SIXT SE

SIXT EXCITEMENT

Annual Report 2015

THE SIXT GROUP IN FIGURES

in EUR million	2015	2014	Change 2015 on 2014 in %	2013[1]
Revenue	2,179	1,796	21.3	1,653
Thereof in Germany	1,364	1,197	13.9	1,123
Thereof abroad	815	599	36.1	530
Thereof operating[2]	1,939	1,645	17.9	1,505
Thereof rental revenue	1,377	1,120	23.0	1,016
Thereof leasing revenue	420	417	0.6	393
Earnings before interest and taxes (EBIT)	222	199	11.3	177
Earnings before taxes (EBT)	185	157	18.0	138
Consolidated profit	128	110	16.5	94
Net income per share (basic)				
Ordinary share (in EUR)	2.39	2.28	4.8	1.97
Preference share (in EUR)	2.41	2.30	4.8	1.99
Total assets	3,660	2,818	29.9	2,371
Lease assets	958	902	6.1	775
Rental vehicles	1,763	1,262	39.7	1,013
Equity	1,059	742	42.8	675
Equity ratio (in %)	28.9	26.3	+2.6 Points	28.5
Non-current financial liabilities	921	1,131	18.6	855
Current financial liabilities	909	289	214.4	256
Dividend per share				
Ordinary share (in EUR)	1.50[3]	1.20	25.0	1.00
Preference share (in EUR)	1.52[3]	1.22	24.6	1.02
Total dividend, net	72.4[3]	58.0	24.9	48.4
Number of employees[4]	5,120	4,308	18.8	3,019
Number of locations worldwide (31 Dec.)[5]	2,153	2,177	-1.1	2,067
Thereof in Germany	508	483	5.2	504

[1] *For comparison purposes figures for financial year 2013 were adjusted for "at equity" consolidation of joint ventures.*
[2] *Revenue from rental and leasing business, excluding revenue from the sale of used vehicles*
[3] *Proposal by the management, including special dividend*
[4] *Annual average*
[5] *Including franchise countries*

CONTENT

SIXT – FEEL THE MOTION

Mobility – is more than just a vehicle. The term stands for technology and innovation as well as flexibility and comfort. It is a precondition for corporations to act successfully and exploit opportunities for their business. What's more, it enables people to reach their destinations independent of the limitations of time and space.

Sixt is synonymous with premium mobility. The Company, which was founded in 1912, makes the most of state-of-the-art technical developments as well as top-notch services so that it can cater fully to the requirements and wishes of its customers. In doing so, Sixt operates as a leading international provider offering bespoke mobility solutions for business and corporate customers as well as private travellers. The Company's unique market position rests on its historic strengths such as consistent service orientation, distinctive innovation culture, as well as the varied and extensive range of premium products at attractive prices.

For its clients in the vehicle rental business, Sixt keeps a variety of products available to suit their various needs – from carsharing to the classic vehicle rental as well as chauffeur services or long-term renting. In addition, Sixt offers internationally operating corporations and frequent travellers a Europe-wide mobility concept that encompasses their entire vehicle-based demands. Sixt integrates these solutions with state-of-the-art online and mobile services.

The Sixt brand has representations in over 100 countries worldwide and is continually expanding its presence. The Company maintains alliances with renowned addresses in the hotel industry, well-known airlines and numerous prominent service providers in the tourism sector. The focal point of all activities, however, is always to generate the best possible benefit for the customers.

Through its Leasing Business Unit Sixt offers business clients comprehensive services for fleet leasing and fleet management, and for private and commercial customers its online retail solutions. Sixt Leasing is always trying to follow up on its claim to offer customers optimum mobility at the lowest possible costs. To this end the company makes the most of its expertise gained over many years in the efficient management of large vehicle fleets.

Sixt's long-term success depends not least on its very distinct corporate DNA. The vital success factors that set us apart from the competition are an enterprise culture that consistently places the customer centre stage, combined with employees who don’t just want to satisfy customers but are actually eager to thrill them, and the daily passion that brings forth ever new ideas.

Sixt SE's long-term strategy is geared towards a continued expansion of its national and international presence, developing product innovations through state-of-the-art technologies, remaining focused on strong earnings and achieving a sustained increase in its enterprise value for the benefit of the shareholders.

WWW.SIXT.COM HTTP://IR.SIXT.EU

FIRE

THERE'S A FIRE BURNING INSIDE US.

A fire that inspires us to pursue the highest standards, in our products, in our services and in ourselves. Giving us the capacity to not only fulfil but exceed the highest demands of our customers.

A \\ TO OUR SHAREHOLDERS

A.1 \\ LETTER TO SHAREHOLDERS

Dear shareholders,

In the last fiscal year Sixt once again set a new benchmark. With an EBT of EUR 185.2 million it generated the highest consolidated pre-tax profit in the Company's history. Not only was it 18.0% up on the record return of the previous year, but it was also significantly beyond our own initial expectations. With a gain in operating revenue of 17.9% to EUR 1.94 billion in 2015 our Group performed substantially more dynamically than the mobility markets as a whole and consequently gained additional market shares at home and abroad. In addition, the successful stock market listing of our subsidiary Sixt Leasing AG in May 2015 has seen us set the course, so that the growth we expect in the upcoming years for the two business units Vehicle Rental and Leasing will rest on a solid foundation.

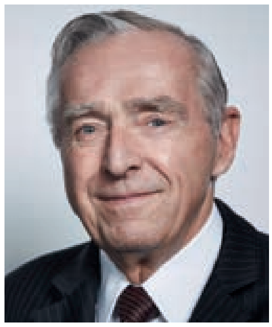
As in the years before, the ongoing internationalisation of our rental business was the strongest growth driver. Thus, in 2015 Sixt managed to more than double its revenue in the US, the world's biggest rental market. Measured by business volume, the US is now the second biggest market for our Company after Germany. We have thereby succeeded in a very short time in creating a good basis in this highly competitive market, opening up very attractive growth perspectives over the long term.

Nonetheless, Sixt also keeps pushing forward in Western Europe, and in the last fiscal year generated noteworthy strong double-digit growth rates in its revenue in Spain, France and the UK. In total the share of vehicle rental revenue generated abroad came to 48.0% in 2015, which means that we reached an important strategic milestone. The share of foreign operations would be even higher if Sixt did not grow dynamically in Germany as well. Domestic rental revenues for 2015 climbed 10.9%, so that we further consolidated the market leadership we have enjoyed for years on the German market.

How does Sixt outperform its competitors with faster growth?

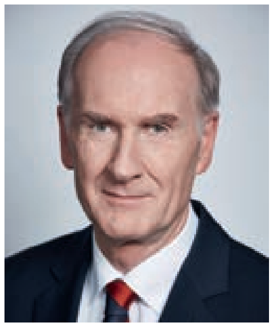
For one thing, we are benefiting from a whole series of specific expansionary measures. In 2015 we extended our network of domestic and foreign stations, not least in the USA, but also in numerous Western European countries. We further intensified our sales activities to expand the business volume generated

ERICH SIXT



- \\ Chairman of the Managing Board of Sixt SE
- \\ Born 1944
- \\ Joined Sixt in 1969
- \\ Responsible for IT/EDP, strategic human resource management, marketing, public relations, international franchising

DETLEV PÄTSCH



- \\ Chief Operations Officer
- \\ Born 1951
- \\ Joined Sixt in 1986
- \\ Responsible for customer service, operations, purchase and sale of vehicles, quality management, repair/damage

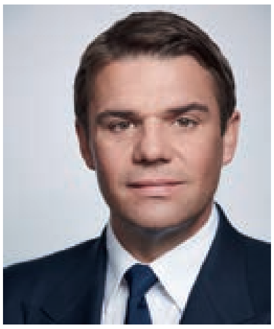
with existing customers and to win over new clients at the same time. Thus, Sixt France successfully won the tender from the French national railway company SNCF in 2014 and managed to expand its presence at France's railway stations significantly. We also invested in expensive and in some cases sensational marketing and advertising campaigns to raise the profile of the Sixt brand on foreign markets. Moreover, the continually growing share in revenue of private customer business – thanks to the strong growth in such vacation destinations as Spain and France – is making Sixt more independent of economic fluctuations in the business and corporate clients segment.

All of these expansion steps are building on Sixt's matured strengths. In all countries we offer our customers a wide range of attractive and well-equipped cars. This premium fleet goes hand in glove with our premium service, which is consistently geared towards customers' wishes and offers state-of-the-art processes that make the rental experience swift and convenient for our customers.

DR. JULIAN ZU PUTLITZ

- Chief Financial Officer
- Born 1967
- Joined Sixt in 2009
- Responsible for finance and accounting, controlling, legal, auditing, risk management

ALEXANDER SIXT



- Chief Organisation/Strategy Officer
- Born 1979
- Joined Sixt in 2009
- Responsible for Group strategy, M&A, central procurement, process and product management, global operating human resources, global service operations, new mobility services

KONSTANTIN SIXT

- Chief Sales Officer
- Born 1982
- Joined Sixt in 2005
- Responsible for national and international sales, global e-commerce business

Numerous awards, which we are also picking up more and more outside Germany, amply demonstrate that we are meeting our claim to be the industry's innovation leader when it comes to service and customer orientation.

Equally gratifying is the ongoing performance of DriveNow, our premium carsharing service which we operate together with the BMW Group. The number of customers in Germany and abroad climbed to around 580,000 by the end of the year, which was an almost 50% increase on the figure recorded the year before. Within less than five years, we managed to make DriveNow the carsharing company with the biggest customer base in Germany thanks to its modern concept, innovative technology and top service. In 2015 we also drove forward the internationalisation of DriveNow, which we had kicked off the year before, by launching in Copenhagen and Stockholm. For 2016 DriveNow is planning to expand into further European metropolitan areas.

The Leasing Business Unit also recorded a very successful fiscal year. True to the principle of giving profitability gains precedence over volume growth, the pre-tax result climbed 18.2% to EUR 30.3 million. The contract portfolio grew by another 6.0%. This development was due to the successful acquisition of renowned key accounts in the fleet management segment as well as the ongoing dynamic growth in demand from private and commercial customers that our innovative platform ***sixt-neuwagen.de*** is registering.

One very noteworthy event in the last fiscal year was undoubtedly the decision to float Sixt Leasing AG on the stock exchange and to give the company that bundles all our leasing activities more independence. Almost 30 years after Sixt SE went public in 1986, the Sixt name can now be found twice on German stock markets. The gross issue proceeds from the IPO totalled EUR 239 million, of which EUR 128 million went to Sixt SE and EUR 111 million to Sixt Leasing AG. We are very satisfied with the successful IPO, especially considering the background of increasingly more volatile stock exchanges.

Our subsidiary, in which we still retain a share of 42%, is now equipped with a solid capital platform to utilise growth potential. The IPO also gave Sixt SE additional financial leeway to drive forward its ambitious expansion plans for the vehicle rental operations. The IPO thus represents a classic win-win situation for the two companies. We are convinced that through this new constellation, Sixt Leasing AG has the best chances to continue its successful development.

Sixt Group's positive performance in the previous fiscal year should obviously also be reflected in an appropriate and attractive dividend payment. The Managing Board and Supervisory Board are therefore proposing that the Annual General Meeting appropriate a dividend of EUR 1.50 per ordinary share and EUR 1.52 per preference share for financial year 2015. This would increase the total dividend payout from EUR 58 million to EUR 72 million.

As far as the current fiscal year 2016 is concerned, we are confident that we can continue expanding our operating businesses. Sixt will continue its strategic growth initiatives. The macro-economic conditions in Europe and the US are generally positive, although we have to carefully monitor the many geopolitical crises and their effects on international travel activities.

For 2016 we expect to slightly grow the consolidated operating revenue against the previous year's record figure. Given that extra costs will continue to be incurred for strategic expansion measures we expect to generate a stable to slightly higher Group EBT in 2016. This development will be made possible not least by our highly committed and creative employees, who daily bring alive the Sixt spirit for the benefit of our customers. We wish to extend our heartfelt thanks to them for their work in 2015.

We thank you, dear shareholders, for your trust in our Company, which we understand as both a sign of trust and a mandate to move forward.

Pullach, April 2016

The Managing Board

ERICH SIXT	DETLEV PÄTSCH	DR. JULIAN ZU PUTLITZ	ALEXANDER SIXT	KONSTANTIN SIXT

A.2 \\ REPORT OF THE SUPERVISORY BOARD

General
In 2015 the Supervisory Board of Sixt SE conscientiously and carefully attended to the duties incumbent on it according to law and the Articles of Association. The Board dealt in detail with the Company and the Group's economic situation and its strategic direction, consulted with the Managing Board over key issues and provided it with assistance.

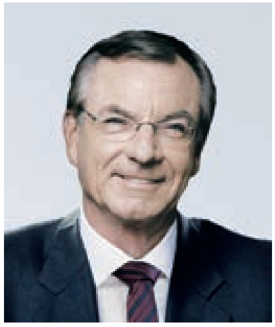
In 2015 the Supervisory Board held eight meetings, each of which was attended by all Supervisory Board members. This meant that the legally prescribed frequency of two meetings per calendar half-year was complied with.

The Managing Board informed the Supervisory Board in written and verbal form regularly, promptly and comprehensively about the situation of the Company and the Group. To this end, the Managing Board compiled a written report every quarter with detailed information on the economic and financial position of Sixt SE and its domestic and foreign subsidiaries. At the regular meetings of the Supervisory Board, the control organ and the Managing Board discussed in depth the development of business, planning and corporate strategies and also argued the documents and reports. The Supervisory Board was involved early on in decisions of significant importance for the Company and the Group. This applied in particular to the review, preparation and implementation of the IPO of Sixt Leasing AG. Reports and draft resolutions submitted by the Managing Board were carefully examined and discussed during the Supervisory Board meetings. The Supervisory Board did not have to consult additional company documents.

Also outside these meetings, the members of the Supervisory Board had themselves regularly supplied with information about the latest business developments and significant business events from the Board of Management and above all the Chairman of the Managing Board. The provisions of the German Corporate Governance Code and of the legal stipulations on stock corporations governing the duty of the Managing Board to report to the Supervisory Board were consistently observed.

In principle, the Supervisory Board took its decisions during physical meetings also in 2015. There were three instances where the Supervisory Board also took decisions outside of these physical meetings.

