aktiengesellschaft since 2010 and is responsible for sales and distribution.

ERICH SIXT	DR. JULIAN ZU PUTLITZ	DETLEV PÄTSCH	THORSTEN HAESER

DR. GUNTER THIELEN

(born 1942), Chairman of the Supervisory Board of Sixt Aktiengesellschaft since 2008.

General

In 2010, the Supervisory Board of Sixt Aktiengesellschaft duly performed the duties incumbent on it according to law and the Articles of Association. It dealt in detail with the company's situation 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 stipulations the Managing Board informs the Supervisory Board regularly, promptly and comprehensively about the company's position, both in written and verbal form, and involves the Supervisory Board 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 submitted 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, planning and corporate strategies.

In the year under review the Supervisory Board carefully examined and discussed in detail during its meetings the reports and draft resolutions submitted by the Managing Board. Apart from the documents presented to the Supervisory Board it was not necessary for the Supervisory Board to consult additional company documents in the year under review.

Even outside the regular Supervisory Board meetings the members of the Supervisory Board were in regular contact with the Managing Board, especially the chairmen of the two company bodies. This way the supervisory board members were informed in a timely manner of current business developments and significant transactions. The provisions of the German Corporate Governance Code and the legal stipulations on stock corporations governing the reporting duties by the Managing Board to the Supervisory Board were consistently observed.

The Supervisory Board generally takes resolutions 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 years, the Supervisory Board formed no committees in 2010 as it consists of only three members and the establishment of committees is not therefore expected to increase efficiency.

Key topics

At the 2010 meetings, the Supervisory Board was informed in detail in written and oral reports by the Managing Board on all key questions relating to business development, corporate strategy, the risk situation, risk management and the financing structure of Sixt Aktiengesellschaft and the Sixt Group. These issues were discussed in detail between the Supervisory Board members and 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 the individual Business Units, taking account of the respective competitive situations.

The Supervisory Board's discussions and deliberations in 2010 focused on the following topics in particular:

- The Supervisory Board dealt in detail with the Group's strategy and the effects from the strategic adjustments introduced last year in the wake of changed economic conditions. At the centre of the discussions was the focus on generating high-margin sales in the two business units, Vehicle Rental and Leasing, reducing costs throughout the Group as well as improving efficiency in the structures and processes. The development in the customer base as well as new customer business were also topics of discussion.

- The Supervisory Board also discussed the demand situation on the vehicle rental and leasing market. The Managing Board reported that it had been possible to slightly increase rental revenues year-on-year, as the market situation had improved but was still difficult. The recovery of the economy had translated in a gradually rebounding demand for mobility services, above all in vehicle rental business.

- As in the previous year an important issue was the procurement policy for the rental and leasing fleets, especially with a view to achieving a cost-effective financing mix for the Sixt Group and the strategy for securing the residual value of the large majority of the vehicles through buy-back agreements with manufacturers and dealers. In addition, the Managing Board explained the possibilities of adjusting the rental fleet at short notice given fluctuations in demand.

- The Supervisory Board dealt in detail with the Group's foreign operations and the further possibilities for expansion through internal and external growth.

- The Supervisory Board dealt with operating cost developments, especially fleet and personnel costs, and also addressed optimisation of the service station network in this context.

- The Supervisory Board also had the Managing Board provide a detailed overview on the Group's risk situation and addressed the key elements of the financial reporting processes, the internal control system and the risk management system as well as the effectiveness, equipment and findings of the internal audit.

- As part of its consultations the Supervisory Board also discussed in detail the remuneration system for the Managing Board and reviewed the appropriateness of the remuneration structure.

- The Supervisory Board also obtained information on the status of the purchase of treasury shares by the Managing Board. The share buy-back programme launched in August 2010 aims to lower capital by retiring treasury shares and thereby improving key financial performance indicators.

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 2010, 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 (http://ag.sixt.de/investor-relations). 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 2010 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 2010 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 2010 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 17 June 2010.

The aforelisted 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 6 April 2011. 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 the Supervisory Board with further information. The auditors also explained the findings of their audit of the risk situation and the company's risk management in detail, and confirmed that there are no material risks at Sixt Aktiengesellschaft and the Group companies that are not mentioned in the reports.

The Supervisory Board approvingly took note of the auditor's findings 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 made 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 findings. 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.

Personnel
In 2010 the following changes took place in the Managing Board of Sixt Aktiengesellschaft:

Effective 1 October 2010, Mr Thorsten Haeser was appointed member of the Managing Board responsible for sales and distribution. In this position, Mr. Haeser will be responsible for all national and international sales activities of the Group in the two business units of Vehicle Rental and Leasing. Before this, Mr. Haeser had been member of the Executive Management Team in charge of the German residential customer business of Telefónica O2 Germany, the German subsidiary of the international telephone communications company Telefónica.

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

The Sixt Group recorded a positive business development in 2010. Following on the strategic and operative measures initiated the year before, the company managed to take a big step towards regaining the profitability level prior to the recession and financial crisis. This was only possible thanks to the commitment of all parties involved. The Supervisory Board would like to express its sincere gratitude to the Managing Board and all Group employees for their dedication and successful work in the past financial year.

Pullach, April 2011

The Supervisory Board

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

The Ultimate Ren

(The future of mobility starts here: Mobile

ting Experience.

Key from Sixt and BMW ConnectedDrive)

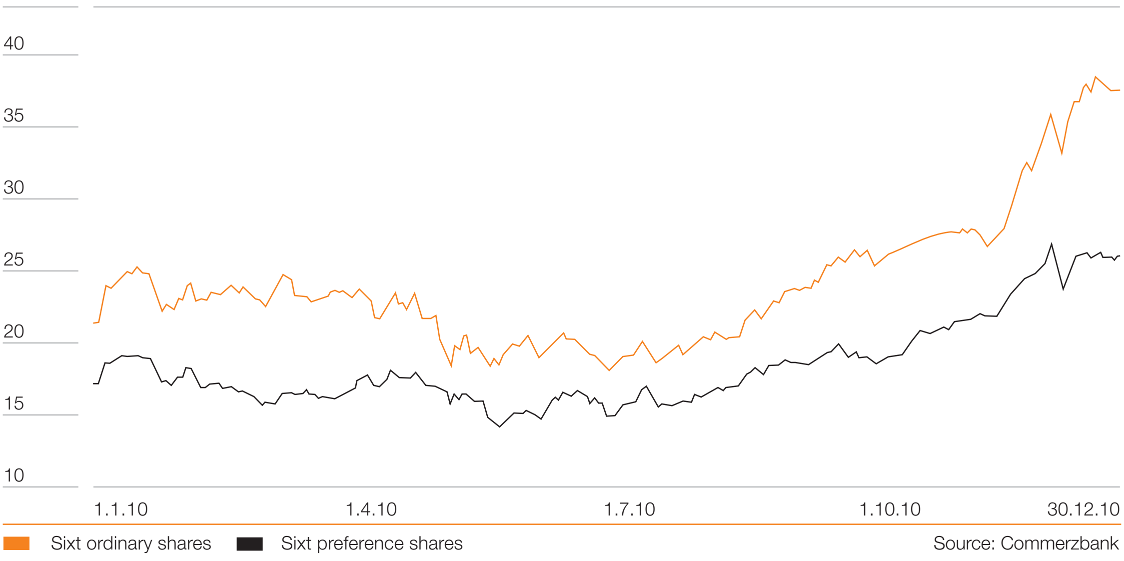
Stock markets continued their upward trend in 2010

The international stock and capital markets experienced an overall positive development in 2010, continuing the upward trend of the previous year. However, stock prices proved to be volatile especially during the first half of the year. The key stock indices started the new year lacklustre only to recover substantially towards the end of the first quarter. However, in the second quarter pressure increased, driven mainly by the mounting debt crisis in numerous eurozone countries and the announcement of drastic savings programmes. This, as well as weaker economic data from the United States and a tighter monetary policy in China, prompted speculation that the growth of the global economy might lose significant momentum. However, in the second half of the year capital markets developed significantly mainly due to solid economic figures from Germany and numerous emerging economies, the positive earnings situation in many companies improved in the second and third quarter as well as good results from the European bank stress tests.

The stock markets in Europe, the USA and Asia mainly witnessed increases in 2010. The German stock index (DAX) decreased to an annual low of 5,433 points on 5 February 2010. Thereafter the index saw a steady rise, albeit one that was continually hindered by temporary setbacks until the autumn. The high of the index was reached on 21 December 2010 at 7,087 points. It closed the year at 6,914 points. This represents a growth of 16% after an increase of 24% in 2009. The SDAX, which includes Sixt public company's ordinary shares, outperformed all other German indices in 2010, achieving an increase of 46% (2009: +27%).

In contrast, the leading indices on many other European stock exchanges fell behind during the course of the year. The Euro Stoxx 50 was down by 5% (2009: +21%). The American Dow Jones rose by 11% (2009: +19%), while Japanese index Nikkei 225 dropped slightly by 2% (2009: +19%). Stock exchanges in Asian emerging economies once again recorded healthy growth.

Sixt ordinary and preference shares



Source: Commerzbank

Another dynamic performance by Sixt shares
Sixt ordinary shares and Sixt preference shares both achieved significant gains in 2010, continuing the trend of the previous year. During the course of the year, the price of ordinary shares increased by almost three fourth and demonstrated a similarly dynamic performance as in 2009. During the year under review, ordinary and preference shares both witnessed stronger growth than their benchmark index again, the SDAX.

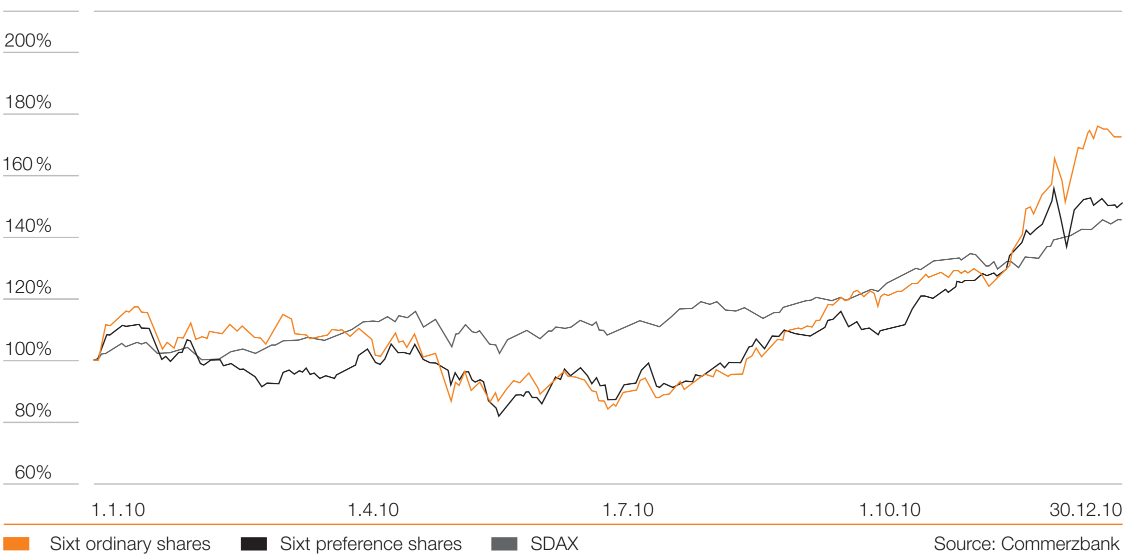
Sixt's ordinary shares reached their low for the year at EUR 18.30 on 1 July 2010, only to be followed by a steady upwards movement. This rise accelerated in November and December so that the shares reached their annual high of EUR 38.89 on 21 December 2010. The closing price was EUR 37.99, representing an increase of 73% on the Xetra price at the end of 2009 (EUR 21.94).

Sixt preference shares reached their annual low of EUR 13.90 on 25 May 2010. Just like ordinary shares their price then began to stabilise and climb continuously reaching the annual high of EUR 26.89 on 6 December 2010. The closing price was EUR 26.05, thus 52% above the Xetra closing price at the end of 2009 (EUR 17.15).

The performance of the Sixt shares indicates that the stock market has rewarded the measures Sixt continued in 2010 to achieve a significant improvement.

Share buy-back programme
Following previous approval by the Supervisory Board the Managing Board of Sixt AG decided on 19 August 2010, to exercise the authorisation conferred on it by the Annual General Meeting on 17 June 2010 to buy back own shares and acquire on the stock exchange ordinary and preference shares at an equivalent value of up to EUR 20 million (excluding incidental purchase costs). Up until 31 December 2010 a total of 433,237 ordinary shares at an amount of EUR 13.1 million and 174,386 preference shares at an amount of EUR 3.8 million had been bought back, which equals around nominal 2.4% of the Company's share capital. The buy-back programme was completed on

Relative performance of Sixt ordinary and preference shares against the SDAX



Source: Commerzbank

25 January 2011, by which time the Company had acquired 507,784 ordinary shares at a volume of EUR 15.7 million as well as 195,423 preference shares at a volume of EUR 4.3 million. All in all the Company bought back 703,207 shares for an acquisition price of EUR 20.0 million.

Stable shareholder structure

Based on the registered share capital, 56.8% of the ordinary voting shares were held at the end of 2010 by the Erich Sixt Vermögensverwaltung GmbH, all shares of which are owned by the Sixt family. Taking into account the buy-back of shares this ratio stood at 58.3% as at reporting date and on completion of the buy-back programme it came to 58.6%.

No other disclosures regarding blocks of voting rights have been received.

2010 dividend performance in line with earnings increase

Sixt Aktiengesellschaft adheres to the principle of permitting its shareholders to share in the Company's performance by distributing an appropriate dividend. In so doing the Company pursues an earnings-driven distribution policy, which avoids dividend payments from net assets and takes due consideration of strengthening the equity base in view of the Group's ongoing national and international expansion.

In accordance with the proposal by the Managing Board and Supervisory Board, the Annual General Meeting on 17 June 2010 resolved to pay for financial year 2009 a dividend of EUR 0.20 per ordinary share and EUR 0.22 per preference share. The proposal takes due account of the lower consolidated earnings for the year. The total distribution therefore came to EUR 5.2 million.

At the Annual General Meeting on 22 June 2011 the Managing Board and Supervisory Board will propose to appropriate a dividend of EUR 1.00 per ordinary share and of EUR 1.02 per preference share as well as a bonus dividend of EUR 0.40 for both share categories for financial year 2010. The proposal takes account of the Group's significantly improved financial position over the previous year. Taking into account the treasury stocks not carrying dividend rights and held by the Company at the time of preparing this report and the payment of bonus dividends, this amounts to a total distribution of EUR 34.5 million, an increase of almost 560% as against the previous year.

Measured in terms of the consolidated profit after minority interests, the dividend payout rate amounts to 49% (previous year: 50%). Based on the share price at the end of 2010 and allowing for the bonus dividend the dividend yield is 3.7% for ordinary shares and 5.5% for preference shares.

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 am Main, Munich, Stuttgart, Hanover, Düsseldorf, Hamburg, Berlin
Key indices	SDAX (weighting of ordinary shares: 2.18%)
	CDAX (weighting of ordinary shares: 0.04%, weighting of preference shares: 0.03%)
	Prime All Share (weighting of ordinary shares: 0.04%, weighting of preference shares: 0.03%)
Trading segment	Prime Standard
Designated Sponsors	Commerzbank AG, UniCredit Bank AG

	2010	2009
Earnings per share - basic (EUR)		
Ordinary shares	2.82	0.40
Preference shares	2.85	0.42
Dividend (EUR)		
Ordinary shares	1.00	0.20
	+ bonus 0.40[1]	
Preference shares	1.02	0.22
	+ bonus 0.40[1]	
Number of shares (as at 31 December, including treasury shares)	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	38.89	23.44
Preference shares	26.89	18.45

	2010	2009
Low (EUR)[2]		
Ordinary shares	18.30	8.12
Preference shares	13.90	7.16
Year-end price (EUR)[2]		
Ordinary shares	37.99	21.94
Preference shares	26.05	17.15
Dividend yield (%)[3]		
Ordinary shares	3.7	0.9
Preference shares	5.5	1.3
Market capitalization (EUR million)[3,4]		
as at 31 December	854	512

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 addition, the proposal is made to the shareholders to issue bonus shares at a ratio of 1 to 1, which will be issued as part of a capital increase from corporate funds. This would see one new share issued for each ordinary and preference share, and as a consequence would double the company's share capital and the number of shares. The bonus shares shall carry dividend rights as of financial year 2011. The Managing Board expects that this measure will increase the trading volume and liquidity of Sixt shares.

Intensive communication with the capital market
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 has extended its communication with capital market participants. In order to meet the public's growing need for information, the Managing Board once again engaged in regular, in-depth dialogue with analysts and investors from Germany and abroad in 2010. 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, one focal point of these discussions was on Sixt's operative actions and progress made in the wake of the crisis-ridden market environment since the end of 2008 and the future growth drivers of the Group.

The roadshows in Germany and abroad met a positive feedback. In 2010 the meetings with investors held in this context were, among others, in Baden-Baden, Frankfurt, Munich, Helsinki, Copenhagen, London, Paris, Oslo, Vienna and Zürich. In addition, conference calls with analysts and investors were held to present the preliminary figures for 2009 and the half-year figures for 2010.

Over and above these, the Managing Board used the publications of the quarterly reports 2010 once more to keep 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.

Prominent financial and research institutions carefully track the Company's performance and publish research reports based on close dialogue with the Managing Board. In 2010, corresponding research papers were prepared by, among others, Bankhaus Lampe, Commerzbank, HSBC Trinkaus & Burkhardt, Merck Finck & Co., M.M. Warburg & Co., Reuschel & Co., UniCredit and WestLB.

The Managing Board of Sixt will continue to engage in direct dialogue with investors, analysts and the media and utilize suitable communication channels to cater to the information requirements of the capital market and the media. The aim is to continue expanding the coverage of Sixt shares and deepen the dialogue with the capital market as well as to outline the Group's prospects and its solid capital and financing base.

Profit participation certificates 2004/2011

The profit participation certificates issued by Sixt in the autumn of 2004 with an aggregate principal amount of EUR 100 million recorded a generally positive performance in financial year 2010. Its price rose continually since the start of the year climbing to its high on 14 May 2010 at 115.5%. In the middle of June it fell sharply, recording its low at 104.6% on 28 June 2010. Thereafter it returned to a consistent upturn again and closed the year at 111.3% (prior-year reporting date: 105.5%). All above prices refer to closing prices at the Frankfurt stock exchange.

In the year under review the first tranche of the profit participation certificates, totalling EUR 50 million, became due for repayment. According to the terms and conditions of the profit participation certificates, this amount became payable 18 June 2010. In line with said terms and conditions the second tranche will become payable after the Annual General Meeting 2012.

Sixt profit participation certificate information

Aggregate principal amount	EUR 50 million
Denomination	1 million bearer certificates of EUR 50 each
ISIN	DE000A0DJZP8
Listing	Official market, Frankfurt Stock Exchange
Profit distribution	9.05% p.a.
Distribution date	First bank working day following the Annual General Meeting at which the Annual Financial Statements for the relevant financial year are presented
Term	50% of the original principal amount already redeemed as scheduled 50% of the original 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

In accordance with the provisions of section 289a of the Handelsgesetzbuch (HGB – German Commercial Code) the Company has to include a corporate governance declaration in its Management Report. Pursuant to section 317 (2) HGB the disclosures made in accordance with section 289a HGB are not included in the audit. The declaration can also 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 26 May 2010.

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 substantiate 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. Referring to the version of the Code valid since May 2010 the most recent declaration of conformity by the two company bodies was published in December 2010, and reads as follows:

The recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated 26 May 2010 (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:

- Section 2.3.3 (2) of the Code, includes, among other things, the recommendation to assist shareholders in the use of postal votes. The Articles of Association of Sixt Aktiengesellschaft do not provide for the possibility of postal voting.

- 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 Meetings on 14 July 2005 and on 17 June 2010, 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).

- An age limit as well as concrete targets for female representation in the composition of the Supervisory Board are not provided for (Section 5.4.1, sentences 2 and 3 of the Code). In accordance with the Articles of Association, the Supervisory Board consists of three persons, of whom only two are elected. Any limitation due to age and/or sex in the selection process for suitable candidates would run counter to the interests of the Company.

- 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 2010

For the Supervisory Board of Sixt Aktiengesellschaft	For the Managing Board of Sixt Aktiengesellschaft
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. The following should be noted in this context:

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 audit 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.

Principal rules of entrepreneurial activities are summarized in the code of conduct, which provides employees with a framework for their actions. The code of conduct contains behavioural principles for individuals' dealings in relation to third parties and within the company.

Working practices of the 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 four members. They 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 Aktiengesellschaft 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, marketing, public relations, international franchising, IT and personnel. The Chief Sales Officer oversees the Group's entire national and international sales activities. 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 as well as the legal and auditing departments.

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

Because of its size of currently four 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 telephonic votes, if instructed by the Chairman of the Supervisory Board and no member objects to this procedure (Article 11 (2) of the Articles of Association). Resolutions of the Supervisory Board are adopted by a simple majority, unless otherwise required by law (Article 11 (5) 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
Section 10 of the Wertpapierprospektgesetz (WpPG – German Securities Prospectus Act) defines in detail those issuers of securities that have to provide the public at least once a year with a document that contains, or refers to, all information that the issuer 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 programme (matching stock programme)
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 until 2014. 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 number of virtual 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 was EUR 25.51.

Each MSP share entitles the holder to subscribe to seven phantom stocks per annual tranche in accordance with the MSP terms and conditions.

Each 1 December every year from 2007 to 2011 one tranche of phantom stocks has been and will be allocated (a total of five tranches), so that each participant is entitled to subscribe up to a total of thirty-five phantom stocks a year for each MSP share (5 tranches with 7 phantom stocks each).

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

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

An amount, net of 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, amounts to a total of eight years until 2015.

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

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

Disclosures relating to the ownership of shares and financial instruments on those shares
Erich Sixt Vermögensverwaltung GmbH, Pullach, all shares of which are owned by the Sixt family, held 9,355,911 ordinary shares of Sixt Aktiengesellschaft as at the reporting date of 31 December 2010.

Members of the Supervisory Board held no ordinary shares or preference shares of Sixt Aktiengesellschaft as at 31 December 2010.

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 525,000, which under the MSP terms and conditions grant their holders the right to subscribe for up to 20,580 MSP shares and thus for a maximum of 452,760 phantom stocks as at the reporting date of 31 December 2010.

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 2010 financial year regarding dealings in accordance with section 15a WpHG.


SIXT
UPDATE
YOUR LOOK
NEW: SIXT for
your iPad!

Mobility has become an integral part of our daily lives, the importance of which is increasing steadily, albeit mobility itself is subject to change. The Internet and mobile services have turned mobility ubiquitous irrespective of place and time. Getting in touch with other people or booking a journey within seconds and a few clicks has become standard procedure. The concept of mobility is also changing. For many people owning a vehicle is no longer a priority. Instead, they wish to drive cars occasionally when needed and to obtain supplementing services.

As leader of innovations for vehicle rentals time and time again in its almost century-old history Sixt has introduced new technologies and services to make mobility faster, more comfortable and economical. We have been working on the future of mobility for a long time. Sixt utilizes modern online and mobile technologies ensuring that offers are easily accessible and Sixt provides customers with all relevant information while driving. We are simultaneously responding to changing mobility requirements. Our sophisticated carsharing concepts provide an attractive and favourable alternative to private ownership and upkeep of a vehicle. Our claim is this: All innovations must have a direct customer benefit.

The Internet as a key distribution channel

The online world has become an integral part of our business model. Sixt's vehicle fleet is available for the customers not only at a close-knit network of service stations but is merely a few clicks away. An essential component of this offer is the website of Sixt Autovermietung at www.sixt.com, where customers can book their rental vehicle easily and quickly, around the clock from their computer at home or work. We focus on user comfort. Automated information assists customers in selecting their service station, pickup date or vehicle features easily. International reservations in well over 100 countries are likewise just a few clicks away. Increasing booking figures document the importance and success of the website.

To increase the availability of the website still further it was optimized early on to enable bookings via mobile phone or mobile computer (Personal Digital Assistant - PDA). Yet Sixt is already one step ahead...

The next level: smartphones

Smartphones have increased the mobility of people in every way, enabling products and services to be used comfortably and quickly, at anytime and anywhere. For Sixt's primary target groups of business and corporate customers these modern communication devices are a firmly established item of business equipment.

