Sixt Aktiengesellschaft

Sixt – always a step ahead.

Annual Report 2012

THE SIXT GROUP IN FIGURES

in EUR million	2012	2011	Change 2012 on 2011 in %	2010
Revenue	1,596	1,564	2.0	1,538
Thereof in Germany	1,144	1,178	-2.9	1,187
Thereof abroad	452	386	17.1	351
Thereof operational [1]	1,426	1,373	3.9	1,328
Thereof rental revenue	954	896	6.5	807
Thereof leasing revenue	383	394	-2.7	404
Profit from operating activities (EBIT)	167.7	189.8	-11.7	156.2
Profit before taxes (EBT)	118.6	138.9	-14.6	102.3
Consolidated profit for the period	79.2	97.5	-18.7	70.7
Net income per share (basic)				
Ordinary share (EUR)	1.64	1.99	-17.6	1.41
Preference share (EUR)	1.66	2.01	-17.4	1.43
Total assets	2,174	2,328	-6.6	2,229
Lease assets	740	675	9.7	722
Rental vehicles	926	1,196	-22.6	978
Equity	633	596	6.2	541
Equity ratio (%)	29.1	25.6	3.5 points	24.3
Non-current financial liabilities	790	528	49.7	1,006
Current financial liabilities	187	645	-71.0	142
Dividend per share				
Ordinary share (EUR)	1.00 [2]	0.75	33.3	0.70
Preference share (EUR)	1.02 [2]	0.77	32.5	0.71
Total dividend, net	48.4 [2]	36.4	33.0	34.5
Number of employees [3]	3,262	3,052	6.9	2,871
Number of locations worldwide (31 Dec.) [4]	1,970	1,846	6.7	1,852
Thereof in Germany	494	485	1.9	510

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

CONTENT

Mobility has become an essential part of daily life. In times of globalization people rely permanently on the ability to stay mobile and reach their destinations, even across national borders, at any given time. Sixt meets these requirements in every aspect.

Sixt is a leading international provider of high-quality mobility services for business and corporate customers as well as private travellers. The company's strengths lie in the high proportion of premium cars in the vehicle fleet, its employees' consistent service orientation, the distinctive innovation culture, plus a multifaceted product range paired with a good price-performance ratio. Taken together these strengths have given the 1912 founded Company a unique market position. Sixt is the only international provider to develop flexible and individual concepts for its customers that integrate the rental and leasing products. In addition, the company consistently takes due account of today's mobility requirements and is expanding its range of products and services with modern online and mobile solutions according to demand.

With representations in around 100 countries worldwide Sixt is continually expanding its presence, maintaining alliances with renowned addresses in the hotel industry, well-known airlines and numerous prominent service providers in the tourism sector. The Sixt brand stands for the "spirit of mobility" in the best sense. The focal point of all activities is always customer benefit.

Sixt's long-term strategy is geared towards the continued swift expansion of its international presence, a systematic focus on strong earnings and a sustained increase in its enterprise value.

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

Sixt – always a step ahead.

We even get Mars moving.

Well, maybe not quite yet, but Sixt is conquering new horizons. Its rollout in the United States is another proof of Sixt's boldness in taking even hotly contested markets by storm. And that goes for Mars, too – when the time comes.

Dear shareholders,

ERICH SIXT

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

In its 100th year of its existence, Sixt once again expanded its position as an international mobility provider and recorded a business performance that outstripped some of the original expectations. With consolidated earnings before taxes of almost EUR 119 million in 2012 we managed to generate one of the highest profits in our company's history. The fact that this was achieved in an increasingly difficult economic environment, particularly in Europe, testifies to the inner strength which characterises our Group over and above economic cycles. Sixt continues to be one of the world's most profitable vehicle rental companies.

We want to give you, dear shareholders, a fair share in this economic success. The Managing Board and Supervisory Board are therefore proposing a substantial dividend increase to be put before the Annual General Meeting on 20 June 2013. Every ordinary share shall receive EUR 0.55 plus a jubilee bonus of EUR 0.45. For every preference share we propose to pay out EUR 0.57 plus a bonus of EUR 0.45. This would increase the total dividend payout from EUR 37 million to over EUR 48 million. At around EUR 633 million of equity in the balance sheet and an equity ratio of over 29% at the end of 2012 the Group is invested with a very solid capital base, which gives us significant entrepreneurial leeway and enables us to continue our traditionally shareholder-friendly dividend policy.

In the last 100 years Sixt's guiding principle was not to rest on what had been achieved, but always to set its sight on new targets. The key question for our business model has never changed in all these years: which products and services can best meet and serve the changing mobility requirements of our customers? How can we not just win them over for Sixt, but make them fans? On this basis, the year 2012 was a success, not just economically but also from a strategic perspective:

- With a 20% growth in rental revenues our foreign operations developed very satisfactorily. Almost all the Sixt corporate countries recorded significant growth. In 2012 the proportion meanwhile generated by our subsidiaries in Europe and the USA was close to one third of consolidated operating revenue. Thus, the internationalisation of our business transactions, which is the key strategic task for the coming years, continues apace.

- Expansion in the USA is exceeding our expectations. Following our start in the USA in 2011, we extended our network of stations on the world's biggest vehicle rental market as announced, with a measured approach but consistently, to numerous federal states in the USA. Moreover, at the end of last year, and hence significantly earlier than planned, Sixt started to build up a network of franchise partners, which will accelerate expansion in the USA. The strong interest which Sixt encountered among potential local partners shows that we have already left a clear footprint on the strategic and important US-market, even in the short time that we have been present there. The leap across into the USA is also invigorating other Sixt markets, as is evidenced for example by the increasing number of bookings to Europe or South-America.

- In 2012 the development of new business models focusing on the issue of mobility once again played a major role for Sixt. Thus, in the second year of its existence and with over 60,000 new customers our premium carsharing service DriveNow remained on an expansion track.

- We also continued to work intensively on the consistent utilization of new technologies and media geared to making the rental process still simpler, and to intensify communication with our customers and business partners. This includes extensive applications for smartphones as well as the utilization of popular social media. In the year under review our customers made well over half of all bookings online or via mobile units, and the trend is clearly increasing.

- The Leasing business unit also sharpened its profile in 2012 as full-service leasing providers independent of banks and OEM manufacturers. For the further development of our product portfolio we continue to rely on using state-of-the-art online reporting tools. These guarantee fleet managers the best possible transparency over their fleet and thereby show hidden saving potentials in mobility costs. Due to intensive sales activities the contract portfolio continued to increase gratifyingly last year.

Our expectations for the financial year 2013 are characterised by caution. It is well known that the demand for mobility services and the willingness of leasing customers to invest are very much tied to general economic conditions. Consequently we expect to see declining demand in Germany in 2013, not least because of the expected sharp decline in European air traffic. Outside of Germany Sixt is set to remain on a growth path, although the slackening economy in the Euro area will remain a factor of uncertainty.

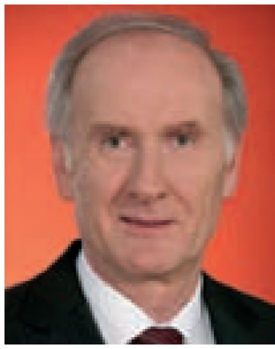
In view of these challenging conditions we estimate that Sixt's consolidated earnings for the current year will remain slightly below those of the previous year, nonetheless on a satisfactory level. We have prepared ourselves for such an economic environment and will react with pinpointed measures, such as a cautious fleet policy. All the same, given our excellent market position and our financial strength, even this environment will not prevent us from driving forward important long-term growth initiatives, for we are not losing sight of our strategic goal of making Sixt the leading mobility service provider in Europe in the medium term.

Pullach, March 2013

Kind regards,

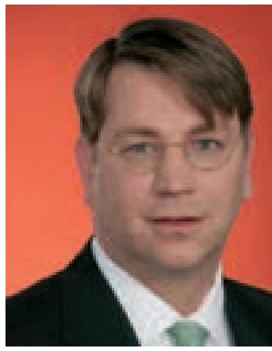
The Managing Board

ERICH SIXT | DETLEV PÄTSCH | DR. JULIAN ZU PUTLITZ



DETLEV PÄTSCH

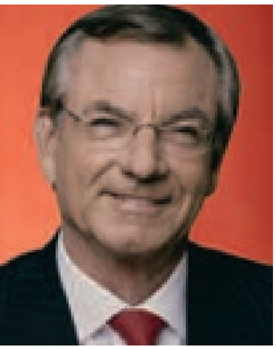
(born 1951), joined Sixt Aktiengesellschaft in 1986 and is responsible for operations.



DR. JULIAN ZU PUTLITZ

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

REPORT OF THE SUPERVISORY BOARD



PROF. DR.
GUNTER THIELEN

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

General

In 2012, 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 and the Group's situation and regularly advised the Managing Board in its corporate management duties.

Four Supervisory Board meetings were held during 2012 in compliance with the legally prescribed frequency of two meetings per calendar half-year.

In accordance with its requirements the Managing Board informed the Supervisory Board regularly, promptly and comprehensively about the company's position, both in written and verbal form. For this purpose, the Managing Board prepared 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. It explained the reports at the regular meetings of the Supervisory Board, where the Supervisory Board's discussions with the Managing Board focused in particular on the development of business, planning and corporate strategies. The Supervisory Board was always involved in decisions of significant importance for the company and the Group.

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

Outside the meetings, the members of the Supervisory Board were also in regular contact with the Managing Board, especially the two chairmen of both Company bodies. Thanks to this intensive dialogue, the Supervisory Board was informed in due time 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 passes resolutions at physical meetings; but it can also arrive at decisions in telephone conferences or between the meetings by way of written circulars. The possibility to cast a vote by telephone or in writing was used as required during the financial year.

The Supervisory Board of Sixt Aktiengesellschaft does not establish any committees, the reason being that the Supervisory Board consists only of three members, and the working efficiency is not expected to increase by the formation of additional committees.

Key topics in 2012

At the 2012 meetings, the Supervisory Board received comprehensive information from the Managing Board on all key questions relating to current business development, corporate strategy, the risk situation, risk management, the entrepreneurial control systems and the financing structure of Sixt Aktiengesellschaft and the Sixt Group. The Managing Board attended all of the Supervisory Board's meetings. The Managing Board outlined to the Supervisory Board, among other things, current revenue and earnings developments of the Sixt Group and provided detailed information about the business performance of the individual Business Units.

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

- The Supervisory Board addressed in detail the risk management system in the two business units of Vehicle Rental and Leasing. This had also been a special focal point for the annual audit. The Supervisory Board satisfied itself that the risk management system installed within the Sixt Group is appropriate and efficient.

- As part of its analysis of business development and the Group's business prospects, the Supervisory Board received extensive information on the competitive situation in the vehicle rental and leasing industry and in particular the price developments in the rental markets.

- The Supervisory Board addressed the operative development of long-term product and growth initiatives. Among other things, the expansion on the US-American rental market initiated in 2011 was given ample attention during the deliberations. The Supervisory Board approvingly noted that following successful market entry in the USA the next expansion steps will be prepared, above all setting up a network of franchisees alongside the opening of company-own rental stations.

- The Supervisory Board approved the Managing Board's proposed relaunch of the employee equity participation programme (Matching Stock Programme 2012) that is intended for a specific circle of executives within the Sixt Group. The programme has been in place since 2007 and has proved to be a suitable instrument to retain top performers within the Group over the long term.

- The Supervisory Board approved the Managing Board's proposed retirement of treasury shares as part of a capital reduction.

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. In December 2012, the Managing Board and the 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/en/investor-relations). With few exceptions Sixt Aktiengesellschaft complies with the recommendations of the Government Commission on the German Corporate Governance Code.

Audit of the 2012 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 2012 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 2012 in accordance with section 315a of the HGB and in compliance with IFRS, 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 received an unqualified audit opinion. The audit was conducted on the basis of the engagement by the Supervisory Board in compliance with the resolution of the Annual General Meeting on 6 June 2012.

The documents together with the auditor's audit reports and the Managing Board's proposal on the appropriation of the unappropriated profit were sent to the members of the Supervisory Board in sufficient time for examination. They were the subject of detailed discussion and examination at the Supervisory Board meeting on 9 April 2013 convened to adopt the annual financial statements.

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 were no material risks at Sixt Aktiengesellschaft and the Group companies that were not mentioned in the reports.

The Supervisory Board approvingly noted of the auditors' findings and established on conclusion of its own review that, for its part, it had 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 were thus formally adopted in accordance with the provisions of the (German) AktG. The Supervisory Board concurs with the proposal made by the Managing Board for the appropriation of the unappropriated profit of 2012.

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 and
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 changes in the Managing Board and Supervisory Board

The following changes affected the composition of the Managing Board during the year under review:

Mr. Thorsten Haeser, Chief Sales & Distribution Officer, discontinued his services as a result of differences in opinion regarding the company's future strategic focus of sales; the employment contract was terminated by mutual consent, effective as at 20 September 2012.

The following changes affected the Supervisory Board's composition during 2012:

Mr. Thierry Antinori resigned as a member of the Supervisory Board, effective as at 15 August 2012. The Annual General Meeting elected Mr. Wolfgang Richter as his replacement. As Mr. Richter also resigned from his office as Supervisory Board member, Dr. Daniel Terberger, Chairman of the Managing Board of KATAG AG, Bielefeld, was appointed by the competent regional court as new member of the Supervisory Board. The Supervisory Board elected Mr. Ralf Teckentrup as new Deputy Chairman of the Supervisory Board.

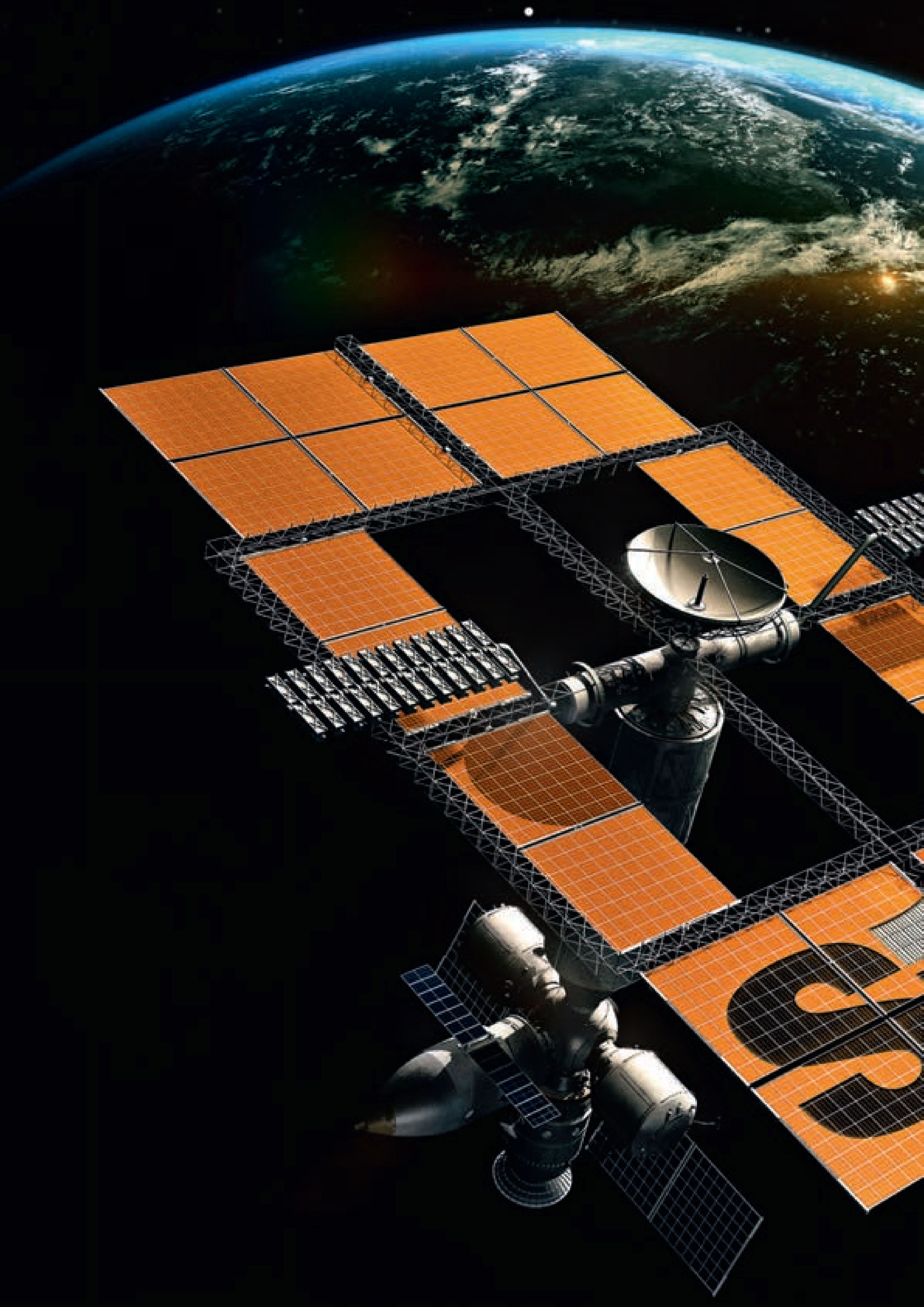
Sixt recorded a very successful business performance in financial year 2012, which was also the 100th anniversary since the company's foundation. With consolidated profit before taxes of EUR 118.6 million, the Company recorded one of the best results in its history in a challenging market, impressively proving the performance potential and inner strength of the Group. The Supervisory Board also views positively the fact that key initiatives for future growth were developed further in the year under review.

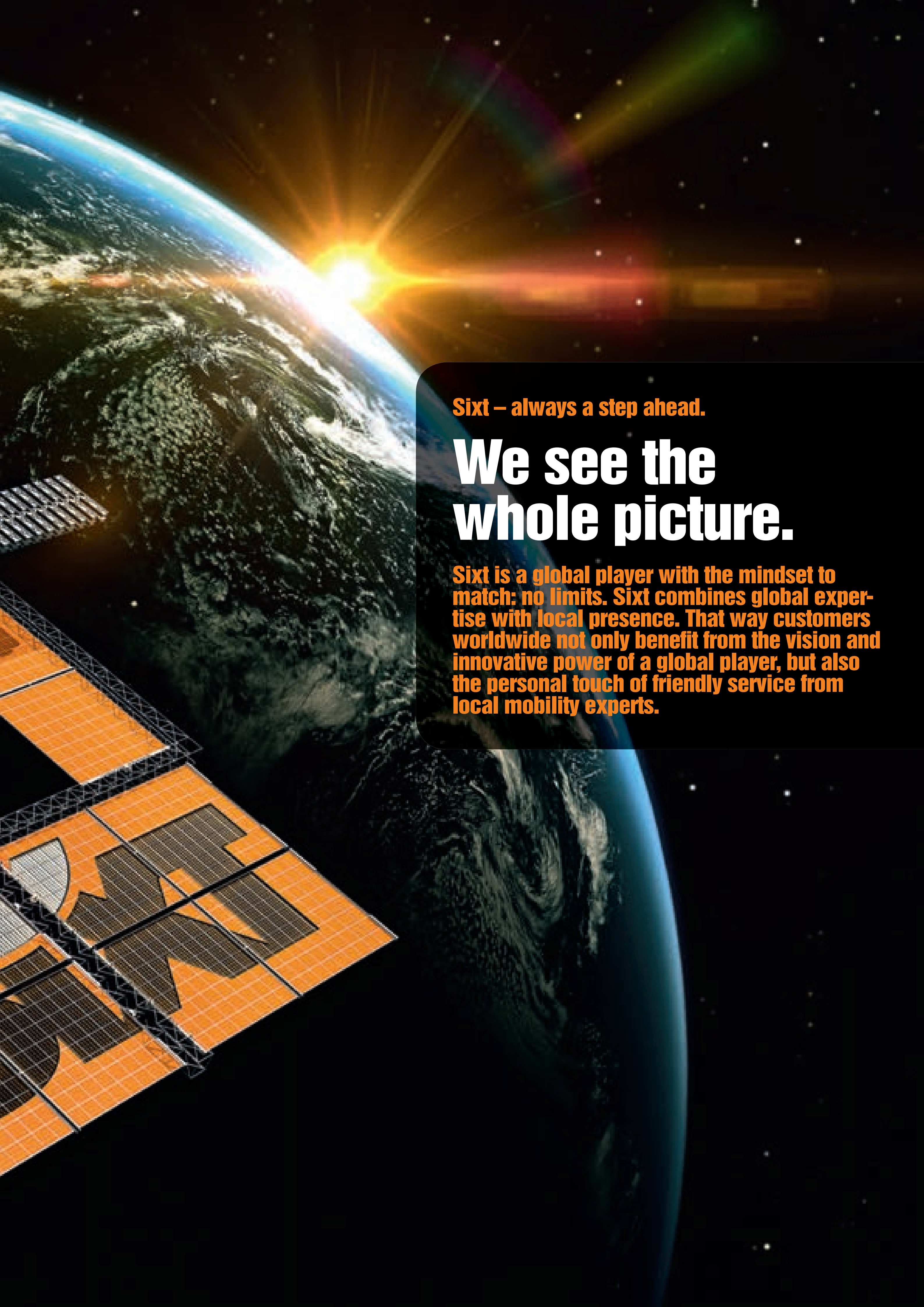
The Supervisory Board thanks the members of the Managing Board and all Sixt Group employees for their dedicated commitment and successful work in 2012. It sees the company well equipped to allow it to continue on the success track of previous years with creativity, commitment and a balanced sense of proportion.

Pullach, April 2013

The Supervisory Board

PROF. DR. GUNTER THIELEN	RALF TECKENTRUP	DR. DANIEL TERBERGER
Chairman	Deputy Chairman	Member





Sixt – always a step ahead.

We see the whole picture.

Sixt is a global player with the mindset to match: no limits. Sixt combines global expertise with local presence. That way customers worldwide not only benefit from the vision and innovative power of a global player, but also the personal touch of friendly service from local mobility experts.

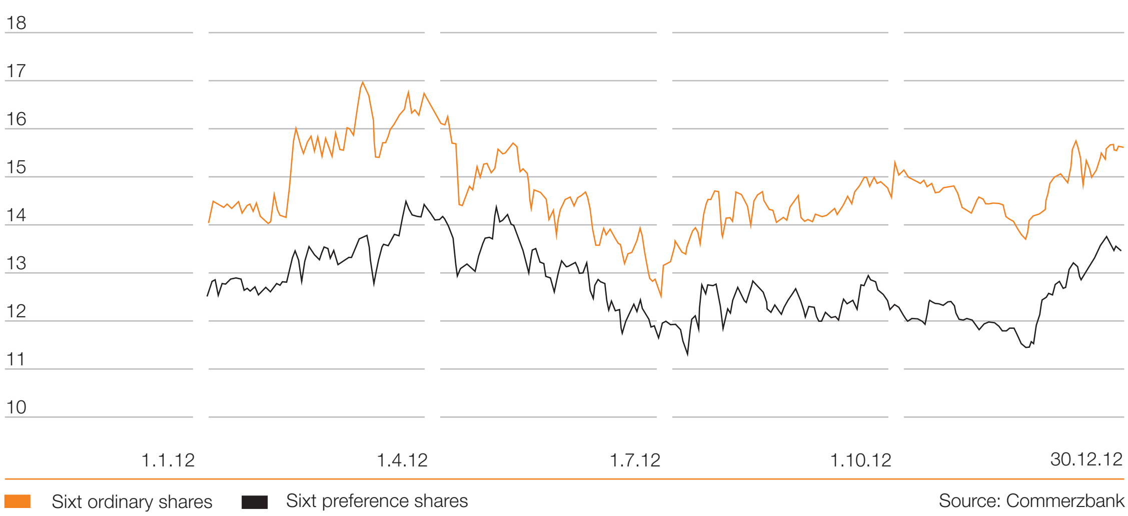
Stock markets register clear upward trend in 2012

The international stock and capital markets generally performed positively in 2012. Thus, the first quarter registered an upward trend carried through by solid economic data coming out of the USA and growing confidence in the support measures aimed at keeping the Euro debt crisis in check. Though markets went through marked corrections in the second quarter, above all during May and June, triggered by a worsening sovereign debt crisis in countries such as Greece, Spain and Italy, and weakened economic developments in such key emerging markets as China, Brazil and Russia, many indices recovered again in the third quarter. This was down to confidence-building fiscal measures like falling key interest rates in the Euro area and China or the US Federal Reserve Bank (Fed) buying up securities. The positive development continued through to the year's end despite persistent uncertainties about the further unfolding of the European sovereign debt crisis and the unresolved budget stand-off in the United States.

Stock markets in Europe, the USA and Asia saw some substantial gains in the full year 2012. Thus the German stock index (DAX) fell to its annual low for the year at 5,969 points as early as 20 January 2012 before setting off on a continued upward trajectory that was only briefly interrupted at the end of May and the beginning of November. The DAX reached its annual high on 20 December 2012 at 7,672 points and closed the year out at 7,612 points, which is an annual plus of 29% (2011: -15%), bringing the index to its highest rating since 2003. The SDAX, which includes Sixt public company's ordinary shares, also registered a substantial uptake of around 19% in 2012 (2011: -15%). The leading European index, the Euro Stoxx 50 was up by 14% (2011: -18%). The American Dow Jones index closed the year with a plus of 7% (2011: +6%), while the Japanese index Nikkei 225 index increased by 23% (2011: -17%).

Sixt ordinary and preference shares

in EUR



Source: Commerzbank

Sixt shares with significant value gains

Given the friendly stock markets and the Group's positive business performance Sixt ordinary shares and Sixt preference shares both achieved value gains in 2012, although their relative performance stayed below the growth level of the SDAX reference index.

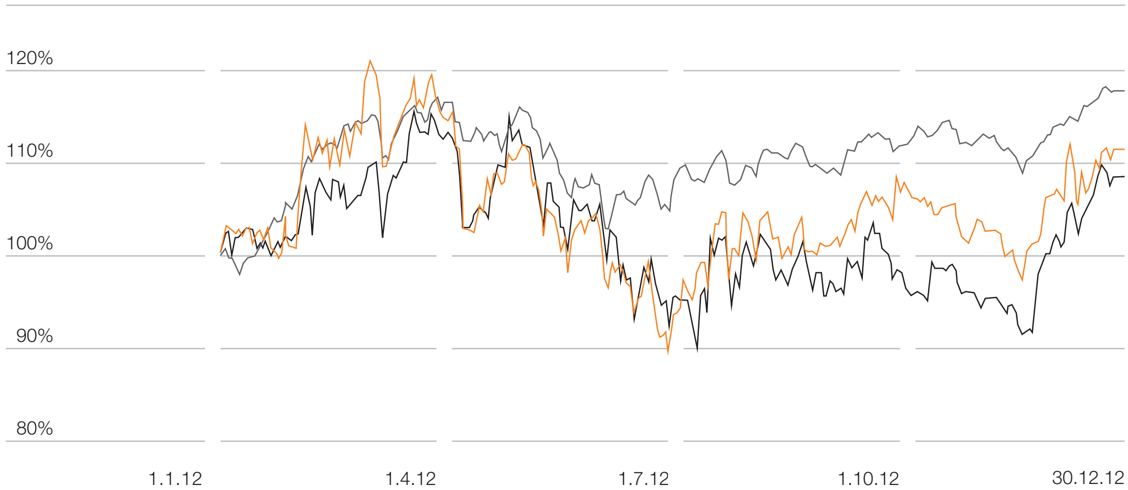
Sixt's ordinary shares reached their high for the year at EUR 16.86 on 26 March 2012. During the year's second quarter it could not budge the general downward trend and kept falling continually until the end of June. It had its annual low for the year at EUR 12.55 on 28 June 2012. The year-end price was EUR 15.68, an increase of 14.8% on the price at the end of 2011 (EUR 13.66).