PROF. DR. GUNTER THIELEN



\\ Chairman of the Supervisory Board of Sixt SE
\\ Born in 1942
\\ Joined the Company in 2008

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

Key issues of consultation in 2015
At all its meetings in the year under review, the Supervisory Board received comprehensive information from the Managing Board on all key questions relating to current business development, the strategic focus, the risk situation and risk management, company-internal control systems and net assets, the financial position and results of operations of Sixt SE and the Group. The entire Managing Board attended all Supervisory Board meetings to explain all the information and procedures in due detail and answer questions.

In 2015 the Supervisory Board addressed the following issues and developments in particular:

\\ Due to the given size and complexity as well as the strong expansion of the Sixt Group the Supervisory Board intensively discussed a possible extension of the Managing Board. Effective as of 2 February 2015 the Supervisory Board appointed Mr. Alexander Sixt and Mr. Konstantin Sixt as new members of the Managing Board.

\\ The successful stock listing of Sixt Leasing AG in May 2015 was one of the key events in the fiscal year under review. The Managing Board informed the Supervisory Board in due detail about the considerations and plans for going public of the subsidiary. The Supervisory Board thereby intensively debated the advantages and opportunities of a separate listing of Sixt Leasing AG, taking into consideration the ambitious growth plans of both business units and the resulting future demands for capital. In the end the Supervisory Board agreed with the assessment of Sixt SE's Managing Board that a listing of the leasing business would open up considerable additional growth opportunities for the long-term development of both business units and therefore constitute a strategic opportunity for the Sixt Group. The control organ gave its unanimous approval to all necessary undertakings and agreements associated with the IPO, such as the conceptual arrangement that had been agreed with the issuing banks as well as to the financing contracts agreed between Sixt Leasing AG and Sixt SE, the trademark licensing agreement, the assumption of warranties and the cost reimbursement and indemnity agreement.

\\ The Supervisory Board kept itself continually informed on the continued dynamic expansion in the European core markets and the USA. Above all, the Managing Board explained to the Supervisory Board the expansion of the network of stations on the US market and the associated costs of expansion. One focal point for the organ was the medium to long-term earnings forecast for the US business, given that it not only grows strongly but outperforms internal expectations. The Supervisory Board expressly honoured the progress that was made during the year under review in expanding the rental business outside Germany. It agreed with the Managing Board that further internationalisation will also remain the key growth driver for the Sixt Group in the coming years.

\\ The Supervisory Board also informed itself about the business performance of such new mobility services as DriveNow, autohaus24 and myDriver. It showed appreciation for the ongoing strong growth in the customer base of DriveNow, which continued throughout 2015, as well as the successful launch of the internationalisation of the premium carsharing service, which is jointly operated with the BMW Group. The Supervisory Board agreed with the Managing Board that DriveNow should generally continue to pursue controlled expansion. This includes the targeted development of additional European metropolitan areas, given that the general conditions for an economically profitable business provide a feasible perspective, as well as the simultaneous further enhancement of existing DriveNow locations through continued improvements in the products and services offered.

\\ The Supervisory Board noted with approval the Sixt Group's medium-term business plan as submitted by the Managing Board. This entailed extensive discussion of the underlying economic and strategic assumptions regarding customer requirements, development of demand and market potential in the Vehicle Rental and Leasing Business Units. One focal point was on budgeting and controlling the operating costs in view of the strong expansion of the Group.

Corporate Governance

The corporate management and supervision of Sixt SE comply with the principles of the German Corporate Governance Code. The Corporate Governance Report, which is published in the Annual Report, includes the Managing Board's and Supervisory Board's report on Sixt SE's corporate governance in accordance with section 3.10 of the Code. Moreover, in December 2015, the Managing Board and Supervisory Board issued a declaration of conformity pursuant to section 161 of the German Aktiengesetz (AktG – German Public Companies Act) and made it permanently available to shareholders on the Company’s website ***http://ir.sixt.eu*** under the section “Corporate Governance”. With few exceptions Sixt follows the recommendations of the Government Commission on the German Corporate Governance Code.

At its meeting on 18 September 2015 the Supervisory Board addressed the Group-wide diversity and the requirements of the new German “Gesetz für die gleichberechtigte Teilhabe von Frauen und Männern an Führungspositionen in der Privatwirtschaft und im öffentlichen Dienst” (Law on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector).

Audit of the 2015 annual financial statements and consolidated financial statements

The Managing Board prepared the annual financial statements of Sixt SE as per 31 December 2015 in accordance with the requirements of the German Handelsgesetzbuch (HGB – German Commercial Code) and the consolidated financial statements and the management report on the situation of the Group and the Company as per 31 December 2015 in accordance with section 315a of the HGB and on the basis of the International Financial Reporting Standards (IFRS), as adopted by the EU.

Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Munich, audited the annual financial statements of Sixt SE and the consolidated financial statements as well as the management report on the situation of the Group and the Company and gave these documents their unqualified audit opinion. The auditors had been commissioned by the Supervisory Board on the basis of the resolution taken by the Annual General Meeting on 24 June 2015.

The Supervisory Board received the documents together with the Managing Board's dependent companies' report and the auditors' audit reports as well as the Managing Board's proposal on the appropriation of the unappropriated profit in sufficient time for examination. Discussion and examination of these documents was conducted during the Supervisory Board's meeting on 15 April 2016, which convened to adopt the annual financial statements.

The auditors of the annual financial statements and of the consolidated financial statements attended this meeting and provided in-depth information on the material findings of their activities. The focal points of the audit were, among other things, the Group's risk management system, including the internal control and risk management system relating to its accounting procedures, consolidation according to IFRS 10 through to 12 and the recognition and measurement of financial instruments.

Following an analysis of the risk situation and risk management the auditors concluded that there were no material risks, in Sixt SE and the Group companies, which are not mentioned in the reports. According to the auditors the audit of the effectiveness of the internal control and risk management system relating to accounting procedures led to no reservations.

Furthermore, the auditors informed the Supervisory Board of services rendered over and above the work on the audit. In the opinion of the auditors there were no circumstances that could justify doubt as to the impartiality or independence of the auditors.

The Supervisory Board approvingly noted the auditors' findings and had no objections after concluding of its own review. The Supervisory Board approved the annual and consolidated financial statements as well as the management report on the situation of the Group and the company as prepared by the Managing Board and audited by the auditors. The 2015 annual financial statements of Sixt SE were thus formally adopted in accordance with the provisions of the (German) AktG. Following its own examination the Supervisory Board concurred with the proposal of the Managing Board for the appropriation of the unappropriated profit of 2015.

The auditors included in their audit the Managing Board's Dependent Company Report in accordance with section 312 of the AktG covering the relationship between Sixt SE and its affiliated companies, and submitted their audit report to the Supervisory Board. The audit by the auditors 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 the actual disclosures made in the report are accurate."

The Supervisory Board's examination of the Dependent Company Report in accordance with section 312 of the AktG covering the relationship between Sixt SE and its affiliated companies did not give rise to any objections. The Supervisory Board therefore concurred with the auditors' findings. 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 Managing Board of Sixt SE changed in the year under review as follows:

Effective as at 2 February 2015, Mr. Alexander Sixt and Mr. Konstantin Sixt were appointed as new members of the Managing Board. As Board member responsible for organisation and strategy Mr. Alexander Sixt is responsible for the divisions group strategy, M&A, central procurement, process management and new mobility services such as DriveNow and product management. In addition, he is also responsible for global operative human resources as well as all global service operations. Mr. Konstantin Sixt was appointed Board member in charge of sales with responsibility for national and international sales as well as the Group's global e-commerce business.

The Supervisory Board simultaneously extended the contract of CEO Mr. Erich Sixt until 2020 ahead of contract expiration and the contract with Mr. Detlev Pätsch, responsible for operations, until 2019. At the end of 2014 the contract with the CFO Dr. Julian zu Putlitz was also extended until 2018 ahead of contract expiration to ensure a high level of continuity in the management of the Company.

Through the extension of the Managing Board from three to five members, the Supervisory Board takes account of Sixt's strong expansion over the past years. In the Supervisory Board's opinion, the combination of long-standing experienced members with new members in the Managing Board guarantees the positive development of the Company.

There were no changes to the Supervisory Board of the Company during 2015. In the Annual General Meeting held on 24 June 2015 Mr. Ralf Teckentrup and Dr. Daniel Terberger were again elected as board members.

Thanks to the Managing Board and all employees
Our Company looks back on the most successful year in its history. The record surplus of EUR 128.2 million and the strong revenue gains at home and abroad are an indication of the strength of the strategic orientation of Sixt. The IPO of Sixt Leasing AG has furthermore created a key precondition for the vehicle rental business and Sixt Leasing AG to realise their ambitious long-term growth plans.

We cordially thank the company's Managing Board and all employees in the Sixt Group for the outstanding performances that made this record year 2015 come true.

Pullach, April 2016

The Supervisory Board

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

A.3 \\ SIXT SHARES

Inconsistent developments at stock exchanges, but German market gains

In 2015 the worldwide stock markets performed inconsistently. While the exchanges in the Euro area recorded significant gains, the developments in the US remained restrained. The markets responded positively to the substantial bond buying of the European Central Bank (ECB), the multiple cuts in base rates by the Chinese Central Bank, the low exchange rate of the Euro, which favoured exports, robust economic and corporate data coming out of the Euro zone and the US as well as vigorous international M&A activities. More downward effects, on the other hand, were, among others, the debt crisis in Greece, the cooling of the Chinese economy combined with the devaluation of the Yuan, the fall in oil prices to the lowest price in eleven years, as well as political and ethnic crises.

The German stock index (DAX) registered a volatile year in 2015. The index opened the year under review at 9,765 points and following a steep climb reached its all-time high on 10 April at 12,375 points. In the course of the year the index fell again and on 24 September hit its low for the year at 9,428 points, almost 24% below its all-time high. Thereafter the index recovered again and closed the year at 10,743 points. The overall performance equals a value gain of 9.6% against the closing price of the previous year (9,806 points).

The SDAX, which includes Sixt SE's ordinary shares, recorded a gain of almost 27.0%.

Given the strong US-Dollar and the adverse effects from the fall in crude oil prices the US stock markets contracted in 2015. Thus, the Dow Jones index fell by 2.2% and registered its first loss for the year since 2008.

Sixt shares clearly outperformed markets

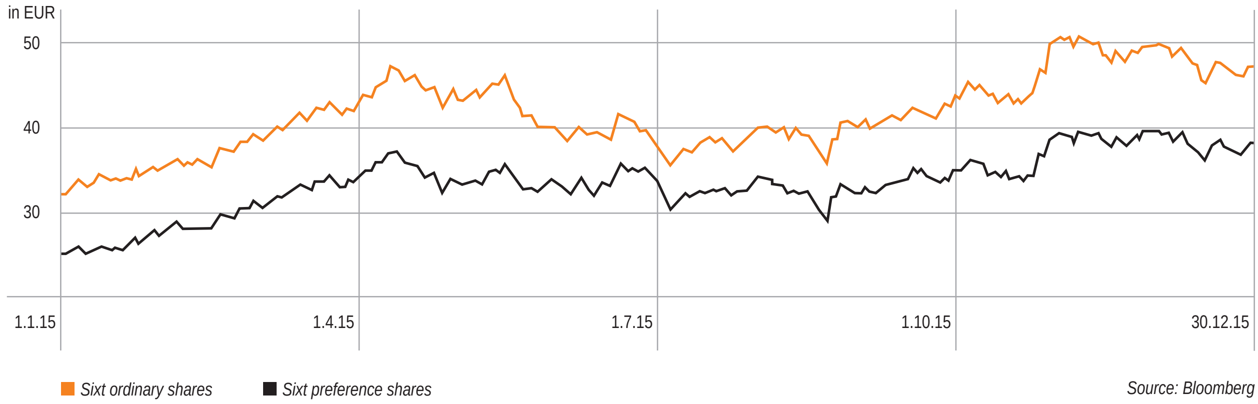
Sixt ordinary shares and Sixt preference shares both performed very encouragingly in 2015 and recorded significant value gains, well above the general market trend. Aside from the favourable conditions on the stock markets, both share categories benefited from Sixt Group's business development, which clearly exceeded expectations. Thus, ordinary shares as well as preference shares significantly outperformed the SDAX.

The all-year low for ordinary shares came already on 5 January 2015 at EUR 30.67, only to be followed by a continuous upward movement that saw its price reach EUR 47 by mid-April. The price contracted again until the beginning of July, also due to the at times hefty losses on the stock exchanges, to around EUR 34. In the second half of the year the price climbed continuously. Carried through by the strong third quarter and the repeated upgrade of the earnings outlook for 2015, ordinary shares reached their annual high on 5 November 2015 at EUR 50.98. This meant that ordinary shares had broken the EUR 50 barrier for the first time. The shares closed the year at EUR 47.19, which, compared with the previous year's closing price at EUR 32.40, amounts to a value gain of 45.6%.

The performance of Sixt SE's preference shares for 2015 shadowed that of Sixt ordinary shares. Thus, preference shares also hit their low for the year on 5 January at EUR 24.55 and thereafter picked up momentum. After hitting EUR 37 by mid-April the shares contracted again slightly and moved sideways until about the middle of October. After seeing prices climb steeply as of the second half of October, preference shares reached their high for the year on 30 November at EUR 39.55. Preference shares closed the year at EUR 38.00, equalling a value gain of 47.6% on the EUR 25.74 closing price at the end of 2014.

On the basis of the year-end closing prices, the market capitalisation of Sixt SE for the first time exceeded EUR 2 billion and came to EUR 2.11 billion at the end of December 2015. This equals a value gain of 46.3% against the market capitalisation at the end of the previous year (EUR 1.44 billion; all data refer to Xetra closing prices).

Performance of Sixt ordinary and preference shares



Source: Bloomberg

Stable shareholder structure

Based on the registered share capital, 60.1% of the ordinary voting shares were held without change by the Erich Sixt Vermögensverwaltung GmbH at the end of 2015. All these shares are directly and indirectly owned by the Sixt family.

The voting right notifications received by the Company during the year under review are available from the Sixt SE's website ***http://ir.sixt.eu***.

Dividend payout for fiscal 2015 sets new record

Sixt SE adheres to the principle of permitting its shareholders to share in the Company's success by distributing an appropriate dividend. The amount paid out is determined by the development of Group's earnings as well as future demands placed on equity, above all with a view to the international growth of operating business.