Sixt was one of the first car rental companies worldwide to open a rental station on a smartphone: the iPhone application iSixt. Meanwhile bookings can be placed on all customary smartphones, whether it is a Blackberry, or units with an Android and bada surface. A specially developed iPad application also caters for the advanced graphic options of tablet PCs. All available applications have one thing in common: they provide real added value to the customer. The service range extends from straightforward vehicle reservation through to the management of bookings and a visual display of the nearest Sixt station. Users can also log in with their loyalty cards, giving them easy access to the stored individual rates.

Consistently online: Sixt Leasing
Internet applications and mobile services have also been an established part of our Leasing business for a long period of time. The website www.sixt-leasing.com provides an ample overview of all leasing services available. Contact to customer service assistants, comprehensive advice and service functions can easily be established. In full-service leasing, the online service from Sixt Leasing plays a crucial role for the efficient fleet management for companies of all sizes. Fleet managers have complete control both over the entire fleet and a single vehicle. All stages in the leasing process can be mapped out using the systems of Sixt leasing online.

Innovative leasing services are also available for the iPhone and facilitate the leasing process for private customers significantly. Sixt's "iSixt Photo2Lease" is the first leasing offer application using smartphones in Germany. Customers can spontaneously take a photo of the car of their dreams, whether out on the road or at the dealer, define their conditions for a potential leasing contract and on that basis request an offer from Sixt Leasing. This is a unique way for customers to obtain the car of their dreams quickly and easily.

Linking vehicle and driver
Not only the reservation of a vehicle has been made easier by the development of online and mobile services, but also the speedy and comfortable pickup. Customers, who provide their details during online booking, receive a barcoded reservation confirmation via the Internet or smartphone. They are then able to scan this barcode at special counters and can then immediately collect the keys to their vehicle. Such "Vehicle renting 2.0" makes time-consuming formalities a thing of the past.

Even when departing for their trip, the driver remains connected to the global data network. This is made possible by modern techniques such as BMW ConnectedDrive with which all BMW vehicles in the Sixt fleet are equipped. This innovative technology works like an electronic tour guide, supplying the driver with tailored information at all times, keeping him updated on the traffic situation, news and weather forecasts, and by transmitting company and private addresses directly into the navigation system. Exclusive to Sixt, BMW also developed the "Sixt MobileKey" that allows customers to book the BMW of their choice simply via their cell phone or smartphone. A special phone number will enable customers to open the BMW via remote control. This way they can proceed directly to the car park at the pick-up location without having to collect the keys from the counter.

Tailored mobility for the metropolitan areas
The demand for mobility can be felt all over the world and keeps growing. Yet the notion of mobility is continually changing at the same time. More and more customers make do without their own vehicle, seeking a means of transport befitting their requirements, mood and inclination. This can be a car for an hour or a day for shopping in the city or for trips. It is especially attractive in the inner cities where the upkeep of a car is losing its appeal, either because of rising fuel and insurance costs, congested inner cities or the permanent lack of parking spaces.

We at Sixt are responding to this development. Sixt and BMW announced in mid-March 2011, that they will launch the innovative carsharing model “DriveNow” in the spring of 2011. “DriveNow” is a joint venture between the two companies. The offer will first be available in Berlin and Munich and is scheduled to be expanded to other European metropolitan areas over the next years. “DriveNow” is the first carsharing concept with a systematic focus on efficient premium vehicles and all-round service. The vehicles can be rented out and deposited spontaneously and wherever customers require them. They are opened and closed using a chip on the driver's license, will start by activating the starter button and also offer additional services such as BMW's ConnectedDrive. This sets “DriveNow” clearly apart from the offers by the competition. Sixt launched the SIXTI Car Club already in mid-2008 and is the pioneer in innovative carsharing. Together with BMW this concept is further developed into “DriveNow”.

The direct channel to the customer

New technologies are changing mobility and communication alike. Successful advertising campaigns such as in Germany with the singer Matthias Reim and the slogan: “Damn, I'm in a fix, I rent from Sixt!” or in France the series of motifs with the caption “Yes, we also rent to women!” have spread like wildfire over the Internet acquiring iconic status in online communities. In addition, the Internet allows a speedier reaction to current affairs with appropriate advertising campaigns that generate even more attention.

Sixt is actively involved in social networks such as Twitter and Facebook. Our various blogs have a special role to play here. Sixt's car rental blog at www.sixtblog.de presents its users with interesting and useful information about renting a car and offers tips for the next trip. The Sixt Leasing blog at www.leasingblog24.de disseminates important information about leasing. At the same time, these offers provide our customers with further means to get in touch with Sixt and hand on valuable feedback on the company's services. This in turn enables us to adapt products and services even more to suit our customers' demands.

The future of mobility begins with Sixt. We keep a close eye on the latest trends and technologies and develop services that not only make renting a vehicle faster and more comfortable but offer our customers tailor-made mobility with many added values. Sixt once again acts as trailblazer for the industry.

That's how fleet mana
and what to drive,

(The future of mobility starts

gers know what to do, and how to save.

here: Sixt Leasing FleetControl)

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. The Company offers its customers tailor-made, short- and long-term mobility-related products. Sixt is primarily active in the business areas of vehicle rental and leasing. Internet services support and extend the comprehensive product portfolio.

In the Vehicle Rental Business Unit Sixt is nearly worldwide operative through its own rental offices and in cooperation with highly efficient franchisees and cooperation partners. 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. Primary target group for the Business Unit are business and corporate customers, which in the year under review accounted for 50% of rental revenue (2009: 52%). In addition, Sixt continuously strengthened its business with private customers and holidaymakers in recent years. The Group is also active in the accident replacement business and has recorded steady growth in this segment over the last few years.

In Germany, Sixt has a dense network of service points. As at 31 December 2010, the number of rental offices stood at 510 (previous year: 530). Abroad, the Company is represented with its own service stations in the core European countries, France, the UK, Spain, the Netherlands, Austria, Switzerland, Belgium, Luxembourg, and Monaco (Sixt Corporate countries). Sixt thereby covers well over 70 percent of the European market with subsidiaries and is thus one of Europe's largest car rental companies. In addition, the Company 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 2010, the number of Sixt service stations worldwide was 1,852 (2009: 1,923).

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

- Sixt provides holiday travellers with an international holiday car rental offering specially tailored to mobility requirements in holiday destinations. The offer is a prepaid product, with which customers receive a voucher after making a reservation that they then use to rent the vehicle of their choice at their holiday destination. Extra services such as insurance (excluding any deductible), airport duties, taxes and mileage are normally already included for the key vacation destinations.

- "Sixt Limousine Service" is an individual, exclusive mobility offering for business travellers and for other occasions such as event services or sightseeing trips. Offered in more than 60 countries worldwide, for this product Sixt specifically uses a fleet of premium vehicles and chauffeurs, who have been trained according to a uniform and high Sixt standard.

- “SIXTI” is a low-cost vehicle rental product 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 cost-effective mobility offerings they seek. Sixt is the only provider in this market segment with a European focus.

- The “SIXTI Car Club” is an innovative carsharing offer specially tailored to the mobility requirements of price-conscious city dwellers. It enables club 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 is a pilot project that has been operating in Berlin since mid-2008 and in Munich since September 2010.

- 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 stations in the Sixt Corporate countries.

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

In its Leasing Business Unit Sixt concentrates on full-service leasing. In addition to the pure finance leasing this also covers 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 car insurance, fuel card management or payment of motor vehicle tax and radio licence fees. For the Leasing Business Unit, Sixt uses innovative, fully online-based solutions. These allow fleet managers to compile detailed valuations on their entire fleet or individual vehicles, increase transparency over their fleet and thereby achieve effective cost savings.

The Leasing Business Unit maintains its own companies in Germany, France, Switzerland and Austria. In Germany it ranks as one of the largest non-bank, vendor-neutral leasing companies. Per 31 December 2010, the number of leasing contracts in these countries totalled 54,100 (2009: 60,800). 95% of the contract portfolio (2009: 93%) was attributable to full-service leasing or the fleet management. Through its franchisees Sixt offers leasing products and services in a further 40 countries.

The further development of innovative mobility services, both in the online and mobile segments, will be essential for the expansion of the Business Units' product portfolios. This will make it possible to react quickly to new trends on the Internet and to augment the range of offers with corresponding services. These include continually adapting the websites of the Vehicle Rental and Leasing Business Units to the current state of the art as well as to customer requirements, developing specific applications to cater for the dynamic growth on the smartphone and tablet PC market, and keeping up the Sixt Group's presence in its own Internet blogs and so-called social networks. Sixt is a trailblazer in this field: for example, it was one of the first vehicle rental companies worldwide to offer its customers an application for the Apple iPhone.

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 key 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 as well as the other investments, which in their aggregate are insignificant, can be found under the section entitled "Consolidation" in the notes to the consolidated financial statements.

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

3. Legal and economic factors

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

Economically, the Group is dependent on the general economic conditions, which affect in particular the spending propensity of the business travellers as well as the consumer behaviour of private customers and companies' willingness to invest. Above all, the Sixt Group's business operations can also be affected by such exceptional economic developments as the economic and capital market crisis of 2008 and 2009.

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 also play a role in this context. These indicators refer to specific strengths and skills, which are 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 above all:

- the degree of economic 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 return on equity (EBT/Group equity)
- 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 (related to the Business Unit’s operating revenue)
- a pre-tax return on sales of 5% in the Leasing Business Unit (related to the Business Unit’s operating revenue)
- an equity ratio of at least 20% at Group level
- a pre-tax return on equity of 20% at Group level.

4.3 Non-financial performance indicators

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

- Clear service culture: Sixt has always positioned itself as a provider of premium products and services. The Company is characterised by above-average quality of service, employees with a strong customer focus, the swift adjustment of services to changing mobility requirements and a high standard of vehicles. For a service provider the willingness to provide services and the service quality are key differentiators setting it apart from the competition. Business and corporate customers, Sixt's main customer groups, attach considerable importance to the speed and ease during the rental process and the handling of the leasing contract. The consistent service orientation has to be backed by the necessary employee qualification. Guaranteeing service quality, for example through comprehensive further training and development activities, is therefore a key factor in ensuring the Company's future success.

- Premium vehicle fleet: Sixt's positioning as a premium mobility services provider requires 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 fleet holds vehicles offering top notch technical functionality and comfort features such as navigation systems, the BMW ConnectedDrive information service or particularly economical engine configurations such BMW EfficientDynamics, Mercedes-Benz Blue Efficiency or VW BlueMotion. 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, smaller city cars or cars from the luxury segments such as sports cars or SUVs.

- 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: To this end both Business Units continually have to adapt their products and services to the changing economic and social environment, the individual requirements of their customers as well as the changing mobility requirements. Thus, account is taken for example of the circumstance that business and corporate customers schedule ever decreasing time budgets for travel or that an ever greater role is accorded to reservations made on the Internet and mobile applications. 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 secure its market leadership on the vehicle rental market in Germany
- to extend its market position in the Sixt Corporate countries. Over the long term foreign markets shall generate 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 develop innovative business models and online applications aimed at adapting the Sixt offering to changing mobility requirements and the customers' new mobility patterns
- to maintain its market positioning as a premium provider, in terms of both the quality of the products and services and the alignment of the vehicle fleet
- to continuously improve the qualification of staff
- to increase efficiency in all of the Company's processes.

5. Economic environment

The world economy was showing signs of recovery in 2010, after it had experienced the most severe recession in post-war history. Economic development improved significantly worldwide, but it lost momentum in the second half of the year. Growth varied considerably around the world. In advanced economies economic recovery was restrained but the emerging countries such as China and India continued to register dynamic growth, albeit at a slower pace towards the end of the year. On the whole, the International Monetary Fund (IMF) repeatedly upgraded its expectation for the full year and in October 2010 it estimated that the world economy would increase by 4.8%.

The attenuated development of industrialised countries had different causes. Therefore, production was still significantly below the pre-crisis levels. Continuing structural problems in the financial and real estate sector and the strong pressure to consolidate the high private and public debt hampered the overall economic activity. The US economy was causing particular concern. The development in the eurozone proved to be patchy. While some countries, such as Germany, positively exceeded expectations, the situation was problematic for countries which were severely affected by the national debt crisis, such as Greece and Portugal. The Association of German Banks expected the eurozone economy to increase by 1.6%.

Emerging economies, on the other hand, saw production increases slowing down due to more restrictive monetary and fiscal policies, which were aimed at countering rising inflationary pressure and to curb exaggerations on property and capital markets. With such background knowledge economic experts unanimously agreed that the worldwide economic recovery was fragile and contained risks.

According to the Association of German Banks the German economy grew by 3.5%, recording the strongest increase since reunification. This also meant that Germany was at the top of the league for national economies in the eurozone. Whilst the initial stimulus for this development was export-driven, customer spending played an ever-greater role during the course of the year, according to the ifo-Institut. Additional positive factors were the decline in unemployment and the investment incentives for the industry because of historically low interest rates as well as rising expectations of corporate profits.

Sources:
Bundesverband deutscher Banken e.V., (Association of German Banks), "Konjunkturprognose des Ausschusses für Wirtschafts- und Währungspolitik", (Economic forecast by the Economic and Monetary Policy Committee), 16 September 2010
International Monetary Fund (IMF), World Economic Outlook, October 2010
ifo-Institut, Munich, Economic forecast 2010/2011, 14 December 2010
European Central Bank, Monthly Bulletin, December 2010
Bundesverband deutscher Banken e.V. (Association of German Banks), Economic Report December 2010

6. Segment report

6.1 Vehicle Rental Business Unit

6.1.1 Sector developments

The international vehicle rental market continues to witness ongoing fierce competition. According to Euromonitor the volume of the West-European vehicle rental market totals around USD 12.5 billion, equivalent to approximately EUR 9 billion. In addition, Sixt estimates the long-term annual revenue growth to be between 3% and 5% on average. For many years already the sector is dominated by a small number of international providers.

Germany continues to be Europe's most significant single market, followed by France, Spain and the United Kingdom. According to data provided by Euromonitor in 2010 the German market recorded a volume of around EUR 1.9 billion (based on the rentals to private and business customers and the accident replacement business), which is roughly in line with the previous year. The French and Spanish markets registered volumes of around EUR 1.3 billion each, while the British market generated a volume of roughly GBP 1.0 billion, equalling around EUR 1.2 billion.

According to the information available to the Company, the process of concentration among Germany's car rental companies, which has been evident for decades, continued also in the year under review. Competitive disadvantages are suffered especially by smaller and regional providers that do not operate a nationwide network of rental offices, have a high fixed cost base, are unable to offer innovative services such as online and mobile reservations, and can only offer limited numbers or sporadically modern engine concepts in their fleets. As before, it is the large international service providers that have good prospects in the important segments of tourism and business travel. According to Euromonitor the four largest companies in Germany together take up more than 85% of market shares.

According to data published by the Verband der Automobilindustrie e.V. (VDA – German Automotive Industry Association), the international vehicle business recovered significantly quicker than expected after its decline the year before. All in all, some 61.7 million vehicles were sold worldwide, which is an increase of 12%. Growth drivers were the markets in Brazil, Russia, India, China and the USA. In Western Europe, 13.0 million new vehicles were registered. As had been expected this was slightly less than the year before (13.6 million vehicles; -5%), following on the end of many national economic stimulus packages and given that the economic situation in some countries remained strained.

Sources:
Euromonitor, Car Rental, as per: February 2011
Verband der Automobilindustrie e.V. (VDA), press release of 14 January 2011

6.1.2 Developments in the Vehicle Rental Business Unit

Following on from the previous year's downturn due to the finance and economic crisis Sixt's Vehicle Rental Business Unit once again recorded a positive business performance in 2010. In an improved but still fragile economic environment, the Company managed to slightly increase rental revenues. Sixt consistently pursued a strategy focused on achieving high-margin revenues and reduced cost levels. Successful new customer business and a gradually rebounding demand for mobility services improved the performance.

The Company also benefited from the power of its brand name: Experience has shown that Sixt is extremely popular with the main target group of business travellers who tend to prefer to use the Company as opposed to other providers. Customers often associate the brand name with positive attributes that are crucial to them such as quality of service, flexibility and value for money. Sixt continued its international growth in 2010 and further expanded its near global presence. The Company successfully gained market shares in key European countries.

The principle of a cautious fleet policy introduced during the previous year was continued by Sixt in 2010. However, the Company was able to react swiftly to fluctuations in demand due to its flexible supply contracts.

The Vehicle Rental Business Unit’s revenue amounted to EUR 924.2 million in 2010, a decline of 3.9% compared to the previous year's figure (EUR 961.8 million). At EUR 807.5 million rental revenues were 6.5% up on the previous year (EUR 758.0 million). Other revenue from rental business fell significantly by 42.7% from EUR 203.8 million to EUR 116.7 million.

Revenue generated by the Business Unit in Germany declined from the previous year (EUR 686.2 million) by 5.8% to EUR 646.7 million. Rental revenues totalled EUR 564.4 million, some 4.0% more than the year before (EUR 542.9 million).

Abroad, the Business Unit generated revenue of EUR 277.5 million, a year-on-year increase of 0.7% (2009: EUR 275.6 million). At EUR 243.1 million rental revenues were 13.0% up on last year (EUR 215.1 million). This gratifying development was aided in particular by the activities in Spain and Switzerland. The international share of the segment's revenue came to 30.0% after 28.6% the previous year, thereby maintaining the continual growth of the preceding years.

Due to the efficiency increasing measures initiated, the Business Unit generated significantly improved earnings before taxes (EBT) in 2010, clocking up EUR 86.4 million (2009: EUR 3.3 million). The return on sales, i.e. the ratio of EBT to segment revenue, was 9.3% (2009: 0.3%).

Key figures for the Vehicle Rental Business Unit			Change
in EUR million	**2010**	2009	in %
Revenue	924.2	961.8	-3.9
thereof rental revenue	807.5	758.0	+6.5
thereof other revenue from rental business	116.7	203.8	-42.7
thereof abroad	277.5	275.6	+0.7
Earnings before net finance costs and taxes (EBIT)	113.6	29.5	> +100
Earnings before taxes (EBT)	86.4	3.3	> +100

Developments in Germany: Sixt's vehicle rental benefited from a rebounding demand for mobility services in the wake of the economic recovery. Sixt was able to strengthen its position as market leader in Europe’s largest vehicle rental market, with a market share of over 30%. The Company is benefiting from its dense network of service points in Germany. In particular, the key target group of business customers highly appreciate the reliable availability of mobility services and also value the Company's nationwide presence in Germany. The network of stations was optimised in 2010 to a total of 510 offices (2009: 530 offices).

Developments abroad: With rental offices in France, the UK, Spain, the Netherlands, Austria, Switzerland, Belgium, Luxembourg and Monaco, 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 generally positive in 2010. Thus at EUR 277.5 million the Business Unit’s revenues generated outside of Germany were higher than the previous year's level of EUR 275.6 million. Gratifying was the business development in Spain and Switzerland. Sixt expanded its network of stations in Spain, especially at the airports, and again successfully achieved a double-digit percentage revenue increase.

At the end of the reporting year the number of Sixt corporate stations outside of Germany amounted to 409 (2009: 475). These changes are above all the result of an optimised station network in the Netherlands and in France. Sixt expanded its presence in the other regions of the world during the year under review by partnering with highly efficient franchisees. For example, agreements were signed with new franchisees in Libya, Puerto Rico, Tanzania, Nepal, and Kosovo. Additionally, Sixt expanded its presence in South-East Europe and the Arabian Peninsula. In 2010, the number of rental offices operated by Sixt franchisees increased worldwide to 933 (2009: 918 offices).

As at the end of 2010, Sixt had a total of 1,852 rental offices, including franchisees, in approximately 100 countries (2009: 1,923 offices).

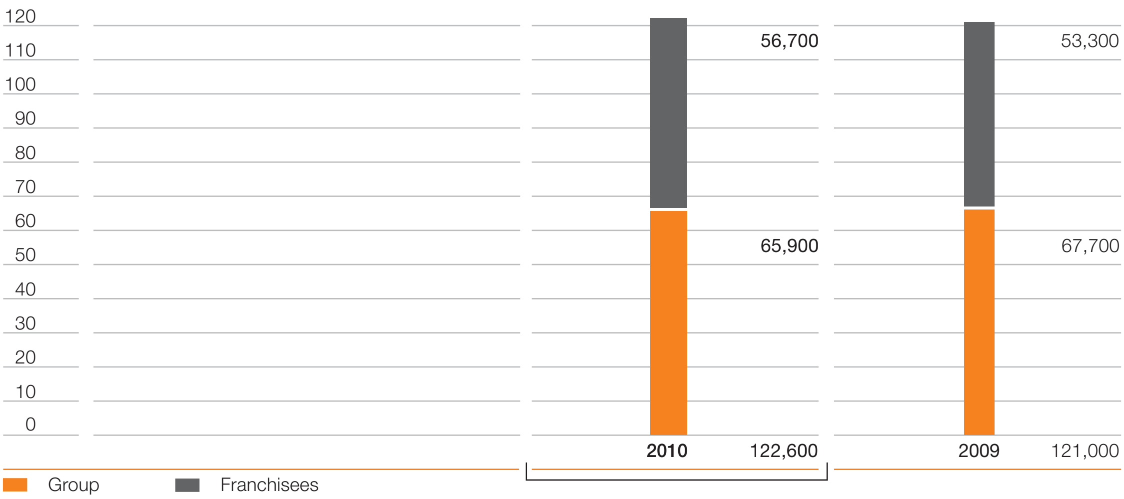
Cautious fleet policy: Sixt continued its cautious fleet policy in 2010, taking due account of the variable economic conditions and the associated risks. Nevertheless, Sixt's flexible arrangements with car manufacturers enabled the Company to react quickly and at short notice to the increasing demand and make additional vehicles available for the rental fleet. In the Sixt corporate countries the average size of the rental fleet was 65,900, compared with 67,700 for the full-year 2009 (-2.5%).

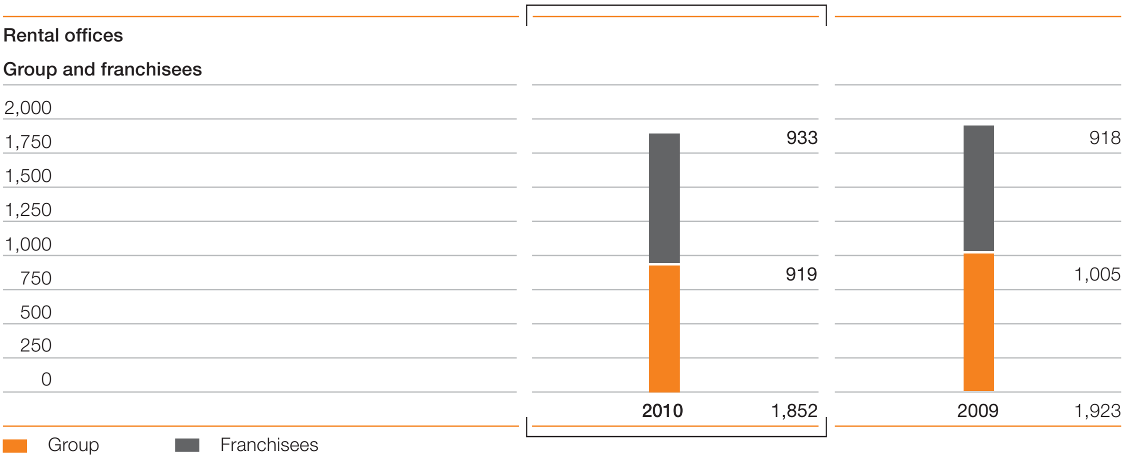
Inclusive of the vehicles in franchise countries Sixt’s global vehicle fleet totalled 122,600 vehicles in 2010, which amounts to a slight increase of 1.3% compared to 2009 (121,000 vehicles).

In November 2010 Sixt and the BMW Group signed a comprehensive master agreement expanding their strategic partnership even further. Under the agreement the Company will integrate a total of 100,000 cars of the BMW Group into its German fleet by 2015. The agreement is the most comprehensive cooperation contract of its kind in Sixt's history.

Average number of vehicles

Group and franchisees in thousands of vehicles





Expansion of sales activities for business customers: In 2010 Sixt also recorded a successful new customer business, both with international corporations as well as middle-market companies. The decision to focus sales activities on the middle market at an early stage proved once again to be successful. At the same time, the Company intensified its existing cooperation with a large number of business customers by offering tailored mobility solutions.

As part of its sales activities Sixt is maintaining its strategy of analyzing the costs of the entire rental process with the customer. This includes various aspects such as the selection of manufacturer, booking channels, vehicle check-out and return or accident management and achieved vital optimizations for both the customer and the Company. Another focus was on synchronising the sales activities in Germany and abroad. The aim was to provide customers with a uniformly high standard of quality and single-source support.

