Planet Sixt.

Annual Report 2011

THE SIXT-GROUP IN FIGURES

in EUR million	2011	2010	Change 2011 on 2010 in %	2009
Revenue	1,564	1,538	1.7	1,602
thereof in Germany	1,178	1,187	-0.8	1,264
thereof abroad	386	351	9.9	338
thereof operational [1]	1,373	1,328	3.4	1,368
thereof rental revenue	896	807	10.9	758
thereof leasing revenue	394	404	-2.5	407
Profit from operating activities (EBIT)	189.8	156.2	21.5	67.0
Profit before taxes (EBT)	138.9	102.3	35.8	15.1
Consolidated profit for the period	97.5	70.7	37.8	10.4
Net income per share (basic)				
ordinary share (EUR)	1.99	1.41	41.1	0.20
preference share (EUR)	2.01	1.43	41.1	0.21
Total assets	2,328	2,229	4.5	2,097
Lease assets	675	722	-6.6	838
Rental vehicles	1,196	978	22.3	638
Equity	596	541	10.2	485
Equity ratio (%)	25.6	24.3	1.3 points	23.1
Non-current financial liabilities	528	1,006	-47.5	776
Current financial liabilities	645	142	> 100	335
Dividend per share				
ordinary share (EUR)	0.75[2]	0.70	7.1	0.10
preference share (EUR)	0.77[2]	0.71	8.5	0.11
Total dividend, net	36.8[2]	34.5	6.7	5.2
Number of employees [3]	3,052	2,871	6.3	2,981
Number of locations worldwide (31 Dec.) [4]	1,846	1,852	-0.3	1,923
thereof in Germany	485	510	-4.9	530

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

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.
In addition, Sixt is the only international provider developing flexible and individual concepts for its customers that integrate rental and leasing products.

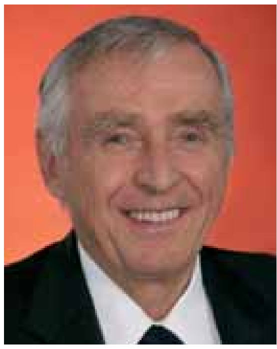
The Company is represented in some 100 countries worldwide. It maintains alliances with famous names in the hotel industry, leading airlines and numerous prominent service providers in the tourism sector. The Sixt brand stands for the "spirit of mobility" in the best sense. Focal point of all activities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

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

WWW.SIXT.COM HTTP://AG.SIXT.DE/EN/INVESTOR-RELATIONS/

Dear Shareholders,

in 2011 the Sixt-Group was successfully able to maintain the upward trend of the previous year and once again recorded a very good business performance. With earnings before taxes reaching EUR 139 million, we outperformed not only last year's figure by 36%, but also achieved the best result in the Company's history. The Sixt-Group reports earnings after taxes of EUR 97 million, 38% more than in 2010.



ERICH SIXT

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

2012 celebrates not only the jubilee of Sixt but also sees the Company in outstanding condition. For the past 100 years our company has been representing car mobility. From the humble beginnings in 1912, when Martin Sixt rented out a handful of Mercedes cars in Munich and in doing so opened up one of the first vehicle rental companies worldwide, Sixt has grown into a leading international mobility provider with a presence in some 100 countries. Numerous stages had to be covered on this long journey including rebuilding the Company after the Second World War, the pioneering achievement of an initial leasing programme for vehicles in the 1960's, the IPO in 1986, becoming market leader in Germany in the mid 1990's and launching the international expansion with subsidiaries and franchise partners since the end of the 1990's.

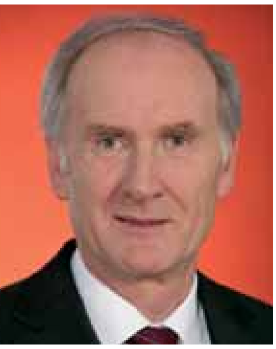
The common thread that runs through the entire history of the Company and which enabled such a successful expansion has always remained the same: unconditional focus on customers, striving for innovation and responsible, entrepreneurial actions. This focus was and is reliable.

Sixt has never rested on the laurels of its achievements. Similarly, in our jubilee year we must continue to look ahead. Particularly in the year 2011, many key strategic decisions were made for the long-term development of the Group. This included for example the launch of DriveNow in June, which is the first carsharing concept in Germany to stake its claim on premium vehicles and comprehensive service. DriveNow is a joint venture with equal shares owned by the BMW Group and Sixt Aktiengesellschaft. Both partners contribute their respective core competencies: BMW provides the cars and state-of-the-art vehicle technologies, while Sixt adds rental expertise and efficient IT systems. By entering into premium carsharing we are reacting to the changing mobility requirements of many city-dwellers, who often no longer own a car because of rising costs and the lack of parking spaces, but still require individual mobility. Following its very promising start in German metropolitan cities the carsharing offer is set to expand to other European countries in 2012. DriveNow has both, the claim and potential, of becoming an international, and in the long term, even a global brand.

In the year under review Sixt also made significant progress with the internationalisation of its business operations. Consequently, since February 2011 the Company has its own rental stations in the USA, which has the world's largest vehicle rental market. Starting in the State of Florida, whose market size alone corresponds approximately to the German market, the most important in Europe, we are planning a cautious expansion and in measured steps. Significant target groups

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.

are German tourists and business travellers, who are looking for a trusted mobility partner at their Florida destination. In conjunction with this expansion we are obviously also working to establish a US-customer base. Over the past few years we have developed the Spanish market in a similar fashion and it now ranks as the third largest single market for Sixt. 2011 saw another very positive business development for our operations on the Iberian Peninsula with double-digit growth rates.

Our rental business in Western European markets outside of Germany grew by nearly 20% last year, clocking up close to a third of all rental revenues. In Germany, rental revenues also increased by 7%. We benefited from a comparative robust general economic development, despite the sovereign debt crisis, as well as from winning over new customers from invigorated sales efforts.

In 2011 the Leasing Business Unit reaped the fruits from our consistent focus on higher-margin fleet management and full-service leasing business, which improved the quality of earnings in the portfolio of existing contracts. As a consequence the business unit's earnings rose to a record figure of more than EUR 25 million, with revenues almost on a par with the previous year. The development of revenues over the course of the year demonstrated a rising trend and generally met our expectations.

It is a proven tradition that you, our shareholders, adequately participate in Sixt's solid business performance. For this reason, the Managing Board and Supervisory Board are proposing that the Annual General Meeting on 6 June 2012 appropriate a dividend of EUR 0.60 per ordinary share and EUR 0.62 per preference share as well as a bonus dividend of EUR 0.15 for both share categories for the fiscal year 2011. This dividend policy does justice to the excellent annual result as well as to Sixt-Group's strong equity base. At 26% as at the end of the year 2011 the Company's equity ratio was once again substantially above industry levels in Germany.

As far as the current year 2012 is concerned, Sixt is strategically, operatively and financially well prepared to continue its encouraging business development from the previous years. We want to take another step toward our objective of becoming Europe's largest mobility service provider. The general expectation of a significant slowdown in Europe and the existing stable macroeconomic risks, partly because of the unresolved debt crisis in the Euro zone, however, urge caution. In view of such an environment that affects travel activities of private and business customers alike and the investment behaviour of leasing clients, we have to assume that it will be difficult to achieve the same high level of earnings as in the year 2011. Nonetheless, we estimate that we will be able to achieve a satisfactory Group result and an attractive return on equity in 2012.

During its first 100 years Sixt has become a global brand. The combination of black and orange are a byword for mobility and service quality all over the world. It is high time to introduce the Sixt World in more detail, which is why it is part of this Annual report. Our drive toward internationalisation and the often nascent development of mobility markets in numerous countries offer significant growth potential for Sixt over the coming years – it is up to us to make use of it. We are delighted to have you by our side during this exciting journey and thank you for your continued trust.

THORSTEN HAESER

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

Pullach, March 2012

Sincerely

The Managing Board

ERICH SIXT	DR. JULIAN ZU PUTLITZ	DETLEV PÄTSCH	THORSTEN HAESER

PROF. DR.
GUNTER THIELEN

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

General

In 2011, 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, monitored and regularly advised the Managing Board in its corporate management duties.

As in the previous year, four Supervisory Board meetings were held during 2011 in compliance with the legally prescribed frequency of two meetings per calendar half-year.

In accordance with its stipulations the Managing Board informed the Supervisory Board regularly, punctually and comprehensively about the Company's position; both in written and verbal form. It also involved the Supervisory Board in decisions of significant importance. For this purpose, 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 Supervisory Board meetings, where the Supervisory Board's discussions with the Managing Board focus in particular on the development of business, planning and corporate strategies.

In 2011 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 it was not necessary for the Supervisory Board to consult additional company documents.

Even outside the scheduled meetings the members of the Supervisory Board were in regular contact with the Managing Board, especially the chairmen of the two Company bodies. This close communication enabled the Supervisory Board members to be regularly informed of current business developments and significant transactions. The provisions of the German Corporate Governance Code and of 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 its resolutions at actual physical meetings. However, decisions can also be made by using conference calls or written documents circulated between meetings, if the Supervisory Board Chairman orders such a method of communication and no Supervisory Board member objects to the procedure. This form of decision making was used as required during the reporting period.

As in the previous years, the Supervisory Board formed no committees in 2011 as it consists of only three members and the establishment of committees is not therefore expected to increase working efficiency.

Key topics of the year under review

At the 2011 meetings, the Supervisory Board was informed in detail by written and oral reports from the Managing Board on all key questions relating to current business development, corporate strategy, the risk situation, risk management, company-internal control systems (among others, the internal control mechanism, risk management system, internal revision) and the financing structure of Sixt Aktiengesellschaft and the Sixt-Group. In addition, the Supervisory Board examined the internal audit plan as well as its findings and was able to prove the propriety of the corporate management. The Managing Board attended all of the Supervisory Board's meetings. The meetings discussed, among other things, the latest revenue and earnings developments within the Sixt-Group in Germany and abroad and also provided detailed information about the performance of business in the Business Units, taking into account the respective competitive situation.

In addition to these fundamental issues and topics, the Supervisory Board's discussions and deliberations focused particularly on the following aspects in the year under review:

- The Supervisory Board dealt in detail with risks resulting from vehicles' residual values as well as risks associated with dealers. This entailed in-depth discussions with the Managing Board about operating policies regarding the completion of repurchase agreements with vehicle suppliers as well as the development of the vehicles' market value. In doing so the Supervisory Board obtained an assessment of risks arising from the rental and leasing fleet.

- As part of its review of the risk management system within the Sixt-Group, the Supervisory Board proved the efficiency of the early risk detection system. This requires that appropriate measures are taken within the Group at an early stage to prevent any developments which could threaten the existence of Sixt AG or its national and international subsidiaries. In the year under review particular focus was given to the further development of the risk management at Sixt Leasing AG. This was based on the background of minimum requirements to the risk management of institutes (MaRisk) stipulated by the Kreditwesengesetz (KWG – German Banking Act).

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

- The Managing Board informed the Supervisory Board of its plans to enter the US market, which began in February when the first rental station was opened in Miami. Particular attention was given to the general development of the US car rental market in view of market potentials, consolidation processes in the industry as well as its competitive situation. The opportunities and risks of Sixt's expansion strategy for overseas were equally closely addressed. The Managing Board informed the Supervisory Board thereafter regularly about Sixt's business development in the USA.

- In June 2011, DriveNow GmbH & Co. KG, started its innovative premium carsharing offer. The joint venture is owned equally by the BMW Group and Sixt and first entered the market in Munich. The long-term aim is to expand DriveNow into an international brand. The Supervisory Board was briefed in detail about the offer, the technology deployed, and the market potential for carsharing in Germany and overseas, as well the expansion plans of the joint venture. The Board is convinced that Sixt can open up an attractive market segment with DriveNow, which holds good growth and earnings opportunities at home and abroad.

- The Supervisory Board was informed about other innovative business models such as the online portal for new vehicles autohaus24.de.

- The Supervisory Board approved the proposal made by the Managing Board for a 1-for-1 capital increase out of company funds. This capital increase was enacted after the corresponding resolution has been passed by the Annual General Meeting at the beginning of July 2011. In this context the Supervisory Board also dealt with adjusting the relevant parameters of the employee equity participation programme for senior executives, employees and members of the Managing Board (Matching Stock Programme), which had to be made as part of the capital increase.

- The Supervisory Board approved the Managing Board's decision to exercise the authorisation conferred on to it by the Annual General Meeting on 17 June 2010 to buy treasury shares once more via the stock exchange and buy up to 1,116,120 ordinary and preference shares with an equivalent value of up to EUR 20 million (excluding incidental purchase costs). The Supervisory

Board considers the share buy-back programme, under which treasury shares shall be retired by lowering capital, to be a suitable measure to improve key financial performance indicators of Sixt Aktiengesellschaft and thereby increase the appeal of its shares to the capital markets.

- The Supervisory Board reviewed the efficiency of its work in accordance with the stipulations of the German Corporate Governance Code. This was done as part of an internal evaluation. The main subject of the discussion and self-evaluation was to assess the process and structure of Supervisory Board meetings as well as the scope and content of meeting documents. The flow of information between Board members themselves as well as between Managing and Supervisory Board members was also assessed. Following an in-depth debate the Supervisory Board concluded that both, its organisation and control work, as well as the cooperation with the Managing Board is effective and functional.

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 2011, 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 2011 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 2011 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 2011 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 22 June 2011.

The aforelisted documents, together with the auditors' 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 5 April 2012. The auditors of the annual financial statements and of the consolidated financial statements attended this meeting to report on the material findings of their activities and provide additional information to the Supervisory Board. The auditors also explained the findings of their audit of the risk situation and the Company's risk management in detail. They confirmed that there 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 auditors' 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 of 2011.

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 concurred with the auditor's finding. Following the completion of its own examination, the Supervisory Board had no objections to the Managing Board's concluding declaration in the Dependent company report.

Personnel

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

Sixt-Group has had a very successful financial year in 2011. With a consolidated profit before taxes of EUR 138.9 million, the Company achieved one of the best results in its now 100-year corporate history. The Supervisory Board considers not only the operative business performance as a success, but also the fact that by driving forward its foreign expansion and innovative business models, Sixt is developing new growth areas with long-term prospects.

The Supervisory Board would like to express its sincere gratitude to the members of the Managing Board and all Group employees for the successes of the previous year which are the result of their competent and dedicated work.

Pullach, April 2012

The Supervisory Board

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

How to get to the top in a co

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st lane – since 1912)

Stock markets fall significantly

The European and US-American sovereign debt crisis kept the international stock and capital markets in thrall during 2011. Although the first half year registered a clear upswing on the back of many corporations' good business situation. At the start of the third quarter, however, prices fell sharply, not least triggered by the sovereign debt crisis in Greece and the rating agencies' down-grading of the US credit rating. On top of these were added other negative factors such as the insecurities caused by the political upheavals in the Middle East, rising risk premiums for Spanish and Italian government bonds as well as weaker economic indicators in Europe, the USA and China. The second rescue package, the European Union strung together for Greece, led to a short stabilising respite, as did the European Central Bank's acquisition of Italian and Spanish bonds, the announcement by the Federal Reserve to keep base rates close to zero for another two years as well as the European Central Bank's lowering of base rates towards the end of the year.

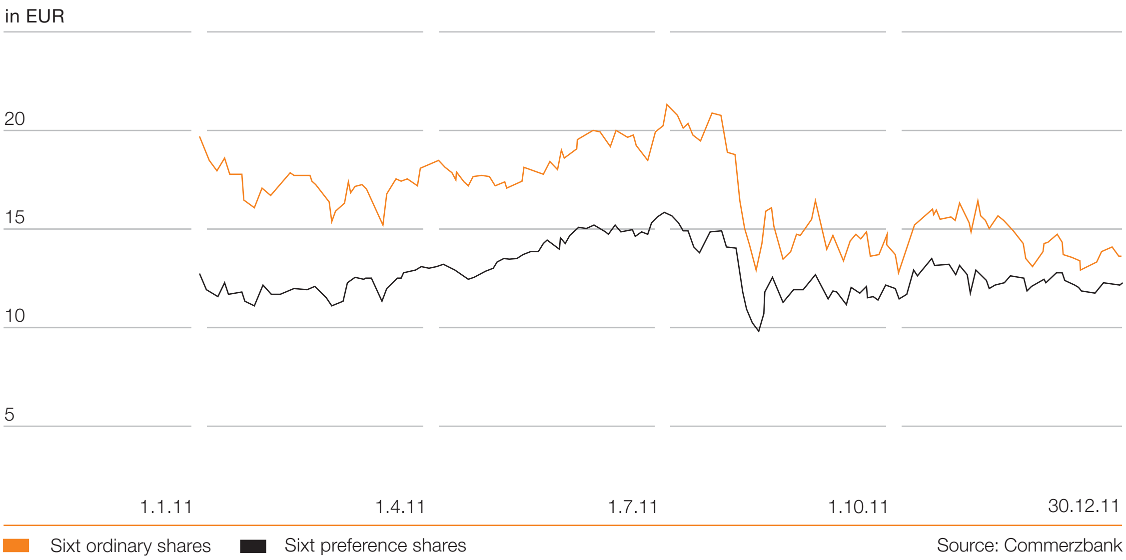
Accordingly, the stock markets in Germany, the USA and Asia registered above all falling prices in 2011. The German stock index DAX reached its annual high on 2 May 2011 at 7,527 points. At the close of July, however, it began to slide and dropped to its annual low on 12 September 2011, recording 5,072 points. It closed the year at 5,899 points, a minus of 15% for 2011 (2010: +16%). The SDAX, which includes Sixt public company's ordinary shares, also registered a substantial drop of 15% in 2011 (2010: +46%).

The leading European index, the Euro Stoxx 50, was down by 18% (2010: -5%). Because of a positive year-end development the American Dow Jones rose by 6% (2010: +11%), while the Japanese Nikkei 225 contracted sharply by 17% (2010: -3%).

Sixt shares under the sway of plunging stock prices

Sixt ordinary and preference shares saw their values drop in 2011. The shares registered a heterogeneous performance against the SDAX reference index. While ordinary shares fell deeper than the benchmark index, preference shares fared comparatively better. Account must be taken of the adjustment of stock prices following the issue of bonus shares in July 2011 and the subsequent doubling of the number of shares.

Sixt ordinary and preference shares



Source: Commerzbank

Figures arithmetically adjusted for comparative purposes after capital increase from company funds

Sixt's ordinary shares reached their high for the year at EUR 20.76 on 5 July 2011. However, they could not budge the general decline of stock prices over the course of the year and registered a sharp fall at the start of July, marking their low at EUR 12.67 on 4 October 2011. The year-end price was EUR 13.66, down by 28% on the price at the end of 2010 (EUR 19.00).

Sixt preference shares saw their high for the year at EUR 15.79 on 4 July 2011. In line with the ordinary shares the stock price fell strongly early in July and reached its low at EUR 10.13 on 10 August 2011. The year-end price was EUR 12.50, thus 4% below the Xetra closing price at the end of 2010 (EUR 13.03).

Capital increase from corporate funds

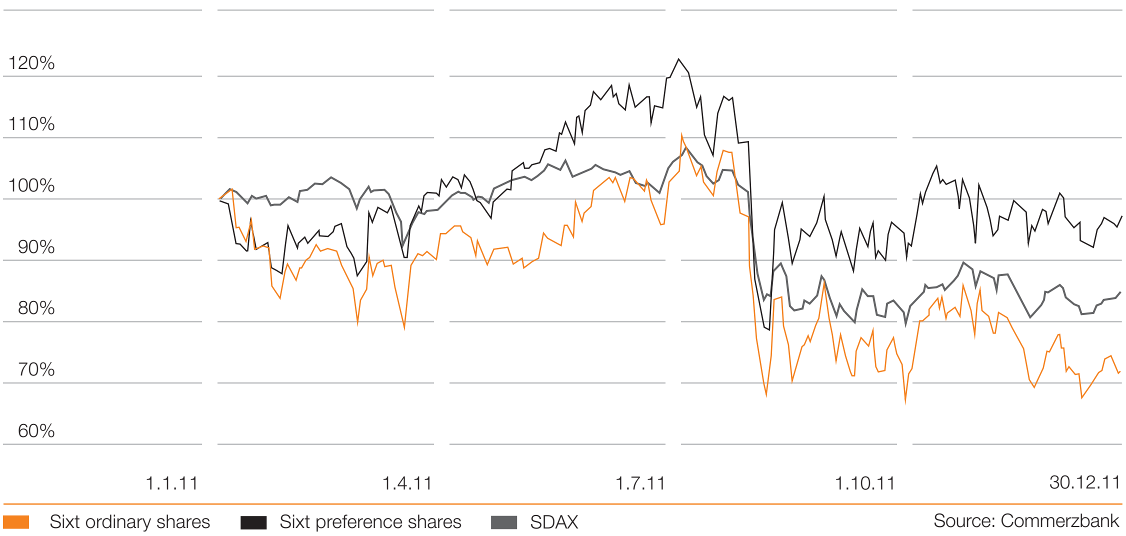
On 22 June 2011 the Annual General Meeting of Sixt Aktiengesellschaft approved the proposal by the Managing Board and Supervisory Board for a 1-for-1 capital increase out of company funds. The Company's share capital was doubled by the conversion a portion of retained earnings into share capital. One new ordinary share was issued for every existing ordinary share and one new preference share for each preference share. All in all a total of 16,472,200 ordinary shares and 8,753,150 preference shares were issued at the start of July 2011.

On account of the measure the number of shares and the share capital both doubled, to 50,450,700 shares and EUR 129.2 million, respectively. The number of shares was doubled with the aim of strengthening liquidity and trading volume of Sixt shares.

Decision taken on further share buy-back programme

Based on the authorisation granted by the Annual General Meeting on 17 June 2010 and the prior approval of the Supervisory Board, Sixt Aktiengesellschaft announced a further share buy-back programme on 10 October 2011. Under this up to 1,116,120 ordinary and preference shares at an equivalent value of up to EUR 20 million (excluding incidental purchase costs) can be acquired on the stock exchange.

Relative performance of Sixt ordinary and preference shares against the SDAX



Source: Commerzbank

Figures arithmetically adjusted for comparative purposes after capital increase from company funds

Under the new resolution and until the reporting date 2011 the Company had bought back 327,769 ordinary shares with a value of EUR 4.8 million and 95,642 preference shares with a value of EUR 1.2 million. The share buy-back had not been completed at the time of preparing this report.

As at 31 December 2011 the number of treasury shares amounted to 1,343,337 ordinary shares at a volume of EUR 20.5 million as well as 486,488 preference shares at a volume of EUR 5.5 million.

As with the share buy-back the year before, the purpose of the buy-back was to reduce the Company's share capital by retiring treasury shares to improve key share-based performance indicators.

Stable shareholder structure

Based on the registered share capital, 56.8% of the ordinary voting shares were held without change by the Erich Sixt Vermögensverwaltung GmbH at the end of 2011, all shares of which are owned by the Sixt family.

On 4 March 2011 Artisan Partners Limited Partnership, Milwaukee, Wisconsin/USA, notified the Company in accordance with section 21(1) of the German Securities Trading Act (WpHG), that its voting rights in Sixt Aktiengesellschaft exceeded the 3% threshold and amounted to 3.001% (494,402 shares). On 14 April 2011 Artisan Partners Limited Partnership notified the Company that its percentage in voting rights had fallen back again under 3% and that it held 2.98% (490,155 shares) as at that date.

As at 31 December 2011 Sixt Aktiengesellschaft had received no notification of voting rights for further blocks of shares.

2011 dividend performance once again follows 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 scheduled national and international expansion.

In accordance with the proposal by the Managing Board and Supervisory Board, the Annual General Meeting on 22 June 2011 resolved to pay for financial year 2010 a dividend of EUR 1.40 per ordinary share and EUR 1.42 per preference share. The dividend figures refer to the ratios prior to the capital increase from corporate funds. The proposal takes account of the Group's significantly improved financial position over the year 2009. The total distribution amounted to EUR 34.5 million, multiplying the EUR 5.2 million from the year before many times over.

The Managing Board and Supervisory Board are proposing that the Annual General Meeting on 6 June 2012 appropriate a dividend of EUR 0.60 per ordinary share and EUR 0.62 per preference share as well as a bonus dividend of EUR 0.15 for both share categories for financial year 2011. The proposal takes account of the Group's once again significantly improved financial position over the previous year as well as its strong equity base. The proposal amounts to a preliminary dividend total of EUR 36.8 million. Because the ongoing share buy-back programme had not been closed as at the balance sheet date, the specified total payout will still change until the day of the actual dividend payout due to the a higher level of treasury shares.

Measured in terms of the consolidated profit after minority interests, the dividend payout rate for fiscal year 2011 will amount to around 38% (previous year: 49%). Based on the share price at the end of 2011 and allowing for the bonus dividend the dividend yield is 5.5% for ordinary shares and 6.2% 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: 1.72%)
	CDAX (weighting of ordinary shares: 0.03%, weighting of preference shares: 0.03%)
	Prime All Share (weighting of ordinary shares: 0.03%, weighting of preference shares: 0.03%)
Trading segment	Prime Standard
Designated Sponsor	Commerzbank AG

	2011	2010
Earnings per share - basic (EUR)[5]		
Ordinary shares	1.99	1.41
Preference shares	2.01	1.43
Dividend (EUR)[5]		
Ordinary shares	0.60	0.50
	+ Bonus 0.15[1]	+ Bonus 0.20
Preference shares	0.62	0.51
	+ Bonus 0.15[1]	+ Bonus 0.20
Number of shares (as at 31 December, including treasury shares)[5]	50,450,700	50,450,700
Ordinary shares	32,944,400	32,944,400
Preference shares	17,506,300	17,506,300
High (EUR)[2,5]		
Ordinary shares	20.76	19.45
Preference shares	15.79	13.45

	2011	2010
Low (EUR)[2,5]		
Ordinary shares	12.67	9.15
Preference shares	10.13	6.95
Year-end price (EUR)[2,5]		
Ordinary shares	13.66	19.00
Preference shares	12.50	13.03
Dividend yield (%)[3]		
Ordinary shares	5.5	3.7
Preference shares	6.2	5.5
Market capitalisation (EUR million)[3,4]		
as at 31 December	669	854

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
5 Previous year figures adjusted for comparative purposes after 1-for-1 capital increase out of company funds

Intensive communication with the capital market

The Company feels 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.