Sixt preference shares saw their high for the year at EUR 14.67 on 16 March 2012. Until the middle of the year, the price contracted further still and kept its relatively low level until November, marking its annual low for 2012 at EUR 11.43 on 16 November 2012. Thereafter the share bounced back and closed the year at EUR 13.80. This was 10.4% higher than the closing price at the end of 2011 (EUR 12.50; all figures are Xetra closing prices)

Changes in share capital

Pursuant to the Managing Board's decision and after approval by the Supervisory Board, the treasury shares acquired as part of two buy-back programmes (1,797,568 ordinary shares and 594,846 preference shares) were retired on 21 September 2012 by lowering the share capital. This reduced the share capital of Sixt Aktiengesellschaft from EUR 129.2 million to EUR 123.0 million, of which ordinary shares account for EUR 79.7 million and preference shares for EUR 43.3 million.

Relative performance of Sixt ordinary and preference shares against the SDAX



Sixt ordinary shares | Sixt preference shares | SDAX | Source: Commerzbank

Continued stable shareholder structure

At the end of 2012, 60.1% of the ordinary voting shares were held by the Erich Sixt Vermögensverwaltung GmbH, all shares of which are owned by the Sixt family. The change from the share held by Erich Sixt Vermögensverwaltung GmbH at the year-end of 2011 (56.8% of ordinary shares) is solely the result of a lower share capital after the capital reduction of September 2012.

As at the reporting date, 31 December 2012, Sixt Aktiengesellschaft had received no notification of voting rights for further blocks of shares.

Attractive dividend reflects successful business performance

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

In accordance with the proposal by the Managing Board and Supervisory Board, the Annual General Meeting on 6 June 2012 resolved to pay a dividend of EUR 0.60 per ordinary share and EUR 0.62 per preference share for financial year 2011, plus a bonus dividend of EUR 0.15 for each share category. The total distribution amounted to EUR 36.4 million.

The Managing Board and Supervisory Board are proposing that the Annual General Meeting on 20 June 2013 appropriate a dividend of EUR 0.55 per ordinary share and EUR 0.57 per preference share as well as a special dividend of EUR 0.45 for both share categories for financial year 2012. This corresponds to a dividend total of EUR 48.4 million. This dividend proposal reflects the good earnings performance in the year under review as well as the high equity basis.

Measured in terms of the consolidated profit after minority interests, the dividend payout rate amounts to 61% (previous year: 38%). Based on the share price at the end of 2012 the dividend yield is 6.4% for ordinary shares and 7.4% 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: 1.77%)
	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, DZ Bank AG

	2012	2011
Earnings per share - basic (EUR)		
Ordinary shares	1.64	1.99
Preference shares	1.66	2.01
Dividend (EUR)		
Ordinary shares	0.55[1]	0.60
	+ special div. 0.45	+ Bonus 0.15
Preference shares	0.57[1]	0.62
	+ special div. 0.45	+ Bonus 0.15
Number of shares (as of 31 December)	48,058,286	50,450,700[2]
Ordinary shares	31,146,832	32,944,400[2]
Preference shares	16,911,454	17,506,300[2]
High (EUR)[3]		
Ordinary shares	16.86	20.76
Preference shares	14.67	15.79

	2012	2011
Low (EUR)[3]		
Ordinary shares	12.55	12.67
Preference shares	11.43	10.13
Year-end price (EUR)[3]		
Ordinary shares	15.68	13.66
Preference shares	13.80	12.50
Dividend yield (%)[4]		
Ordinary shares	6.4	5.5
Preference shares	7.4	6.2
Market capitalization (EUR million)[4,5]		
as at 31 December	722	669[2]

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

Intensive dialogue with investors, analysts and the media

Sixt pays great attention to an open, timely and extensive communication with the capital markets, shareholders and the media. The company meets the stricter requirements concerning transparency standards and extensive disclosure requirements that follow from its shares' listing in Deutsche Börse’s Prime Standard and its status as a large publicly held corporation.

During the course of the year the company engaged in regular, in-depth dialogue with analysts and investors from Germany and abroad, thereby meeting the capital market participants' high demand for information. During these consultations the strategic orientation and business development were discussed and put into context with the relevant sector and capital market environment. Thematic focal points of the discussions in the year under review were operative measures, the Group's future growth drivers, and the general financial conditions.

The Managing Board met a positive feedback for its explanations in roadshows in Germany and abroad as well as at investor conferences. Meetings with investors were held in, among other cities, Baden-Baden, Frankfurt, Munich, Hamburg, London, Zürich, Vienna, Paris, Boston and New York. In addition, conference calls with analysts and investors were held to present the preliminary figures for 2011 and the half-year figures for 2012.

In addition, the Managing Board used the publications of the quarterly reports for 2012 once more to keep in direct contact with media representatives. These conferences have been taking place for years and have proved to be a good opportunity to inform the public, besides the regular events such as the annual earnings press conference and the Annual General Meeting about Sixt’s business development. The conferences were also used to comment on current topics relevant to the Group.

The list of renowned financial and research institutions who intensively research, analyse and report on the company for investors, was extended still further in the year under review. Extensive presentations were drawn up by analysts from Baader Bank, Bankhaus Lampe, Commerzbank, Deutsche Bank, DZ Bank, HSBC Trinkaus & Burkhardt, M.M. Warburg & Co. and Silvia Quandt Research.

The Managing Board will continue to engage in direct dialogue with investors, analysts and the media. It will use appropriate communication channels to cater to the information requirements of the capital market and a broader public. This is done with the aim of intensifying the coverage of Sixt shares and deepening the dialogue with the capital market as well as of outlining the Group's prospects and its solid capital and financing base.

Profit participation certificates 2004/2011 repaid in full

In the autumn of 2004 Sixt had issued a profit participation certificate with an aggregate principal amount of EUR 100 million. The term of the profit participation certificates' second tranche, amounting to EUR 50 million, matured on 31 December 2011. In accordance with the terms and conditions of the profit participation certificate, the due date for redemption of the second tranche had been on the first bank working day following the Annual General Meeting 2012, which had taken place on 6 June 2012. The profit participation certificate has therefore been fully repaid.

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/en/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 15 May 2012.

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 to issue an annual declaration indicating the extent to which they have complied or are complying with the German Corporate Governance Code. They must also explain which recommendations of the Code have not been or are not being applied. The Managing Board and Supervisory Board of Sixt have issued and published such a declaration of conformity every year since 2002. Every declaration of conformity is made available to the public for a period of five years on the Company's website at http://ag.sixt.de/en/investor-relations. Referring to the version of the Code valid since May 2012 the most recent declaration of conformity by the two company bodies was published in December 2012, and reads as follows:

The recommendations of the "Government Commission on the German Corporate Governance Code" in the version dated 15 May 2012 (hereinafter referred to as "Code") announced by the Federal Ministry of Justice in the official section of the Bundesanzeiger (Federal Gazette) have been and will be complied with, with the following exceptions:

- In the D&O insurance policy of Sixt Aktiengesellschaft, no deductible has been agreed for members of the 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.

- The Supervisory Board decides on a case-by-case basis whether to specify an age limit when appointing Managing Board members (section 5.1.2 of the Code), because the Supervisory Board believes that to specify a general age limit would impose a blanket restriction on selection and would thus not be in the interests of Sixt Aktiengesellschaft.

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

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

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

- The remuneration of members of the Supervisory Board is reported as an aggregate amount in the Consolidated Financial Statements (section 5.4.6 of the Code); the remuneration paid to each member of the Supervisory Board is specified in the Articles of Association.

- 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 2012

For the Supervisory Board of Sixt Aktiengesellschaft	For the Managing Board of Sixt Aktiengesellschaft
SIGNED PROF. 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.

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

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

Principal rules of entrepreneurial activities are summarized in the code of conduct, which provides employees with an obligatory framework for their actions. The code of conduct contains behavioural principles for the acting 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 three 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 Sixt Aktiengesellschaft 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 organization chart and the rules of procedure.

The Chairman of the Managing Board is responsible for the Company's long-term strategic orientation. In addition, he is in charge of Group development, sales, marketing, public relations, international franchising, IT and personnel. The Chief Operations Officer is responsible for the rental business at rental offices and for the fleet, as well as areas such as yield management, pricing, quality management, and customer service. The Chief Financial Officer is in control of the overall management of all the Group's finance departments, including finance and accounting, controlling, risk management 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 with currently only three members, the Managing Board has not formed any committees.

In accordance with Article 8 of the Articles of Association, the Supervisory Board of Sixt Aktiengesellschaft has three members. Two members are elected by the Annual General Meeting in accordance with the provisions of the AktG (Aktiengesetz – German Public Companies Act). 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 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 verbal 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 that are relevant to the Company and the Group regarding strategic planning, business development, the risk situation and risk management as well as the results of internal reviews. 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 for making 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.

Employee participation programmes (matching stock programmes)

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 interest-bearing bonds of Sixt Aktiengesellschaft.

For the MSP initiated in 2007 the last time phantom stock options were to be granted to the participants was in 2011 in accordance with the following conditions.

The bonds acquired as personal investment carry a coupon of 6% p.a. and a maturity until 2014. The total volume invested by all participants was limited to EUR 3.5 million. The Managing Board of Sixt Aktiengesellschaft defined the maximum participation volume for each of the beneficiaries. Where the Managing Board itself was concerned it did so with the approval of the Supervisory Board.

The corresponding participation volume was converted into a corresponding virtual number of Sixt preference shares (MSP shares) on the basis of the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Securities Exchange during the last 60 trading days before the start of the MSP. The average price calculated and applied was EUR 25.51.

Each MSP share entitles the holder to subscribe to 14 phantom stock options 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 stock options had been allocated (a total of five tranches), so that each participant was entitled to subscribe up to a total of 70 phantom stock options for each MSP share (5 tranches with 14 phantom stock options each).

The allocated phantom stock options can only be exercised after a lock-up period of three years, starting from the allocation of the respective tranche. The phantom stock options 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 stock options corresponds to the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Securities Exchange during the last 60 trading days before the respective phantom stock options 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 Securities Exchange during the last 60 trading days before the phantom stock options of the respective tranche are exercised. Phantom stock options 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 stock options 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 stock options 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 issued in 2007, including this lock-up period, is eight years, up 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 stock options 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 stock options 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 stock options, 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, by the effects from capitalization 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, the phantom stock options already allocated but not yet exercised and the entitlements to unallocated phantom stock options are all lost.

In September 2012 the Managing Board resolved with the approval of the Supervisory Board to issue a follow-up programme to the above listed MSP with slightly modified conditions. The essential modifications are outlined in the following summary.

Precondition for participation is a personal investment made by acquiring bonds of Sixt Aktiengesellschaft with a coupon of 4.5% p.a. and a maturity until 2020. Every EUR 1,000 of paid-up subscription amount entitles to subscribe to 500 phantom stock options per annual tranche in accordance with the MSP terms and conditions. The subscription volume has been specified to a total of EUR 5 million for all participants.

On each 1 December every year from 2012 (first time) to 2016 (last time) one tranche of phantom stock options will be allocated (a total of five tranches), so that each participant is entitled to subscribe up to a total of 2,500 phantom stock options (5 tranches with 500 phantom stock options each) for every EUR 1,000 of paid-up subscription amount.

The allocated phantom stock options can only be exercised after a lock-up period of four years, starting from the allocation of the respective tranche. The total term of the MSP issued in 2012, including the one-year lock-up period after the last possible exercise date, is nine years until 2021.

The exercise threshold is 20% as off allocation of the respective tranche. The exercise gain for a tranche, calculated if the phantom stock options are exercised, must not exceed 5% of the profit before taxes (EBT) as reported in the most recent approved consolidated annual financial statements of Sixt Aktiengesellschaft. In addition, the exercise gain (before taxes) of each tranche is limited for every participant to twice his paid-up investment volume.

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 60.1% (18,711,822 shares) of the ordinary shares of Sixt Aktiengesellschaft as at the reporting date of 31 December 2012.

As at 31 December 2012 members of the Managing Board held Sixt preference shares, granted under the tranches of the MSP employee equity participation programme due and exercised in 2011 and 2012.

Members of the Supervisory Board held no ordinary shares or preference shares of Sixt Aktiengesellschaft as at 31 December 2012.

Under the MSP employee equity participation programme launched in 2007, members of the Managing Board subscribed for bonds of Sixt Aktiengesellschaft with a total principal amount of EUR 400,000, which, as at reporting date 31 December 2012, generate under the MSP terms and conditions a right to subscribe for up to 439,040 phantom stock options, which were granted until 2011.

Under the follow-up MSP employee equity participation programme launched in 2012, members of the Managing Board subscribed for bonds of Sixt Aktiengesellschaft with a total principal amount of another EUR 400,000, which, as at reporting date 31 December 2012, generate under the MSP terms and conditions a right to subscribe for up to 1,000,000 phantom stock options, which are granted as off 2012.

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

Directors' dealings in accordance with section 15a WpHG

Sixt Aktiengesellschaft has received no disclosures in accordance with section 15a WpHG (Wertpapierhandelsgesetz – German Securities Trading Act) for the 2012 financial year regarding the acquisition or sale of the Company's shares or related financial instruments.

Sixt – always a step ahead.

We shine in many fields.

Sixt is not only a car rental company. Sixt is a universal mobility provider! From a couple of minutes to a couple of years: Sixt offers products for all needs and lengths of time, taking mobility to infinity.


SIXT

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 several years. With a focus on customers' requirements, these products can be combined together into integrated solutions. Sixt offers its customers mobility products in the business areas of vehicle rental and leasing. Innovative online and mobile services support and extend the product portfolio, and thereby consistently take due account of a modern and comprehensive concept of mobility.

In the **Vehicle Rental Business Unit** Sixt operates practically worldwide through its own rental offices and the 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 key 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, who accounted for 46% of rental revenue in the year under review (2011: 49%). In addition, Sixt continuously expanded its business with private customers and holidaymakers in recent years and is also active in the accident replacement business.

The company is represented with its own service points in the core European countries of Germany, 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. Furthermore, the company operates its own rental stations in the USA.

The company is represented by franchise partners in other European countries and many countries outside Europe (Sixt Franchise countries). At the end of 2012 the company started to set up a network of franchisees in the USA to accelerate growth on the US rental market and strengthen the Sixt brand. As a result, the brand has an almost global presence.

The range of Sixt Vehicle Rental is augmented by special products, including:

- **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. Upon customer request, the services offered 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 service 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 coverage (excluding any deductible), airport duties, taxes and mileage are normally already included in the all-in price 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. For this service Sixt uses a fleet of attractive premium vehicles and chauffeurs trained to a uniform and high Sixt standard. The product is offered in more than 60 countries worldwide.

  On top of this, in various countries Sixt provides its customers with the highly exclusive Sixt Luxury Cars service. This includes luxury sedans, as well as sports cars or SUVs.

- **DriveNow:** DriveNow is a 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 destination. This service is supplemented by such comprehensive services as BMW's ConnectedDrive information service or BMW's especially fuel-efficient 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, Düsseldorf and Cologne, with further metropolitan areas in Germany and Europe due to follow.

- **Integrated services:** Sixt is the only international mobility services provider able to offer its customers integrated products, such as the "Sixt unlimited" product. With it, customers can rent a vehicle for a monthly flat rate at any time at over 600 Sixt service stations in Europe. Especially frequent travellers will benefit from significant time and cost advantages, for example no separate costs are payable for their own car, rental car, taxis or parking fees. The usage period is up to twelve months. In addition, this offer includes preference service, comprehensive insurance cover and tyres fit for winter during the winter months. There is no obligation to pre-book, nor is there any mileage limitation.

- **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 cooperation projects 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 fleet management and full-service leasing. On top of 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 or fuel card management, payment of motor vehicle tax and radio license fees. For the Leasing business unit, Sixt uses innovative, consistently online-based solutions such as the reporting system "Fleet Intelligence". These allow fleet managers to compile detailed analyses of their entire fleet or individual vehicles, increase transparency over their fleet costs and thus realize significant 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 the Netherlands. In addition, Sixt franchisees offer lease financing and leasing services in around 40 countries.

Sixt Mobility Consulting GmbH specializes in comprehensive fleet management in conjunction with individual consulting activities. Sixt Mobility Consulting looks after and optimizes fleets of varying sizes and industries, ranging from mid-sized companies to international corporations. This generates added value for the customers and synergies within the Sixt Group, above all in the fields of accident management, vehicle resale as well as reporting.

The further development of innovative mobility services, both in the online and mobile segment, 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 products 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. The development of specific applications for smartphones and tablet-PCs, and keeping up the Sixt Group's presence in its own Internet blogs and so-called social networks like Facebook to maintain a more intensive exchange with customers and a wider public are further elements.

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

Sixt e-ventures GmbH focuses on the development and promotion of various different business models on the Internet. One example is the platform for new cars autohaus24.de. Founded in 2009 it operates as joint venture with “Axel Springer Auto Verlag”, in which both companies hold a 50% interest. autohaus24.de acts as a broker for new cars and interacts in a closely knit network with German contract dealers. Measured by the number of vehicles brokered in Germany, autohaus24.de was one of leading providers in its segment in 2012.

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. Operative business is fully overseen by the domestic and foreign subsidiaries assigned to the respective business units.

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 in particular affect the spending propensity of business travellers, consumption behaviour of private customers and companies' willingness to invest. Sixt Group's business operations can also be affected by such exceptional economic developments as the continued sovereign debt crisis in Europe during 2012.

4. Business management and corporate objectives

The long-term business success of Sixt Aktiengesellschaft and the Sixt Group is measured using pre-defined financial control parameters. Non-financial performance indicators also play a role as these indicators refer to specific strengths and skills 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
- revenue per vehicle and day
- 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 total 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:

- earnings before taxes (EBT)
- the return on sales in the business units (EBT/operating revenue)
- the return on equity (EBT/equity)
- the equity ratio (equity/total assets)
- leverage (net debt/EBITDA)
- 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 return on equity of at least 20% at Group level
- an equity ratio of at least 20% at Group level

4.3 Non-financial performance indicators

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

- **Sustainable service culture:** Sixt deliberately positions itself as a provider of premium products and services. The Company is characterised by above-average quality of service, the employees' strong focus on customers 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. Above all business and corporate customers attach considerable importance to a speedy and smooth rental process or handling of the leasing process. This consistent service orientation must be secured by suitable employee qualification. Guaranteeing service quality, for example through appropriate training and development activities, is a key factor for ensuring the company's future success. The German Institute for Service Quality declared Sixt to be the "best car rental company 2012", thereby confirming Sixt's exceptional service culture. Commissioned by the n-tv news channel, the review had examined the services of all German vehicle rental companies. The institute stressed in particular the high standard of service, the good customer contact, also that maintained by e-mail, and Sixt's convincing Internet presence.

- **Premium vehicle fleet:** Sixt's positioning as a premium mobility services provider requires a modern, attractive and high-quality rental fleet that can meet the ever growing requirements of its customers, especially business and corporate customers. Therefore, by value over half of the vehicle fleet comprises highly sought-after cars from premium brands such as BMW, Mercedes-Benz and Audi. The vehicles come with state-of-the-art technical features and comfort options such as navigation systems or BMW's ConnectedDrive information service. Furthermore, Sixt offers numerous vehicles with exceptionally economical engine configurations such as BMW's EfficientDynamics, Mercedes-Benz' Blue Efficiency or Volkswagen's BlueMotion. Sixt puts great stress on being 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.

- **Innovation culture and leadership:** The products and services in the mobility industry must be continually adapted to changing economic and social conditions, new technical opportunities as well as changing mobility requirements. Business and corporate customers for example allocate ever smaller time budgets for travel activities and make ever more use of the Internet and mobile applications to make a booking. 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 results in ever new forms of mobility such as the premium carsharing product DriveNow or the many mobile services offered by Sixt. Over the past decades, Sixt has frequently brought product and service innovations to the market with the aim of making rental and leasing processes as simple, convenient and transparent as possible whilst catering to new trends of mobility. In many cases, these innovations constitute a key differentiation feature that sets the Company apart from its competitors. The promotion and expansion of the Group's innovative culture is therefore an important performance indicator.

4.4 Non-financial targets

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

- to secure and expand its market leadership on the vehicle rental market in Germany
- to extend its market position in the Sixt Corporate countries, so that in the long term, foreign markets will 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, both in terms of product and service quality as well as orientation of the vehicle fleet
- to develop innovative business models that adapt Sixt's offer to changing mobility requirements and new mobility behaviour
- to develop up-to-date online applications capable of adapting Sixt's offer 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 2012 the global economy weakened. This process of economic dynamism slackening had already started in the middle of the preceding year and is mainly the result of significant structural adjustments processes in the Euro area. Though the countries hardest hit by the sovereign debt crisis – Greece, Ireland, Portugal, Spain, Italy and Cyprus – went to great lengths to consolidate their national finances, the budget deficits remained a risk factor for the European economy as well as for developments on the international financial and capital markets throughout 2012. In its "World Economic Outlook" of October 2012, the International Monetary Fund (IMF) lowered its forecast for global growth in 2012 to 3.3%.

The United States as well as China were also elements of uncertainty for the world economy. In the USA the economic recovery was stuttering, and both the financial and capital markets as well as consumers, were additionally unsettled by the fractious quarrels over the government budget at the end of 2012 and the associated prospect of drastic tax increases and spending cuts. In its last assessment the IMF put growth at 2.2% for the US economy. China once again witnessed slowing economic growth, not least due to massive wage increases and correspondingly higher price levels that affected export business adversely. The IMF's forecast for China's economic growth rate was 7.8% in October, compared to 9.2% for the year 2011.

For the Euro area the IMF expected a drop in economic development of 0.4% in 2012. Investors, enterprises and consumers worldwide worried about the solvency of the crisis-ridden countries and the stability of their banking systems. Although the announcement by the European Central Bank (ECB), indicating its willingness in September 2012 to intervene to a significant extent on the sovereign bond market, had stabilised the currency union's situation, the confidence of producers and consumers in the Euro area continued to fall towards the end of the year.

As had been expected by the IMF, German economic output (Gross Domestic Product – GDP adjusted for inflation) grew by 0.7% in 2012 and saw the German economy pull away from the trend in the Euro region. In its so-called "autumn outlook" the German government pointed out that the German economy was still in a robust condition. This was borne out by a small but positive development of private purchasing power as well as stable export business.

Sources:
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Bundesministerium für Wirtschaft und Technologie (Federal Ministry of Economics and Technology): Press Release of 17 October 2012
ifo-Institut, Munich: Economic forecast 2012/2013, 13 December 2012
Bundesagentur für Arbeit (Federal Employment Agency): Press Release of 3 January 2013
Statistisches Bundesamt Deutschland (Federal Statistical Office): Press Release of 15 January 2013

6. Segment report

6.1 Vehicle Rental Business Unit

6.1.1 Sector developments

The international vehicle rental market was once again characterized by fierce competition in 2012. The car rental industry is dominated by a few large international providers, who cover the bulk of the significant markets worldwide. The process of concentration in the car rental industry is continuing apace with larger takeovers recorded in the USA during the year under review.

In Western Europe, Germany is the most important single market for car rental, followed by Spain, France and Great Britain. According to data provided by Euromonitor the German market had a volume of around EUR 2.0 billion in 2012, slightly up on the level the year before. The Spanish and French market carried a volume of EUR 1.3 billion in the year under review, and while the market volume in Spain was slightly up, the volume in France contracted a little. The British market recorded a volume of EUR 1.1 billion, which was also marginally down on the previous year's level.

During the course of the year travel activity abated markedly. Though the Arbeitsgemeinschaft Deutscher Verkehrsflughäfen (Association of German Passenger Airports) recorded a slight 1.1% uptake in passenger numbers, travel activities dropped in the second half of the year, and in December saw a virtual collapse. According to the industry association one of the reasons for this was the Euro crisis.

The process of concentration among the car rental companies that has been evident for years also continued in the year under review. Examples of this concentration were the Hertz' takeover of Dollar Thrifty on the US American market and the merger of Avis and Avis Europe. Especially smaller and regional providers are suffering from 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 limited numbers of modern engine concepts in their fleets, or can only offer these belatedly. In the important segments of tourism and business travel it is above all the large international service providers that have good prospects in the international rental market, which in Sixt's view is set to see long-term growth.

The worldwide automobile market recorded a generally gratifying development in 2012, continuing the trend of last year. According to data from the Verband der Automobilindustrie e.V. (VDA – German Association of the Automotive Industry), the world market for new cars grew by 4% with 68.0 million new registrations. This development was sustained above all by developments on the Chinese market and the rebounding key market in the USA. German automobile manufacturers managed to increase their shares in both markets, in the USA for the seventh year in a row. Against the background of the continuing sovereign debt crisis, on the other hand, the West European market contracted in 2012 by around 9% to 11.7 million new registrations. In Germany the new registrations for 2012 came to around 3.1 million units, which is a slight decrease of about 2% year-on-year.

Sources:
Euromonitor: Travel and Tourism 2012, Car Rental, Market Sizes, as at 30 November 2012
VDA: Press Release of 4 December 2012
ADV: Press Release of 5 February 2013

6.1.2 Developments in the Vehicle Rental Business Unit

All in all Sixt's Vehicle Rental Business Unit recorded a positive business performance in 2012 with increasing rental revenues. Shoring up this growth were increasingly successful foreign operations, above all with private customers. Market shares in individual countries expanded further.

In the view of the Company this development was the result of consistent customer orientation, the great degree of attention gained by eye-catching advertisements and last but not least the extensive activities in the social media field. Customers associate the Sixt brand with positive attributes that are crucial to them such as quality of service, flexibility and a good price-performance ratio.

In the year under review Sixt continued its growth track persistently but also with a measured approach. Vital for this were an expanded presence in the USA as well as the preparations for franchise activities on the North American continent.