Successful private customer business: In 2010 Sixt also benefited on the private customer side from an increase in travel activities. The new and special offers of the Company obtained positive feedback from the market.

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

The **SIXTI Car Club** in Berlin has been operative since the middle of 2008 and offers carsharing models specially tailored to the mobility requirements of price-conscious city dwellers. The car rental club continuously expanded its presence in the German capital and started operations in Munich in September 2010.

Expansion of the luxury cars offer: In 2010 Sixt expanded the Sixt Luxury Cars offer from France to other countries. The exclusive vehicles are now available in Germany (Berlin, Munich, Frankfurt am Main, Düsseldorf), Switzerland (Geneva), France (Côte d´Azur: Nizza, Cannes, St. Tropez), Monaco and Spain (Marbella).

Integrated mobility solutions: Sixt is the only international provider offering its customers one-stop mobility solutions from one source for just one hour or for several years, be it vehicle rental carsharing, chauffeur services or full-service leasing.

In this context a special place is given to the integrated mobility solutions which combine renting and leasing, such as the “Sixt CarAbo”. As part of this offer business customers pay a fixed monthly fee to keep a vehicle from the category of their choice available to them at any time and at any of the Sixt service stations in nine European corporate countries. This way business and corporate customers receive a flexible and comprehensive mobility solution that recognises their increased mobility requirement.

Innovations in Vehicle Rental: Sixt is pursuing its aim to be innovation leader in vehicle rentals. The Company developed in 2010 new services based on state-of-the-art technology. These serve to meet the customers' changing mobility requirements and make vehicle rental faster, more comfortable and safer. Additionally, Sixt is adopting the latest developments by car manufacturers into its vehicle fleet, especially fuel-saving engines or information services such as BMW ConnectedDrive.

Since November 2010 Sixt has been offering its customers the “Sixt MobileKey”. It is an innovative service developed by BMW exclusively for Sixt. The “Sixt MobileKey” enables customers to book the BMW of their choice simply by means of their mobile or smartphone and have the car subsequently opened by remote control when entering a special number. This way they can proceed directly to the car park at the pick-up location without collecting the keys from the counter.

In the year under review Sixt continuously expanded its mobile services taking due account of the increasing role played by the Internet and smartphone as a means of booking channel. Therefore, the Company supplemented its smartphone application with additional practical functions such as a revised booking line that allows a station search even without a GPS signal. With the Online Check customers can select the vehicle of their choice from the given fleet at a service point up to four hours prior to renting.

Additionally, in September 2010 Sixt released a new application for devices using the latest operating screens entitled bada. In October 2010 Sixt was the first vehicle rental company worldwide to offer a special application for Apple's iPad that makes use of the advanced graphic features of tablet PCs. In the year under review customers made an average of 48% of reservations online (2009: 45%).

Pilot project in electro-mobility: In May 2010 Sixt and the utility company RWE upgraded their partnership so that Sixt is now able to offer its customers electric vehicles to rent. The vehicles will be available in alternating major cities throughout Germany. The offer is a pilot project aimed at testing everyday usability of modern electric vehicles as well as their customer acceptance. The project is scheduled to end in April 2011.

In addition, Sixt and RWE are continuing their cooperation to the extent of the “RWE Autostrom Roadshow”, which offers interested motorists the opportunity to test car models powered by electric in selected cities in Germany, Austria, Switzerland and the Netherlands.

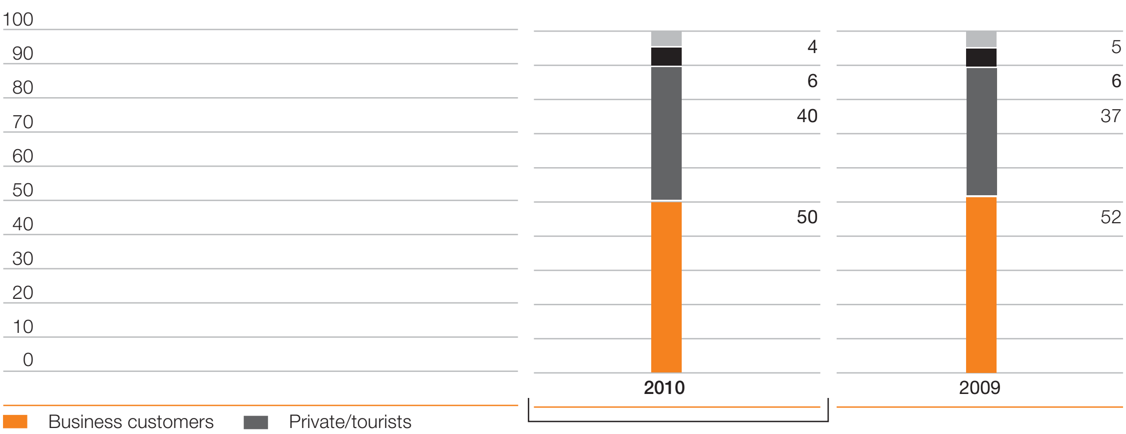
Numerous awards: In 2010 Sixt has once again won awards for its high level of customer focus and high-quality mobility solutions. In December 2010, in Los Angeles, Sixt was awarded best vehicle rental company in the world following an international industry survey by the magazine “Business Traveller USA”. The prestigious award ranks highly in industry circles as it is based on the votes cast by experienced experts from the business travel and tourism sector.

In February 2010 Sixt won the “Business Traveller Award” for the fifth consecutive year. The honour of receiving the readers' award from the German edition of the “Business Traveller” was bestowed in the category “Best car rental company in Germany”. The award was presented to the Company once more in January 2011.

In March 2010 Sixt received the “Bavarian Quality Award” from the Bavarian Ministry of Trade and Industry in recognition of the sustainable quality of the Company's products and services. According to the award Sixt excels through its high service quality and consistent customer focus.

In July 2010 Sixt was selected as being Germany's best car rental company in a test conducted by the German institute for service quality (Deutsches Institut für Service-Qualität – DISQ) and commissioned by the news channel n-tv. Here the Company was found to excel in key areas such as advise, service, provision of specific information and the Company's Internet presence.

Vehicle rental revenue breakdown by customer group
in %



Business customers · Private/tourists · Accident replacement · Other

Figures from the previous year were adjusted following reclassification for comparative purposes

6.2 Leasing Business Unit

6.2.1 Sector developments

While 2009 had seen the European leasing industry suffer a dramatic drop from the global recession and the financial crisis with new business activity down to EUR 216 billion, some 28% below the previous year, the first six months of 2010 were able to bring this downturn to a halt. The reason for this was a surprisingly robust recovery of the global economy according to the industry association Leaseurope. The volume of new leasing agreements clocked up EUR 94 billion in the first six months of 2010, which was only marginally below the level registered for the prior year period (EUR 101 billion). The performance in the biggest national markets stabilised between January to July 2010 with new business in Germany only marginally lower than in the same period the year before (-2.7%), while France recorded growth again (+4.7%). Given the sustained economic recovery Leaseurope expected the leasing business to pick up across the entire European continent during the second half of 2010. At the time of preparing this report no data for full-year 2010 were as yet available.

According to data published by the Bundesverband Deutscher Leasing-Unternehmen e.V (BDL – German Association of Leasing Companies), the leasing market in Germany returned to growth again in 2010. According to the experts at EUR 43.6 billion the volume of new business outstripped the previous year figure by 4.0%. For the full year 2010 the business involving mobile leasing assets such as vehicles grew by around 2.5% to EUR 41.1 billion, after having recorded a year-on-year decrease of approximately 4% for the first six months of 2010. The leasing ratio, which is the proportion of total equipment capital expenditure in Germany as a whole accounted for by mobile leasing assets, remained more or less unchanged at around 21%.

The vehicle leasing segment by itself recorded 2.6% more new contracts signed than the year before. The decrease in private leasing, where the scrapping premium had precipitated a momentary drop in demand, had a dampening effect. Added to this were supply bottlenecks from the vehicle manufacturers, some of whom only could handle orders with months of waiting times.

Sixt Leasing remains its assessment that full-service leasing continues to have positive market potential in the medium term. 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 comprehensive fleet management services. Companies that outsource the management of their fleet to a professional partner can reduce their mobility costs sustainably. For leasing companies, in turn, comprehensive services centred on fleet management provide significantly higher margins on average than pure finance leasing.

Sources:
European Federation of Leasing Company Associations (Leaseurope): Press releases dated 8 April 2010 and 18 October 2010
Bundesverband Deutscher Leasing-Unternehmen e.V. (BDL – German Association of Leasing Companies): Press release dated 23 November 2010

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 and private individuals use these offerings to attain cost and service benefits.

True to the core principle of "earnings before revenues", Sixt Leasing consistently improved contract margins in 2010. This also meant the deliberate relinquishing of insufficiently profitable new business opportunities. By the end of the year the quality of the contract portfolio had improved substantially as a consequence. The number of contracts declined from the previous year. At the end of 2010, Sixt had 54,100 leases in Germany and abroad in its portfolio, a decline of 11.0% compared with the previous year (60,800). Including the leases signed with Sixt's worldwide franchise partners, the total number of contracts for 2010 stood at 119,700 as against the 132,000 leasing contracts recorded at the end of 2009 (-9.3%).

The focus on increasing return on revenues also affected the revenue performance in the year under review. Sixt generated revenue of EUR 403.5 million from the operative leasing business, compared to EUR 406.5 million (-0.7%) the year before. In Germany Sixt generated leasing revenues of EUR 346.1 million in 2010, as against the EUR 355.2 million in 2009 (-2.6%). Foreign leasing revenues amounted to EUR 57.4 million, a gain of 12.0% on last year's total of EUR 51.3 million. In Switzerland and Austria leasing revenues performed above average.

In 2010 the Business Unit generated revenue from the sale of used leasing vehicles, which can be subject to considerable fluctuation, in the amount of EUR 203.3 million, which was 10.9% less than in 2009 (EUR 228.3 million).

Total segment revenue was EUR 606.8 million in the year under review, which equals a decrease of 4.4% year-on-year (2009: EUR 634.8 million).

Very encouraging was the development of earnings in the year under review. Segment earnings before taxes (EBT) increased to EUR 19.0 million after EUR 5.7 million in 2009. The return on sales – the ratio of EBT to the segment's operating revenue – improved to 4.7% (2009: 1.4%). The numerous measures geared toward increasing profit, which include focusing on new business with high-margin full-service contracts and above all internal efficiency improvements – as in the purchase of vehicles or workshop services – have placed Sixt Leasing in a good starting position for profitable growth in an improving market environment.

Key figures for the Leasing Business Unit			Change
in EUR million	**2010**	2009	in %
Leasing revenue	403.5	406.5	-0.7
thereof abroad	57.4	51.3	+12.0
Sales revenue	203.3	228.3	-10.9
Total revenue	606.8	634.8	-4.4
Earnings before net finance costs and taxes (EBIT)	51.2	39.5	+29.6
Earnings before taxes (EBT)	19.0	5.7	> +100

In the preceding year's operations, Sixt Leasing raised its profile as full-service provider with strong consulting offerings and innovation leader. All new service offerings are geared to turn leasing procedures even easier, more transparent and cost-efficient for the customers.

Innovations: Sixt Leasing is using state-of-the-art technologies since many years to expand the service offering for customers still further. Numerous applications have been developed in-house, such as the fleet management system or Internet applications. In 2010 Sixt Leasing migrated its online-based reporting system to a new platform, making it more customer-friendly in the process. The new program is entitled “Fleet Intelligence” and was launched on the market early 2011. At a press of a button it can provide the full set of information on fleets, whether these are condensed reports, details to specific contracts or documentation of individual invoices. Diagrams are now also providing a visual overview on the key parameters. The innovative system provides a reliable decision-making basis for all fleet issues and allows customers to manage their fleets more efficiently still and bring down their mobility costs over the long term.

In 2010 Sixt Leasing launched a new used vehicle exchange on the Internet. The portal gives dealers access at any time and irrespective of their location to a wide range of vehicles from different brands. The new exchange facilitates uncomplicated processing of vehicle sales at attractive conditions.

Electromobility pioneer: To boost the market trend toward sustainable fleet management, Sixt Leasing has been developing a comprehensive concept for making electric-powered vehicles an interesting alternative for corporations, private customers and the public sector. In this way, Sixt Leasing is providing a complement to Sixt Autovermietung’s e-mobility services. The Company is the only service provider capable of offering customers environmental mobility concepts for every demand.

Together with Siemens Sixt Leasing launched a large-scale fleet pilot project with electric vehicles in November 2010. Siemens employees are driving up to 100 cars on their daily routines at various locations throughout Germany. Sixt Leasing manages operations of the e-fleet. The pilot project is aimed at showing how electric vehicles fare when used on a daily basis and what effect this has on the electricity grid. In addition, Siemens and Sixt have developed an innovative e-mobility offer for communal authorities, consisting of four packaged solutions geared to provide communities with an entry into electric mobility befitting the demand and with modular stages for extensions.

Given growing customer interest Sixt Leasing is planning to expand the offer of electric vehicles as they became available from the manufacturers and the development of the required infrastructure.

Expanding private leasing: The demand for leasing solutions for private vehicle usage keeps growing continuously. As the first service provider in Germany Sixt presented a mobile leasing application for iPhones in 2010. The “iSixt Photo2Lease” app comes free of charge and allows customers to take a photo of the vehicle of their choice at the dealers or on the road. The photo is then sent to Sixt Leasing together with the individual contract requirements. In return the customer receives an instant leasing offer on his iPhone. This way private customers can make use of an ultra-modern and cost-effective order channel.

In 2010 three independent tests picked Sixt Leasing as winner with the best priced offers for private customers. The trade journals “Autozeitung”, “auto motor und sport” and “AutoStraßenverkehr” awarded Sixt Leasing as it offered the best price conditions of all service providers tested.

In addition, in its leasing test the business magazine “Impulse” ranked Sixt first as the most price-sensitive provider among medium-sized companies.
Year-on-year Sixt's business volume in the private leasing segment increased by nearly 50% in 2010.

7. Research & Development

Since it is a pure service provider, Sixt did not engage in any research and development activities worth reporting in financial year 2010.

B. Results of operations, net assets and financial position

1. General

The consolidated financial statements of Sixt Aktiengesellschaft for the year 2010 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

During the course of 2010 the Sixt Group managed to return to its aspired growth following on a year that had been significantly affected by the financial and economic crisis. The picture in the year under review is mixed given that the economic situation has not yet stabilised across all economic sectors. The strategic and operational measures of a conservative fleet policy, strict cost management and an increase in rental prices led to a significant improvement in earnings during the year under review. Demand for rental services developed positively. Corporate propensity to invest and the willingness to spend money on durable consumer goods were still marked by prudence. This had a direct influence on the demand for leasing services. As a consequence, the revenues from the leasing business declined slightly again.

Following a strong final quarter, Sixt exceeded its own expectations for financial year 2010. The Group outperformed its target of substantially raising earnings and generated earnings before taxes of EUR 102.3 million, which was significantly higher than last year's total of EUR 15.1 million. Consolidated revenue was down by 4.0% year-on-year, at EUR 1.54 billion. In line with the principle of a shareholder-friendly and earnings-driven dividend policy, the Managing Board and Supervisory Board are proposing a dividend of EUR 1.00 per ordinary share and EUR 1.02 per preference share as well as a bonus dividend of EUR 0.40 for both share categories for financial year 2010.

3. Revenue development

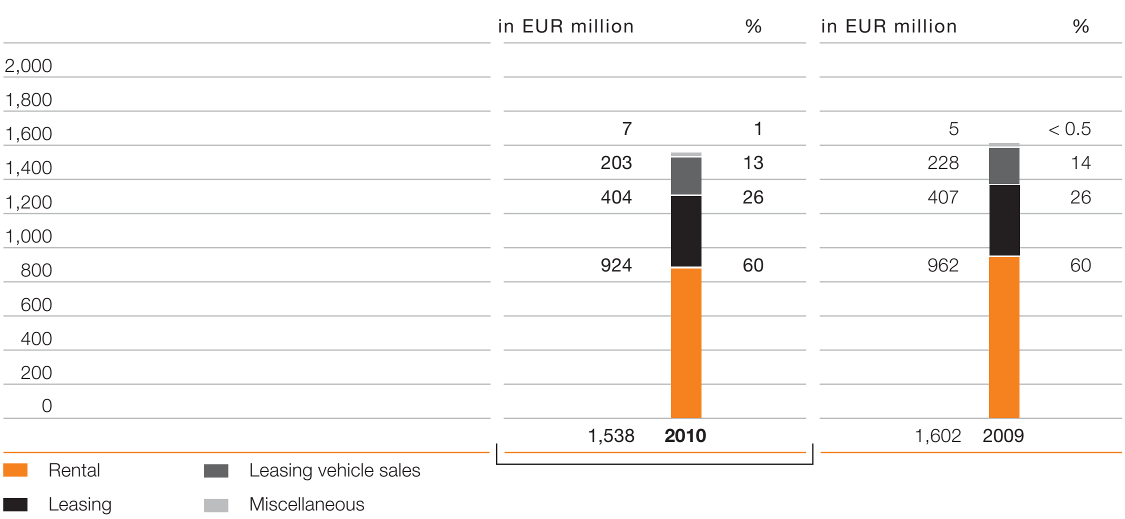
3.1 Developments in the Group

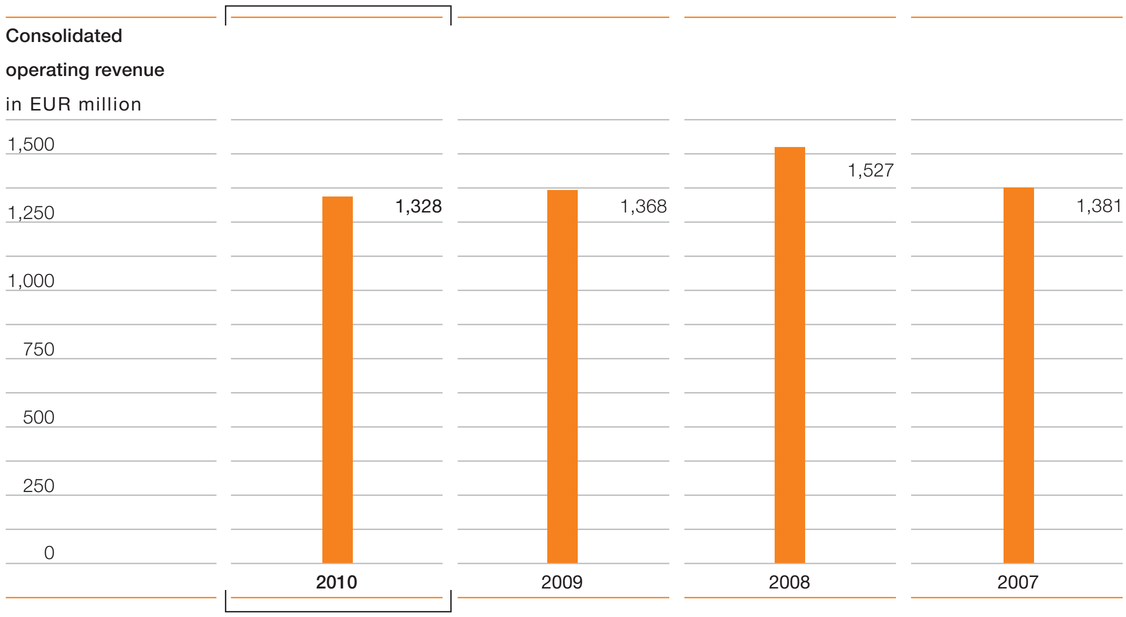
Total consolidated revenue amounted to EUR 1.54 billion in 2010. This represents a decline of EUR 63.3 million or 4.0% as against the previous year (EUR 1.60 billion).

At EUR 1.33 billion, consolidated operating revenue from rental and leasing business (excluding revenue from the sale of used leasing vehicles) fell by EUR 40.6 million or 3.0% compared with the prior-year figure (EUR 1.37 billion). The decline is primarily due to the development of other revenue from rental business that had been affected by structural amendments to the purchasing agreements.

The Managing Board is satisfied by the fact that customer demand in both the Vehicle Rental and Leasing Business Units revived in 2010 despite the economic conditions stabilising only in the course of the year following the recession and financial crisis.

Breakdown of consolidated revenue





3.2 Revenue breakdown by region

In Germany, Sixt generated consolidated revenue of EUR 1.19 billion in 2010, down EUR 76.8 million or 6.1% on the previous year (EUR 1.26 billion). Total revenues for both Business Units were below the previous year. At EUR 564.4 million, rental revenue increased slightly again (4.0% as against EUR 542.9 million in 2009). In contrast, other revenue from rental business declined to EUR 82.3 million (-42.6% compared with EUR 143.3 million in 2009). Revenue from leasing activities in Germany declined by 2.6% year-on-year to EUR 346.1 million (2009: EUR 355.2 million). Revenue from the sale of used leasing vehicles in Germany, which is generally subject to fluctuations, was down 14.0% from EUR 217.6 million in the previous year to EUR 187.2 million.

Foreign consolidated revenue increased again by 4.0% year-on-year to EUR 351.0 million (2009: EUR 337.6 million). Rental revenue climbed above average by 13.0% from EUR 215.1 million to EUR 243.1 million. As in Germany, other revenue from rental business declined to EUR 34.4 million, down 43.2% from the previous year's figure (EUR 60.5 million). Foreign leasing revenue increased by 12.0% in 2010 from EUR 51.3 million to EUR 57.4 million, continuing its growth trend of recent years. Foreign revenue from the sale of used leasing vehicles amounted to EUR 16.1 million (2009: EUR 10.7 million; +50.5%).

In the year under review Germany therefore accounted for 77.2% (2009: 78.9%) of consolidated revenue, while 22.8% was generated in other European countries (2009: 21.1%). In relation to consolidated operating revenue, revenue generated abroad rose from 23.9% to 25.2%.

4. Earnings development

Consolidated income statement (condensed) in EUR million	**2010**	2009	Absolute change	Change in %
Consolidated revenue	**1,538.2**	1,601.5	-63.3	-4.0
thereof consolidated operating revenue [1]	**1,327.7**	1,368.3	-40.6	-3.0
Fleet expenses and cost of lease assets	**657.0**	691.4	-34.4	-5.0
Personnel expenses	**144.1**	134.1	+10.0	+7.5
Depreciation and amortisation expense	**326.9**	404.8	-77.9	-19.3
Net other operating income/expense	**254.0**	304.2	-50.2	-16.5
Earnings before net finance costs and taxes (EBIT)	**156.2**	67.0	+89.2	> +100
Net finance costs	**-53.9**	-51.9	-2.0	+3.8
Profit before taxes (EBT)	**102.3**	15.1	+87.2	> +100
Income tax expense	**31.6**	4.7	+26.9	> +100
Consolidated profit for the period	**70.7**	10.4	+60.3	> +100
Earnings per ordinary share [2] (EUR)	**2.82**	0.40	+2.42	> +100

[1] Not including proceeds from the sale of used leasing vehicles
[2] basic, in 2010 based on 25.1 million shares (weighted, taking into account treasury shares), in 2009 based on 25.2 million shares (weighted)

Other operating income reached EUR 21.9 million, 4.1% higher than the prior-year figure (EUR 21.0 million).

The position “fleet expenses and cost of lease assets” comprises the following expenses:

- 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 5.0% to EUR 657.0 million (2009: EUR 691.4 million). This decline is due primarily to the smaller rental fleet over the year and to fewer sales of used leasing vehicles, which led to correspondingly lower expenses from the disposal of residual values. Insurance and transport costs also declined, while the cost of maintenance, upkeep and repairs increased, as did taxes and duties after expiration of fiscal exemptions.

Personnel expenses rose by 7.5% to EUR 144.1 million (2009: EUR 134.1 million). The increase reflects in particular the higher participation of employees in the improved company result in the year under review.

Depreciation and amortisation expense amounted to EUR 326.9 million, down 19.3% on the prior year figure of EUR 404.8 million. Depreciation of rental vehicles in particular decreased sharply (-30.6% to EUR 163.4 million) due to the reduction of the rental fleet and the structural amendments in the purchasing agreements. Depreciation of the lower lease assets fell accordingly by 4.4% to EUR 154.2 million.

Other operating expenses were reduced by 15.2% to EUR 275.9 million (2009: EUR 325.2 million). A key factor here was the decline in lease instalments as fewer vehicles were financed by leases.

For 2010, the Group's earnings before net finance costs and taxes (EBIT) amounted to EUR 156.2 million, which is substantially more than the previous year's figure of EUR 67.0 million. During the course of 2010 the effects of a cautious fleet policy, efficiency gains and cost-cutting measures came to have an increasingly positive effect.