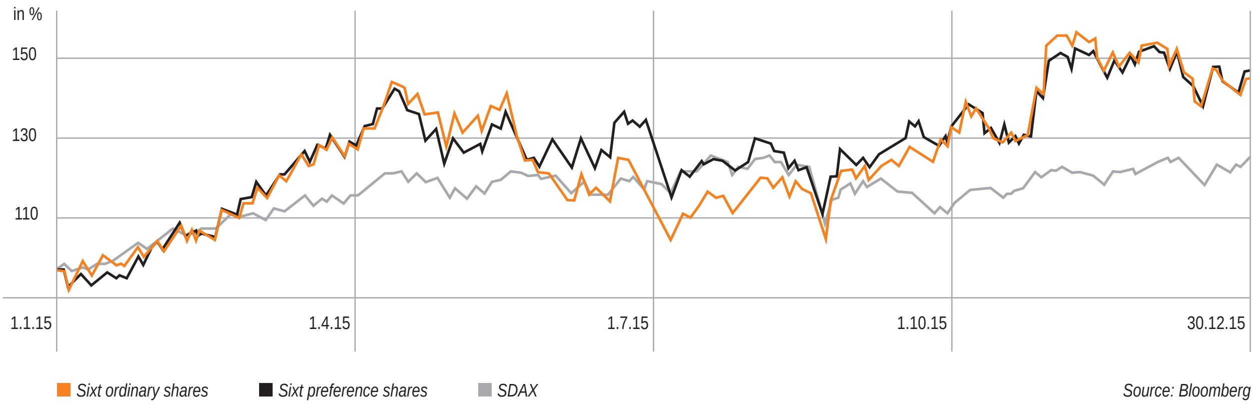
In accordance with the proposal by the Managing Board and Supervisory Board, the Annual General Meeting on 24 June 2015 resolved to pay a dividend of EUR 1.20 per ordinary share and EUR 1.22 per preference share for financial year 2014. Based on this resolution a record total of EUR 58.0 million was paid out, some EUR 9.6 million more than the year before. Measured in terms of the consolidated profit after minority interests, the dividend payout rate came to 53%.

For the fiscal year 2015 the Managing Board and Supervisory Board are proposing that the Annual General Meeting on 2 June 2016 distribute a dividend of EUR 1.50 per ordinary share and EUR 1.52 per preference share. The proposal reflects the very strong earnings performance, which exceeded the original expectations, as well as the continued solid equity basis that is once again way ahead of the average in the industry.

Subject to the Annual General Meeting approving the proposal, the total dividend payment comes to EUR 72.4 million. Measured in terms of the consolidated profit after minority interests, the dividend payout rate equals 63%. Based on the closing prices for each share category at the end of 2015, the dividend yield is 3.2% for ordinary shares and 4.0% for preference shares.

Sixt share information	
Classes of shares	No-par value voting ordinary bearer shares (WKN: 723132, ISIN: DE0007231326) No-par value non-voting preference bearer shares (WKN: 723133, ISIN: DE0007231334)
Stock exchanges	Xetra, Frankfurt am Main, Munich, Stuttgart, Hanover, Düsseldorf, Hamburg, Berlin
Key indices	SDAX (weighting of ordinary shares: 2.13%) CDAX (weighting of ordinary shares: 0.05%, weighting of preference shares: 0.06%) Prime All Share (weighting of ordinary shares: 0.05%, weighting of preference shares: 0.05%)
Trading segment	Prime Standard
Designated sponsors	Commerzbank AG, DZ Bank AG

Performance of Sixt ordinary and preference shares against the SDAX



	2015	2014
Earnings per share – basic (in EUR)		
Ordinary share	2.39	2.28
Preference share	2.41	2.30
Dividend (in EUR)		
Ordinary share	0.90 +special div. 0.60[1]	0.80 +special div. 0.40
Preference share	0.92 +special div. 0.60[1]	0.82 +special div. 0.40
Number of shares (as at 31 Dec.)	48,058,286	48,058,286
Ordinary share	31,146,832	31,146,832
Preference share	16,911,454	16,911,454

	2015	2014
High (in EUR)[2]		
Ordinary share	50.98	33.24
Preference share	39.55	26.55
Low (in EUR)[2]		
Ordinary share	30.67	22.31
Preference share	24.55	18.81
Year-end price (in EUR)[2]		
Ordinary share	47.19	32.40
Preference share	38.00	25.74
Dividend yield (in %)[3]		
Ordinary share	3.2	3.7
Preference share	4.0	4.7
Market capitalisation (in EUR million)[3,4]		
as at 31 Dec.	2,112	1,444

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

Ongoing intensive communication with the capital market
By being in continuous and intensive dialogue with the capital market, Sixt ensures open, timely and comprehensive financial communication. Sixt shares are listed in Deutsche Börse's Prime Standard segment and therefore subject to the highest transparency and public disclosure requirements.

In 2015 Sixt SE conveyed to analysts, investors and the media a timely and comprehensive overview of business conditions and developments through regular meetings. The focal point was above all the IPO of its Sixt Leasing AG subsidiary, which was successfully completed on 7 May 2015 as well as the resulting opportunities for the Sixt Group's long-term development. In the process the Managing Board gained the impression that the capital market expressly appreciates the strategic advantages of going public, both for Sixt SE as well as for Sixt Leasing AG. At the centre of interest were the plans devised for switching Sixt Leasing AG's financing from Sixt SE, which had provided this financing so far, to independent third parties. A topic for discussion was also the potential outcomes of a later termination of the full consolidation of the Sixt Leasing Group and how this might affect the capital and financing arrangement of the Sixt SE Group.

Other key issues discussed in the meetings with investors and analysts were the plans for the ongoing expansion of the rental business outside of Germany, above all on the North American rental market, the adjustments made to the internal structures and processes to match the growing size of the corporation as well as the further developments of new mobility services, such as DriveNow and myDriver, which are based on changing customer requirements.

Sixt Group's strategy and business development were very well received during roadshows and investor conferences. In the period under review, roadshows with the Managing Board were held at key financial centres in Germany and Belgium, France, the UK, the Netherlands, Austria and Switzerland.

In 2015 the Managing Board also used the publication of quarterly figures to inform financial journalists in a timely manner about Sixt's current developments. The Board presented its view on business performance and was available for questions. These conference calls have been held regularly for years now and have become an established institution for almost all relevant business journals and news agencies. They are therefore a meaningful addition to these long-standing events, such as the Annual Press Conference and the Annual General Meeting.

Established finance and research institutes are carefully tracking the Company's development, as well as that of the Sixt shares. To this end, the Managing Board and analysts regularly exchange information. In the year under review, research reports were published by the following research institutions: Baader Bank AG, Bankhaus Lampe KG, DZ BANK AG, Oddo Seydler Bank AG and Warburg Research GmbH.

As of reporting date 2015 the Company's shares were recommended as a Buy by one half of the analysts and as a Hold by the other half. As at the end of December 2015 the latest research of the aforementioned financial institutes had Sixt's ordinary shares at an average target price of EUR 52.75 (previous year's reporting date: EUR 33.60).

In future the Managing Board will still continue to stay in direct contact with the capital market participants and the media. Sixt has set itself the particular objective of communicating the Company's very solid financing structure and long-term growth strategy in detail and with full transparency. To this end, the Company strives to outline the key differences and competitive strengths to its relevant competitors.

A.4 \\ CORPORATE GOVERNANCE REPORT

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), sentence 3 of the HGB the disclosures made in accordance with section 289a of the HGB are not included in the audit. The declaration can also be found on the website of Sixt SE at *http://ir.sixt.eu* under "Corporate Governance".

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

Corporate governance

For Sixt SE, 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. Apart from the exceptions listed in the Declaration of Conformity of December 2015, the Managing Board and the Supervisory Board of Sixt SE 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 5 May 2015.

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 SE 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://ir.sixt.eu* under "Corporate Governance". Referring to the version of the Code valid since May 2015 the most recent Declaration of Conformity by the two company bodies was published in December 2015, and reads as follows:

"The recommendations of the "Government Commission on the German Corporate Governance Code" in the version of 5 May 2015 (hereinafter referred to as "Code") announced by the Federal Ministry of Justice in the official section of the Bundesanzeiger (Federal Gazette) will be and have been complied with, with the following exceptions:

\\ In the D&O insurance policy of Sixt SE, no deductible has been agreed for members of the Supervisory Board (section 3.8 (3) of the Code). Sixt SE 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.

\\ In accordance with the resolution adopted by the Annual General Meeting on 3 June 2014, the total remuneration is currently not disclosed and broken down by individual Managing Board members. In view of this resolution, an individual disclosure of benefits, compensations and other benefits for each member of the Managing Board using the model tables provided in the Code is not to be published (section 4.2.5 (3) of the Code).

\\ The Supervisory Board decides on a case-by-case basis whether to specify an age limit when appointing Managing Board members (section 5.1.2 (2) sentence 3 of the Code), because the Supervisory Board believes that to specify a general age limit would impose a restriction on selection and would thus not be in the interests of Sixt SE.

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

\\ An age limit for members of the Supervisory Board as well as a regular limit of length of membership in the Supervisory

Board are not provided for (section 5.4.1 (2) sentence 1 of the Code). Given that the Supervisory Board consists of three members, of whom merely two members are elected in accordance with the Articles of Association, any limitation on age and/or length of membership would run counter to the interests of the Company.

- Proposed candidates for the chair of Supervisory Board are not announced to shareholders (section 5.4.3 sentence 3 of the Code), because legal provisions stipulate that the election of the Supervisory Board chairperson is exclusively the responsibility of the Supervisory Board.

- Sixt SE will disclose all price-sensitive information to analysts and all shareholders (section 6.1 sentence 2 of the Code). Sixt SE believes that disclosure to all shareholders of all non-price-sensitive information given to financial analysts and similar parties would not further their interest in information.

- The Consolidated Financial Statements are published within the statutory periods. Interim reports are published within the periods stipulated by stock exchange law. Sixt SE 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 2015

For the Supervisory Board of Sixt SE

SIGNED PROF. DR. GUNTER THIELEN
Chairman

For the Managing Board of Sixt SE

SIGNED ERICH SIXT
Chairman

Relevant disclosures on corporate governance practices
The practices used for managing Sixt SE 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. Reporting covers the risk management system, the internal control system as well as internal audits.

The risk management system, the functioning and extent of which is documented in the risk manual, specifies several types of reports to support management with the identification, assessment and control of risks. 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 control rules, 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.

Compliance within the Sixt Group
The success of the Sixt Group is not only driven by its excellent business policy, but also by the harmonisation of business principles with the highest moral and ethical standards, and the trust that customers, suppliers, shareholders and business partners place in us. In order to win and keep this trust it is a precondition that the Managing Board and the employees of the Company in any situation and continuously comply with the high standards of legislation, ethics and social skills. The Code of Conduct of Sixt SE and its affiliated companies, which is mandatory for all employees, contains these behavioural principles for the acting individuals' dealings in relation to third parties and within the Company.

To become aware of potential compliance defaults, Sixt offers its employees different reporting channels via the superior, the compliance officer or the ombudsman. The compliance officer maintains regular contact with the Managing Board and assists as well as advises the Board with respect to preventive measures.

Working practices of Managing Board and Supervisory Board
As European Stock Corporation (Societas Europaea) Sixt SE is governed by the German Aktiengesetz (AktG – German Public Companies Act), the specific European SE regulations and the German SE Implementation Act. One key principle of the Public Companies Act is the dualistic management system (Managing Board and Supervisory Board), which remains essentially unchanged for Sixt SE. Sixt SE takes due account of this principle of separate management and supervisory bodies and has different personnel in the Managing and Supervisory Boards of Sixt SE. The simultaneous membership in both bodies is not permitted. In accordance with article 7 (1) and (2) of the Company's Articles of Association, the Managing Board of Sixt SE consists of one or more members appointed by the Supervisory Board for a maximum period of up to five years. Reappointments are generally possible. At the beginning of the fiscal year 2015 the Managing Board of Sixt SE had three members. Based on the resolution of the Supervisory Board on 2 February 2015 Mr. Alexander Sixt and Mr. Konstantin Sixt were appointed as new members of the Managing Board effective on the same day, simultaneously extending the Managing Board to five members. The members of the Managing Board are responsible for basic strategic orientation, daily operations and the monitoring of risk management at Sixt SE and in the Sixt Group. In addition, the members of the Managing Board perform functions in other Group companies, for example as Supervisory Board members or Managing Directors. Since Sixt SE is the Group's strategic and financial holding company, the daily operations are managed within the Vehicle Rental and Leasing Business Units. The members of Sixt SE's Managing Board are at the same time Managing Directors of Sixt GmbH & Co. Autovermietung KG, the primary operational company of the Vehicle Rental Business Unit. Furthermore, the Chairman of the Managing Board of Sixt SE, Mr. Erich Sixt, is also Chairman of the Supervisory Board of Sixt Leasing AG, the primary operational company of the Leasing Business Unit.

The members of the Managing Board perform the duties assigned to them under clearly defined portfolio responsibilities in accordance with the executive organisation chart and the rules of procedure. The Chairman of the Managing Board is in charge of the overall management and business policy of the Company. In addition, he is responsible for marketing, public relations, international franchising, IT and strategic human resource management. The Chief Operations Officer is responsible for the rental business at rental offices and for the fleet, in particular the purchase and sale of vehicles. Furthermore, he is accountable for the areas such as quality management, repair/damage as well as 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. With the appointment of Mr. Alexander Sixt and Mr. Konstantin Sixt as Managing Board members of Sixt SE and as effective on 2 February 2015, the executive organisation chart has been adopted. Since then Mr. Alexander Sixt, as board member for organisation and strategy, has been responsible for the divisions Group strategy, M&A, central procurement, process and product management as well as the new mobility services such as the joint venture DriveNow. In addition, he is responsible for global operating human resources, as well as the management of all global service operations. As board member for sales, Konstantin Sixt signs responsible for national and international sales as well as the global e-commerce business.

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

Neither before nor after the enlargement of the Managing Board to five members any committees have been formed.