In 2011 Sixt once again assigned great importance to the 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 2011. 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. Focal points in the year under review were on the further development of the operative business units, product novelties as well as the changes in the financial structures and growth drivers of the Group. The roadshows in Germany and abroad met a positive feedback. 2011 saw meetings with investors in Baden-Baden, Frankfurt, Munich, London, Geneva, Zurich, Boston and New York. In addition, conference calls with analysts and investors were held to present the reports for 2010 and the half-year figures for 2011.

As in previous years the Managing Board used the publications of the quarterly reports for 2011 to keep in direct contact with the media. These conferences are a good forum to report on Sixt's business development to the public and to comment on current topics relevant to the Group, in addition to the live events such as the annual earnings press conference and the Annual General Meeting.

Prominent financial and research institutions carefully track the Sixt-Group's performance and publish research reports based on close dialogue with the Managing Board. In 2011, corresponding research papers were prepared by, among others, Bankhaus Lampe, Commerzbank, HSBC Trinkaus & Burkhardt, M.M. Warburg & Co., UniCredit and WestLB.

The Managing Board of Sixt will continue to engage in direct dialogue with investors, analysts and the media and utilise suitable communication channels to cater to the information requirements of the capital market and the media. The objective is to widen interest in Sixt shares and thereby establish a key condition for the share price's positive development.

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 saw moderate performance in financial year 2011. Its price rose continually until the middle of the year, climbing to its high on 10 June 2011 at 116.0%. After the profit distribution the price fell towards the end of June and reached its annual low at 103.0% on 12 August 2011. Thereafter it rose again and switched into a side movement, closing the year at 109.0% (2010: 111.3%). All above mentioned prices refer to closing prices at the Frankfurt stock exchange.

The profit participation certificates matured on 31 December 2011. According to the terms and conditions of the profit participation certificates, the due date for redemption of the second tranche of the profit participation certificates over EUR 50 million falls on to the first bank working day following the Annual General Meeting 2012.

Sixt profit participation certificate information

Aggregate principal amount	EUR 50 million (after partial redemption)
Denomination	1 million bearer certificates of EUR 50 each (after partial redemption)
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 2011, 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 2.2.3 (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 Supervisory Board (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 Supervisory Board, especially given that the 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 individualised breakdown of the disclosures is given in compliance with the resolution of the Annual General Meeting on 17 June 2010, because Sixt Aktiengesellschaft believes that an individualised 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 members, 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 2011

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 summarised in the code of conduct, which provides employees with a framework for their actions. The code of conduct contains behavioral principles for individuals’ dealings in relation to third parties and within the Company.

Working practices of Managing Board and Supervisory Board

In accordance with Article 6 (1) of the Company’s Articles of Association, the Managing Board of Sixt Aktiengesellschaft consists of one or more persons appointed by the Supervisory Board for a period of up to five years. Currently the Managing Board has 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 appointment of Managing Board members and the supervision of the Managing Board. 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 of votes cast, unless otherwise required by law (Article 11 (5) of the Articles of Association).

The Managing Board and Supervisory Board cooperate closely for the benefit of 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. To this end, 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 corresponding 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.

Following the 1-for-1 capital increase from company funds in fiscal year 2011, as a consequence of which the share capital and the number of shares doubled – the subscription ratio in the MSP terms and conditions had to be adjusted accordingly. Henceforth, each MSP share entitles the participant to subscribe to 14 phantom stocks per annual tranche in accordance with the MSP terms and conditions. On each 1st of December every year from 2007 (first time) to 2011 (last time) one tranche of phantom stocks had been allocated (a total of five tranches), so that a participant was entitled to subscribe up to a total of 70 phantom stocks for each MSP share (5 tranches with 14 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 said 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 the respective 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 initial price and the exercise price of those tranches that had been issued prior to the 1-for-1 capital increase from company funds in fiscal year 2011, had to be adjusted accordingly.

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 available at the time of exercise. 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 in the form that Sixt Aktiengesellschaft acquires 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 required, also by additional effects from capitalisation measures.

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 56.8% (18,711,822 shares) of the ordinary shares of Sixt Aktiengesellschaft as at the reporting date of 31 December 2011.

As at 31 December 2011 members of the Managing Board held Sixt preference shares, granted under the tranche of the MSP employee equity participation programme due and exercised in 2011.

Members of the Supervisory Board held no ordinary shares or preference shares of Sixt Aktiengesellschaft as at 31 December 2011.

Under the MSP employee equity participation programme, members of the Managing Board subscribed for bonds of Sixt Aktiengesellschaft with a total principal amount of EUR 600,000, which under the MSP terms and conditions grant their holders the right to subscribe for up to 23,520 MSP shares. Adjusted by the 1-for-1 capital increase from company funds in the fiscal year this equals a claim for a maximum of 836,920 phantom stocks as at reporting date, 31 December 2011.

No financial instruments relating to the acquisition 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 in accordance with section 15a WpHG for the 2011 financial year regarding the acquisition or sale of the Company's shares or financial instruments on those shares.

What does Thailand have to offer besides wonderful beaches?

(As of 2012: Wonderful cars, wonderful offers, wonderful service …)

SIXT GOES GLOBAL:
HIGH-QUALITY MOBILITY WORLDWIDE

Around the globe mobility is a key component in people's working and private lives. In times of globalisation people rely permanently on the ability to stay mobile and reach their destinations also across national borders. Sixt is making a vital contribution towards that end, as our corporate colours orange and black show customers the way at numerous locations in the most diverse countries. They stand for unlimited mobility.

Travellers receive comprehensive mobility services not only in our German home market, but can equally rely on Sixt's continuously high level of quality when travelling in other European countries, in Asia, South America or Africa. Whether they are in London, Paris or Moscow, in Jerusalem, Dubai or Miami, our customers will always find friendly Sixt employees and vehicles equipped to a high standard.

International expansion continues rapidly

Sixt goes global: our company has been in operation for a century now and its brand is present in around 100 countries worldwide. Ever since its foundation by Martin Sixt in 1912, Sixt has developed from a small Munich car rental company to a globally active mobility service provider. We are driving forward this expansion resolutely, with the necessary measure of prudence, and in keeping with a clear strategy. Alongside Germany Sixt is present in Europe with company-own subsidiaries in France, Spain, the UK, Austria, Switzerland, the Netherlands, Belgium, Luxembourg, and Monaco. Subsidiaries for all-round leasing services are additionally operative in France, Austria, Switzerland and since 2011 also in the Netherlands.

We also work in a variety of other countries around the world where we collaborate with experienced and competent franchise partners, many of whom provide the entire range of mobility services available, from renting and leasing to chauffeur services.

Sixt turned into a global brand relatively quickly. The drive toward the Company's internationalisation only kicked off at the end of the 1990's. In 2011 the international share of operating revenue amounted already to 26.8% – excluding the revenue generated by franchise partners. It is our firm intention to drive forward this rapid development beyond our domestic market.

"Drying little tears" – Worldwide help for children in need

Purpose of the Regine Sixt Children's Aid Foundation is the improvement of humane living conditions for children worldwide. In this the foundation follows the UN Convention on the Rights of the Child. The foundation's purposes are solely non-profit and are realised in an operative and promotional manner. Structured into the four programme divisions of health, care, education and emergency aid, the foundation implements its by-laws. To attain these objectives the foundation supports third party projects and develops and realises its own initiatives in accordance with its by-laws. The entrepreneur Regine Sixt established the Regine Sixt Children's Aid Foundation over ten years ago. Thanks to generous donations received since then it has successfully implemented numerous aid projects in Germany and abroad and thereby dried many little tears. Working together with the Company Sixt and its dedicated employees in around 100 countries it has become an aid charity that has made the impossible possible. In recognition of her commitment Regine Sixt has received the internationally renowned "Citizen of the World" award.

France: Success through provocative advertising

Like in Germany, Sixt also uses unconventional and at times cheeky advertising abroad in order to raise brand awareness. It does so with success. Thus, campaigns including ads for a small French car depicting the French President Nicolas Sarkozy and his wife Carla Bruni ("Do as Madame Bruni. Take a small French model!") caused enormous reactions in the online and offline media as well as among the wider public. Commenting on rumours about the "Première Dame's" pregnancy Sixt stated: "Sixt offers family vans also for presidential wives." In addition, Sixt France also launched online campaigns causing a bigger stir and increasing Sixt's brand awareness in France significantly.

Unlimited mobility for our customers

International presence is essential for a mobility service provider and our customers require mobility services on an international scale.

This affects companies expanding abroad who do not want to go without relying on Sixt's tried and tested services there. They want to have flexible access to one fleet of vehicles not just in one country, but request mobility across borders. This applies equally to private travellers. Already familiar with Sixt from their home country they want to put their trust in our services at their holiday destination. Hence, worldwide expansion is a key component of our competitiveness.

Compared to the competition Sixt has a distinct market position. We are the only international provider able to offer our customers the most varied mobility services from just one single source. This applies to reliable mobility lasting from a few minutes during carsharing to several months for vehicle rentals. It also applies to exclusive models such as Sixt's limousine service or Sixt luxury cars. Solutions stretching over years through full-service leasing, fleet management and carpools are also included. Thus, Sixt offers mobility across country borders and beyond the limits of previously separated mobility models.

Eyes fixed on the future

We are far from having reached our targets in terms of international expansion. Our aim is to become Europe's Number One mobility service provider in the upcoming years. We aim to systematically and rapidly change the white spots on the Sixt world map to orange and black. There is exceptional growth potential for our two business units Vehicle Rental and Leasing.

One good example for a successful market development is Spain, where Sixt started only in 2006. Setting across from the holiday island of Mallorca we expanded step by step onto the Iberian Peninsula. Today Sixt has over 50 rental stations on the Spanish mainland as well as the Balearic and Canary Islands. The Company manages to appeal to more and more Spanish private and business customers alongside the important foreign tourists and successfully wins them over for the colours orange and black. Despite difficult economic conditions Spain once again grew significantly with a double-digit increase in 2011, maturing to Sixt's third largest market in Europe. At a number of airports our market share for vehicle rental is already up to 15%.

Significant potential in the USA

In 2011, Sixt began to take up the significantly big challenge of leaping across to target the US-American rental market. In February we started out in Florida and by the end of the year we had Sixt stations at the airports in Miami, Fort Lauderdale and Orlando. With the USA having the largest vehicle rental market worldwide it offers huge potential, which we seek to develop step by step and with a measured approach. The market revenue volume in Florida alone is almost equal to the entire German rental market.

Ukraine: Sixt at the Rally Dakar

The fact that Sixt has petrol running in its veins was amply demonstrated by Sixt Ukraine in 2011 as they participated with their own team in the world-renown Rally Dakar. Naturally all vehicles sported the catching Sixt logo and the Sixt team caused quite a stir. In the field of all participants they closed the race with a successful place. They closed the race with a successful place achieving rank 35 out of 156 participants.

In the USA our initial focus will be on European holiday or business travellers, who require a rental vehicle on site. Obviously we also aim to establish local business with US customers as successfully as we did in Spain. The business volume has already exceeded our expectations shortly after launching in North America.

The expansive activities in the USA are also benefiting the development of Sixt's network in the neighbouring franchise countries. With our own North American organisation we can provide even better support to our franchise partners in Mexico, the Latin-American and Caribbean countries and this enables us to integrate our activities. Finally, due to the background of our US involvement we have opened further stations on the Cayman Islands and Jamaica.

Dubai: with premium cars to Formula 1

Sixt is a byword for top mobility services in Dubai as well. We have positioned ourselves consistently as premium service provider in the emirate on the Persian Gulf and offer customers above all exclusive shuttle and limousine services. Sixt obtained special attention during this year's Formula One race in Dubai: 2011 was the second time that the Company was awarded the contract for the VIP transport at the airport and the four key hotels during the race. Sixt deployed a fleet of around 150 vehicles as well as specially trained drivers who were available round the clock. In addition, Sixt provided the chauffeur services for the Ladies Masters golf tournament in Dubai.

Early mover in emerging mobility markets

Sixt's franchisees are the ambassadors of our brand. Our principle is to always work together with efficient partners established in their respective markets and well acquainted with the needs and requirements of the customers in their countries. It is our goal to offer our products and services to the same exacting high standard anywhere in the world. We are therefore always in close contact with our franchise partners. This serves to transfer knowledge, including their integration into Sixt's booking system, define standards for corporate branding, to establish a worldwide consistent corporate identity and to train chauffeurs according to Sixt's high standards.

Netherlands: "Sixt houdt van BMW" – "Sixt loves BMW"

"Sixt loves BMW" – For years already customers have been benefiting in numerous ways from the close cooperation between these two strong international brands. In Germany customers can drive BMW cars with highly fuel-efficient BMW EfficientDynamics engines and utilise the intelligent BMW ConnectedDrive system that supplies vital information to the driver during the journey. Following Germany the cooperation between Sixt and BMW was extended to the Netherlands in 2011. That's why they also say there: "Sixt houdt van BMW".

On this basis we enjoy a position with good prospects in the major global growth regions of Eastern Europe, Latin America and the Asia Pacific region. Many of these regions' countries are witnessing rapidly growing mobility demand in line with the prospering economic development. Sixt seeks to be an early mover in the development of the corresponding mobility markets to benefit from the outstanding growth perspectives.

In many countries we are already market leader in vehicle rentals. These include for example Austria, Israel, Angola, Armenia, Ukraine, the Czech Republic and Sudan. In other countries we have significantly expanded our market position over the past few years. Sixt does not stand still. Therefore, at the start of 2012 we launched operations in countries such as Thailand, the Philippines, Kenya, Ivory Coast and the southern Sudan.

It is of upmost importance for an international expansion to be able to streamline our products and services to match perfectly to national preferences. In many Asian countries for example chauffeur services are extremely popular, while in European countries such as the Netherlands or Denmark leasing is of great significance.

DriveNow – Mobility of a new generation

Concurrent with the increasing demand for mobility it is clear that the preferences and values of our society are also changing. In the large metropolitan areas more and more customers are relinquishing owning a car and instead are looking for a flexible means of transport for their instantaneous demand, whether it is for shopping, going to a concert or for a trip. Sixt has reacted to this development and together with BMW has founded the premium carsharing offer DriveNow, as a joint venture in which both companies hold an equal share.

DriveNow enables driving that is billed down to the exact minute, spontaneous and anywhere. A key feature of DriveNow is the station-independent renting and returning of vehicles in a designated urban area. DriveNow uses exclusive first-class premium brand vehicles from MINI and BMW (1series).

The joint venture was launched in 2011 in Berlin and Munich and has experienced a highly successful first year, with Düsseldorf following suit at the start of 2012. It is an international product that is set to be launched in other metropolitan areas in Germany and Europe and in over the midterm also in other parts of the world. It is our aim to have around one million registered DriveNow customers worldwide by 2020. We consider carsharing to be sensible alternative to our comprehensive mobility services and a key component of our expansion strategy.

100 years of Sixt – and the journey still continues!

The centennial anniversary in 2012 is not a time for reflection but rather an opportunity to set new targets. In the future top strategic priority for our Group will be the significant expansion of international activities across all business units. The world in orange and black, that's what we are working on. The journey goes on.

Spain: Sixt at the MINI Challenge

Sixt's activities in Spain are characterised by its close connection to motorsports. Consequently, our company was a sponsor during the "MINI Challenge" 2011 for the team of favourite Marta Suria. The female racing driver finally secured the overall victory for the challenge in the last race on the "Monteblanco" track in the Andalusia Huelva – with the Sixt logo on the bonnet. The MINI Challenge is competed over a total of five Spanish and one Portuguese race course.

How do you win the he

(With an extraordinary selec

art of a proud country?

tion of vehicles since 2005)

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 products that provide mobility of a few minutes to a couple of years and which in many cases can be combined together into integrated solutions. Sixt is primarily active in the business areas of vehicle rental and leasing. On top of these the Company offers a variety of supplementary mobility models. Innovative online and mobile services support and extend the 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 clear market leader, way ahead of its competitors. At some commercial airports in Germany, a particularly important segment for the rental business, the Company's market share is even higher. Primary target groups for the business unit are business and corporate customers, which in the year under review accounted for 49% of rental revenue (2010: 50%). 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.

In Germany, Sixt has a dense network of service points. As at 31 December 2011, the number of rental offices stood at 485 (2010: 510). Abroad, the Company is represented with its own service points in the core European countries, France, Spain, the UK, the Netherlands, Austria, Switzerland, Belgium, Luxembourg, and Monaco (Sixt-Corporate countries). Sixt thereby covers well over 70% of the European market with its own subsidiaries and is thus one of Europe's largest car rental companies. In addition to these the Company opened its first own rental stations in the USA in 2011.

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 2011, the number of Sixt service points worldwide was 1,846 (2010: 1,852).

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

- **Sixt Rent a Truck:** Sixt provides a wide range of utility vehicles from small transporters to delivery vans right through to trucks up to 12 tons. Sixt Rent a Truck offers customers a comprehensive mobility and service package specifically geared towards their needs, such as accessory equipment for house moving for example. This includes maintenance and wear and tear work as well as replacement vehicles in case of repairs. Upon customer request, the offer also covers specialised vehicle fittings and equipment as for movie and TV productions.

- **Sixt holiday rental vehicles:** Sixt provides holiday travellers with an international holiday car rental offer specially tailored to mobility requirements in holiday destinations. It comes as prepaid product, where customers receive a confirmation after their booking that they then use to rent the vehicle of their choice at the holiday destination. Extra services such as insurance (excluding any excess), airport duties, taxes and mileage are normally already included for key vacation destinations.

- **Sixt Limousine Service:** Sixt Limousine Service is an individual, exclusive mobility offering for business travellers and for other occasions such as event services, airport transfers and sightseeing trips. Offered in more than 60 countries worldwide, Sixt uses a fleet of attractive premium vehicles and chauffeurs trained to a uniform and high Sixt standard for this product.

- **DriveNow:** DriveNow constitutes a new premium carsharing product for mobility demands in major cities. Customers receive a high-quality alternative to owning and maintaining a vehicle. They can rent attractive BMW and MINI models at short notice and simply park them at their place of destination. Supplementing the offer are such comprehensive services as BMW's information service ConnectedDrive or the very fuel-efficient BMW EfficientDynamics engines. DriveNow is a Joint Venture between Sixt and BMW, with both companies owning a 50% share. So far the offer is available in the major German cities of Berlin, Munich and Düsseldorf. Further metropolitan cities in Germany and Europe are set to follow.

- **Integrated services:** Sixt is the only international mobility services provider able to offer its customers integrated products combining both rental and leasing components, such as the product “Sixt unlimited”. Now customers can rent a vehicle for a monthly flat rate at any time and at over 600 Sixt service stations in Europe. Especially frequent travellers will benefit from significant time and cost advantages, as they no longer incur separate expenses for their own car, rental car, taxis or parking fees. The usage period is up to twelve months. In addition, the offer includes preference service, comprehensive insurance cover and tyres fit for winter during the winter months. There is no mileage limitation or obligation to pre-book.

- **Strategic Partnerships:** 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 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 usual 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, special product offers for transparent conditions at vehicle returns, service packages in the case of accidents and various other services, such as car insurance, fuel card management, payment of motor vehicle tax, and radio license 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.

Sixt Leasing AG is one of the largest non-bank, vendor-neutral leasing companies in Germany. The business unit also maintains a presence in other countries, with subsidiaries in France, Austria, Switzerland and since 2011 in the Netherlands. In addition, Sixt franchisees offer lease financing and services in around 50 countries.

Per 31 December 2011, the number of leasing contracts in Germany and abroad amounted to 56,300 (2010: 54,100). 96% of the contract portfolio (2010: 95%) was attributable to full-service leasing or the fleet management.

The further development of innovative mobility services, both in the online and mobile scope, will be essential for the expansion of the business units' product portfolios. This will make it possible to react swiftly to new trends and augment the range of offers with corresponding services. It includes continually adapting the websites of the Vehicle Rental and Leasing business units to the current state of the art as well as the customers' requirements. Furthermore does it require the development of specific applications for smarthpones and tablet-PCs, and keeping up the Sixt-Group's presence in own Internet blogs and so-called social networks like Facebook to maintain an intensive exchange with customers and a wider public.

Sixt is an early mover in this field. Thus, the Company was one of the first vehicle rental companies worldwide to offer an application for Apple's iPhone. Meanwhile over 50% of bookings made in the car rental unit are made via Internet and mobile services.

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.

An overview of the companies included in the consolidated financial statements as well as the other investments of Sixt-Group, which in their aggregate are economically 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 an internationally active Group with a stock-listed holding at its head, 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, as well as tax and insurance laws, and capital and financial market regulations.

Economically, the Group is dependent on the general economic conditions, which affect in particular the spending propensity of business travellers as well as the consumer behaviour of private customers and companies' willingness to invest. Exceptional economic developments such as the upheavals on the financial markets in 2008 and 2009, or the escalation of the sovereign debt crisis in Europe during the year under review, can affect the Sixt-Group's business operations.

4. Business management and corporate objectives

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

4.1 Financial performance indicators

The key financial control parameters (financial performance indicators) in the Vehicle Rental Business Unit include 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)
- a pre-tax return on equity of at least 20% at Group level
- an equity ratio of 20% at Group level

4.3 Non-financial performance indicators

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

- **Consistent service culture:** Sixt positions itself deliberately as a provider of premium products and services. The Company is characterised by above-average quality of service, employees with a strong customer focus and the swift adjustment of services to changing mobility requirements. Service responsiveness and service quality are the key differentiators setting the Company apart from the competition. Customers, above all business and corporate customers, attach considerable importance to the speed and ease during the rental process and the handling of the leasing process. The consistent service orientation must be secured by the corresponding employee qualification. Guaranteeing service quality, for example through comprehensive further training and development activities, is 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 growing requirements of its customers, especially business and corporate customers. Therefore, over half of the vehicle fleet by value is made up of highly sought-after cars from premium brands such as BMW, Mercedes-Benz and Audi. The vehicles come with top notch technical functionality and comfort features such as navigation systems or BMW's ConnectedDrive information service. Furthermore, Sixt offers numerous vehicles with exceptionally economical engine configurations such as BMW EfficientDynamics, Mercedes-Benz Blue Efficiency or VW BlueMotion. Sixt considers it very important to be able to offer a broad range of vehicle classes and types for a wide variety of requirements, including trucks, estate cars, convertibles, off-roaders, smaller city cars or cars from the luxury segments such as sports cars or SUVs.

- **High brand awareness:** According to a representative online survey commissioned by the Company in 2007 the Sixt brand enjoys an instant recognition factor of 84% among business travellers in Germany. A similarly high score is usually achieved only by large consumer goods manufacturers. The level of brand awareness is tied to the mostly positive ratings of the Company's image. Accordingly Sixt is perceived as a premium brand with the best service, the friendliest employees and the fastest and least complicated rental processes. The Company is of the opinion that travellers selecting a car rental company opt for Sixt instead of a competitor because of the high level of brand awareness and its positive image. Efficient and proactive communication plays an important role in this context. All advertising and marketing campaigns aim to position the Sixt brand in the market so as to reflect the Company's strategic orientation. This task is of growing importance above all abroad, where the Sixt brand still has a brand awareness that in parts is significantly lower than the one enjoyed in the home market of Germany.

- **Innovation culture and leadership:** Products and services must be continually adapted to changing economic and social conditions, new technical opportunities as well as the changing mobility requirements in both business units. Thus, business and corporate customers schedule ever smaller time budgets for travel activities and make ever more use of the Internet and mobile applications to make a reservation. The generation of younger city-dwellers often has a far less emotional relationship to the car, which is no longer primarily seen as a status symbol but increasingly as a straightforward, means of getting from A-to-B. This shift in values leads to new forms of mobility such as the premium carsharing product DriveNow. 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 and to cater to new trends of mobility. In many cases, these innovations are important features that set the Company apart from the competition. The promotion and expansion of the Group's innovation culture is therefore an important performance indicator.

4.4 Non-financial targets

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

- to secure and expand its market leadership on the vehicle rental market in Germany
- to extend its market position in the Sixt-Corporate countries. In the long term, foreign markets shall generate a significantly higher contribution to revenue and earnings from the rental business
- to expand the leasing business abroad, in both the Sixt-Corporate countries and the Sixt-Franchise countries
- to maintain its 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 develop innovative business models aimed at adapting the Sixt offering to changing mobility requirements and new mobility behaviour
- to develop online applications up with the times that are aimed at adapting the Sixt offering to changing requirements for mobility services
- to continuously improve the qualification of staff
- to increase efficiency in all of the Company's processes

5. Economic environment

In 2011 the world economy was generally in robust health and remained on a growth track. Numerous crisis factors, above all the sovereign debt crisis in Europe and the related disruptions on the international financial markets, did affect the global economy, and the markets' insecurities were heightened by the budget crisis in the USA or the political upheavals in Northern Africa and major natural disasters, such as the heavy earthquake hitting Japan in March. However, at the end of the reporting year the experts' forecast from the Institut für Weltwirtschaft (IfW) had the world economy down for growth of 3.8%. It was once again the emerging economies of Asia and Latin America that formed the backbone of this growth, albeit showing significantly slower dynamism over the course of the year.

The sovereign debt crisis in the Euro zone meant that the European Union and the European Central Bank (ECB) took comprehensive political and economic support measures for the member states affected, in particular Greece. During the course of the year the EU had to expand the scope of the European Financial Stability Facility (EFSF), the so-called "Euro rescue package", several times. Both the ECB as well as the US Federal Reserve Bank kept up their low interest rate policy to boost a flattening economy and supply the financial industry with sufficient liquidity. After having raised the base rate in between the ECB cut it back in two stages to 1.0% by the end of the year. The ECB supplemented its low interest rate policy with unconventional measures of monetary easing, not least by continuing to buy up sovereign and private securities.