The EBIT margin – expressed in relation to consolidated operating revenue – came to 11.8%, which was significantly higher than the previous year's 4.9%.

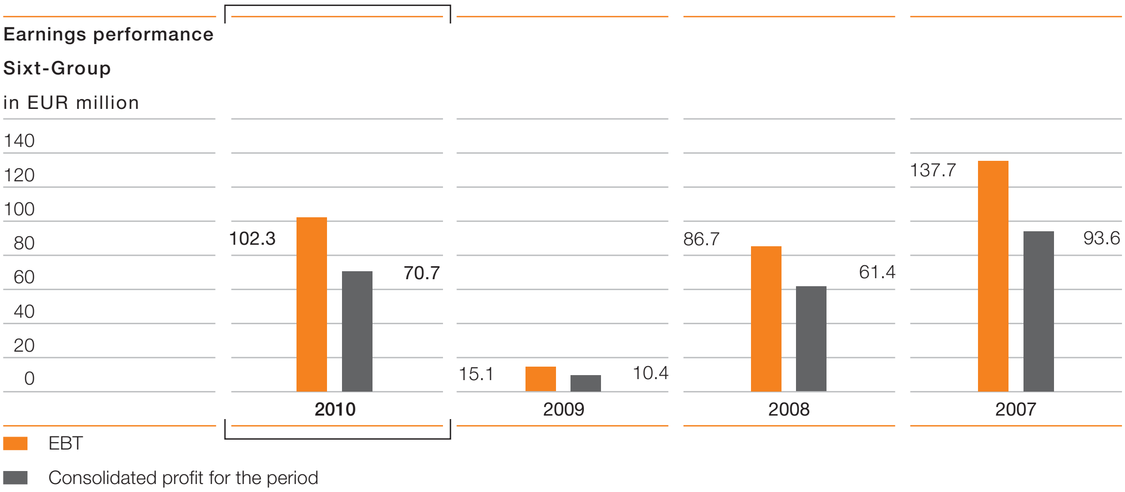
Net finance costs increased 3.8% from last year's EUR -51.9 million to EUR -53.9 million. This was adversely impacted by the higher share of credit-financed vehicles in the rental fleet. The year before more rental vehicles had been financed by operate lease agreements with the manufacturers. In addition, the net income from derivative financial instruments contained in the other net finance costs amounted to only EUR 2.0 million as against the EUR 3.4 million the year before.

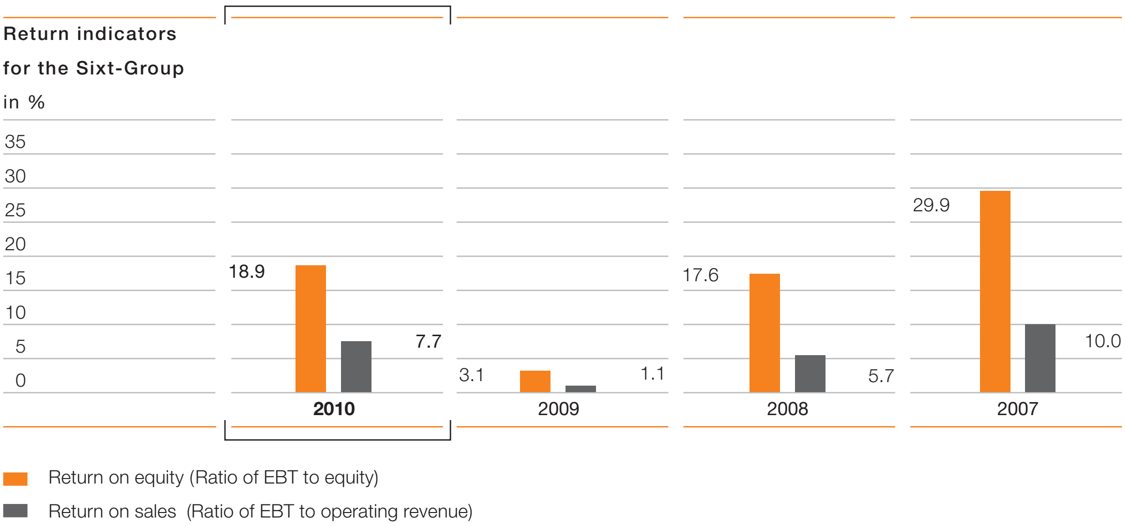
Consolidated earnings before taxes (EBT) was EUR 102.3 million, some EUR 87.2 million higher than the prior-year figure (EUR 15.1 million). The Group achieved its communicated target for the year of a substantial increase in EBT and exceeded its own expectations thanks to a strong final quarter. The EBT margin – expressed in relation to consolidated operating revenue – increased accordingly from 1.1% to 7.7%.

Income tax expense came to EUR 31.6 million (2009: EUR 4.7 million). This figure includes deferred taxes of EUR -2.0 million (2009: EUR 0.5 million). The tax rate, calculated on the basis of EBT, was 30.8% (2009: 31.1%).

For financial year 2010 the Sixt Group reported a consolidated profit of EUR 70.7 million (2009: EUR 10.4 million). As in the previous year, minority interests only played an insignificant role. As a result, at EUR 71.0 million consolidated profit after taxes and minority interests changed only slightly (2009: EUR 10.4 million).

Earnings per share (basic) for the year under review amounted to EUR 2.82 per ordinary share, compared with EUR 0.40 in 2009. Earnings per preference share were EUR 2.85 (2009: EUR 0.42). As in the previous year earnings per share were not diluted as of the reporting date.





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 70.7 million for 2010, following EUR 5.3 million for 2009.

The Managing Board and Supervisory Board are proposing that the Annual General Meeting on 22 June 2011 appropriate these unappropriated profits as follows:

- Payment of a dividend of EUR 1.00, plus bonus dividend of EUR 0.40 per ordinary share (taking into account the 507,784 treasury shares not carrying dividend rights, the total dividend comes to EUR 22.3 million)
- Payment of a dividend of EUR 1.02, plus bonus dividend of EUR 0.40 per preference share (taking into account the 195,423 treasury shares not carrying dividend rights, the total dividend comes to EUR 12.2 million)
- Allocation of EUR 36.2 million to retained earnings.

The dividend proposal, which – if approved by the Annual General Meeting – would lead to a total dividend payment of EUR 34.5 million (2009: EUR 5.2 million), adequately reflects the strong improvement in earnings and profitability in the year under review. Measured in terms of the consolidated profit after minority interests, the dividend payout rate amounts to 49% (previous year: 50%).

6. Net assets

Following substantial decreases in the previous year, the Sixt Group's total assets increased again in 2010. At EUR 2,228.7 million as at the balance sheet date of 31 December 2010, they were EUR 132.1 million or 6.3% above the figure at the end of the previous year (EUR 2,096.6 million). This growth is primarily due to the increase in rental assets as a result of the larger volume of on-balance-sheet financing pursued again in the year under review. Lease assets, on the other hand, continued to fall.

On the asset side of the balance sheet, non-current assets amounted to EUR 810.4 million, down EUR 124.4 million or 13.3% on the figure at the end of 2009 (EUR 934.8 million). Non-current assets remain dominated by lease assets, which declined by EUR 116.2 million or 13.9% year-on-year to EUR 721.9 million (31 December 2009: EUR 838.1 million). The decrease reflects the lower number of contracts in the leasing business. Lease assets account for 89.1% of total non-current assets (31 December 2009: 89.7%) and went down from 40.0% to 32.4% 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 increased by EUR 256.5 million or 22.1%, from EUR 1,161.8 million to EUR 1,418.3 million. The key factor was the rise in rental assets by EUR 340.5 million or 53.4% to EUR 978.3 million (31 December 2009: EUR 637.8 million). This was affected by once again declining financing via manufacturer leases. Rental assets rose significantly as a proportion of total assets to 43.9% (31 December 2009: 30.4%).

The reduction in inventories (primarily vehicles intended for sale) by EUR 5.2 million to EUR 20.8 million is due to reporting date effects. Trade receivables were marginally down by EUR 4.3 million to EUR 193.2 million.

Other current receivables and assets (excluding income tax receivables), which fell by EUR 136.6 million to EUR 102.7 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 for the same reason by EUR 62.7 million to EUR 108.6 million as of 31 December 2010.

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, advertising expenses cannot be unambiguously allocated to this asset. In financial year 2010, advertising expenses amounted to around 1.7% of operating revenue (2009: 1.9%).

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 main tasks 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 at its disposal for financing business operations. In the year under review, another bond with a volume of EUR 250 million was successfully placed on the market.

As of the end of 2010, 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 250 million, maturing in 2016 and bearing a coupon of 4.125% p.a.
- profit participation capital with a nominal value of EUR 50 million, a term of maturity until 2011, repayable after the Annual General Meeting to which the annual financial statements for financial year 2011 are presented, and bearing a coupon of 9.05% p.a.
- borrower's note loans totalling EUR 474 million maturing between 2011 and 2015 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 still constitute an important part of the Group's financing mix.

7.2 Equity

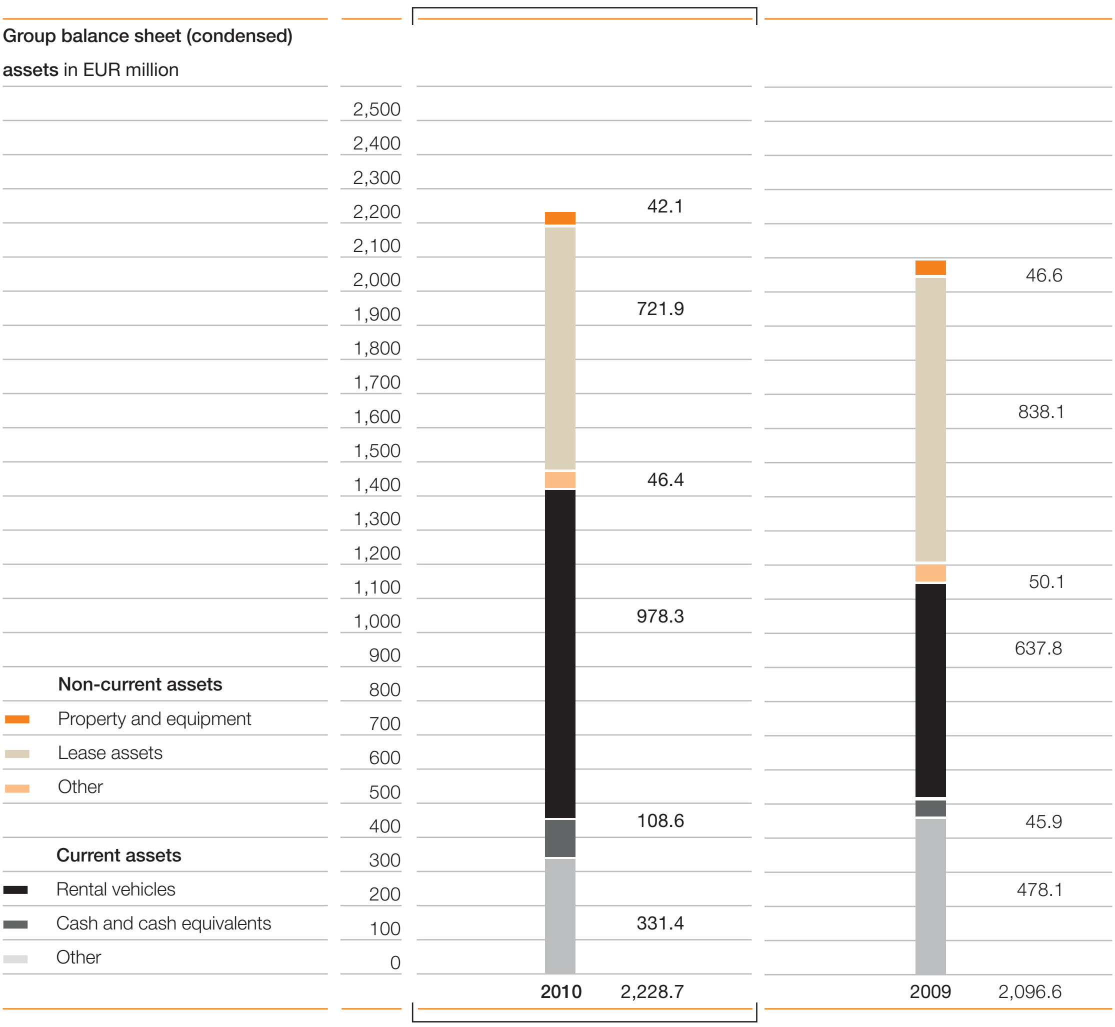
The Group's equity amounted to EUR 540.9 million as of 31 December 2010, compared with EUR 485.0 million at the end of the previous year. This represents a rise of EUR 55.9 million, which was mainly due to the consolidated profit generated during the year under review and the buy-back of treasury shares.

There were no changes in the subscribed capital between the two reporting dates. It remained unchanged at EUR 64.6 million, with EUR 42.2 million attributable to ordinary shares and EUR 22.4 million to preference shares.

With the prior approval of the Supervisory Board, on 19 August 2010 the Managing Board exercised the authorisation conferred on it by the Annual General Meeting on 17 June 2010 to acquire ordinary and preference shares at an equivalent value of up to EUR 20 million (excluding incidental purchase costs).

Up until 31 December 2010 a total of 433,237 ordinary shares with a total purchase price of EUR 13.1 million and 174,386 preference shares with a total purchase price of EUR 3.8 million had been acquired. This equals around EUR 1.6 million or 2.4% of the share capital at the date the authorisation was granted. The buy-back programme was completed on 25 January 2011. On this date the Company had bought back a total of 507,784 ordinary shares for a total purchasing price of EUR 15.7 million and 195,423 preference shares for a purchasing price of EUR 4.3 million. This equals around EUR 1.8 million or 2.8% of the share capital at the date the authorisation was granted. The Company's treasury shares were still not withdrawn at the time of preparing this report.

As of 31 December 2010, the Group’s equity ratio stood at 24.3% as against 23.1% at the prior-year reporting date. This means that Sixt’s equity ratio as of the reporting date continues to be significantly higher than the average in the German rental and leasing industry.

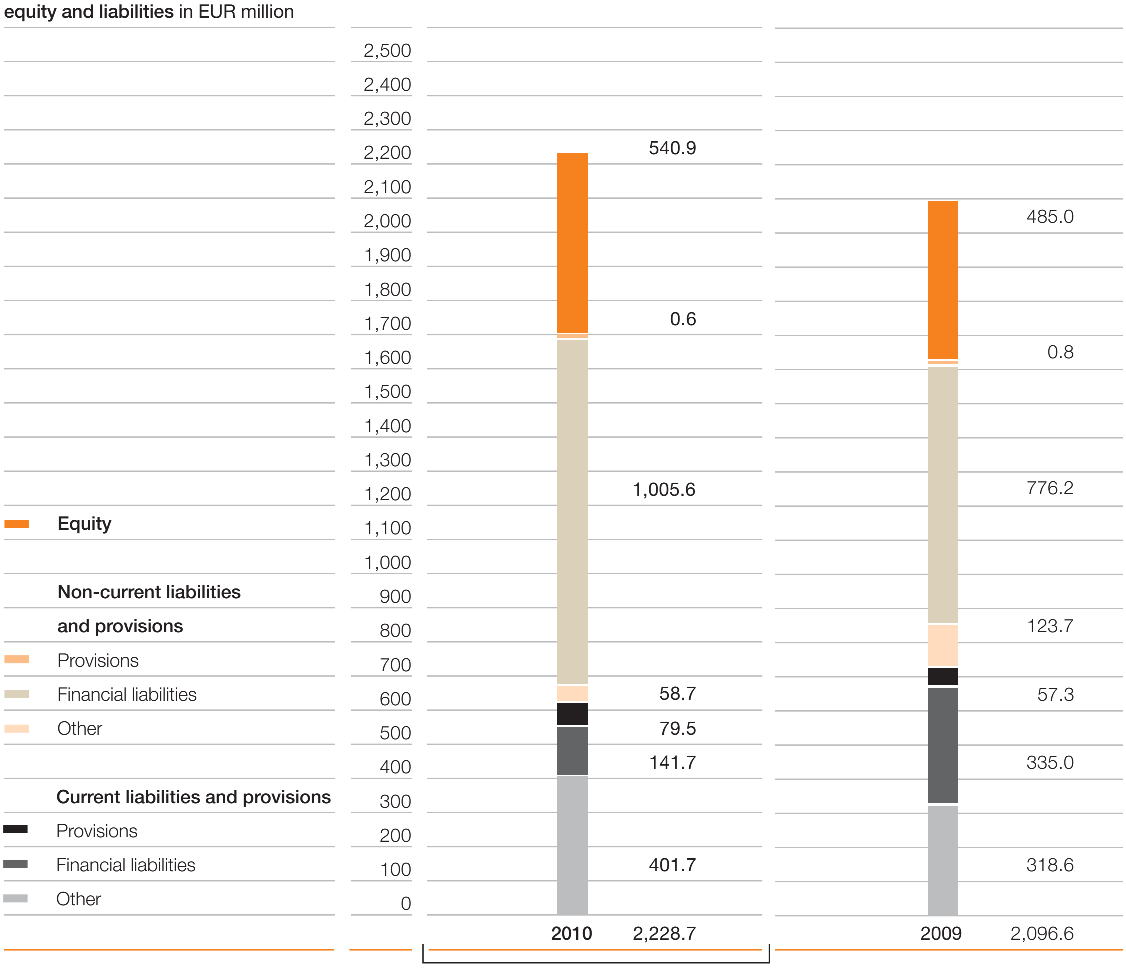


7.3 Liabilities

Non-current liabilities and provisions rose by EUR 164.2 million year-on-year to EUR 1,064.9 million at the end of 2010 (31 December 2009: EUR 900.7 million). Financial liabilities continue to be the dominant component; they amounted to EUR 1,005.6 million as against EUR 776.2 million at the end of 2009, an increase of EUR 229.4 million. The 2010/2016 bond (with a nominal value of EUR 250 million) issued in October 2010 is included for the first time. The non-current liabilities also comprise the 2009/2012 bond (with a nominal value of EUR 300 million) that was issued in November 2009. 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 458.1 million (31 December 2009: EUR 426.8 million).

Non-current other liabilities declined by EUR 60.4 million to EUR 40.2 million, mainly because the lease purchase loans that are classified as finance leases for refinancing lease assets with matching maturities were reallocated into the current other liabilities, in keeping with their remaining maturities.

Group balance sheet (condensed)
equity and liabilities in EUR million



Current liabilities and provisions decreased overall by EUR 88.0 million between the two reporting dates, from EUR 710.9 million to EUR 622.9 million. The decline is due primarily to the reduction in financial liabilities. These amounted to EUR 141.7 million as at 31 December 2010, EUR 193.3 million lower than at the prior-year reporting date (EUR 335.0 million). This item mainly comprises the remaining tranche of the profit participation certificate that was reclassified under current financial liabilities in the year under review (EUR 49.8 million), and a borrower's note loan amounting to EUR 50.0 million due in 2011.

Trade payables were increased as of the reporting date by EUR 69.5 million from EUR 193.5 million to EUR 263.0 million. Other current liabilities increased by EUR 13.5 million to EUR 138.7 million (31 December 2009: EUR 125.2 million); at EUR 105.2 million this item primarily comprised lease purchase loans (finance leases) with short maturities used for fleet refinancing (31 December 2009: EUR 74.4 million).

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

8. Liquidity position

For 2010, the Sixt Group reported cash flows before changes in working capital of EUR 402.6 million, EUR 13.9 million below the figure for the preceding year (EUR 416.5 million). After the inclusion of working capital, this results in a net cash outflow of EUR 25.3 million (2009: net cash inflow of EUR 595.2 million), as the level of capitalised rental vehicles increased substantially again.

Net cash inflow from investing activities amounted to EUR 73.6 million (2009: net cash outflow used for investing activities at EUR 278.2 million), since the investments in the leasing fleet were only slightly above the proceeds from the disposal of used leasing vehicles. In addition, the funds from last year's issuance of a bond that had been invested in financial assets for short-term availability were significantly reduced again in the current year.

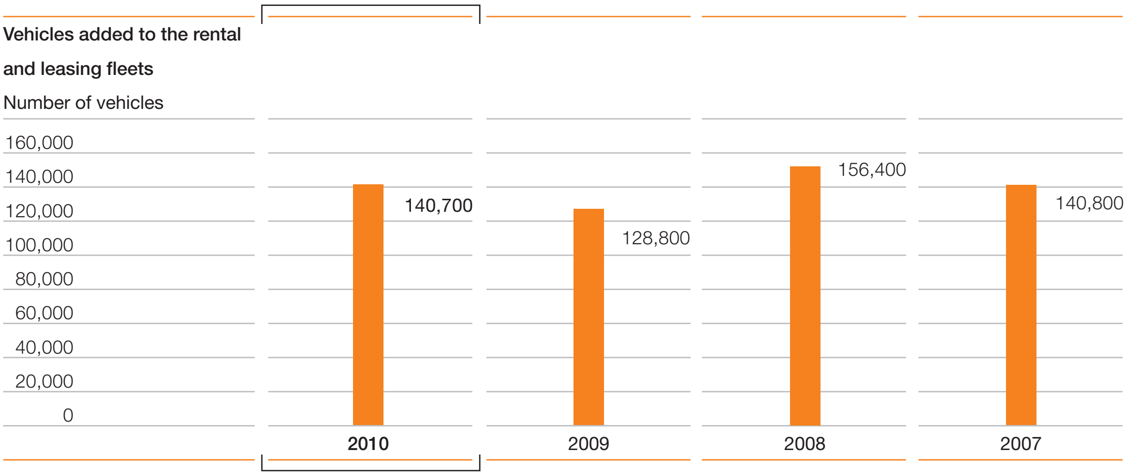
Financing activities led to net cash inflows of EUR 13.9 million which were attributable to the increase in non-current financial liabilities after the issuance of a bond, and which slightly exceeded the reduction in current financial liabilities (2009: net cash outflow from financing activities of EUR 295.0 million).

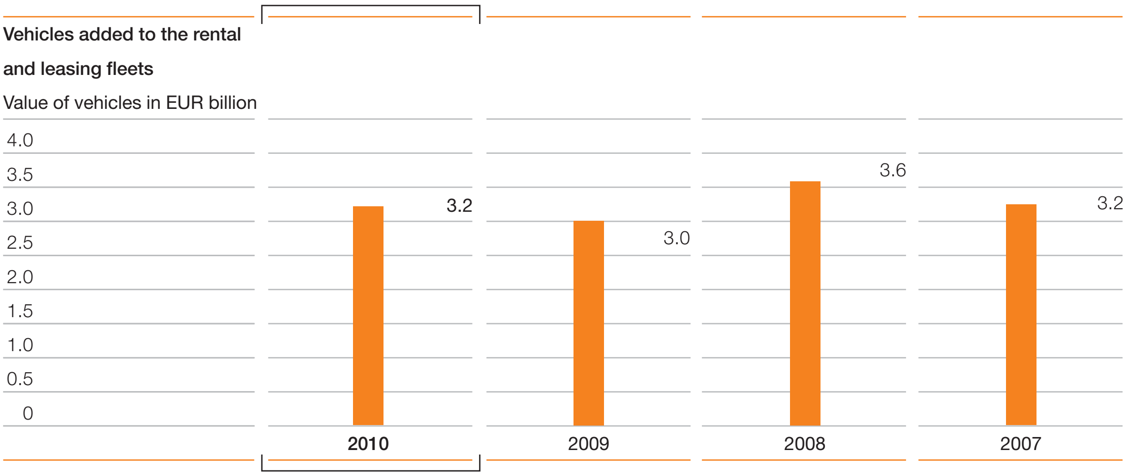
After changes relating to exchange rates of EUR 0.3 million (2009: EUR 0.5 million) and changes in the consolidation, total cash flows resulted in a rise in cash and cash equivalents as at 31 December 2010 of EUR 62.7 million, as against the increase of EUR 22.5 million on the 2009 reporting date.

9. Investments

Sixt maintained its cautious fleet policy in 2010 given that the market environment was still fragile. A total of 140,700 vehicles were added to the rental and leasing fleets, 11,900 more (9.2%) than in 2009 (128,800 vehicles). The total value of the vehicles added to the fleets amounted to just under EUR 3.2 billion (2009: nearly EUR 3.0 billion), a rise of around 5%.

The average value per rental car was around EUR 22,400, slightly less than the previous year's figure of around EUR 23,600.





10. Human resources report

Sixt is a byword for high-quality, end-to-end mobility services worldwide. A key role therefore is played by the employees, as they guarantee the high quality of service and the Company's strong customer focus. They do so by making the customers' wishes and requirements their own and by finding flexible and comfortable solutions that keep customers mobile at all times. Our customers' choice when selecting a mobility partner is not least influenced by our employees' competence, commitment and appearance.