In accordance with article 10 (1) of the Articles of Association, the Supervisory Board of Sixt SE has three members. Two members are elected by the Annual General Meeting in accordance with legal provisions and the provisions of the Articles of Association. One further member of the body is appointed by the shareholder Erich Sixt. The Supervisory Board elects a Chairman and a Deputy Chairman from among its members (article 12 (1) of the Articles of Association). As according to the Articles of Association the Supervisory Board of Sixt SE consists only of three people, no committees are formed.

The Supervisory Board's main tasks include the appointment of Managing Board members and supervision of the Managing Board. As a general rule, the Supervisory Board adopts its resolutions at meetings. On instruction of the Supervisory Board Chairman, resolutions by the Supervisory Board may also be adopted outside of meetings (or by way of a combined resolution) by casting votes verbally or by telephone, in writing (section 126b of the BGB – German Civil Code) and/or by using other means of telecommunication or electronic media (article 14 (2) of the Articles of Association). Moreover, a resolution may also be validly adopted by aforementioned means without the instruction of the Chairman of the Supervisory Board if no member objects (article 14 (3) of the Articles of Association). Resolutions of the Supervisory Board require a majority of votes cast, unless otherwise mandatorily required by law (article 14 (7) of the Articles of Association). The Report of the Supervisory Board contains further details on the meetings and activities of the Supervisory Board during financial year 2015.

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 audits. To this end, the Managing Board agrees the Company's strategic orientation with the Supervisory Board and discusses the implementation of strategy in regular intervals. Documents required to make decisions, in particular the annual financial statements of Sixt SE, the consolidated financial statements, the management report on the Group's and the Company's situation, including the auditors' reports, are forwarded to the members of the Supervisory Board in good time before the respective meeting.

Employee participation programme (matching stock programme)

The Managing Board and Supervisory Board of Sixt SE resolved to implement a Matching Stock Programme (MSP) for a selected group of employees, senior executives and members of the Managing Board of the Sixt Group at 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 SE.

Participants in the MSP must have a contract of employment with Sixt SE 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 SE.

The bonds acquired as personal investment carry a coupon of 4.5% p.a. and a maturity until 2020. The total volume invested by all participants is limited to EUR 5.0 million. The Managing Board of Sixt SE defines the maximum participation volume for each of the beneficiaries. Where the Managing Board of

Sixt SE itself is concerned it does so with the approval of the Supervisory Board.

Every EUR 1,000 of paid-up subscription amount entitles to subscribe to 500 stock options per annual tranche in accordance with the MSP terms and conditions.

On each 1st of December every year from 2012 (first time) to 2016 (last time) one tranche of 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 stock options for every EUR 1,000 of paid-up subscription amount (5 tranches with 500 stock options each).

The allocated stock options can only be exercised after a lock-up period of four years, starting from the allocation of the respective tranche. The stock options can only be exercised if the exercise price since the allocation of the respective tranche is 20% higher than the initial price of said tranche (exercise threshold). The initial price of the 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 stock options for the tranche concerned are allocated. The exercise price is the average unweighted closing price of Sixt preference shares in Xetra trading on the Frankfurt Stock Exchange during the last 60 trading days before the stock options of the respective tranche are exercised. 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 stock options of this tranche expires without replacement.

The exercise gain for a tranche, calculated if the stock options are exercised, must not exceed 5% of the regular earnings before taxes (EBT) reported in the most recent approved consolidated financial statements of Sixt SE. In addition, the exercise gain (before taxes) of each tranche is limited for every participant to twice his paid-up investment volume. In the case of a higher calculated exercise gain, the amount will be reduced proportionately for all participants. An amount net of the taxes and contributions on the exercise gain payable by the participants is credited to each participant in preference shares of Sixt SE in the form that Sixt SE acquires Sixt preference shares on behalf of and for the account of the participant. These shares are subsequently transferred to a blocked custody account in the participant's favour. The participant is free to draw on the shares after another year. The total term of the MSP, including this lock-up period, is nine years, up until 2021.

If, during the term of the MSP, adjustments are made to the share capital of Sixt SE or restructuring measures are implemented that have a direct impact on the share capital of Sixt SE and this causes the value of the stock options to change by 10% or more, the initial price shall be adjusted to the extent necessary to compensate for the change in value of the stock options caused by the capital action. If Sixt SE distributes dividends or other assets to shareholders in the period between allocation and exercise of a tranche of 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, adjusted by the effects from capitalisation measures.

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

Disclosures relating to the ownership of shares and financial instruments relating to those shares

In accordance with the German Corporate Governance Code the ownership of company shares and financial instruments relating to those shares held by members of the Managing and the Supervisory Board must be disclosed in the event of such direct or indirect shareholdings exceeding 1% of the shares issued by the company.

Erich Sixt Vermögensverwaltung GmbH, Pullach, all shares of which are indirectly and directly fully owned by the Sixt family, held 60.1% (18,711,822 shares) of the ordinary shares of Sixt SE as at the reporting date of 31 December 2015. Mr. Erich Sixt held 2 ordinary shares registered in his name.

As at 31 December 2015, further members of the Managing Board held Sixt preference shares, granted under the tranches of the MSP employee equity participation programme that have been exercised. Their total did not exceed 1% of the shares issued by the Company. Under the matching stock programme, members of the Managing Board subscribed for bonds of Sixt SE with a total principal amount of EUR 900,000, which, as at reporting date 31 December 2015, entitles them under the MSP terms and conditions to subscribe for up to 2,100,000 stock options. Of these a total of 1,650,000 stock options had been granted by 31 December 2015 but not yet exercised. In addition to these, entitlements for future allocation of a total of 450,000 stock options exist.

Members of the Supervisory Board held no ordinary shares or preference shares of Sixt SE as at 31 December 2015. No financial instruments relating to the purchase or sale of Sixt SE shares were issued to members of the Supervisory Board.

Directors' dealings in accordance with section 15a of the WpHG

In accordance with section 15a of the Wertpapierhandelsgesetz (WpHG – German Securities Trading Act) directors and executives of Sixt SE as well as individuals closely related to or connected with them, have to disclose their own transactions with Sixt shares or related financial instruments to Sixt SE as well as the Bundesanstalt für Finanzdienstleistungsaufsicht (Federal Financial Supervisory Authority). The disclosure obligation does not apply as long as the aggregated total of the transactions conducted by each executive and their closely related or connected parties is less than EUR 5,000 by the end of the calendar year.

Sixt SE has received no disclosures in accordance with section 15a of the WpHG for the financial year 2015 regarding the acquisition or sale of the Company's shares or related financial instruments.

Target figures in accordance with the Law on Equal Participation of Women and Men in Leadership Positions

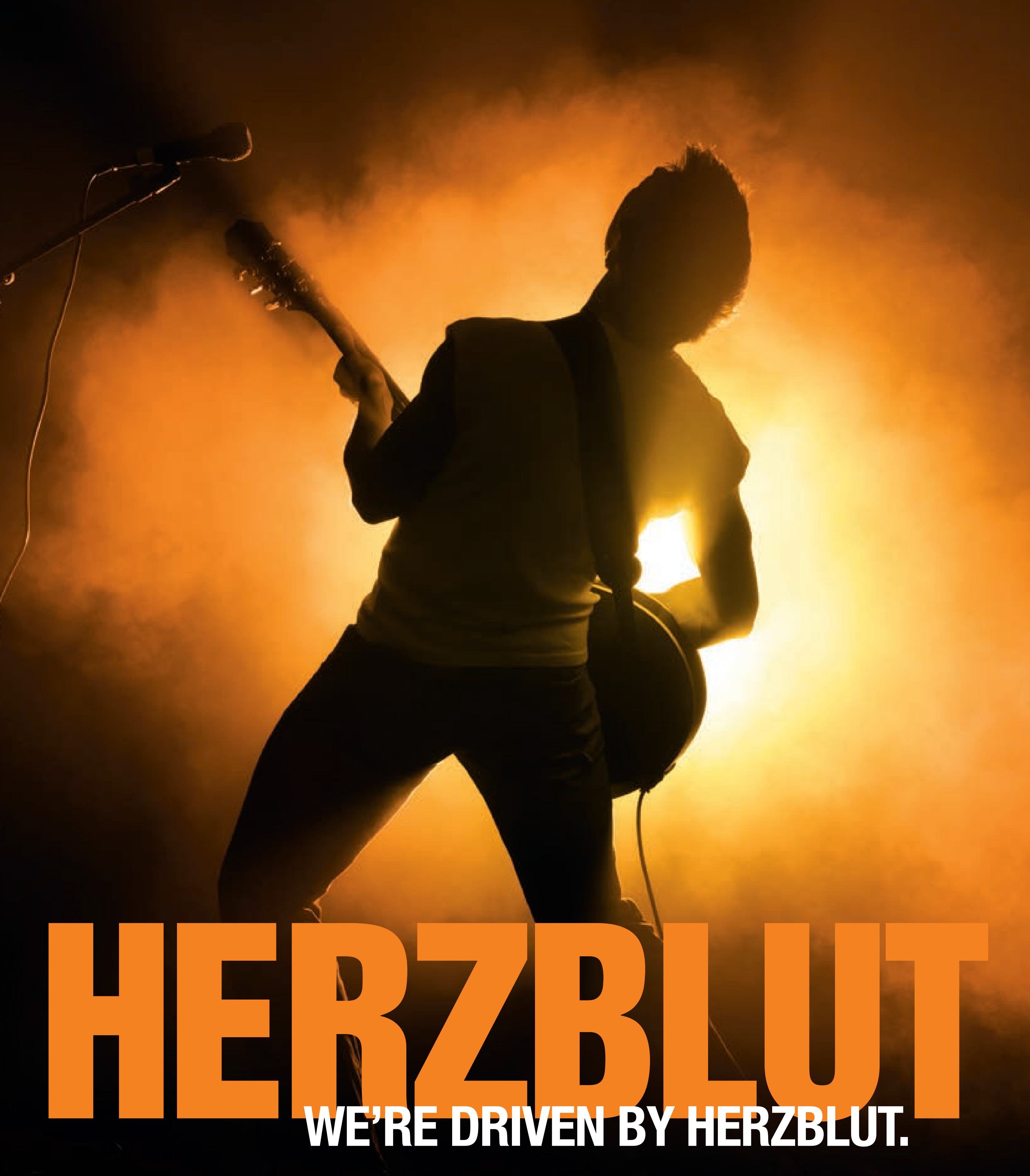
In accordance with the provisions of the Law on Equal Participation of Women and Men in Leadership Positions in the Private and Public Sector, the Supervisory Board of Sixt SE in the year under review defined target figures for the share of female members in the Supervisory and Managing Boards of Sixt SE, and the Managing Board of Sixt SE defined target figures for the share of women in the first and second executive level below the Managing Board. In view of this first-time definition, the period for implementation until which the respective share of women must be attained must not be later than 30 June 2017, pursuant to statutory provisions.

As all the members of the Supervisory Board and the Managing Board have been elected and/or appointed for terms extending beyond 30 June 2017, and given that the Company does not currently plan to extend the Supervisory Board or the Managing Board or to effect any personnel changes, the Supervisory Board has determined that the share of women serving in the Supervisory Board and the Managing Board shall be 0% and also resolved that this shall be implemented by 30 June 2017.

During the period under review the Managing Board in turn defined the target figures for the share of women in the first executive level below the Managing Board to be 15% and in the second executive level below the Managing Board to be 30%. These target figures are also to be attained by 30 June 2017. This takes due account of the German consolidated companies of Sixt SE, except Sixt Leasing AG and its German subsidiaries.

Disclosures relating to the auditor

The Annual General Meeting on 24 June 2015 adopted the proposal of the Supervisory Board to appoint Deloitte & Touche GmbH Wirtschaftsprüfungsgesellschaft, Munich as auditor for fiscal year 2015 for Sixt SE and the Sixt Group. Auditing companies from the Deloitte & Touche network are auditing the majority of companies subject to annual statutory audit and included in the consolidated financial statements. Deloitte und Touche GmbH Wirtschaftsprüfungsgesellschaft has been auditor of Sixt SE, and what was previously Sixt Aktiengesellschaft, since the annual financial statements for 2005. Since the annual financial statements for 2012 the auditor Christof Stadter has been the auditor responsible for conducting the audit.



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WE’RE DRIVEN BY HERZBLUT.

We put our heart and soul into serving our customers, fighting for new ideas and to fulfil our goals. Needless to say that this is not always easy, but it’s the only way to achieve great things. Which is what our customers look for, and find, at Sixt.

B \\ MANAGEMENT REPORT ON THE GROUP'S AND THE COMPANY'S SITUATION

B.1 \\ GROUP FUNDAMENTALS

1. BUSINESS MODEL OF THE GROUP

1.1 GROUP STRUCTURE AND MANAGEMENT

Sixt SE is a European Stock Corporation (Societas Europaea) that has its headquarters in Pullach/Germany and is the parent and holding company for the Sixt Group. The legal form “SE” of the holding company is vital for the Group's growing international orientation. Sixt SE assumes central management tasks and is responsible for the strategic and financial management of the Group. In addition, it provides vital financing functions, especially for the key subsidiaries of the Vehicle Rental Business Unit as well as for Sixt Leasing AG. The latter in which Sixt SE holds 41.9% of the capital and voting rights has also been stock-listed since May 2015 and together with its subsidiaries constitutes the Leasing Business Unit. Sixt Leasing AG continues to be fully consolidated in the consolidated financial statements of Sixt SE based on the existing control due to the given Supervisory Board majority as well as the concluded financing agreements between both companies.

The operating business of Sixt Group is under the full responsibility of domestic and foreign subsidiaries, which are assigned to the respective business units.

The Managing Board of Sixt SE manages the Company under its own responsibility. The Supervisory Board of Sixt SE appoints, monitors and advises the Managing Board and is directly involved in decisions of fundamental importance for the Company and the Group.

An overview of the companies included in the consolidated financial statements as well as other investments of Sixt Group, which in their aggregate are of subordinate economic importance, can be found under the section entitled “Consolidation” in the notes on the consolidated financial statements. The following report is an amalgamation of the Group and the Sixt SE Management Reports in accordance to section 315 (3) of the HGB.

1.2 GROUP ACTIVITIES AND SERVICES PORTFOLIO

The Sixt Group is an international provider of premium mobility services. With its Vehicle Rental and Leasing Business Units the Company offers business and private customers tailored products that provide them with mobility, from a few minutes through to a number of years. The solutions offered can also be combined depending on the customers’ individual requirements. The all-in mobility concepts and the above average share of premium vehicles constitute key features that set Sixt apart in international competition.