The Vehicle Rental Business Unit’s revenue amounted to EUR 1,042.9 million in 2012, an increase of 6.5% compared to the previous year's figure (EUR 979.3 million). At EUR 953.7 million rental revenues were 6.5% up on the previous year (EUR 895.7 million). Other revenue generated in the rental business came to EUR 89.2 million, 6.8% more than the year before (EUR 83.6 million).

Revenue generated by the Business Unit in Germany declined slightly from the previous year (EUR 669.9 million) by 0.4% to EUR 667.3 million. Rental revenues totalled EUR 604.7 million, some 0.1% less than the year before (EUR 605.1 million).

Abroad, the Business Unit generated revenue of EUR 375.6 million, a year-on-year increase of 21.4% (2011: EUR 309.4 million). At EUR 349.0 million rental revenues were 20.1% up on last year (2011: EUR 290.6 million). This gratifying development was aided once again in particular by the activities in France and Spain as well as the expansion of activities in the USA. The international share of the segment's revenue came to 36.0% after 31.6% the previous year, thereby maintaining the continual growth of the preceding years.

The Business Unit generated earnings before taxes (EBT) of EUR 106.4 million (2011: EUR 119.6 million). This result included the anticipated higher expenses as well as the start-up costs for such growth initiatives as the USA car rental business and the premium carsharing offer DriveNow. The return on sales, i.e. the ratio of EBT to segment revenue, was 10.2% (2011: 12.2%).

Key figures for the Vehicle Rental Business Unit			Change
in EUR million	**2012**	2011	in %
Revenue	1,042.9	979.3	6.5
Thereof rental revenue	953.7	895.7	6.5
Thereof other revenue from rental business	89.2	83.6	6.8
Thereof abroad	375.6	309.4	21.4
Earnings before net finance costs and taxes (EBIT)	136.8	151.5	-9.7
Earnings before taxes (EBT)	106.4	119.6	-11.1
Return on sales (%)	10.2	12.2	

Developments in Germany: In 2012 Sixt Vehicle Rental Business recorded a generally satisfying demand for mobility services in Germany. At the start of the year the growth dynamic was still pronounced but then continually dropped in the course of the year due to increasing economic uncertainties. Nonetheless, following internal estimations Sixt was able to strengthen its position as market leader in Europe’s largest vehicle rental market, with a market share of over 30%. The company was benefiting from its dense network of service points. Above all, the key target group of business customers highly appreciate the reliable availability of mobility services and also value the company's nationwide presence in Germany. Private travellers also benefit from the flexible and seamless mobility offered at the stations close by. The network of stations was further optimised in 2012 and at the end of the year comprised 494 offices (2011: 485 offices).

Developments abroad: With its rental offices in Germany, France, the UK, Spain, the Netherlands, Austria, Switzerland, Belgium, Luxembourg and Monaco, Sixt has a presence in countries covering over 70% of the European rental market. The performance of the rental business in these so-called corporate countries, where Sixt is represented by its own network of offices and its own vehicle fleets, was generally positive in 2012, not least because of the private customer business. Here the Company successfully gained further market shares in key markets. The Business Unit’s revenue generated outside of Germany was EUR 375.6 million, 21.4% up on the previous year's level of EUR 309.4 million.

The business development in France and Spain was particularly favourable. In France Sixt continued its successful advertising campaign and raised the brand awareness for Sixt markedly.

At the end of the reporting year the number of stations in Sixt corporate countries outside of Germany amounted to 426 (2011: 394). The changes are primarily the result of the network expansion in France and Great Britain.

After starting in 2011, Sixt expanded its presence on the North American continent in 2012. The Company opened up additional stations in Georgia (Atlanta) and Arizona (Phoenix) alongside the existing stations in Florida. Already shortly after the start of its activities, Sixt recorded strong demand not just from travellers coming from Europe but also from customers from North and South America.

In addition the Company also started to prepare to set-up a franchise network in the USA in the year under review. Parallel to the further expansion of its own rental stations Sixt plans to win over strong and efficient franchisees in individual federal states in the USA to accelerate the Group's growth on the US rental market and strengthen the Sixt brand still further.

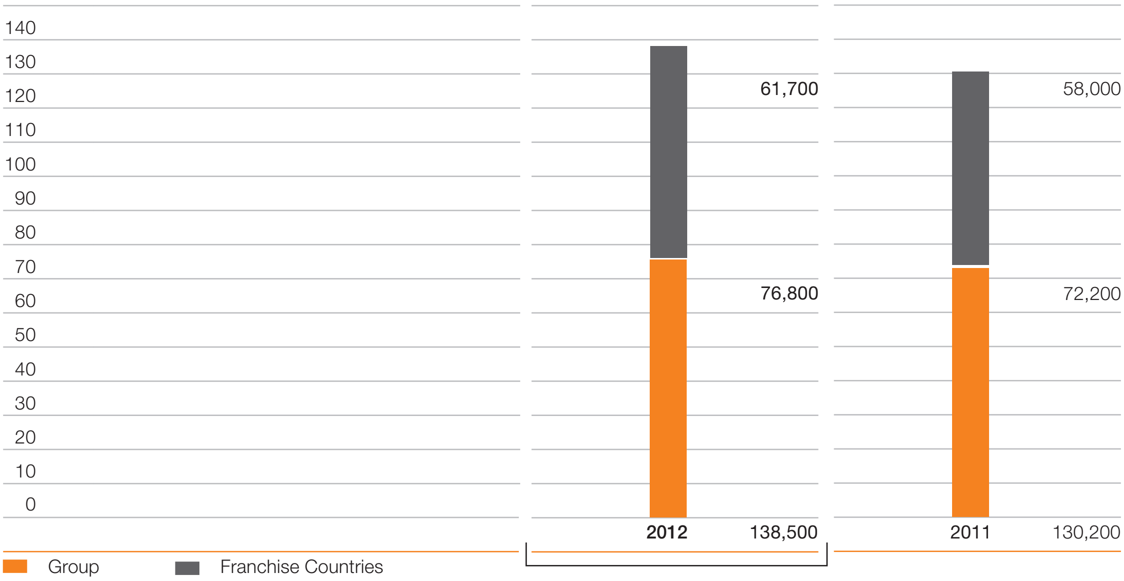
In 2012 the Company interlinked its dense network of franchisees even more closely to raise its presence in the world's other regions. New franchise partners were won over in Thailand and the Philippines as well as in Kenya and the Ivory Coast, all of which are key tourism markets in South-East Asia and Africa. In addition, since last year Sixt has been present in Australia with stations at all important airports as well as many major cities.

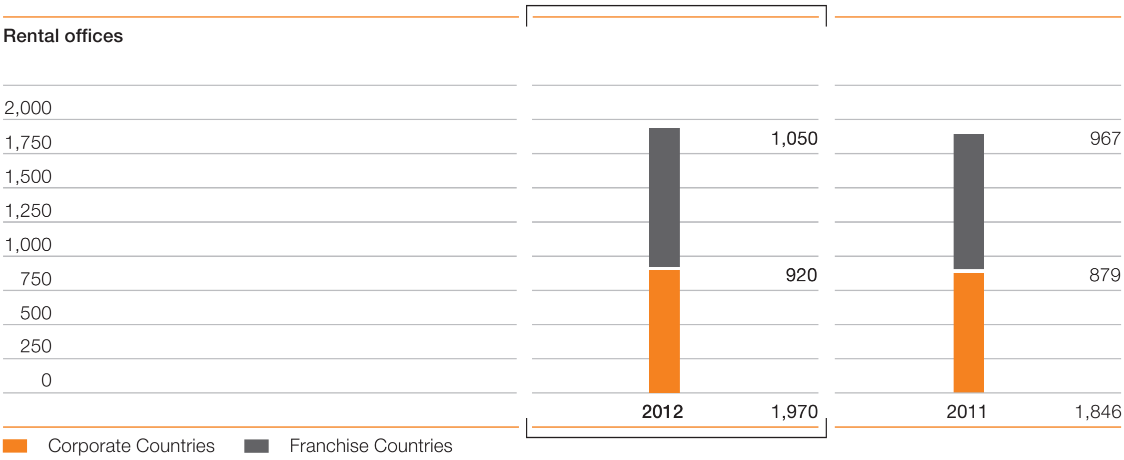
As of the end of 2012, Sixt had a total of 1,970 rental offices, including franchisees, in around 100 countries (2011: 1,846 offices).

Prudent fleet policy: Sixt also maintained its prudent fleet policy in 2012. In the Sixt corporate countries the average size of the rental fleet was 76,800, compared with 72,200 for the full-year 2011 (+6.4%).

Including the vehicles of franchisees the global vehicle fleet averaged 138,500 vehicles in 2012, which was 6% more than in 2011 (average of 130,200 vehicles).

Average number of vehicles
Group and franchisees





Business customers: In 2012 Sixt registered declining business in the key account segment due to growing restraint in the utilization of mobility services. Nonetheless, with its comprehensive mobility services Sixt was able to offer its customers additional advantages. Thus, customers were offered not only individually tailored rental offerings, but increasingly also combined solutions made up of renting, leasing, carsharing and carpooling elements that cover individual mobility requirements very specifically and thereby generate tangible cost savings.

The company continued its strategy of analyzing costs across the entire rental process together with the customer. This entails various aspects such as the selection of manufacturer, booking channels, vehicle check-out and return or accident management. This achieved vital optimizations for both the customer and the Company.

In its business with corporations Sixt is increasingly focusing its sales activities to take account of the international structure of the companies. To this end the foreign sales teams were strengthened and their sales activities further synchronized to domestic measures. Customers benefit from receiving a uniformly high standard of quality across national boundaries as well as single-source support.

Expanding private customer business: In 2012 Sixt recorded higher growth in demand from private customers, above all abroad. Hand in hand with this grew the significance of the E-commerce segment for the rental business. In the reporting year more than half of the customers used the booking options offered on the Internet and mobile devices. Sixt therefore consistently expanded its presence in the social networks, above all Facebook, as well as its services for smartphones.

The attractively priced and convenient prepaid offer for holiday travellers was well received. The Company's holiday rental vehicles can be booked at many relevant tourist destinations in Europe, Asia and South America.

Integrated mobility solutions: Sixt is capable of offering mobility solutions from one source on an international level, for just a few minutes up to many years. The offer covers integrated services with elements from vehicle rental, carsharing, chauffeur services and leasing. This means that the customers are not offered fixed mobility concepts but individually tailored solutions for their respective requirements.

In the financial year under review “Sixt unlimited” was launched. The offer is geared mainly to frequent travellers, who, for a fixed monthly fee, can select a vehicle from the category of their choice at any time and at Sixt service stations in nine European corporate countries. The product includes a wide range of vehicle categories, freely selectable terms of duration as well as a flexible price model, which enables savings to be made depending on duration of use. In addition, the product comes with an advantageous pre-paid rate.

Exclusive mobility services: In the year under review Sixt's Limousine Service registered substantial growth. The exclusive mobility service, which can also be booked online, has successfully expanded its activities to cover the event segment, including top-quality shuttle services, for state receptions and visits for example, or large trade shows and other show events.

Further to these, the Sixt Limousine Service extended its cooperation with renown national and international hotel chains and airlines, which use the special services for individual sightseeing tours or reliable airport transfers.

For customers with exceptional mobility requirements Sixt offers Sixt Luxury Cars. The exclusive vehicles are available in Germany, Switzerland, France, Monaco and Spain.

DriveNow – Premium-Carsharing: Sixt and the manufacturer BMW have made further developments on their carsharing joint venture DriveNow. With it, both companies are responding to changing mobility requirements and user behaviour particularly by people living in major cities and metropolitan regions. For a growing number of users owning a car is becoming ever less important when organising their own mobility. Instead, so-called on-demand solutions are gaining more and more interest.

On top of the existing operative areas of Munich and Berlin the premium carsharing offer was expanded to the cities of Düsseldorf and Cologne in the year under review. In line with the idea of interlinking carsharing services with public transportation, DriveNow has started cooperating with local transportation companies and the car-sharing agency Flinc.

DriveNow recorded dynamic growth in its membership numbers in 2012. Thus, at the end of the year the premium carsharing concept counted 75,000 registered users in Germany. It is planned to start operations in further metropolitan areas at home and abroad.

In the reporting year the carsharing joint venture received the “ÖkoGlobe” award, the most significant international environment prize for the mobility industry. DriveNow managed to win in the “mobility model” category against numerous competitors. The jury was convinced by its sustainability concept of flexibly interconnecting different urban mobility solutions with one another.

Innovations in Vehicle Rental: Sixt is leader of innovations in vehicle rentals. The Company continuously introduces new services and technologies to make car rental even faster, simpler and more convenient for customers and thereby increase its appeal.

To this end Sixt enabled vehicle pick-up via barcode (QR-Code) in the year under review. Together with their booking confirmation customers receive a corresponding barcode on the print-out or directly on to their smartphone, containing all relevant data, which they then scan on to their computer. This modern service substantially shortens the rental process at the counter and with it the time required by the customer. Sixt has started the modern service at over 70 stations in its corporate countries.

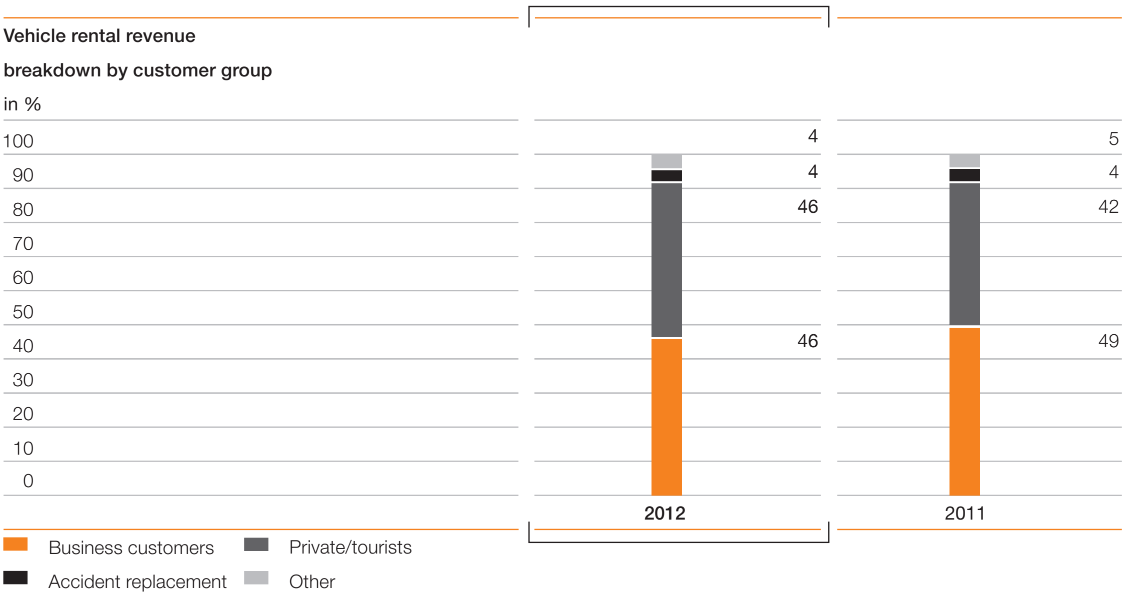
Sixt has also further developed applications for smartphones, which allow customers to manage their bookings and rent vehicles independent of time and place. Thus, Sixt is the first car rental company worldwide that is enabling its customers to use Apple's Passbook. With this all information of relevance for renting the vehicle can be stored and managed in a “Passbook” specifically created for them in their iPhone.

In addition, customers using the applications for the Android and Windows 7 operating system can use additional functions and updated operating concepts such as vehicle pick-up via barcode or the filter for easier vehicle selection. In the year under review an average of 55% of reservations made by customers were online or via mobile means (2011: 52%).

Award-winning mobility: In 2012 Sixt once again won prestigious awards for its high level of customer focus and high-quality mobility solutions.

The Company received a sixth “Autoflotte Flotten-Award” (car fleet award) as best car rental company in Germany as well as the award as “Best Car Rental Company 2012” from the “Studie Autovermieter” (Car rental survey) from the German Institute for Service Quality (DISQ), which was commissioned by the news channel n-tv. Sixt picked up first places in the category Service and the category Conditions. After 2010 this makes Sixt a second-time winner of the all-round industry test.

The renowned American magazine “Premier Traveler” awarded Sixt its prize as “Best Car Rental Company in the World”. The New York based magazine awarded the prize following its online survey. According to this, Sixt also managed to convince its North-American customers with its all-round service.



6.2 Leasing Business Unit

6.2.1 Sector developments

In 2012 the European leasing industry continued the positive trend it had picked up the previous year. The total volume of new business in the leasing market amounted to EUR 119.1 billion in the first half of the year, according to data supplied by the industry association Leaseurope. This is a slight increase of 3.5% on the figure of the first half of the previous year of EUR 115.1 billion. The vehicle segment recorded above average growth of 11.7%.

The developments recorded in the individual European countries varied. Thus, while Great Britain saw new business climb by 19.2% to EUR 22.0 billion, the market volume in France was marginally down by 1.0% to EUR 15.1 billion. Southern European countries, however, witnessed substantial slumps. Spain was down by 21.1% to EUR 2.8 billion, Italy by 35.2% to EUR 8.5 billion and Greece fell by 57.3% to EUR 0.1 billion. According to reports from Leaseurope, a majority of market participants were nonetheless optimistic for the second half of 2012, despite uncertain economic conditions, and expected to see new business increase. At the time of preparing this report no data for the whole of 2012 were as yet available.

In Germany the leasing market stayed more or less on a par with the previous year. According to provisional calculations by the Bundesverband Deutscher Leasing-Unternehmen e.V. (BDL – German Association of Leasing Companies), investments in leasing amounted to EUR 49.3 billion, marking a slight increase of 0.5% year-on-year (2011: EUR 49.1 billion). The new business with moveable property was sustained above all by vehicle leasing. Given the numerous economic risk factors the BDL considered this development to be satisfactory.

Sixt upholds its assessment that full-service leasing continues to have positive market potential in the medium term. Thus, companies expect to reduce their fleet costs sustainably by outsourcing the handling of their fleet to a professional partner. All-round supplementary services are playing an increasingly important role here, especially the full-service solutions “from one single-source”.

Sources:
Leaseurope: Biannual Survey 2012
Leaseurope/Invigors: European Business Confidence Survey June 2012
BDL: Leasing market 2012
BDL: Press Release of 22 November 2012

6.2.2 Developments in the Leasing Business Unit

Sixt is one of Germany’s leading vendor-neutral, non-bank full-service leasing providers and fleet managers. Alongside conventional finance leasing, a wide range of other fleet management services are also offered. Companies and private individuals use these offers to attain cost and service benefits.

Sixt Leasing pushed its sales activities in 2012, which led to an expanded contract portfolio across all segments, such as full-service leasing, fleet management as well as private leasing. At the same time, the leasing market continues to be characterised by intensive competition that adversely affects the margins to be generated in new business.

At the end of 2012 the business unit had a total of 62,200 leases, some 10.5% more than the previous year (56,300 contracts). If the leases with Sixt's worldwide franchise partners are included, the total number of contracts for 2012 stood at 123,500 as against the 118,500 leasing contracts recorded at the end of 2011 (+4.2%).

At EUR 382.9 million the business unit's leasing revenues were slightly down on the EUR 393.5 million recorded the year before (-2.7%). In Germany Sixt generated leasing revenues of EUR 322.6 million in 2012, compared to EUR 335.4 million in 2011 (-3.8 %). Foreign leasing revenues amounted to EUR 60.3 million, a small gain of 3.7% on last year's total of EUR 58.1 million. In particular, leasing revenues in France performed above average.

In 2012 the business unit generated revenue from the sale of used leasing vehicles, which can be subject to considerable fluctuations from the general fleet policy and reporting day effects, in the amount of EUR 162.8 million, which was 11.2% less than in 2011 (EUR 183.3 million).

All in all, the business unit reported revenue in the year under review of EUR 545.7 million, 5.4% less than the figure recorded the year before (EUR 576.8 million).

The business unit's earnings before taxes (EBT) came to EUR 16.3 million compared to EUR 25.4 million the year before (-36.0%). In addition, account must be taken of the fact that last year's figure included one-off income of EUR 4.4 million generated in the first quarter. The return on sales, expressed as the ratio of EBT to segment revenue, was 4.3% (2011: 6.5%).

Key figures for the Leasing Business Unit			Change
in EUR million	**2012**	2011	in %
Leasing revenue	382.9	393.5	-2.7
Thereof abroad	60.3	58.1	3.7
Sales revenue	162.8	183.3	-11.2
Total revenue	545.7	576.8	-5.4
Earnings before net finance costs and taxes (EBIT)	39.3	48.7	-19.5
Profit before taxes (EBT)	16.3	25.4	-36.0
Return on sales (%)	4.3	6.5	

In the year under review Sixt Leasing implemented numerous measures to increase efficiency. These included optimization in the procurement of vehicle and workshop services as well as additional internal processes. In its operative business Sixt continued to sharpen its profile as a full-service provider with strong consulting services and as an innovation leader. All newly introduced and enhanced services were geared to make leasing procedures even easier, more transparent and cost-efficient for customers and to accompany new technological developments pro-actively.

Internationalisation: As part of its internationalisation the company focused in 2012 in particular on strengthening and expanding its operations in the existing markets. Special emphasis was given to extending the market share and brand awareness in the countries in question. This was the case for example in France, where the contract portfolio was significantly expanded.

In addition, the company managed to assist numerous customers in their foreign expansion. To this end Sixt continuously examines further national markets and potential cooperation with franchisees. The increasing demand from corporate customers for standardised fleet solutions, above all abroad, plays into the hands of Sixt Leasing.

In 2012 Sixt teamed up with efficient franchise partners on the Philippines and Ireland to start leasing activities. At the end of the year the company offered its 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 are developed in-house by highly specialised teams.

In 2012 the business unit added various reporting functions to the online-based reporting system “Fleet Intelligence”. The further development took up specific wishes and ideas from customers. The system provides fleet managers with information on their vehicle fleet in any given depth of detail. The extension of the system's functions also takes due account of the fact that for cost reasons companies are focusing more and more on fuel-efficient and environmentally friendly cars. Thus, the new reporting functions include data on mileage control, fuel consumption, CO_2 emissions as well as vehicle return.

Furthermore, “Fleet Intelligence” was supplemented with a practical subscription function, enabling customers to receive at regular intervals specific automated reports which they no longer have to retrieve separately. In the year under review, “Fleet Intelligence” was available in Germany, Austria, Switzerland, France and the Netherlands.

In 2012 Sixt Leasing also continued to expand its online used vehicle exchange for dealers as well as the connected dealer network. The portal offers dealers access to a wide range of vehicles of different brands at all times and irrespective of their location, thereby enabling a straightforward processing of vehicle sales at attractive conditions. The offers from the online exchange were available in the year under review in Germany, Austria and Switzerland.

In 2012 the Company also cooperated with a customer and implemented a pilot project for a new billing model, under which leasing vehicles will be invoiced for the actual mileage driven. The benefit for the customers is that costs are incurred according to usage and thus giving them the potential to save costs. This in turn, provides the customers with more flexibility, as under the new billing model the leasing contract does not have to be adjusted subsequently anymore if a vehicle shows a higher or lower mileage than originally agreed.

In addition, a hedging product has been developed for benefit in kind arrangements. This allows companies to hedge their risk of employees leaving the company before the expiry of a leasing contract under which a car has to be retained until the end of the lease. The new product also puts companies in a position to return leasing vehicles prematurely.

Electro-mobility: Sixt Leasing continued its collaboration in the field of electro-mobility with the utility company E.ON in 2012. Under the name of E.ON eMobil, the two companies and smart offer a fully packaged solution for entry into the new technology. Besides charging stations it includes delivery of green electric power from regenerative energy sources, a leasing offer for an electric-powered vehicle from smart as well as extended services. The offer applies for private customers and commercial entities alike and can be adjusted to their individual requirements.

Private leasing: One of the focal points in the business unit's activities was extending the private customer business. Relaunching the leasing website www.auto.sixt.de played a key role here. The website's general user friendliness has been improved with enhanced functionalities for configuring vehicles of choice and determining their prices. On top of these, Sixt Leasing also extended its sales activities to partner and customer companies and now offers their employees attractive private leasing conditions.

In the year under review the Company also launched a new product entitled Sixt vario financing. This combines the benefits of classic financing with those of leasing and thereby makes monthly instalments particularly favourable and provides low purchasing prices for the customers. Sixt's vario financing solution is also available for download at the www.auto.sixt.de website. Customers can configure the car of their choice and use it for the next five years. At the end of the term the customer has the choice of either returning the vehicle or of buying it. The purchasing price is already agreed upon when the contract is signed, freeing the potential buyers from the uncertainties of residual value developments.

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 2012.

B. Results of operations, net assets and financial position

1. General

The consolidated financial statements of Sixt Aktiengesellschaft for the year 2012 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 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 of the consolidated financial statements.

As in previous years, 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 used vehicles from the Vehicle Rental Business Unit is not reported under revenue.

2. Overall assessment of the financial year

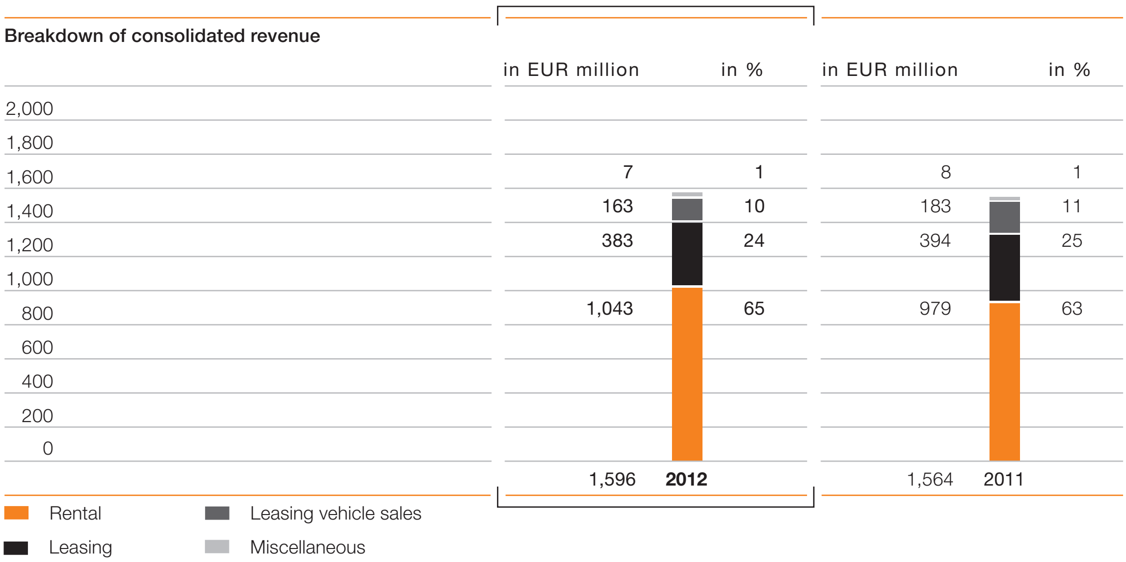
In financial year 2012 the Sixt Group registered slightly higher consolidated revenues of EUR 1.6 billion and a pre-tax profit (EBT) of EUR 118.6 million. Though EBT was below the record result of the previous year (EUR 138.9 million), as had been expected and announced, it still amounted to one of the highest profits ever achieved by the Group. At EUR 79.2 million the profit after taxes (before minority interests) also remained on a high level and was EUR 18.3 million below the record result of 2011 (EUR 97.5 million). The development of earnings is the result of strong demand for mobility solutions, above all abroad. However, the increase in operating costs and start-up costs for long-term growth initiatives could not be balanced out.