Sixt attaches strategic importance to its human resources work. The employees must be invested with such vital qualities as professional expertise as well as commitment, creativity and flexibility. At the same time, their actions must be geared towards continually improving and developing services to meet changing mobility requirements. Top-quality further training and continuing professional development of its senior executives and its young employees is therefore a key requirement for the Company's business success. For this reason Sixt offers its employees a comprehensive seminar programme for professional and personal development at its “Sixt-College” in Munich. The college additionally coordinates training and education seminars in the Sixt Corporate countries, as well as the apprenticeships of vocational trainees.

The seminar programme covered by the “Sixt-College” in 2010 addresses such key topics as improving sales techniques at the counter or in the field, management skills for trainees, the professional expertise required by future branch managers, or issues of general relevance. Further to these, the seminar programme also offered further training for second-level branch managers, for example supervisor training, and also intensified the internal vocational training activities. Around 1,500 employees participated in seminars at the “Sixt-College”, which were conducted over one or several days. The extension of “E-Learnings” offers, by which participants attend seminars through electronic and digital media, meant a stronger integration of face-to-face training and E-learning.

In the year under review, Sixt further expanded the development programme for selected young employees that was launched in 2009. The participants were able to complete seminars in project management or improve their individual language skills. Among other things, the programme strengthens employees’ integration into the Company. The training programme was augmented by individualised career development programme strung together in cooperation with external seminar providers.

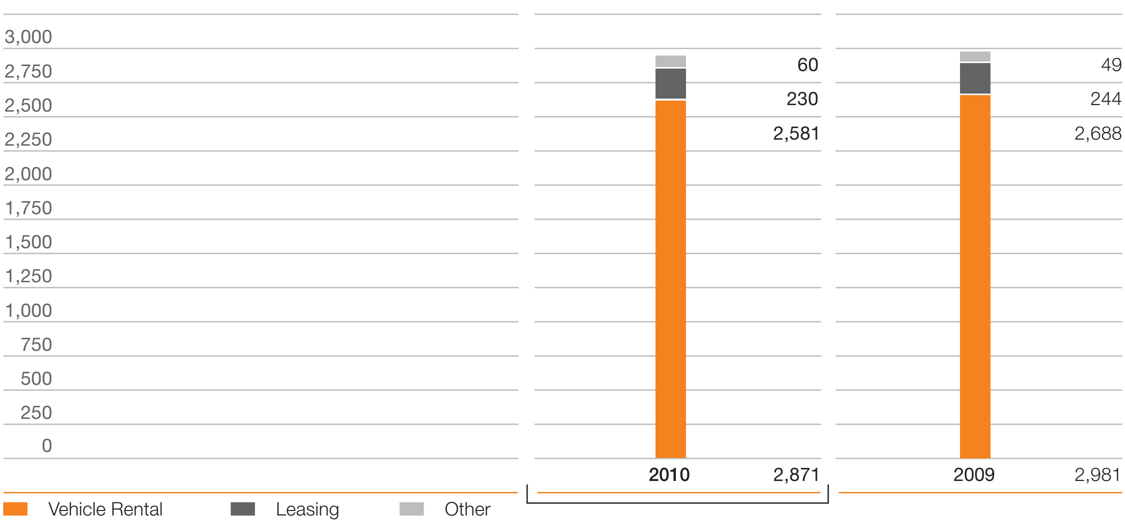
Sixt has a long tradition of acknowledging its responsibility to make qualified career training available to young people. Careers as automobile sales specialists, office administrators and office communication specialists are included. At the close of 2010, Sixt employed about 170 vocational trainees in Germany. In addition, around 15 trainees were recruited for management assignments.

In 2010, the Sixt Group employed 2,871 people on average, which is 110 employees, or 3.7%, less than the previous year’s figure of 2,981 members of staff. The reasons for this development are to be found in the structural adjustments made to changed market conditions as well as the optimizations of the Vehicle Rental branch network.

The Vehicle Rental Business Unit employed an average of 2,581 people in total in 2010, some 107 people, or 4.0%, less than in the previous year (2,688).

The Leasing Business Unit employed 14 fewer people (down 5.7%) in 2010 with an average of 230 employees (2009: 244). The Other Segments' headcount came to 60 employees (2009: 49).

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 the 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, as they can participate in the employee equity participation programme entitled “Matching Stock Programme”. Details of share-based payment are provided in the section entitled “Share-based payment” in the notes to the consolidated financial statements.

The 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 and/or the 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 2010, the subscribed 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 subscribed capital of EUR 2.56 per share. As at 31 December 2010, the ordinary shares therefore accounted for a total of EUR 42,168,832 of the subscribed capital, and the preference shares for a total of EUR 22,408,064. All the shares have been fully paid up.

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. Holders of preference shares have a right to subsequent payment, if the unappropriated profit does not suffice for distribution of the minimum dividend. Further details can be found in Article 17 of the Articles of Association of Sixt Aktiengesellschaft. Exempted are treasury shares held by Sixt Aktiengesellschaft which do not confer any rights on the Company.

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 2010, 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 of the subscribed capital. Taking into account the treasury shares held by Sixt Aktiengesellschaft on 31 December 2010, which do not confer voting rights on the Company, the Erich Sixt Vermögensverwaltung GmbH's ratio of voting rights comes to 58.3%. 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 2010.

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 otherwise specified 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 corporate funds 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 legally permitted cap. For the distribution of profits and/or company assets these non-voting preference shares are ranked equal to the non-voting preference shares previously issued. Further details, including details of the Managing Board's authorisation to exclude shareholders' subscription rights in specific cases, follow from the aforementioned Article of the Articles of Association. The authorisation of the Managing Board to issue new shares from authorised capital enables the Managing Board to meet potential capital requirements of Sixt Aktiengesellschaft quickly and flexibly and to make use of attractive financing options as they arise on the market.

The Annual General Meeting on 17 June 2010 resolved to authorise the Managing Board, in accordance with section 71 (1) no. 8 of the AktG, to purchase in the period up to 16 June 2015 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 the Company or its dependent or majority-owned companies, as well as third parties acting on account of the Company or on account of its dependent or majority-owned companies. The authorisation may be exercised for any purpose permitted by law. Acquisitions for the purpose of trading in treasury shares are excluded.

With the previously obtained approval of the Supervisory Board, the Managing Board of Sixt Aktiengesellschaft decided on 19 August 2010 to exercise said authorisation and acquire on the stock exchange ordinary and preference shares at an equivalent value of up to EUR 20 million (excluding incidental purchase costs).

Up until 31 December 2010 a total of 433,237 ordinary shares at an amount of EUR 13.1 million and 174,386 preference shares at an amount of EUR 3.8 million had been bought back, equalling nominally around 2.4% of the Company's share capital. As at 31 December 2010 the Company held a total of 607,623 treasury shares.

The buy-back programme was completed on 25 January 2011. Upon completion the Company had acquired 507,784 ordinary shares for a total of EUR 15.7 million as well as 195,423 preference shares for a total of EUR 4.3 million. All in all the Company bought back 703,207 shares for an acquisition price of EUR 20.0 million.

The purpose of the buy-back was to decrease capital by retiring treasury shares. The buy-back was executed in compliance with sections 14 (2) and 20a (3) Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) in conjunction with EC Directive No. 2273/2003 (so-called Safe Harbour). The economic objectives aimed at reducing Sixt Group's total assets and improving key financial performance indicators, such as earnings per share for example.

The buy-back was conducted under the auspices of a credit institute and in compliance with the aforelisted rules and regulations as well as the stipulations outlined in the authorization by the Annual General Meeting of 17 June 2010. Regarding the timing for acquiring the shares of

Sixt Aktiengesellschaft the credit institute took its decisions in accordance with section 6 (3b) of the EC Directive No. 2273/2003, independent and without the influence of Sixt Aktiengesellschaft. The Managing Board could suspend the share buy-back programme at any time as it could resume the programme, taking due consideration of the insider trader stipulations of the WpHG. The credit institute was under an obligation in particular to comply with the trading conditions in section 5 of the EC Directive No. 2273/2003 and the stipulations defined in the share buy-back programme.

The transaction was disclosed in accordance with section 4 (4) of the EC Directive No. 2273/2003. Sixt Aktiengesellschaft regularly updated the information on the progress made with the share buy-back programme on its website.

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:

- In accordance with the terms and conditions of the profit participation certificates 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. 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 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. Control in this context means direct or indirect (as defined in section 22 of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act)) legal or economic 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, but excluding affiliated subsidiaries of the issuer within the meaning of sections 15 to 18 of the AktG.

- The creditors of the 2010/2016 bond issued by the Company in the total principal amount of EUR 250.0 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. Control in this context means direct or indirect (as defined in section 22 of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act)) legal or economic 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, but excluding affiliated subsidiaries of the issuer within the meaning of sections 15 to 18 of the AktG.

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) and other specific provisions relating to certain consolidated business areas, such as section 25a Kreditwesengesetz (KWG – German Banking Act), including the BaFin's (Federal Financial Supervisory Authority) minimum requirements to the risk management of institutes (MaRisk), 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, control 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. The Group units Controlling and Risk Management are responsible for central risk management and report 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, the business focus of which is 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 could therefore adversely affect profitability of 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 can be adversely affected by national and international developments such as political unrest, armed conflicts, acts of terrorism, environmental disasters or epidemics, and by restrictions on private and business travel as a result of such events. Since the occurrence and effects of 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 both business areas by expanding above all 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 business organization 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 nationally 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.

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 classes and 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 also 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, after having stagnated at a low level in previous years. There are still only very limited opportunities for additional revenues from vehicle sales in excess of the repurchase prices agreed with the suppliers. Though the market situation has improved, in some sectors of the automotive industry the risk persists that contractual partners, in particular dealers, may not be able to meet their repurchase commitments. In addition, there is a risk that a repeated 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. The Group can 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 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 historic data generated from the rental activities. The 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 96% of all rental vehicles added to the fleet in 2010 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 automobile trading markets so that the risk that contractual partners, and in particular dealers, may not be able to fulfil their repurchase commitments can be detected early on. 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") or through an Internet-based trading platform.

5. Market risks – leasing

The focus of business activities in the Leasing Business Unit lies predominantly on corporate customers so that the Business Unit's performance is highly dependent on companies' investment behaviour. This investment behaviour can be influenced – apart from general cyclical factors – by the underlying economic, legal accounting 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, or potentially adverse changes to the international accounting stipulations relating to leasing contracts, which are currently controversially discussed in public, can adversely affect the attractiveness of fleet solutions based on leasing arrangements.

As in the past, the leasing market in Germany continues to be dominated by various manufacturer- or bank-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.

In the event that used leasing vehicles are to be sold on the open market the Leasing Business Unit is equally dependent on the developments on the used car market, particularly in Germany. Over the last few years the used vehicle market stagnated at a low level. There are still only very limited opportunities for additional revenues from vehicle sales in excess of the repurchase prices agreed with the suppliers. Given such a background, where the market situation is improving but some sectors of the automotive industry are not yet stable the risk persists that contractual partners, in particular dealers, may not be able to meet their repurchase commitments.

6. Risk management – leasing

The material risks to the operating activities of the Leasing Business Unit generally relate to the resale of vehicles, including a default by the party under a buy-back obligation, 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. At the end of 2010, the calculated residual values of around 76% 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". In addition, the vehicles as well as supplementary services are also offered to commercial as well as private customers through a separate Internet portal.

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

Many industries have still to overcome the negative effects from the economic crisis over the last few years. This means that the Company is still identifying a higher probability of leasing customers defaulting. 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/or 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 and competencies, responsibilities, reporting requirements and control tools.

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 for example have substantially underweighted this business area's strategic market importance in the past.

Sixt continues to have a broad and robust financing structure, which provides an adequate framework for financing. 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. Moreover, the ever tighter legal rules and regulations banks have to comply with when granting credit require that they secure these with a higher portion of equity. 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 and October 2010, Sixt Aktiengesellschaft successfully placed two bonds with a total volume of EUR 550 million and a three-year, respectively six-year term on the capital markets. The bonds offered the Group further financial leeway in its operations and served the mid-term refinancing of the Sixt Group. Above and beyond this, with their terms the bonds improved the maturity profile of the financial liabilities.

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. Hard- and software related system malfunctions and failures can considerably affect operating processes and, in serious cases, even bring them to a standstill. 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 well as in mobile services for smartphones and tablet PCs 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. Nonetheless, it has been noted that the customers' use of Internet-based offerings and products of the Sixt Group has been rising for years.

Sixt's activities involve entering into a large number of different agreements. This is generally only possible by using standardised agreements that have to be mapped to the operative processing systems accordingly. As a consequence even minor inaccuracies in the wording or changes to the legal framework could have a material effect on business activities. Sixt counteracts the resulting risks via contract management with the help of legal experts and various system controls.

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

The personal skills and know-how of the Group's employees constitute an important success factor. Particularly in times of expanding business operations and the associated recruitment of new staff, Sixt is dependent on having a sufficient number of suitable staff who are able to perform the required work to the required quantitative and qualitative standard. If, for instance, there is higher fluctuations 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 (e.g. with the "Sixt College"), 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 for 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 and trustworthy 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 stipulations contained in guidelines and manuals, the implementation of quality assurance processes by the internal audit function and external audit procedures and consulting, systems-based security measures, manual control measures and the regular comparisons with planning and controlling processes taking the form of target to actual comparisons and analyses of deviations. To guarantee the safety of data the accounting-related systems have access restrictions and access rules. Employees receive corresponding information and training on data protection rules and regulations. Where this relates to financial matters the "Code of Conduct" defines the general behavioural provisions for employees. The Supervisory Board examines the annual financial statement and the consolidated annual financial statement together with the Company's and Group management reports and discusses these with the Managing Board and the auditors. 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 economic experts believe that the worldwide economic recovery of 2010 is set to continue in 2011. However, the forecasts predict that the dynamics will weaken. In addition, the differences in growth rates between the emerging and industrialised countries are likely to increase. Especially in China and India, experts are identifying the first signs of economic overheating and increasing inflationary pressure. Nonetheless, the International Monetary Fund (IMF) still expects that these countries as well as Eastern Europe will show strong growth rates through to 2012. Moreover, world trade is set to benefit from the strong demand in emerging economies, which will support exports from the industrialised countries. All in all the IMF estimates global economic growth to reach around 4.4% in 2011.

According to the forecasts the economic development in the eurozone will be restrained in 2011. A positive factor will be the increasing domestic demand due to a strengthened confidence in businesses and consumers. On the other hand, some EU-countries' high sovereign debts will have an adverse effect, as will the ongoing burden on the balance sheets of banks and rising commodity prices. Given this background the IMF predicts economic growth of around 2.5% in the eurozone.

In 2011 Germany's economy is once again set to grow faster than the eurozone as a whole, albeit slightly weaker than the year before. This is essentially due to the industry's strong increase in incoming orders at the year end of 2010 as well as the high utilisation of capacities. The forecast is for capital expenditures to rise and an increase in employment to shore up domestic demand. The Bundesverband deutscher Banken e.V. (Association of German Banks) is therefore predicting economic growth of around 2.3%, which clearly exceeds the average growth since German reunification (1.3% annually).

Sources:
Bundesverband deutscher Banken e.V. (Association of German Banks), Economic Report January 2011
European Central Bank, Monthly Bulletin, January 2011
International Monetary Fund (IMF), World Economic Outlook, January 2011
Frankfurter Allgemeine Zeitung, “Die Weltwirtschaft kommt in Schwung” (World economy picking up speed), 25 January 2011

2. Sector-specific environment

2.1 Vehicle rental

The Managing Board anticipates that the general conditions for vehicle rental will continue to improve in the wake of the economic recovery. During the course of 2010 already travel activities were rebounding again. The Arbeitsgemeinschaft Deutscher Verkehrsflughäfen (Association of

German passenger airports) recorded a plus of 4.7% at the international airports in Germany, climbing to 190 million passengers. At the same time the Company is set to continue benefiting from the strength of its brand name, especially since “Sixt” is highly regarded by business travellers.

Sixt anticipates that the rental vehicle will increasingly become an alternative to owning a vehicle. This is due to the rising costs for maintenance and repairs, higher vehicle taxes, duties and insurance fees, as well as the rapid depreciation of the owned vehicle. These factors are increasingly weighing down the mobility budgets of companies and private households alike. Therefore, the classic car rental as well as new mobility offerings, such as innovative and top-quality carsharing, may become more attractive than purchasing and owning a vehicle.

The expectation is that the European vehicle rental industry will remain a growth market in the long term. Euromonitor International, for example, predicts continuous revenue growth in Germany's sector until 2013. In addition, for the emerging economies in Eastern Europe, Latin America and Asia, the Managing Board anticipates substantial long-term growth in demand for mobility services.

The Company believes that industry consolidation in favour of large international providers will continue. Given the difficult financial situation of some competitors, which is mainly due to high financing costs, there are at present no indications that providers are preparing to compete at non-economic conditions in order to obtain significantly higher market shares.

2.2 Leasing

After parts of the leasing industry had overcome the effects of the worldwide recession last year, the German industry association BDL has a positive view on developments in 2011. Given the general economic dynamism, companies' willingness to invest is set to continue further. Thus, the ifo/BDL investment indicator forecasts a 10% annual increase in capital expenditures in equipment for 2011. Increasing investments have a positive effect on new leasing business. In addition, the number of new vehicle registrations in 2011 are expected to grow by 7% to 10% over the levels of 2010 driven by reviving commercial demand.

As far as the planned reform of leasing accounting in Europe is concerned, the EU commission in charge has not taken a final decision yet. According to a discussion paper issued in 2010, rental and leasing relations and the resulting usage rights and obligations are to be recognised on the lessee's balance sheet in line with IFRS. This would also affect pure operating leases. The BDL doubts the benefits this reform proposal has for lessees and instead fears that it might trigger considerable extra work in accounting. The reform could therefore have a negative impact on the readiness of corporations to finance future investments through leasing. The leasing industry has therefore submitted its criticism to the committee consulting the EU Commission in accounting questions. This committee shares the leasing industry's position in key aspects.

3. Strategic focal points for the Sixt Group

In 2010 Sixt recorded a business performance above expectations and returned faster than expected to the strong earnings from the pre-crisis years. In the Managing Board's view the Group is in a strong strategic, operating and financial position to generate growth in the coming years, increase its earnings prowess and extend its market position over and against its competitors. Special attention will be given to further expansion abroad, which enjoys high priority both in the Vehicle Rental and in the Leasing Business Unit.

Despite the generally encouraging economic conditions in the current financial year, economic uncertainties still persist. These could adversely affect demand for mobility services and with it the business performance of the Sixt Group. These include the as yet unresolved debt crisis in important European states and the associated risks for economic and currency developments or the political upheavals in parts of the Arab world that could potentially affect energy and commodity prices. Against this background, Sixt will continue to pursue a cautious fleet policy in its vehicle rental, albeit one that leaves enough flexibility to react to rising demand, even at short notice.

In 2011 and the following years Sixt will concentrate on utilising the ongoing strong market potentials in both Business Units by consistently deploying the specific strengths of the Group. The Managing Board anticipates that corporations as well as private individuals will continue to remain astutely aware of costs irrespective of the economic recovery. To this extent Sixt's communication with its customers will continue to focus on the central message that modern mobility services are the key to systematically recording mobility costs, rendering them transparent and keeping them low.

The Group's solid capital and financing base helps Sixt in its scheduled further growth, as it affords the Company ample operative and strategic leeway. The high level of customer awareness of the Sixt brand, above all in Germany, will also help.

In the **Vehicle Rental Business Unit** Sixt will concentrate above all on the following topics in 2011 and beyond:

- Sixt aims to generate a significantly larger proportion of its rental revenue abroad in the long term. With shares of 5% to 10% in the core markets of Western Europe, there are still considerable growth opportunities outside Germany. Growth can be generated organically, as well as by targeted acquisitions of local and regional competitors. To this end, Sixt continually sounds out the major foreign 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. To this end, recourse will be taken in future above all to effective franchisees. Given the geographical presence the Sixt brand has already achieved in over 100 countries, the next few years will focus above all on enhancing the market position of franchise partners in the already existing markets. The large economic growth regions in Asia, Eastern Europe 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 currently developing their structures. Depending on market requirements, there could be demand for rental, leasing, or chauffeur services, or a combination of all products.

- One focal point in 2011 and the years to come will be the development of additional innovative rental offers to suit the changing mobility patterns of specific target groups. For this reason the presence in the market for carsharing offers is to be expanded, as this segment is growing faster and faster, and the deployment of particularly efficient engines is to be intensified. This also includes alternative drive systems, such as electric, gas-powered or hybrid cars, if necessary initially as part of trial projects. However, a key requirement for including such alternative drive systems into the vehicle fleet is that customers should have access to an acceptable infrastructure so that the use of these vehicles does not restrict customer mobility.

- Sixt will continue to deploy 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 and tablet PCs. Over and above these, the Internet will come to play an increasing role in the next few years, not only as a sales channel but also as an advertising medium and communication channel through social networks.

In the **Leasing Business Unit** Sixt will concentrate above all on the following topics in 2011 and beyond:

- Sixt Leasing plans to further expand its range of high-quality fleet management products and services for corporations to make their mobility costs more transparent and reduce them through professional management. In future, Sixt's extensive expertise in fleet management is also to be offered specifically to customers for whom Sixt is not acting as financing partner.

- Sixt will target the development of integrated vehicle rental and leasing services to better utilize one of the unique strategic strengths of the Group. In particular business and corporate customers will find specific solutions tailored to their individual needs. The individual mobility requirements of the customers will be met 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. The sales structures in the corporate countries France, Austria and Switzerland were strengthened to boost the market development. Sixt is also considering launching its leasing business in the Netherlands in the current year. International expansion could also be effected by targeted acquisitions, whereby strict criteria apply as regards profitability and risk profile.

4. Outlook

The Managing Board's outlook for the financial year 2011 is generally optimistic. Sixt assumes that against the background of a positive economic environment, demand for mobility services is set to increase. The Managing Board expects growth in rental revenues and stable revenues from the leasing business. The Company will adhere to the principle of giving preference to generating adequate margins over volume growth.

Based on the expected operative increases and the cost and efficiency gains made in the preceding years, the Managing Board expects to see a further increase in the Group's EBT in 2011. Given the prevailing planning uncertainties in the market it is not yet possible to further substantiate this outlook.

The long-term objectives of Sixt are to grow above the market average in both Business Units and to generate a sustainable pre-tax return on sales of 10% in the Vehicle Rental Business Unit (related to the Business Unit's operating revenue) and of 5% in the Leasing Business Unit (related to the Business Unit's operating revenue).

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 2010."

F. Corporate governance declaration

The corporate governance declaration in accordance with section 289a of the HGB is contained in this 2010 Annual Report as integral part of the Corporate Governance Report (page 17 ff.) 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 2010.