Under the influence of the sovereign debt crisis the European economy performed less well on average than the global economy in 2011. Annual growth estimates for real Gross Domestic Production (GDP) had the Euro zone at between 1.5% and 1.7% at the end of the reporting year. The trend over the course of the year was clearly downward.

On an international scale the German economy proved to be very resilient in 2011. The Statistische Bundesamt (Federal Statistical Office) recorded a 3.0% growth in GDP compared with the previous year. The upturn was particularly prominent during the first half of the year. The healthy economy translated into a significant expansion in the workforce, so that the number of people in work reached a record high of 41 million in 2011.

Sources:
Institut für Weltwirtschaft (IfW – Institute for world economy), Kiel, Weltkonjunktur mit geringer Dynamik (Global economy with slow dynamic), Media information 20 December 2011
European Central Bank, Monthly Bulletin, December 2011
German Federal Bank, Monthly Bulletin, December 2011
Bundesagentur für Arbeit (Federal Employment Agency), Press Information, 3 January 2012
News Magazine Der Spiegel 52/2011, "Europas Musterknabe" (Europe's Golden Boy)
Statistisches Bundesamt Deutschland (Federal Statistical Office), Press Information, 11 January 2012

6. Segment report

6.1 Vehicle Rental Business Unit

6.1.1 Sector developments

Characteristic for the international vehicle rental market is its persistently stiff competition. According to Euromonitor the volume of the western European vehicle rental market totalled around USD 13.9 billion in 2011, equivalent to approximately EUR 11 billion, some 9% more than the year before (USD 12.5 billion). Sixt reckons that the long-term average market growth per year will be in the lower single-digit region. For many years already the car rental industry has been dominated by a few large international providers, who cover the bulk of the market.

For rental vehicles Germany continues to be Europe’s most significant single market, followed by France, Spain and the UK. According to data provided by Euromonitor the German market carried a volume of around EUR 2.0 billion in 2011 as against EUR 1.9 billion the previous year. The French and Spanish markets registered volumes of around EUR 1.3 billion each in 2011. The British market comes fourth with a volume of around GBP 965 million, equalling around EUR 1.2 billion.

Sixt sees the process of concentration among Germany’s car rental companies, which has been evident for years now, also continuing in the year under review. Especially smaller and regional providers suffer from structural competitive disadvantages as they do not operate a nationwide network of rental offices, but have a high fixed cost base, are unable to offer innovative services such as online and mobile reservations, and can only offer modern engine concepts in their fleets in limited numbers or only sporadically. As before, it is the large internationally operating service providers that have good prospects in the important segments of tourism and business travel. As in the years before Euromonitor estimates that the four largest companies in Germany together held over 85% of the market share in 2011.

According to data published by the Verband der Automobilindustrie e.V. (VDA – German Automotive Industry Association), the worldwide automobile industry was in good health in 2011, after its solid recovery the year before. All in all, some 65.4 million vehicles were newly registered worldwide, an increase of 6%. While the markets in the USA, China, India and Russia clocked up double-digit growth in some cases, new registrations in the western European market dropped slightly by 1% to 12.8 million units (2010: 13.0 million vehicles). In Germany the number of new registrations was up 9% to 3.2 million vehicles. Sales figures for most of the other western European markets remained below the prior year figures.

Sources:
Euromonitor, Car Rental, as of February 2012
Verband der Automobilindustrie e.V. (VDA – German car manufacturers association), Press release of 17 January 2012

6.1.2 Developments in the Vehicle Rental Business Unit

All in all Sixt's Vehicle Rental Business Unit recorded a very positive business performance in 2011. As a result, rental revenues were up 10.9% compared to the previous year. Aiding this performance was the continued lively demand for mobility services, a successful new customer business due to accelerated sales efforts for integrated mobility services, and the solid progress in its international expansion.

In 2011 Sixt again benefited from the power of its brand name: confirming previous years' experience Sixt proved to be extremely popular among the main target group of business travellers who tend to prefer to use the Company as opposed to other providers. The Company is also enjoying increasing popularity with private customers, mainly due to its dedicated customer focus, eye- and mind-catching advertising campaigns and its social media activities. 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 vigorously pursued its international growth strategy in 2011 and further expanded its near global presence. Launching activities in the US state of Florida was of particular significance for the Company. In addition, Sixt gained market shares in many different countries worldwide.

The Vehicle Rental Business Unit's revenue amounted to EUR 979.3 million in 2011, an increase of 6.0% compared to the previous year's figure (EUR 924.2 million). Rental revenues of EUR 895.7 million were 10.9% higher than the year before (EUR 807.5 million), while other revenue from rental business dropped by 28.4% to EUR 83.6 million (2010: EUR 116.7 million).

Revenue generated by the Business Unit in Germany rose from the previous year (EUR 646.7 million) by 3.6% to EUR 669.9 million. Rental revenues in Germany totalled EUR 605.1 million, 7.2% more than in 2010 (EUR 564.4 million).

Abroad, the Business Unit generated revenue of EUR 309.4 million, a year-on-year increase of 11.5% (2010: EUR 277.5 million). At EUR 290.6 million rental revenues were 19.5% up on last year (2010: EUR 243.1 million). This gratifying development in the international business was aided in particular by the activities in Spain, France, Austria and Switzerland. The international share of the segment's revenue came to 31.6% after 30.0% the previous year, highlighting the ongoing above average growth abroad.

Due to the expansion of the business volume, the focus on high-margin business and the ongoing measures to increase efficiency, the Business Unit generated earnings before taxes (EBT) of EUR 119.6 million, which is 38.4% more than the previous year (2010: EUR 86.4 million). The return on sales, i.e. the ratio of EBT to segment revenue, was 12.2% (2010: 9.3%).

Key figures for the Vehicle Rental Business Unit			Change
in EUR million	**2011**	2010	in %
Revenue	979.3	924.2	6.0
thereof rental revenue	895.7	807.5	10.9
thereof other revenue from rental business	83.6	116.7	-28.4
thereof abroad	309.4	277.5	11.5
Earnings before net finance costs and taxes (EBIT)	151.5	113.6	33.4
Profit before taxes (EBT)	119.6	86.4	38.4

Developments in Germany: In 2011 Sixt's vehicle rental benefited from a generally robust economic performance and the associated lively demand for mobility services in Germany. Sixt was able to continue 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. Above all the key target group of business travellers greatly values the nationwide presence in Germany. The network of stations was further optimised in 2011 and totalled 485 stations at the end of the reporting year (31 December 2010: 510 offices).

Developments abroad: With rental offices in France, the UK, Spain, the Netherlands, Austria, Switzerland, Belgium, Luxembourg, Monaco, and Germany Sixt covers over 70% of the European rental market. The performance of the rental business in the corporate countries, where Sixt is represented by its own network of offices and its own vehicle fleets, was generally positive in 2011. The Business Unit's revenue generated abroad was EUR 309.4 million, 11.5% up on the previous year's level of EUR 277.5 million.

Particularly encouraging was the business development in Spain, France, Austria and Switzerland. As in the previous year rental revenues in Spain climbed sharply by a substantial double-digit percentage. Moreover, alongside the tourist business at classic holiday regions such as the Balearic Islands or the Costa Blanca, the Company is increasingly winning over local private and business customers, thereby gradually expanding its business base in the country.

In France Sixt also recorded double-digit growth in 2011. By deploying intensive advertising campaigns, including the Internet, Sixt's brand awareness in France increased even more.

At the end of the reporting year the number of Sixt-Corporate stations outside of Germany amounted to 394 (2010: 409). Selective consolidation was undertaken in particular in the station network in Great Britain and France. Since April 2011 Sixt is present at Edinburgh airport with a station directly at the terminal. The Scottish capital's airport has become the airport with the third largest rental business on the British Isles after London Heathrow and Gatwick. The number of stations in Spain rose slightly. Since June 2011 Sixt is now also represented at the terminals in the airports of Barcelona and Seville. Both airports rank as key traffic hubs in Spain.

In 2011 Sixt also launched its own stations in the US state of Florida. The aim is to generate organic growth from European travellers as well as customers from North and South America and to gradually increase the Company's presence. As at February 2012 Sixt maintains stations at airports of major tourist destinations such as Miami, Fort Lauderdale, Orlando and Palm Beach. The volume of Florida's vehicle rental market alone equals the size of the German rental market, which itself is already the biggest in Europe. The USA has the world's largest industry volume.

Furthermore Sixt's presence on the North American continent will send out signals to the region's franchise countries such as Mexico as well as the Latin American and Caribbean countries.

During the period under review Sixt also expanded its presence in other regions of the world. This was achieved by its close-knit network of franchisees. In Uruguay, Ireland, Serbia, South Korea, the Cayman Islands and Jamaica agreements were concluded with new franchise partners. The number of rental offices operated by Sixt-Franchisees increased in 2011 worldwide to 967 (2010: 933 offices).

As at the end of 2011 Sixt had a total of 1,846 rental offices, including franchisees, in approximately 100 countries (2010: 1,852 offices).

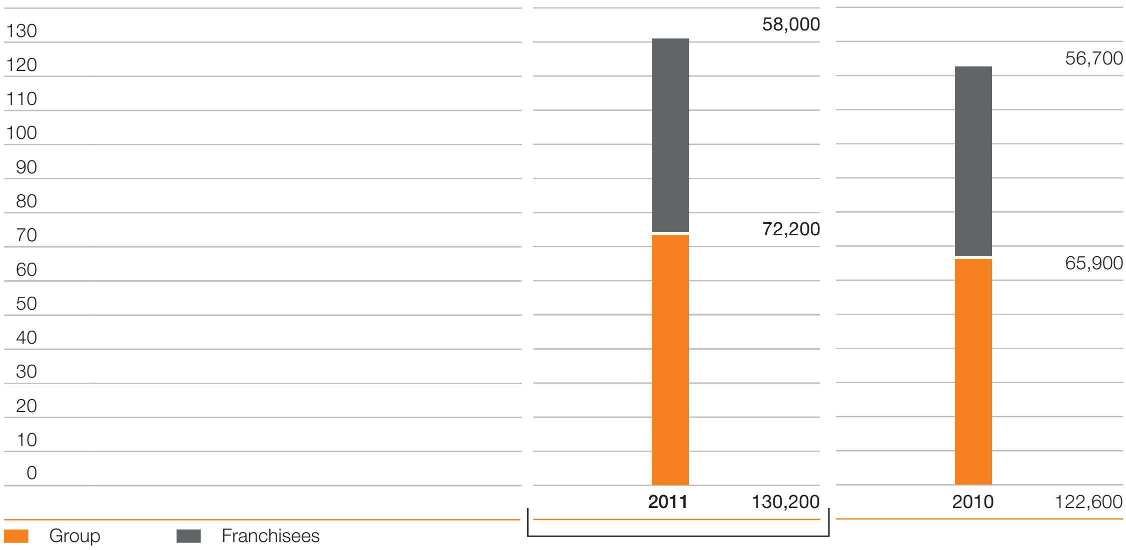
Cautious fleet policy: Sixt upheld its principle of a cautious fleet policy in 2011, but added more vehicles than in the previous year due to high demand. The flexible delivery arrangements with car manufacturers and dealers enabled the Company to react swiftly to short notice oscillations in demand. In the financial year the average size of the rental fleet was 72,200 for the Sixt-Corporate countries, compared to 65,900 for the full-year 2010 (+9.6%).

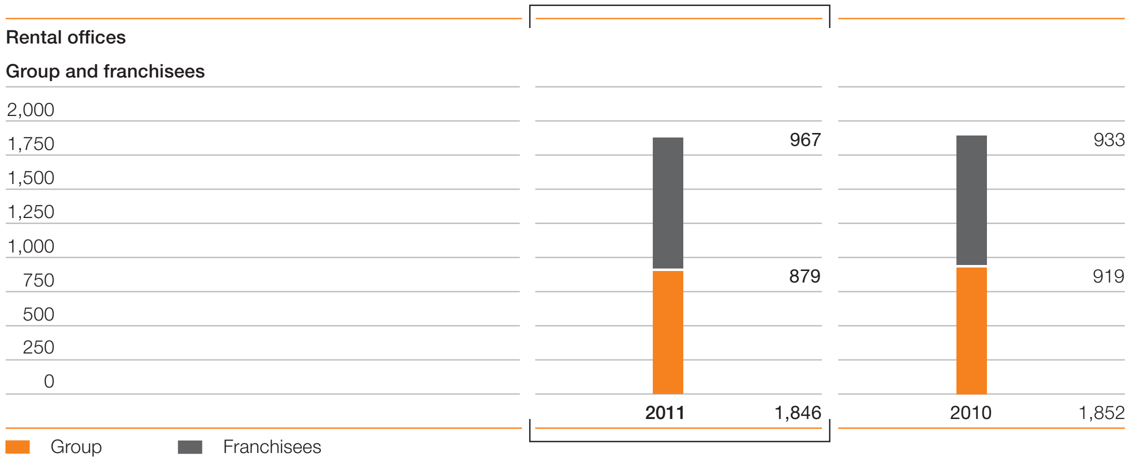
Including the vehicles in franchise countries Sixt's global vehicle fleet averaged 130,200 vehicles in 2011, which was 6.2% more than in 2010 (average of 122,600 vehicles).

Average number of vehicles

Group and franchisees

in thousands of vehicles





Sales activities for business customers: In 2011 Sixt recorded a successful new customer business with international corporations as well as middle-market companies. The aim Sixt is pursuing is to offer all-round mobility services. Thus, customers are provided not only with individually tailored rental offerings, but increasingly also with solutions combining renting, leasing, carsharing and carpooling. These are geared to pinpointedly cover specific individual mobility requirements and thereby generate tangible cost savings.

Sixt works with the customer to make a cost-benefit analysis, taking in various aspects of the entire rental process, such as the selection of vehicle type, booking channels, vehicle check-out and return or accident management, and achieve vital optimisations for both the customer and the Company.

In its sales activities Sixt increasingly took account of customer requirements to factor in their international structures. Consequently business customers not only received mobility solutions for individual countries, but had their subsidiaries and affiliated companies at home and abroad examined and were offered comprehensive concepts accordingly. With this in mind Sixt also strengthened its foreign sales teams in 2011.

Concurrently Sixt continued synchronising the sales activities in Germany and abroad to provide customers with a consistent high standard of quality and single-source support.

Private customer business: In 2011 Sixt also benefited from continually increasing private customer demand. The Company's special offers received positive feedback from the market. In the rental business the e-commerce segment is becoming even more significant with more than 50% of customers using the services offered on the Internet and mobile devices for their bookings. Keeping apace with this development Sixt is continually expanding its presence in the relevant social networks, above all on Facebook.

Sixt offers its customers an affordable and convenient all-inclusive pre-paid product for holiday travels. In the year under review holiday rental vehicles could be booked in approximately 100 countries, including in almost all attractive holiday destinations in Europe, Asia and South America.

Integrated mobility solutions: Sixt is the only major international provider offering its customers one-stop mobility solutions from one source for just a few minutes up to many years, be it classic vehicle rental or carsharing, chauffeur services or full-service leasing. The individual offers are prepared specifically for customers according to their individual requirements.

With this background the relaunch of the “Sixt CarAbo” product was prepared in 2011 and launched in January 2012 with the name “Sixt unlimited”. The offer is geared mainly to frequent travellers. For a fixed monthly fee, customers can select a vehicle from the category of their choice which is available to them at any time at any of the Sixt-Service points in nine European corporate countries. The offering now covers a significantly larger variety of vehicle categories, a wider choice of terms as well as a flexible price model, which enables savings depending on duration of use. Additionally an advantageous pre-paid rate is also offered.

Exclusive mobility services: The Sixt Limousine Service recorded a highly successful development in the year under review. This exclusive mobility service can now also be booked online and has won over important customers, including various German embassies abroad.

Additionally, the Sixt Limousine Service continues its international expansion. The cooperation with Emirates Airlines for airport transfers has been extended to Singapore and Brazil. Sixt is also the Emirates’ limousine service partner in Germany, Austria, Switzerland and the Czech Republic. Sixt also assumed the airport services for the airline NetJets in Germany, France, Austria and Switzerland.

Sixt’s Luxury Cars offer is aimed at customers with special requirements for individual mobility. The exclusive and exceptionally high-class vehicles are available in Germany, Switzerland, South of France, Monaco and Spain.

DriveNow – Premium-Carsharing: In 2011 Sixt and the BMW Group launched DriveNow, a carsharing joint venture in which both companies hold a 50% interest. With DriveNow BMW and Sixt respond to changing mobility requirements and user behaviour particularly in the major cities. For a growing number of people owning a car is becoming ever less important for organising their own mobility. Instead, on-demand mobility offers are getting ever greater interest.

The modern mobility concept of DriveNow has been on offer in Munich since June 2011, in Berlin since September 2011 and in Düsseldorf since January 2012. A key feature of DriveNow is the station-independent renting and returning of vehicles in a specified area. The cars are opened, started and closed using a chip on the driver’s license. After initial registration bookings are made either at Sixt stations in the respective business area, on the Internet, via hotline or via a special DriveNow app from a smartphone. The latter also enables customers to localise the next best available vehicle. The DriveNow fleet comprises exclusively of premium brand vehicles from MINI and BMW (1 series) with a high standard of options.

At the end of 2011 DriveNow already recorded around 13,000 registered users. DriveNow is scheduled to expand further in major cities and metropolitan areas at home and abroad.

Innovations in Vehicle Rental: Sixt is pursuing its aim to be innovation leader in vehicle rentals. The Company used 2011 to once again drive forward the technical development of its services. These serve to meet the customers' changing mobility requirements and make vehicle rental faster, more comfortable and safer. The Company's Internet appearance was completely revamped in October 2011 to further upgrade user comfort with additional functions. Sixt also enhanced its applications for smartphones. In the year under review customers made an average of 52% of bookings online or via mobile devices (2010: 48%).

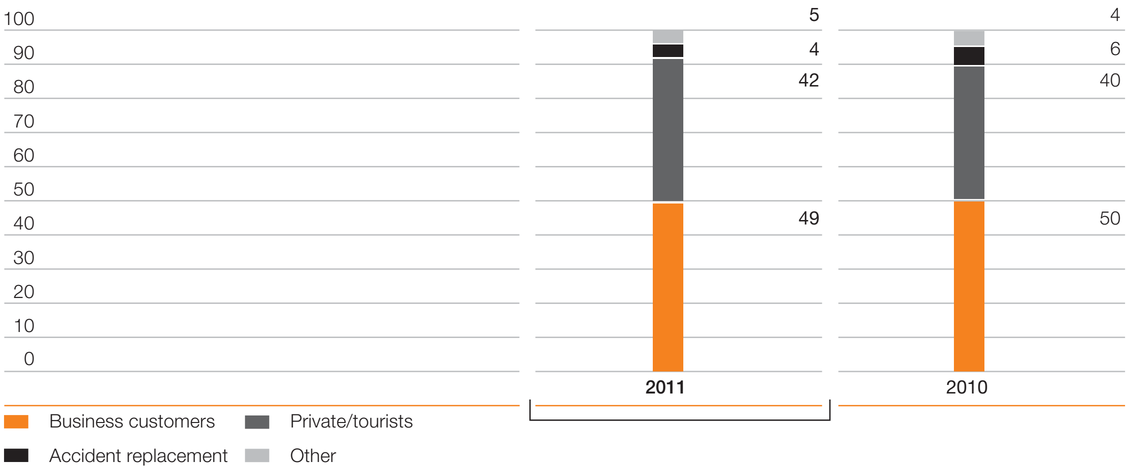
Sixt's culture of innovation also means that it is adopting the latest developments by car manufacturers into its vehicle fleet, especially fuel-saving engines or information services such as BMW ConnectedDrive.

Services in vehicle registration: TÜV SÜD and Sixt have founded the joint venture TÜV SÜD Car Registration & Services GmbH. The Company has its registered office in Munich and provides a comprehensive service offerings for the registration of vehicles, in particular to companies which operate larger fleets.

Award-winning mobility: In 2011 Sixt once again won awards for its high level of customer focus and high-quality mobility solutions. In January Sixt received the prestigious "Business Traveller Award" for the fifth consecutive year. The award from the German edition of the "Business Traveller" was granted in the category "Best car rental company in Germany".

In April 2011 Sixt received the "Autoflotte Flotten-Award" (Car fleet award). The readers of the independent periodical "Autoflotte" voted Sixt as best car rental company in Germany once again.

Vehicle rental revenue breakdown by customer group
in %



6.2 Leasing Business Unit

6.2.1 Sector developments

Following consolidation in the year before, the leasing industry picked up speed again in 2011. According to data supplied by Leaseurope, the European industry association, the total volume for the European leasing market amounted to EUR 115 billion in the first half of the year. Over the first six months of 2010 this was an uptake of 10.1%.

Looking at the individual countries the development was heterogeneous. France registered a 10.6% increase in new business to EUR 15.2 billion, the UK saw 5.3% growth to EUR 18.5 billion. Austria even recorded a 25.0% increase to EUR 3.3 billion. On the other hand markets such as Spain, Italy and Greece saw double-digit drops in sales. For the second half of 2011 Leaseurope expects a temporary weakening of leasing transactions given the tense economic situation because of the European sovereign debt crisis. At the time of preparing this report no data for the full year of 2011 were as yet available.

The leasing market in Germany clearly rebounded in the year under review. According to estimates from the Bundesverband Deutscher Leasing-Unternehmen e.V (BDL – German Association of Leasing Companies), the volume of new transactions in the year under review rose by 12.0% to EUR 46.0 billion. In 2010 growth had been 2.5%. The leasing industry benefited more than average from the strong uptake in investing activities and the strong demand for vehicles. This was due to the dynamic economic growth that continued into the first half of 2011, according to the BDL.

The vehicle leasing segment registered 13.0% more new contracts signed in 2011. Even stronger growth was hampered by a drop in private leasing. According to the BDL, demand for new vehicles from private customers is still low due to the effects of the scrapping premium in 2009.

Sixt maintains its assessment that full-service leasing continues to have positive market potential in the medium term. Companies that outsource the management of their fleet to a professional partner expect to reduce their fleet costs sustainably. For leasing companies, in turn, comprehensive services centred on fleet management provide additional margins.

Sources:
European Federation of Leasing Company Associations (Leaseurope), Press release dated 25 October 2011
Bundesverband Deutscher Leasingunternehmen e.V. (BDL – German Association of Leasing Companies)
BDL-Leasing-News, Issue December 2011

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 the conventional finance leasing, a wide range of fleet management services are also offered. Companies and private individuals use these offerings to attain cost and service benefits.

True to the core principle of “earnings before revenues”, Sixt Leasing maintained its strategy of consistently improving the quality of earnings in the portfolio of existing contracts instead of seeking volume growth. As a result of this strategy insufficiently profitable new business opportunities were deliberately renounced. However, over the course of the financial year the recent decline in the contract portfolio reverted due to reinforced sales activities and a rebounding leasing market. It was fleet management contracts that particularly increased again. At the end of fiscal year 2011, Sixt had a total of 56,300 leases in Germany and abroad in its portfolio, 4.1% more than in the previous year (54,100). Including the leases of Sixt’s franchise partners worldwide, the total number of contracts for 2011 came to 118,500 as against 119,700 leasing contracts at the end of 2010 (-1.0%).

Sixt’s leasing revenues registered a steady upwards trend in the year under review. Leasing revenues totalled EUR 393.5 million as against EUR 403.5 million in 2010 (-2.5%). This was in line with expectations for more or less stable leasing revenues over the full year. After the first six months the Business Unit’s leasing revenues were still 6.9% behind the previous year’s figures.

In Germany Sixt generated leasing revenues of EUR 335.4 million compared to EUR 346.1 million in 2010 (-3.1%). Foreign leasing revenues amounted to EUR 58.1 million, a gain of 1.3% on last year’s total of EUR 57.4 million.

In 2011 the business unit generated revenue from the sale of used leasing vehicles, which can be subject to considerable fluctuation from the general fleet policy and reporting day effects, in the amount of EUR 183.3 million, which was 9.8% less than in 2010 (EUR 203.3 million).

Total revenue by the Business Unit was EUR 576.8 million in the year under review, a decrease of 4.9% year-on-year (2010: EUR 606.8 million).

Very encouraging was the development of earnings in 2011. The Business Unit’s earnings before taxes (EBT) had already substantially improved in the previous year and it increased once more, by 34.2% to EUR 25.4 million compared to EUR 19.0 million in 2010. This increased return on sales – the ratio of EBT to the segment’s operating revenue – to 6.5% (2010: 4.7%). This earnings increase was also aided by one-off income of EUR 4.4 million incurred already during the first quarter.

Due to numerous measures geared toward increasing earnings, which include focusing on new business with higher-margin full-service contracts and above all internal efficiency improvements, such as the purchase of vehicles or workshop services, Sixt Leasing was able to raise the rate of return significantly.

Key figures for the Leasing Business Unit			Change
in EUR million	**2011**	2010	in %
Leasing revenue	393.5	403.5	-2.5
thereof abroad	58.1	57.4	1.3
Sales revenue	183.3	203.3	-9.8
Total revenue	576.8	606.8	-4.9
Earnings before net finance costs and taxes (EBIT)	48.7	51.2	-4.9
Profit before taxes (EBT)	25.4	19.0	34.2

Sixt Leasing's operative business raised its profile in 2011 as full-service provider with strong consulting offerings and innovation leader. All newly introduced and enhanced service offerings were geared to make leasing procedures even easier, more transparent and cost-efficient for customers and to accompany new technological developments pro-actively.