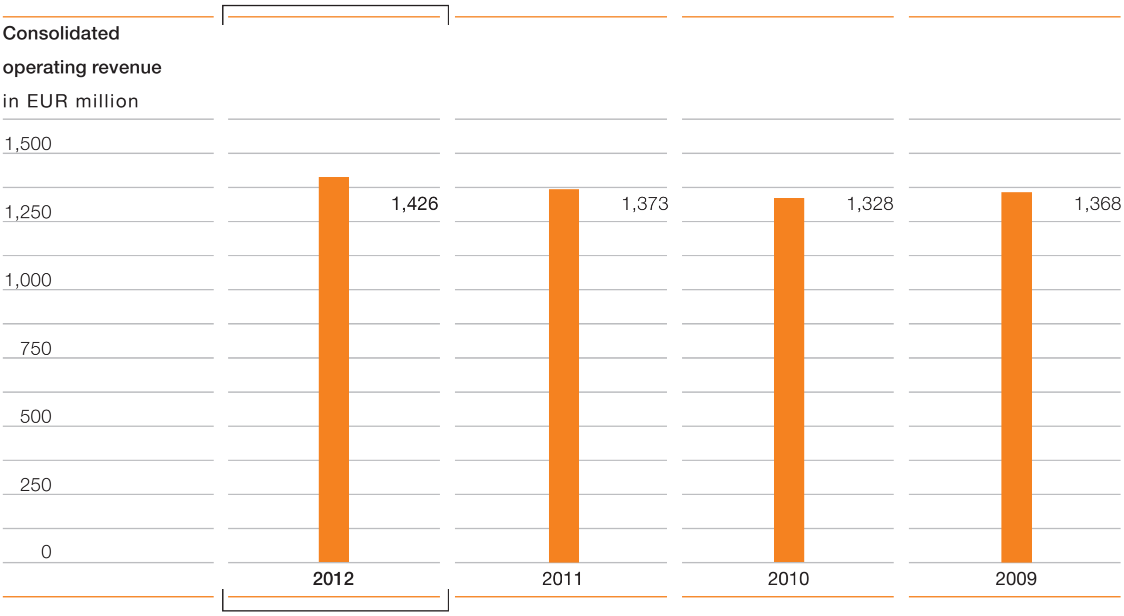
On the basis of the good earnings development in the year under review, the Managing Board, subject to the consent of the Supervisory Board is proposing that the Annual General Meeting on 20 June 2013 distribute a dividend of EUR 0.55 per ordinary share and EUR 0.57 per preference share as well as a special dividend of EUR 0.45 for both share categories to celebrate the 100th anniversary of Sixt. In total this would result in a marked dividend increase. This dividend proposal takes due account of the good result as well as Sixt Group's solid equity basis, while it also takes into consideration the capital requirements for the planned expansion and product developments.

3. Revenue performance

3.1 Developments in the Group

Total consolidated revenue amounted to EUR 1.60 billion in the year under review, 2.0% more than the previous year's figure of EUR 1.56 billion. At EUR 1.43 billion, consolidated operating revenue from rental and leasing business (excluding revenue from the sale of used leasing vehicles) was 3.9% higher than the prior-year figure (2011: EUR 1.37 billion). This increase was once again the result of a good revenue performance in the Rental Vehicle Business Unit, especially from the ongoing international expansion.





3.2 Revenue breakdown by region

The consolidated revenue generated in Germany in 2012 came to EUR 1.14 billion, a slight drop of 2.9% against the previous year (EUR 1.18 billion). At EUR 604.7 million, the rental revenue in the Vehicle Rental Business Unit was on a par with the previous year (2011: EUR 605.1 million). The other revenue from rental business was once more slightly down on the year before at EUR 62.6 million (-3.2%; 2011: EUR 64.8 million). Revenue from leasing activities in Germany declined by 3.8% year-on-year to EUR 322.6 million (2011: EUR 335.4 million), although revenues picked up dynamically during the course of the year. Revenue from the sale of used leasing vehicles in Germany, which is generally subject to fluctuations, was EUR 147.2 million and thus remained 10.9% below the previous year (2011: EUR 165.2 million).

Outside of Germany consolidated revenue performed significantly more positively in 2012 given the various growth initiatives. At EUR 451.5 million it climbed 17.1% to a new record level (2011: EUR 385.6 million). Rental revenues in particular performed very dynamically and increased by 20.1% to EUR 349.0 million (2011: EUR 290.6 million). A first-time contribution came from the new activities in the USA. Other revenue from rental business was EUR 26.6 million and also up from the prior-year figure (+41.5%, EUR 18.8 million). Leasing revenues generated abroad went up slightly by 3.7% from last year's EUR 58.1 million to EUR 60.3 million. Foreign revenue from the sale of used leasing vehicles, on the other hand, dropped 14.1% to EUR 15.6 million (2011: EUR 18.1 million).

Sixt has thereby taken another step towards its strategic goal of substantially increasing the share of foreign business in revenue. In 2012, 71.7% of consolidated revenues were generated in Germany (2011: 75.3%) and 28.3% abroad (2011: 24.7%). In relation to consolidated operating revenue, the share of revenue generated outside of Germany also rose further to 30.6% (2011: 26.8%).

4. Earnings development

Consolidated income statement (condensed)			Absolute	Change
in EUR million	**2012**	2011	change	in %
Consolidated revenue	1,595.6	1,563.7	31.9	2.0
Thereof consolidated operating revenue [1]	1,425.8	1,372.8	53.0	3.9
Fleet expenses and cost of lease assets	643.2	644.6	-1.4	-0.2
Personnel expenses	162.4	149.6	12.8	8.6
Depreciation/amortisation	314.1	321.7	-7.6	-2.4
Net other operating income/expense	-308.2	-258.0	-50.2	19.5
Earnings before net finance costs and taxes (EBIT)	167.7	189.8	-22.1	-11.7
Net finance costs	-49.1	-50.9	1.8	-3.6
Earnings before taxes (EBT)	118.6	138.9	-20.3	-14.6
Income tax expenses	39.4	41.4	-2.0	-5.0
Consolidated profit for the period	79.2	97.5	-18.3	-18.7
Earnings per share [2] (EUR)	1.64	2.00	-0.36	

[1] Not including proceeds from the sale of used leasing vehicles
[2] Basic, in 2012 based on 48.2 million shares (weighted, taking into account treasury stocks), in 2011 based on 49.0 million shares (weighted, taking into account treasury stocks)

Other operating income came to EUR 38.2 million and was therefore marginally lower than the previous year's figure (EUR 38.4 million; -0.5%).

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

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

Fleet expenses and cost of lease assets declined slightly in 2012 by 0.2% to EUR 643.2 million (2011: EUR 644.6 million). Costs increased in almost all areas, above all those for fuel, insurance and transportation costs. Fleet expenses as a whole were on a par with last year, which was mainly attributable to lower disposals of residual carrying amounts from leasing assets.

Personnel expenses climbed by 8.6% to EUR 162.4 million (2011: EUR 149.6 million). The increase reflects the higher staff headcount following the growth in the foreign operating business.

Depreciation and amortisation expense totalled EUR 314.1 million as against EUR 321.7 million the year before (-2.4%). This small decline is above all the result of reduced depreciation on the lower volume of reported rental vehicles (-3.0%, EUR 164.0 million). Also slightly down was the depreciation of lease assets (-1.5%; EUR 140.3 million), which only exceeded the previous year's volume during the course of the year.

Other operating expenses climbed sharply by 16.9% in 2012 to EUR 346.5 million (2011: EUR 296.5 million). The increase affected almost all cost categories with significant uptakes recorded for leasing expenses from the refinancing of the fleet (operate leases), marketing expenses, commissions and the expenses incurred in connection with outsourced activities for vehicle upkeep.

For 2012, the Group’s earnings before net finance costs and taxes (EBIT) amounted to EUR 167.7 million, which was 11.7% less than the previous year’s figure of EUR 189.8 million. After the record rate of 13.8% in 2011, the EBIT margin, measured as the ratio to consolidated operating revenue, came to 11.8%.

Net finance costs improved in comparison to the prior-year from EUR -50.9 million to EUR -49.1 million (-3.6%), due to lower interest payments on financial liabilities from refinancing the capitalised rental and leasing fleet. Net finance costs include a positive result from interest rate hedging transactions in the amount of EUR 0.4 million (2011: EUR -1.5 million).

Consolidated earnings before taxes (EBT) came to EUR 118.6 million. Compared with the record high of EUR 138.9 million the year before, the expected decline was 14.6%. The earnings performance can be primarily attributed to the following factors:

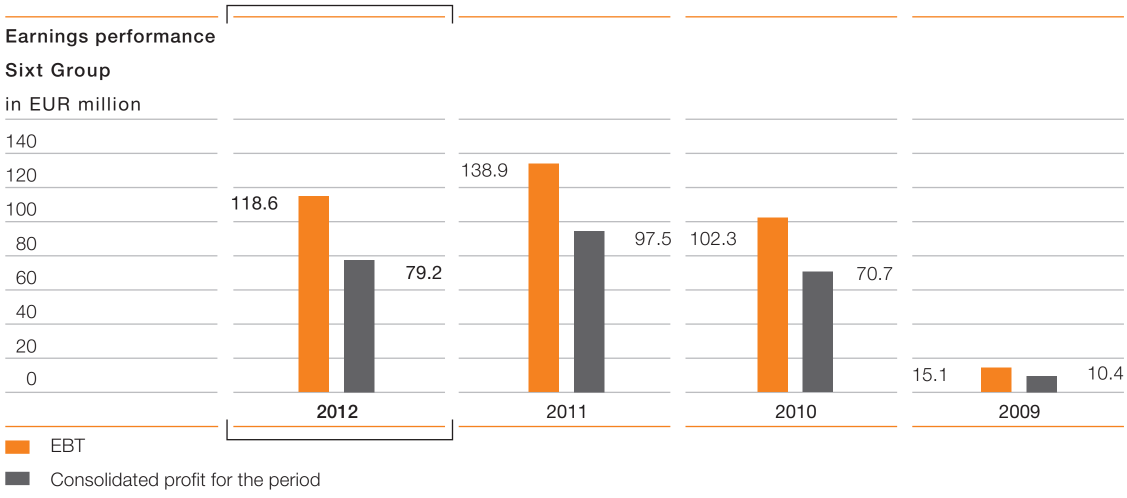
- Demand for mobility services weakened in the difficult economic climate, above all inside Germany, while rental prices remained more or less stable.
- General operating costs were markedly higher, in addition to costs incurred for foreign expansion as well as start-up costs for newly launched products.
- A stiffer competitive situation in the leasing business meant margin losses for new transactions.

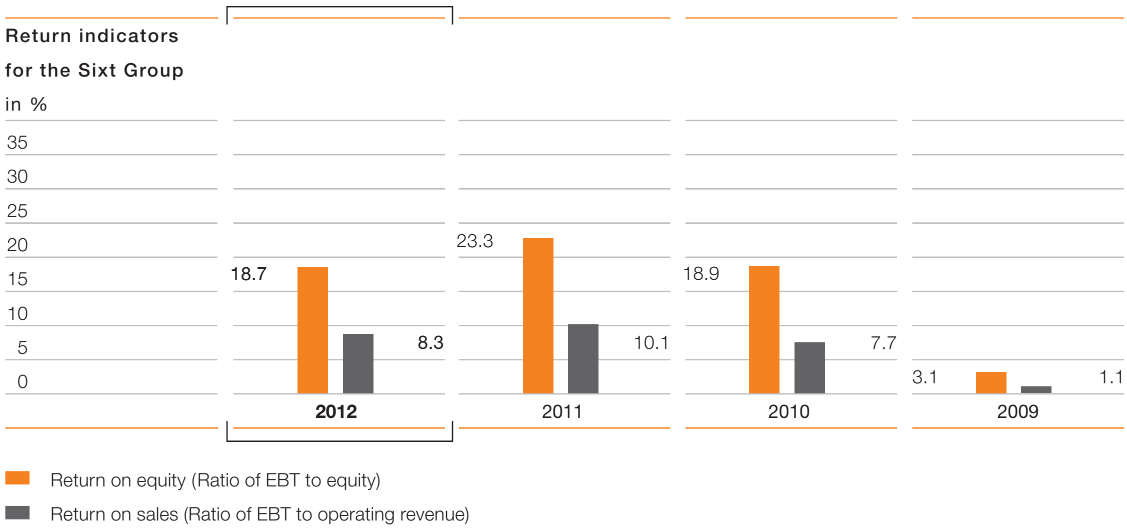
The EBT margin – expressed in relation to consolidated operating revenue – fell from 10.1% to 8.3%.

Income tax expenses came to EUR 39.4 million (2011: EUR 41.4 million), which at -5.0% was below the fall in the pre-tax profit. The overall tax ratio, calculated on the basis of EBT, was 33.2% (2011: 29.8%).

For the financial year 2012 the Sixt Group reported consolidated profit of EUR 79.2 million after EUR 97.5 million the year before (-18.7%). As in the previous years, minority interests only had no noteworthy effect. As a result, consolidated profit after taxes and minority interests changed only slightly to EUR 79.2 million (2011: EUR 97.7 million).

Earnings per share (basic) for the year under review amounted to EUR 1.64 per share. Account has to be taken here of the lower number of shares, due to the buy-back programme that was still ongoing at the start of 2012. The year before earnings per share had been EUR 2.00.





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 85.5 million for 2012, after EUR 99.9 million for 2011.
The Managing Board, subject to the consent of the Supervisory Board, is proposing that the Annual General Meeting on 20 June 2013 distribute these unappropriated profits as follows:

- Payment of a dividend of EUR 0.55 plus a special dividend of EUR 0.45 for each ordinary share
- Payment of a dividend of EUR 0.57 plus a special dividend of EUR 0.45 for each preference share

This dividend proposal, which would result in a total dividend distribution of EUR 48.4 million (2011: EUR 36.4 million), reflects the good earnings performance in the year under review as well as the high equity basis. The dividend proposal would result in a payout rate of 61% for financial year 2012 (measured in terms of the consolidated profit after minority interests) as compared to a payout rate of 38% in 2011.

6. Net assets

As at the end of the reporting year 2012, the Sixt Group's total assets were EUR 2,173.7 million, which was EUR 154.6 million or 6.6% less than at 31 December 2011 (EUR 2,328.3 million). This drop in total assets is due to changes in current assets, and primarily the result of lower rental assets.

Non-current assets, which amounted to EUR 849.9 million, (2011: EUR 773.8 million; +9.7%), are still dominated by lease assets, which increased by EUR 65.7 million year-on-year to EUR 740.4 million (2011: EUR 674.7 million). As in the year before lease assets accounted for 87.2% of total non-current assets. As a proportion of total assets it increased to 34.1% (2011: 29.0%). Property and equipment increased by EUR 3.7 million to EUR 51.1 million and intangible assets rose by EUR 3.1 million to EUR 13.0 million. There were no significant changes in the other items under non-current assets between the two reporting dates.

Current assets decreased in total by EUR 229.7 million, or 14.8%, to EUR 1,324.8 million (2011: EUR 1,554.5 million). Rental vehicles accounted for EUR 926.2 million, which was EUR 270.2 million or 22.6% less than at the end of the previous year (EUR 1,196.4 million). Last year's figure had been higher due to reporting day effects, and the lease-financed share of the vehicle fleet had increased again. Consequently, the rental assets as a proportion of total assets decreased again to 42.6% (2011: 51.4%).

Trade receivables of EUR 244.9 million were 2.1% higher than the year before (2011: EUR 239.9 million) due to reporting day effects.

There were no other financial assets to be reported anymore (2011: EUR 15.0 million). As at reporting date the Group's cash and cash equivalents came to EUR 67.3 million after EUR 31.4 million the year before.

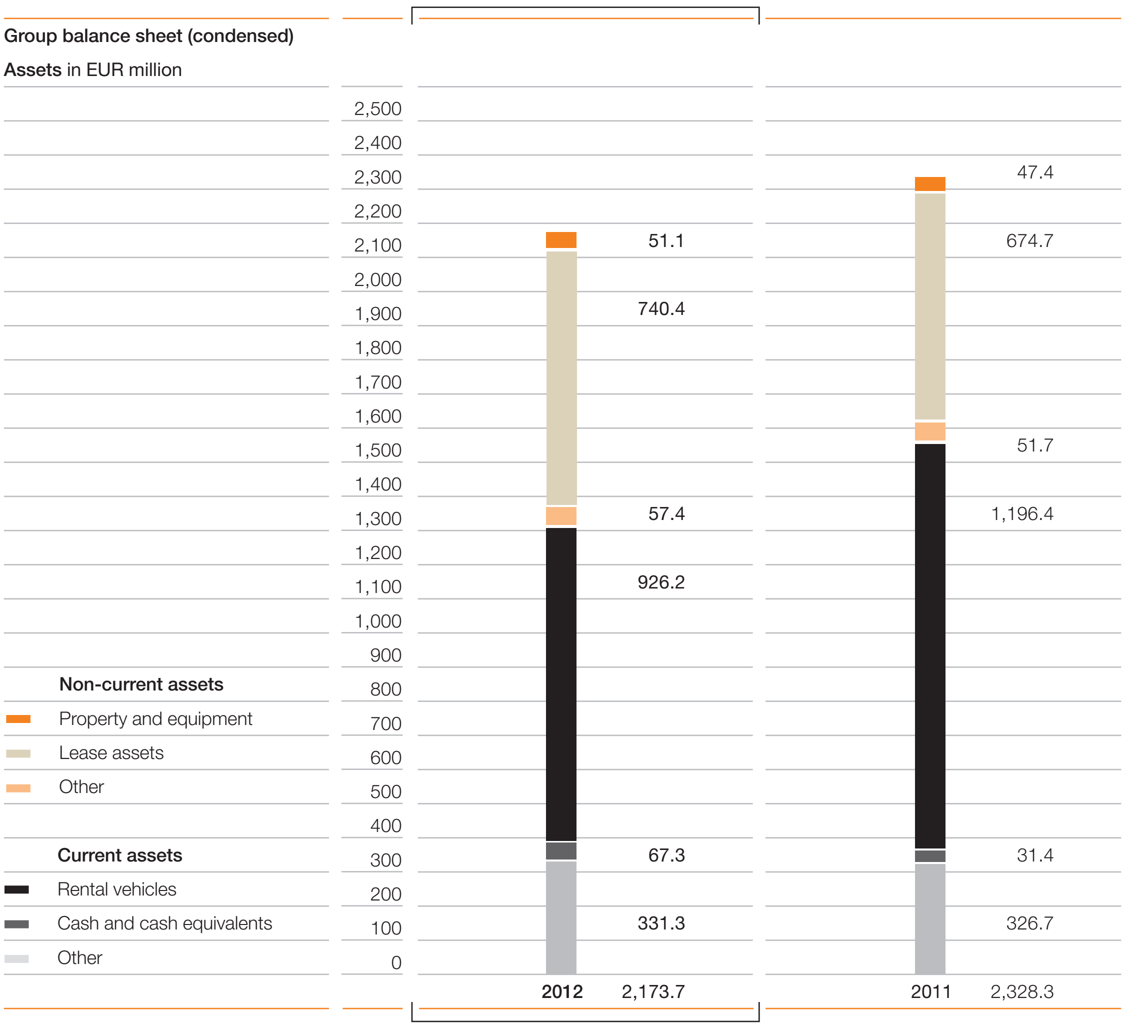
The "Sixt" brand name in particular is a significant asset that is not recognised in the balance sheet. The value of this asset can be affected, among other things, by advertising campaigns. However, advertising expenses cannot be unambiguously allocated to this asset. In financial year 2012, advertising expenses amounted to around 2.8% of operating revenue (2011: 2.2%).

7. Financial position

7.1 Financial management and financial instruments

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

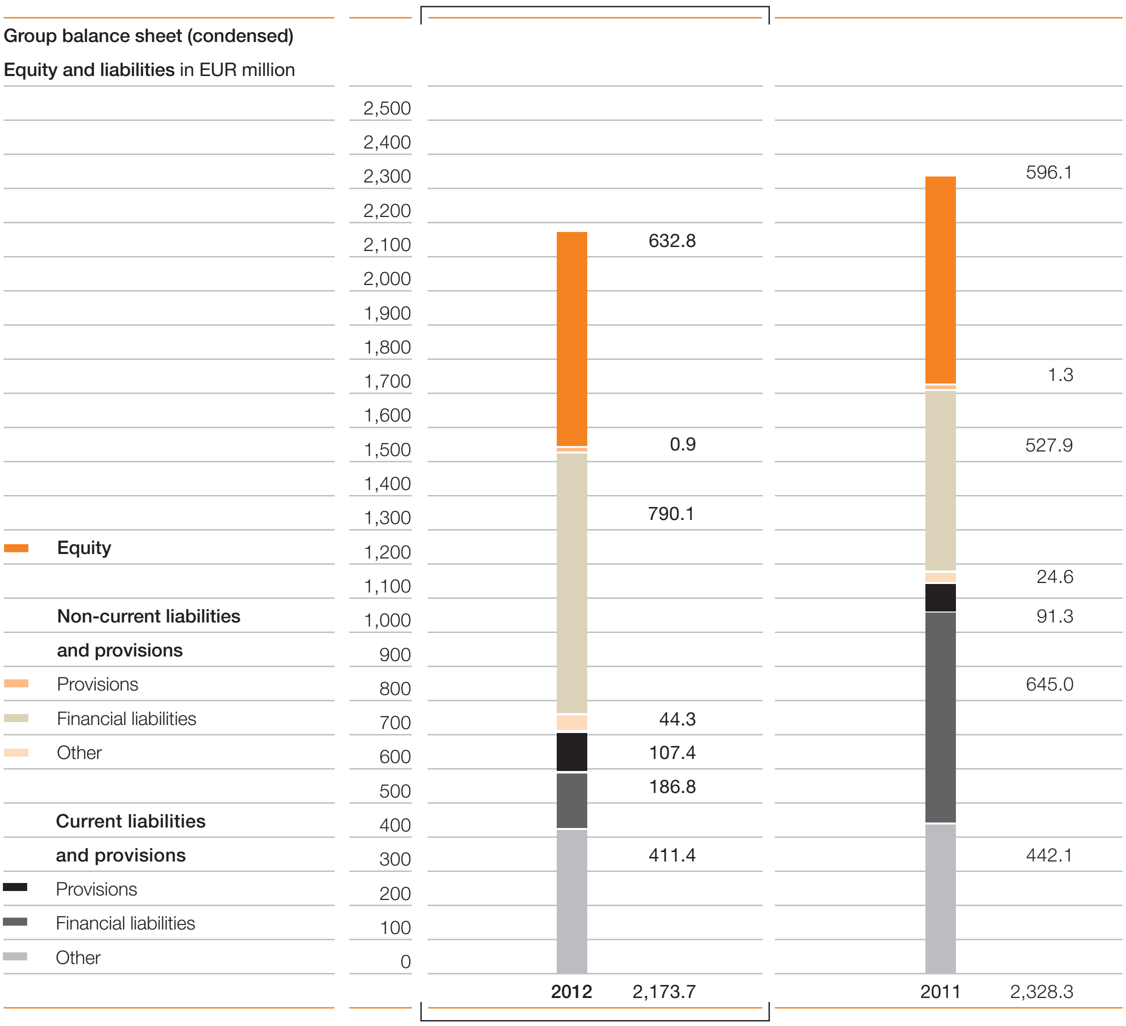
In addition to credit lines granted by banks, a commercial paper programme and borrower's note loans, Sixt has a variety of capital market instruments available to it for financing business operations.



As at the end of 2012, the Sixt Group was primarily financed by the following instruments:

- a bond with a nominal value of EUR 250 million, maturing in 2018 and bearing a coupon of 3.75 % p.a.
- a bond with a nominal value of EUR 250 million, maturing in 2016 and bearing a coupon of 4.125 % p.a.
- borrower's note loans totalling EUR 402 million maturing between 2013 and 2019 and bearing fixed and variable market rates of interest
- credit lines with a number of reputable banks in Germany and abroad

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



7.2 Equity

As at 31 December 2012 the Group's equity amounted to EUR 632.8 million after EUR 596.1 million at the same reporting date per the end of the previous year. This increase of EUR 36.7 million equals 6.2%, and is mainly due to the consolidated profit generated. The equity ratio rose from 25.6% as at the prior year's reporting day to 29.1% of the balance sheet total. This means that the Sixt Group continues to report an equity ratio significantly higher than the average in the German rental and leasing industry.

In the year under review treasury shares were retired (1,797,568 ordinary shares and 594,846 preference shares with a proportion in the share capital of around EUR 6.2 million) through a simplified retirement by capital reduction, which means that the share capital of Sixt Aktiengesellschaft amounted to EUR 123.0 million (2011: EUR 129.2 million).

7.3 Liabilities

Non-current liabilities and provisions increased by EUR 281.5 million between the two reporting dates, from EUR 553.8 million to EUR 835.3 million. This increase is mainly the result of higher financial liabilities, following the issue in May 2012 of a bond with a nominal value of EUR 250 million and a term until 2018, as well as the issue of borrower's note loans in the nominal amount of EUR 145 million and terms between three and seven years. Consequently, non-current financial liabilities rose by EUR 262.2 million to EUR 790.1 million (2011: EUR 527.9 million). Alongside the bond 2012/2018 this item also contains another 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 295.2 million (2011: EUR 281.2 million).

Non-current other liabilities also went up by EUR 21.6 million to EUR 30.6 million, mainly because lease purchase loans that are classified as finance leases for refinancing lease assets with matching maturities were newly taken up.

Current liabilities and provisions declined by EUR 472.8 million year-on-year to EUR 705.6 million (2011: EUR 1,178.4 million). This reduction was essentially a consequence of lowering financial liabilities by EUR 458.2 million to EUR 186.8 million (2011: EUR 645.0 million), which in turn was above all due to the scheduled repayment of a EUR 300 million bond, a borrower's note loan in the amount of EUR 52 million, as well as the second instalment from profit participation certificates in the amount of EUR 50 million and the repayment of current bank loans.