Pullach, 15 March 2011

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT	DR. JULIAN ZU PUTLITZ	DETLEV PÄTSCH	THORSTEN HAESER

The code for quick car rent

(The future of mobility starts

als has been unscrambled.

here: renting with barcode)

The following independent auditors' report ("Bestätigungsvermerk") was issued in accordance with section 322 HGB (German Commercial Code) on the IFRS Financial Statements 2010, 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 2010. 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, 16 March 2011

Deloitte & Touche GmbH **Wirtschaftsprüfungsgesellschaft**	(Löffler) **Auditor**	(Papadatos) **Auditor**

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

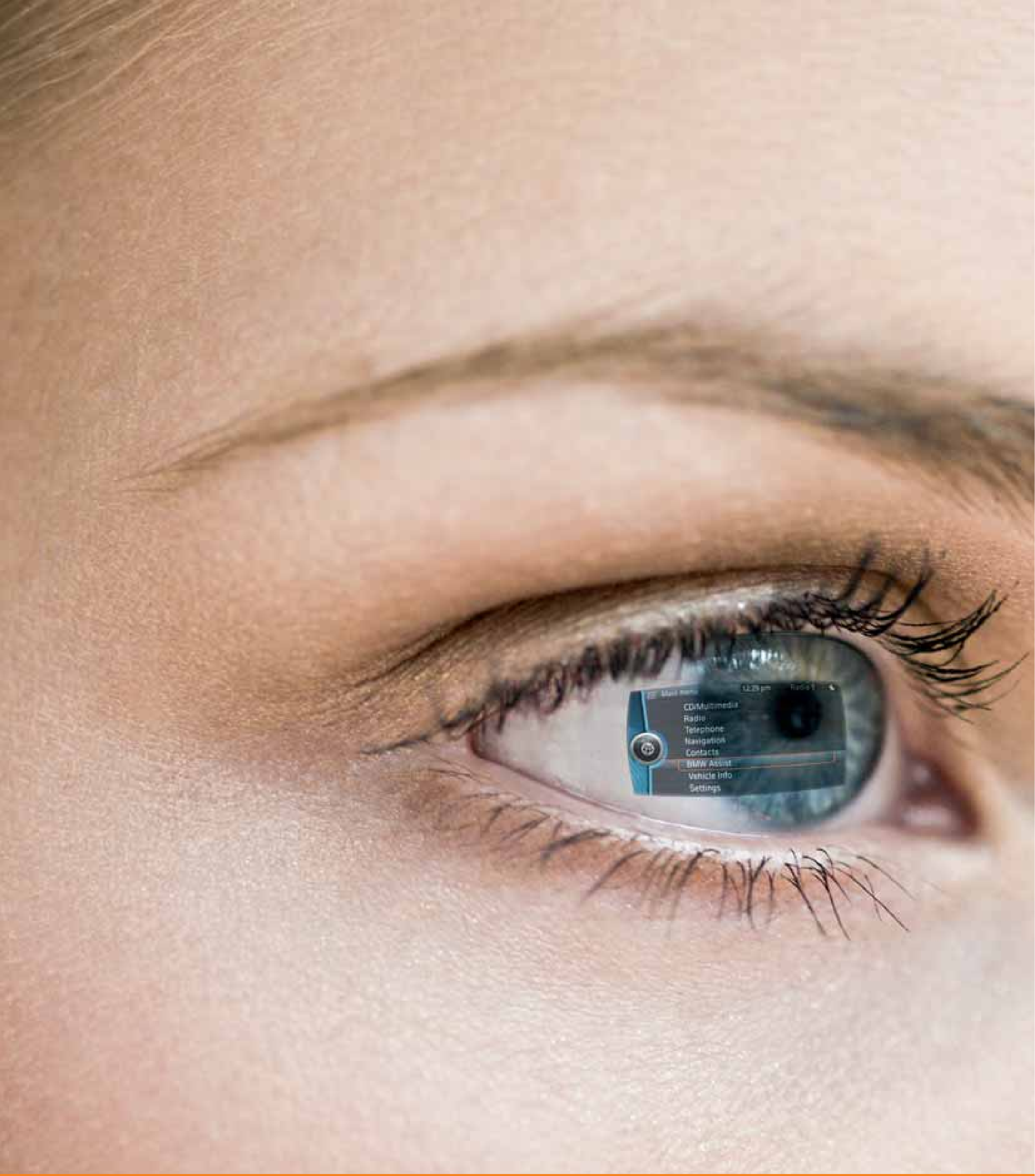
To the best of our knowledge, and in accordance with the applicable reporting principles, the consolidated financial statements give a true and fair view of the assets, liabilities, financial position and profit or loss of the Group, and the Group management report includes a fair review of the development 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, 15 March 2011

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT   DR. JULIAN ZU PUTLITZ   DETLEV PÄTSCH   THORSTEN HAESER



Sixt now also rents out

(The future of mobility starts here: BMW Connected

the perfect passenger.

Drive, available exclusively with every BMW from Sixt)

CONSOLIDATED INCOME STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2010

	Notes		EUR		EUR
			2010		2009
Revenue	[4.1]		1,538,220,177		1,601,544,321
Other operating income	[4.2]		21,879,103		21,026,089
Gross revenue			**1,560,099,280**		**1,622,570,410**
Fleet expenses and cost of lease assets	[4.3]		657,000,553		691,400,274
Personnel expenses	[4.4]				
a) Wages and salaries		124,136,940		114,976,532	
b) Social security and other pension costs		19,979,371		19,101,908	
			144,116,311		134,078,440
Depreciation and amortisation expense	[4.5]				
a) Depreciation of rental vehicles		163,383,101		235,419,994	
b) Depreciation of lease assets		154,173,394		161,213,613	
c) Depreciation of property and equipment and investment property		6,602,976		6,261,025	
d) Amortisation of intangible assets		2,716,934		1,928,152	
			326,876,405		404,822,784
Other operating expenses	[4.6]		275,907,724		325,199,286
Profit from operating activities (EBIT)			**156,198,287**		**67,069,626**
Net finance costs	[4.7]				
a) Interest income		3,831,005		2,772,059	
b) Interest expense		63,037,739		60,205,839	
c) Other net financial income		5,268,377		5,494,149	
			-53,938,357		-51,939,631
Profit before taxes (EBT)			**102,259,930**		**15,129,995**
Income tax expense	[4.8]		31,538,231		4,731,689
Consolidated profit for the period			**70,721,699**		**10,398,306**
Of which attributable to minority interests	[4.9]		-261,550		36,822
Of which attributable to shareholders of Sixt AG			**70,983,249**		**10,361,484**
Earnings per ordinary share – basic	[4.10]		2.82		0.40
Earnings per preference share – basic	[4.10]		2.85		0.42

Statement of Comprehensive Income		
EUR thou.	**2010**	2009
Consolidated profit	70,722	10,398
Recognised in other comprehensive income		
Currency translation gains/losses	4,218	1,110
Impairment losses/reversals of impairment losses/disposals on available-for-sale assets	-35	-252
Related deferred tax	9	63
Total comprehensive income	**74,914**	**11,319**
of which attributable to minority interests	-261	37
of which attributable to shareholders of Sixt AG	75,175	11,282

CONSOLIDATED BALANCE SHEET

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2010

Assets	Notes	**EUR 31 Dec. 2010**	EUR 31 Dec. 2009
Non-current assets			
Goodwill	[4.11]	18,442,000	18,442,000
Intangible assets	[4.12]	7,479,654	6,386,088
Property and equipment	[4.13]	42,072,755	46,584,686
Investment property	[4.14]	3,148,401	3,183,589
Lease assets	[4.15]	721,947,027	838,146,692
Non-current financial assets	[4.16]	889,565	1,476,322
Non-current other receivables and assets	[4.17]	6,727,315	8,204,940
Deferred tax assets	[4.8]	9,724,808	12,335,452
Total non-current assets		**810,431,525**	**934,759,769**
Current assets			
Rental vehicles	[4.18]	978,254,879	637,796,162
Inventories	[4.19]	20,757,517	25,976,877
Trade receivables	[4.20]	193,160,034	197,490,431
Current other receivables and assets	[4.21]	45,436,434	67,014,720
Other financial assets	[4.21]	57,304,948	172,325,202
Income tax receivables	[4.21]	14,770,186	15,365,919
Cash and bank balances	[4.22]	108,580,772	45,866,210
Total current assets		**1,418,264,770**	**1,161,835,521**
Total assets		**2,228,696,295**	**2,096,595,290**

Equity and Liabilities	Notes	**EUR 31 Dec. 2010**	EUR 31 Dec. 2009
Equity			
Subscribed capital	[4.23]	64,576,896	64,576,896
Capital reserves	[4.25]	200,004,963	198,561,968
Other reserves	[4.26]	293,136,919	221,818,451
Treasury shares	[4.24]	-16,896,666	-
Minority interests	[4.27]	98,757	5,653
Total equity		**540,920,869**	**484,962,968**
Non-current liabilities and provisions			
Non-current other provisions	[4.28]	640,960	828,905
Non-current financial liabilities	[4.29]	1,005,603,612	776,164,885
Non-current other liabilities	[4.30]	40,170,918	100,643,082
Deferred tax liabilities	[4.8]	18,439,085	23,071,284
Total non-current liabilities and provisions		**1,064,854,575**	**900,708,156**
Current liabilities and provisions			
Current other provisions	[4.31]	45,179,914	31,377,792
Income tax provisions	[4.31]	34,299,286	25,880,157
Current financial liabilities	[4.32]	141,653,266	335,048,881
Trade payables	[4.33]	263,043,195	193,466,170
Current other liabilities	[4.34]	138,745,190	125,151,166
Total current liabilities and provisions		**622,920,851**	**710,924,166**
Total equity and liabilities		**2,228,696,295**	**2,096,595,290**

CONSOLIDATED CASH FLOW STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2010

Consolidated Cash Flow Statement	EUR thou. 2010	EUR thou. 2009
Operating activities		
Consolidated profit for the period	70,722	10,398
Amortisation of intangible assets	2,717	1,928
Depreciation of property and equipment and investment property	6,603	6,261
Depreciation of lease assets	154,173	161,214
Depreciation of rental vehicles	163,383	235,420
Result of the disposal of intangible assets and property and equipment	-1,059	-333
Other non-cash income and expense	6,107	1,642
Cash Flow	**402,646**	**416,530**
Change in non-current other receivables and assets	1,478	4,869
Change in deferred tax assets	2,610	-2,314
Change in rental vehicles, net	-503,841	184,334
Change in inventories	5,220	22,121
Change in trade receivables	4,330	63,707
Change in current other receivables and assets	21,579	-1,998
Change in income tax receivables	596	-1,751
Change in non-current other provisions	-188	-29
Change in non-current other liabilities	-60,472	26,177
Change in deferred tax liabilities	-4,632	2,579
Change in current other provisions	13,802	-3,736
Change in income tax provisions	8,419	-1,262
Change in trade payables	69,577	-137,571
Change in current other liabilities	13,594	23,562
Net cash flows used in/from operating activities	**-25,282**	**595,218**
Investing activities		
Proceeds from disposal of intangible assets, property and equipment and investment property	5,578	11,607
Proceeds from disposal of lease assets	198,157	235,728
Proceeds from disposal of non-current financial assets	25	-
Payments to acquire intangible assets, property and equipment	-8,980	-20,455
Payments to acquire lease assets	-236,130	-332,734
Payments to acquire non-current financial assets	-39	-40
Payments to acquire current financial assets	115,020	-172,325
Net cash flows from/used in investing activities	**73,631**	**-278,219**
Financing activities		
Payments to acquire treasury shares	-16,897	-
Dividend payments	-5,220	-20,355
Change in current financial liabilities	-193,395	-316,048
Change in non-current financial liabilities	229,439	41,412
Net cash flows from/used in financing activities	**13,927**	**-294,991**
Net change in cash and cash equivalents	**62,276**	**22,008**
Effect of exchange rate changes on cash and cash equivalents	248	497
Change in cash and cash equivalents attributable to changes in reporting entity structure	191	-
Cash and cash equivalents at 1 January	**45,866**	**23,361**
Cash and cash equivalents at 31 December	**108,581**	**45,866**

See also the Notes [5.1]

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2010

EUR thou.	Subscribed capital	Capital reserve	Other reserves			Treasury shares	Equity attributable to shareholders of Sixt AG	Minority interests	Total equity
			Retained earnings	Currency translation reserve	Mis-cellaneous reserves				
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 January 2010	**64,577**	**198,562**	**122,692**	**-5,704**	**104,830**	**-**	**484,957**	**6**	**484,963**
Acquisition of treasury shares						-16,897	-16,897		-16,897
Consolidated profit 2010					70,983		70,983	-261	70,722
Currency translation differences				4,218			4,218		4,218
Dividend payments 2009					-5,220		-5,220		-5,220
Other changes		1,443	-217		1,555		2,781	354	3,135
31 December 2010	**64,577**	**200,005**	**122,475**	**-1,486**	**172,148**	**-16,897**	**540,822**	**99**	**540,921**

[1] Including transfer to retained earnings of Sixt Aktiengesellschaft (2009: EUR 3,300 thousand)

See also the Notes [4.23] to [4.27]

You give us an inch. We'll give you our entire product range.

(The future of mobility starts here: the iPad app and iPhone app)

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, administer 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 can establish branches at home and abroad, found, acquire or hold equity interests stakes in other companies in and outside Germany. The limits of aforementioned purpose shall not apply to the purpose of subsidiaries and investees. The Company is entitled to hand over its operations wholly or partly to subsidiaries or investees as well as to transfer its operations wholly or partly to subsidiaries or investees. The Company can limit its activities to one or specific purposes of the aforementioned objects, and also to the activity of a holding company and/or the administration of other own assets.

At the reporting date, the Company's subscribed capital amounted to EUR 64,576,896. Both ordinary shares and non-voting preference shares have been issued, both categories as no-par value shares with a notional amount of EUR 2.56 per share. All shares have been fully paid up. The largest shareholder is Erich Sixt Vermögensverwaltung GmbH, Pullach, which holds 56.8% of the ordinary shares and voting rights of the subscribed capital as at reporting date. 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 2010 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 2010 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 2010: IFRS 1 (First-time Adoption of IFRSs), IFRS 1 (Additional Exemptions for First-time Adopters), IFRS 2 (Share-based Payment), IFRS 3 (IAS 27 – Consolidated and Separate Financial Statements), IAS 39 (Financial Instruments: Recognition and Measurement), IFRIC 12 (Service Concession

Arrangements), IFRIC 15 (Agreements for the Construction of Real Estate), IFRIC 16 (Hedges of a Net Investment in a Foreign Operation), IFRIC 17 (Distributions of Non-cash Assets to Owners), IFRIC 18 (Transfers of Assets from Customers) 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 yet applied in preparing these consolidated financial statements. Material effects on the Group's net assets, financial position and results of operations are not expected.

Standard / Interpretation		Adoption by European Commission	Applicable as of
IFRS 1	Limited Exemption from Comparative IFRS 7 Disclosures for First-time Adopters	30 June 2010	1 July 2010
IFRS 1	Severe Hyperinflation and Removal of Fixed Dates for First-time Adopters	No	1 July 2011
IFRS 7	Financial Instruments: Disclosures	No	1 July 2011
IFRS 9	Financial Instruments: Classification and Impairment of Financial Assets	No	1 Jan. 2013
IAS 12	Deferred Taxes: Recovery of Underlying Assets	No	1 Jan. 2012
IAS 24	Related Party Disclosures	19 July 2010	1 Jan. 2011
IAS 32	Financial Instruments: Presentation	23 Dec. 2009	1 Feb. 2010
IFRIC 14	Prepayments of a Minimum Funding Requirement	19 July 2010	1 Jan. 2011
IFRIC 19	Extinguishing Financial Liabilities with Equity Instruments	23 July 2010	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 May 2010.

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 consolidated financial statements submitted 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 four exceptions wholly owned subsidiaries were fully consolidated in the consolidated financial statements of Sixt Aktiengesellschaft as at 31 December 2010 (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	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 (equity interest: 94%)	Pullach
Sigma Grundstücks- und Verwaltungs GmbH	Pullach
Sixt Reservierungs- und Vertriebs-GmbH	Rostock
Sixt Holiday-Cars AG (equity interest: 97%)	Basle
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	Basle
Sixt Leasing (Schweiz) AG	Basle
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	Basle
United rentalsystem GmbH	Pullach
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Gamma Immobilien KG	Pullach
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Epsilon Immobilien KG	Pullach
Sixt Finance GmbH	Pullach
autohaus24 GmbH (equity interest: 80%)	Pullach
Sixt e-ventures GmbH	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	Pullach
ASX Beteiligungs-GmbH & Co FAKO KG	Pullach

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 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	Basle	100,000	CHF	100%
Sixt Asia Pacific Pte Ltd.	Singapore	200,000	SGD	100%
Sixt International Holding GmbH	Pullach	25,000	EUR	100%
SIXT S.à.r.l.	Luxembourg	12,500	EUR	100%
SIXT S.A.R.L.	Monaco	15,000	EUR	99%
Stockflock GmbH	Pullach	25,000	EUR	100%
kud.am GmbH	Berlin	200,000	EUR	90%
Preis24.de GmbH	Pullach	25,000	EUR	48%
Sixt Transatlantik 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 264b 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, Sixt Finance GmbH, 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 scope of consolidation

The following changes in the consolidated Group as against the end of 2009 occurred: Sixt Finance GmbH, Pullach, autohaus24 GmbH, Pullach, and Sixt e-ventures GmbH, Pullach, were consolidated in the consolidated annual financial statements for the first time in the financial year as at the time they fell under the control of the Group. Sixt Finance GmbH was consolidated as at 1 July 2010 and the other two companies as at 1 January 2010. This had no noteworthy effects on the Group's net assets, financial position and results of operations. The companies were established by the Sixt Group and had not been consolidated so far because of their insignificance.

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 2010. 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. The resulting difference from the acquisition accounting of the subsidiaries consolidated for the first time in 2010 is charged or credited to other reserves not affecting net income.

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 offset against each other, 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 consolidated for the first time during the year are included in the consolidated income statement from the date of their initial consolidation.

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. 2010	31 Dec. 2009	**2010**	2009
Sterling	**0.86180**	0.88900	**0.85568**	0.88984
Swiss francs	**1.25250**	1.48390	**1.37007**	1.50865

3. Reporting and valuation methods

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 and loss 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 (2011 to 2014) 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 8.5%.

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 19 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 lease assets.

Assets leased out by the Sixt Group as lessor under finance leases must be accounted for by the lessee. In these 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 **financial assets** are stated at the lower of cost and fair value; there is no 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 recognised 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 recognized under financial liabilities at its principal amount, including issue costs.

Liabilities are carried on initial recognition at cost (less 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 market price and/or 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 pro-rata 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	Germany		Abroad		Total		Change
in EUR thou.	**2010**	2009	**2010**	2009	**2010**	2009	in %
Rental Business Unit							
Rental revenue	564,400	542,888	243,076	215,087	807,476	757,975	6.5
Other revenue from rental business	82,343	143,361	34,369	60,463	116,712	203,824	-42.7
Total	**646,743**	**686,249**	**277,445**	**275,550**	**924,188**	**961,799**	**-3.9**
Leasing Business Unit							
Leasing revenue	346,163	355,228	57,399	51,265	403,562	406,493	-0.7
Sales revenue	187,169	217,553	16,128	10,718	203,297	228,271	-10.9
Total	**533,332**	**572,781**	**73,527**	**61,983**	**606,859**	**634,764**	**-4.4**
Other revenue	7,173	4,981	-	-	7,173	4,981	44.0
Group total	**1,187,248**	**1,264,011**	**350,972**	337,533	**1,538,220**	**1,601,544**	**-4.0**

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:

Business segments	
Rental	Vehicle rentals including other related services
Leasing	Leasing including additional services (full-service and fleet management) and sale of lease assets

When combined, the reported rental and leasing revenue is also described as “operating revenue”. Operating revenue in the Rental Business Unit comprises rental revenue of EUR 807,476 thousand (2009: EUR 757,975 thousand) and other revenue from rental business, such as insurance recoveries, subsidies, licence and franchise fees, and commission revenue amounting to EUR 116,712 thousand (2009: EUR 203,824 thousand). Other revenue from rental business includes compensation payments from third parties totalling EUR 52,303 thousand (2009: EUR 57,324 thousand).

In line with Sixt's focus on the market segment for full-service leasing, operative leasing revenue comprises finance lease instalments (EUR 198,160 thousand; 2009: EUR 203,752 thousand), as well as revenue from the settlement of claims, revenue relating to service components such as repairs, fuel, tyres, etc. and franchise fees (EUR 205,402 thousand; 2009: EUR 202,741 thousand). In the Leasing segment, compensation payments from third parties amount to EUR 3,980 thousand (2009: EUR: 2,769 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** in the amount of EUR 21,879 thousand (2009: EUR 21,026 thousand) includes income of EUR 1,573 thousand (2009: EUR 1,516 thousand) from currency translation. This item also includes income of EUR 10,133 thousand (2009: EUR 6,739 thousand) from forwarding costs to third parties, income of EUR 792 thousand (2009: EUR 1,727 thousand) from the reversal of provisions, and proceeds of EUR 1,478 thousand (2009: EUR 1,757 thousand) from asset disposals 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. 2010**	EUR thou. 2009	Change in %
Rental Business Unit	273,400	278,619	-1.9
Leasing Business Unit	383,601	412,781	-7.1
Group total	**657,001**	**691,400**	**-5.0**

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.**	EUR thou.	Change
	2010	2009	in %
Repairs, maintenance, reconditioning	199,764	186,702	7.0
Fuel	109,176	107,704	1.4
Insurance	55,132	59,692	-7.6
Transportation	28,908	36,516	-20.8
Taxes and charges	16,880	12,781	32.1
Other, including selling expenses	247,141	288,005	-14.2
Group total	**657,001**	**691,400**	**-5.0**

Personnel expenses increased from EUR 134,078 thousand in 2009 to EUR 144,116 thousand in the year under review. Social security costs mainly include employer contributions to statutory social insurance schemes. [4.4]

Personnel expenses	**EUR thou.**	EUR thou.	Change
	2010	2009	in %
Wages and salaries	124,137	114,976	8.0
Social security costs	19,979	19,102	4.6
Group total	**144,116**	**134,078**	**7.5**

Average number of employees during the year:

Employees in the Group		
	2010	2009
Salaried employees	2,592	2,741
Hourly employees	279	240
Group total	**2,871**	**2,981**

The Rental Business Unit employed 2,581 (2009: 2,688) staff, and the Leasing Business Unit employed 230 (2009: 244) staff. The “Other” segment employed 60 (2009: 49) staff.

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

Due to a lower stock in the fleet during the year and structural amendments to the purchasing agreements the depreciation of rental vehicles decreased by EUR 72,037 thousand to EUR 163,383 thousand (2009: EUR 235,420 thousand). Write-downs for impairment of EUR 7,921 thousand (2009: EUR 5,744 thousand) were charged on the rental assets of EUR 91 million (2009: EUR 41 million). Depreciation of lease assets was EUR 7,041 thousand lower year-on-year at EUR 154,173 thousand (2009: EUR 161,214 thousand). Impairment losses of EUR 1,659 thousand (2009: EUR 7,106 thousand) were charged on the lease assets of EUR 280 million (2009: EUR 229 million).

Depreciation and amortisation expense	EUR thou. 2010	EUR thou. 2009	Change in %
Intangible assets	2,717	1,928	40.9
Property and equipment, and investment property	6,603	6,261	5.5
Lease assets	154,173	161,214	-4.4
Rental vehicles	163,383	235,420	-30.6
Group total	**326,876**	**404,823**	**-19.3**

[4.6] The following table contains a breakdown of other operating expenses. In the financial year, other operating expenses were reduced in total by EUR 49,291 thousand to EUR 275,908 thousand (2009: EUR 325,199 thousand).

Other operating expenses	EUR thou. 2010	EUR thou. 2009	Change in %
Leasing expenses	71,134	130,145	-45.3
Commissions	63,566	58,012	9.6
Expenses for buildings	40,404	39,786	1.6
Other selling and marketing expenses	22,733	25,961	-12.4
Expenses from write-downs of receivables	18,551	15,451	20.1
Audit, legal, advisory costs and investor relations expenses	11,636	9,089	28.0
Miscellaneous expenses	47,884	46,755	2.4
Group total	**275,908**	**325,199**	**-15.2**

Fees of EUR 355 thousand (2009: EUR 331 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 218 thousand; 2009: EUR 215 thousand), other assurance or valuation services (EUR 24 thousand; 2009: EUR 31 thousand), tax advice (EUR 56 thousand; 2009: EUR 50 thousand) and other services (EUR 57 thousand; 2009: EUR 35 thousand) provided for the parent or subsidiaries.

[4.7] Net finance costs increased by EUR -1,998 thousand year-on-year from EUR -51,940 thousand to EUR -53,938 thousand. The investment expense contain valuation allowances charged on financial assets in the amount of EUR 792 thousand (2009: EUR 0 thousand). The following table contains a breakdown of the net finance costs.

Net finance costs	EUR thou.	EUR thou.
	2010	2009
Income from financial assets	2,297	2,023
Income from unconsolidated affiliated companies	30	60
Expenses for unconsolidated affiliated companies	-830	-10
Net income from investments	**1,497**	**2,073**
Other interest and similar income	3,676	2,478
Other interest and similar income from affiliated companies	156	294
Interest and similar expenses	-56,350	-51,078
Interest and similar expenses for affiliated companies	-64	-78
Expenses for profit participation capital	-6,624	-9,050
Net income from derivative financial instruments	2,033	3,421
Net interest expense	**-57,173**	**-54,013**
Net income from sale of securities	1,738	-
Other financial net income	**1,738**	**-**
Net finance costs	**-53,938**	**-51,940**

The income tax expenses comprise the following: [4.8]

Income tax expenses	EUR thou.	EUR thou.
	2010	2009
Current income tax for the reporting period	31,466	5,220
Current income tax for previous years	2,092	-974
Deferred taxes	-2,020	486
Group total	**31,538**	**4,732**

In accordance with the balance sheet liability method as defined by IAS 12 (Income Taxes), deferred taxes are principally formed for all temporary differences arising from deviations in the valuation of assets and liabilities in the IFRS consolidated balance sheet and the consolidation measures recognised in the income statement. 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 ratified, deferred taxes are measured at current tax rates. A corporation tax rate of 15% (2009: 15%) was used to calculate deferred taxes at the German companies as at 31 December 2010. In each case, a solidarity surcharge of 5.5% on the corporation tax was also included and a trade tax rate of 11% (2009: 11%) was applied; an aggregate tax rate of 27% (2009: 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 directly in equity.