Internationalisation: Sixt Leasing continued its internationalisation drive in 2011, particularly in the European Sixt-Corporate countries. Sixt Leasing started its own subsidiary in the Netherlands. In Austria and Switzerland Sixt Leasing strengthened the management and sales activities in order to increase market share and brand presence as well as service quality. In France Sixt Leasing managed to win over numerous customers, large corporations and mid-sized companies alike, in turn more than doubling the number of vehicle orders. For 2012 Sixt Leasing AG is planning to start operations with its own subsidiary in Belgium.

In addition, Sixt Leasing launched leasing activities in Serbia and Ireland by working together with efficient franchisees. In the UK and Spain Sixt Leasing signed new cooperation agreements with the franchise partners. At the end of 2011 Sixt was able to offer customers leasing services in around 50 different countries worldwide.

Innovations: Sixt Leasing consistently uses state-of-the-art technologies in order to expand the services available to its customers. Numerous applications such as the fleet management system are developed in-house by specialised teams.

Sixt Leasing migrated its online-based reporting system to a new technical platform, making it even more user-friendly in the process. This led to the new "Fleet Intelligence" programme that was launched on the market at the beginning of 2011. At a press of a button it can provide the full set of information on fleets, either as summarised, standardised or customised reports, listing details on individual contracts or documentation of individual invoices. Different diagrams provide a visual overview on the established key parameters. In addition, extended reports listing the CO_2 emission of the fleet are provided, as the issue of "green fleet" has significantly gained in importance with customers – not least for cost reasons. The new reports also offer mileage controls, a ranking on fuel consumption or a detailed list of vehicle returns. The information system provides a reliable decision-making basis for all fleet issues and allows customers to manage their fleets efficiently and lower their mobility costs sustainably. "Fleet Intelligence" is available in Germany, Austria, Switzerland, France and the Netherlands.

Sixt Leasing also expanded its used vehicle exchange on the Internet in 2011. The portal offers dealers access to a wide range of vehicles from different brands at all times and irrespective of their location, thereby enabling a straightforward processing of vehicle sales at attractive conditions. Following its launch in Germany the exchange was also introduced in Austria and Switzerland in the year under review. Particularly in Germany, the number of dealers and other partner increased substantially.

Electro-mobility: In 2011 Sixt Leasing continued its activities in the electric vehicles sector. Together with the energy provider E.ON Sixt Leasing developed a complete package for entry into electro-mobility. The package is called E.ON eMobil and includes charging stations, their installation, the supply of green electricity and a leasing offer for the Peugeot iOn, one of the first serially-produced models of a large vehicle manufacturer. The portfolio of offerings can be expanded if requested, especially since several manufacturers have announced new production models in the field of electric mobility.

Sixt also worked on another electro-mobility project with the Siemens Group. Siemens employees were using up to 100 cars for their daily routines at various locations throughout Germany. Sixt Leasing managed operations of the e-fleet. The pilot project shows 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 or four packaged solutions geared to provide communities with an entry into electric mobility befitting the demand and with modular stages for expansion.

Private leasing: Sixt Leasing has significantly extended its private leasing activities in the year under review. The sales team for this sector has been expanded and usage of online sales strengthened. For private customer business Sixt Leasing consistently advertises monthly price specials for specific vehicle brands. To this end the Company assembled a special procurement team for private leasing that focuses on attractive vehicle offers for private customers and small-sized enterprises.

7. Research and Development

Since it is a pure service provider, Sixt did not engage in any research and development activities worth reporting in financial year 2011.

B. Results of operations, net assets and financial position

1. General

The consolidated financial statements of Sixt Aktiengesellschaft for the year 2011 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 the IFRS principles. 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, in 2011 the Group's revenue development is again measured by the so-called 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

The Sixt-Group recorded a highly successful financial year 2011, which it closed with the highest pre-tax profit in the Company's history. The consolidated profit before taxes totalled EUR 138.9 million, an increase of 35.8% compared with the already strong figure of the previous year. The profit after taxes (before minority interests) came to EUR 97.5 million, which was 37.8% more than in 2010. This outstanding earnings development is due to the strong demand for mobility services in a still robust economic climate, particularly in Germany, margin improvements in the operative businesses as well as efficiency gains throughout the entire Group.

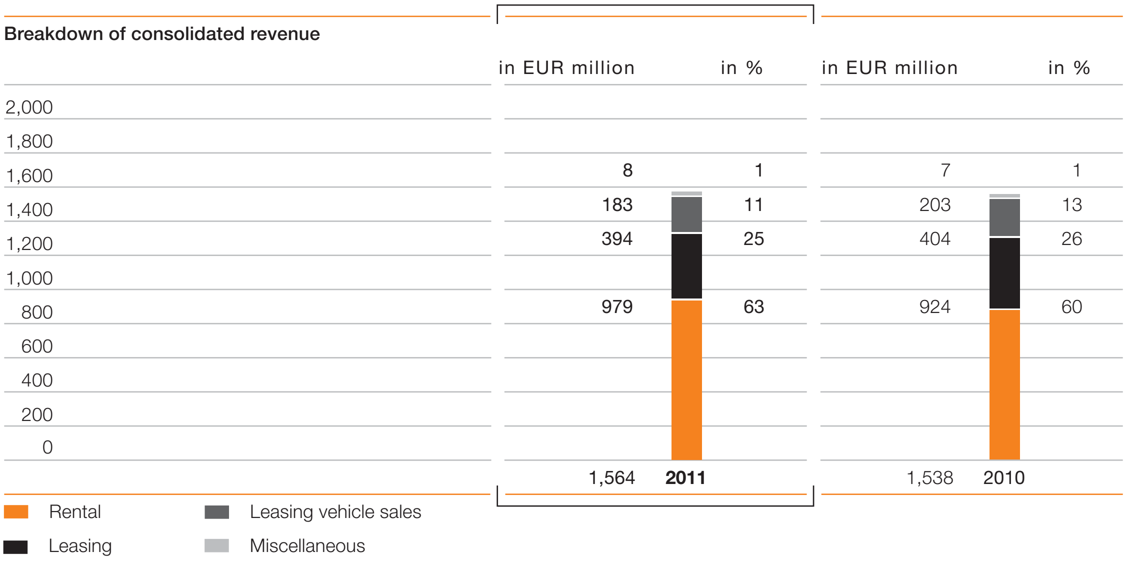
Rental revenues for 2011 rose by 10.9% to EUR 895.7 million, outside Germany they increased even more, by 19.5%. Revenues from leasing transactions registered a clear upward trend during the course of the year and almost reached the previous year level for the full year at EUR 393.5 million (-2.5%). All in all, consolidated revenue for 2011 increased 1.7% year-on-year to EUR 1.56 billion.

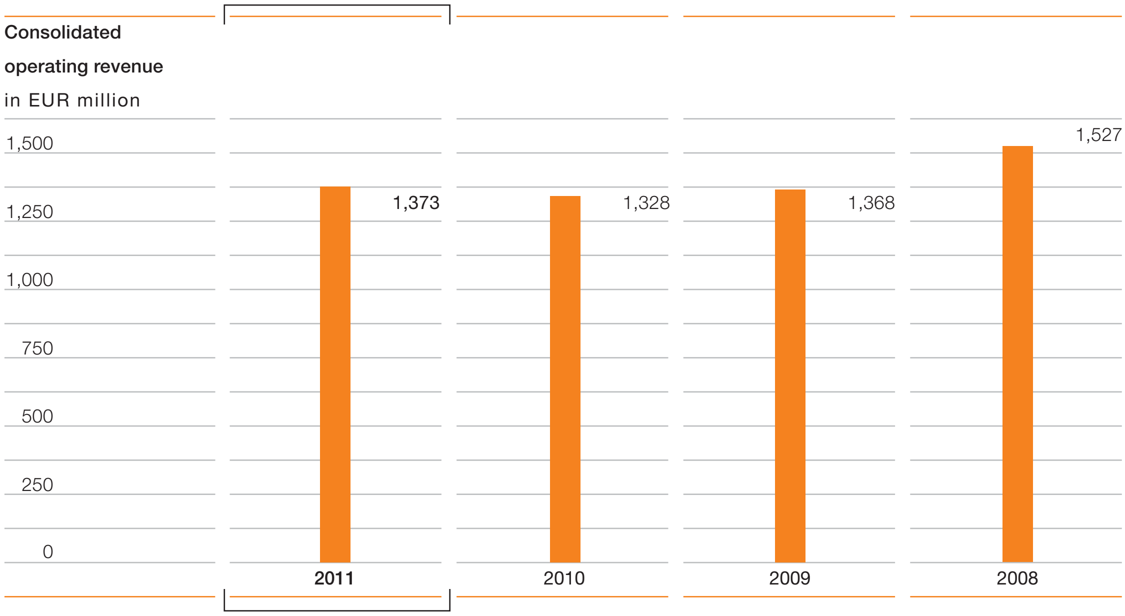
In view of the satisfactory development of earnings in the year under review, the Managing Board and Supervisory Board are proposing that the Annual General Meeting on 6 June 2012 distribute a dividend of EUR 0.60 per ordinary share and EUR 0.62 per preference share as well as a bonus dividend of EUR 0.15 for both share categories for the reporting year. This dividend proposal takes account of the good result as well as Sixt-Group's continually solid equity basis, while also keeping in mind that for 2012 the worldwide economy is generally expected to slow down.

3. Revenue development

3.1 Developments in the Group

Total consolidated revenue amounted to EUR 1.56 billion in the year under review, 1.7% more than the previous year's figure of EUR 1.54 billion. At EUR 1.37 billion, consolidated operating revenue from rental and leasing business (excluding revenue from the sale of used leasing vehicles) was 3.4% more than the prior-year figure (2010: EUR 1.33 billion). This increase was due to the dynamic revenue performance in the Rental Vehicle Business Unit, especially from the good progress made with the international expansion.





3.2 Revenue breakdown by region

The consolidated revenue generated in Germany in 2011 came to EUR 1.18 billion, a slight decline of 0.8% as against the year before (2010: EUR 1.19 billion). Rental revenue in the Vehicle Rental Business Unit rose by 7.2% to EUR 605.1 million (2010: EUR 564.4 million). Other revenue from rental business fell once more, as in the year before, and totalled EUR 64.8 million (2010: EUR 82.3 million; -21.4%). Revenue from leasing activities in Germany declined by 3.1% year-on-year to EUR 335.4 million (2010: EUR 346.1 million). However, during the course of the year the revenue development became more dynamic. Revenue from the sale of used leasing vehicles in Germany, which is generally subject to fluctuations, was down 11.7% to EUR 165.2 million (2010: EUR 187.2 million).

Consolidated revenue developed positively outside Germany in 2011 and rose by 9.9% to EUR 385.6 million (2010: EUR 351.0 million). Rental revenues in particular performed very dynamically, increasing by 19.5% to EUR 290.6 million (2010: EUR 243.1 million). As in Germany, other revenue from rental business declined significantly to EUR 18.8 million, down 45.2% from the prior-year figure of EUR 34.4 million. Leasing revenues generated abroad went up slightly by 1.3% from last year's EUR 57.4 million to EUR 58.1 million. Foreign revenue from the sale of used leasing vehicles increased 12.5% to EUR 18.1 million (2010: EUR 16.1 million).

In 2011, 75.3% of consolidated revenues were generated in Germany (2010: 77.2%) and 24.7% in the other European countries (2010: 22.8%). In relation to consolidated operating revenue, revenue generated abroad rose further to 26.8% (2010: 25.2%).

4. Earnings development

Consolidated income statement (condensed) in EUR million	**2011**	2010	Absolute change	Change in %
Consolidated revenue	1,563.7	1,538.2	+25.5	+1.7
thereof consolidated operating revenue [1]	1,372.8	1,327.7	+45.1	+3.4
Fleet expenses and cost of lease assets	644.6	657.0	-12.4	-1.9
Personnel expenses	149.6	144.1	+5.5	+3.8
Depreciation/amortisation	321.7	326.9	-5.2	-1.6
Net other operating income/expense	-258.0	-254.0	-4.0	+1.6
Earnings before net finance costs and taxes (EBIT)	189.8	156.2	+33.6	+21.5
Net finance costs	-50.9	-53.9	+3.0	-5.5
Earnings before taxes (EBT)	138.9	102.3	+36.6	+35.8
Income tax expenses	41.4	31.6	+9.8	+31.4
Consolidated profit for the period	97.5	70.7	+26.8	+37.8
Earnings per share [2] (EUR)	2.00	1.42	+0.58	

1 Not including proceeds from the sale of used leasing vehicles
2 basic, 2011 based on 49.0 million shares (weighted, taking into account treasury shares), in 2010 based on 50.2 million shares (weighted, taking into account treasury shares; adjusted by the 1-for-1 capital increase from company funds)

Other operating income came to EUR 38.4 million and was therefore substantially higher than the previous year's figure (EUR 21.9 million; +75.6%).

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)

In 2011 fleet expenses and cost of lease assets fell by 1.9% to EUR 644.6 million (2010: EUR 657.0 million). Costs increased in almost all areas, above all those for fuels, insurances and transportation costs. In total marginally lower fleet expenses are mainly attributable to lower disposals of residual values from leasing assets.

Personnel expenses climbed by 3.8% to EUR 149.6 million (2010: EUR 144.1 million). The increase reflects on the one hand a higher staff headcount following the growth in the operative business. On the other hand, performance-related participation of employees in the significantly improved company result also led to correspondingly higher expenses.

Depreciation and amortisation expense totalled EUR 321.7 million as against EUR 326.9 million in 2010 (-1.6%). The minor reduction is due to lower depreciation of fewer lease assets, which fell year-on-year by 7.6% to EUR 142.4 million. On the other hand, depreciation of rental vehicles rose by 3.5% to EUR 169.1 million (2010: EUR 163.4 million), demonstrating the expanded rental fleet as compared to the year before.

Other operating expenses for 2011 were also up by 7.5% to EUR 296.5 million (2010: EUR 275.9 million). Lower leasing expenses from the refinancing of the fleet ("operate leases") were balanced in particular by an increase in marketing expenses, commissions, expenses incurred in connection with outsourced activities for vehicle upkeep and expenses for risk provisions.

For 2011, the Group's earnings before net finance costs and taxes (EBIT) amounted to EUR 189.8 million, which is 21.5% more than the previous year's figure of EUR 156.2 million. The EBIT margin, which is a function of consolidated operating revenue, increased further to 13.8%, after its substantial improvement the year before (2010: 11.8%).

Net finance costs improved in comparison to the prior year from EUR -53.9 million to EUR -50.9 million (-5.5%). This was the result of lower interest payments on financial liabilities from refinancing the capitalised rental and leasing fleet. The net finance costs include a negative result from interest rate hedging transactions in the amount of EUR -1.5 million (2010: EUR +2.0 million).

At EUR 138.9 million, consolidated earnings before taxes (EBT) reached a new record high. Compared with the previous year's figure of EUR 102.3 million, the increase was 35.8%. The earnings performance can be primarily attributed to the following factors:

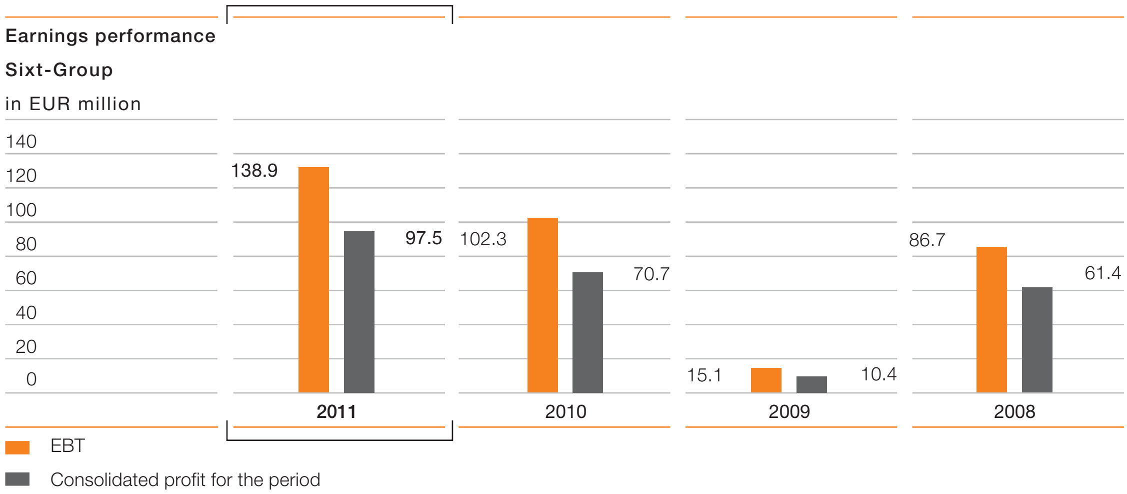
- strong demand for mobility services in a still generally friendly economic environment
- more or less stable rental prices
- consistent focus on margin improvements in line with the principle of earnings before revenue
- progressive expansion abroad
- further efficiency gains in company-internal processes

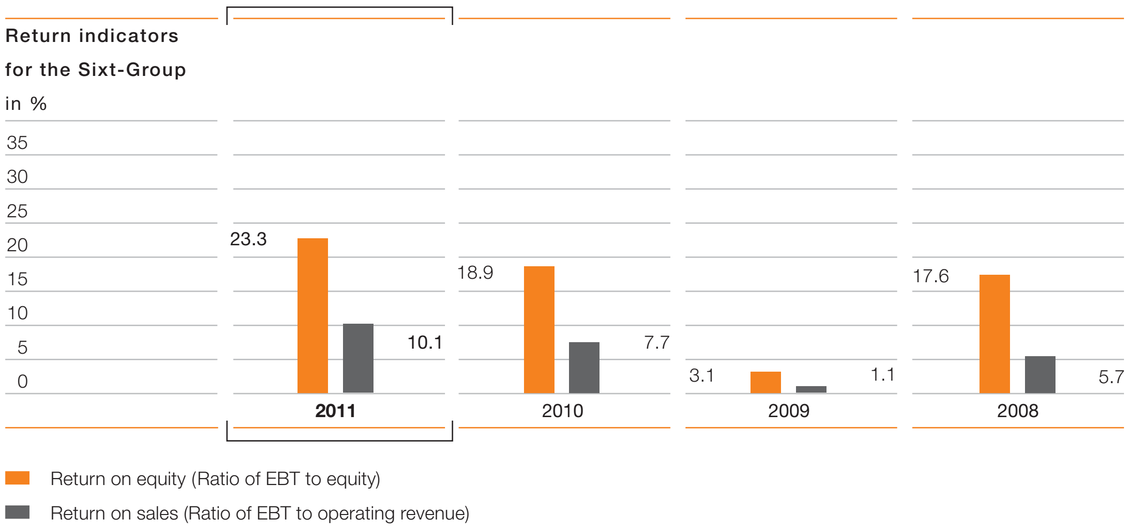
The EBT margin – expressed in relation to consolidated operating revenue – increasing from 7.7% to 10.1%.

Income tax expenses came to EUR 41.4 million (2010: EUR 31.6 million). This equals an increase of 31.4% which was slightly below the growth of pre-tax profit. The overall tax ratio, calculated on the basis of EBT, was 29.8% (2010: 30.8%).

For financial year 2011 the Sixt-Group reported a consolidated profit of EUR 97.5 million (2010: EUR 70.7 million; +37.8%). As in the previous years, minority interests had no noteworthy effect. As a result, consolidated profit after taxes and minority interests changed only slightly at EUR 97.7 million (2010: EUR 71.0 million).

Earnings per share (basic) for the year under review amounted to EUR 2.00 per share. The significantly higher number of shares from the 1-for-1 capital increase from company funds effected in 2011 has to be taken into account. The year before earnings per shares had been EUR 1.42 (adapted for comparative purposes).





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 99.9 million for 2011 (2010: EUR 70.7 million).

The Managing Board and Supervisory Board are proposing that the Annual General Meeting on 6 June 2012 appropriate these unappropriated profits as follows:

- Payment of a dividend of EUR 0.60, plus bonus dividend of EUR 0.15 per ordinary share (taking into account the 1,343,337 treasury stocks not carrying dividend rights as at 31 December 2011, the total dividend comes to EUR 23.7 million)
- Payment of a dividend of EUR 0.62, plus bonus dividend of EUR 0.15 per preference share (taking into account the 486,488 treasury stocks not carrying dividend rights as at 31 December 2011, the total dividend comes to EUR 13.1 million)

The dividend proposal, which would result in a total dividend payment of EUR 36.8 million (2010: EUR 34.5 million), adequately reflects the good earnings performance in the year under review. As the ongoing share buy-back programme had not been closed as at the balance sheet day, the specified total payout will still change until the day of the actual dividend payout due to the higher level of treasury shares. The dividend proposal would result in a payout rate of 38% for financial year 2011 (measured in terms of the consolidated profit after minority interests) as compared to a payout rate of 49% in 2010.

6. Net assets

As at the end of the reporting year, the Group's total assets, at EUR 2,328.3 billion, were EUR 99.6 million, or 4.5%, higher than at 31 December 2010 (EUR 2,228.7 billion). This growth in total assets is down to current assets, and primarily due to the increase in rental assets.

Non-current assets amounted to EUR 773.8 million, (2010: EUR 810.4 million; -4.5%) remain dominated by lease assets, which declined by EUR 47.2 million year-on-year to EUR 674.7 million (31 December 2010: EUR 721.9 million). Lease assets account for 87.2% of total non-current assets after 89.1% as at reporting date the year before. As a proportion of total assets it decreased to 29.0% (31 December 2010: 32.4%). Property and equipment increased by EUR 5.3 million to EUR 47.4 million. There were no significant changes between the two reporting dates in the other items under non-current assets.

Current assets increased in total by EUR 136.2 million, or 9.6%, to EUR 1,554.5 million (31 December 2010: EUR 1,418.3 million). Rental vehicles accounted for EUR 1,196.4 million, which was EUR 218.1 million or 22.3% more than at the end of the previous year (EUR 978.3 million). This increase reflects the expansion of the rental fleet following the strong demand in the year under review. Rental assets rose continuously as a proportion of total assets to 51.4% (31 December 2010: 43.9%).

Trade receivables of EUR 239.9 million were 24.2% higher than the year before (2010: EUR 193.2 million), given the expansion of operative business and reporting day effects.

Other receivables and assets (excluding income tax receivables) fell per reporting day year-on-year by EUR 42.3 million to EUR 15.0 million. Last year's figure had been higher due to investing the liquidity inflow from the issue of a bond in the autumn of 2010. The income tax receivables also declined by EUR 11.2 million to EUR 3.5 million. As at reporting date the Group's cash and cash equivalents came to EUR 31.4 million. Last year's high figure of EUR 108.6 million had also been very much influenced by the liquidity from the issue of the bond in 2010.

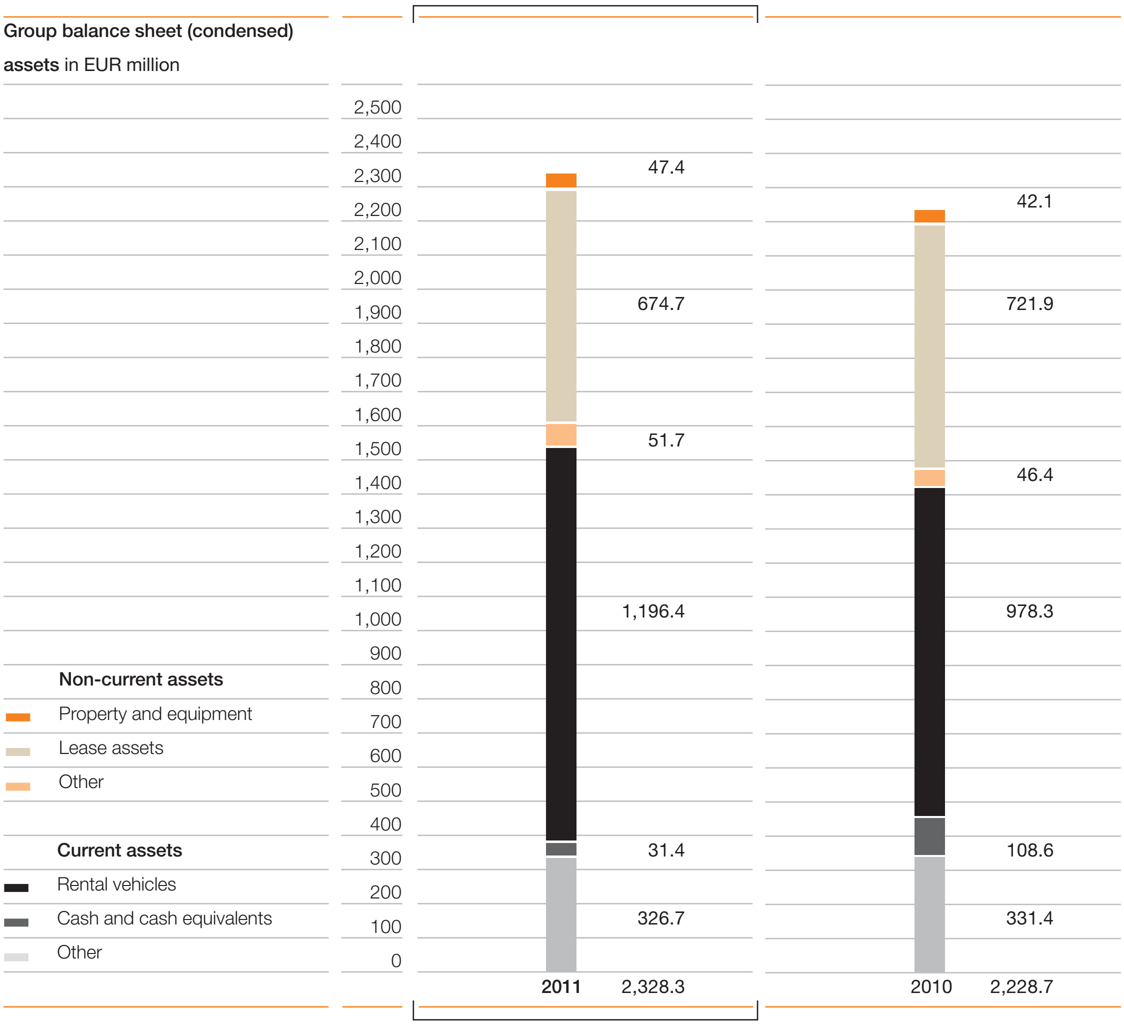
The “Sixt” brand name in particular is a significant asset that is not recognised in the balance sheet. The value of this asset can be affected, among other things, by advertising campaigns. However, advertising expenses cannot be unambiguously allocated to this asset. In financial year 2011, advertising expenses amounted to around 2.2% of operating consolidated revenue (2010: 1.7%).