As at reporting day trade payables also decreased by EUR 40.4 million from EUR 335.2 million to EUR 294.8 million. Other current liabilities increased by EUR 9.7 million to EUR 116.6 million (2011: EUR 106.9 million); at EUR 47.9 million this item comprised lease purchase loans (finance leases) with short maturities used for fleet refinancing (2011: EUR 61.7 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 2012, the Sixt Group reported cash flows before changes in working capital of EUR 396.6 million, which is EUR 24.9 million less than the figure for the preceding year (EUR 421.5 million). Adding in working capital results in a net cash inflow of EUR 486.4 million (2011: net cash inflow of EUR 12.8 million). This change is mainly due to a reduction of rental assets in 2012, while the previous year had still registered an increase.

Net cash used in investing activities amounted to EUR 209.2 million (2011: net cash used in investing activities was EUR 71.3 million), since the investments in the leasing fleet clearly exceeded the proceeds from the disposal of used leasing vehicles.

Financing activities led to cash outflows of EUR 240.9 million, which was essentially the result of the dividend payout and the redemption of financial liabilities (2011: cash outflow of EUR 17.9 million).

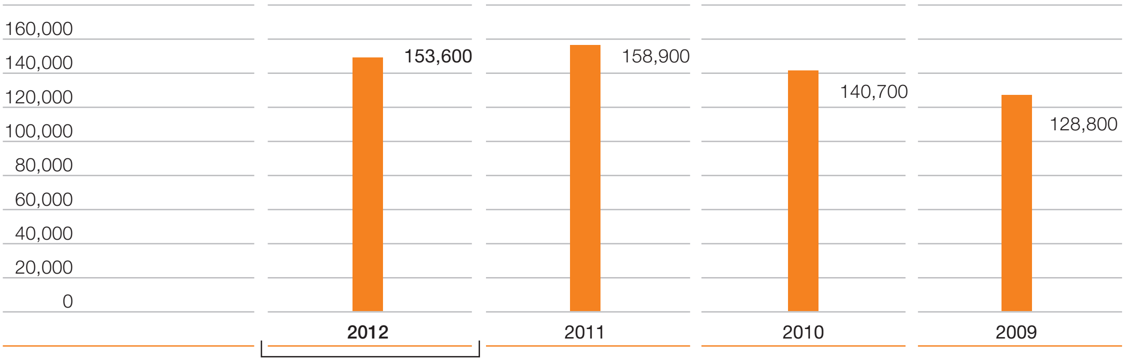
After changes relating to exchange rates (EUR -0.4 million; 2011: EUR -0.8 million), total cash flows resulted in higher cash and cash equivalents as of 31 December 2012, up by EUR 35.9 million (2011: cash outflow of EUR 77.2 million).

9. Investments

Given the uncertain economic environment the fleet policy of Sixt saw around 153,600 vehicles being added to the rental and leasing fleet in 2012 (2011: 158,900 vehicles) with a total value of EUR 3.69 billion (2011: EUR 3.75 billion). This equals a decrease of 3.3% in the number of vehicles and 1.6% in the value of vehicles. The average value per rental car was around EUR 24,100, and thus higher than the previous year's figure of EUR 23,700.

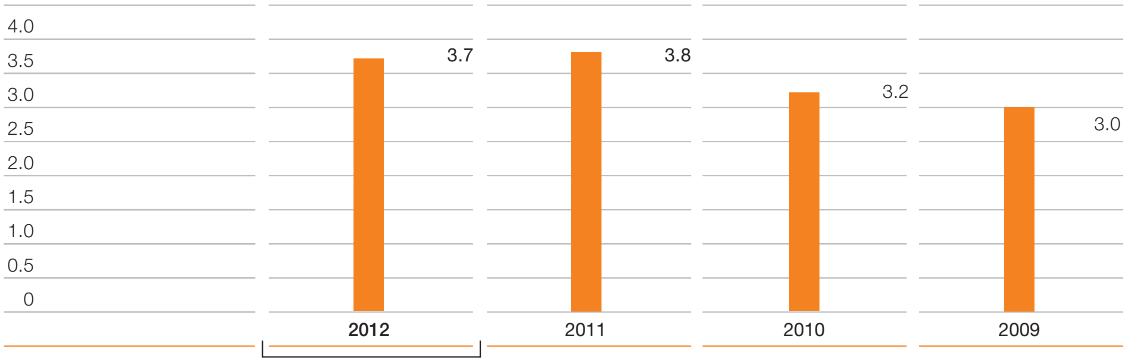
Vehicles added to the rental and leasing fleet

Number of vehicles



Vehicles added to the rental and leasing fleet

Value of vehicles in EUR billion



10. Human resources report

Sixt is a global provider of high-quality, end-to-end mobility services. As a consequence its employees meet special demands on quality of service and customer focus as they always have to orient their action to customer benefits. To this end they make their customers' wishes and requirements their own and find flexible and appropriate solutions for the respective requirements within a short period of time. Their competence, commitment and appearance influence customers' choices when selecting a mobility partner, making them in turn a vital factor in the company's long-term success.

Sixt attaches strategic importance to its human resources work. To successfully meet the exacting demands of customers, our employees must show professional expertise, commitment, creativity and flexibility, and must constantly be willing to take on responsibility to develop solutions in the interest of their customers. In addition and in keeping with Sixt's distinct culture of innovation, they must always strive to find improvements for the services offered and meet forever changing mobility requirements. The intensive training and continuing professional development of its senior executives and its young employees plays a vital role for the Sixt Group.

The Sixt-College in Munich offers employees a comprehensive seminar programme for professional and personal development. Over and above the regular courses, the college coordinates additional training and education seminars in the Sixt Corporate countries, as well as apprenticeships for vocational trainees. The seminar programme covered by the Sixt-College teaches key competencies such as improving sales techniques at the counter or in the field, management skills for trainees or the professional expertise required by future branch managers as well as representatives in the rental business. Next to these the programme offer includes extensive further training, among other things, in foreign languages, IT as well as soft skills for all employees. Another module in the programme is the in-house training of apprentices.

Around 2,500 employees participated in seminars at the Sixt-College in Germany and abroad, conducted over one or several days. Sixt also deploys modern technology to enable its employees to participate via E-learning. With the support of electronic and digital media this closely interlinks face-to-face training with virtual attendance.

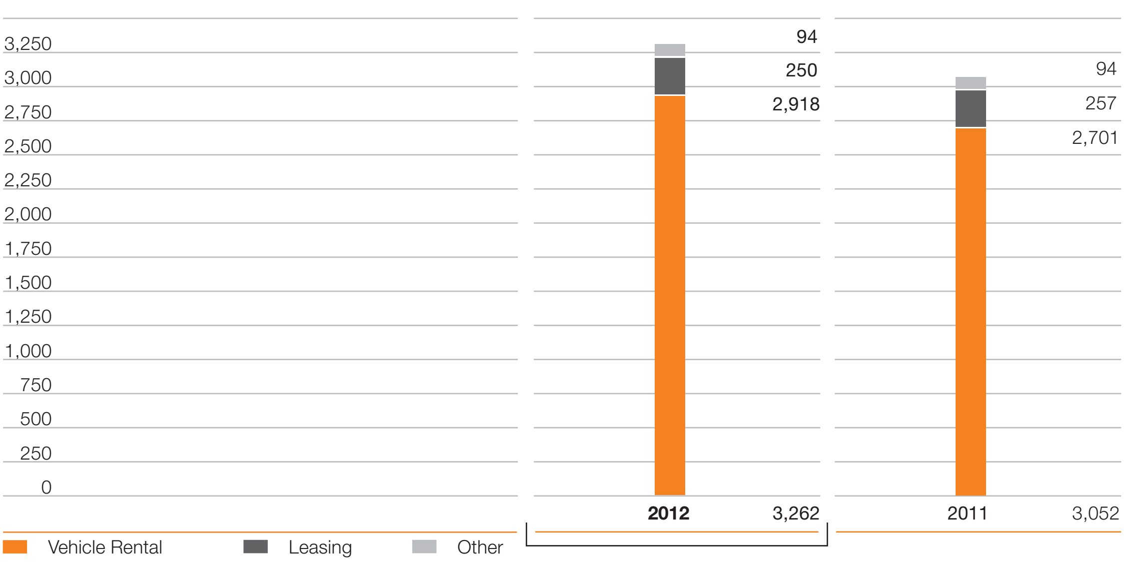
Sixt has been offering a special development programme for selected young employees for years now. Among other things, the programme strengthens employees' integration into the company and their long-term retention in the company. The training programme is furthermore augmented individualised career development measures that are set-up in cooperation with external seminar providers.

Sixt shoulders its responsibility of making qualified and thus sustainable professional training available to young people. The apprenticeships offered include automobile sales specialists, office administrators and office communication specialists. At the year-end 2012, Sixt employed about 200 apprentices in Germany, and, in the year under review, 14 trainees were recruited additionally for future management assignments.

In 2012, the Sixt Group employed an average of 3,262 members of staff, which is 210 employees more, or 7%, over the previous year's average of 3,052 members of staff. This development once again is mainly attributable to the growth of operative business abroad.

The Vehicle Rental Business Unit employed an average of 2,918 people in total in 2012, some 217 people, or 8%, more than in the previous year (2,701). The Leasing Business Unit employed 250 members of staff (2011: 257) in 2012,which is a small decrease of 7 people, or 3% less. The segments Internet and Others had an average staff level of 94 employees (2011: 94).

Number of employees by business unit (average)



11. Key features of the remuneration system

The remuneration paid to members of the Managing Board and Supervisory Board meets the statutory requirements that were valid at the time at which the remuneration was determined and complies largely with the recommendations and suggestions contained in the German Corporate Governance Code.

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

The fixed component is commensurate with the responsibilities and the individual performance of the Board member in question. In addition to the fixed component, the members of the Managing Board – like other senior executives of the Sixt Group – also receive non-cash benefits in the form of a company car. Furthermore, a D&O insurance policy has been taken out for individual members of the Managing Board.

The variable portion of the remuneration is based on consolidated profit before taxes (EBT). Variable remuneration only becomes payable to Managing Board members once a defined minimum EBT has been reached. Contracts of service with Managing Board members impose a cap on the variable portion of the remuneration.

The remuneration paid to members of the Managing Board and the Group's senior executives also includes a share-based payment component, 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.
D&O insurance policies have also been taken out for members of the Supervisory Board.

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 HGB (HGB – German Commercial Code)

As at 31 December 2012 after capital reduction through retirement of treasury shares, the subscribed capital of Sixt Aktiengesellschaft amounted to EUR 123,029,212.16 in total and was composed of 31,146,830 ordinary bearer shares, two ordinary registered shares and 16,911,454 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 2012, the ordinary shares therefore accounted for a total of EUR 79,735,889.92 of the subscribed capital, and the preference shares for a total of EUR 43,293,322.24. All 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 on the minimum dividend, 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.

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 2012, Erich Sixt Vermögensverwaltung GmbH, in which all shares are held by the Sixt family, held 18,711,822 ordinary voting shares, conveying 60.1% of the voting rights of the subscribed capital. 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 2012.

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 further 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 5 June 2017, with the consent of the Supervisory Board, by up to a maximum of EUR 64,576,896.00 by issuing new no-par value bearer shares against cash and/or non-cash contributions (Authorised Capital). The authorization 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 authorization to exclude shareholders' subscription rights in specific cases, follow from the aforementioned Article of the Articles of Association. The authorization 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 6 June 2012 resolved to authorize the Managing Board, in accordance with section 71 (1) no. 8 of the AktG and until 5 June 2017, to purchase ordinary bearer and/or preference bearer shares of the Company representing up to a total of 10% of the Company's share capital in existence at the date the authorization was granted. At no point shall the shares acquired under above authorisation, together with other treasury shares owned and assigned to the company under sections 71d and 71e of the AktG, represent more than 10% of the share capital. With the approval of the Supervisory Board the authorization 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 authorization may be exercised for any purpose permitted by law. Acquisitions for the purpose of trading in treasury shares are excluded.

As at 31 December 2012 the Company held no treasury shares.

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

- The creditors of 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 organization, but excluding affiliated subsidiaries of the issuer within the meaning of sections 15 to 18 of the AktG.

- The creditors of the 2012/2018 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 organization, 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.

Furthermore, there are individual cases in which Group companies have concluded vehicle delivery contracts, under which the supplier reserves the right in the event of a change in control to assert a potential right of termination.

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 internationalization 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 general economic environment across the globe, Europe and especially in Germany, as this has a major effect on the investment inclination and spending propensity of customers and, in turn, on the demand for mobility services.

During phases of economic weakness, demand for mobility services may fall as a result of cost-saving measures by companies and private households. Higher default risks (sector risks, counterparty credit risk) can also generally be expected in these times. A downturn in the overall economy could therefore adversely affect demand 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, but also in 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 and hence the demand for travel can only be made to a very limited extent, if at all, even over the short term.

Sixt intends to increase its revenue and market share in both business areas continuously through expansion above all in key western European countries and the USA, where the company started operations in 2011. 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 internationalization strategy involves various risks including market-specific, legal, fraud, financial and personnel risks. These include possible incorrect assessments of market conditions in the countries in question, changes to national legal frameworks, the costs associated with the establishment of an effective business organization and the need to find qualified management personnel and suitable employees. In the case of acquisitions, there are also the customary transaction risks. 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 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 our 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.

Alongside the general economic conditions, 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, which makes it therefore difficult to forecast.

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. Declining demand can result in a lower-than-expected utilisation of the rental fleet that is provided up-front, which in turn can affect the profitability of rental products adversely. This is why sophisticated, reliable and tried-and-tested fleet management tools are all the more important.

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 briefly rebounding in 2012, there are still only very limited opportunities for additional revenues from vehicle sales in excess of the calculated residual carrying amounts.

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 the 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-than-expected revenue from selling used rental cars on the open market.

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 and downturns, as well as in phases of increased demand, during which the requirements for mobility services are even more difficult to predict. Flexible supply agreements enable Sixt to a certain extent to react at short notice 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 achieves the highest possible level of fleet utilisation.

In order to minimise the risks associated with the sale of vehicles, approximately 94% of all rental vehicles added to the fleet in 2012 were covered by fixed buy-back agreements with the manufacturers or dealers. This means that repurchase conditions 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).

Commercial customers from the Vehicle Rental Business Unit, who receive vehicle quotas on account, 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 the International Accounting Standard 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 dependent on the developments on the used car market, particularly in Germany. As far as pricing is concerned, the used vehicle market recorded a positive development lately. Consequently, there are limited opportunities for additional revenues to be generated from vehicle sales that will exceed the estimated residual values. However, given the economic uncertainties the risk of realisable prices falling again, remains.

In addition, the risk that contractual partners, in particular dealers, may not be able to meet their repurchase commitments cannot be excluded.

6. Risk management – leasing

The essential risks to the operating activities of the Leasing Business Unit generally relate to the resale of vehicles, including defaults from take-back obligations, leasing customers' ability to pay (risk of creditworthiness) and changes in interest rates (interest rate risk).

In order to guard against the risks associated with the resale of vehicles, the Leasing Business Unit also by and large secures the residual value of vehicles with buy-back agreements. At the end of

2012, the calculated residual values of around 75% 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 Auto-land" 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).

Sixt minimises the interest rate risks resulting from a possible change in market rates by agreeing interest escalation clauses in master agreements with corporate customers. The majority of new lease contracts with large customers are concluded under such master agreements. 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.

The forecasts from economic experts by and large assume a general economic downturn in 2013, in particular in Europe. This means that Sixt must continue to reckon with a higher probability of leasing customers defaulting.

Sixt assesses the creditworthiness of each new customer 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 has established risk metering and 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 fleet operator. 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.

7. Financial 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, interest rate swaps or other interest rate derivatives 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, financial institutes may radically 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, depending on the market situation, are having to accept increased risk premium 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 financial institutes have to comply with when granting credit require that they underlay 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 May 2012, Sixt Aktiengesellschaft successfully placed on the capital market a bond with a total volume of EUR 250 million and a six-year term. In addition, in the course of 2012 the Company issued borrower's notes with three to seven year terms at a total volume of EUR 145 million. These offered the Group further financial scope for its operations and, due to the long terms, improved the maturity profile of the financial liabilities. For the future it is once again impossible to rule out entirely the possibility that the capital markets will have only a limited capacity and willingness to absorb such issues.

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 and as basis for further business models. 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 affect the use of the Internet as an independent and cost-effective sales and communications channel. The population's general usage of the Internet is developing in the other direction, however. Accordingly, it has to be noted that the customers' use of Internet-based offerings and products of the Sixt Group has been continually rising for years. Above all on the background of media convergence, i.e. the convergence of different technical devices and services and the ever-increasing presence of online-services in every-day life, one may well assume that the utilization 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.

In general, the business activities of the Sixt Group are subject to numerous legal and governmental rules and regulations as well as individual agreements with business partners. These have the potential to lead to official reviews and examinations or legal disputes that in certain circumstances might have to be settled in court.

The Spanish competition authority (Comision Nacional de la Competencia) is currently pursuing two judicial inquiries against various car rental companies that are also directed, among others, against SIXT RENT A CAR S.L. and Sixt Aktiengesellschaft. At first the competition authority had initiated the two judicial inquiries against various other rental companies in Spain and the Spanish airport operator, AENA, a public entity, over alleged price fixing at various Spanish airports and concentrated anti-competition behaviour at Spanish airports, apparently conducted in collaboration with AENA. In April 2012 the judicial inquiries were extended to look at SIXT RENT A CAR S.L. and in November/ December 2012 also at Sixt Aktiengesellschaft. The inquiries' findings are presently pending. Sixt is of the opinion, though, that the accusations raised by the Spanish competition authority against Sixt are unfounded in both cases. However, should the Spanish competition authority arrive at a different opinion, this could result in substantial fines.

The insolvency administrator of a former business partner has filed claims for damages at the competent German court against one of the companies of the Sixt Group, alleging apparently inadmissible usage of trademarks. The insolvency administrator is claiming damages of at least EUR 12 million, plus interest, but has left the actual determination of the amount to the discretion of the court, which could also decide on a higher damages amount. Sixt is of a different opinion and has requested that the claims be dismissed. The court's decision is still pending.

Provisions have been recognized in the balance sheet to the extent deemed necessary by the Sixt Group.

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 greater fluctuation 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 in the partners’ market or business strategies. However, a number of these partnerships have been in place for many years and are based on a spirit of long-term and trustworthy collaboration. In addition to these Sixt is permanently adding to its network partners from different industries.

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 statement and the consolidated financial statement 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

Most economists expect to see the world economy cooling down still further in 2013, albeit without the danger of a global recession. In October last year the International Monetary Fund (IMF) revised its forecast for global growth in 2013 downwards once more, putting economic growth at 3.6% (from 3.9%). According to the analysts from M.M. Warburg the main risks are a potential escalation of the sovereign debt crisis in Europe, the economic and budgetary risks in the USA, significant economic downturns in emerging countries, yield hikes on the bond markets as well as simmering geo-political risks, such as the ongoing crisis in the Near East.

Nonetheless, early indicators in many other Western industrialized countries as well as emerging countries have recently recovered again. Given the indebtedness of public and private households, though, this means that the economic environment remains tricky, according to M.M. Warburg. In 2013, the lion's share of global growth will once again be born out by the emerging countries in Asia and Latin America, above all China. These countries meanwhile account for almost 50% of the aggregated global domestic product (based on the respective national GDP in relation to purchasing power parities).

For the German economy the IMF foresees GDP growth of 0.9% in 2013, on a par with the growth rate in 2012. This would mean that Germany once again is pulling ahead within the Euro area, for which an increase of just 0.2% has been forecast. The German Government, on the other hand, is less optimistic and expects economic output to grow by merely 0.4%, following on the downgrade of its forecast in the autumn of 2012. The Munich-based ifo-institute reckons that after an interlude of stagnation in economic output in the course of the year, private consumption and increasing demand for German exports from outside of Europe will come through again. This assumption is contingent on the Euro crisis not aggravating any further, which in turn is based on a continuation of fiscal consolidation in the crisis-ridden states.

Sources:
International Monetary Fund (IMF): World Economic Outlook, October 2012 Update
ifo-Institut, Munich: Economic forecast 2012/2013, 13 December 2012
M.M. Warburg & Co., Hamburg: Kapitalmarktperspektiven (Capital Market Outlook), January 2013
Jahreswirtschaftsbericht (Annual Economic Report) of the German Federal Government, 16 January 2013

2. Sector-specific environment

2.1 Vehicle rental

In view of the slackening economy forecast by economic analysts for 2013, Sixt anticipates that the conditions for vehicle rental will become more difficult. Travel activities in Germany, which is Europe's key rental market, are expected to stagnate. The Arbeitsgemeinschaft Deutscher Verkehrsflughäfen (Association of German Passenger Airports) estimates growth in passenger figures to be as small as 0.4%, with inner-German traffic set to decline and with only moderate growth in European travel. The reasons cited for this development are the persistent effects of the Euro-crisis and the weak economy in many European countries.

Looking ahead over the long term Sixt foresees rental cars continuing to gain significance as alternatives to owning a car. This assessment is based, among other things, on the continuously rising costs for maintaining and operating vehicles, which are increasingly straining the mobility budgets of companies and private individuals. These include fuel costs, expenses for maintenance and wear and tear, vehicle tax and insurance, all of which have already registered substantial price hikes over the last few years. Therefore Sixt is convinced that classic vehicle rental as well as newer mobility offers such as carsharing, are set to gain further appeal over the acquisition of an owned car. Also of increasing significance are such integrated offers as Sixt unlimited, which enables customers to have their entire private and professional mobility covered by rental cars.

The Company expects that the European vehicle rental industry will remain a growth market in the long term. Sixt sees large potential in the core countries of Western Europe, where Sixt's market share is still significantly lower than in Germany. Nonetheless, in the last years Sixt has managed to increase its market share on a European level and is continuously working to expand it still further. The Group's activities in the USA, the world's largest car rental market, are seen to hold special potential. In addition, the countries in Eastern Europe, as well as the emerging economies of Latin America and Asia, are showing growing demand for mobility services alongside their dynamic economic growth. It is the Company's opinion that the industry's consolidation in favour of large international providers is set to continue.

2.2 Leasing

The growth perspectives of leasing companies are deemed to be difficult. According to a study conducted by the ifo-Institute for the Bundesverband Deutscher Leasing-Unternehmen e.V. (BDL – German Association of Leasing Companies), this is due to the lacklustre perspectives the West-European automobile industry is facing in 2013. Thus, data published by the Verband der Automobilindustrie e.V. (VDA – German Association of the Automotive Industry) indicates that new registrations will drop by around 3.0% in Europe and by around 2.0% in Germany. Commercial vehicles are even expected to see a more substantial decrease. All the same, in the past the leasing companies have successfully managed to generate growth even in difficult economic situations. One key aspect here was that leasing played a role in financing new, energy-saving technologies.

As far as equipment and machinery is concerned, the ifo-Institute expects the industry to increase its capital expenditure slightly, not least because of the backlog in demand from projects postponed the year before. In this sector the introduction of energy-saving technologies also played a major role.

In addition, the planned reform of leasing relations in the International Accounting Standards (IAS 17 – Leases) has not yet been finally approved. According to the draft paper, rental and leasing relations and the resulting usage rights and obligations are to be recognised on the lessee's balance sheet in future. This would also affect pure operating leases. After its review the draft is to be published once more for comments. This means, however that the risk remains that the reform will affect negatively the readiness of corporations to finance future investments through leasing.

3. Strategic focal points and opportunities for the Sixt Group

The Managing Board considers the Sixt Group to be in a very strong strategic, operating and financial position. Over the last few years the Company secured and even managed to partly expand its strong market position in the German vehicle rental and leasing market, won market shares in numerous foreign markets and extended its range of services by offering innovative mobility services.

The objective remains to outgrow the market average in both business units, Vehicle Rental and Leasing, which continue to offer large expansion potential, above all abroad. Sixt wants to benefit from the principal trend of long-term growth in demand for mobility, in business and private settings. The Company reckons that the cost factor will come to play an ever more important role when selecting the mobility provider. For this reason, Sixt's communication with customers will continue to focus on the message that the Company's mobility services are the basis for cost transparency and a sustainable reduction of mobility costs.

One of Sixt's special competitive strengths is the Group's outstanding equity and financing basis. Over the past years Sixt has optimised its financing structure, to which end the Group deploys a wide range of financing instruments. In view of the planned further growth, in particular outside Germany, Sixt is invested with sizeable operative and strategic room for manoeuvre.

The **Vehicle Rental Business Unit** will focus above all on the following issues in 2013:

- **Expanding internationalisation:** In the last few years Sixt has continually increased its share of foreign operations. The long-term target remains to increase the share of rental revenues generated abroad, from currently one third to around 50%. As the Company's market shares in the essential European core markets are still substantially below the domestic market share, the growth opportunities are significant. In addition, the Company expects the rental business in North America to generate additional growth. Alongside expansion from internal resources, Sixt continues to examine the opportunities for targeted acquisitions of local and regional competitors. However, Sixt applies consistently strict criteria to the earnings, risk profile and corporate culture of potential acquisition candidates.

- **Expanding the franchise network:** The expansion of its worldwide network of franchisees is a vital component in Sixt's internationalisation. Focus is on the large economic growth regions in the Asia-Pacific region, Eastern Europe or Latin America, where demand for mobility services is set to increase rapidly over the coming years. Depending on market requirements, the services offering could extend to rental, leasing, or chauffeur services, or a combination of the products.

- **Launch of the franchise business in the USA:** 2012 also witnessed the start of a franchise network in the strategically important US market, which met strong feedback from the potential local partners. The Managing Board assumes that the first partnerships will be sealed with franchisees in 2013. Next to the USA the Canadian market is also being sounded out. The franchise network will be an important element in the expansion strategy on the North American rental market.

- **New mobility products and models:** In 2013 Sixt will expand its mobility offers that take up and serve people's changing mobility requirements. By the end of 2012 the premium carsharing service DriveNow, which was launched in 2011, recorded already more than 75,000 registered customers. Parallel to the ongoing extension of the site network the current financial year will focus on interlinking DriveNow with other means of traffic, such as public transportation services. At the start of 2013 Sixt launched another mobility product entitled MyDriver. This premium chauffeur service provides a cost-sensitive alternative to the classic taxi. MyDriver can be booked and paid with the help of a special smartphone application. For MyDriver Sixt is cooperating with efficient local chauffeur services and intends to extend the product swiftly to numerous cities and conurbations in Germany and abroad.