The reconciliation of taxes explains the relationship between the expected and effective tax expense reported. The effective tax expense results from the application of an income tax rate of 27% (2009: 27%) to consolidated profit for the period (before taxes) in accordance with IFRS. The income tax rate is made up of corporation tax at 15% (2009: 15%), a solidarity surcharge of 5.5% and trade tax at 11% (2009: 11%).

Reconciliation of taxes	**EUR thou.**	EUR thou.
	2010	2009
Consolidated profit before taxes in accordance with IFRS	102,260	15,130
Expected income tax expense	27,610	4,085
Effect of different tax rates outside Germany	68	-454
Non-deductible operating expenses	2,621	3,936
Tax-exempt income	-556	-69
Current income tax for previous years	2,092	-974
Other effects	-297	-1,792
Effective tax expense	**31,538**	**4,732**

The other effects include, among others, 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. 2010	31 Dec. 2009	**31 Dec. 2010**	31 Dec. 2009
Fleet	3,697	4,607	16,979	19,024
Receivables	-	37	3,110	3,244
Other assets	-	-	690	1,007
Other liabilities	1,943	926	2,124	2,611
Provisions	4,792	2,124	-	8
Tax loss carryforwards	3,757	7,464	-	-
	14,189	**15,158**	**22,903**	**25,894**
Offsetting	-4,464	-2,823	-4,464	-2,823
Carrying amount	**9,725**	**12,335**	**18,439**	**23,071**

No deferred tax assets were recognised for existing tax loss carryforwards of EUR 14,629 thousand (2009: EUR 15,964 thousand). The loss carryforwards for which deferred tax assets were recognised are expected to be used during a five-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.

The minority interests contained in the consolidated profit amounted to a total of EUR -261 thousand (2009: EUR 37 thousand). [4.9]

The following dividends were distributed in the course of the preceding year:

Dividends	**EUR thou.**	EUR thou.
	2010	2009
Amounts recognised as distributions to shareholders in the financial year	5,220	20,355
Dividend for financial year 2009 of EUR 0.20 (for 2008: EUR 0.80) per ordinary share	3,294	13,178
Dividend for financial year 2009 of EUR 0.22 (for 2008: EUR 0.82) per preference share	1,926	7,177

For financial year 2010 a dividend of EUR 1.00 per ordinary share and EUR 1.02 per preference share, plus a bonus dividend of EUR 0.40 for each ordinary and preference share, is proposed. Taking into account the treasury stocks not carrying dividend rights (507,784 ordinary shares and 195,423 preference shares) that were held by the company at the time of preparing this report this corresponds to an estimated total distribution for the year under review of EUR 34,502 thousand. The proposed dividend/bonus 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			
		2010	2009
Consolidated profit for the period after minority interests	EUR thou.	70,983	10,361
Profit attributable to ordinary shares	EUR thou.	46,135	6,652
Profit attributable to preference shares	EUR thou.	24,848	3,709
Weighted average number of ordinary shares		16,383,847	16,472,200
Weighted average number of preference shares		8,717,220	8,753,150
Earnings per ordinary share	EUR	2.82	0.40
Earnings per preference share	EUR	2.85	0.42

The profit attributable to preference shares includes the additional dividend of EUR 0.02 per preference share payable in accordance with the Articles of Association for preference shares carrying dividend rights in the financial year (as at 31 December). The weighted average number of shares is calculated on the basis of the proportionate number of shares per month for each category of shares, taking due account of the respective number of treasury shares.

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						
	01 Jan. 2010	Foreign exchange differences	Additions	Change in reporting entity structure	Disposals	Transfers	**31 Dec. 2010**
Goodwill	**18,488**	**-**	**-**	**-**	**-**	**-**	**18,488**
Purchased software	9,142	4	1,047	1,398	41	520	12,070
Internally developed software	3,502	-	-	-	-	-	3,502
Payments on account in respect of software	1	-	1,772	-	25	-520	1,228
Other intangible assets	598	-	-	-	-	-	598
Intangible assets	**13,243**	**4**	**2,819**	**1,398**	**66**	**-**	**17,398**
Land and buildings	25,754	144	554	-	3,960	-	22,492
Operating and office equipment	53,654	119	4,593	9	3,390	600	55,585
Property and equipment under construction	1,348	-	1,014	-	969	-600	793
Property and equipment	**80,756**	**263**	**6,161**	**9**	**8,319**	**-**	**78,870**
Investment property	**7,311**	**-**	**-**	**-**	**-**	**-**	**7,311**
Lease assets	**978,779**	**14,227**	**236,130**	**-**	**336,766**	**-**	**892,370**
Shares in affiliated companies	1,386	-	25	192	25	-	1,578
Investments	9,186	-	14	-	-	-	9,200
Non-current financial assets	**10,572**	**-**	**39**	**192**	**25**	**-**	**10,778**
Total consolidated non-current assets	**1,109,149**	**14,494**	**245,149**	**1,599**	**345,176**	**-**	**1,025,215**

Consolidated Statement of Changes in Non-current Assets in EUR thou.	Cost					
	01 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**

1 Jan. 2010	Depreciation / Amortisation: Foreign exchange differences	Depreciation/ amortisation in the financial year	Change in reporting entity structure	Disposals	31 Dec. 2010	Carrying amounts: 31 Dec. 2010	31 Dec. 2009
46	**-**	**-**	**-**	**-**	**46**	**18,442**	**18,442**
4,635	1	2,113	383	40	7,092	4,978	4,507
1,889	-	424	-	-	2,313	1,189	1,613
-	-	-	-	-	-	1,228	1
333	-	180	-	-	513	85	265
6,857	**1**	**2,717**	**383**	**40**	**9,918**	**7,480**	**6,386**
4,862	63	298	-	1,239	3,984	18,508	20,892
29,309	52	6,269	2	2,819	32,813	22,772	24,345
-	-	-	-	-	-	793	1,348
34,171	**115**	**6,567**	**2**	**4,058**	**36,797**	**42,073**	**46,585**
4,127	**-**	**36**	**-**	**-**	**4,163**	**3,148**	**3,184**
140,632	**5,239**	**154,173**	**-**	**129,621**	**170,423**	**721,947**	**838,147**
38	-	792	-	-	830	748	1,348
9,058	-	-	-	-	9,058	142	128
9,096	**-**	**792**	**-**	**-**	**9,888**	**890**	**1,476**
194,929	**5,355**	**164,285**	**385**	**133,719**	**231,235**	**793,980**	**914,220**

1 Jan. 2009	Depreciation / Amortisation: Foreign exchange differences	Depreciation/ amortisation in the financial year	Disposals	31 Dec. 2009	Carrying amounts: 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**

[4.11] The goodwill of EUR 18,442 thousand (2009: 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 1,189 thousand (2009: EUR 1,613 thousand) and purchased software amounting to EUR 4,978 thousand (2009: EUR 4,507 thousand). The item also includes payments on account in respect of software amounting to EUR 1,228 thousand (2009: EUR 1 thousand) and other intangible assets amounting to EUR 85 thousand (2009: EUR 265 thousand). Impairment losses of EUR 128 thousand (2009: EUR 0 thousand) were charged on intangible assets in the year under review.

[4.13] The item property and equipment includes land and buildings for rental offices/service points and administrative buildings in Germany and abroad in the amount of EUR 18,508 thousand (2009: EUR 20,892 thousand), as well as operating and office equipment (mainly IT systems, fixtures and fittings and office equipment) in the amount of EUR 22,772 thousand (2009: EUR 24,345 thousand). The item also includes expenses for property and equipment under construction in the amount of EUR 793 thousand (2009: EUR 1,348 thousand). Land charges are registered against properties for real estate financing in the amount of EUR 2,896 thousand (2009: EUR 3,179 thousand). No impairment losses were recognised in the year under review.

[4.14] Investment properties are 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 surveyor. Loans amounting to EUR 2,598 thousand (2009: EUR 2,899 thousand) are secured by real property liens. Net rental income for the period is the balance of rental income of EUR 240 thousand (2009: EUR 240 thousand) and expenses of EUR 11 thousand (2009: EUR 11 thousand).

Investment property	**EUR thou. 2010**	EUR thou. 2009
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 as at 31 December	4,743	4,586
Carrying amount as at 31 December	3,148	3,184

[4.15] Lease assets decreased by EUR 116.2 million to EUR 721.9 million (2009: EUR 838.1 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 841 million (2009: EUR 895 million), payments of EUR 362 million (2009: EUR 429 million) are due within one year, payments of EUR 479 million (2009: EUR 466 million) are due in one to five years and payments of EUR 0.2 million (2009: EUR 0.3 million) are due in more than five years. The fixed-term agreements usually contain agreements on the vehicles' mileage. The resulting contingent lease payments recognised as income in the period under review amounted to EUR 1.9 million in total (2009: EUR 2.2 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 108.7 million (2009: EUR 138.2 million). The agreements have a residual term of up 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 financial assets amounts to EUR 890 thousand (2009: EUR 1,476 thousand) and is shown in detail in the consolidated statement of changes in non-current assets. Impairment losses of EUR 792 thousand (2009: EUR 0 thousand) were recognized 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 5.0 million (2009: EUR 6.9 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. 2010	31 Dec. 2009	**31 Dec. 2010**	31 Dec. 2009
Due in one to five years	5.5	7.6	5.0	7.0
Unrealised finance income	0.5	0.6		

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 1,728 thousand (2009: EUR 1,308 thousand), in each case maturing in one to five years.

The rental vehicles item increased from EUR 637.8 million to EUR 978.3 million. The increase is due, among other things, to the higher number of capitalised rental vehicles year-on-year (in the preceding year a larger proportion was financed via operating lease agreements). The acquisition cost of new additions to rental assets in the financial year amounted to EUR 1,863 million [4.18]

(2009: EUR 1,263 million). For the rental assets reported at the end of the year under review, it amounted to EUR 1,047 million (2009: EUR 702 million). A proportion of the rental vehicles are pledged as collateral for liabilities to banks.

As in the previous years, some rental vehicles were financed via operating leases, which were concluded with 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 16.8 million (2009: EUR 28.0 million). The agreements mainly have a residual term of less than a year and provide for full amortisation. The obligations under the leases are presented under other liabilities.

[4.19] Inventories consist mainly of rental and lease vehicles intended for sale in the amount of EUR 18,893 thousand (2009: EUR 24,061 thousand). Other inventories consist mainly of fuel. Total inventories decreased by EUR 5,219 thousand to EUR 20,758 thousand (2009: EUR 25,977 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.**	EUR thou.
	31 Dec. 2010	31 Dec. 2009
Current finance lease receivables	5,063	6,222
Receivables from affiliated companies	1,694	5,958
Receivables from other investees	302	174
Other assets	110,453	242,352
of which recoverable income taxes	14,770	15,366
of which other recoverable taxes	13,317	27,305
of which insurance claims	3,594	4,250
of which deferred income	11,409	11,635
of which miscellaneous other assets	10,058	11,471
of which available-for-sale financial assets	32,394	122,573
of which held-to-maturity financial assets	24,911	49,752
	117,512	**254,706**

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 5.6 million (2009: EUR 6.9 million), the present value of the outstanding minimum lease payments (including fixed service fees) to EUR 5.1 million (2009: EUR 6.3 million), and unrealised finance income to EUR 0.5 million (2009: EUR 0.6 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. Held-to-maturity financial assets relate exclusively to short-dated debt instruments.

Cash and bank balances of EUR 108,581 thousand (2009: EUR 45,866 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 increased by EUR 55,958 thousand as against the previous year to a total of EUR 540,921 thousand (2009: EUR 484,963 thousand). As in the previous year, the subscribed capital of Sixt Aktiengesellschaft contained in this total amounted to EUR 64,577 thousand. The increase in the capital reserves by EUR 1,443 thousand to EUR 200,005 thousand (2009: EUR 198,562 thousand) is mainly 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 share 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 2010	**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 categories 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.

[4.24] Treasury shares

By resolution of the Annual General Meeting of 17 June 2010 the Managing Board, was authorised, as specified in the proposed resolution, to acquire shares of the Company in the amount of up to 10% of the Company's share capital at the time of the authorisation in the period up to 16 June 2015. The authorisation may be exercised wholly or partially, on one or more occasions, for any purpose permitted by law. Acquisitions for the purpose of trading in treasury shares are excluded. With the previously obtained approval of the Supervisory Board, on 19 August 2010 the Managing Board exercised the authorisation to acquire ordinary and preference shares at an equivalent value of up to EUR 20 million (excluding incidental purchase costs). The purpose of the share buy-back was to reduce the company's capital by retiring treasury shares.

Up until 31 December 2010 a total of 433,237 ordinary shares at an amount of EUR 13.1 million and 174,386 preference shares at an amount of EUR 3.8 million had been acquired. This equals around EUR 1,556 thousand or 2.4% of the share capital at the date the authorisation was granted.

The buy-back programme resolved was completed on 25 January 2011. At this date the Company had bought back a total of 507,784 ordinary shares at a purchasing price of EUR 15.7 million and 195,423 preference shares at a purchasing price of EUR 4.3 million. This equals around EUR 1,800 thousand or 2.8 % of the share capital at the date the authorisation was granted.

Treasury stocks were not withdrawn at the time of preparing this report.

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 legally permitted cap. For the distribution of profits and/or company assets these non-voting preference shares are ranked equal to 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 categories 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 category of shares for shares of the other category. 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 category 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 authorized, 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.

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 initially was 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 EUR 50 portion of this nominal value was already repaid on the due date as at 31 December 2009 in accordance with the terms and conditions of the profit participation certificates.

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.

[4.25] Capital reserves

Capital reserves	**EUR thou. 2010**	EUR thou. 2009
Balance at 1 January	198,562	197,308
Other changes	1,443	1,254
Balance at 31 December	**200,005**	**198,562**

The increase in the capital reserves by EUR 1,443 thousand to EUR 200,005 thousand (2009: EUR 198,562 thousand) resulted primarily from the inclusion of the MSP employee equity participation programme.

Retained earnings

[4.26]

Retained earnings	EUR thou. 2010	EUR thou. 2009
Balance at 1 January	122,692	119,172
Other changes	-217	3,520
Balance at 31 December	**122,475**	**122,692**

The other changes of the last year include the transfer to retained earnings of Sixt Aktiengesellschaft in the amount of EUR 3,300 thousand.

Currency translation reserve

[4.26]

Currency translation reserve	EUR thou. 2010	EUR thou. 2009
Balance at 1 January	-5,704	-6,814
Differences arising on the translation of the financial statements of foreign subsidiaries	4,218	1,110
Balance at 31 December	**-1,486**	**-5,704**

Other equity

[4.26]

Other equity	EUR thou. 2010	EUR thou. 2009
Balance at 1 January	104,830	118,533
Consolidated profit for the period	70,983	10,361
Dividend payments	-5,220	-20,355
Transfer to retained earnings of Sixt Aktiengesellschaft	-	-3,300
Other changes	1,555	-409
Balance at 31 December	**172,148**	**104,830**

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

Minority interests

[4.27]

Minority interests	EUR thou. 2010	EUR thou. 2009
Balance at 1 January	6	5
Consolidated profit for the period	-261	37
Other changes	354	-36
Balance at 31 December	**99**	**6**

Non-current liabilities and provisions

[4.28] 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	Real estate	Other	Total
in EUR thou.			
Balance at 1 January 2010	791	38	829
Additions	183	8	191
Reversals	-	-	-
Utilised	47	-	47
Reclassifications	-351	-	-351
Foreign exchange differences	19	-	19
Balance at 31 December 2010	**595**	**46**	**641**

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

[4.29] Non-current financial liabilities comprise liabilities under profit participation certificates, issued borrower's note loans and 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. 2010**	31 Dec. 2009	**31 Dec. 2010**	31 Dec. 2009
Profit participation certificates	-	49,629	-	-
Borrower's note loans	423,188	393,397	-	-
Bonds	300,734	299,675	246,824	-
Liabilities to banks	32,772	30,632	2,085	2,832
	756,694	**773,333**	**248,909**	**2,832**

The profit participation certificates bearing profit-dependent interest at 9.05% p.a. had an initial nominal value of EUR 100 million and maturities for one half in 2009 and one half in 2011. Repayment of the first portion of the nominal value was after the Annual General Meeting to which the annual financial statements for 2009 were submitted, in June 2010. Repayment of the second portion of the nominal value is due as at 31 December 2011 and is recognized under the current financial liabilities. In accordance with the terms and conditions of the profit participation certificates, repayment will be after the Annual General Meeting to which the annual financial statements for 2011 is 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 474.0 million (2009: EUR 419.0 million) were issued in several tranches. A nominal amount of EUR 424.0 million (2009: EUR 394.0 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 2009 with a nominal interest rate of 5.375% p.a. and a maturity of three years until 2012. They also include a EUR 250 million bond issued on the capital market in 2010 with a nominal interest rate of 4.125% p.a. and a maturity of six years until 2016. There are call options for the issuer and put options for the bondholders. Bonds in the principal amount of EUR 1.7 million (2009: EUR 1.2 million) had been issued to participants in the MSP employee equity participation programme at the balance sheet date. The bonds pay a coupon of 6.0% p.a. and mature in 2014.

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

Non-current other liabilities include, among others, interest-bearing liabilities from customer deposits and the reported interest rate hedging transactions. Liabilities under leases that were entered into to refinance the lease fleet and classified as finance leases are presented in the following: [4.30]

Non-current finance lease liabilities in EUR thou.	Gross investment		Present value of outstanding minimum lease payments	
	31 Dec. 2010	31 Dec. 2009	**31 Dec. 2010**	31 Dec. 2009
Due in one to five years	39,919	109,403	37,291	100,086
Unrealised finance portions	2,628	9,317		

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. 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. [4.31]

Current provisions	Income tax	Other			
in EUR thou.		Personnel	Real estate	Miscellaneous	Total
Balance at 1 January 2010	25,880	5,868	818	24,692	31,378
Additions	10,532	16,000	17	10,228	26,245
Reversals	-	-3	-	-789	-792
Utilised	-2,603	-5,865	-691	-5,553	-12,109
Reclassifications	-	-	351	-	351
Foreign exchange differences	490	88	18	1	107
Balance at 31 December 2010	**34,299**	**16,088**	**513**	**28,579**	**45,180**

Current provisions	Income tax	Other			
in EUR thou.		Personnel	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**

[4.32] **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. 2010	31 Dec. 2009
Profit participation certificates	49,815	50,000
Borrower's note loans	49,954	24,990
Bonds	-	225,000
Liabilities to banks	21,840	9,569
Other liabilities	20,044	25,490
	141,653	**335,049**

The profit participation certificates bearing profit-dependent interest at 9.05% p.a. had an initial nominal value of EUR 100 million and maturities for one half in 2009 and one half in 2011. Repayment of the first portion of the nominal value was after the Annual General Meeting to which the annual financial statements for 2009 were submitted, in June 2010. Repayment of the second portion of the nominal value is due as at 31 December 2011. In accordance with the terms and conditions of the profit participation certificates, repayment will be after the Annual General Meeting to which the annual financial statements for 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.

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 five years. In the financial year, borrower's note loans were paid down by a nominal EUR 25 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. [4.33]

Current other liabilities falling due within one year are broken down as follows: [4.34]

Current other liabilities	**EUR thou.**	EUR thou.
	31 Dec. 2010	31 Dec. 2009
Finance lease liabilities	105,152	74,381
Liabilities to affiliated companies	1,984	1,672
Liabilities to other investees	-	2
Other liabilities	31,609	49,096
of which payroll-related	1,068	2,136
of which deferred income	6,247	6,181
of which miscellaneous	24,294	40,779
	138,745	**125,151**

Miscellaneous other liabilities include minority interests in equity and in the net profit or loss of consolidated partnerships (EUR 1,496 thousand; 2009: EUR 1,524 thousand). As in the previous year, no liabilities from compensation payments due to minority interests were reported.

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

Current finance lease liabilities		Gross		Present value of outstanding
in EUR thou.		investment		minimum lease payments
	31 Dec. 2010	31 Dec. 2009	**31 Dec. 2010**	31 Dec. 2009
Due within one year	107,240	76,242	105,152	74,381
Unrealised finance portions	2,088	1,861		

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 their 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 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. 2010	Carrying amount 31 Dec. 2009	Fair value 31 Dec. 2010	Fair value 31 Dec. 2009
Non-current assets					
Non-current financial assets	AfS	890	1,476	890	1,476
Non-current finance lease receivables	IAS 17	4,999	6,897	4,962	6,930
Non-current other receivables	LaR	1,728	1,308	1,728	1,308
Total		**7,617**	**9,681**	**7,580**	**9,714**
Current assets					
Cash and cash equivalents	LaR	108,581	45,866	108,581	45,866
Trade receivables	LaR	193,160	197,490	193,160	197,490
Current other receivables and assets	LaR	40,374	60,793	40,374	60,793
Current other receivables and assets	AfS	32,394	122,573	32,394	122,573
Current other receivables and assets	FAHtM	24,911	49,752	24,911	49,752
Current finance lease receivables	IAS 17	5,063	6,222	5,060	6,227
Total		**404,483**	**482,696**	**404,480**	**482,701**
Non-current liabilities					
Bonds	FLAC	547,558	299,675	561,458	320,166
Borrower's note loans	FLAC	423,188	393,397	435,076	409,654
Profit participation certificates	FLAC	-	49,629	-	56,712
Liabilities to banks	FLAC	34,857	33,464	35,112	34,309
Non-current other liabilities	FLAC	129	278	129	278
Non-current finance lease liabilities	IAS 17	37,291	100,086	38,231	101,404
Interest rate derivatives		2,751	279	2,751	279
Total		**1,045,774**	**876,808**	**1,072,757**	**922,802**
Current liabilities					
Trade payables	FLAC	263,043	193,466	263,043	193,466
Bonds	FLAC	-	225,000	-	226,702
Borrower's note loans	FLAC	49,954	24,990	49,954	24,990
Profit participation certificates	FLAC	49,815	50,000	53,991	51,597
Liabilities to banks	FLAC	21,840	9,569	21,840	9,569
Current other liabilities	FLAC	53,638	76,260	53,638	76,260
Current finance lease liabilities	IAS 17	105,152	74,381	105,978	74,836
Total		**543,442**	**653,666**	**548,444**	**657,420**
of which aggregated by IAS 39 measurement category					
Available for sale	AfS	33,284	124,049	33,284	124,049
Loans and receivables	LaR	343,843	305,457	343,843	305,457
Financial assets held to maturity	FAHtM	24,911	49,752	24,911	49,752
Financial liabilities measured at amortised costs	FLAC	1,444,022	1,355,728	1,474,241	1,403,703
Interest rate derivatives in hedging relationships		2,751	279	2,751	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 2.8% p.a. and 4.4% p.a. (2009: between 2.4% p.a. and 4.4% p.a.) based on the respective maturities were used for discounting.

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

As in the year before derivative interest rate instruments reported at the balance sheet date were included in hedge accounting and are recognised at fair value.

Net gains from interest rate derivatives in hedging relationships amounted to EUR 2,033 thousand (2009: EUR 3,421 thousand).

Net gains on available-for-sale financial assets (AfS measurement category) amounted to EUR 1,738 thousand in financial year 2010 (2009: EUR 560 thousand). Losses on fair value measurement amounting to EUR 287 thousand (2009: EUR 252 thousand) were recognised in other comprehensive income. The change in the reported carrying amounts and fair values of financial assets resulted from disposals of equity investments (discontinuation of operations). There is no intention to dispose of these equity investments.

Net gains on the LaR measurement category (measured at amortised cost) amounted to EUR 824 thousand in financial year 2010 (2009: EUR 576 thousand) and related to income from payments received on receivables previously written off.

Impairment losses in financial year 2010 were charged the LaR measurement category and the AfS category (financial assets), because affiliated companies closed down their business.