It is Sixt's claim to be the innovation leader in the mobility industry, to which end it is continually expanding its performance range with new products and services. One focal point is the increasing usage of online and mobile technologies to meet growing customer demand for flexible and state-of-the-art mobility. Their usage allows Sixt to react swiftly to new trends and to augment the range of products with corresponding services. This includes continually adapting its various websites to the current state of the art and to customers' wishes and requirements concerning transparency, user friendliness and content. Specific applications for smartphones and tablet PCs are important for the online and mobile sector. Sixt is an early mover in this field. Today, 59% of all reservations in the Vehicle Rental Business Unit are made via internet and mobile services. The internet is also becoming more and more important as a communication channel. Thanks to an ever-increasing presence in internet blogs and social networks, Sixt is able to intensify the dialogue with its customers and the wider public.

Besides the activities in the Business Units Vehicle Rental and Leasing, Sixt conceptualises and promotes additional business models around these core competences. These are offered via internet solutions. An example of this is the new car platform ***autohaus24.de***, which brokers new cars and additional services by collaborating in an extensive network of German contract dealers. Measured by the number of vehicles brokered, the joint venture is one of the leading providers in its segment in Germany.

2. VEHICLE RENTAL BUSINESS UNIT

In the Vehicle Rental Business Unit Sixt enjoys an almost worldwide presence through its own rental offices, as well as through cooperation with highly efficient franchisees and cooperation partners. With a market share of significantly over 30% Sixt is the clear market leader in Germany, far ahead of its competitors. According to internal calculations, the Company enjoys an even bigger market share at Germany's commercial airports, which are a particularly important segment for the rental business. The Business Unit's main target groups are business and corporate customers, and to a growing extent also private customers and holiday travellers. The accident replacement business, on the other hand, is of minor significance.

The Vehicle Rental Business Unit is represented in Germany and through its subsidiaries in the core European countries of Belgium, France, the UK, Luxembourg, Monaco, the Netherlands, Austria, Switzerland, and Spain (so-called Sixt corporate countries) and thus covers a large part of the European market. Sixt ranks amongst the largest vehicle rental companies in Europe, and since 2011 has also been active with its own stations on the US rental market.

Outside of Sixt corporate countries in Europe, the Company is represented through its franchise and cooperation partners (Sixt franchise countries) and since 2013 also in addition to its own stations in the USA. This twin-track international expansion with corporate subsidiaries and franchisees has given the Sixt brand an almost global presence.

The services of Sixt's classic Vehicle Rental are augmented and supplemented by products for special customer groups, including above all:

\\ *Sixt Rent a Truck:* Sixt provides a wide range of utility vehicles from well-known manufacturers, starting from highly manoeuvrable transporters through to trucks with laden weights of up to 12 tons. These vehicles can be rented out for shorter or longer terms, depending on the needs of the private and business customers. The offer is rounded off with services such as equipment for removals and for helping to secure loads as well as individual consultation when choosing a vehicle.

\\ *Sixt holiday vehicle rental:* In numerous countries Sixt offers holiday travellers a special vacation vehicle rental product. This reservation enables customers to pay the rent in advance and pick up the rental car at their vacation destination by simply presenting the required documents such as passport and driver's license. Extra services such as insurance (excluding any deductible), airport surcharge, taxes and mileage are generally already included for key vacation destinations. Sixt holiday rental vehicles thereby meets the need of many travellers to fix rental conditions and prices ahead of their journey so that the collection of the rental vehicle is swifter and easier at the destination.

\\ *Sixt Limousine Service:* Sixt Limousine Service is an individual and exclusive mobility service that can be used for business travel or airport transfers and sightseeing trips as well as special occasions such as major events. For this service Sixt uses a fleet of attractive premium vehicles as well as chauffeurs trained to high Sixt standards. Sixt Limousine Service is available in more than 60 countries worldwide.

\\ *Sixt Luxury Cars:* In various countries Sixt provides this particularly exclusive service of luxury saloons and sports cars and SUVs.

\\ *DriveNow:* The joint venture DriveNow between BMW Group and Sixt, in which both companies hold an equal share, is a premium carsharing service for short-term mobility demands in major conurbations. DriveNow services take account of the fact that more and more city dwellers prefer to dispense with car ownership for various reasons (for example increased costs of upkeep, lack of parking spaces, and ecological considerations) and instead rather rent mobility for a specific period of time. DriveNow is a flexible and high-quality alternative to owning and maintaining a vehicle. Registered users can rent attractive BMW and MINI models at short notice, independent of a rental station, and drop them off within a pre-defined area of town (free floating principle). Part and parcel of the service are also such functions as BMW's ConnectedDrive information service or BMW's especially fuel-efficient EfficientDynamics engines, as well as a growing number of electrically powered cars (BMW i3 and ActiveE models).

Over the past few years DriveNow has continually extended the number of connected cities as well as the range of services, for example by linking up to the major airports or by entering into cooperation with other transportation providers. At the end of 2015 the premium carsharing product was available in the German cities of Berlin, Düsseldorf, Hamburg, Cologne, and Munich. In addition to these, DriveNow is represented in London, Stockholm and Vienna as well as Copenhagen (through franchise partner).

- *myDriver:* The chauffeur service myDriver represents a comfortable and modern alternative to the usual taxis. Unlike with a taxi, though, the customer is given a binding fixed price when booking the trip. The personalised driver's service is available nationwide for business and private customers with a set of different vehicle categories. In the second half of 2015, preparations got under way for international expansion. Pilot phases kicked off in a number of European cities, including Amsterdam, Barcelona, Madrid, Milan, Nice, Paris, Rome, and Vienna. The cars of myDriver can be booked online and mobile at any time, day or night, for shorter or also longer periods. The vehicle fleet comprises top-fitted saloon cars of renowned brands. In Europe myDriver is cooperating with around 4,000 drivers and maintains its own pool of drivers. All these drivers – in-house or cooperation partners – have to pass a strict selection process, are professionally trained and hold the legally required chauffeur licenses.

- *Tailored services:* Sixt offers its customers products and services finely tuned to their specific mobility requirements. With its "Sixt unlimited" product, for example, the Company offers customers the means to rent a vehicle for a monthly flat rate at any time at over 800 Sixt service stations across Europe. Frequent travellers in particular will benefit from significant time and cost advantages, as separate costs for their own car, taxis or parking fees can be done away with. In addition, the offer includes a preference service, a fully comprehensive insurance cover, a navigation device and tyres fit for wintry conditions during the winter months.

- *Strategic partnerships:* Sixt benefits from numerous close strategic partnerships, some of which are long-established, with leading companies in the tourism and mobility industries. This enables Sixt to offer its customers many different price benefits and other advantages. These cooperation projects include airlines, hotel chains, hotel reservation and marketing associations, and other mobility service providers such as the ADAC (the German Automobile Association).

3. LEASING BUSINESS UNIT

The Leasing Business Unit is represented through the shareholding in the Sixt Leasing Group, Pullach. The Sixt Leasing Group is one of the largest non-bank, vendor-neutral leasing providers in Germany, operating subsidiaries in France, the Netherlands, Austria and Switzerland. In addition, Sixt franchisees and cooperation partners offer lease financing and services in around 35 countries under the brand name of Sixt Leasing.

The Sixt Leasing Group is organised into its two operating business segments, ***Leasing*** and ***Fleet Management***, whereas the Leasing business segment comprises the two business fields ***Fleet Leasing*** and ***Online Retail***.

Through the ***Fleet Leasing*** business field Sixt Leasing offers a full-service product to corporate customers with a larger vehicle fleet. Alongside conventional finance leasing, full-service leasing comprises a wide range of other services. These include vendor-neutral advice for customers on vehicle selection, vehicle procurement, vehicle maintenance over the entire contract period, tyre replacements, special supplementary products for transparent conditions at vehicle returns, service packages in the event of accidents as well as the management of vehicle insurances, fuel cards, vehicle taxes or radio license fees.

Target customers for the Fleet Leasing segment are companies with an adequately sized fleet and vehicles from different manufacturers. The fleets must have a certain complexity for Sixt Leasing optimally to deploy its competitive strengths in a targeted fashion during consultation and service. The aim is to optimise all processes over the entire life span of a vehicle fleet and thereby reduce the total cost of ownership of the vehicle fleet for the customers over the long term.

Through its ***Online Retail*** business field, Sixt Leasing offers private and commercial customers the means to configure the latest vehicle models from over 30 different car manufacturers and request their individual leasing offer through the online platform ***sixt-neuwagen.de***. All the vehicles on offer are procured exclusively from German contract dealers. Customers thereby benefit from Sixt Leasing's expertise and economies of scale when buying their vehicle in the form of attractive conditions and such additional services as inspection maintenance, tyre replacements and insurance policies. The Online Retail business field is registering a continual growth of contracts that include additional service components, such as accident and damage management or inspection and maintenance packages.

The ***Fleet Management*** business segment oversees and manages customer fleets, which generally are not subject to leasing agreements with Sixt Leasing, but still want to use the services for the management of complex fleets. This business field is taken care of by Sixt Mobility Consulting GmbH, a 100% subsidiary of Sixt Leasing AG. It manages large customer fleets with the aim of achieving measurable quality and operating cost optimisation that will raise the efficiency of the fleets. To this end Sixt Leasing works with in-house developed solutions that are generally also online-based. The target group for this service ranges from mid-sized businesses to international corporations.

4. SIGNIFICANT EXTERNAL INFLUENCING 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 and stipulations/requirements. These include road traffic, environmental protection and public order stipulations, as well as tax and insurance laws, and capital and financial market regulations.

Economically, the Group is dependent on general economic conditions, which particularly affect the spending propensity of business travellers, consumption behaviour of private customers, and companies' willingness to invest. Next to these, changes in interest rates is another key external factor that can influence the Group's business operations. Unstable political situations or the outbreak of epidemics in individual countries as well as social trends can also affect travel activities and the demand for mobility services, and thus influence the Group's business development.

5. BUSINESS MANAGEMENT

The long-term business success of the Sixt Group is measured centrally at Group level by using pre-defined financial control parameters.

The following financial control parameters are particularly essential for the entire Group:

- Operating revenue
- Earnings before taxes (EBT)
- Return on sales in the business units (EBT/operating revenue)
- Equity ratio (equity/total assets)

The Sixt Group aims to achieve the following returns and ratios 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 (with regard to the Business Unit's operating revenue)
- A pre-tax return on sales of 6% (previously 5%) in the Leasing Business Unit (with regard to the Business Unit's operating revenue
- An equity ratio of at least 20% at Group level

6. RESEARCH AND DEVELOPMENT

As a pure service provider, in 2015 Sixt once again did not engage in any research and development activities worth reporting for the financial year 2015.

B.2 \\ BUSINESS REPORT

1. ECONOMIC ENVIRONMENT

Alongside the domestic German market, the focal point for Sixt Group's business activities are increasingly in the US and the Sixt corporate countries in Europe. In both economic regions, the investment activity of the economy as a whole, the spending propensity of business and corporate customers and the consumer behaviour of private customers are of particular importance for Sixt.

The economy in the US performed positively in 2015, so that the International Monetary Fund (IMF) registered 2.5% growth in economic output. The driver for this was private consumption, given the good situation on the labour market as well as higher income of private households. Moreover, the construction industry, which benefited from low interest rates and a high backlog of demand, was also shoring up the economy.

For the Euro area, the IMF recorded a moderate upturn in the economy of 1.5%. Positive effects came from the higher purchasing power in the wake of low oil prices, the devaluation of the Euro, which boosted exports, as well as the low interest rate policy pursued by the European Central Bank (ECB). In particular the economies in France, Italy and Spain improved their performance on the previous year.

The German economy also recorded a moderate upswing. According to the German Federal Statistical Office the gross domestic product climbed 1.7%. This made it the second year in row that growth exceeded the average of the previous ten years of 1.3%. Key factors influencing this development were private consumption, lower energy prices as well as higher foreign trade.

Sources
International Monetary Fund (IMF), World Economic Outlook, October 2015, 28 September 2015
International Monetary Fund (IMF), World Economic Outlook, January 2016, 19 January 2016
German Federal Statistical Office, Press Release No.14, 14 January 2016

2. GROUP'S BUSINESS PERFORMANCE, OVERVIEW AND COMPARISON WITH PREVIOUS YEAR'S FORECAST

The Sixt Group recorded a very successful fiscal year 2015 seeing record figures for revenue and earnings and making major steps forward in the expansion outside Germany as well as the IPO of its subsidiary Sixt Leasing AG.

In its initial annual outlook the Managing Board had projected increasing demand in vehicle rentals, which it had based on the industry associations' forecasts for growth in private and business travels, as well as a moderate uptake in demand in the leasing business.

Over the course of 2015, the Group's growth proved to be strong and well above the market average. This was primarily the result of the ongoing internationalisation of the Vehicle Rental Business Unit. Rental revenues generated outside Germany in 2015 climbed by 38.5% against the previous year. Sixt performed especially dynamically in the USA, making the United States the Group's biggest single foreign market by revenue in the year under review. In Germany Sixt also managed to increase rental revenues by 10.9% thanks to successful sales measures. The Leasing Business Unit expanded its leasing revenues slightly by 0.6%, which proved to be fully in line with revenue expectations.

Due to the strong gain in the Vehicle Rental Business Unit, the Group's business development clearly outperformed the Managing Board's initial expectations, which at the start of the year under review had expected consolidated operating revenue to climb slightly. According to the insights gained during the course of the year, the Managing Board upgraded the revenue outlook after the end of the second quarter. Given that the Group's national and international growth was stronger than the market average, the Managing Board projected consolidated operating revenues for the full fiscal year to register a substantial uptake in 2015. Actual consolidated operating revenue came to EUR 1.94 billion, some 17.9% above the figure of 2014.

As a consequence of generated revenues rising above internal expectations, the Managing Board also upgraded its earnings outlook, which at the start of the year had foreseen a stable to slight increase in Group EBT. After the end of the second quarter the Managing Board gradually upgraded its outlook for a slight increase in Group EBT and at the end of the third quarter then gave a concrete figure for attainable Group EBT of at least EUR 180 million. The EBT actually achieved for the full fiscal year 2015 came to EUR 185.2 million and was 18.0%

higher than the year before. This result came against the background of higher fleet costs and higher operating expenses, extra costs for strategic growth measures and expenses incurred as part of the Sixt Leasing AG's IPO, and is therefore a highly positive outcome. Return on sales (EBT to consolidated operating revenues) had been expected on the previous year's level and was marginally up by 0.1 percentage points to 9.6%, in line with the forecast.