- **Intensifying online and mobile services:** In keeping with the Group's consistent focus on innovation, Sixt will continue to deploy new online and mobile technologies in vehicle rental. Not only are the applications for smartphones and tablet-PCs undergoing continual optimizations, but online and mobile offers are also gaining significance for Sixt also as advertising means and communication channel.

The **Leasing Business Unit** will focus above all on the following issues in 2013:

- **Expanding fleet management:** A stronger weighing of services in the fleet management offering for companies will also remain a central issue for Sixt Leasing in 2013. Against the background of rising cost pressure in many companies and firms, the need to achieve transparency in mobility costs is growing, followed by the second step of reducing these costs. Important instruments, such as the online-based reporting tool “Fleet Intelligence”, will be further optimized in line with customer wishes and requirements and fitted with new functions. The aspect of low-emission and environment-friendly cars plays an ever more important role.

  The Group company Sixt Mobility Consulting, which also assists customers who do not cooperate with Sixt for finance leasing and which provides advise in all questions of fleet management, is planning to extend its services still further in 2013. The general aim is to sharpen the profile of Sixt Leasing as a bank and manufacturer-independent full-service provider addressing all questions of mobility coverage for companies and private persons alike.

- **Integrated offers:** Sixt will target the development of integrated vehicle rental and leasing offerings to better utilize one of the unique strategic and competitive advantages of the Group. In particular business and corporate customers will find specific solutions tailored to their individual needs. The individual mobility requirements of customers will be met with leasing as well as rental and ancillary services.

- **Strengthening private customer business:** Sixt Leasing will continue the offensive that it initiated in its private customer business in 2012. A key role in this is accorded to the relaunch of the leasing website www.auto.sixt.de, whose user-friendliness was optimized in 2012, in particular for configuring vehicles of choice and determining their prices.

- **Foreign expansion:** Expansion abroad with in-house activities or via franchise partners remains an unchanged strategic focal point for the Business Unit. International expansion in the Leasing Business Unit could also be effected by targeted acquisitions of companies or customer portfolios, subject to strict criteria being applied in relation to profitability and risk profile.

4. Financial outlook

Given that economic conditions are generally restrained, above all in the Euro area, Sixt is readying itself for a challenging financial year 2013. The economic environment should mean that companies will make more efforts to save, which in turn could adversely affect travel activities of business customers. This view is underlined, among other things, by the traffic forecast for German airports, which estimates that inner-German air traffic is set to decline in 2013 and also assumes that European air traffic will weaken.

Against the background of these forecasts Sixt expects domestic demand in the Vehicle Rental Business Unit to drop, while outside of Europe and the USA expectations are for the growth trajectory to continue. Nonetheless the strong growth of the previous year is likely to weaken. Sixt has adapted its fleet planning to these potential market developments and currently expects its domestic average fleet portfolio to be smaller in 2013. All in all, the Managing Board expects that consolidated rental revenues will contract slightly in the current year.

The general economic environment, in particular the lacklustre western European automotive industry, could negatively impact the investment behaviour of leasing customers. On the other hand, increasing cost pressure inside companies holds new opportunities for full-service providers, above all in the areas of consulting and fleet management. Against the backdrop of invigorated sales efforts, also in the private customer segment, and the slight increase in the contract portfolio in 2012, Sixt expects revenues in the Leasing Business Unit to remain stable or even grow slightly in 2013.

In 2013 Sixt will once again adhere to the principle of giving preference to adequate margins over volume growth ("Earnings before growth"). Over and above this, special attention will be paid to general cost management, whereby strategic growth initiatives, such as the expansion in the USA, will continue in full.

Subject to the general economic outlook in Europe not worsening further than projected, the Managing Board reckons that the Sixt Group will generate pre-tax earnings slightly below the previous year's level, albeit with an earnings position and return on equity that is satisfactory once again in the prevailing market conditions.

Sixt continues to pursue the long-term objectives for both Business Units to grow above the market average and to generate 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 2012."

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

The corporate governance declaration in accordance with section 289a of the HGB is contained in this 2012 Annual Report as part of the Corporate Governance Report (page 17ff.) and is available to the general public online at http://ag.sixt.de/en/investor-relations.

G. Report on post-balance sheet date events

There were no events after the end of financial year 2012 of special significance for the net assets, financial position and results of operations of the Group.

Pullach, 18 March 2013

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT	DR. JULIAN ZU PUTLITZ	DETLEV PÄTSCH

Sixt – always a step ahead.

Scaling the peaks.

And even if it wasn't all easy going, the Sixt story is paved with success. Thanks to its innovative power, a strong team and great customer satisfaction, Sixt has always been a pitch ahead of the competition when it comes to hitting the high spots.


SIXT

The following independent auditor's report ("Bestätigungsvermerk") was issued in accordance with section 322 HGB (German Commercial Code) on the IFRS Financial Statements 2012, which were prepared in the German language. The translation of the independent auditors' report ("Bestätigungs-vermerk") 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 2012. 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, 18 March 2013

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

RESPONSIBILITY STATEMENT

by Sixt Aktiengesellschaft, Pullach, for Financial Year 2012

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, 18 March 2013

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT	DR. JULIAN ZU PUTLITZ	DETLEV PÄTSCH

Sixt – always a step ahead.

One of our greatest strengths: we never forget our roots.

Despite our international flair and global reach – Sixt remains true to its roots as a family-run company. From our Munich base we steer our course of continued success with high flexibility, entrepreneurial vision and an intuitive feel for the needs of tomorrow's customers. And get to the top of the tree ahead of the competition.


SIXT
the spirit of mobility

CONSOLIDATED INCOME STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2012

	Notes		EUR		EUR
			2012		2011
Revenue	[4.1]		1,595,632,980		1,563,727,293
Other operating income	[4.2]		38,230,794		38,426,867
Gross revenue			**1,633,863,774**		**1,602,154,160**
Fleet expenses and cost of lease assets	[4.3]		643,196,250		644,591,698
Personnel expenses	[4.4]				
a) Wages and salaries		139,900,737		128,907,869	
b) Social security and other pension costs		22,527,314		20,665,948	
			162,428,051		149,573,817
Depreciation and amortisation expense	[4.5]				
a) Depreciation of rental vehicles		163,995,535		169,098,289	
b) Depreciation of lease assets		140,283,017		142,421,445	
c) Depreciation of property and equipment and investment property		6,944,778		7,439,390	
d) Amortisation of intangible assets		2,872,602		2,704,464	
			314,095,932		321,663,588
Other operating expenses	[4.6]		346,475,283		296,468,135
Profit from operating activities (EBIT)			**167,668,258**		**189,856,922**
Net finance costs	[4.7]				
a) Interest income		2,155,750		5,404,372	
b) Interest expense		54,396,878		58,089,622	
c) Other net financial income		3,145,577		1,734,633	
			-49,095,551		-50,950,617
Profit before taxes (EBT)			**118,572,707**		**138,906,305**
Income tax expense	[4.8]		39,375,841		41,438,888
Consolidated profit for the period			**79,196,866**		**97,467,417**
Of which attributable to minority interests	[4.9]		33,082		-265,116
Of which attributable to shareholders of Sixt AG			**79,163,784**		**97,732,533**
Earnings per ordinary share – basic	[4.10]		1.64		1.99
Earnings per preference share – basic	[4.10]		1.66		2.01

Statement of Comprehensive Income		
in EUR thou.	**2012**	2011
Consolidated profit	79,197	97,467
Recognised in other comprehensive income		
Currency translation gains/losses	888	-1,389
Impairment losses/reversals of impairment losses/disposals on available-for-sale assets	544	-257
Related deferred tax	-135	64
Total comprehensive income	**80,494**	**95,885**
Of which attributable to minority interests	33	-265
Of which attributable to shareholders of Sixt Aktiengesellschaft	80,461	96,150

CONSOLIDATED BALANCE SHEET

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2012

Assets	Notes	EUR **31 Dec. 2012**	EUR 31 Dec. 2011
Non-current assets			
Goodwill	[4.11]	18,442,000	18,442,000
Intangible assets	[4.12]	13,000,683	9,902,037
Property and equipment	[4.13]	51,130,502	47,366,784
Investment property	[4.14]	3,078,025	3,113,213
Lease assets	[4.15]	740,372,836	674,659,243
Non-current financial assets	[4.16]	2,421,005	1,218,584
Non-current other receivables and assets	[4.17]	6,861,790	6,112,040
Deferred tax assets	[4.8]	13,585,231	12,947,624
Total non-current assets		**848,892,072**	**773,761,525**
Current assets			
Rental vehicles	[4.18]	926,175,598	1,196,429,477
Inventories	[4.19]	34,406,158	21,151,790
Trade receivables	[4.20]	244,857,390	239,856,866
Current other receivables and assets	[4.21]	50,216,243	47,121,280
Other financial assets	[4.21]	-	15,015,000
Income tax receivables	[4.21]	1,884,335	3,540,059
Cash and bank balances	[4.22]	67,280,284	31,373,591
Total current assets		**1,324,820,008**	**1,554,488,063**
Total assets		**2,173,712,080**	**2,328,249,588**

Equity and Liabilities	Notes	**EUR** **31 Dec. 2012**	EUR 31 Dec. 2011
Equity			
Subscribed capital	[4.23]	123,029,212	129,153,793
Capital reserves	[4.25]	206,701,237	200,424,622
Other reserves	[4.26]	303,055,212	292,363,684
Treasury shares	[4.24]	-	-26,009,618
Minority interests	[4.27]	23,058	151,414
Total equity		**632,808,719**	**596,083,895**
Non-current liabilities and provisions			
Non-current other provisions	[4.28]	924,779	1,319,388
Non-current financial liabilities	[4.29]	790,113,506	527,917,714
Non-current other liabilities	[4.30]	30,612,858	9,042,806
Deferred tax liabilities	[4.8]	13,608,058	15,512,223
Total non-current liabilities and provisions		**835,259,201**	**553,792,131**
Current liabilities and provisions			
Current other provisions	[4.31]	56,150,865	45,115,901
Income tax provisions	[4.31]	51,231,735	46,186,764
Current financial liabilities	[4.32]	186,832,924	645,008,844
Trade payables	[4.33]	294,825,800	335,162,258
Current other liabilities	[4.34]	116,602,836	106,899,795
Total current liabilities and provisions		**705,644,160**	**1,178,373,562**
Total equity and liabilities		**2,173,712,080**	**2,328,249,588**

CONSOLIDATED CASH FLOW STATEMENT

of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2012

Consolidated Cash Flow Statement	EUR thou.	EUR thou.
	2012	2011
Operating activities		
Consolidated profit for the period	79,197	97,467
Amortisation of intangible assets	2,872	2,705
Depreciation of property and equipment and investment property	6,945	7,439
Depreciation of lease assets	140,283	142,421
Depreciation of rental vehicles	163,996	169,098
Result on disposal of intangible assets, property and equipment	205	60
Other non-cash income and expense	3,054	2,323
Cash flow	**396,552**	**421,513**
Change in non-current other receivables and assets	-750	615
Change in deferred tax assets	-638	-3,223
Change in rental vehicles, net	106,258	-387,272
Change in inventories	-13,254	-394
Change in trade receivables	-5,001	-46,697
Change in current other receivables and assets	-3,095	-1,685
Change in income tax receivables	1,656	11,230
Change in non-current other provisions	-395	678
Change in non-current other liabilities	21,570	-31,128
Change in deferred tax liabilities	-1,904	-2,927
Change in current other provisions	11,035	-64
Change in income tax provisions	5,045	11,887
Change in trade payables	-40,336	72,119
Change in current other liabilities	9,703	-31,845
Net cash flows from operating activities	**486,446**	**12,807**
Investing activities		
Proceeds from disposal of intangible assets, property and equipment, and investment property	7,737	3,451
Proceeds from disposal of lease assets	164,884	183,807
Proceeds from disposal of current financial assets	15,015	42,290
Proceeds from disposal of non-current financial assets	235	37
Payments to acquire intangible assets, property and equipment	-24,587	-21,372
Payments to acquire lease assets	-370,880	-278,940
Payments to acquire non-current financial assets	-1,437	-547
Change in intangible assets, property and equipment due to changes in the scope of consolidation	-180	-
Net cash flows used in investing activities	**-209,213**	**-71,274**
Financing activities		
Change in treasury shares	-8,555	-9,113
Dividend payment	-36,382	-34,502
Change in current financial liabilities	-458,176	503,356
Change in non-current financial liabilities	262,196	-477,686
Net cash flows used in financing activities	**-240,917**	**-17,945**
Net change in cash and cash equivalents	**36,316**	**-76,412**
Effect of exchange rate changes on cash and cash equivalents	-410	-871
Change in cash and cash equivalents due to changes in the scope of consolidation	-	76
Cash and cash equivalents at 1 January	**31,374**	**108,581**
Cash and cash equivalents at 31 December	**67,280**	**31,374**

See also the Notes [5.1]

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2012

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	Other equity				
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 January 2012	**129,154**	**200,425**	**93,936**	**-2,875**	**201,303**	**-26,010**	**595,933**	**151**	**596,084**
Consolidated profit 2012					79,164		79,164	33	79,197
Currency translation differences				888			888		888
Dividend payments 2011					-36,382		-36,382		-36,382
Other changes	**-6,125**	6,277	28,478[1]		-61,457	26,010	-6,817	-161	-6,978
31 December 2012	**123,029**	**206,702**	**122,414**	**-1,987**	**182,628**	**-**	**632,786**	**23**	**632,809**

[1] Including transfer to retained earnings of Sixt Aktiengesellschaft (EUR 63,000 thou., 2011: EUR 36,200 thou.)

See also the Notes [4.23] to [4.27]

Sixt – always a step ahead.

Life's a beach, when Sixt is around.

You will find Sixt at the remotest corners of the Earth. Our customers enjoy the unique Sixt service in more than 100 countries, with that home-from-home feeling – everywhere in the world.

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 123,029,212.16. 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 the shares have been fully paid up. The largest shareholder is Erich Sixt Vermögensverwaltung GmbH, Pullach, which holds 60.1% 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 2012 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 2012 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.

As per the financial year the following revised Standard was required to be applied: IFRS 7 (Financial Instruments: disclosures – transfer of financial assets). This had 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 1	First-time Adoption of IFRS - Severe Hyperinflation	11 Dec. 2012	1 Jan. 2013
IFRS 1	First-time Adoption of IFRS - Government Grants	No	1 Jan. 2013
IFRS 7	Financial instruments: Disclosures – Amendments to improve disclosures on offsetting	11 Dec. 2012	1 Jan. 2013
IFRS 9	Financial instruments	No	1 Jan. 2015
IFRS 10	Consolidated financial statements	11 Dec. 2012	1 Jan. 2014
IFRS 11	Joint arrangements	11 Dec. 2012	1 Jan. 2014
IFRS 12	Disclosure of interests in other entities	11 Dec. 2012	1 Jan. 2014
IFRS 13	Fair value measurement	11 Dec. 2012	1 Jan. 2013
IAS 1	Changes in the presentation of other comprehensive income	5 June 2012	1 July 2012
IAS 12	Changes in relation to the recovery of the underlying assets	11 Dec. 2012	1 Jan. 2013
IAS 19	Employee benefits	6 June 2012	1 Jan. 2013
IAS 27	Separate Financial Statements	11 Dec. 2012	1 Jan. 2014
IAS 28	Investments in associates and joint ventures	11 Dec. 2012	1 Jan. 2014
IAS 32	Financial instruments: Disclosure and presentation	11 Dec. 2012	1 Jan. 2014
IFRS 10, IFRS 12, IAS 27	Investment Entities – Change	No	1 Jan. 2014
IFRS 10 bis 12	Transitional provisions of IFRS 10 to 12	No	1 Jan. 2013
Annual Improvements	Annual improvement project 2009 to 2011	No	1 Jan. 2013
IFRIC 20	Stripping costs during production phase of an open pit mine	11 Dec. 2012	1 Jan. 2013

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 Bundesanzeiger (Federal Gazette).

2. Consolidation

Consolidated companies

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.

With three exceptions the following wholly owned subsidiaries were fully consolidated in the consolidated financial statements of Sixt Aktiengesellschaft as at 31 December 2012 (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 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
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
Sixt Financial Services GmbH	Pullach
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG	Pullach

In addition to these, the joint ventures DriveNow GmbH & Co. KG, Munich, and autohaus24 GmbH, Pullach, (50% equity interest) were 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 companies, 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	Munich	50,000	DM	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%
Sixt College GmbH	Pullach	100,000	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%
Sixt Systems 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 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%
SXT Telesales GmbH	Berlin	25,000	EUR	100%
kud.am GmbH	Pullach	200,000	EUR	100%
Preis24.de GmbH	Pullach	88,618	EUR	25%
TÜV SÜD Car Registration & Services GmbH	Munich	50,000	EUR	50%
DriveNow Verwaltungs GmbH	Munich	25,000	EUR	50%
Sixt Franchise USA L.L.C.	Delaware	1,000,000	USD	100%
MD Digital Mobility Verwaltungs GmbH	Munich	25,000	EUR	100%
MD Digital Mobility GmbH & Co. KG	Munich	1,177	EUR	100%
SXT Services GmbH & Co. KG	Pullach	1,000	EUR	100%
SXT Verwaltungs GmbH	Pullach	25,000	EUR	100%
SXT Beteiligungs GmbH & Co. KG	Pullach	1,000	EUR	100%
SXT Beteiligungsverwaltungs GmbH	Pullach	25,000	EUR	100%
Sixt Reparatur & Service GmbH	Pullach	25,000	EUR	100%
Sixt Leasing N.V.	Sint-Stevens-Woluwe	124,000	EUR	100%
Sixt Mobility Consulting Österreich GmbH	Vösendorf	35,000	EUR	100%
TOV 6 - Systems	Kiev	407,163	UAH	100%

Also not consolidated were MOHAG Autohaus Datteln GmbH & Co. KG, Datteln, in which Sixt Group holds 95% of the fixed capital totalling EUR 10,000 and SXT Reservierungs- und Vertriebs-GmbH, Rostock, (98% of the share capital of a total of EUR 26,000), both of which are not under the control of the Sixt Group.

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 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 Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG, Pullach.
Sixt Leasing AG, Pullach, Sixt Finance GmbH, Pullach, and Sixt Transatlantik GmbH, Pullach, 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 2011 occurred: Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG, Pullach, and Sixt Financial Services GmbH, Pullach, were consolidated in the consolidated annual financial statements for the first time in the financial year. Initial consolidation date for those companies was the 1 January 2012 and the 31 March 2012 respectively.
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. SXT Reservierungs- und Vertriebs-GmbH, Rostock, was deconsolidated as at 31 May 2012. As of 1 July 2012 the previously fully consolidated autohaus24 GmbH, Pullach, was consolidated only on a pro rata basis (50%).

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 2012. 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 and 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 2012 is charged or credited to other reserves.

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.

Intra-Group 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. Intra-Group 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. 2012	31 Dec. 2011	**2012**	2011
Pound Sterling	**0.81550**	0.83690	**0.81193**	0.87140
Swiss Francs	**1.20730**	1.21640	**1.20426**	1.23213
US-Dollar	**1.31850**	1.29370	**1.29273**	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 and in combination 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 (2013 to 2016) 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 4.2%.

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 as well as 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.

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.	**2012**	2011	**2012**	2011	**2012**	2011	in %
Rental Business Unit							
Rental revenue	604,665	605,134	349,048	290,579	953,713	895,713	6.5
Other revenue from rental business	62,688	64,726	26,587	18,830	89,275	83,556	6.8
Total	**667,353**	**669,860**	**375,635**	**309,409**	**1,042,988**	**979,269**	**6.5**
Leasing Business Unit							
Leasing revenue	322,558	335,355	60,314	58,142	382,872	393,497	-2.7
Sales revenue	147,205	165,191	15,572	18,135	162,777	183,326	-11.2
Total	**469,763**	**500,546**	**75,886**	**76,277**	**545,649**	**576,823**	**-5.4**
Other revenue	6,996	7,635	-	-	6,996	7,635	-8.4
Group total	**1,144,112**	**1,178,041**	**451,521**	**385,686**	**1,595,633**	**1,563,727**	**2.0**

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

Business segments	
Rental	Vehicle rentals including other related services
Leasing	Vehicle 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 953,713 thousand (2011: EUR 895,713 thousand) and other revenue from rental business, such as insurance recoveries, subsidies, licence and franchise fees, and commission revenue amounting to EUR 89,275 thousand (2011: EUR 83,556 thousand). Other revenue from rental business includes compensation payments from third parties totalling EUR 60,413 thousand (2011: EUR 57,832 thousand).

In line with Sixt’s focus on the market segment for full-service leasing, operative leasing revenue comprises finance lease instalments (EUR 175,890 thousand; 2011: EUR 181,448 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 206,982 thousand; 2011: EUR 212,049 thousand). In the Leasing segment, compensation payments from third parties amount to EUR 4,647 thousand (2011: EUR: 4,420 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 38,231 thousand (2011: EUR 38,427 thousand) includes income of EUR 6,715 thousand (2011: EUR 8,779 thousand) from currency translation. This item also includes income of EUR 16,447 thousand (2011: EUR 10,769 thousand), among others, from forwarding costs to third parties and income of EUR 211 thousand from the reversal of provisions (2011: EUR 3,812 thousand).

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

Fleet expenses and cost of lease assets by segment	**EUR thou. 2012**	EUR thou. 2011	Change in %
Rental Business Unit	300,833	279,157	7.8
Leasing Business Unit	342,363	365,435	-6.3
Group total	**643,196**	**644,592**	**-0.2**

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

Fleet expenses and cost of lease assets	EUR thou. **2012**	EUR thou. 2011	Change in %
Repairs, maintenance, reconditioning	195,116	201,109	-3.0
Fuel	116,593	113,460	2.8
Insurance	67,589	59,340	13.9
Transportation	37,870	33,474	13.1
Taxes and charges	16,701	17,342	-3.7
Other, including selling expenses	209,327	219,867	-4.8
Group total	**643,196**	**644,592**	**-0.2**

Personnel expenses increased from EUR 149,574 thousand in 2011 to EUR 162,428 thousand in the year under review. Social security costs mainly include employer contributions to statutory social insurance schemes. [4.4]

Personnel expenses	EUR thou. **2012**	EUR thou. 2011	Change in %
Wages and salaries	139,901	128,908	8.5
Social security costs	22,527	20,666	9.0
Group total	**162,428**	**149,574**	**8.6**

Average number of employees during the year:

Employees in the Group	**2012**	2011
Female employees	1,890	1,771
Male employees	1,372	1,281
Group total	**3,262**	**3,052**

The Rental Business Unit employed 2,918 (2011: 2,701) members of staff, and the Leasing Business Unit employed 250 (2011: 257) staff. The Other segment employed 94 (2011: 94) members of staff.

Expenses for **depreciation and amortisation** in the financial year are explained in more detail below. [4.5]

As the stock in the fleet was reduced over the course of the year depreciation of rental vehicles came down by EUR 5,102 thousand to EUR 163,996 thousand (2011: EUR 169,098 thousand). Impairment losses of EUR 2,248 thousand (2011: EUR 14,685 thousand) were charged on the rental vehicles of EUR 393 million (2011: EUR 546 million). Depreciation of lease assets was EUR 2,138 thousand lower year-on-year at EUR 140,283 thousand (2011: EUR 142,421 thousand). Impairment losses of EUR 398 thousand (2011: EUR 735 thousand) were charged on the lease assets of EUR 40 million (2011: EUR 255 million).

Depreciation and amortisation expense	EUR thou.	EUR thou.	Change
	2012	2011	in %
Intangible assets	2,872	2,705	6.2
Property and equipment, and investment property	6,945	7,439	-6.6
Lease assets	140,283	142,421	-1.5
Rental vehicles	163,996	169,098	-3.0
Group total	**314,096**	**321,663**	**-2.4**

[4.6] The following table contains a breakdown of other operating expenses. In the financial year, other operating expenses increased in total by EUR 50,007 thousand to EUR 346,475 thousand (2011: EUR 296,468 thousand).

Other operating expenses	EUR thou.	EUR thou.	Change
	2012	2011	in %
Leasing expenses	58,714	50,447	16.4
Commissions	82,245	75,240	9.3
Expenses for buildings	48,480	43,213	12.2
Other selling and marketing expenses	39,566	29,944	32.1
Expenses from write-downs of receivables	12,827	20,520	-37.5
Audit, legal, advisory costs, and investor relations expenses	12,473	9,271	34.5
Miscellaneous expenses	92,170	67,833	35.9
Group total	**346,475**	**296,468**	**16.9**

Fees of EUR 355 thousand (2011: EUR 325 thousand) for the auditors of the consolidated financial statements are recognised as operating expenses in the consolidated financial statements of Sixt Aktiengesellschaft. The fees break down into audit costs (EUR 221 thousand; 2011: EUR 226 thousand), other assurance or valuation services (EUR 68 thousand; 2011: EUR 5 thousand), tax advice (EUR 66 thousand; 2011: EUR 60 thousand) and other services (EUR 0 thousand; 2011: EUR 34 thousand) provided for the parent or subsidiaries.

[4.7] Net finance costs improved year-on-year by EUR 1,855 thousand from EUR -50,951 thousand to EUR -49.096 thousand. The previous year's investment expenses contained valuation allowances charged on financial assets in the amount of EUR 180 thousand. The following table contains a breakdown of the net finance costs.

Net finance costs	EUR thou.	EUR thou.
	2012	2011
Other interest and similar income	2,018	5,288
Other interest and similar income from affiliated companies	138	116
Interest and similar expenses	-52,228	-53,498
Interest and similar expenses for affiliated companies	-208	-67
Expenses for profit participation capital	-1,961	-4,525
Net interest expense	**-52,241**	**-52,686**
Income from financial assets	3,675	3,705
Income from unconsolidated affiliated companies	85	8
Expenses for unconsolidated affiliated companies	-	-180
Other expenses for financial assets	-1,133	-
Net income from sale of securities	153	-265
Net income from derivative financial instruments	365	-1,533
Other financial net income	**3,145**	**1,735**
Net finance costs	**-49,096**	**-50,951**

The income tax expenses comprise the following: [4.8]

Income tax expenses	EUR thou.	EUR thou.
	2012	2011
Current income tax for the reporting period	42,681	47,459
Deferred taxes	-3,305	-6,020
Group total	**39,376**	**41,439**

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% (2011: 15%) was used to calculate deferred taxes at the German companies as at 31 December 2012. In each case, a solidarity surcharge of 5.5% on the corporation tax was also included and a trade tax rate of 11% (2011: 11%) was applied; an aggregate tax rate of 27% (2011: 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% (2011: 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% (2011: 15%), a solidarity surcharge of 5.5% and trade tax at 11% (2011: 11%).