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 3,832 thousand in financial year 2010 (2009: EUR 2,772 thousand). This includes interest income from finance leases in the amount of EUR 771 thousand (2009: EUR 1,137 thousand). Total interest expense on financial liabilities not measured at fair value through profit or loss amounted to EUR 62,973 thousand in financial year 2010 (2009: EUR 59,966 thousand). This includes interest expense on finance leases in the amount of EUR 8,013 thousand (2009: EUR 8,304 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. 2010 in EUR thou.	Level 1	Level 2	Level 3	Total
Financial assets in the category "Available for sale"				
Other receivables and assets	32,394	-	-	32,394
Financial liabilities in the category "At fair value through profit or loss"				
Interest rate derivatives	-	2,751	-	2,751

31 Dec. 2009 in EUR thou.	Level 1	Level 2	Level 3	Total
Financial assets in the category "Available for sale"				
Other receivables and assets	122,573	-	-	122,573
Financial liabilities in the category "At fair value through profit or loss"				
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. Because of the hedging relationships the changes would not affect net income in the aggregate.

Change in fair value in EUR thou.	Change in the yield curves **31 Dec. 2010**		Change in the yield curves 31 Dec. 2009	
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Other non-current liabilities	-12,786	8,702	- 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 and market price risk

Alongside 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 the risk management. In this context, internal Group guidelines stipulate the main duties and competencies, responsibilities, reporting requirements and control tools. 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 388 million in its portfolio at the balance sheet date (2009: EUR 250 million). The fair value of the transactions was EUR -2.8 million (2009: EUR -0.3 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 creditworthiness is also checked at regular intervals during the term of the agreement. In the event of a concrete default risk, a valuation allowance is recognised or the receivable in question is derecognised. In addition, there is the principal 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 creditworthiness checks.

Analysis of trade receivables

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

Trade receivables	Rental	Leasing	Group
in EUR thou.			
Receivables not impaired			
Not past due	93,380	28,433	121,813
less than 30 days	16,758	8,675	25,433
30-90 days	1,856	982	2,838
91-360 days	130	52	182
more than 360 days	-	-	-
Total receivables	**112,124**	**38,142**	**150,266**
Impaired receivables			
Gross receivables	78,339	5,498	83,837
Impairments	-38,212	-2,731	-40,943
Net receivables	**40,127**	**2,767**	**42,894**
Group 31 December 2010	**152,251**	**40,909**	**193,160**

Trade receivables	Rental	Leasing	Group
in EUR thou.			
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**

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 18,551 thousand in financial year 2010 (2009: EUR 15,451 thousand). The proceeds from payments received on receivables written off amounted to EUR 824 thousand in financial year 2010 (2009: EUR 576 thousand).

The maximum default amount is the reported 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 credit lines not yet used.

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
2011	-	50,000	-	21,840	71,840
2012	50,000	51,767	300,000	10,638	412,405
2013	-	216,000	-	20,669	236,669
2014	-	76,233	1,702	701	78,636
2015	-	80,000	-	733	80,733
2016	-	-	250,000	771	250,771
2017	-	-	-	808	808
2018 and later	-	-	-	534	534
31 Dec. 2010	**50,000**	**474,000**	**551,702**	**56,694**	**1,132,396**

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 Dec. 2009	**100,000**	**419,000**	**526,182**	**43,033**	**1,088,215**

The financial liabilities maturing in 2011 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 24.3% at the balance sheet date (2009: 23.1%). 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 51.5% at the balance sheet date (2009: 53.0%). 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 Unit	Rental		Leasing		Other		Reconciliation		Group	
in EUR million	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
External revenue	924.2	961.8	606.8	634.8	7.2	4.9	-	-	1,538.2	1,601.5
Internal revenue	6.4	6.9	10.2	20.1	8.3	8.0	-24.9	-35.0	-	-
Total revenue	930.6	968.7	617.0	654.9	15.5	12.9	-24.9	-35.0	1,538.2	1,601.5
Depreciation and amortisation expense	171.5	242.7	154.3	161.4	1.1	0.7	-	-	326.9	404.8
Other non-cash expense	28.7	24.5	1.4	2.3	2.9	2.1	-	-	33.0	28.9
EBIT[1]	113.6	29.5	51.2	39.5	-8.6	-2.0	-	-	156.2	67.0
Interest income	1.6	3.6	1.4	1.1	45.6	43.6	-44.8	-45.6	3.8	2.7
Interest expense	-28.8	-29.9	-33.8	-34.9	-45.2	-40.9	44.8	45.6	-63.0	-60.1
Other net finance costs[2]	-	0.1	0.2	-	5.1	5.4	-	-	5.3	5.5
EBT[3]	86.4	3.3	19.0	5.7	-3.1	6.1	-	-	102.3	15.1
Investments[4]	8.5	19.7	236.3	332.9	0.3	0.6	-	-	245.1	353.2
Segment assets	1,273.8	946.2	798.6	919.3	1,513.4	1,511.8	-1,381.6	-1,308.4	2,204.2	2,068.9
Segment liabilities	1,136.4	834.9	712.0	813.5	1,053.4	1,108.6	-1,266.8	-1,194.3	1,635.0	1,562.7
Employees[5]	2,581	2,688	230	244	60	49	-	-	2,871	2,981

By region	Germany		Abroad		Reconciliation		Group	
in EUR million	**2010**	2009	**2010**	2009	**2010**	2009	**2010**	2009
Total revenue	1,193.2	1,274.3	352.8	338.4	-7.8	-11.2	1,538.2	1,601.5
Investments[4]	205.8	314.6	39.3	38.6	-	-	245.1	353.2
Segment assets	2,019.2	1,919.6	491.4	491.4	-306.4	-342.1	2,204.2	2,068.9

1 Corresponds to earnings before net finance costs and taxes (EBIT)
2 Including net investment income
3 Corresponds to earnings 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
As in the previous year, there were no contingencies in the financial year 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. 2010	31 Dec. 2009
Due within one year	53.1	75.6
Due in one to five years	87.3	93.7
	140.4	**169.3**

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 71.1 million (2009: EUR 130.1 million) and mileage agreement payments amounted to EUR 12.2 million (2009: EUR 8.0 million).

Purchase commitments under agreements concluded as at the balance sheet date in respect of vehicle deliveries for the rental and lease fleets in the coming year amount to around EUR 1,947 million (2009: EUR 686 million).

5.3 Notes on the consolidated cash flow statement

[5.1]

The cash flow statement shows the change in cash and cash equivalents in the financial year. In accordance with IAS 7 (Cash Flow Statements), a distinction is made between cash flows from each of operating, investing and financing activities. Cash and cash equivalents correspond to the cash and bank balances item in the balance sheet. The effect of changes in foreign exchange rates on cash and cash equivalents amounted to EUR 248 thousand as at the balance sheet date (2009: EUR 497 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 flows from/used in operating activities include the following inflows and outflows of cash:

	EUR thou. 2010	EUR thou. 2009
Interest received	3,639	3,082
Interest paid	63,498	60,643
Dividends received	2,135	2,167
Income taxes paid	24,531	6,889

5.4 Share-based payment

The Company had a "Matching Stock Program" (MSP) in the year under review. This programme is recognized in the category of "equity-settled sharebased payment" programmes and is described in detail below.

The Managing Board and Supervisory Board of Sixt Aktiengesellschaft have resolved to implement a Matching Stock Programme for 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 employee participation in the form of shares while avoiding any dilutive effects for 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 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 individual beneficiary. 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 individual investment volume of the participants was converted into a corresponding number of virtual 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 stocks per tranche in accordance with the MSP terms and conditions.

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

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

The exercise gain for a tranche, calculated if the phantom stocks are exercised, must not exceed 3% of the earnings before taxes reported in the most recent annual financial statements of Sixt Aktiengesellschaft. If it does, the amount must be reduced proportionately for all participants. An amount net of the taxes and contributions on the exercise gain payable by the participant is credited to each participant in preference shares of Sixt Aktiengesellschaft. Sixt Aktiengesellschaft does this by acquiring Sixt preference shares on behalf of and for the account of the participant. These shares are subsequently transferred to a blocked custody account in the participant's favour. The participant is free to draw on the shares after another year. The total term of the MSP, including this lock-up period, is 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 stocks to change by 10% or more, the initial price will be adjusted to the extent necessary to compensate for the change in value of the phantom stocks caused by the capital action. If Sixt Aktiengesellschaft distributes dividends or other assets to shareholders in the period between allocation and exercise of a tranche of phantom stocks, the initial price of this tranche must be adjusted by deducting the amount of dividend or distribution attributable to one share from the initial price.

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

In addition to the MSP shares granted in 2007, 2008 and 2009 ("2007 allocation", "2008 allocation" and "2009 allocation"), Sixt Aktiengesellschaft granted MSP shares or a legally binding right to future phantom stocks to other employees (new hires) in financial year 2010. With a small number of exceptions, the conditions for the grant of these shares or rights ("2010 allocation") corresponded to the parameters for the "2009 allocation". In contrast to the "2009 allocation", the "2010 allocation" covers the grant of two tranches of phantom stocks. The market conditions as at 1 December 2010 were used as a basis for granting the first tranche of the “2010 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
	2010	2009	2008	2007
Outstanding at the beginning of the financial year	738,402	653,072	386,904	-
Granted during the financial year	230,496	246,134	326,536	386,904
Returned during the financial year	-46,914	-160,804	-60,368	-
Exercised during the financial year	-	-	-	-
Expired according to the terms and conditions	-230,496	-	-	-
Outstanding at the end of the financial year	691,488	738,402	653,072	386,904
Existing contractual obligation for future grant	230,496	492,268	979,608	1,547,616

Number of phantom stock options			2008 allocation
	2010	2009	2008
Outstanding at the beginning of the financial year	96,040	52,136	-
Granted during the financial year	34,300	48,020	52,136
Returned during the financial year	-27,440	-4,116	-
Exercised during the financial year	-	-	-
Outstanding at the end of the financial year	102,900	96,040	52,136
Existing contractual obligation for future grant	34,300	96,040	156,408

Number of phantom stock options	2010 allocation		2009 allocation
	2010	**2010**	2009
Outstanding at the beginning of the financial year	-	61,740	-
Granted during the financial year	152,292	61,740	61,740
Returned during the financial year	-	-	-
Exercised during the financial year	-	-	-
Outstanding at the end of the financial year	152,292	123,480	61,740
Existing contractual obligation for future grant	152,292	61,740	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	-	-	-	-
tranche 2008	230,496	2011	1.0 years	EUR 24.39
tranche 2009	230,496	2012	2.0 years	EUR 24.54
tranche 2010	230,496	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	34,300	2011	1.0 years	EUR 7.61
tranche 2009	34,300	2012	2.0 years	EUR 7.61
tranche 2010	34,300	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	2.0 years	EUR 17.19
tranche 2010	61,740	2013	3.0 years	EUR 17.14
tranche 2011	-	2014	3.0 years	EUR 17.19

2010 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
tranche 2010	152,292	2013	3.0 years	EUR 23.22
tranche 2011	-	2014	3.0 years	EUR 22.68

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 log-normal 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 2010.

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

Simulation model parameters	**2010** allocation	2009 allocation	2008 allocation	2007 allocation
Risk-free interest rate (%)	2.00	4.25	4.50	4.75
Expected volatility (%)	45	43	43	35
Expected term until exercise from issue (years)	3.0	3.0	3.0	3.0
Price of preference shares on the issue date (EUR)	24.71	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 fluctuation.

The phantom stock options granted in financial year 2010 have a fair value of EUR 2,064 thousand at the issue date (2009: EUR 1,435 thousand) for the “2007 allocation”, EUR 307 thousand (2009: EUR 280 thousand) for the “2008 allocation”, EUR 553 thousand (2009: EUR 360 thousand) for the “2009 allocation” and EUR 1,364 thousand for the “2010 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 2010, the Group recognised personnel expenses of EUR 1,439 thousand (2009: EUR 1,254 thousand) in connection with equity-settled share-based payments and allocated this amount to capital reserves. EUR 1,157 thousand of this amount relates to the “2007 allocation”, EUR 45 thousand to the “2008 allocation”, EUR 195 thousand to the “2009 allocation” and EUR 42 thousand to the “2010 allocation”.

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 arm’s length terms. The following provides an overview of significant transactions and account balances arising from such relationships:

Affiliated companies in EUR million	Services rendered		Services used		Receivables from related companies		Liabilities to related companies	
	2010	2009	**2010**	2009	**31 Dec. 2010**	31 Dec. 2009	**31 Dec. 2010**	31 Dec. 2009
Sixt Franchise SARL	1.0	1.0	-	-	-	-	0.1	-
Sixt Aéroport SARL	-	-	2.9	3.3	-	-	0.2	0.2
Sixt Sud SARL	-	-	2.8	3.2	-	-	0.4	0.3
Sixti SARL	-	-	1.5	2.1	-	-	0.3	0.2
Sixt Nord SARL	-	-	2.4	2.5	-	-	0.3	0.2
UNITED rentalsystem SARL	-	-	2.1	2.3	-	-	0.2	0.2
Sixt GmbH	-	-	-	-	0.2	-	-	-
SIXT S.à.r.l., Luxembourg	[1]	[1]	-	-	0.8	1.5	-	-
Get Your Car GmbH	0.1	0.1	-	-	-	-	0.1	0.2
SIXT S.A.R.L., Monaco	[1]	-		-	0.4	-	-	-
kud.am GmbH	-	[1]	0.2	-	-	0.1	0.1	-
Stockflock GmbH	-	-	0.1	0.1	[2]	1.2	-	-
Sixt Immobilien Beteiligungen GmbH	-	-	-	-	-	-	0.1	0.1
Sixt Verw.ges. mbH & Co. Sita Immobilien KG	[1]	[1]	-	-	0.2	0.2	-	-
Sixt International Holding GmbH	-	-	-	-	0.1	-	-	-

[1] Amount less than EUR 0.1 million
[2] Impaired with EUR 1.2 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 resolutions passed by the Annual General Meetings on 14 July 2005 and 17 June 2010, is not published individually. Other members of the Sixt family received remuneration amounting to EUR 0.4 million (2009: EUR 0.2 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
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
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

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 Munich	Member of the Supervisory Board of Sixt Leasing AG Member of the Supervisory Board of e-Sixt GmbH & Co. KG President of the Administrative Board of Sixt AG, Basle
Detlev Pätsch Oberhaching	Member of the Supervisory Board of Sixt Leasing AG
Thorsten Haeser (from 1 October 2010) Munich	Member of the Supervisory Board of Wiest AG

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

	EUR thou. 2010	EUR thou. 2009
Supervisory Board remuneration	200	200
Total remuneration of the Managing Board	7,235	5,589
of which variable remuneration	1,687	290

The total remuneration of the Managing Board includes the phantom stock options granted to members of the Managing Board under the Matching Stock Programme in financial year 2010 with a fair value of EUR 1,290 thousand as at the issue date.

In accordance with the resolutions adopted by the Annual General Meetings on 14 July 2005 and 17 June 2010, 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 20,580 MSP shares (2009: 15,680) on the basis of their personal investments at the end of the year under review. These MSP shares entitle them to acquire 144,060 (2009: 109,760) phantom stocks in an (annual) tranche and, depending on the date of their participation in the programme, a total of 507,640 (2009: 439,040) phantom stocks in two to five tranches in accordance with the MSP terms and conditions.

Shareholdings
As at 31 December 2010, Erich Sixt Vermögensverwaltung GmbH, all shares of which are held by the Sixt family, held an unchanged 9,355,911 shares of the ordinary shares of Sixt Aktiengesellschaft. No other noteworthy holdings by members of the Managing Board or Supervisory Board 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 from the group of persons specified by the stipulation in section 15a of the WpHG.

5.6 Proposal for the allocation of the unappropriated profit

Sixt Aktiengesellschaft reported an unappropriated profit for financial year 2010 in accordance with German commercial law of EUR 70,729 thousand (2009: EUR 5,258 thousand). Subject to the approval of the Supervisory Board, the Managing Board proposes utilising this unappropriated profit as follows:

	EUR thou. 2010	EUR thou. 2009
Payment of a dividend of EUR 1.00 (2009: EUR 0.20) and a bonus dividend of EUR 0.40 per ordinary share (excluding treasury shares not entitled to dividends)	22,350	3,294
Payment of a dividend of EUR 1.02 (2009: EUR 0.22) and a bonus dividend of EUR 0.40 per preference share (excluding treasury shares not entitled to dividends)	12,152	1,926
Transfer to retained earnings	36,200	-
Carried forward to new account	27	38

The dividend proposal, taking due account of the treasury shares not carrying dividend rights and held by the Company at the time these annual financial statements were prepared, would lead to a total distribution of EUR 34,502,155. The proposal appropriately reflects the earnings trend of the Sixt Group in the year under review and also further strengthens the equity capital. The proposal by the Managing Board and the Supervisory Board on the appropriation of the unappropriated profit for financial year 2009 was resolved unchanged by the Annual General Meeting on 17 June 2010. The distribution of EUR 5,220,133 was paid on 18 June 2010.

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 6 April 2011.

Pullach, 15 March 2011

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT	DR. JULIAN ZU PUTLITZ	DETLEV PÄTSCH	THORSTEN HAESER

Appendix to Notes to the Consolidated Financial Statements of Sixt Aktiengesellschaft, Pullach, for Financial Year 2010

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	49,034 EUR	100.0%	3,113 EUR
Sixt GmbH	Leipzig	50,000 DM	210,422 EUR	100.0%	-1,083 EUR
Sixt Leasing (UK) Ltd.	Chesterfield	2 GBP	2 GBP	100.0%	0 GBP
Sixt Holiday Cars GmbH [1]	Pullach	50,000 DM	25,565 EUR	100.0%	671 EUR
Sixt Travel GmbH	Taufkirchen	1,000,000 DM	50,357 EUR	97.0%	-1,347 EUR
Sixt Beteiligungen GmbH	Pullach	25,000 EUR	35,107 EUR	100.0%	1,652 EUR
Sixt Sud SARL	Paris	7,622 EUR	39,916 EUR	100.0%	5,043 EUR
Sixti SARL	Courbevoie	7,622 EUR	22,243 EUR	100.0%	3,369 EUR
Sixt Franchise SARL	Paris	7,622 EUR	45,555 EUR	100.0%	6,610 EUR
Sixt Aéroport SARL	Paris	7,622 EUR	13,018 EUR	100.0%	2,824 EUR
UNITED rentalsystem SARL	Paris	7,000 EUR	43,788 EUR	100.0%	7,564 EUR
Sixt Nord SARL	Paris	7,000 EUR	7,042 EUR	100.0%	-1,363 EUR
SIXT Limousine Service France SARL	Paris	7,000 EUR	7,000 EUR	100.0%	0 EUR
Sixt Autoland GmbH [2]	Garching	25,000 EUR	21,304 EUR	100.0%	1,471 EUR
Sixt Verwaltungs-GmbH	Taufkirchen	25,000 EUR	37,727 EUR	100.0%	1,960 EUR
Sixt Franchise GmbH	Pullach	25,000 EUR	20,421 EUR	100.0%	1,459 EUR
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG	Pullach	25,000 EUR	13,009 EUR	100.0%	-305 EUR
Sixti GmbH [1]	Pullach	25,000 EUR	25,000 EUR	100.0%	5,838 EUR
Sixt Immobilien Beteiligungen GmbH	Pullach	25,000 EUR	93,884 EUR	100.0%	11,477 EUR
Sixt Executive GmbH	Pullach	50,000 DM	68,450 EUR	100.0%	1,586 EUR
Sixt Allgemeine Leasing (Schweiz) AG	Basle	100,000 CHF	58,277 CHF	100.0%	-1,199 CHF
Sixt Asia Pacific Pte Ltd.	Singapore	200,000 SGD	273,929 SGD	100.0%	-52,814 SGD
Sixt International Holding GmbH	Pullach	25,000 EUR	14,279 EUR	100.0%	-3,779 EUR
SIXT S.a.r.l.	Luxembourg	12,500 EUR	50,480 EUR	100.0%	67,802 EUR
Stockflock GmbH	Pullach	25,000 EUR	-1,295,139 EUR	100.0%	-683,283 EUR
kud.am GmbH	Berlin	200,000 EUR	45,871 EUR	90.0%	-160,294 EUR
Get Your Car GmbH [3]	Pullach	100,000 EUR	100,000 EUR	100.0%	23,414 EUR
Preis24.de GmbH	Pullach	25,000 EUR	31,305 EUR	47.5%	6,763 EUR
MOHAG Autohaus Datteln GmbH & Co. KG	Datteln	10,000 EUR	683,266 EUR	95.0%	2,416,579 EUR
SIXT S.A.R.L.	Monaco	15,000 EUR	-81,356 EUR	99.9%	-96,356 EUR
Sixt Transatlantik GmbH	Pullach	25,000 EUR	24,472 EUR	100.0%	-528 EUR

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

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here: Sixt Limousine Service)

BALANCE SHEET

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2010

Assets	EUR	**EUR**	EUR
		31 Dec. 2010	31 Dec. 2009
A. Fixed assets			
I. Tangible assets			
Land, land rights and buildings		468,102	468,102
II. Financial assets			
Shares in affiliated companies		162,851,045	162,826,045
B. Current assets			
I. Receivables and other assets			
1. Receivables from affiliated companies	1,248,011,943		1,190,518,312
2. Receivables from other investees	205,061		44,670
3. Other assets	3,367,605		4,156,861
		1,251,584,609	1,194,719,843
II. Securities			
Other securities		57,287,373	172,230,597
III. Cash-in-hand and bank balances		86,004,888	26,019,389
C. Prepaid expenses		1,152,064	700,310
		1,559,348,081	**1,556,964,286**

Equity and Liabilities	EUR	EUR	**EUR**	EUR
			31 Dec. 2010	31 Dec. 2009
A. Equity				
I. Subscribed capital	64,576,896			64,576,896
Nominal value of treasury shares	-1,555,515			-
		63,021,381		64,576,896
II. Capital reserves		194,194,456		194,194,456
III. Revenue reserves				
1. Other revenue reserves	134,479,937			134,479,937
2. Reserves for treasury shares	-15,341,151			-
		119,138,786		134,479,937
IV. Profit participation capital		50,000,000		50,000,000
V. Unappropriated profit		70,729,323		5,257,609
thereof retained profits brought forward EUR 37,476			497,083,946	448,508,898
B. Special tax-allowable reserve			-	909,793
C. Provisions				
1. Provisions for taxes		25,608,796		15,648,283
2. Other provisions		4,163,829		2,265,960
			29,772,625	17,914,243
D. Liabilities				
1. Bonds		550,000,000		525,000,000
2. Liabilities to banks		394,052,247		419,002,945
3. Liabilities to affiliated companies		67,043,578		64,379,731
4. Other liabilities		21,395,685		81,171,618
			1,032,491,510	1,089,554,294
E. Deferred income			-	77,058
			1,559,348,081	**1,556,964,286**

Off-balance sheet items

Liabilities from guarantees EUR 290,282,497
(2009: EUR 541,884,251)

INCOME STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2010

	EUR	**EUR**	EUR
		2010	2009
1. Other operating income		10,450,719	7,386,465
2. Personnel expenses			
a) Wages and salaries	8,710,279	-	5,887,002
b) Social security and other pension costs	296,114	9,006,393	146,091
3. Depreciation and amortisation of intangible and tangible assets		-	268
4. Other operating expenses		5,986,691	3,869,425
5. Income from investments		51,876,310	10,181,961
6. Income from profit transfer agreements		41,251,869	-
7. Other interest and similar income		56,358,224	47,498,240
8. Write-downs of financial assets and current financial assets		327,495	-
9. Cost of loss absorption		-	7,616,992
10. Interest and similar expenses		47,202,100	32,400,221
11. Expenses for profit participation capital		6,624,097	9,050,000
12. Result from ordinary activities		**90,790,346**	**6,096,667**
13. Taxes on income		20,097,679	856,108
14. Other taxes		820	820
15. Net income for the period		**70,691,847**	**5,239,739**
16. Retained profits brought forward		37,476	17,870
17. Unappropriated profit		**70,729,323**	**5,257,609**

Financial Calendar of Sixt Aktiengesellschaft	
Annual earnings press conference for financial year 2010 in Munich	17 March 2011
Analyst conference in Frankfurt am Main	19 April 2011
Publication of the 2010 Annual Report	19 April 2011
Publication of the 31 March 2011 Interim Report	23 May 2011
Annual General Meeting for financial year 2010 in Munich	22 June 2011
Publication of the 30 June 2011 Interim Report	22 August 2011
Publication of the 30 September 2011 Interim Report	22 November 2011

Dates and event locations subject to change.

Editorial Team

Frank Elsner Kommunikation für Unternehmen GmbH, Westerkappeln

Design

Jürgen Kreitmeier, www.kreitmeier-valina.de

Sixt Aktiengesellschaft
Zugspitzstrasse 1
82049 Pullach
Germany

Phone +49 (0) 89/7 4444-5104
Fax +49 (0) 89/7 4444-85104
InvestorRelations@sixt.de
www.sixt.com

Reservation Centre
+49 (0) 180/5 25 25 25*

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