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 performed include safeguarding liquidity and managing interest rate and credit risks.

In addition to credit lines granted by banks, a commercial paper programme, and borrower’s note loans, Sixt has a variety of capital market instruments available to it for financing business operations.

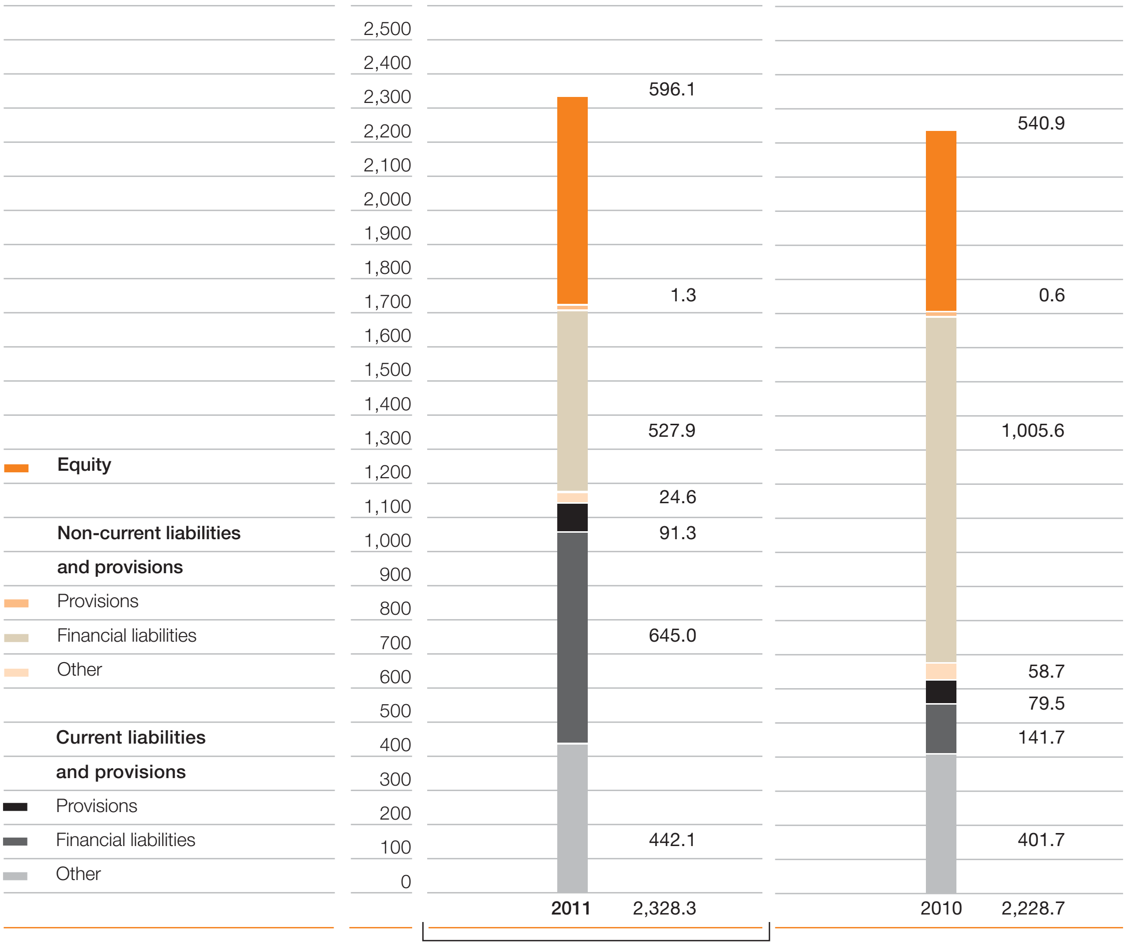


As at the end of 2011, the Sixt-Group was primarily financed by the following instruments:

- 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 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 309 million maturing between 2012 and 2015 with fixed market rates of interest
- credit lines with a number of reputable banks in Germany and abroad

To finance the fleet, the Group also uses leases (operating and finance leases) with external financial services providers, some of which are tied to particular vendors. These forms of lease financing continue to constitute an important part of the Group's financing mix.

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



7.2 Equity

The Group's equity amounted to EUR 596.1 million as of 31 December 2011, compared with EUR 540.9 million at the end of the previous year. This increase of EUR 55.2 million equals 10.2%, and is mainly due to the consolidated profit generated. The equity ratio rose from 24.3% as of the prior year's reporting date to 25.6% of the balance sheet total. This means that Sixt-Group's equity ratio continues to be significantly higher than the average in the German rental and leasing industry.

Share capital doubled from EUR 64.6 million to EUR 129.2 million as a consequence of the 1-for-1 capital increase from company funds undertaken in the year under review.

As of 31 December 2011 Sixt Aktiengesellschaft had treasury shares with a purchase price of EUR 26.0 million compared with EUR 16.9 million as of the same reporting date the year before. The stock of treasury shares is made up of 1,343,337 ordinary shares (at a purchase price of EUR 20.5 million) and 486,488 preference shares (at a purchase price of EUR 5.5 million). This equals around EUR 4.7 million or 7.3% of the share capital at the date the authorisation for the share buy-back was granted by the Annual General Meeting.

On 25 January 2011 the share buy-back programme that the Managing Board had resolved on 19 August 2010 was successfully completed. On 10 October 2011 the Managing Board decided with the approval of the Supervisory Board to exercise the authorisation conferred on to it by the Annual General Meeting on 17 June 2010 and buy treasury shares via the stock exchange and acquire up to 1,116,120 ordinary and preference shares with a value of up to EUR 20 million (excluding incidental purchase costs). With this resolution the volume of aforementioned authorisation to buy-back own shares has been fully exhausted. At the time of finalising the annual financial statements the buy-back programme had not yet been fully completed. Treasury stocks were not withdrawn at the time of preparing this report.

7.3 Liabilities

Non-current liabilities and provisions decreased overall by EUR 511.1 million between the two reporting dates, from EUR 1,064.9 million to EUR 553.8 million. This significant reduction is essentially because of the bond 2009/2012, due for repayment in November 2012 and with a nominal value of EUR 300 million, that was reclassified into the current financial liabilities. Correspondingly the non-current financial liabilities came down by EUR 477.7 million to EUR 527.9 million. This item also contains the bond 2010/2016 (with a nominal value of EUR 250 million) as well as borrower's note loans and bank liabilities with terms to maturity of more than one year in the amount of EUR 281.2 million (31 December 2010: EUR 458.1 million).

Non-current other liabilities declined by EUR 31.2 million to EUR 9.0 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.

Current liabilities and provisions rose by EUR 555.5 million year-on-year to EUR 1,178.4 million (31 December 2010: EUR 622.9 million). This rise was essentially a consequence of the EUR 503.3 million increase of financial liabilities to EUR 645.0 million (31 December 2010: EUR 141.7 million), which in turn was above all the result of reclassifying the financial liabilities from the non-current segment. As at reporting date, the current financial liabilities comprised above all the bond due in November 2012 over EUR 300 million, the second tranche of EUR 50 million of the profit participation certificate due for short-term repayment, a borrower's note loan amounting to EUR 52 million and with a maturity due in 2012 as well as current bank loans of around EUR 227 million.

Trade payables were increased as at reporting date by EUR 72.2 million from EUR 263.0 million to EUR 335.2 million. Other current liabilities decreased by EUR 31.8 million to EUR 106.9 million (31 December 2010: EUR 138.7 million); at EUR 61.7 million this item primarily comprised lease purchase loans (finance leases) with short maturities used for fleet refinancing (31 December 2010: EUR 105.2 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 2011, the Sixt-Group reported cash flows before changes in working capital of EUR 421.5 million, EUR 18.9 million above the figure for the preceding year (EUR 402.6 million). Adding in working capital results in a net cash inflow of EUR 12.8 million (2010: net cash used of EUR 25.3 million).

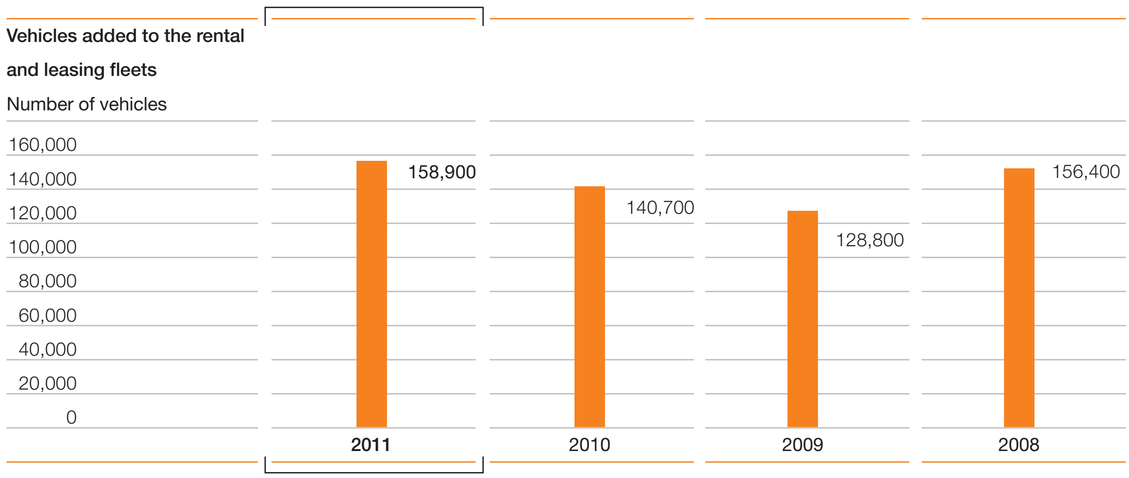
Net cash used in investing activities amounted to EUR 71.3 million (2010: net cash inflow of EUR 73.6 million), since the investments in the leasing fleet clearly exceeded the proceeds from the sale of used leasing vehicles and the disposal of financial assets invested for the short term.

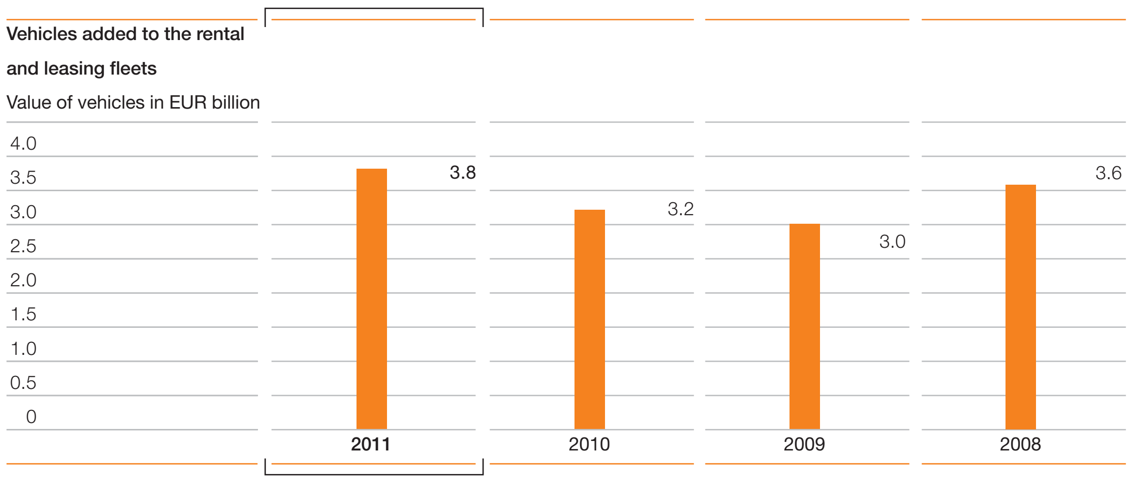
Financing activities led to cash outflows of EUR 17.9 million, which essentially is due to the dividend payment and the share buy-backs (2010: cash inflow of EUR 13.9 million).

After changes relating to exchange rates of EUR -0.8 million (2010: EUR 0.3 million), total cash flows resulted in a decrease in cash and cash equivalents as at 31 December 2011 of EUR 77.2 million (2010: increase of EUR 62.7 million).

9. Investments

Given the good demand situation, Sixt's measured and flexible fleet plan added 158,900 vehicles to the rental and leasing fleets in 2011 (2010: 140,700 vehicles), with a total value of EUR 3.75 billion (2010: EUR 3.15 billion). This equals an increase of 12.9% in the number of vehicles and 19.0% in the value of vehicles. The average value per rental car was around EUR 23,700, and thus higher than the previous year's figure of EUR 22,400.





10. Human resources report

Sixt is a service provider that is a worldwide byword for high-quality, end-to-end mobility services. On this background the employees have a vital function 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 appropriate solutions. Our customers' choice when selecting a mobility partner is not least influenced by our employees' competence, commitment and appearance.

For these reasons 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 and must show individual responsibility. At the same time, their actions must be geared towards continually improving and developing services to meet changing mobility requirements. Top-quality vocational training and continuing professional development of its senior executives and its young employees is therefore a key requirement for the Sixt-Group's business success. One vital component of this is the comprehensive seminar programme for professional and personal development offered by the "Sixt College". Over and above the regular courses, the college coordinates additional 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 2011 addressed such key topics as improving sales techniques at the counter or in the field, management skills for trainees or the professional expertise required by future branch managers. Further to these, the seminar programme also offered further training for second-tier managers in the branches, for example supervisor training, and also intensified the internal vocational training activities. Around 2,300 employees participated in seminars at the "Sixt-College", some of which were conducted over one or several days. The offer provided for "E-Learnings", by which participants attend seminars through electronic and digital media, was further expanded, so that face-to-face training and E-learning is closer interlinked.

In the year under review Sixt further expanded the development programme for selected young employees from the preceding years. 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 an individualised career development programme strung together in cooperation with external seminar providers.

Sixt acknowledges 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 2011, Sixt employed 160 vocational trainees in Germany. In the year under review an additional 15 trainees were recruited for management assignments.

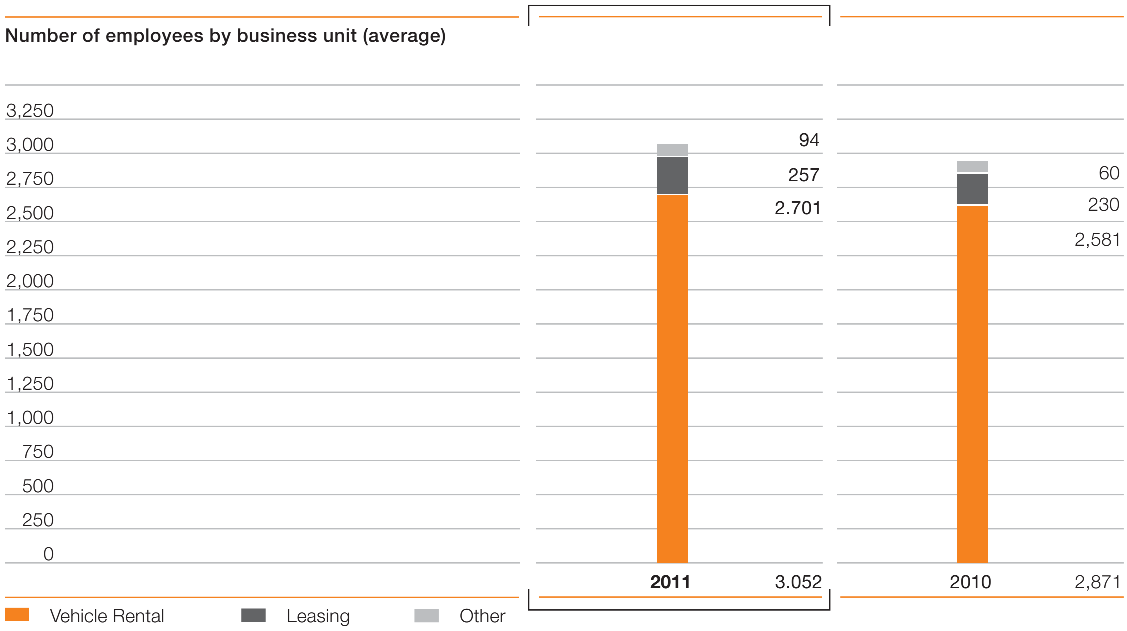
In 2011, the Sixt-Group employed 3,052 people on average, which is 181 employees more, or 6.3%, over the previous year's average of 2,871 members of staff. This development is reflected above all by the growth of foreign operations.

In 2011 the Vehicle Rental Business Unit employed an average of 2,701 people, which is 120 people, or 4.6%, more than in the previous year (2010: 2,581).

The Leasing Business Unit employed 257 members of staff (2010: 230) in 2011, which is 27 more, or equivalent to a plus of 11.7%.

The segments Internet and Others counted an average staff level of 94 employees (2010: 60). The expansion witnessed in this segment indicates the growing significance online activities have for Sixt's operations.

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 2011, the subscribed capital of Sixt Aktiengesellschaft amounted to EUR 129,153,792.00 in total and was composed of 32,944,398 ordinary bearer shares, two ordinary registered shares and 17,506,300 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 2011, the ordinary shares therefore accounted for a total of EUR 84,337,664 of the subscribed capital, and the preference shares for a total of EUR 44,816,128. 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 2011, Erich Sixt Vermögensverwaltung GmbH, in which all shares are held by the Sixt family, held 18,711,822 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 2011, which do not confer voting rights on the Company, the Erich Sixt Vermögensverwaltung GmbH's ratio of voting rights comes to 59.2%. 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 2011.

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).

With the previously obtained approval of the Supervisory Board, the Managing Board of Sixt Aktiengesellschaft decided on 10 October 2011 to exercise said authorisation another time and acquire on the stock exchange up to 1,116,120 ordinary and preference shares at an equivalent value of up to EUR 20 million (excluding incidental purchase costs). With this resolution the volume of aforementioned authorisation to buy-back own shares has been fully exhausted.

As at 31 December 2011 the Company held a total of 1,343,337 ordinary shares at an amount of EUR 20.5 million and 486,488 preference shares at an amount of EUR 5.5 million. At the time of finalising the annual financial statement the buy-back programme had not yet been fully completed.

The buy-back is intended to reduce capital by retiring stock. The share 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 objective is aimed in particular at improving key financial performance indicators, such as earnings per share for example.

The buy-back is being executed under the auspices of a credit institute and in compliance with the aforelisted rules and regulations as well as the stipulations outlined in the authorisation by the Annual General Meeting of 17 June 2010. Regarding the timing for acquiring the shares of Sixt Aktiengesellschaft the credit institute takes its decisions in accordance with section 6 (3b) of the EC Directive No. 2273/2003, independent and not influenced by Sixt Aktiengesellschaft. The

Managing Board can suspend the share buy-back programme at any time as it can resume the programme, taking due consideration of the insider trader stipulations of the WpHG. The credit institute is 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 transactions are disclosed in accordance with section 4 (4) of the EC Directive No. 2273/2003. Sixt Aktiengesellschaft provides regularly updated information on its website regarding the progress of the share buy-back programme.

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

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 are identified, evaluated and managed swiftly. The Company thereby complies 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).

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. Nonetheless, as part of Sixt’s internationalisation business activities outside of Germany, both in Europe and outside Europe, are gaining more and more in importance. Both business units are, to a certain extent, dependent on the overall economic environment in Europe and especially in Germany, as this has a major effect on the readiness of companies and private individuals to spend money on travel and, in turn, on the demand for mobility services.

During phases of economic weakness, demand for mobility services may fall as a result of cost-saving measures by companies and private households. Higher default risks (sector risks, counterparty credit risk) can also generally be expected in these times. A downturn in the overall economy, as economic experts generally expect in Europe for 2012, could therefore adversely affect demand for and 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 above all in the European Union as well as other regions of the world, can, when combined with widespread public debate, bring about changes in mobility patterns. This could generally have both positive and negative effects on demand for the mobility services offered by Sixt.

In addition, the Group's business can be adversely affected by national and international developments such as political upheavals and revolutions, 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 consistently by expanding above all in key Western Europe countries and since 2011 also in the US-American state of Florida. This objective is to be achieved primarily by organic growth. Nonetheless, as far as growth outside of Germany is concerned, well-considered acquisitions cannot be ruled out.

The internationalisation 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 organisation and the need to find qualified management personnel and suitable employees. In the case of acquisitions, there are also the customary transaction risks. Initiating and expanding foreign operations can therefore also impact the Group's results of operations negatively. The failure or delay of the foreign expansion could also affect existing customer relations adversely, because especially business and corporate customers, who are Sixt's main customer group, require more and more mobility offerings of international scale.

To meet its claim of innovation leadership in an environment of swiftly changing market conditions and customer requirements and to win over further market shares, Sixt develops new product ideas, whose introduction and penetration in the domestic and international markets can result in substantial up-front costs. Relevant market analyses and plans cannot guarantee that the products as offered will meet the expected acceptance and demand. Under certain circumstances therefore, this can impact the Group's results of operations negatively.

Moreover, 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 for years. The taxation of fuels and emission-based motor vehicle taxes may also have a material effect on customers' investment behaviour.

3. Market risks – vehicle rental

The national and international vehicle rental industry continues to be dominated by intense predatory competition, which in many cases is fought out over pricing. 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 and best 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.

Furthermore, Sixt's international expansion changes 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 Sixt achieves from selling used rental vehicles on the open market. Over the last years the used vehicle market recorded stagnation on a low level. Though the price level on the German used car market was rebounding in 2011, there are still only very limited opportunities for additional revenues from vehicle sales in excess of the repurchase prices agreed with the suppliers.

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, given current economic risks, such as the European sovereign debt crisis or a possible deterioration of the used car markets, there is a risk that Sixt will generate lower revenue from selling used rental cars 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 all the more 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 marketable popular models and negotiate favourable 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 enable Sixt to react quickly to unforeseeable upward and downward fluctuations in demand.

Sixt's internal yield management system – a sophisticated IT tool that has been constantly updated 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. This is based on the volume of historic data generated from the rental activities that has constantly grown over the years. 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 97% of all rental vehicles added to the fleet in 2011 were covered by buy-back agreements with 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 (www.carpark.de).

Corporate customers from the Vehicle Rental Business Unit, who have received vehicles in return for payment on receipt of invoice, have their creditworthiness regularly reviewed on the basis of internal guidelines.

5. Market risks – leasing

The focus of business activities in the Leasing Business Unit is 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 commercial vehicle leasing. Companies need best possible planning security 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, such as the controversially discussed reform of IAS 17 (leases), 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 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 dependant on the developments on the used car market, particularly in Germany. Lately 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 or the assumed residual values underlying the agreement costings.

In addition, there is a generally risk persisting 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 defaults from buy-back obligations, changes in interest rates and leasing customers' ability to pay.

In order to guard against the risks associated with the resale of vehicles, the Leasing Business Unit also maintains a strict policy of securing the residual value in buy-back agreements. At the end of 2011, the calculated residual values of around 74% 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 conducts regular and strict creditworthiness reviews of vehicle suppliers.

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 in-house 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 Internet portals (dealer portals, www.carpark.de).

For new transactions with corporate customers, Sixt minimises the 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 sometimes guards against interest rate risks by refinancing assets at matching maturities. In addition, interest rate risks are monitored at Group level in the context of the next-level asset-liability management.

A number of industry sectors have still not fully overcome the negative effects from the economic crisis in 2008 and 2009. On top, the global economy is generally expected to cool down in 2012. This means that Sixt must continue to assume a higher probability of leasing customers defaulting.

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

Regular analyses are performed to monitor deviations from the projected costings in mileage-related lease agreement parameters. If significant deviations are identified, the agreement costings are modified accordingly. This is done in due consideration of creditworthiness to avoid risks of substantial subsequent charges at the time of final settlement.

Sixt Leasing AG, the operational management company of the Leasing Business Unit, has established risk control systems that render key risks manageable and which comply with the minimum requirements for risk management (MaRisk) as defined by BaFin (Federal Financial Supervisory Authority).

In the Leasing Business Unit, Sixt focuses its offering on the products of full-service leasing, which provides a variety of services to business and private customers in addition to finance leasing, as well as fleet management. 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 consistent 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. 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. 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 bank credit lines or, alternatively, lease agreements. In view of the evidently still ongoing changes in the banking sector as an industry, among others due to higher equity requirements for credit operations or changed risk weightings, banks may sustainably change their financing policies.

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 higher 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 more equity. This could result in Sixt-Group's financing costs increasing or that they remain at a high level.

The Group has a strong equity base and a broad financing mix. In October 2010, Sixt Aktiengesellschaft successfully placed a bond with a volume of EUR 250 million and a six-year term on the capital markets. In addition, in February 2012 the Company issued borrower's notes with five and seven year terms at a total volume of EUR 125 million. These offered the Group further financial scope in its operations and improved the maturity profile of the financial liabilities due to the long terms.

Alongside bonds and borrower's note loans the Sixt-Group also regularly uses 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 operations. Hard- and software related system malfunctions and failures can considerably affect operating processes and, in serious cases, even bring them to a standstill. When implementing new, replacement or supplementary software the high complexity of the IT system places high demands on compatibility on existing systems so as to guarantee smooth continuation of the operative business. 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, violation of data protection, dependence on technological conditions, system failures, viruses, spyware, etc.), could reduce the social acceptance of Internet offerings and affect 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. Above all on the background of media convergence though – the convergence of different technical devices and services – one may well assume that the utilisation of Internet-based offers is set to continue in future.