Reconciliation of taxes	EUR thou.	EUR thou.
	2012	2011
Consolidated profit before taxes in accordance with IFRS	118,573	138,906
Expected income tax expense	32,015	37,505
Effect of different tax rates outside Germany	-187	499
Non-deductible operating expenses	3,985	2,548
Tax-exempt income	-133	-1,743
Current income tax for previous years	-1,262	-902
Other effects	4,958	3,532
Effective tax expense	**39,376**	**41,439**

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. 2012	31 Dec. 2011	**31 Dec. 2012**	31 Dec. 2011
Fleet	7,529	6,746	11,750	14,128
Receivables	201	-	2,194	2,032
Other assets	-	-	606	792
Other liabilities	3,222	2,524	3,952	2,926
Provisions	4,304	4,822	-	-
Tax loss carryforwards	3,223	3,222	-	-
	18,479	**17,314**	**18,502**	**19,878**
Offsetting	-4,894	-4,366	-4,894	-4,366
Carrying amount	**13,585**	**12,948**	**13,608**	**15,512**

No deferred tax assets were recognised for existing tax loss carryforwards of EUR 43,224 thousand (2011: EUR 20,491 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 33 thousand (2011: EUR -265 thousand). [4.9]

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

Dividends	EUR thou. **2012**	EUR thou. 2011
Amounts recognised as distributions to shareholders in the financial year	36,382	34,502
Dividend for financial year 2011 EUR 0.75 (2010: EUR 0.70) for each ordinary share	23,360	22,350
Dividend for financial year 2011 EUR 0.77 (2010: EUR 0.71) for each preference share	13,022	12,152

The proposal is to pay a dividend of EUR 0.55 per ordinary share and EUR 0.57 per preference share for financial year 2012, plus a special dividend of EUR 0.45 for each ordinary and preference share. This corresponds to an estimated total distribution of EUR 48,397 thousand for the year under review. The proposed dividend/special 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)		**2012**	2011
Consolidated profit for the period after minority interests	in EUR thou.	79,164	97,732
Profit/loss attributable to ordinary shares	in EUR thou.	51,087	63,300
Profit/loss attributable to preference shares	in EUR thou.	28,077	34,432
Weighted average number of ordinary shares		31,230,966	31,885,290
Weighted average number of preference shares		16,932,798	17,101,999
Earnings per ordinary share	in EUR	1.64	1.99
Earnings per preference share	in EUR	1.66	2.01

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. 2012	Foreign exchange differences	Additions	Changes in scope of consolidation	Disposals	Transfers	**31 Dec. 2012**
Goodwill	**18,488**	**-**	**-**	**-**	**-**	**-**	**18,488**
Purchased software	13,942	3	2,163	-	1,543	1,962	16,527
Internally developed software	3,502	-	-	-	-	-	3,502
Payments on account in respect of software	2,570	-	3,299	-	36	-1,962	3,871
Other intangible assets	2,522	-33	1,193	-	-	-	3,682
Intangible assets	**22,536**	**-30**	**6,655**	**-**	**1,579**	**-**	**27,582**
Land and buildings	22,875	107	6,550	164	6,525	-	23,171
Operating and office equipment	64,626	48	6,824	16	7,088	4,269	68,695
Property and equipment under construction	2,893	-	4,558	-	1,831	-4,269	1,351
Property and equipment	**90,394**	**155**	**17,932**	**180**	**15,444**	**-**	**93,217**
Investment property	**7,311**	**-**	**-**	**-**	**-**	**-**	**7,311**
Lease assets	**821,837**	**666**	**370,880**	**-**	**321,474**	**-**	**871,909**
Shares in affiliated companies	1,751	-	1,392	-	235	-60	2,848
Investments	9,536	-	45	-	-	60	9,641
Non-current financial assets	**11,287**	**-**	**1,437**	**-**	**235**	**-**	**12,489**
Total consolidated non-current assets	**971,853**	**791**	**396,904**	**180**	**338,732**	**-**	**1,030,996**

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**

Depreciation/Amortisation					Carrying amounts	
1 Jan. 2012	Foreign exchange differences	Depreciation/ amortisation in the financial year	Disposals	**31 Dec. 2012**	**31 Dec. 2012**	31 Dec. 2011
46	**-**	**-**	**-**	**46**	**18,442**	**18,442**
9,271	2	2,327	922	10,678	5,849	4,671
2,738	-	379	-	3,117	385	764
-	-	-	-	-	3,871	2,570
625	-5	166	-	786	2,896	1,897
12,634	**-3**	**2,872**	**922**	**14,581**	**13,001**	**9,902**
4,367	41	397	1,689	3,116	20,055	18,508
38,661	26	6,513	6,230	38,970	29,725	25,965
-	-	-	-	-	1,351	2,893
43,028	**67**	**6,910**	**7,919**	**42,086**	**51,131**	**47,366**
4,198	**-**	**35**	**-**	**4,233**	**3,078**	**3,113**
147,178	**215**	**140,283**	**156,140**	**131,536**	**740,373**	**674,659**
1,010	-	-	-	1,010	1,838	741
9,058	-	-	-	9,058	583	478
10,068	**-**	**-**	**-**	**10,068**	**2,421**	**1,219**
217,152	**279**	**150,100**	**164,981**	**202,550**	**828,446**	**754,701**

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**

[4.11] The **goodwill** of EUR 18,442 thousand (2011: EUR 18,442 thousand) results from the consolidation of the companies belonging to United Kenning Rental Group Ltd., Chesterfield, acquired in 2000. As in the year before, no impairment losses were recognised in the financial year.

[4.12] **Intangible assets** include internally developed software amounting to EUR 385 thousand (2011: EUR 764 thousand) and purchased software amounting to EUR 5,849 thousand (2011: EUR 4,671 thousand). The item also includes payments on account in respect of software amounting to EUR 3,871 thousand (2011: EUR 2,570 thousand) and other intangible assets amounting to EUR 2,896 thousand (2011: EUR 1,897 thousand).

[4.13] The item **property and plant** includes land and buildings for rental offices/service points and administrative buildings in Germany and abroad in the amount of EUR 20,055 thousand (2011: 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 29,725 thousand (2011: EUR 25,965 thousand). The item also includes expenses for property and equipment under construction in the amount of EUR 1,351 thousand (2011: EUR 2,893 thousand). Land charges are registered against properties for real estate financing in the amount of EUR 2,282 thousand (2011: EUR 2,597 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 1,958 thousand (2011: EUR 2,284 thousand) are secured by real property liens. Net rental income for the period is the balance of rental income of EUR 252 thousand (2011: EUR 252 thousand) and expenses of EUR 11 thousand (2011: EUR 11 thousand).

Investment property	EUR thou. **2012**	EUR thou. 2011
Net rental income for the period	241	241
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	5,007	4,836
Carrying amount as at 31 December	3,078	3,113

[4.15] **Lease assets** increased by EUR 65.7 million to EUR 740.4 million (2011: EUR 674.7 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 748 million (2011: EUR 682 million), payments of EUR 287 million (2011: EUR 329 million) are due within one year, payments of EUR 460 million (2011: EUR 353 million) are due in one to five years and payments of EUR 1 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 0.4 million in total (2011: EUR 0.7 million). Furthermore the calculation of contracts comprises residual values of EUR 104 million (2011: EUR 103 million), which are not guaranteed by third parties.

Lease assets of EUR 20.8 million 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 31.4 million (2011: EUR 39.0 million). The agreements have a residual term of up to six 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 2,421 thousand (2011: EUR 1,219 thousand) and is shown in detail in the consolidated statement of changes in non-current assets. Impairment losses of EUR 180 thousand were recognized in the previous year. [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 4.0 million (2011: EUR 3.9 million) of the total amount. The details of the agreements are as follows: [4.17]

Non-current finance lease receivables	Gross	investment	Present value of outstanding	minimum lease payments
in EUR million	**31 Dec. 2012**	31 Dec. 2011	**31 Dec. 2012**	31 Dec. 2011
Due in one to five years	4.3	4.3	4.0	3.9
Unrealised finance income	0.3	0.4		

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 2,764 thousand (2011: EUR 2,223 thousand), in each case maturing in one to five years.

The item for rental vehicles decreased from EUR 1,196.4 million to EUR 926.2 million. The decrease is due, among other things, to the lower 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 1,722 million (2011: EUR 2,093 million). For the rental assets reported at the end of the year under review, it amounted to EUR 1,024 million (2011: EUR 1,286 million). Rental vehicles in the amount of EUR 30.4 million 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.

A further proportion of the rental fleet was refinanced via finance leases as in the years before. These lease agreements are structured such that the refinanced vehicles remain attributable to the Group as rental assets in the amount of EUR 36.3 million (2011: EUR 18.4 million). The agreements 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 31,529 thousand (2011: EUR 18,417 thousand). Other inventories consist mainly of fuel. Total inventories increased by EUR 13,254 thousand to EUR 34,406 thousand (2011: EUR 21,152 thousand).

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

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

Current other receivables and assets	EUR thou. **31 Dec. 2012**	EUR thou. 31 Dec. 2011
Current finance lease receivables	4,287	4,246
Receivables from affiliated companies	1,996	2,930
Receivables from other investees	3,934	308
Other assets	41,883	43,177
Of which recoverable income taxes	1,884	3,540
Of which other recoverable taxes	10,681	15,213
Of which insurance claims	1,886	2,222
Of which deferred income	16,635	12,068
Of which miscellaneous other assets	10,797	10,134
Other financial assets	-	15,015
Of which available-for-sale financial assets	-	15,015
	52,100	**65,676**

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 (2011: EUR 4.7 million), the present value of the outstanding minimum lease payments (including fixed service fees) to EUR 4.3 million (2011: EUR 4.3 million), and unrealised finance income to EUR 0.4 million (2011: EUR 0.4 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 recognized the year before related exclusively to debt instruments.

Cash and bank balances of EUR 67,280 thousand (2011: EUR 31,374 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 36,725 thousand as against the previous year to a total of EUR 632,809 thousand (2011: EUR 596,084 thousand). Following the capital reduction through the simplified retirement of treasury shares in the year under review, the subscribed capital of Sixt Aktiengesellschaft contained in this total amounted to EUR 123,029 thousand (2011: EUR 129,154 thousand). The increase in the capital reserves by EUR 6,277 thousand to EUR 206,702 thousand (2011: EUR 200,425 thousand) results, among other things, from changes to the employee equity participation programmes, and a transfer from retained earnings related to the withdrawal of treasury shares.

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	31,146,832	79,735,890
Non-voting preference shares	16,911,454	43,293,322
Balance at 31 December 2012	**48,058,286**	**123,029,212**

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 6 June 2012, 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 5 June 2017. 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.

On account of the preceding authorisation by the Annual General Meeting and after resolution of the Managing Board the Company acquired 1,343,337 ordinary shares and 486.488 preference shares at the end of 2011. In the reporting year a further 454,231 ordinary shares and 108,358 preference shares were acquired. Subsequently the total of 1,797,568 own ordinary shares with a proportion in the share capital of EUR 4,602 thousand and the 594,846 own preference shares with a proportion in the share capital of EUR 1,523 thousand were withdrawn during the reporting year and the share capital was reduced accordingly. A correspondent amount was transferred from retained earnings and allocated to the capital reserves.

Authorised capital

The Managing Board is authorised to increase the share capital on one or more occasions in the period up to 5 June 2017, with the consent of the Supervisory Board, by up to a maximum of EUR 64,576,896 by issuing new no-par value bearer shares against cash and/or non-cash contributions (Authorised Capital). The authorization 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 fractional amounts;

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.

Taken together, the total notional amount in the share capital attributable to the new shares, for which the subscription right is excluded on account of afore authorization, and the notional amount in the share capital attributable to treasury shares and the new shares from the authorised capital, to which conversion or option rights and/or obligations from bonds and/or profit participation certificates refer and which have been sold and/or issued since 6 June 2012 under exclusion of the subscription right, may not exceed 20% of the share capital either at the time when the authorization takes effect nor at the time of their exercise.

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

Capital reserves

[4.25]

Capital reserves	EUR thou.	EUR thou.
	2012	2011
Balance at 1 January	200,425	200,005
Other changes	6,277	420
Balance at 31 December	**206,702**	**200,425**

The increase in the capital reserves by EUR 6,277 thousand to EUR 206,702 thousand (2011: EUR 200,425 thousand) results from the consideration of the employee equity participation programmes MSP 2007 and MSP 2012, and a transfer from retained earnings related to the withdrawal of treasury shares.

[4.26] ## Retained earnings

Retained earnings	EUR thou.	EUR thou.
	2012	2011
Balance at 1 January	93,936	122,475
Reclassification of share capital	-	-64,577
Other changes	28,478	36,038
Balance at 31 December	**122,414**	**93,936**

The other changes include last year's transfer to retained earnings of Sixt Aktiengesellschaft in the amount of EUR 63,000 thousand (2011: EUR 36,200 thousand).

[4.26] ## Currency translation reserve

Currency translation reserve	EUR thou.	EUR thou.
	2012	2011
Balance at 1 January	-2,875	-1,486
Differences arising on the translation of the financial statements of foreign subsidiaries	888	-1,389
Balance at 31 December	**-1,987**	**-2,875**

[4.26] ## Other equity

Other equity	EUR thou.	EUR thou.
	2012	2011
Balance at 1 January	201,303	172,148
Consolidated profit for the period	79,164	97,732
Dividend payments	-36,382	-34,502
Transfer to retained earnings of Sixt Aktiengesellschaft	-63,000	-36,200
Other changes	1,543	2,125
Balance at 31 December	**182,628**	**201,303**

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

[4.27] ## Minority interests

Minority interests	EUR thou.	EUR thou.
	2012	2011
Balance at 1 January	151	99
Consolidated profit for the period	33	-265
Other changes	-161	317
Balance at 31 December	**23**	**151**

Non-current liabilities and provisions

Non-current other provisions in the Group consist mainly of provisions for future contractual obligations under real estate contracts (reconversion and future rent). The discount rate is between 3.0% and 4.9%. In the medium term, the obligations are likely to lead to corresponding outflows of resources over a period of two to ten years. [4.28]

Non-current other provisions	Real estate	Other	Total
in EUR thou.			
Balance at 1 January 2012	1,265	54	1,319
Additions	92	22	114
Utilised	-388	-	-388
Reclassifications	-131	-	-131
Foreign exchange differences	11	-	11
Balance at 31 December 2012	**849**	**76**	**925**

Non-current other provisions	Real estate	Other	Total
in EUR thou.			
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 financial liabilities comprise liabilities from issued borrower's note loans and bonds, as well as bank loans falling due in more than one year. [4.29]

Non-current financial liabilities	Residual term of 1 - 5 years		Residual term of more than 5 years	
in EUR thou.	**31 Dec. 2012**	31 Dec. 2011	**31 Dec. 2012**	31 Dec. 2011
Borrower's note loans	235,753	256,955	35,873	-
Bonds	244,376	246,744	250,566	-
Liabilities to banks	23,171	22,919	375	1,300
Group total	**503,300**	**526,618**	**286,814**	**1,300**

Borrower's note loans with a total nominal value of EUR 402 million (2011: EUR 309 million) were issued in several tranches. Of these a nominal amount of EUR 272 million (2011: EUR 257 million) relates to non-current financial liabilities. Interest is paid at a variable or fixed rate with nominal maturities are between three and seven years.

In the financial year 2012 the Company issued new long-term borrower's notes with three to seven year terms at a total volume of EUR 145 million.

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. Alongside that, a bond was issued with a nominal value of EUR 250 million in 2012, carrying a nominal interest rate of 3.75% p.a. and a maturity of six years until 2018.

There are conditional call options for the issuer and put options for the bondholders. Bonds in the principal amount of EUR 3.8 million (2011: EUR 2.3 million) had been issued to participants in the MSP employee equity participation programme at the balance sheet date. The bonds carry an interest coupon of 6.0% p.a. or 4.5% p.a. and mature in 2014 or 2020.

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

[4.30] 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:

Non-current finance lease liabilities	Gross		Present value of outstanding	
in EUR thou.	investment		minimum lease payments	
	31 Dec. 2012	31 Dec. 2011	**31 Dec. 2012**	31 Dec. 2011
Due in one to five years	24,032	4,315	22,428	4,084
Due in more than five years	644	-	642	-
Unrealised finance portions	1,606	231		

The interest rate underlying the contracts is fixed at conclusion of the contract 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

[4.31] The liabilities included in current 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 (potential obligations arising from the termination of work contracts).

Current provisions	Income tax	Other			
in EUR thou.		Personnel	Real estate	Miscellaneous	Total
Balance at 1 January 2012	46,187	17,029	360	27,727	45,116
Additions	15,494	19,466	215	15,303	34,984
Reversals	-	-179	-	-32	-211
Utilised	-10,474	-16,850	-80	-5,759	-22,689
Reclassifications	-	-	131	-	131
Changes in the scope of consolidation	-	-1,206	-	-	-1,206
Foreign exchange differences	25	16	9	1	26
Balance at 31 December 2012	**51,232**	**18,276**	**635**	**37,240**	**56,151**

Current provisions	Income tax	Other			
in EUR thou.		Personnel	Real estate	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 financial liabilities include in particular borrower's note loans and liabilities to banks falling due within one year. They can be broken down as follows: [4.32]

Current financial liabilities	EUR thou.	EUR thou.
	31 Dec. 2012	31 Dec. 2011
Profit participation certificates	-	50,000
Borrower's note loans	129,979	51,758
Bonds	-	299,639
Liabilities to banks	39,127	226,619
Other liabilities	17,727	16,993
	186,833	**645,009**

The profit participation certificates bearing profit-dependent interest of 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 was after the Annual General Meeting to which the annual financial statements for 2011 were submitted, in June 2012.

The borrower's note loan in the nominal amount of EUR 130 million due for current repayment term carries a fixed interest rate and a nominal term of six years. The borrower's note loan with a nominal value EUR 52 million from 2007, reported last year under current financial liabilities, was repaid in 2012 as scheduled.

The bond from 2009 with a nominal value EUR 300 million and a fixed interest rate of 5.375% reported last year was repaid in 2012 to the bondholders according to plan.

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

[4.33] **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.

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

Current other liabilities	EUR thou.	EUR thou.
	31 Dec. 2012	31 Dec. 2011
Finance lease liabilities	47,942	61,684
Liabilities to affiliated companies	3,120	3,368
Liabilities to other investees	2,044	277
Other liabilities	63,497	41,571
Of which payroll-related	1,716	1,247
Of which deferred income	15,272	9,344
Of which miscellaneous	46,509	30,980
	116,603	**106,900**

Miscellaneous other liabilities include minority interests in equity and in the net profit or loss of consolidated partnerships (EUR 1,525 thousand; 2011: EUR 1,498 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 in EUR thou.	Gross investment		Present value of outstanding minimum lease payments	
	31 Dec. 2012	31 Dec. 2011	**31 Dec. 2012**	31 Dec. 2011
Due within one year	48,263	62,569	47,942	61,684
Unrealised finance portions	321	885		

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 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. 2012	Carrying amount 31 Dec. 2011	Fair value 31 Dec. 2012	Fair value 31 Dec. 2011
Non-current assets					
Non-current financial assets	AfS	2,421	1,219	2,421	1,219
Non-current finance lease receivables	IAS 17	4,035	3,889	3,960	3,835
Non-current other receivables	LaR	2,827	2,223	2,827	2,223
Total		**9,283**	**7,331**	**9,208**	**7,277**
Current assets					
Cash and cash equivalents	LaR	67,280	31,374	67,280	31,374
Trade receivables	LaR	244,857	239,857	244,857	239,857
Current other receivables and assets	LaR	45,403	42,875	45,403	42,875
Current other receivables and assets	AfS	-	15,015	-	15,015
Current finance lease receivables	IAS 17	4,287	4,246	4,172	4,111
Currency derivatives		527	-	527	-
Total		**362,354**	**333,367**	**362,239**	**333,232**
Non-current liabilities					
Bonds	FLAC	494,942	246,744	535,929	253,320
Borrower's note loans	FLAC	271,626	256,955	282,056	266,979
Liabilities to banks	FLAC	23,545	24,219	24,148	25,242
Non-current other liabilities	FLAC	47	59	47	59
Non-current finance lease liabilities	IAS 17	23,070	4,084	23,673	4,200
Interest rate derivatives		7,496	4,900	7,496	4,900
Total		**820,726**	**536,961**	**873,349**	**554,700**
Current liabilities					
Trade payables	FLAC	294,826	335,162	294,826	335,162
Bonds	FLAC	-	299,639	-	306,577
Borrower's note loans	FLAC	129,979	51,758	133,115	52,256
Profit participation certificates	FLAC	-	50,000	-	51,347
Liabilities to banks	FLAC	39,127	226,619	39,308	227,051
Current other liabilities	FLAC	86,387	62,209	86,387	62,209
Current finance lease liabilities	IAS 17	47,942	61,684	48,028	62,168
Total		**598,261**	**1,087,071**	**601,664**	**1,096,770**
Of which aggregated by IAS 39 measurement category					
Available for Sale	AfS	2,421	16,234	2,421	16,234
Loans and Receivables	LaR	360,367	316,329	360,367	316,329
Financial Liabilities Measured at Amortised Costs	FLAC	1,340,479	1,553,364	1,395,816	1,580,202
Derivatives in hedging relationships		8,023	4,900	8,023	4,900

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). At present there is no concrete intention to sell the financial assets. 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 1.1% p.a. and 2.4% p.a. (2011: between 2.3% p.a. and 4.1% p.a.) based on the respective maturities were used for discounting.

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

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

Net gains from interest rate derivatives in hedging relationships amounted to EUR 365 thousand (2011: net losses of EUR -1,533 thousand).

The net gain from the available-for-sale financial assets (AfS measurement category) amounted to EUR 153 thousand in the financial year under review (2011: net loss of EUR -265 thousand), and was mainly the result of sales proceeds. The change in the reported carrying amounts and fair values of financial assets resulted from additions to equity investments or changes in the scope of consolidation. The disposals that were recognized affected mainly extensions in the scope of consolidation. There is no intention to dispose of these equity investments.

Net gains on financial assets held-to-maturity (FAHtM measurement category) amounted to EUR 580 thousand in the financial year under review (2011: EUR 1,270 thousand).

Net gains on the LaR measurement category (measured at amortised cost) amounted to EUR 1,363 thousand in financial year (2011: EUR 1,018 thousand) and related to income from payments received on receivables previously written off.

As in the previous year, there were no net gains or losses in the financial year on financial liabilities measured at amortised cost (FLAC measurement category) that were not measured at fair value through profit or loss.

Total interest income from financial assets not measured at fair value through profit or loss amounted to EUR 2,156 thousand in financial year under review (2011: EUR 5,404 thousand). This includes interest income from finance leases in the amount of EUR 543 thousand (2011: EUR 641 thousand). Total interest expense on financial liabilities not measured at fair value through profit or loss amounted to EUR 54,397 thousand in financial year (2011: EUR 58,023 thousand). This includes interest expense on finance leases in the amount of EUR 2,147 thousand (2011: EUR 4,149 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. 2012 in EUR thou.	Level 1	Level 2	Level 3	Total
Financial assets in the category "At fair value through profit or loss"				
Currency derivatives	-	527	-	527
Financial liabilities in the category "At fair value through profit or loss"				
Interest rate derivatives	-	7,496	-	7,496

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

Sensitivity analysis

The sensitivity analysis for the reported interest rate derivatives (interest-rate swaps) 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 to the underlying (variable interest-rate financial instruments such as borrower's note loans), 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. 2012**		31 Dec. 2011
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Other non-current liabilities	1,615	-2,208	-2,910	-2,764

The sensitivity analysis for the reported currency derivatives assumes a change in exchange rates of +10/-10 percentage points. For the current assets recognized as at 31 December 2012, this would result in a change of EUR +4,560 thousand/EUR -5,573 thousand.

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 249 million in its portfolio at the balance sheet date (2011: EUR 200 million). The fair value of the transactions was EUR -7.5 million (2011: EUR -4.9 million) and corresponded to the market price. There are hedging relationships (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 given cases, Sixt bears the resale risk relating to the vehicles. In this context too, Sixt performs regular credit checks.

Analysis of trade receivables

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

Trade receivables	Rental	Leasing	Other	Group
in EUR thou.				
Receivables not impaired				
Not past due	107,258	22,906	914	131,078
Less than 30 days	25,848	4,305	147	30,300
30-90 days	4,642	-	138	4,780
91-360 days	448	-	1	449
More than 360 days	16	-	4	20
Total receivables	**138,212**	**27,211**	**1,204**	**166,627**
Impaired receivables				
Gross receivables	92,924	33,438	37	126,399
Impairments	-43,235	-4,907	-27	-48,169
Net receivables	**49,689**	**28,531**	**10**	**78,230**
Group total 31 December 2012	**187,901**	**55,742**	**1,214**	**244,857**

Trade receivables	Rental	Leasing	Group
in EUR thou.			
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**

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 12,827 thousand in financial year under review (2011: EUR 20,520 thousand). The proceeds from payments received on receivables written off amounted to EUR 1,363 thousand (2011: EUR 1,018 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.

Analysis of receivables from insurances comprised in current other assets

All the receivables are impaired. In the Vehicle Rental Business Unit the gross receivables amounted to EUR 1,266 thousand (2011: EUR 1,533 thousand), the impairments came to EUR 943 thousand (2011: EUR 1,104 thousand), so that the resulting net receivables came to EUR 323 thousand (2011: EUR 429 thousand). In the Leasing Business Unit the gross receivables amounted to EUR 3,111 thousand (2011: EUR 3,383 thousand), the impairments came to EUR 1,548 thousand (2011: EUR 1,590 thousand), so that the resulting net receivables came to EUR 1,563 thousand (2011: EUR 1,793 thousand). The maximum default amount is the reported carrying amount of the net receivable.

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 and finance lease liabilities

The following table includes the repayment amounts (including assumed future payable interest) at their respective maturities.

Maturity	EUR thou. Borrower's note loans	EUR thou. Bonds	EUR thou. Liabilities to banks	EUR thou. Finance lease liabilities	EUR thou. Total
2013	146,397	19,889	59,973	48,262	274,521
2014	85,946	22,004	872	6,782	115,604
2015	76,690	19,762	872	15,073	112,397
2016	3,489	269,762	872	1,085	275,208
2017	92,051	9,450	975	1,091	103,567
2018	1,226	259,450	386	644	261,706
2019 and later	37,165	1,810	-	-	38,975
31 Dec. 2012	**442,964**	**602,127**	**63,950**	**72,937**	**1,181,978**

Maturity	EUR thou. Profit participation certificates	EUR thou. Borrower's note loans	EUR thou. Bonds	EUR thou. Liabilities to banks	EUR thou. Finance lease liabilities	EUR thou. Total
2012	54,525	64,365	326,578	227,500	61,749	734,717
2013	-	142,598	10,453	21,519	5,136	179,706
2014	-	82,147	12,797	858	-	95,802
2015	-	53,046	10,313	858	-	64,217
2016	-	-	260,313	858	-	261,171
2017	-	-	-	858	-	858
2018 and later	-	-	-	545	-	545
31 Dec. 2011	**54,525**	**342,156**	**620,454**	**252,996**	**66,885**	**1,337,016**

The financial liabilities and finance lease liabilities maturing in 2013 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 present.