The return on sales generated in the Vehicle Rental Business Unit came to 10.6% and to 7.2% in the Leasing Business Unit (both referenced against operating revenue), and both were slightly above the long-term target range of at least 10% and 6% respectively (previously 5%).

3. REVENUE DEVELOPMENT

3.1 DEVELOPMENTS IN THE GROUP

Due to rounding it is possible that individual figures presented in this management report on the Group's and the Company's situation may not add up exactly to the totals shown. For the same reason, the percentage figures presented may not exactly reflect the absolute figures they relate to.

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 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.

Total consolidated revenue amounted to EUR 2.18 billion in the year under review, 21.3% more than the previous year's figure of EUR 1.80 billion. At EUR 1.94 billion, consolidated operating revenue from rental and leasing business (excluding revenue from the sale of used leasing vehicles) was 17.9% higher than the prior-year figure (EUR 1.65 billion).This increase was the result of a good revenue performance in the Rental Vehicle Business Unit, especially from the ongoing international expansion.

Breakdown of consolidated revenue	**2015**		2014	
	in EUR million	in %	in EUR million	in %
Rental	1,519	70	1,228	68
Leasing	420	19	417	23
Leasing vehicle sales	236	11	146	8
Miscellaneous	5	0	5	1
Total	**2,179**	**100**	**1,796**	**100**

Consolidated operating revenue	**2015**	2014	2013	2012
in EUR million				
	1,939	1,645	1,505	1,426

3.2 REVENUE BREAKDOWN BY REGION

In Germany consolidated revenue for 2015 was EUR 1.36 billion, an increase of 13.9% compared to the year before (EUR 1.20 billion). Rental revenue in the Vehicle Rental Business Unit reached EUR 699.3 million, 10.9% more than in 2015 (EUR 630.5 million). Other revenue from rental business climbed 19.7% to EUR 91.3 million (2014: EUR 76.3 million). The revenue from leasing activities in Germany was EUR 357.1 million and remained on the previous year's level (EUR 357.1 million). Revenue generated in Germany from the sale of used leasing vehicles, which is generally subject to fluctuations, significantly rose by 64.7% to EUR 212.0 million (2014: EUR 128.7 million).This was essentially due to the expanded offer for selling vehicles from the Fleet Management business field as well as the higher number of vehicle returns, given that the number of contracts had also expanded over the previous years.

Group revenues outside Germany performed clearly more dynamically in 2015 thanks to the growth measures initiated. At EUR 814.8 million they climbed 36.1% to another new record level (2014: EUR 598.6 million). Rental revenues again outperformed their very encouraging development of the previous year and rose 38.5% to EUR 677.5 million (2014: EUR 489.1 million). Strengthening this trend were the activities in the US and in the vacation destinations in France and Spain as well as in the UK. Other revenue from rental business was EUR 51.1 million and thus also substantially up from the prior-year figure (EUR 32.1 million; +59.3%). Leasing revenue generated outside Germany slightly increased by 4.1% to EUR 62.7 million (2014: EUR 60.2 million). Foreign revenue from the sale of used leasing vehicles was up 36.8% to EUR 23.5 million (2014: EUR 17.2 million).

Sixt once again took another step towards its strategic goal of further increasing the share of foreign business in revenue. Thus, the consolidated revenue generated in 2015 amounted to 62.6% (2014: 66.7%) within Germany and 37.4% (2014: 33.3%) outside of Germany. In relation to the consolidated operating revenue, the share of revenue generated abroad also climbed to 40.8% (2014: 35.3%)

4. EARNINGS DEVELOPMENT

Consolidated income statement (condensed) in EUR million	**2015**	2014	Change in total	Change in %
Consolidated revenue	2,179.3	1,796.2	383.1	21.3
Thereof consolidated operating revenue[1]	1,939.1	1,645.3	293.8	17.9
Fleet expenses and cost of lease assets	807.3	675.2	132.1	19.6
Personnel expenses	274.5	219.8	54.7	24.9
Depreciation/amortisation	418.5	347.1	71.5	20.6
Net other operating income/expense	-457.1	-354.9	-102.3	28.8
Earnings before interest and taxes (EBIT)	221.8	199.2	22.5	11.3
Net finance costs	-36.6	-42.2	5.6	-13.4
Earnings before taxes (EBT)	185.2	157.0	28.2	18.0
Income tax expense	57.0	47.0	10.0	21.4
Consolidated profit	128.2	110.0	18.2	16.5
Earnings per share (in EUR)[2]	2.39	2.29	0.10	4.4

1 Not including proceeds from the sale of used leasing vehicles
2 Basic, in 2015 based on 48.1 million shares (weighted), in 2014 based on 48.1 million shares (weighted)

Other operating income came to EUR 122.1 million and was therefore 84.4% higher than the previous year's figure (EUR 66.2 million), mainly due to higher currency translation (EUR 66.8 million; +180.6%) and increased income from forwarding costs to third parties (EUR 24.9 million; +30.7%). Gains from currency translation are offset by expenses for foreign currencies, which are recognised under other operating expenses.

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

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

Fleet expenses and cost of lease assets increased by 19.6% in 2015 to EUR 807.3 million (2014: 675.2 million). Given the extended rental and leasing fleets as well as price adjustments, costs increased almost across the board, above all for reconditioning, maintenance and repair work as well as insurance costs.

Personnel expenses climbed 24.9% to EUR 274.5 million (2014: EUR 219.8 million), mainly because of a bigger workforce as a result of the growth in operating business abroad and due to annual salary adjustments.

Depreciation and amortisation expenses amounted to EUR 418.5 million, 20.6% higher than the previous year's figure of EUR 347.1 million. The bigger fleets resulted above all in higher depreciation on rental vehicles (EUR 216.8 million; +25.2%) and on lease assets (EUR 178.3 million; +12.7%).

In the fiscal year other operating expenses rose by 37.6% to EUR 579.2 million (2014: EUR 421.1 million). Significant increases were recorded for commissions, expenses incurred in connection with currency translations, selling and marketing expenses, costs for outsourced activities of vehicle maintenance and costs for real estate.

For 2015 Sixt Group's earnings before interest and taxes (EBIT) came to EUR 221.8 million, which is 11.3% more than the previous year's figure of EUR 199.2 million. The EBIT margin, measured as ratio to consolidated operating revenue, is 11.4% and thus slightly below last year's figure (12.1%).

The financial result improved from EUR -42.2 million to EUR -36.6 million by 13.4% despite the fact that the refinancing volume went up because of the extended fleets. This development is essentially the result of the other financial income climbing by EUR 7.9 million thanks to the positive results generated from the disposal of financial assets and improved costs from interest rate hedging transactions in the amount of EUR -1.9 million (2014: EUR -5.3 million).

At 185.2 million, consolidated earnings before taxes (EBT) once again showed the best result in the Company's history. Year-on-year this equals an increase of 18.0% (2014: EUR 157.0 million).The EBT margin – expressed in relation to consolidated operating revenue – reached 9.6% and was slightly above last year's figure (9.5%). Thus it was within the targeted long-term range.

Income tax expense came to EUR 57.0 million (2014: EUR 47.0 million). At +21.4% this increase was slightly disproportional to the growth in pre-tax profit. The tax rate, calculated on the basis of EBT, was 30.8% (2014: 29.9%).

For fiscal year 2015 the Sixt Group reports a consolidated profit of EUR 128.2 million after EUR 110.0 million the year before (+16.5%). Minority interests reached EUR 13.1 million (2014: below EUR 0.1 million). As a result, consolidated profit after taxes and minority interests was EUR 115.1 million (2014: EUR 110.0 million).

Earnings per share (basic) for the year under review amounted to EUR 2.39 per share. The year before, earnings per share had been EUR 2.29.

Earnings performance Sixt Group	**2015**	2014	2013	2012
in EUR million				
EBT	185.2	157.0	137.6	118.6
Consolidated profit	128.2	110.0	94.4	79.2

Return indicators Sixt Group	**2015**	2014	2013	2012
in %				
Return on equity (ratio of EBT to equity)	17.5	21.2	20.4	18.7
Return on sales (ratio of EBT to operating revenue)	9.6	9.5	9.1	8.3

5. APPROPRIATION OF PROFIT

Sixt SE prepares its annual financial statements according to the provisions of the German Commercial Code (HGB) and the German Public Companies Act (AktG). It reported unappropriated profits of EUR 201.9 million for 2015 (2014: EUR 73.4 million).

Subject to the consent of the Supervisory Board, the Managing and Supervisory Board of Sixt SE are proposing that the

Annual General Meeting on 2 June 2016 distribute these unappropriated profits as follows:

\\ Payment of a dividend of EUR 0.90 plus a special dividend of EUR 0.60 for each ordinary share

\\ Payment of a dividend of EUR 0.92 plus a special dividend of EUR 0.60 for each preference share

\\ Transfer to the reserves retained from earnings of EUR 50.0 million

\\ Carry-forward to new account EUR 79.5 million

This dividend proposal, which would result in a total dividend payment of EUR 72.4 million (previous year: EUR 58.0 million), reflects the Group's good earnings performance in the year under review and also takes due account of the financing of the targeted further expansion. The dividend proposal would result in a payout rate of 63% for fiscal year 2015 (measured in terms of the consolidated profit after minority interests) as compared to a payout rate of 53% for fiscal year 2014.

6. NET ASSETS

As at the end of the reporting year 2015, Sixt Group's total assets came to EUR 3.66 billion, which was EUR 842.4 million or 29.9% more than at 31 December 2014 (EUR 2.82 billion). The expansion of total assets is due to higher lease assets as well as property and equipment on the non-current assets side and an expanded rental vehicles position, inventories, trade receivables as well as other receivables and assets on the current assets side following the higher business volume.

Non-current assets amounted to EUR 1.19 billion (2014: EUR 1.04 billion; +14.8%), and are still dominated by lease assets, which increased by EUR 55.4 million or 6.1% year-on-year to EUR 957.8 million (2014: EUR 902.4 million). At 80.5% the share of lease assets in the total non-current assets position was slightly below the level of the previous year (2014: 87.1%), mainly due to the increase in property and equipment by EUR 98.4 million or 150.9% to EUR 163.6 million (2014: EUR 65.2 million).The share of lease assets in total assets also decreased to 26.2% (2014: 32.0%). Intangible assets rose by EUR 3.0 million or 12.2% to EUR 28.0 million. At-equity measured investments diminished by EUR 0.5 million or 9.0% to EUR 5.3 million. In addition, there were no significant changes in the other items under non-current assets year-on-year.

Current assets also significantly increased in total by EUR 688.5 million to EUR 2.47 billion (2014: EUR 1.78 billion; +38.6%). Rental vehicles accounted for EUR 1.76 billion, which was EUR 501.5 million or 39.7% more than at the end of the previous year (EUR 1.26 billion). The share of the rental vehicles position in current assets amounted to 71.4% (2014: 70.8%) and 48.2% in total assets (2014: 44.8%).

The inventories position contains essentially rental vehicles taken out of the fleet and returned leasing vehicles as well as petrol stocks. At EUR 92.4 million, they were EUR 50.5 million or 120.7% above last year's figure of EUR 41.9 million due to reporting date effects.

Trade receivables of EUR 276.7 million were EUR 41.7 million or 17.7% above last year (EUR 235.0 million) due to reporting date effects.

Current other receivables and assets significantly increased by EUR 87.6 million to EUR 265.3 million (2014: EUR 177.6 million; +49.3%). The growth was essentially due to delivery claims for new vehicles of the rental and leasing fleets. As at reporting date the Group's cash and cash equivalents came to EUR 65.6 million after EUR 53.1 million the year before (+23.5%).

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. Advertising expenses for fiscal year 2015 amounted to around 2.8% of consolidated operating revenue (2014: 2.6%).

Consolidated balance sheet (condensed) Assets in EUR million	2015	2014
Non-current assets		
Property and equipment	163.6	65.2
Lease assets	957.8	902.4
Miscellaneous	68.9	68.8
Current assets		
Rental vehicles	1,763.3	1,261.7
Cash and cash equivalents	65.6	53.1
Miscellaneous	641.4	466.9
Assets	**3,660.5**	**2,818.1**

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 as well as a monthly Group finance plan. The key tasks overseen include safeguarding liquidity, cost-oriented long-term coverage of financing requirements of the consolidated companies, managing interest rate and credit risks. The finance division of the Group takes care of the operative liquidity control and the cash management for all consolidated companies.

For financing business operations Sixt uses credit lines granted by banks as well as borrower's note loans and a commercial paper programme. In addition to these, the Company regularly issued bonds on the capital market.

As at the end of 2015, the Sixt Group was primarily financed by the following instruments:

- A bond with a nominal value of EUR 250 million, maturing in 2020 and bearing a coupon of 2.00% p.a.
- 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 348 million, maturing between 2017 and 2019 and bearing fixed and variable market rates of interest
- Drawn credit lines with a number of reputable banks, mainly based in Germany, with a maturity of up to 3 years
- Finance leases with a remaining maturity of up to 3 years

To finance the fleet, the Group also uses leases (operate leases) with external financial services providers, most of which are tied to particular OEMs. These forms of lease financing continue to constitute an important part of the Group's refinancing portfolio.

7.2 EQUITY

As at 31 December 2015 the Group's equity amounted to EUR 1.06 billion compared with EUR 741.6 million on the same reporting date the year before. The gain of EUR 317.2 million equalling 42.8% is essentially the result of the gross payments received as part of the IPO of Sixt Leasing AG in the amount of EUR 239.3 million. Sixt's share in the equity of Sixt Leasing AG came down from 100.0% to its present figure of 41.9%. As Sixt Leasing AG is still controlled by Sixt SE and fully consolidated in the consolidated financial statements of Sixt SE, the shares in Group equity allotted to other shareholders increased to EUR 103.6 million. Thanks to the consolidated profit generated, equity also increased, although this gain is offset by the cash outflow for the dividend payment made for fiscal year 2014 in the amount of EUR 58.0 million. Thus, at 28.9% the equity ratio, measured against total assets, increased despite the expansion of the rental and leasing fleets (2014: 26.3%).This means that Sixt Group continues to report an equity ratio significantly higher than the average in the German rental and leasing industry.