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 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 recording of business transactions with the so-called "four eyes principle" (two man rule), 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. In addition, where this relates to financial matters the "Code of Conduct" defines the general behavioural provisions for employees. The Supervisory Board examines the annual financial statements and the consolidated annual financial statements together with the Company's 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

Economic experts are agreed that the world economy is set to cool off in 2012. In the course of the second half of 2011 all economic projections were downgraded, in particular those for the Euro area. Nonetheless, the experts do not foresee the danger of the world economy sliding into recession.

Alongside the continuing European sovereign debt crisis and the associated loss of confidence by companies, consumers and investors the Institut für Weltwirtschaft (IfW – Institute for World Economy) has made out further crisis factors: a still lacklustre economic performance in the highly indebted USA, many emerging economies needing to strike the right balance between short-term economic boom and long-term stability, as well as increasing protectionist tendencies. Given such a background, the IfW reckons that the world economy will grow by around 3.4% in 2012.

Forecasts for the Euro area's GDP growth oscillate between -0.4% to +1.0% in 2012. The performances within the currency zone are set to continue their heterogeneous development. Large parts of the Euro area, including the bigger economies of Spain, Italy or France, were deemed to hover on the brink of recession at the turn of the year 2011/2012. In Germany, on the other hand, optimism abounds that the country will manage to set itself positively apart from its neighbours in 2012 as well. Market sentiment indicators point out that German corporations enjoy a groundswell of confidence. According to a study conducted by the Institut der deutschen Wirtschaft (IW – Institute of German Economy) at the end of 2012, 26 out of the 46 business associations surveyed expect higher revenues for their members, while 29 associations pegged the volume of investments at least to par.

Forecasts for German GDP's real growth averaged 0.5% for 2012. The German Central Bank even foresaw an opportunity that the German economy could return to a growth track in the course of 2012. This would be subject to investor and consumer insecurity gradually subsiding and fuelled by the extensive monetary policy and a rebounding global economy.

Sources:
Institut für Weltwirtschaft (IfW – Institute for World Economy), Kiel, Weltkonjunktur mit geringer Dynamik (Global economy with slow dynamic), Media information 20 December 2011
European Central Bank, Monthly Bulletin, December 2011
German Federal Bank, Monthly Bulletin, December 2011
Institut der deutschen Wirtschaft (IW – Institute of German Economy), IW-Verbandsumfrage 2012 (Survey 2012), Press Release of 27 December 2011
Börsen-Zeitung, 4 January 2012

2. Sector-specific environment

2.1 Vehicle rental

The Managing Board anticipates harsher general conditions for vehicle rental given the generally bleaker expectations by analysts for the economy in 2012. Although the Arbeitsgemeinschaft Deutscher Verkehrsflughäfen (Association of German Passenger Airports) saw travel activities on the uptake in Germany in 2011, over the course of the year the growth rates in passenger traffic at Germany's commercial airports fell gradually. Instead of topping the expected record high of 200 million passengers over the year, a total of 198 million travellers were registered at German airports in the year under review, which is merely a growth of 3%.

Nonetheless, Sixt continues to see the rental vehicle increasingly becoming an alternative to owning a vehicle. This is due to the rising costs for maintenance and repairs, higher vehicle taxes and duties, increasing 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. Sixt is therefore convinced that classic car rental as well as new mobility offers, such as innovative and top-quality carsharing that Sixt and BMW have been offering since mid-2011 with their DriveNow joint venture, will become more attractive than purchasing and owning a vehicle.

The passing economic uncertainty notwithstanding, the Company expects that the European vehicle rental industry will remain a growth market in the long term. Sixt perceives large growth potential in the core countries of western Europe, where Sixt's market share is still significantly lower than in Germany. Yet also eastern Europe as well as the emerging economies of Latin America and Asia have a growing demand for mobility services. The Company believes that industry consolidation in favour of large international providers will continue, not least as a consequence of the international financial crisis.

2.2 Leasing

Even though the growth dynamics in mobile leasing weakened in line with the general economic climate over the last few months of 2011, the German industry association BDL still expects ongoing, albeit moderate growth for Germany in 2012. According to the BDL, leasing will prove to be a guarantor for the investment supply of medium-sized companies. The study “Leasing in Deutschland 2011” (Leasing in Germany 2011) commissioned by TNS Infratest Finanzforschung showed that in the wake of the financial crisis leasing is considered significantly more often than before as a capex form. The ifo/BDL capex indicator, which is based on leasing companies’ assessment of business conditions, also indicates growing investment volumes. For 2012 the capex indicator forecasts a nominal increase in plant and equipment expenditure of roughly 6% over 2011.

In addition, the planned reform of leasing relations in the International Accounting Standards (IAS 17 – Leases) has not yet been finally approved. A first amendment draft caused a hefty public outcry. In general, rental and leasing relations and the resulting usage rights and obligations are to be recognised on the lessee’s balance sheet. 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.

Given the many critical voices the responsible International Accounting Standards Board (IASB) has revised the draft once more and will submit it for renewed discussion. The highly complex previous draft has been simplified only in parts. According to the BDL the planned improvements will reduce the risk that the reform will adversely affect the readiness of corporations to finance future investments through leasing.

3. Strategic focal points for the Sixt-Group

The Managing Board considers the Sixt-Group to be in a strong strategic, operating and financial position to generate growth in the coming years in the two business units of Vehicle Rental and Leasing, and to extend its market position over and against its competitors. It remains the declared objective to grow faster than the market average and to expand the foreign share in the business volume still further.

In 2012 special attention will be given to the increased risk factors facing the global economy. These are in particular the sovereign debt crisis and recessionary tendencies in parts of Europe, a persistently weak economy in the US as well as the still smouldering upheavals in areas of the Arab world. Individually or cumulatively, these economic uncertainties can have a dampening effect on the demand for mobility services and with it on the Group’s business development. Sixt will therefore continue to maintain its principle of a cautious fleet policy. Nonetheless given the flexible arrangements the Group has agreed with manufacturers, it will also be able to react to rising demand, even at short notice.

Sixt continues to see large growth potential in both Business Units. Future business performance will be furthered by a consistently growing worldwide demand for mobility both from the business and private sector. Nonetheless, the Managing Board is of the opinion that business as well as private customers are more and more likely to pick their mobility partner under cost aspects. To this extent Sixt's communication will continue to focus on the central message that the Company's mobility services are the basis for cost transparency and a sustainable reduction in mobility costs.

The Group's very solid capital and financing base and the resulting extensive operative and strategic scope will help Sixt in its scheduled further growth as will the high brand awareness of Sixt, especially in Germany.

In 2012 and beyond Sixt will concentrate above all on the following topics for the **Vehicle Rental Business Unit**:

- Internationalisation plays a key strategic role for Sixt. It is the Group's long-term objective to substantially increase the proportion of rental revenues generated abroad. Market shares of less than 10% in select core countries in Europe show that Sixt still has significant growth opportunities outside Germany. Such growth can be generated both organically from the Company's own strength as well as through targeted acquisitions of local and regional competitors. Sixt continually sounds out the key European markets but applies strict criteria to the earnings, risk profile and corporate culture of potential acquisition candidates.

- Another vital component in Sixt's internationalisation strategy is the expansion of its worldwide network of franchisees. Given the geographical presence the Sixt brand has already achieved in some 100 countries, the focus will be above all on raising the market shares of franchise partners in the already covered markets. The large economic growth regions in the Asia-Pacific region, Eastern Europe or Latin America are particularly attractive for Sixt, because demand for mobility services there is set to increase rapidly over the coming years. Depending on market potential and requirements, rental, leasing, or chauffeur services, as well as ancillary services could be offered.

- One of the Group's core strengths lies in offering integrated mobility services combining rental and leasing. Sixt will continuously extend this offer, on an international scale as well. The aim is to offer business and corporate customers products and services that are tailored to their individual requirements. To this end Sixt's approach is to analyse every customer's own mobility requirements and to meet these with customised combinations of offers. These include rental and leasing solutions as well as carpool solutions or carsharing. "Sixt unlimited" is a good example of integrated mobility products. For a fixed monthly fee it offers frequent travellers vehicles at any time at many destinations in Europe.

- In 2012 the focus will once again be on developing innovative mobility offers in reaction to many different target groups' changing mobility patterns. Special importance will be on the national and international expansion of the DriveNow, a carsharing joint venture with the manufacturer BMW. The offer shall be rolled out step by step over additional large cities and metropolitan areas, augmented with additional services and vehicle models. In addition, Sixt's innovative mobility offers include in particular fuel-efficient engines as well as alternative drive concepts. The Group will keep a close eye on the technical developments in this sector and join in pilot projects if required.

- 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 such as Facebook.

In the **Leasing Business Unit** Sixt will concentrate above all on the following topics in 2012 and beyond:

- Expanding the range of high-quality products and services in fleet management for corporations will remain a key strategic focus for Sixt Leasing. The aim is to make mobility costs more transparent and reduce them through comprehensive cost management. Important instruments are online-based reporting tools such as "Fleet Intelligence", which shows the full set of information on fleets, ranging from the entire fleet to individual leasing contracts and thereby constituting an important basis for efficient fleet management. The plan is to have these reporting tools continuously developed in line with customer requests.

- The services offered by Sixt Mobility Consulting play a key role in providing competent fleet management. This Company advises customers in all questions of fleet management independent of manufacturers and lessors. Sixt Mobility Consulting will permanently keep developing its services further and expand its customer base.

- Sixt will target the development of integrated vehicle rental and leasing offerings to utilise one of the unique strategic strengths of the Group more intensively. So far Sixt is the only international mobility service provider capable of such integration. In particular business and corporate customers will find specific solutions tailored to their individual needs.

- Expansion abroad with its own activities or via franchisees will remain unchanged key strategic targets for the Business Unit. The sales structures in corporate countries such as Austria and Switzerland were strengthened in 2011 to boost market development. In addition, the Business Unit started its operations in the Netherlands. The international expansion in the Leasing Business Unit could also be brought forward by targeted acquisitions of companies or customer portfolios, whereby strict criteria apply as regards profitability and risk profile.

4. Outlook

Sixt is readying itself for a more difficult financial year 2012. This is due to the general expectation of a significant economic slowdown in Europe as well as such macroeconomic risks as the sovereign debt crisis in the Euro area. They could adversely affect travel activities of business customers and private individuals and bear down on the investment behaviour of leasing clients. Though Sixt is in a good strategic, operative and financial position, the aforementioned factors call for extra caution.

Assuming that the general economic prospects for Europe do not worsen considerably, the Managing Board considers a slight growth in rental revenues a possibility for 2012. The long-term oriented leasing business also offers opportunities for gently rising leasing revenues. Nevertheless, the Company will stick to the principle of giving preference to adequate margins over volume growth.

Sixt will continue its policy of a cautious fleet plan, though operative fleet costs are set to rise. Scope for a sustained increase of rental prices is not foreseeable at the moment, however.

Against this background the Managing Board reckons that the Sixt-Group will enjoy a good earnings position and a satisfactory return on equity in 2012. However, the Board also thinks that it will be hard to achieve the same level of earnings as in 2011.

Sixt continues to pursue the long-term objectives for both Business Units of growing above the market average and generating a sustainable pre-tax return on sales of at least 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 2011."

F. Corporate governance declaration

The Corporate governance declaration in accordance with section 289a of the HGB is contained in this 2011 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 2011.

Pullach, 9 March 2012

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT	DR. JULIAN ZU PUTLITZ	DETLEV PÄTSCH	THORSTEN HAESER

How do you inspir

(With affordable rental cars of th

e the British soul?

e finest deportment since 1998)

The following independent auditor's report ("Bestätigungsvermerk") was issued in accordance with section 322 HGB (German Commercial Code) on the IFRS Financial Statements 2011, 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 2011. 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, 13 March 2012

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

RESPONSIBILITY STATEMENT

by Sixt Aktiengesellschaft, Pullach, for Financial Year 2011

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

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

Pullach, 9 March 2012

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT	DR. JULIAN ZU PUTLITZ	DETLEV PÄTSCH	THORSTEN HAESER

How do you get up

("Ándele, ándele, arrib

and go in Mexico?

a, arriba!” since 2008)

CONSOLIDATED INCOME STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2011

	Notes		EUR		EUR
			2011		2010
Revenue	[4.1]		1,563,727,293		1,538,220,177
Other operating income	[4.2]		38,426,867		21,879,103
Gross revenue			**1,602,154,160**		**1,560,099,280**
Fleet expenses and cost of lease assets	[4.3]		644,591,698		657,000,553
Personnel expenses	[4.4]				
a) Wages and salaries		128,907,869		124,136,940	
b) Social security and other pension costs		20,665,948		19,979,371	
			149,573,817		144,116,311
Depreciation and amortisation expense	[4.5]				
a) Depreciation of rental vehicles		169,098,289		163,383,101	
b) Depreciation of lease assets		142,421,445		154,173,394	
c) Depreciation of property and equipment and investment property		7,439,390		6,602,976	
d) Amortisation of intangible assets		2,704,464		2,716,934	
			321,663,588		326,876,405
Other operating expenses	[4.6]		296,468,135		275,907,724
Profit from operating activities (EBIT)			**189,856,922**		**156,198,287**
Net finance costs	[4.7]				
a) Interest income		5,404,372		3,831,005	
b) Interest expense		58,089,622		63,037,739	
c) Other net financial income		1,734,633		5,268,377	
			-50,950,617		-53,938,357
Profit before taxes (EBT)			**138,906,305**		**102,259,930**
Income tax expense	[4.8]		41,438,888		31,538,231
Consolidated profit for the period			**97,467,417**		**70,721,699**
Of which attributable to minority interests	[4.9]		-265,116		-261,550
Of which attributable to shareholders of Sixt AG			**97,732,533**		**70,983,249**
Earnings per ordinary share – basic	[4.10]		1.99		1.41[1]
Earnings per preference share – basic	[4.10]		2.01		1.43[1]

[1] For comparative purposes arithmetically adjusted to the doubled number of shares after the 1-for-1 capital increase from company funds

Statement of Comprehensive Income		
in EUR thou.	**2011**	2010
Consolidated profit	97,467	70,722
Recognised in other comprehensive income		
Currency translation gains/losses	-1,389	4,218
Impairment losses/reversals of impairment losses/disposals on available-for-sale assets	-257	-35
Related deferred tax	64	9
Total comprehensive income	**95,885**	**74,914**
of which attributable to minority interests	-265	-261
of which attributable to shareholders of Sixt Aktiengesellschaft	96,150	75,175

CONSOLIDATED BALANCE SHEET

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2011

Assets	Notes	EUR **31 Dec. 2011**	EUR 31 Dec. 2010
Non-current assets			
Goodwill	[4.11]	18,442,000	18,442,000
Intangible assets	[4.12]	9,902,037	7,479,654
Property and equipment	[4.13]	47,366,784	42,072,755
Investment property	[4.14]	3,113,213	3,148,401
Lease assets	[4.15]	674,659,243	721,947,027
Non-current financial assets	[4.16]	1,218,584	889,565
Non-current other receivables and assets	[4.17]	6,112,040	6,727,315
Deferred tax assets	[4.8]	12,947,624	9,724,808
Total non-current assets		**773,761,525**	**810,431,525**
Current assets			
Rental vehicles	[4.18]	1,196,429,477	978,254,879
Inventories	[4.19]	21,151,790	20,757,517
Trade receivables	[4.20]	239,856,866	193,160,034
Current other receivables and assets	[4.21]	47,121,280	45,436,434
Other financial assets	[4.21]	15,015,000	57,304,948
Income tax receivables	[4.21]	3,540,059	14,770,186
Cash and bank balances	[4.22]	31,373,591	108,580,772
Total current assets		**1,554,488,063**	**1,418,264,770**
Total assets		**2,328,249,588**	**2,228,696,295**

Equity and Liabilities	Notes	EUR **31 Dec. 2011**	EUR 31 Dec. 2010
Equity			
Subscribed capital	[4.23]	129,153,793	64,576,896
Capital reserves	[4.25]	200,424,622	200,004,963
Other reserves	[4.26]	292,363,684	293,136,919
Treasury shares	[4.24]	-26,009,618	-16,896,666
Minority interests	[4.27]	151,414	98,757
Total equity		**596,083,895**	**540,920,869**
Non-current liabilities and provisions			
Non-current other provisions	[4.28]	1,319,388	640,960
Non-current financial liabilities	[4.29]	527,917,714	1,005,603,612
Non-current other liabilities	[4.30]	9,042,806	40,170,918
Deferred tax liabilities	[4.8]	15,512,223	18,439,085
Total non-current liabilities and provisions		**553,792,131**	**1,064,854,575**
Current liabilities and provisions			
Current other provisions	[4.31]	45,115,901	45,179,914
Income tax provisions	[4.31]	46,186,764	34,299,286
Current financial liabilities	[4.32]	645,008,844	141,653,266
Trade payables	[4.33]	335,162,258	263,043,195
Current other liabilities	[4.34]	106,899,795	138,745,190
Total current liabilities and provisions		**1,178,373,562**	**622,920,851**
Total equity and liabilities		**2,328,249,588**	**2,228,696,295**

CONSOLIDATED CASH FLOW STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2011

Consolidated Cash Flow Statement	EUR thou. 2011	EUR thou. 2010
Operating activities		
Consolidated profit for the period	97,467	70,722
Amortisation of intangible assets	2,705	2,717
Depreciation of property and equipment and investment property	7,439	6,603
Depreciation of lease assets	142,421	154,173
Depreciation of rental vehicles	169,098	163,383
Result on disposal of intangible assets, property and equipment	60	-1,059
Other non-cash income and expense	2,323	6,107
Cash flow	**421,513**	**402,646**
Change in non-current other receivables and assets	615	1,478
Change in deferred tax assets	-3,223	2,610
Change in rental vehicles, net	-387,272	-503,841
Change in inventories	-394	5,220
Change in trade receivables	-46,697	4,330
Change in current other receivables and assets	-1,685	21,579
Change in income tax receivables	11,230	596
Change in non-current other provisions	678	-188
Change in non-current other liabilities	-31,128	-60,472
Change in deferred tax liabilities	-2,927	-4,632
Change in current other provisions	-64	13,802
Change in income tax provisions	11,887	8,419
Change in trade payables	72,119	69,577
Change in current other liabilities	-31,845	13,594
Net cash flows from / used in operating activities	**12,807**	**-25,282**
Investing activities		
Proceeds from disposal of intangible assets, property and equipment, and investment property	3,451	5,578
Proceeds from disposal of lease assets	183,807	198,157
Proceeds from disposal of current financial assets	42,290	115,020
Proceeds from disposal of non-current financial assets	37	25
Payments to acquire intangible assets, property and equipment	-21,372	-8,980
Payments to acquire lease assets	-278,940	-236,130
Payments to acquire non-current financial assets	-547	-39
Net cash flows used in / from investing activities	**-71,274**	**73,631**
Financing activities		
Change in own shares	-9,113	-16,897
Dividend payment	-34,502	-5,220
Change in current financial liabilities	503,356	-193,395
Change in non-current financial liabilities	-477,686	229,439
Net cash flows used in / from financing activities	**-17,945**	**13,927**
Net change in cash and cash equivalents	**-76,412**	**62,276**
Effect of exchange rate changes on cash and cash equivalents	-871	248
Change in cash and cash equivalents due to changes in the scope of consolidation	76	191
Cash and cash equivalents at 1 January	**108,581**	**45,866**
Cash and cash equivalents at 31 December	**31,374**	**108,581**

See also the Notes [5.1]

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2011

in 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 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 January 2011	**64,577**	**200,005**	**122,475**	**-1,486**	**172,148**	**-16,897**	**540,822**	**99**	**540,921**
Capital increase	64,577		-64,577						
Acquisition of treasury shares						-9,113	-9,113		-9,113
Consolidated profit 2011					97,732		97,732	-265	97,467
Currency translation differences				-1,389			-1,389		-1,389
Dividend payments 2010					-34,502		-34,502		-34,502
Other changes		420	36,038[1]		-34,075		2,383	317	2,700
31 December 2011	**129,154**	**200,425**	**93,936**	**-2,875**	**201,303**	**-26,010**	**595,933**	**151**	**596,084**

[1] Including transfer to retained earnings of Sixt Aktiengesellschaft (EUR 36,200 thou., 2010: EUR 0 thou.)

See also the Notes [4.23] to [4.27]

The streets belong to the dancers during Carnival.

(And to our customers the rest of the year – since 2004)

NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

of Sixt Aktiengesellschaft, Pullach, for financial year 2011

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 129,153,792. 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 2011 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 2011 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 2011: IFRS 1 (First-time Adoption of IFRS - limited exemption from comparative IFRS 7 disclosures for first-time adopters), IAS 24 (Related Party Disclosures), IAS 32 (Financial Instruments: Presentation – Classification of rights issues), IFRIC 14 (Prepayments of minimum funding requirements), IFRIC 19 (Extinguishing Financial Liabilities with Equity Instruments) as well as amendments resulting from the Annual Improvements Project 2010, 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 currently being examined but are not expected to appear.

Standard / Interpretation		Adoption by European Commission	Applicable as of
IFRS 7	Financial instruments: Disclosures – transfers of financial assets	23 Nov. 2011	1 July 2011
IFRS 7	Financial instruments: Disclosures – amendments to improve disclosures on offsetting	No	1 Jan. 2013
IFRS 9	Financial instruments: Classification and measurement	No	1 Jan. 2015
IFRS 10	Consolidated financial statements	No	1 Jan. 2013
IFRS 11	Joint arrangements	No	1 Jan. 2013
IFRS 12	Disclosure of interests in other entities	No	1 Jan. 2013
IFRS 13	Fair value measurement	No	1 Jan. 2013
IAS 1	Presentation of financial statements – other comprehensive income	No	1 July 2012
IAS 19	Employee benefits	No	1 Jan. 2013
IAS 28	Investments in associates and joint ventures	No	1 Jan. 2013
IAS 32	Financial instruments: Disclosure and presentation	No	1 Jan. 2014

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 2011 (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 Leasing 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
Sixt Transatlantik GmbH	Pullach
Sixt Rent A Car L.L.C	Delaware
Sixt Mobility Consulting GmbH	Pullach
Sixt Asset and Finance SAS	Avrigny

In addition to these, the joint venture DriveNow GmbH & Co. KG, Munich, (equity interest: 50%) was also included in the consolidated annual financial statements on a pro rata basis.
The two special purpose entities listed below, which operate exclusively in the real estate sector, were 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 Executive 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	100%
Preis24.de GmbH	Pullach	25,000	EUR	62%
TÜV SÜD Car Registration & Services GmbH	Munich	50,000	EUR	50%
DriveNow Verwaltungs GmbH	Munich	25,000	EUR	50%

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, Sixt Transatlantik 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 2010 occurred:
Sixt Transatlantik GmbH, Pullach, Sixt Rent A Car L.L.C, Delaware, Sixt Mobility Consulting GmbH, Pullach, and Sixt Asset and Finance SAS, Avrigny, were consolidated in the consolidated annual financial statements for the first time in the financial year as of the time they fell under the control of the Group. Sixt Mobility Consulting GmbH was consolidated as at 1 April 2011, Sixt Asset and Finance SAS as at 1 October 2011 and the other two companies as at 1 January 2011.
In addition, the newly established joint venture DriveNow GmbH & Co. KG, Munich, was consolidated for the first time on a pro rata basis. The companies were established by the Sixt-Group and had not been consolidated so far because of their insignificance. Their initial consolidation had no noteworthy effects on the Group's net assets, financial position and results of operations.

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 2011. 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 2011 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. 2011	31 Dec. 2010	**2011**	2010
Pound Sterling	0.83690	0.86180	0.87140	0.85568
Swiss Francs	1.21640	1.25250	1.23213	1.37007
US-Dollar	1.29370	-	1.39899	-

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 (2012 to 2015) 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 7.6%.

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	3 to 21 years

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

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

In accordance with IAS 17, assets leased by the Sixt-Group as lessee under finance leases are recorded in the balance sheet at inception of the lease at the lower of their fair value and the present value of the minimum lease payments. The assets 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 Group 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 non-current 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 Group assets.

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 recognised 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 euro 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.	**2011**	2010	**2011**	2010	**2011**	2010	in %
Rental Business Unit							
Rental revenue	605,134	564,400	290,579	243,076	895,713	807,476	10.9
Other revenue from rental business	64,726	82,343	18,830	34,369	83,556	116,712	-28.4
Total	**669,860**	**646,743**	**309,409**	**277,445**	**979,269**	**924,188**	**6.0**
Leasing Business Unit							
Leasing revenue	335,355	346,163	58,142	57,399	393,497	403,562	-2.5
Sales revenue	165,191	187,169	18,135	16,128	183,326	203,297	-9.8
Total	**500,546**	**533,332**	**76,277**	**73,527**	**576,823**	**606,859**	**-4.9**
Other revenue	7,635	7,173	-	-	7,635	7,173	6.4
Group total	**1,178,041**	**1,187,248**	**385,686**	**350,972**	**1,563,727**	**1,538,220**	**1.7**

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

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 895,713 thousand (2010: EUR 807,476 thousand) and other revenue from rental business, such as insurance recoveries, subsidies, licence and franchise fees, and commission revenue amounting to EUR 83,556 thousand (2010: EUR 116,712 thousand). Other revenue from rental business includes compensation payments from third parties totalling EUR 57,832 thousand (2010: EUR 52,303 thousand).