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 29.1% at the balance sheet date (2011: 25.6%). 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 44.9% at the balance sheet date (2011: 50.4%). 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	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
External revenue	**1,042.9**	979.3	**545.7**	576.8	**7.0**	7.6	**-**	-	**1,595.6**	1,563.7
Internal revenue	**6.3**	7.5	**10.8**	11.3	**16.4**	11.7	**-33.5**	-30.5	**-**	-
Total revenue	**1,049.2**	986.8	**556.5**	588.1	**23.4**	19.3	**-33.5**	-30.5	**1,595.6**	1,563.7
Depreciation and amortisation expense	**172.9**	178.1	**140.4**	142.6	**0.8**	1.0	**-**	-	**314.1**	321.7
Other non-cash expense	**11.4**	47.5	**1.1**	6.2	**0.7**	1.2	**-**	-	**13.2**	54.9
EBIT[1]	**136.8**	151.5	**39.3**	48.7	**-8.4**	-10.4	**-**	-	**167.7**	189.8
Interest income	**1.9**	1.6	**1.1**	1.5	**57.9**	49.3	**-58.7**	-47.0	**2.2**	5.4
Interest expense	**-33.1**	-33.5	**-24.1**	-24.1	**-55.9**	-47.4	**58.7**	47.0	**-54.4**	-58.0
Other net finance costs[2]	**0.8**	-	**-**	-0.7	**2.3**	2.4	**-**	-	**3.1**	1.7
EBT[3]	**106.4**	119.6	**16.3**	25.4	**-4.1**	-6.1	**-**	-	**118.6**	138.9
Investments[4]	**18.6**	21.1	**371.1**	279.0	**7.2**	0.7	**-**	-	**396.9**	300.8
Segment assets	**1,398.6**	1,585.1	**842.1**	763.5	**1,516.8**	1,468.0	**-1,599.2**	-1,504.8	**2,158.3**	2,311.8
Segment liabilities	**881.7**	1,395.6	**800.8**	699.1	**970.7**	963.5	**-1,177.1**	-1,387.7	**1,476.1**	1,670.5
Employees[5]	**2,918**	2,701	**250**	257	**94**	94	**-**	-	**3,262**	3,052

By region	Germany		Abroad		Reconciliation		Group	
in EUR million	**2012**	2011	**2012**	2011	**2012**	2011	**2012**	2011
Total revenue	**1,152.2**	1,184.0	**457.6**	389.5	**-14.2**	-9.8	**1,595.6**	1,563.7
Investments[4]	**327.4**	256.5	**69.5**	44.3	**-**	-	**396.9**	300.8
Segment assets	**1,851.9**	2,024.5	**714.6**	573.4	**-408.2**	-286.1	**2,158.3**	2,311.8

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 (including other associated services) and Leasing (finance leasing and full-service leasing of vehicles and fleet management). 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

At the end of the financial year there were contingencies from guarantees or similar obligations in the amount of EUR 6.9 million.

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. 2012**	31 Dec. 2011
Due within one year	66.0	62.0
Due in one to five years	117.2	103.4
	183.2	**165.4**

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 58.7 million (2011: EUR 50.4 million) and mileage agreement payments amounted to EUR 7.8 million (2011: EUR 10.2 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 1,957 million (2011: EUR 1,648 million).

[5.1] ## 5.3 Explanations on the consolidated cash flow statement

The cash flow statement shows the change in cash and cash equivalents in the financial year. In accordance with IAS 7 (Cash Flow Statements), a distinction is made between cash flows from each of operating, investing and financing activities. Cash and cash equivalents correspond to the cash and bank balances item in the balance sheet. The effect of changes in foreign exchange rates on cash and cash equivalents amounted to EUR -410 thousand as at the balance sheet date (2011: EUR -871 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. 2012	EUR thou. 2011
Interest received	12,956	12,278
Interest paid	57,490	67,090
Dividends received	3,646	3,787
Income taxes paid	35,593	24,156

5.4 Share-based payment

In the year under review the Group had two employee equity participation programmes, (Matching Stock Programmes MSP). The first programme was started already in 2007 (MSP 2007), while the second programme was initiated as follow-up programme in 2012 with slightly amended conditions (MSP 2012). The programmes are recognized in the category of "equity-settled sharebased payment" programmes and are described in detail below.

In 2007 the Managing Board and Supervisory Board of Sixt Aktiengesellschaft 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 (MSP 2007). 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 were acquired later, the maturity was shortened accordingly. The total volume invested by all participants was limited to exceed 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 was EUR 25.51. After the necessary adjustment following the 1-for-1 capital increase from company funds undertaken in 2011 each MSP share entitled the holder to subscribe to fourteen phantom stock options per tranche in accordance with the MSP terms and conditions.

On each 1 December every year from 2007 to 2011 one tranche of phantom stock options had been allocated (a total of five tranches) under the employee equity participation programme (MSP). Each participant was therefore entitled to subscribe for fourteen phantom stock options a year for each MSP share (at a total of five tranches up to a total of 70 phantom stock options).

The allocated phantom stock options can only be exercised after a lock-up period of three years, starting from the allocation of the respective tranche. The phantom stock options 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 stock options 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 stock options 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 stock options of a tranche are exercised. Phantom stock options 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 stock options expire without replacement.

The exercise gain for a tranche, calculated if the phantom stock options 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 less 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 stock options 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 stock options caused by the capital action. As a consequence of the 1-for-1 capital increase from company funds undertaken in 2011 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 stock options 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 preference share from the initial price.

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

For the MSP 2007 the last time phantom stock options were granted to the participants was in 2011 in accordance with the above listed conditions.

The number of stock options under the MSP 2007 changed as follows:

Number of phantom stock options						2007 allocation
	2012	2011	2010	2009	2008	2007
Outstanding at the beginning of the financial year	1,234,800	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	-8,232	-148,176	-46,914	-160,804	-60,368	-
Exercised during the financial year	-408,856	-411,600	-	-	-	-
Expired according to the terms and conditions	-	-	-230,496	-	-	-
Outstanding at the end of the financial year	817,712	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
	2012	2011	2010	2009	2008
Outstanding at the beginning of the financial year	205,800	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	- 68,600	-	-	-
Outstanding at the end of the financial year	137,200	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
	2012	2011	2010	2009
Outstanding at the beginning of the financial year	329,280	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	-109,760	-	-	-
Outstanding at the end of the financial year	219,520	329,280	123,480	61,740
Existing contractual obligation for future grant	-	-	61,740	123,480

Number of phantom stock options			2010 allocation
	2012	2011	2010
Outstanding at the beginning of the financial year	609,168	152,292	-
Adjusted according to capital increase	-	152,292	-
Granted during the financial year	-	304,584	152,292
Returned during the financial year	-181,104	-	-
Exercised during the financial year	-	-	-
Outstanding at the end of the financial year	428,064	609,168	152,292
Existing contractual obligation for future grant	-	-	152,292

Number of phantom stock options		2011 allocation
	2012	2011
Outstanding at the beginning of the financial year	422,576	-
Adjusted according to capital increase	-	-
Granted during the financial year	-	422,576
Returned during the financial year	-60,368	-
Exercised during the financial year	-	-
Outstanding at the end of the financial year	362,208	422,576
Existing contractual obligation for future grant	-	-

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

2007 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2010	408,856	2013	1.0 years	EUR 12.33
Tranche 2011	408,856	2014	2.0 years	EUR 12.36

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

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

2010 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2010	214,032	2013	1.0 years	EUR 11.61
Tranche 2011	214,032	2014	2.0 years	EUR 11.34

2011 allocation	Number of outstanding options	Future exercise date	Residual term	Estimated conversion/ exercise price
Tranche 2011	362,208	2014	2.0 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 long-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.

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

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.

In 2012 no further stock options were granted from the MSP 2007 as it had reached the specified end of its term. As a consequence, in September 2012 the Managing Board resolved with the approval of the Supervisory Board to issue a follow-up programme to the above listed MSP 2007 with slightly modified conditions (MSP 2012). The essential modifications of the MSP 2012 are outlined in the following.

Precondition for participation is a personal investment made by acquiring bonds of Sixt Aktiengesellschaft with a coupon of 4.5% p.a. and a maturity until 2020. Every EUR 1,000 of paid-up subscription amount entitles to subscribe to 500 phantom stock options per annual tranche in accordance with the MSP terms and conditions. The subscription volume has been specified to a total of EUR 5 million for all participants.

On each 1 December every year from 2012 (first time) to 2016 (last time) one tranche of phantom stock options will been allocated (a total of five tranches), so that each participant is entitled to subscribe up to a total of 2,500 phantom stock options (5 tranches with 500 phantom stock options each) for every EUR 1,000 of paid-up subscription amount.

The allocated phantom stock options can only be exercised after a lock-up period of four years, starting from the allocation of the respective tranche. The total term of the MSP issued in 2012, including the lock-up period, is nine years until 2021.

The exercise threshold is 20% as off allocation of the respective tranche. The exercise gain for a tranche, calculated if the phantom stock options are exercised, must not exceed 5% of the regular earnings before taxes (EBT) as reported in the prior to each exercise most recent approved consolidated annual financial statements of Sixt Aktiengesellschaft. In addition, the exercise gain (before taxes) of each tranche is limited for every participant to twice his paid-up investment volume.

In the year 2012 (2012 allocation) a total of 1,316,000 phantom stock options were issued from the newly initiated MSP 2012, corresponding with the number at the end of the year. In addition, the allocation results in a contractual obligation to issue in future another 5,264,000 phantom stock options. The phantom stock options granted in 2012 carry a remaining term of 4 years (future exercise date in 2016) and an estimated exercise price of EUR 10.97. The assessment was made analogue to the aforementioned model and on the basis of similar assumptions, which were adjusted to the MSP 2012 (consideration of the individual cap for each participant) and adjusted parameters. The underlying parameters are: risk-free interest rate of 0.36%, expected volatility 39%, expected term until exercise 4 years, share price of preference share on issue date EUR 12.65.

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 2012, the Group recognised personnel expenses of EUR 1,622 thousand (2011: EUR 1,524 thousand) in connection with equity-settled share-based payments and allocated this amount to capital reserves. EUR 303 thousand of this amount relates to the “2009 allocation”, EUR 550 thousand to the “2010 allocation”, EUR 669 thousand to the “2011 allocation” (each for the MSP 2007), and EUR 100 thousand to the “2012 allocation” (MSP 2012).
This was offset by a withdrawal from the reserves from the exercise of the tranche issued in 2009 (MSP 2007) in the year under review.

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	
	2012	2011	**2012**	2011	**31 Dec. 2012**	31 Dec. 2011	**31 Dec. 2012**	31 Dec. 2011
Sixt Franchise SARL	0.7	0.7	-	-	-	-	0.2	0.1
Sixt Aéroport SARL	-	-	4.3	3.5	-	-	0.4	0.4
Sixt Sud SARL	-	-	2.6	2.9	-	-	0.3	0.4
Sixti SARL	-	-	2.3	1.8	-	-	0.4	0.5
Sixt Nord SARL	-	-	3.0	2.8	-	-	0.6	0.6
UNITED rentalsystem SARL	-	-	2.3	2.2	-	-	0.3	0.2
Sixt GmbH	-	-	-	-	-	0.2	-	-
SIXT S.à.r.l., Luxembourg	0.3	[1]	[1]	-	0.8	0.6	-	-
Sixt College GmbH	-	-	-	-	-	-	0.1	0.1
SIXT S.A.R.L., Monaco	0.4	[1]	0.2	-	0.8	0.9	-	-
Sixt Executive France SARL	-	-	1.9	0.1	-	-	0.5	0.1
kud.am GmbH	-	-	-	-	[3]	0.1	-	-
SXT Telesales GmbH	-	-	-	-	[2]	[2]	-	-
Sixt Immobilien Beteiligungen GmbH	-	-	-	-	-	-	0.1	0.1
Sixt Executive GmbH	-	-	-	-	-	-	0.1	0.1
Sixt International Holding GmbH	-	-	-	-	0.1	0.1	-	-
Sixt Franchise USA L.L.C.	0.4	-	-	-	0.2	-	-	-
e-Sixt Verwaltungs GmbH	-	-	-	-	-	-	0.1	-

[1] Amount less than EUR 0.1 million
[2] Impaired with EUR 1.2 million
[3] Impaired with EUR 0.1 million

The Group rents two properties belonging to the Sixt family for its operations. In the financial year, as in the previous year, the rental expenses amounted to EUR 0.2 million. For his services as Chairman of the Managing Board, Erich Sixt receives remuneration which, in accordance with the resolution passed by the Annual General Meeting on 17 June 2010, is not published individually. Other members of the Sixt family received remuneration amounting to EUR 0.8 million (2011: EUR 1.1 million) for their activities in the Group. Under the employee equity participation programme MSP 2007 and MSP 2012, members of the Sixt family were granted 364,640 phantom stock options (2011: 164,640) at the end of the reporting year on the basis of their personal investments. In addition, there are entitlements to acquire a further total of 800,000 phantom stock options in four tranches to be issued in future in accordance with the terms and conditions of the MSP 2012. The listed emoluments includes the fair value at the issue date for the phantom stock options granted to the family members in financial year 2012, in the amount of EUR 0.2 million (2011: EUR 0.5 million).

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 Chairman Chairman of the Executive Board of the Walter Blüchert Stiftung Gütersloh	Chairman of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA Chairman of the Supervisory Board of Bertelsmann AG (until 20 August 2012) Chairman of the Supervisory Board of Bertelsmann SE & Co. KGaA (from 20 August 2012 until 31 December 2012) Chairman of the Supervisory Board of Bertelsmann Management SE (from 20 August 2012 until 31 December 2012) Member of the Supervisory Board of Groupe Bruxelles Lambert Member of the Supervisory Board of Leipziger Messe GmbH
Ralf Teckentrup Member of the Executive Board of Thomas Cook AG Frankfurt am Main	Member of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA Member of the Supervisory Board of Thomas Cook Airlines, Belgium
Dr. Daniel Terberger (from 16 August 2012) Chairman of the Managing Board of KATAG AG Bielefeld	Member of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA (from 16 August 2012)
Thierry Antinori (until 15 August 2012) Executive Vice President Emirates Airlines Dubai	Member of the Supervisory Board of Sixt Allgemeine Leasing GmbH & Co. KGaA (until 15 August 2012)

Managing Board	Membership of supervisory boards and other comparable supervisory bodies of business enterprises
Erich Sixt Chairman Grünwald	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 (until 20 September 2012) 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.
	2012	2011
Supervisory Board remuneration	200	200
Total remuneration of the Managing Board	8,770	8,860
Of which variable remuneration	2,444	2,521

The total remuneration of the Managing Board includes the phantom stock options granted to members of the Managing Board under the Matching Stock Programme 2012 in financial year 2012, with a fair value of EUR 227 thousand (2011: EUR 1,093 thousand) as at issue date as well as the exercise gain from the exercise of the granted phantom stock options in financial year 2012 in the amount of EUR 1,284 thousand. After taxation of the exercise gain 50,454 preference shares were allocated thereof.

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 granted none and members of the Managing Board were granted 639,040 (2011: 329,280) phantom stock options from the MSP 2007 and MSP 2012 at the end of the reporting year on the basis of their personal investments. In addition, there are entitlements to acquire a further total of 800,000 (2011: 836,920) phantom stock options in four tranches to be issued in future in accordance with the terms and conditions of the MSP 2012.

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

Shareholdings

As at 31 December 2012, Erich Sixt Vermögensverwaltung GmbH, all shares of which are held by the Sixt family, held an unchanged number of 18,711,822 shares of the ordinary shares of Sixt Aktiengesellschaft.

Section 15a of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) requires the disclosure of transactions in shares or related financial instruments in excess of EUR 5,000. Sixt Aktiengesellschaft received no disclosures from the group of persons specified by the stipulation in section 15a of the WpHG.

5.6 Proposal for allocation of the unappropriated profit

Sixt Aktiengesellschaft reported an unappropriated profit for financial year 2012 in accordance with German commercial law of EUR 85,545 thousand (2011: EUR 99,937 thousand). Subject to the consent of the Supervisory Board, the Managing Board proposes utilising this unappropriated profit as follows:

	EUR thou. **2012**	EUR thou. 2011
Payment of a dividend of EUR 0.55 (2011: EUR 0.60) and a special dividend of EUR 0.45 (2011: EUR 0.15) per ordinary share	31,147	23,701
Payment of a dividend of EUR 0.57 (2011: EUR 0.62) and a special dividend of EUR 0.45 (2011: EUR 0.15) per preference share	17,250	13,105
Transfer to retained earnings	37,000	63,000
Carry-forward to new account	148	131

The dividend proposal, which would result in a total distribution of EUR 48,396,515 appropriately reflects the earnings trend of the Sixt Group in the year under review and its above-average capital base.

The proposal by the Managing Board and the Supervisory Board on the appropriation of the unappropriated profit for the financial year 2011 was resolved unchanged by the Annual General Meeting on 6 June 2012.
As treasury shares were acquired in the meantime the amount of EUR 36,381,944 paid out on 7 June 2012 was lower than the proposed total.

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 authorised by the Managing Board for submission to the Supervisory Board on 18 March 2013.

Pullach, 18 March 2013

Sixt Aktiengesellschaft

The Managing Board

ERICH SIXT	DR. JULIAN ZU PUTLITZ	DETLEV PÄTSCH

Appendix to Notes to the Consolidated Financial Statements of Sixt Aktiengesellschaft, Pullach, for Financial Year 2012

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	59,615 EUR	100.0%	5,409 EUR
Sixt GmbH	Munich	50,000 DM	6,001 EUR	100.0%	-200,445 EUR
Sixt Holiday Cars GmbH [1]	Pullach	50,000 DM	25,565 EUR	100.0%	820 EUR
Sixt Travel GmbH	Taufkirchen	1,000,000 DM	47,779 EUR	97.1%	-1,293 EUR
Sixt Beteiligungen GmbH	Pullach	25,000 EUR	39,388 EUR	100.0%	2,169 EUR
Sixt Sud SARL	Paris	7,622 EUR	65,528 EUR	100.0%	15,911 EUR
Sixti SARL	Courbevoie	7,622 EUR	33,116 EUR	100.0%	4,586 EUR
Sixt Franchise SARL	Paris	7,622 EUR	65,260 EUR	100.0%	9,702 EUR
Sixt Aéroport SARL	Paris	7,622 EUR	32,262 EUR	100.0%	11,012 EUR
UNITED Rentalsystem SARL	Paris	7,000 EUR	62,667 EUR	100.0%	8,265 EUR
Sixt Nord SARL	Paris	7,000 EUR	17,146 EUR	100.0%	7,604 EUR
SIXT Executive France SARL	Paris	7,000 EUR	19,947 EUR	100.0%	4,752 EUR
Sixt Autoland GmbH	Garching	25,000 EUR	15,685 EUR	100.0%	-7,131 EUR
Sixt Verwaltungs-GmbH	Taufkirchen	25,000 EUR	41,662 EUR	100.0%	1,645 EUR
Sixt Franchise GmbH	Pullach	25,000 EUR	23,454 EUR	100.0%	1,457 EUR
Sixt Systems GmbH [1]	Pullach	25,000 EUR	45,000 EUR	100.0%	3,920 EUR
Sixt Immobilien Beteiligungen GmbH	Pullach	25,000 EUR	117,959 EUR	100.0%	11,859 EUR
Sixt Executive GmbH	Pullach	50,000 DM	71,142 EUR	100.0%	226 EUR
Sixt Allgemeine Leasing (Schweiz) AG	Basle	100,000 CHF	58,706 CHF	100.0%	1,489 CHF
Sixt International Holding GmbH	Pullach	25,000 EUR	7,021 EUR	100.0%	-3,216 EUR
SIXT S.a.r.l.	Luxembourg	12,500 EUR	520,411 EUR	100.0%	245,162 EUR
SXT Telesales GmbH	Berlin	25,000 EUR	-1,324,561 EUR	100.0%	-23,999 EUR
kud.am GmbH	Pullach	200,000 EUR	-132,971 EUR	100.0%	-54,975 EUR
Sixt College GmbH [2]	Pullach	100,000 EUR	100,000 EUR	100.0%	2,625 EUR
Preis24.de GmbH	Pullach	88,618 EUR	-1,757,761 EUR	24.6%	-427,574 EUR
MOHAG Autohaus Datteln GmbH & Co. KG	Datteln	10,000 EUR	445,419 EUR	95.0%	3,857,525 EUR
Sixt S.A.R.L.	Monaco	15,000 EUR	351,879 EUR	99.9%	269,620 EUR
DriveNow Verwaltungs GmbH	Munich	25,000 EUR	26,480 EUR	50.0%	99 EUR
TÜV SÜD Car Registration & Services GmbH	Munich	50,000 EUR	608,170 EUR	50.0%	178,742 EUR
SXT Reservierungs- und Vertriebs-GmbH [2]	Rostock	26,000 EUR	26,000 EUR	97.7%	77,307 EUR
MD Digital Mobility Verwaltungs GmbH	Munich	25,000 EUR	23,626 EUR	100.0%	-1,374 EUR
MD Digital Mobility GmbH & Co. KG	Munich	1,177 EUR	-51,459 EUR	100.0%	-146,636 EUR
SXT Services GmbH & Co. KG	Pullach	1,000 EUR	220,766 EUR	100.0%	-234 EUR
SXT Verwaltungs GmbH	Pullach	25,000 EUR	24,366 EUR	100.0%	-634 EUR
SXT Beteiligungs GmbH & Co. KG	Pullach	1,000 EUR	125,363 EUR	100.0%	-637 EUR
SXT Beteilungsverwaltungs GmbH	Pullach	25,000 EUR	24,371 EUR	100.0%	-629 EUR
Sixt Reparatur & Service GmbH	Pullach	25,000 EUR	24,376 EUR	100.0%	-624 EUR
Sixt Franchise USA L.L.C.	Delaware	1,000,000 USD	494,135 USD	100.0%	-505,865 USD
Sixt Leasing N.V.	Sint-Stevens-Woluwe	124,000 EUR	124,000 EUR	100.0%	0 EUR
Sixt Mobility Consulting Österreich GmbH	Vösendorf	35,000 EUR	34,978 EUR	100.0%	-22 EUR
scondoo GmbH	Berlin	50,000 EUR	n.a.	22.5%	n.a.
TOV 6-Systems	Kiev	407,163 UAH	n.a.	100.0%	n.a.

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

BALANCE SHEET

of Sixt Aktiengesellschaft, Pullach, as at 31 December 2012

Assets	EUR	EUR **31 Dec. 2012**	EUR 31 Dec. 2011
A. Fixed assets			
I. Tangible assets			
Land, land rights and buildings		-	468,102
II. Financial assets			
1. Shares in affiliated companies	464,651,770		165,870,394
2. Shares in other investees	7,712,500		-
		472,364,270	165,870,394
B. Current assets			
I. Receivables and other assets			
1. Receivables from affiliated companies	1,018,094,778		1,287,909,165
2. Receivables from other investees	3,763,084		122,811
3. Other assets	5,774,338		4,737,996
		1,027,632,200	1,292,769,972
II. Securities			
Other securities		-	15,015,000
III. Cash-in-hand and bank balances		12,758,223	1,576,526
C. Prepaid expenses		858,583	808,799
		1,513,613,276	**1,476,508,793**

Equity and Liabilities	EUR	EUR	EUR **31 Dec. 2012**	EUR 31 Dec. 2011
A. Equity				
I. Subscribed capital	123,029,212			129,153,792
- Proportional value of treasury shares	-			-4,684,352
		123,029,212		124,469,440
II. Capital reserves		200,319,036		194,194,456
III. Retained earnings				
Other retained earnings	134,538,250			106,103,041
- Other cost of treasury shares	-			-21,325,267
		134,538,250		84,777,774
IV. Unappropriated profit		85,544,929		99,936,656
Thereof retained profits brought forward EUR 554,712			543,431,427	503,378,326
B. Provisions				
1. Provisions for taxes		21,218,214		19,543,195
2. Other provisions		4,344,372		5,584,631
			25,562,586	25,127,826
C. Liabilities				
1. Bonds		500,000,000		550,000,000
2. Liabilities to banks		351,233,333		258,000,000
3. Trade payables		335,262		-
4. Liabilities to affiliated companies		71,404,549		71,068,484
5. Other liabilities		21,646,119		68,934,157
			944,619,263	948,002,641
			1,513,613,276	**1,476,508,793**
Off-balance sheet items				
Liabilities from guarantees EUR 373,443,959				
(2011: EUR 371,267,726)				

INCOME STATEMENT
of Sixt Aktiengesellschaft, Pullach, for the year ended 31 December 2012

	EUR	EUR **2012**	EUR 2011
1. Other operating income		8,339,527	11,518,547
2. Personnel expenses			
a) Wages and salaries	8,521,048		10,934,825
b) Social security and other pension costs	51,705	8,572,753	397,091
3. Other operating expenses		5,841,875	5,114,087
4. Income from investments		67,162,111	77,688,312
5. Income from profit transfer agreements		41,472,846	51,849,185
6. Other interest and similar income		55,790,708	56,867,389
7. Write-downs of financial assets and current financial assets		-	543,500
8. Cost of loss absorption		309,733	1,975,942
9. Interest and similar expenses		52,762,991	51,612,341
10. Expenses for profit participation capital		1,960,833	4,525,000
11. Result from ordinary activities		**103,317,007**	**122,820,647**
12. Taxes on income		18,325,497	22,909,866
13. Other taxes		1,293	1,293
14. Net income for the period		**84,990,217**	**99,909,488**
15. Retained profits brought forward		554,712	27,168
16. Transfer of other retained earnings		6,124,580	-
17. Allocation to capital reserves in accordance to section 237 (5) AktG		6,124,580	-
18. Unappropriated profit		**85,544,929**	**99,936,656**

FINANCIAL CALENDAR

Financial Calendar of Sixt Aktiengesellschaft	
Annual earnings press conference for financial year 2012 in Munich	14 March 2013
Analyst conference in Frankfurt am Main	16 April 2013
Publication of the 2012 Annual Report	16 April 2013
Publication of the 31 March 2013 Interim Report	27 May 2013
Annual General Meeting for financial year 2012 in Munich	20 June 2013
Publication of the 30 June 2013 Interim Report	21 August 2013
Publication of the 30 September 2013 Interim Report	19 November 2013

Dates and event locations subject to change

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