The share capital of Sixt SE as at reporting date remains unchanged at EUR 123.0 million (2014: EUR 123.0 million).

7.3 LIABILITIES

Non-current liabilities and provisions fell slightly as per reporting date from EUR 1.16 billion by EUR 215.2 million or 18.6% to EUR 940.7 million. The year-on-year changes are essentially due to the reduction in financial liabilities, down by EUR 210.0 million or 18.6% to EUR 920.6 million (2014: EUR 1.13 billion), which was essentially due to the reclassification of the 2010/2016 bond into current financial liabilities. Since fiscal year 2015 finance lease liabilities are recognised in the financial liabilities and no longer in the other liabilities. The figures for the previous year were duly adjusted. The non-current finance liabilities contain the bond 2014/2020 and the bond 2012/2018 with nominal values of EUR 250.0 million each as well as borrower's note loans, bank liabilities and finance lease liabilities with remaining maturities of more than one year in the amount of EUR 417.9 million (2014: EUR 381.5 million). In the year under review borrower's note loans with nominal values of EUR 50.0 million were issued.

Other non-current liabilities fell by EUR 7.1 million to EUR 1.2 million (2014: EUR 8.3 million), mainly as a consequence of the reduction in the valuation of the interest rate derivatives.

Current liabilities and provisions rose by EUR 740.4 million to EUR 1.66 billion due to reporting date effects (2014: EUR 920.6 million). This rise was primarily a consequence of the increase in financial liabilities by EUR 619.6 million to EUR 908.7 million (2014: EUR 289.1 million). Among others this in turn is mainly the result of reclassifying the bond 2010/2016 to the current financial liabilities, taking out new commercial papers as well as the increase in liabilities to banks. In the financial year, borrower's note loans with nominal values of EUR 100.0 million were paid back as scheduled and partly ahead of schedule.

As at reporting date trade payables also rose from EUR 404.9 million by EUR 79.9 million to EUR 484.8 million.

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

Consolidated balance sheet (condensed) **Equity and liabilities**	**2015**	2014
in EUR million		
Equity	**1,058.8**	**741.6**
Non-current liabilities and provisions		
Provisions	0.2	0.4
Financial liabilities	920.6	1,130.5
Miscellaneous	19.9	25.0
Current liabilities and provisions		
Provisions	156.0	109.7
Financial liabilities	908.7	289.1
Miscellaneous	596.3	521.8
Equity and liabilities	**3,660.5**	**2,818.1**

8. LIQUIDITY POSITION

For 2015 the Sixt Group reports cash flows of EUR 565.7 million, which is EUR 97.0 million above the figure for the preceding year (EUR 468.6 million). Adjusted for changes in working capital this results in a cash outflow for operating activities of EUR 454.1 million (2014: net cash outflow of EUR 175.2 million).The year-on-year changes are essentially due to the net increase in the rental fleet.

Net cash used in investing activities amounted to EUR 120.6 million (2014: net cash used in investing activities of EUR 37.2 million) based on investments in intangible assets as well as property and equipment.

Financing activities resulted in cash inflows of EUR 585.6 million, mainly due to the payments received as part of the IPO of Sixt Leasing AG and recognised in the equity (2014: cash inflow of EUR 217.7 million).

Following the reclassification of finance lease liabilities from other liabilities into financial liabilities in fiscal year 2015 and the corresponding adjustment of the previous year figures, the previous year's cash flow figures from operating and financing activities have also changed.

After changes relating to exchange rates and other factors, total cash flows resulted in a year-on-year increase in cash and cash equivalents as at 31 December 2015 up by EUR 12.5 million (2014: increase of EUR 7.5 million). Cash and cash equivalents correspond to the balance sheet item "cash and bank balances".

9. INVESTMENTS

Sixt's fleet policy took due account to the expansion in the European countries outside Germany as well as in the USA. Around 195,100 vehicles were added to the rental and leasing fleets in 2015 (2014: 172,600 vehicles) with a total value of EUR 5.26 billion (2014: EUR 4.32 billion). Year-on-year, this is a 13.1% increase in the number of vehicles and an increase of 21.7% in the value of vehicles. The average value per rental car was around EUR 27,300, and thus noticeably above the previous year's level of EUR 25,400.

Vehicles added to the rental and leasing fleets Number of vehicles	**2015**	2014	2013	2012
	195,100	172,600	154,400	153,600

Vehicles added to the rental and leasing fleets Value of vehicles in EUR billion	**2015**	2014	2013	2012
	5.3	4.3	3.9	3.7

10. SEGMENT REPORTS

10.1 VEHICLE RENTAL BUSINESS UNIT

Sector developments

The general trends of the international vehicle rental markets did not change in 2015 in the view of Sixt. Thus, the industry continues to be characterised by fierce competition and moderate growth in market volume, as in the preceding years. The global market is dominated by a few internationally focused corporations.

Another hallmark of the industry is its ongoing process of concentration. Above all, this affects smaller and purely regionally operating car rental companies, which are no longer able to meet the increasing mobility demands of their customers, including a combination of innovative concepts and modern online and mobile technologies in the domains of vehicle rental, carsharing and chauffeur services.

Small, locally operating vehicle rental providers will continue to suffer from unaltered structural competitive disadvantages in the opinion of Sixt. High overheads and a generally low capital basis are making it difficult for these providers to develop modern business processes based on innovative technologies for vehicle pick-up and return. In contrast, large internationally active suppliers are in a position to comply with requests of business travellers and also of large tourism companies for time-saving and flexible solutions.

For 2015 the market information service "Euromonitor International" had projected that the large European vehicle rental markets would generate revenues just above the level of the preceding year. In the European Sixt corporate countries of Belgium, Germany, France, the UK, the Netherlands, Austria, Switzerland, and Spain market volume went up by around 3% from EUR 9.3 billion to EUR 9.6 billion. According to the same figures, German market volume increased by 2% to EUR 2.1 billion (2014: EUR 2.1 billion). In 2014 Euromonitor Interna-tional already upgraded its estimate of the French market size, noting that it was assuming the French vehicle rental market would reach a volume of EUR 2.7 billion in 2015. This would mean that France held the biggest European rental market volume. The biggest European markets also included the UK with a volume of GBP 1.3 billion and Spain at EUR 1.4 billion. In Sixt corporate country USA, the biggest rental market by far, market volume climbed by about 5% to USD 27.0 billion (2014: USD 25.7 billion).

According to this market information service, the year under review did not witness major shifts in revenue allocations by customer groups in the vehicle rental industry compared with the previous year. In Germany, the proportion of business travellers at 52% almost stayed the same. The share of private travellers remained constant at 41%. In all of European Sixt corporate countries where detailed market data are available, the share of private travellers increased marginally from 43% to 44% while the share of business travellers declined slightly from 52% to 51%. In the United States the shares for business travellers and private travellers were below the European levels, at 31% and 39% respectively. This is due to the substantially stronger accident replacement business in the USA, which accounts for a revenue share of 30%.

Germany's international passenger airports, where Sixt enjoys a strong presence, recorded an uptake in passenger numbers in 2015. The Arbeitsgemeinschaft Deutscher Verkehrsflughäfen (German Airports Association) came to around 216 million passengers in 2015, an increase of 3.9% compared to prior year's figure (207.9 million passengers). The growth was evenly distributed between larger and medium-sized German airports.

Sources
Euromonitor International, Travel 2015; internal estimates
Arbeitsgemeinschaft Deutscher Verkehrsflughäfen (ADV – German Airport Association), ADV monthly statistic 12/2015, 5 February 2016

Developments in the Vehicle Rental Business Unit
The Vehicle Rental Business Unit registered a very dynamic business development in 2015 and at the same time accelerated the operational growth of the previous year. The business development was characterised by a demand from corporate and private customers, which outstripped expectations as well as by a lasting significant expansion abroad. Thereby, most Sixt corporate countries registered double-digit percentage revenue increases compared to the previous year.

For Sixt, this positive development results from the further reinforced sales activities both in Germany and abroad and from the ongoing expansion outside Germany. This involves specifically the expansion of the station network in the US as well as in large European countries, such as France and Spain. In addition, Sixt concluded new collaborations with high-performing franchisees and has consequently developed its presence in regions, such as Eastern Europe, South America and the Caribbean.

Sixt benefits from its highly developed competitive strengths. This includes the large offer of innovative and flexible mobility solutions, its attractive vehicle fleet with a high percentage of premium vehicles, the clear focus on premium services and products as well as the high level of brand recognition. Customers associate the Sixt brand with attributes like quality of service, innovation, flexibility and a good price-performance ratio.

Total revenue generated in 2015 by the Vehicle Rental Business Unit came to EUR 1,519.3 million, equalling an increase of 23.7% (2014: EUR 1,228.0 million). Rental revenues increased to EUR 1,376.9 million by 23.0%, compared to the previous year (EUR 1,119.6 million). Other revenue from rental business also climbed by 31.4% to EUR 142.4 million (2014: EUR 108.4 million).

The Business Unit's revenue in Germany rose 11.9% to EUR 790.7 million (2014: EUR 706.8 million). Rental revenues clocked up growth of 10.9% to EUR 699.3 million (2014: EUR 630.5 million), whereas, to the Company's own assessment, Sixt vehicle rental developed considerably more dynamically then the rental sector in general.

Outside of Germany, the Business Unit achieved a growth of 39.8% to EUR 728.6 million (2014: EUR 521.2 million). Thereof EUR 677.5 million were accounted for the rental revenues, 38.5% more than in the preceding year (2014: EUR 489.1 million). The greatest contribution to international growth was performed by the US subsidiary, which more than doubled its revenue. With that, the US market became, only five years after commencing the business activities, the largest foreign market, even overtaking France. Sixt developed dynamically with double-digit growth in nearly all European corporate countries, amongst others in France, Spain and the UK. The share of segment sales outside Germany increased further in line with the corporate strategy to 48.0% (2014: 42.4%). With regards to rental revenues, the international operations already contributed with a share of 49.2% (2014: 43.7%).

The Business Unit managed to enhance the already high level of earnings from the previous year (EUR 136.8 million) and increased its 2015 earnings before taxes (EBT) by 17.2% to EUR 160.4 million. This result includes the costs of various expansion measures, in particular the extension of the station network in the US and in Western Europe, sophisticated marketing campaigns in corporate countries, the international expansion of the premium carsharing service DriveNow, as well as costs for the development of the chauffeur service myDriver. All foreign companies, except for the USA, provided a positive contribution to the EBT. In the USA, overall start-up losses still incurred, whereas most stations, which opened from the time of market entry, already recorded positive contributions to operating income.

Return on sales of the Vehicle Rental Business Unit, measured as the ratio of EBT to segment revenue, came to 10.6% (2014: 11.1%) and thus was above the long-term margin target of at least 10%.

Key figures for the Vehicle Rental Business Unit			Change
in EUR million	**2015**	2014	in %
Revenue	1,519.3	1,228.0	23.7
Thereof rental revenue	1,376.9	1,119.6	23.0
Thereof other revenue from rental business	142.4	108.4	31.4
Thereof abroad	728.6	521.2	39.8
Earnings before interest and taxes (EBIT)	184.3	159.6	15.5
Earnings before taxes (EBT)	160.4	136.8	17.2
Return on sales (in %)	10.6	11.1	-0.5 points

Further development of the leading position in Germany: In 2015 Sixt recorded on its home market Germany an above-average growth. Although Sixt has been market leader in Germany for many years now, it managed to strengthen its position in the reporting year due to a growth above own expectations of rental revenues by 10.9%. Sixt estimates its market share in Germany to more than 30%.

For both private and business customers, Sixt recorded a high demand in Germany. A crucial factor for this was – apart from the overall friendly economic environment – the further intensification of successful sales initiatives. Thus the market development was significantly expanded both in relation to existing customers as well as in regard to the acquisition of new customers. Furthermore, Sixt's premium strategy plays a major role. Customers deliberately choose Sixt in order to rent higher-value vehicles.

Its dense network of stations guarantees a nationwide presence and with it straightforward and flexible mobility for private as well as business travellers. Sixt is continuously optimising its network of stations and at the end of 2015 had 508 offices in Germany (2014: 483 offices).

The international business grows dynamically: Sixt is present with own subsidiaries on important markets in Western Europe and in North America. This includes besides Germany, the countries Belgium, France, the UK, Luxemburg, Monaco, the Netherlands, Austria, Switzerland and Spain as well as diverse federal states in the USA. The rental business performed favourably in these countries in 2015. The basis for the positive business performance was above all the dynamically growing private customer segment, the strong demand for premium vehicles, the continuous extension of the network of stations as well as the ever growing brand awareness of Sixt.

In the USA, as the world's biggest vehicle rental market with a volume of USD 27.0 billion, Sixt recorded in the course of its continued expansion a surge in growth and managed to more than double its revenues. In the reporting year, the United States has already developed to – measured by turnover – the second most important market for the Company, following Germany and replaced France as largest international market for the first time. Important factors for this were, besides the continuous expansion of the station presence, the acquisition of new customers in the US and the strong demand from European and South American travellers.

In the European corporate countries, Sixt achieved in nearly all countries a double-digit percentage growth in operation. Growth engine were specifically France, Spain and the UK.

In Spain, Sixt benefited from the reviving tourism sector as well as from an extended holiday season. In contrary to other previous popular vacation countries, such as North Africa, Spain is regarded as safe travel destination and recorded a respectively high touristic yield. The traditionally strong private customer segment in the neighbouring country France repeatedly contributed to the significant revenue growth, whereby many customers systematically decided to choose Sixt in order to have the pleasure to enjoy a rental vehicle with high-quality equipment.

In diverse countries, Sixt accelerated its business operations with sensational advertising campaigns. In France, the susccessful TV campaign entitled “Boost Yourself” was continued. According to a study conducted by the market research institute BVA France, Sixt’s brand awareness gained substantially following the campaign. In addition, Sixt France sponsored the popular TV formats “The Voice” and “Let’s Dance”. In the UK the campaign “Drive Smug” lead to a stronger awareness of the Sixt brand. Particularly successful was a campaign in London, in which Sixt advertised in subway stations, such as in the banking district. In the Netherlands the TV campaign with the caption “Gefixt met Sixt” also resulted in a clear uptake of the Company’s brand awareness according to the preliminary findings of the market research institute TNS Nipo. In Switzerland, Sixt intensified its advertising presence in order to increase the brand awareness through humorous and provocative motives in newspapers and online publications. Also in Spain a campaign was started at the end of 2015 named “Ahorrar!” (“Saving!”).