In line with Sixt’s focus on the market segment for full-service leasing, operative leasing revenue comprises finance lease instalments (EUR 181,448 thousand; 2010: EUR 198,160 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 212,049 thousand; 2010: EUR 205,402 thousand). In the Leasing segment, compensation payments from third parties amount to EUR 4,420 thousand (2010: EUR 3,980 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 38,427 thousand (2010: EUR 21,879 thousand) includes income of EUR 8,779 thousand (2010: EUR 1,573 thousand) from currency translation. This item also includes income of EUR 10,769 thousand (2010: EUR 10,133 thousand), among others, from forwarding costs to third parties and income of EUR 3,812 thousand (2010: EUR 792 thousand) from the reversal of provisions. The previous year had also included proceeds of EUR 1,478 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 lease assets by segment	EUR thou. 2011	EUR thou. 2010	Change in %
Rental Business Unit	279,157	273,400	2.1
Leasing Business Unit	365,435	383,601	-4.7
Group total	**644,592**	**657,001**	**-1.9**

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
	2011	2010	in %
Repairs, maintenance, reconditioning	201,109	199,764	0.7
Fuel	113,460	109,176	3.9
Insurance	59,340	55,132	7.6
Transportation	33,474	28,908	15.8
Taxes and charges	17,342	16,880	2.7
Other, including selling expenses	219,867	247,141	-11.0
Group total	**644,592**	**657,001**	**-1.9**

Personnel expenses increased from EUR 144,116 thousand in 2010 to EUR 149,574 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
	2011	2010	in %
Wages and salaries	128,908	124,137	3.8
Social security costs	20,666	19,979	3.4
Group total	**149,574**	**144,116**	**3.8**

Average number of employees during the year:

Employees in the Group		
	2011	2010
Salaried employees	2,756	2,592
Hourly employees	296	279
Group total	**3,052**	**2,871**

The Rental Business Unit employed 2,701 (2010: 2,581) staff, and the Leasing Business Unit employed 257 (2010: 230) staff. The “Other” segment employed 94 (2010: 60) members of staff.

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

As the stock in the fleet rose over the course of the year depreciation of rental vehicles increased by EUR 5,715 thousand to EUR 169,098 thousand (2010: EUR 163,383 thousand). Impairment losses of EUR 14,685 thousand (2010: EUR 7,921 thousand) were charged on the rental assets of EUR 546 million (2010: EUR 91 million). At EUR 142,421 thousand depreciation of lease assets was EUR 11,752 thousand lower year on year (2010: EUR 154,173 thousand). Impairment losses of EUR 735 thousand (2010: EUR 1,659 thousand) were charged on the lease assets of EUR 255 million (2010: EUR 280 million).

Depreciation and amortisation expense	**EUR thou.**	EUR thou.	Change
	2011	2010	in %
Intangible assets	2,705	2,717	-0.5
Property and equipment, and investment property	7,439	6,603	12.7
Lease assets	142,421	154,173	-7.6
Rental vehicles	169,098	163,383	3.5
Group total	**321,663**	**326,876**	**-1.6**

[4.6] The following table contains a breakdown of other operating expenses. In the financial year, other operating expenses increased in total by EUR 20,560 thousand to EUR 296,468 thousand (2010: EUR 275,908 thousand).

Other operating expenses	**EUR thou.**	EUR thou.	Change
	2011	2010	in %
Leasing expenses	50,447	71,134	-29.1
Commissions	75,240	63,566	18.4
Expenses for buildings	43,213	40,404	7.0
Other selling and marketing expenses	29,944	22,733	31.7
Expenses from write-downs of receivables	20,520	18,551	10.6
Audit, legal, advisory costs and investor relations expenses	9,271	11,636	-20.3
Miscellaneous expenses	67,833	47,884	41.7
Group total	**296,468**	**275,908**	**7.5**

The consolidated financial statements recognised fees of EUR 325 thousand (2010: EUR 355 thousand) for the auditors as operating expenses in the consolidated financial statements of Sixt Aktiengesellschaft. The fees break down into audit costs (EUR 226 thousand; 2010: EUR 218 thousand), other assurance or valuation services (EUR 5 thousand; 2010: EUR 24 thousand), tax consultancy services (EUR 60 thousand; 2010: EUR 56 thousand) and other services (EUR 34 thousand; 2010: EUR 57 thousand) provided for the parent or subsidiaries.

[4.7] Net finance costs improved by EUR 2,987 thousand year-on-year from EUR -53,938 thousand to EUR -50,951 thousand. The investment expenses contain valuation allowances charged on financial assets in the amount of EUR 180 thousand (2010: EUR 792 thousand). The following table contains a breakdown of the net finance costs.

Net finance costs	EUR thou. 2011	EUR thou. 2010
Income from financial assets	3,705	2,297
Income from unconsolidated affiliated companies	8	30
Expenses for unconsolidated affiliated companies	-180	-830
Net income from investments	**3,533**	**1,497**
Other interest and similar income	5,288	3,676
Other interest and similar income from affiliated companies	116	156
Interest and similar expenses	-53,498	-56,350
Interest and similar expenses for affiliated companies	-67	-64
Expenses for profit participation capital	-4,525	-6,624
Net income from derivative financial instruments	-1,533	2,033
Net interest expense	**-54,219**	**-57,173**
Net income from sale of securities	-265	1,738
Other financial net income	**-265**	**1,738**
Net finance costs	**-50,951**	**-53,938**

The income tax expenses comprise the following: [4.8]

Income tax expenses	EUR thou. 2011	EUR thou. 2010
Current income tax for the reporting period	48,361	31,466
Current income tax for previous years	-902	2,092
Deferred taxes	-6,020	-2,020
Group total	**41,439**	**31,538**

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% (2010: 15%) was used to calculate deferred taxes at the German companies as at 31 December 2011. In each case, a solidarity surcharge of 5.5% on the corporation tax was also included and a trade tax rate of 11% (2010: 11%) was applied; an aggregate tax rate of 27% (2010: 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% (2010: 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% (2010: 15%), a solidarity surcharge of 5.5% in each case and trade tax at 11% (2010: 11%).

Reconciliation of taxes	**EUR thou.**	EUR thou.
	2011	2010
Consolidated profit before taxes in accordance with IFRS	138,906	102,260
Expected income tax expense	37,505	27,610
Effect of different tax rates outside Germany	499	68
Non-deductible operating expenses	2,548	2,621
Tax-exempt income	-1,743	-556
Current income tax for previous years	-902	2,092
Other effects	3,532	-297
Effective tax expense	**41,439**	**31,538**

The other effects include, among others, deferred taxes from 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. 2011	31 Dec. 2010	**31 Dec. 2011**	31 Dec. 2010
Fleet	6,746	3,697	14,128	16,979
Receivables	-	-	2,032	3,110
Other assets	-	-	792	690
Other liabilities	2,524	1,943	2,926	2,124
Provisions	4,822	4,792	-	-
Tax loss carryforwards	3,222	3,757	-	-
	17,314	**14,189**	**19,878**	**22,903**
Offsetting	-4,366	-4,464	-4,366	-4,464
Carrying amount	**12,948**	**9,725**	**15,512**	**18,439**

No deferred tax assets were recognised for existing tax loss carryforwards of EUR 20,491 thousand (2010: EUR 14,629 thousand). The loss carryforwards for which deferred tax assets were recognised are expected to be used during the 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 -265 thousand (2010: EUR -261 thousand). [4.9]

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

Dividends	**EUR thou.**	EUR thou.
	2011	2010
Amounts recognised as distributions to shareholders in the financial year	34,502	5,220
Dividend for financial year 2010 EUR 0.70 (2009: EUR 0.10) for each ordinary share[1]	22,350	3,294
Dividend for financial year 2010 EUR 0.71 (2009: EUR 0.11) for each preference share[1]	12,152	1,926

[1] Dividend per share for comparative purposes arithmetically adjusted to the doubled number of shares after the 1-for-1 capital increase from company funds

The proposal is to pay for financial year 2011 a dividend of EUR 0.60 per ordinary share and EUR 0.62 per preference share, plus a bonus dividend of EUR 0.15 for each share category. Taking into account the treasury stocks not carrying dividend rights as at the reporting date (1,343,337 ordinary shares and 486,488 preference shares) this corresponds to an estimated total distribution of EUR 36,806 thousand for the year under review. As the ongoing share buy-back programme had not been closed as at the balance sheet date, the specified total payout will still change until the day of the actual dividend payout due to the higher level of treasury shares. 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]

Earnings per share (basic)			
		2011	2010
Consolidated profit for the period after minority interests	in EUR thou.	97,732	70,983
Profit/loss attributable to ordinary shares	in EUR thou.	63,300	46,135
Profit/loss attributable to preference shares	in EUR thou.	34,432	24,848
Weighted average number of ordinary shares		31,885,290	32,767,694[1]
Weighted average number of preference shares		17,101,999	17,434,440[1]
Earnings per ordinary share	in EUR	1.99	1.41[1]
Earnings per preference share	in EUR	2.01	1.43[1]

[1] For comparative purposes arithmetically adjusted to the doubled number of shares after the 1-for-1 capital increase from company funds

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					
	1 Jan. 2011	Foreign exchange differences	Additions	Disposals	Transfers	**31 Dec. 2011**
Goodwill	**18,488**	**-**	**-**	**-**	**-**	**18,488**
Purchased software	12,070	3	1,680	58	247	13,942
Internally developed software	3,502	-	-	-	-	3,502
Payments on account in respect of software	1,228	-	1,609	20	-247	2,570
Other intangible assets	598	-	1,924	-	-	2,522
Intangible assets	**17,398**	**3**	**5,213**	**78**	**-**	**22,536**
Land and buildings	22,492	114	269	-	-	22,875
Operating and office equipment	55,585	64	5,626	4,764	8,115	64,626
Property and equipment under construction	793	-	10,264	49	-8,115	2,893
Property and equipment	**78,870**	**178**	**16,159**	**4,813**	**-**	**90,394**
Investment property	**7,311**	**-**	**-**	**-**	**-**	**7,311**
Lease assets	**892,370**	**2,699**	**278,940**	**352,172**	**-**	**821,837**
Shares in affiliated companies	1,578	-	210	37	-	1,751
Investments	9,200	-	336	-	-	9,536
Non-current financial assets	**10,778**	**-**	**546**	**37**	**-**	**11,287**
Total consolidated non-current assets	**1,025,215**	**2,880**	**300,858**	**357,100**	**-**	**971,853**

Consolidated Statement of Changes in Non-current Assets in EUR thou.	Cost						
	1 Jan. 2010	Foreign exchange differences	Additions	Change in scope of consolidation	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**

	Depreciation/Amortisation					Carrying amounts	
	1 Jan. 2011	Foreign exchange differences	Depreciation/ amortisation in the financial year	Disposals	**31 Dec. 2011**	**31 Dec. 2011**	31 Dec. 2010
	46	**-**	**-**	**-**	**46**	**18,442**	**18,442**
	7,092	3	2,176	-	9,271	4,671	4,978
	2,313	-	425	-	2,738	764	1,189
	-	-	-	-	-	2,570	1,228
	513	8	104	-	625	1,897	85
	9,918	**11**	**2,705**	**-**	**12,634**	**9,902**	**7,480**
	3,984	50	333	-	4,367	18,508	18,508
	32,813	-95	7,071	1,128	38,661	25,965	22,772
	-	-	-	-	-	2,893	793
	36,797	**-45**	**7,404**	**1,128**	**43,028**	**47,366**	**42,073**
	4,163	**-**	**35**	**-**	**4,198**	**3,113**	**3,148**
	170,423	**866**	**142,421**	**166,532**	**147,178**	**674,659**	**721,947**
	830	-	180	-	1,010	741	748
	9,058	-	-	-	9,058	478	142
	9,888	**-**	**180**	**-**	**10,068**	**1,219**	**890**
	231,235	**832**	**152,745**	**167,660**	**217,152**	**754,701**	**793,980**

	Depreciation/Amortisation						Carrying amounts	
	1 Jan. 2010	Foreign exchange differences	Depreciation/ amortisation in the financial year	Change in scope of consolidation	Disposals	31 Dec. 2010	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**

[4.11] The goodwill of EUR 18,442 thousand (2010: 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 764 thousand (2010: EUR 1,189 thousand) and purchased software amounting to EUR 4,671 thousand (2010: EUR 4,978 thousand). The item also includes payments on account in respect of software amounting to EUR 2,570 thousand (2010: EUR 1,228 thousand) and other intangible assets amounting to EUR 1,897 thousand (2010: EUR 85 thousand). No impairment losses (2010: EUR 128 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 (2010: EUR 18,508 thousand), as well as operating and office equipment (mainly IT systems, fixtures and fittings and office equipment) in the amount of EUR 25,965 thousand (2010: EUR 22,772 thousand). The item also includes expenses for property and equipment under construction in the amount of EUR 2,893 thousand (2010: EUR 793 thousand). Land charges are registered against properties for real estate financing in the amount of EUR 2,597 thousand (2010: EUR 2,896 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 2,284 thousand (2010: EUR 2,598 thousand) are secured by real property liens. Net rental income for the period is the balance of rental income of EUR 252 thousand (2010: EUR 240 thousand) and expenses of EUR 11 thousand (2010: EUR 11 thousand).

Investment property	**EUR thou.** **2011**	EUR thou. 2010
Net rental income for the period	241	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	4,836	4,743
Carrying amount as at 31 December	**3,113**	**3,148**

[4.15] Lease assets decreased by EUR 47.2 million to EUR 674.7 million (2010: EUR 721.9 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 767 million (2010: EUR 841 million), payments of EUR 373 million (2010: EUR 362 million) are due within one year, payments of

EUR 394 million (2010: EUR 479 million) are due in one to five years and payments of EUR 0 million (2010: EUR 0.2 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 0.7 million in total (2010: EUR 1.9 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 39.0 million (2010: EUR 108.7 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 1,219 thousand (2010: EUR 890 thousand) and is shown in detail in the consolidated statement of changes in non-current assets. Impairment losses of EUR 180 thousand (2010: EUR 792 thousand) were recognised in the year under review. [4.16]

Non-current other receivables and assets mainly include the non-current portion of finance lease receivables (finance instalments excluding service fees) resulting from lease agreements with customers that are classified as finance leases. Receivables due in one to five years account for EUR 3.9 million (2010: EUR 5.0 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. 2011	31 Dec. 2010	**31 Dec. 2011**	31 Dec. 2010
Due in one to five years	4.3	5.5	3.9	5.0
Unrealised finance income	0.4	0.5		

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 2,223 thousand (2010: EUR 1,728 thousand), in each case maturing in one to five years.

The rental vehicle item increased from EUR 978.3 million to EUR 1,196.4 million. The increase is due, among other things, to the higher number of capitalised rental vehicles as at reporting day. The acquisition cost of new additions to rental assets in the financial year amounted to EUR 2,093 million (2010: EUR 1,863 million). For the rental assets reported at the end of the year under review, it amounted to EUR 1,286 million (2010: EUR 1,047 million). A proportion of the rental vehicles are pledged as collateral for liabilities to banks. [4.18]

As in the previous years, some rental vehicles were financed via operating leases, 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 18.4 million (2010: EUR 16.8 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 18,417 thousand (2010: EUR 18,893 thousand). Other inventories consist mainly of fuel. Total inventories increased slightly by EUR 394 thousand to EUR 21,152 thousand (2010: EUR 20,758 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. 2011	31 Dec. 2010
Current finance lease receivables	4,246	5,063
Receivables from affiliated companies	2,930	1,694
Receivables from other investees	308	302
Other assets	58,192	110,453
of which recoverable income taxes	3,540	14,770
of which other recoverable taxes	15,213	13,317
of which insurance claims	2,222	3,594
of which deferred income	12,068	11,409
of which miscellaneous other assets	10,134	10,058
of which available-for-sale financial assets	15,015	32,394
of which held-to-maturity financial assets	-	24,911
Group total	**65,676**	**117,512**

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 4.7 million (2010: EUR 5.6 million), the present value of the outstanding minimum lease payments (including fixed service fees) to EUR 4.3 million (2010: EUR 5.1 million), and unrealised finance income to EUR 0.4 million (2010: EUR 0.5 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 of the prior year relate exclusively to short-dated debt instruments.

Cash and bank balances of EUR 31,374 thousand (2010: EUR 108,581 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 55,163 thousand as against the previous year to a total of EUR 596,084 thousand (2010: EUR 540,921 thousand). Following the 1-for-1 capital increase from company funds undertaken in the year under review, the subscribed capital of Sixt Aktiengesellschaft contained in this total amounted to EUR 129,154 thousand. The increase in the capital reserves by EUR 420 thousand to EUR 200,425 thousand (2010: EUR 200,005 thousand) is, among others, 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	32,944,400	84,337,664
Non-voting preference shares	17,506,300	44,816,128
Balance at 31 December 2011	**50,450,700**	**129,153,792**

The ordinary shares are bearer shares with the exception of two registered shares, 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.

Treasury shares [4.24]

By resolution of the Annual General Meeting of 17 June 2010 the Managing Board was authorised, as specified in the proposed resolution, to acquire ordinary bearer shares and/or preference bearer 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 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 decided on 19 August 2010 to exercise the authorisation to acquire ordinary and preference shares via the stock exchange at an equivalent value of up to EUR 20 million (excluding incidental purchase costs).

With the previously obtained approval of the Supervisory Board, the Managing Board of Sixt Aktiengesellschaft decided on 10 October 2011 to exercise said authorisation another time and acquire on the stock exchange up to 1,116,120 ordinary and preference shares at an equivalent value of up to EUR 20 million (excluding incidental purchase costs). With this resolution the volume of aforementioned authorisation to buy back own shares has been fully exhausted.

The purpose of the buy-back is to reduce the Company's capital by retiring treasury shares.

Up until 31 December 2011 a total of 1,343,337 ordinary shares at an amount of EUR 20.5 million and 486,488 preference shares at an amount of EUR 5.5 million had been bought subject to the two Managing Board resolutions. This equals around EUR 4,684 thousand or 7.3% of the share capital at the date the authorisation was granted. At the time of finalising the annual financial statements the buy-back programme had not yet been fully completed.

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 class at the time the issue price is finalised, and the shares issued on the basis of this authorisation do not exceed a total of 10% of the share capital either at the effective date or at the date of the utilisation of the authorisation (section 186 (3) sentence 4 of the Aktiengesetz (AktG – German Public Companies Act));

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

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

The Managing Board is authorised, 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, 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 matured 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. 2011**	EUR thou. 2010
Balance at 1 January	200,005	198,562
Other changes	420	1,443
Balance at 31 December	**200,425**	**200,005**

The increase in the capital reserves by a total of EUR 420 thousand to EUR 200,425 thousand (2010: EUR 200,005 thousand) resulted, among others, from the inclusion of the MSP employee equity participation programme.

Retained earnings

[4.26]

Retained earnings	EUR thou.	EUR thou.
	2011	2010
Balance at 1 January	122,475	122,692
Reclassification of share capital	-64,577	-
Other changes	36,038	-217
Balance at 31 December	**93,936**	**122,475**

The other changes include the transfer to retained earnings of Sixt Aktiengesellschaft in the amount of EUR 36,200 thousand (2010: EUR 0 thousand).

Currency translation reserve

[4.26]

Currency translation reserve	EUR thou.	EUR thou.
	2011	2010
Balance at 1 January	-1,486	-5,704
Differences arising on the translation of the financial statements of foreign subsidiaries	-1,389	4,218
Balance at 31 December	**-2,875**	**-1,486**

Other equity

[4.26]

Other equity	EUR thou.	EUR thou.
	2011	2010
Balance at 1 January	172,148	104,830
Consolidated profit for the period	97,732	70,983
Dividend payments	-34,502	-5,220
Transfer to retained earnings of Sixt Aktiengesellschaft	-36,200	-
Other changes	2,125	1,555
Balance at 31 December	**201,303**	**172,148**

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.	EUR thou.
	2011	2010
Balance at 1 January	99	6
Consolidated profit for the period	-265	-261
Other changes	317	354
Balance at 31 December	**151**	**99**

Non-current liabilities and provisions

[4.28] **Non-current other provisions** in the Group consist mainly of provisions for real estate. In the medium term, the obligations are likely to lead to corresponding outflows of resources over a period of two to ten years.

Non-current other provisions in EUR thou.	Real estate	Other	Total
Balance at 1 January 2011	595	46	641
Additions	905	8	913
Utilised	-21	-	-21
Reclassifications	-228	-	-228
Foreign exchange differences	14	-	14
Balance at 31 December 2011	**1,265**	**54**	**1,319**

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

[4.29] **Non-current financial liabilities** comprise liabilities under 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. 2011**	31 Dec. 2010	**31 Dec. 2011**	31 Dec. 2010
Borrower's note loans	256,955	423,188	-	-
Bonds	246,744	300,734	-	246,824
Liabilities to banks	22,919	32,772	1,300	2,085
Group total	**526,618**	**756,694**	**1,300**	**248,909**

Borrower's note loans with a total nominal value of EUR 309.0 million (2010: EUR 474.0 million) were issued in several tranches. A nominal amount of EUR 257.2 million (2010: EUR 424.0 million) relates to non-current financial liabilities. Interest is paid at a fixed rate and nominal maturities are between five and seven years.

The bonds 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. The prior year reported another bond. This has a nominal value of EUR 300 million and was 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. This bond is recognised in the current financial liabilities in the financial year under review. There are call options for the issuer and put options for the bondholders. Bonds in the principal amount of EUR 2.3 million (2010: EUR 1.7 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. 2011	31 Dec. 2010	**31 Dec. 2011**	31 Dec. 2010
Due in one to five years	4,315	39,919	4,084	37,291
Unrealised finance portions	231	2,628		

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 in EUR thou.	Income tax	Other Personnel	Other Real estate	Other Miscellaneous	Total
Balance at 1 January 2011	34,299	16,088	513	28,579	45,180
Additions	23,997	17,001	11	13,511	30,523
Reversals	-	-3,097	-	-715	-3,812
Utilised	-12,184	-12,991	-403	-13,650	-27,044
Reclassifications	-	-	228	-	228
Foreign exchange differences	75	28	11	2	41
Balance at 31 December 2011	**46,187**	**17,029**	**360**	**27,727**	**45,116**

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**

[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. 2011	31 Dec. 2010
Profit participation certificates	50,000	49,815
Borrower's note loans	51,758	49,954
Bonds	299,639	-
Liabilities to banks	226,619	21,840
Other liabilities	16,993	20,044
Group total	**645,009**	**141,653**

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 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 fixed rate. The nominal term is five years. In the financial year, borrower's note loans were paid down prematurely with a nominal amount of EUR 115 million and with a nominal amount of EUR 50 million as scheduled.

The bonds include a EUR 300 million bond issued on the capital market in 2009 with an interest rate of 5.375% p.a. that has a maturity for repayment in 2012.

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. 2011	31 Dec. 2010
Finance lease liabilities	61,684	105,152
Liabilities to affiliated companies	3,368	1,984
Liabilities to other investees	277	-
Other liabilities	41,571	31,609
of which payroll-related	1,247	1,068
of which deferred income	9,344	6,247
of which miscellaneous	30,980	24,294
Group total	**106,900**	**138,745**

Miscellaneous other liabilities include minority interests in equity and in the net profit or loss of consolidated partnerships (EUR 1,498 thousand; 2010: EUR 1,496 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. 2011	31 Dec. 2010	31 Dec. 2011	31 Dec. 2010
Due within one year	62,569	107,240	61,684	105,152
Unrealised finance portions	885	2,088		

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. 2011	Carrying amount 31 Dec. 2010	Fair value 31 Dec. 2011	Fair value 31 Dec. 2010
Non-current assets					
Non-current financial assets	AfS	1,219	890	1,219	890
Non-current finance lease receivables	IAS 17	3,889	4,999	3,835	4,962
Non-current other receivables	LaR	2,223	1,728	2,223	1,728
Total		**7,331**	**7,617**	**7,277**	**7,580**
Current assets					
Cash and cash equivalents	LaR	31,374	108,581	31,374	108,581
Trade receivables	LaR	239,857	193,160	239,857	193,160
Current other receivables and assets	LaR	42,875	40,374	42,875	40,374
Current other receivables and assets	AfS	15,015	32,394	15,015	32,394
Current other receivables and assets	FAHtM	-	24,911	-	24,911
Current finance lease receivables	IAS 17	4,246	5,063	4,111	5,060
Total		**333,367**	**404,483**	**333,232**	**404,480**
Non-current liabilities					
Bonds	FLAC	246,744	547,558	253,320	561,458
Borrower's note loans	FLAC	256,955	423,188	266,979	435,076
Liabilities to banks	FLAC	24,219	34,857	25,242	35,112
Non-current other liabilities	FLAC	59	129	59	129
Non-current finance lease liabilities	IAS 17	4,084	37,291	4,200	38,231
Interest rate derivatives		4,900	2,751	4,900	2,751
Total		**536,961**	**1,045,774**	**554,700**	**1,072,757**
Current liabilities					
Trade payables	FLAC	335,162	263,043	335,162	263,043
Bonds	FLAC	299,639	-	306,577	-
Borrower's note loans	FLAC	51,758	49,954	52,256	49,954
Profit participation certificates	FLAC	50,000	49,815	51,347	53,991
Liabilities to banks	FLAC	226,619	21,840	227,051	21,840
Current other liabilities	FLAC	62,209	53,638	62,209	53,638
Current finance lease liabilities	IAS 17	61,684	105,152	62,168	105,978
Total		**1,087,071**	**543,442**	**1,096,770**	**548,444**
of which aggregated by IAS 39 measurement category					
Available for sale	AfS	16,234	33,284	16,234	33,284
Loans and receivables	LaR	316,329	343,843	316,329	343,843
Financial assets held to maturity	FAHtM	-	24,911	-	24,911
Financial liabilities measured at amortised costs	FLAC	1,553,364	1,444,022	1,580,202	1,474,241
Interest rate derivatives in hedging relationships		4,900	2,751	4,900	2,751

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, 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 2.3% p.a. and 4.1% p.a. (2010: between 2.8% 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 losses from interest rate derivatives in hedging relationships amounted to EUR -1,533 thousand (2010: net gains of EUR 2,033 thousand).

Net losses on available-for-sale financial assets (AfS measurement category) amounted to EUR -265 thousand in financial year 2011 (2010: EUR +1,738 thousand). Losses on fair value measurement amounting to EUR 544 thousand (2010: EUR 287 thousand) were recognised directly in equity. The net change in the reported carrying amounts and fair values of financial assets resulted from additions to equity investments. The disposals that were recognised affected either discontinuation of operations or extensions in the scope of consolidation. There is no intention to dispose of these equity investments.

Net gains on the LaR measurement category (measured at amortised cost) amounted to EUR 1,018 thousand in financial year 2011 (2010: EUR 824 thousand) and related to income from payments received on receivables previously written off.

Impairment losses in financial year under review 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 5,404 thousand in financial year under review (2010: EUR 3,832 thousand). This includes interest income from finance leases in the amount of EUR 641 thousand (2010: EUR 771 thousand). Total interest expense on financial liabilities not measured at fair value through profit or loss amounted to EUR 58,023 thousand in financial year (2010: EUR 62,973 thousand). This includes interest expense on finance leases in the amount of EUR 4,149 thousand (2010: EUR 8,013 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. 2011 in EUR thou.	Level 1	Level 2	Level 3	Total
Financial assets in the category "Available for sale"				
Other receivables and assets	15,015	-	-	15,015
Financial liabilities in the category "At fair value through profit or loss"				
Interest rate derivatives	-	4,900	-	4,900

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

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	Change in the yield curves		Change in the yield curves	
in EUR thou.		**31 Dec. 2011**		31 Dec. 2010
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Other non-current liabilities	-2,910	-2,764	-12,786	8,702

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 200 million in its portfolio at the balance sheet date (2010: EUR 388 million). The fair value of the transactions was EUR -4.9 million (2010: EUR -2.8 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).

Counterparty default risk

Creditworthiness checks are performed in accordance with internal guidelines prior to entering into an agreement in order to minimise counterparty default risk. Customers' 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 credit checks.

Analysis of trade receivables

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

Trade receivables in EUR thou.	Rental	Leasing	Group
Receivables not impaired			
Not past due	125,216	21,458	146,674
less than 30 days	25,672	3,022	28,694
30-90 days	4,238	801	5,039
91-360 days	-	-	-
more than 360 days	-	-	-
Total receivables	**155,126**	**25,281**	**180,407**
Impaired receivables			
Gross receivables	76,896	28,594	105,490
Impairments	-41,845	-4,195	-46,040
Net receivables	**35,051**	**24,399**	**59,450**
Group total 31 December 2011	**190,177**	**49,680**	**239,857**

Trade receivables in EUR thou.	Rental	Leasing	Group
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 total 31 December 2010	**152,251**	**40,909**	**193,160**

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 20,520 thousand in financial year 2011 (2010: EUR 18,551 thousand). The proceeds from payments received on receivables written off amounted to EUR 1,018 thousand in the financial year (2010: EUR 824 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 are 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
2012	50,000	51,767	300,000	226,619	628,386
2013	-	130,000	-	20,669	150,669
2014	-	76,233	2,344	701	79,278
2015	-	51,000	-	733	51,733
2016	-	-	250,000	771	250,771
2017	-	-	-	808	808
2018 and later	-	-	-	534	534
31 December 2011	**50,000**	**309,000**	**552,344**	**250,835**	**1,162,179**

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 December 2010	**50,000**	**474,000**	**551,702**	**56,694**	**1,132,396**

The financial liabilities maturing in 2012 will largely be repaid from new lending of funds on the capital market and the usage of bank credit lines and/or leasing refinancing lines granted by manufacturers.

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 25.6% at the balance sheet date (2010: 24.3%). 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 50.4% at the balance sheet date (2010: 51.5%). 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	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
External revenue	979.3	924.2	576.8	606.8	7.6	7.2	-	-	1,563.7	1,538.2
Internal revenue	7.5	6.4	11.3	10.2	11.7	8.3	-30.5	-24.9	-	-
Total revenue	986.8	930.6	588.1	617.0	19.3	15.5	-30.5	-24.9	1,563.7	1,538.2
Depreciation and amortisation expense	178.1	171.5	142.6	154.3	1.0	1.1	-	-	321.7	326.9
Other non-cash expense	47.5	28.7	6.2	1.4	1.2	2.9	-	-	54.9	33.0
EBIT[1]	151.5	113.6	48.7	51.2	-10.4	-8.6	-	-	189.8	156.2
Interest income	1.6	1.6	1.5	1.4	49.3	45.6	-47.0	-44.8	5.4	3.8
Interest expense	-33.5	-28.8	-24.1	-33.8	-47.4	-45.2	47.0	44.8	-58.0	-63.0
Other net finance costs[2]	-	-	-0.7	0.2	2.4	5.1	-	-	1.7	5.3
EBT[3]	119.6	86.4	25.4	19.0	-6.1	-3.1	-	-	138.9	102.3
Investments[4]	21.1	8.5	279.0	236.3	0.7	0.3	-	-	300.8	245.1
Segment assets	1,585.1	1,273.8	763.5	798.6	1,468.0	1,513.4	-1,504.8	-1,381.6	2,311.8	2,204.2
Segment liabilities	1,395.6	1,136.4	699.1	712.0	963.5	1,053.4	-1,387.7	-1,266,8	1,670.5	1,635.0
Employees[5]	2,701	2,581	257	230	94	60	-	-	3,052	2,871

By region	Germany		Abroad		Reconciliation		Group	
in EUR million	**2011**	2010	**2011**	2010	**2011**	2010	**2011**	2010
Total revenue	1,184.0	1,193.2	389.5	352.8	-9.8	-7.8	1,563.7	1,538.2
Investments[4]	256.5	205.8	44.3	39.3	-	-	300.8	245.1
Segment assets	2,024.5	2,019.2	573.4	491.4	-286.1	-306.4	2,311.8	2,204.2

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. 2011**	31 Dec. 2010
Due within one year	62.0	53.1
Due in one to five years	103.4	87.3
	165.4	**140.4**

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 50.4 million (2010: EUR 71.1 million) and mileage agreement payments amounted to EUR 10.2 million (2010: EUR 12.2 million).

Purchase commitments under agreements concluded as at the balance sheet date in respect of vehicle deliveries for the rental and lease fleets in the coming year amount to around EUR 1,648 million (2010: EUR 1,947 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 -871 thousand as at the balance sheet date (2010: EUR 248 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.	EUR thou.
	2011	2010
Interest received	12,278	3,639
Interest paid	67,090	63,498
Dividends received	3,787	2,135
Income taxes paid	24,156	24,531

5.4 Share-based payment

The Company had a "Matching Stock Programme" (MSP) in the year under review. This programme is recognised in the category of "equity-settled share-based 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 Sixt Aktiengesellschaft 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.

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 beneficiaries. Participants in the MSP must have a contract of employment with Sixt Aktiengesellschaft or one of its subsidiaries which has not been terminated at the time of subscribing for the MSP.

The individual investment volume of the participants was converted into a corresponding virtual number of Sixt preference shares ("MSP shares") on the basis of the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the start of the MSP. The average price calculated and applied is EUR 25.51. After the necessary adjustment following the 1-for-1 capital increase from company funds undertaken in 2011 each MSP share entitles the holder to subscribe to fourteen phantom stocks per tranche in accordance with the MSP terms and conditions.

On each 1st of December every year from 2007 to 2011 one tranche of phantom stocks had been allocated (a total of five tranches) under the employee equity participation programme (MSP). Each participant is therefore entitled to subscribe for fourteen phantom stocks a year for each MSP share (at a total of five tranches up to a total of 70 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. As a consequence of the 1-for-1 capital increase from company funds undertaken in the year under review an adjustment was required, as the value of the share had arithmetically halved. The initial price, calculable dividend and the allocation ratio for the phantom stocks for each MSP share were adjusted accordingly.

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 stock 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, 2009 and 2010 ("2007 allocation", "2008 allocation", "2009 allocation" and "2010 allocation"), Sixt Aktiengesellschaft granted MSP shares or a legally binding right to future phantom stocks to other employees (new recruitments) in financial year 2011. With a small number of exceptions, the conditions for the grant of these shares or rights ("2011 allocation") corresponded to the parameters for the "2010 allocation". Notwithstanding this the "2011 allocation" covers the grant of only one tranche of phantom stocks. In principle, the market conditions as at 1 December 2011 were used as a basis for granting the first tranche of the “2011 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:
(Carryforward of the number of phantom stock options adjusted according to the capital increase taken from company funds in year 2011)

Number of phantom stock options					2007 allocation
	2011	2010	2009	2008	2007
Outstanding at the beginning of the financial year	**691,488**	738,402	653,072	386,904	-
Adjusted according to capital increase	**691,488**	-	-	-	-
Granted during the financial year	**411,600**	230,496	246,134	326,536	386,904
Returned during the financial year	**-148,176**	-46,914	-160,804	-60,368	-
Exercised during the financial year	**-411,600**	-	-	-	-
Expired according to the terms and conditions	**-**	- 230,496	-	-	-
Outstanding at the end of the financial year	**1,234,800**	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
	2011	2010	2009	2008
Outstanding at the beginning of the financial year	**102,900**	96,040	52,136	-
Adjusted according to capital increase	**102,900**	-	-	-
Granted during the financial year	**68,600**	34,300	48,020	52,136
Returned during the financial year	**-**	- 27,440	- 4,116	-
Exercised during the financial year	**- 68,600**	-	-	-
Outstanding at the end of the financial year	**205,800**	102,900	96,040	52,136
Existing contractual obligation for future grant	**-**	34,300	96,040	156,408

Number of phantom stock options			2009 allocation
	2011	2010	2009
Outstanding at the beginning of the financial year	**123,480**	61,740	-
Adjusted according to capital increase	**123,480**	-	-
Granted during the financial year	**109,760**	61,740	61,740
Returned during the financial year	**- 27,440**	-	-
Exercised during the financial year	**-**	-	-
Outstanding at the end of the financial year	**329,280**	123,480	61,740
Existing contractual obligation for future grant	**-**	61,740	123,480

Number of phantom stock options	2011 allocation		2010 allocation
	2011	**2011**	2010
Outstanding at the beginning of the financial year	-	152,292	-
Adjusted according to capital increase	-	152,292	-
Granted during the financial year	422,576	304,584	152,292
Returned during the financial year	-	-	-
Exercised during the financial year	-	-	-
Outstanding at the end of the financial year	422,576	609,168	152,292
Existing contractual obligation for future grant	-	-	152,292

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

(The number of outstanding phantom stock options and the respective estimated conversion/exercise price was arithmetically adjusted according to the capital increase taken from company funds)

2007 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2007	-	-	-	-
Tranche 2008	-	-	-	-
Tranche 2009	411,600	2012	1.0 years	EUR 12.27
Tranche 2010	411,600	2013	2.0 years	EUR 12.33
Tranche 2011	411,600	2014	3.0 years	EUR 12.36

2008 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2008	-	-	-	-
Tranche 2009	68,600	2012	1.0 years	EUR 3.81
Tranche 2010	68,600	2013	2.0 years	EUR 3.83
Tranche 2011	68,600	2014	3.0 years	EUR 3.83

2009 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2009	109,760	2012	1.0 years	EUR 8.60
Tranche 2010	109,760	2013	2.0 years	EUR 8.57
Tranche 2011	109,760	2014	3.0 years	EUR 8.60

2010 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2010	304,584	2013	2.0 years	EUR 11.61
Tranche 2011	304,584	2014	3.0 years	EUR 11.34

2011 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2011	422,576	2014	3.0 years	EUR 11.76

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 2011.

The parameters for the model were as follows at the grant date:
(The price of preference shares at the issue date was arithmetically adjusted for the previous years according to the capital increase taken from company funds)

Simulation model parameters	**2011 allocation**	2010 allocation	2009 allocation	2008 allocation	2007 allocation
Risk-free interest rate (%)	**1.50**	2.00	4.25	4.50	4.75
Expected volatility (%)	**42**	45	43	43	35
Expected term until exercise from issue (years)	**3.0**	3.0	3.0	3.0	3.0
Price of preference shares on the issue date (EUR)	**12.31**	12.36	8.62	3.79	12.76

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 2011 have a fair value of EUR 1,367 thousand at the issue date (2010: EUR 2,064 thousand) for the "2007 allocation", EUR 228 thousand (2010: EUR 307 thousand) for the "2008 allocation", EUR 364 thousand (2010: EUR 553 thousand) for the "2009 allocation", EUR 1,011 thousand (2010: 1,364 thousand) for the "2010 allocation" and EUR 1,403 thousand for the "2011 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 2011, the Group recognised personnel expenses of EUR 1,524 thousand (2010: EUR 1,439 thousand) in connection with equity-settled share-based payments and allocated this amount to capital reserves. EUR 286 thousand of this amount relates to the “2008 allocation”, EUR 323 thousand to the “2009 allocation”, EUR 551 thousand to the “2010 allocation” and EUR 364 thousand to the “2011 allocation”. In contrast, following the exercise of tranches, which were allocated in 2008, in the financial year the respective amount was withdrawn again from the reserves.

5.5 Related party disclosures

The Sixt-Group has receivables from and liabilities to various unconsolidated Group companies for the purposes of intercompany settlements and financing. 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	
	2011	2010	**2011**	2010	**31 Dec. 2011**	31 Dec. 2010	**31 Dec. 2011**	31 Dec. 2010
Sixt Franchise SARL	0.7	1.0	-	-	-	-	0.1	0.1
Sixt Aéroport SARL	-	-	3.5	2.9	-	-	0.4	0.2
Sixt Sud SARL	-	-	2.9	2.8	-	-	0.4	0.4
Sixti SARL	-	-	1.8	1.5	-	-	0.5	0.3
Sixt Nord SARL	-	-	2.8	2.4	-	-	0.6	0.3
UNITED rentalsystem SARL	-	-	2.2	2.1	-	-	0.2	0.2
Sixt GmbH	-	-	-	-	0.2	0.2	-	-
SIXT S.à.r.l., Luxembourg	[1]	[1]	-	-	0.6	0.8	-	-
Get Your Car GmbH	-	0.1	-	-	-	-	0.1	0.1
SIXT S.A.R.L., Monaco	[1]	[1]	-	-	0.9	0.4	-	-
Sixt Executive France SARL	-	-	0.1	-	-	-	0.1	-
kud.am GmbH	-	-	-	0.2	0.1	-	-	0.1
Preis24 GmbH	0.1	-	0.2	-	1.0	-	-	-
Stockflock GmbH	-	-	-	0.1	[2]	[2]	-	-
Sixt Immobilien Beteiligungen GmbH	-	-	-	-	-	-	0.1	0.1
Sixt Verw.ges. mbH & Co. Sita Immobilien KG	-	[1]	-	-	0.2	0.2	-	-
Sixt Executive GmbH	-	-	-	-	-	-	0.1	-
Sixt International Holding GmbH	-	-	-	-	0.1	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 resolution passed by the Annual General Meeting on 17 June 2010, is not published individually. Other members of the Sixt family received remuneration amounting to EUR 0.6 million (2010: EUR 0.4 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**
Prof. 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 Dubai Deputy Chairman Executive Vice President Emirates Airlines	Member of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA Member of the Supervisory Board of Lufthansa AirPlus Servicekarten GmbH (until 31 March 2011) Director of SN Airholding SA/NV (until 31 March 2011)
Ralf Teckentrup Frankfurt am Main Member of the Executive Board of Thomas Cook AG	Member of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA Member of the Supervisory Board of Thomas Cook Airlines, Belgium

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 Munich	Member of the Supervisory Board of Wiest AG

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

	EUR thou.	EUR thou.
	2011	2010
Supervisory Board remuneration	200	200
Total remuneration of the Managing Board	8,860	7,235
of which variable remuneration	2,521	1,687

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 2011 with a fair value of EUR 1,093 thousand (2010: EUR 1,290 thousand) as at the issue date as well as the exercise gain from exercising the granted phantom stock options in the financial year amounting to EUR 623 thousand. After taxation of the exercise gain 23,828 preference shares were allocated in this respect.

In accordance with the resolution adopted by the Annual General Meeting on 17 June 2010, the total remuneration disclosed is not broken down by individual Managing Board members.

Under the employee equity participation programme (Matching Stock Programme), members of the Supervisory Board were not granted any MSP shares, while members of the Managing Board were granted 23,520 MSP shares (2010: 20,580) on the basis of their personal investments at the end of the year under review. These MSP shares entitle them to acquire 329,280 (2010: 288,120; adjusted) phantom stocks in an (annual) tranche and, depending on the date of their participation in the programme, a total of 836,920 (2010: 905,520; adjusted) phantom stocks in up to three not yet exercised tranches in accordance with the MSP terms and conditions.

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

Shareholdings

As at 31 December 2011, Erich Sixt Vermögensverwaltung GmbH, all shares of which are held by the Sixt family, held 18,711,822 shares of the ordinary shares of Sixt Aktiengesellschaft. Following the adjustment after the capital increase from company funds this is equal to the same date last year.

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 WpHG.

5.6 Proposal for the allocation of the unappropriated profit

Sixt Aktiengesellschaft reported an unappropriated profit for financial year 2011 in accordance with German commercial law of EUR 99,937 thousand (2010: EUR 70,729 thousand). Subject to the approval of the Supervisory Board, the Managing Board proposes utilising this unappropriated profit as follows:

	EUR thou. **2011**	EUR thou. 2010
Payment of a dividend of EUR 0.60 (2010: EUR 0.50) and a bonus dividend of EUR 0.15 (2010: EUR 0.20) per ordinary share (excluding treasury shares not entitled to dividends as at 31 December 2011)	23,701	22,350
Payment of a dividend of EUR 0.62 (2010: EUR 0.51) and a bonus dividend of EUR 0.15 (2010: EUR 0.20) per preference share (excluding treasury shares not entitled to dividends as at 31 December 2011)	13,105	12,152
Transfer to retained earnings	63,000	36,200
Carry-forward to new account	131	27

(Previous-year figures for dividend and bonus dividend per share were arithmetically adjusted for comparative purposes to the capital increase taken from company funds)

The dividend proposal, taking due account of the treasury shares as at 31 December 2011 that do not carrying dividend rights, would lead to a total distribution of EUR 36,806,052. The proposal appropriately reflects the earnings trend of the Sixt-Group in the year under review and also further strengthens the equity capital. As an ongoing share buy-back programme had not been closed as at the balance sheet date, the specified total payout and the amount carried forward to new account will still change until the day of the actual dividend payout due to the higher level of treasury shares.

The proposal by the Managing Board and the Supervisory Board on the appropriation of the unappropriated profit for financial year 2010 was resolved unchanged by the Annual General Meeting on 22 June 2011. The distribution of EUR 34,502,155 was paid on 23 June 2011.

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 5 April 2012.

Pullach, 9 March 2012

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 2011

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	54,206 EUR	100.0%	5,171 EUR
Sixt GmbH	Leipzig	50,000 DM	206,446 EUR	100.0%	-3,977 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%	831 EUR
Sixt Travel GmbH	Taufkirchen	1,000,000 DM	49,072 EUR	97.1%	-1,285 EUR
Sixt Beteiligungen GmbH	Pullach	25,000 EUR	37,218 EUR	100.0%	2,112 EUR
Sixt Sud SARL	Paris	7,622 EUR	49,618 EUR	100.0%	9,702 EUR
Sixti SARL	Courbevoie	7,622 EUR	28,531 EUR	100.0%	6,288 EUR
Sixt Franchise SARL	Paris	7,622 EUR	55,557 EUR	100.0%	10,002 EUR
Sixt Aéroport SARL	Paris	7,622 EUR	21,250 EUR	100.0%	8,232 EUR
UNITED Rentalsystem SARL	Paris	7,000 EUR	54,402 EUR	100.0%	10,615 EUR
Sixt Nord SARL	Paris	7,000 EUR	9,543 EUR	100.0%	2,501 EUR
SIXT Executive France SARL	Paris	7,000 EUR	15,195 EUR	100.0%	8,195 EUR
Sixt Autoland GmbH [2]	Garching	25,000 EUR	22,816 EUR	100.0%	40 EUR
Sixt Verwaltungs-GmbH	Taufkirchen	25,000 EUR	40,017 EUR	100.0%	2,290 EUR
Sixt Franchise GmbH	Pullach	25,000 EUR	21,997 EUR	100.0%	1,576 EUR
Sixt Verwaltungsges. mbH & Co. Sita Immobilien KG	Pullach	25,000 EUR	15,348 EUR	100.0%	2,338 EUR
Sixti GmbH [1]	Pullach	25,000 EUR	25,000 EUR	100.0%	5,882 EUR
Sixt Immobilien Beteiligungen GmbH	Pullach	25,000 EUR	106,100 EUR	100.0%	12,216 EUR
Sixt Executive GmbH	Pullach	50,000 DM	70,915 EUR	100.0%	2,466 EUR
Sixt Allgemeine Leasing (Schweiz) AG	Basle	100,000 CHF	57,216 CHF	100.0%	-1,061 CHF
Sixt Asia Pacific Pte Ltd.	Singapore	200,000 SGD	333,248 SGD	100.0%	59,319 SGD
Sixt International Holding GmbH	Pullach	25,000 EUR	10,237 EUR	100.0%	-4,041 EUR
SIXT S.a.r.l.	Luxembourg	12,500 EUR	275,249 EUR	100.0%	224,769 EUR
Stockflock GmbH	Pullach	25,000 EUR	-1,300,562 EUR	100.0%	-5,423 EUR
kud.am GmbH	Berlin	200,000 EUR	-62,806 EUR	100.0%	-108,677 EUR
Get Your Car GmbH [3]	Pullach	100,000 EUR	100,000 EUR	100.0%	1,600 EUR
Preis24.de GmbH	Pullach	25,000 EUR	-1,383,357 EUR	61.5%	-1,425,109 EUR
MOHAG Autohaus Datteln GmbH & Co. KG	Datteln	10,000 EUR	252,563 EUR	95.0%	3,900,458 EUR
Sixt S.A.R.L.	Monaco	15,000 EUR	82,259 EUR	99.9%	163,615 EUR
DriveNow Verwaltungs GmbH	Munich	25,000 EUR	26,381 EUR	50.0%	1,381 EUR
TÜV SÜD Car Registration & Services GmbH	Munich	50,000 EUR	429,428 EUR	50.0%	79,428 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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BALANCE SHEET

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2011

Assets	EUR	**EUR**	EUR
		31 Dec. 2011	31 Dec. 2010
A. Fixed assets			
I. Tangible assets			
Land, land rights and buildings		468,102	468,102
II. Financial assets			
Shares in affiliated companies		165,870,394	162,851,045
B. Current assets			
I. Receivables and other assets			
1. Receivables from affiliated companies	1,287,909,165		1,248,011,943
2. Receivables from other investees	122,811		205,061
3. Other assets	4,737,996		3,367,605
		1,292,769,972	1,251,584,609
II. Securities			
Other securities		15,015,000	57,287,373
III. Cash-in-hand and bank balances		1,576,526	86,004,888
C. Prepaid expenses		808,799	1,152,064
		1,476,508,793	**1,559,348,081**

Equity and Liabilities	EUR	EUR	**EUR**	EUR
			31 Dec. 2011	31 Dec. 2010
A. Equity				
I. Subscribed capital	129,153,792			64,576,896
Nominal value of treasury shares	-4,684,352			-1,555,515
		124,469,440		63,021,381
II. Capital reserves		194,194,456		194,194,456
III. Revenue reserves				
1. Other revenue reserves	106,103,041			134,479,937
2. Reserves for treasury shares	-21,325,267			-15,341,151
		84,777,774		119,138,786
IV. Profit participation capital		-		50,000,000
V. Unappropriated profit		99,936,656		70,729,323
thereof retained profits brought forward EUR 27,168			503,378,326	497,083,946
B. Provisions				
1. Provisions for taxes		19,543,195		25,608,796
2. Other provisions		5,584,631		4,163,829
			25,127,826	29,772,625
C. Liabilities				
1. Bonds		550,000,000		550,000,000
2. Liabilities to banks		258,000,000		394,052,247
3. Liabilities to affiliated companies		71,068,484		67,043,578
4. Other liabilities		68,934,157		21,395,685
			948,002,641	1,032,491,510
			1,476,508,793	**1,559,348,081**

Off-balance sheet items

Liabilities from guarantees EUR 371,267,726

(2010: EUR 290,282,497)

INCOME STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2011

	EUR	**EUR 2011**	EUR 2010
1. Other operating income		**11,518,547**	10,450,719
2. Personnel expenses			
a) Wages and salaries	10,934,825		8,710,279
b) Social security and other pension costs	397,091	**11,331,916**	296,114
3. Other operating expenses		**5,114,087**	5,986,691
4. Income from investments		**77,688,312**	51,876,310
5. Income from profit transfer agreements		**51,849,185**	41,251,869
6. Other interest and similar income		**56,867,389**	56,358,224
7. Write-downs of financial assets and current financial assets		**543,500**	327,495
8. Cost of loss absorption		**1,975,942**	-
9. Interest and similar expenses		**51,612,341**	47,202,100
10. Expenses for profit participation capital		**4,525,000**	6,624,097
11. Result from ordinary activities		**122,820,647**	**90,790,346**
12. Taxes on income		**22,909,866**	20,097,679
13. Other taxes		**1,293**	820
14. Net income for the period		**99,909,488**	**70,691,847**
15. Retained profits brought forward		**27,168**	37,476
16. Unappropriated profit		**99,936,656**	**70,729,323**

FINANCIAL CALENDAR

Financial Calendar of Sixt Aktiengesellschaft	
Annual earnings press conference for financial year 2011 in Munich	15 March 2012
Analyst conference in Frankfurt am Main	17 April 2012
Publication of the 2011 Annual Report	17 April 2012
Publication of the 31 March 2012 Interim Report	22 May 2012
Annual General Meeting for financial year 2011 in Munich	06 June 2012
Publication of the 30 June 2012 Interim Report	21 August 2012
Publication of the 30 September 2012 Interim Report	19 November 2012

Dates and event locations subject to change

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