Franchise network further expanded: Sixt is also active outside Western Europe thanks to its efficient franchisees. In the year under review the Company augmented its franchise network with new partnerships, especially in the Caribbean and South America. This includes the start-ups on the Turks and Caicos Islands as well as in Nicaragua, where Sixt is represented in central areas and at airports with large vehicle fleets. In addition, Sixt also extended its presence in existing markets of the region, including Chile. The Caribbean and South America are important travel destinations, in particular for travellers from the USA.

In 2015 Sixt gained a franchisee in Kuwait and now offers a large spectrum of services, from short-term rental, limousine services to long-term rentals. In North Africa, the Company extended its country network with Senegal, where customers are also offered mobility solutions for short- and long-term rentals as well as the Sixt chauffeur service. In Eastern Europe, Sixt widened its country network to Moldova and is consequently represented in the entire region.

In Australia, Sixt started with a new franchisee. The station network now covers all important locations at continental airports as well as at airports in tourist destinations of the Gold and Sunshine Coast. Sixt is also present at important central sites of large Australian cities, such as Brisbane, Melbourne and Sydney.

As at the end of 2015, Sixt was able to offer its customers a worldwide station network of 2,153 rental offices (including franchisees) in over 100 countries worldwide (end of 2014: 2,177 offices). The decline is due to the reorganisation on some franchise markets.

Rental offices	**2015**	2014
Corporate countries	1,063	1,054
Franchise countries	1,090	1,123
Total	**2,153**	**2,177**

Premium fleet popular among customers: Sixt offers its customers top quality vehicles by well-known OEMs. Also in 2015, customers had the choice between premium saloon cars, SUVs, convertibles or sports cars from the brands BMW (including the BMW M cars), Mercedes-Benz (including Mercedes AMG), Audi, Volkswagen, Porsche, Jaguar, Maserati, Lotus and Cadillac. On top of these, the Rolls Royce Ghost was made available through the Sixt Limousine Service, which was a highlight in the fleet. In addition, electric cars from the BMW i3 model series as well as for the first time from the BMW i8 series were integrated into the fleet.

In the year under review, an unchanged 51% in value of the vehicle fleet in Sixt corporate countries comprised cars from the three German brands Audi, BMW and Mercedes-Benz (2014: 51%).

Sixt increasingly offers its customers a fleet which includes premium vehicles which meet the highest requirements in comfort and convenience. The vehicles contain the integrated information service BMW ConnectedDrive, or Opel OnStar as well as LTE hotspots for particularly fast internet connections during the trip. Moreover, many premium vehicles of the brands Mercedes-Benz or Audi offer features such as autonomous parking systems and many others are fitted with Webasto auxiliary heating during the winter months.

The offer of premium BMW motorbikes was expanded to further countries. Besides locations such as Germany, the motorbikes were also available in Switzerland (Zurich) as well as in Spain (Majorca).

In Sixt corporate countries, the average fleet size of the Vehicle Rental Business Unit in 2015 was 98,200 vehicles, after 84,600 vehicles in 2014 (+16.2%). The growth reflects the significant increase in demand in the reporting year. To this end, a portion of the supply agreements with the OEMs and dealers provides the option of retrieving vehicle stock orders to a limited extent flexibly so as to react in good time to the respective fluctuations in demand, for example in times of temporary high demand.

Inclusive of the vehicles of franchisees and cooperation partners, Sixt's global fleet totalled an average of 172,400 vehicles in 2015, which is 12.5% more than in 2014 (153,300 vehicles).

Average number of vehicles **Group and franchisees/cooperation partners**	**2015**	2014
Group	98,200	84,600
Franchisees and cooperation partners	74,200	68,700
Total	**172,400**	**153,300**

Sales activities for corporate customers intensified: Sixt recorded in the reporting year a positive development with its business and corporate customer segment. The increased demand for all-round mobility solutions is not least a result of the intensified sales activities. An important contribution was performed by establishing a B2B travel management centre, which customers can use online to conclude various rental processes.

Sixt pursues the strategic aim of offering companies and enterprises individually tailored rental services to achieve time and cost savings. This includes concepts that offer services from one source and bring together renting, carsharing and leasing as well as new web technologies such as mobile services and reporting, with the aim of addressing customers' respective requirements precisely.

Sixt follows a holistic approach with the development of individual solutions. The Company assists its customers throughout the entire rental process. Thus, Sixt, together with the customer analyses all relevant aspects, such as selecting the required OEM, utilising the booking processes, pick-up and return of vehicles or the claims management.

With a newly created expert committee, Sixt can directly communicate with business and corporate customers about rental topics and receive important impulses for the further development of its mobility solutions.

Particular emphasis is placed on the development of solutions for specific needs of large, internationally active companies.

Growing share of private customers : Sixt increased the proportion of private travellers in the Vehicle Rental Business Unit's total revenues in 2015 to 55% (2014: 51%). Gains were raised in other Western European countries specifically from the dynamic growth in popular holiday destinations such as France and Spain. In the USA, the positive trend significantly accelerated due to the expansion of the station network and the growing popularity of the Sixt brand.

Vehicle rental revenue breakdown by customer group in %	2015	2014
Private customers/tourists	55	51
Business customers	36	40
Accident replacement	3	3
Other	6	6
Total	**100**	**100**

The online activities of Sixt were of specific importance for the successful development of the private customer unit. In the reporting year, 59% of all bookings were performed through the internet and mobile devices (2014: 58%). Sixt permanently works on the improvement of its websites and mobile applications by adding new functionalities and by making rental processes on internet as transparent and simple as possible, in order to allow a particularly rapid and safe rental car booking. For this purpose, Sixt updated the surface of its booking websites in 2015.

Sixt focusses in particular on the communication with its customers through social networks. Activities on Facebook are complemented with further campaigns on platforms such as Snapchat. The company observes precisely the development of new social networks and aims to collect own early experiences in order to make use of them for the development of the Sixt brand. For this purpose amongst others, Sixt was present on the digital marketing exposition and conference dmexco in Cologne in 2015.

DriveNow on successful growth track: In 2015, the premium carsharing service DriveNow has continued unabated its successful development of the previous year. The joint venture, which is owned in equal parts by the BMW Group and Sixt further strengthened its position as carsharing company with the largest number of customers and market leader amongst the so-called free floating providers in Germany. At the end of the year, DriveNow counted around 580,000 registered customers (2014: 390,000). Therefore, the amount of members has grown by almost 50%. Thereof, more than 470,000 customers were registered in Germany, which reflects an increase of around 29% compared to the number of the previous year (365,000).

In Germany, DriveNow is available in Berlin, Dusseldorf, Hamburg, Cologne, and Munich. After the company managed to expand its international reach in 2014 in Vienna and London, two further locations followed in Scandinavian countries in the reporting year. In September 2015 DriveNow started – for the first time in the franchise model – with a purely electrical fleet in the Danish capital Copenhagen. Mid-October the launch in the Swedish capital Stockholm followed.

In all cities, except for Stockholm, the electric model of the BMW i3 series was introduced. Mid-July, DriveNow offered the first 100 BMW i3 series on the German market and increased their number by the end of the year to 400. Approximately 100,000 customers undertook a journey with an electric car at DriveNow in Germany until the end of the year. The first electric vehicles had been introduced by DriveNow to the German market already in 2013 with the BMW ActiveE series.

The entire fleet was enlarged in 2015 by 29% to around 4,000 vehicles of the brands BMW and MINI (inside and outside of Germany) with 3,100 vehicles in the previous year. The share of vehicles with electric drive has considerably raised from 7% to 20%.

DriveNow offered its customers further technological innovations in the reporting year. With the worldwide market launch of the Apple watch, DriveNow offered an iOS app extension for the smartwatch. Furthermore, the DriveNow app was complemented with the new feature “set trip”, which allows customers to enter the destination of the journey as well as to choose between a business or a private trip already during the process of vehicle reservation. The data is transferred to the vehicle so that the customer can start the journey faster. In Munich, 50 BMW X1 series were equipped with auxiliary heating systems within the frame of a pilot project for the winter season 2015/2016, which can be activated with the DriveNow app for an additional charge.

In the year under review the joint venture continued interlinking itself and cooperating with local public transportation services in the German cities in line with political will. In Vienna

DriveNow was integrated as first carsharing provider into the Vienna mobile card, which combines diverse mobility services and which can also be used as customer card for DriveNow. With Arriva, the DriveNow franchisee in Copenhagen, which also operates half of the local busses in the Danish capital, public local transportation was combined for the first time with carsharing from a single source in the subscription card “Rejsekort” in Copenhagen.

Chauffeur service for well-known events: The Sixt Limousine Service progressed with success in the year 2015 in Germany and internationally. The particular strength of the exclusive chauffeur service lays in adapting its services to individual customer requirements and realising highest quality standards. The Sixt Limousine Service was recruited once again for services on important occasions in Germany such as for the G7 summit at the Castle Elmau in Upper Bavaria. The service was also used internationally for various prominent events, such as for state visits, at the UEFA Europa League final in Poland or for the Formula 1 race in Abu Dhabi.

Furthermore, the service cooperates closely with renowned national and international hotel chains and airlines, which use the special chauffeur services for individual sightseeing tours or reliable airport transfers for their guests. At the end of 2015 the exclusive service was present in more than 60 countries worldwide. Its availability is guaranteed online and offline through diverse booking channels as well as through reservation systems of travel agencies.

As special highlight, the Sixt Limousine Service acquired the Rolls-Royce Ghost for the German vehicle fleet in the reporting year. In the first class, numerous luxury models such as the Mercedes-Benz S-Class, the BMW 7 series and the Audi A8 including the long-wheelbase were made available for customers. The offer was complemented with a large range of vans.

myDriver starts its internationalisation: The chauffeur service myDriver, which was launched in the first quarter of 2013, pursued its dynamic development in the reporting year. Although myDriver focussed in 2015 primarily on the further expansion of its presence in Germany, where it is available nearly nationwide, the first steps of the international expansion were implemented. In addition, from the middle of the year multiple pilot stages were carried out such as in Amsterdam, Barcelona, Madrid, Milan, Nice, Paris, Rom, and Vienna. At the end of the year 2015, it was already possible to book myDriver in the cities mentioned above as well as in Bratislava, Brussels, Cannes, Monte Carlo, Saint-Tropez, and Salzburg.

myDriver was booked about 150,000 times in 2015, 50% more often than in the prior year. Roughly half of the bookings were made by business travellers. The corporate customer unit was expanded by concluding framework agreements with further companies. The service was used with a focus on airport transfers.

myDriver offers its customers unique advantages compared to traditional taxis, for example a high service standard or electronic invoicing, which significantly facilitates billing processes specifically for companies. The fleet consists of exclusive vehicles of famous brands such as Audi, BMW, Mercedes-Benz, Porsche and also Volkswagen. Four vehicle categories can be booked: economy class, business class, first class and business vans.

Sixt unlimited in large demand: Sixt unlimited, Sixt’s rental car flat rate offer, achieved 2015 further growth in particular by the acquisition of new customers in Germany.

Customers have the possibility to rent a vehicle of the desired category for a fixed monthly rate at any time. This product is used mainly by companies for their employees who travel frequently. Besides this target group, users of company cars increasingly perceive the rental vehicle flat rate as flexible alternative to their permanent vehicle.

The option introduced in 2014, that allows customers to take out a vehicle category below the agreed one in the original contract, was strongly requested by the established customer base. This enables them to reduce the taxable non-cash benefit and to adjust the vehicles to their current needs, such as private usage for example.

Sixt unlimited was available at more than 800 service stations in Europe in the reporting year.

Innovative rental concepts: It is Sixt’s aim to be innovation leader for vehicle rentals. To this end the Company is permanently developing services and links them to new technologies to make vehicle rentals as flexible, convenient and safe as possible for customers.

In the year 2015, Sixt launched the new rental concept “SmartStart” as pilot project at the Munich and Hamburg airports. Customers have the possibility to directly receive their vehicle of choice, without having to pick up the vehicle keys at the counter before. Waiting times, especially at peak times at the airports can be minimised in this manner. In addition, customers can select their vehicle of choice from a vehicle pool which is allocated to “SmartStart” only, whereby also higher vehicle categories can be offered on request and on short notice.

With “Sixt fastlane”, Sixt offers for the first time a vehicle rental service which is independent from the traditional counter. The pilot phase of this service was launched in the reporting year in Switzerland. The customers can autonomously carry out various rental processes from the registration and the vehicle selection to the vehicle return by using the Sixt smartphone app. Opening and closing the respective vehicle is performed with the smartphone. The target is to allow the highest possible savings in time for customers in the rental and return process and also flexibility by being independent from the stations’ opening hours.

At the airport Fort Lauderdale in the US state Florida, Sixt deployed the so-called “Sixt Shuttle Tracker”. Through an application for their smartphone, customers can follow the position of shuttle vehicle in real time, which move between terminals and parkings and are consequently always informed about the next shuttle’s arrival time. Furthermore, the app facilitates the localisation of the shuttle’s point of departure. This solution is of particular importance for airports with larger distances between the arrivals area and the car rental centre or station.

Awarded for top-class service: Sixt was honoured several times in 2015 in Germany and internationally for high level of customer focus and high-quality mobility solutions with a series of prestigious awards.

On top of this, the Company was once more given the “Business Traveller Award”. In the renowned readers’ voting of the largest German business travellers’ magazine, Sixt was honored twice as “Best Vehicle Rental Company for Business Travellers” with the first place – both in Germany and worldwide. In all key criteria Sixt managed to convince the testers, whether in the quality of the rental fleet, the good price-performance ratio, the convenient and efficient processes when taking out the rental car and the high service orientation.

The Sixt Limousine Service received the World Travel Award (WTA) as “Europe’s best Chauffeur Service”. The award is based on a vote of worldwide industry experts. The Sixt Limousine Service was already awarded in the past two years as best chauffeur service with the WTA – both in Europe and in the United Arab Emirates.

In the UK Sixt received for the first time a prize as best car rental company at the British Travel Awards. This is recognised as the most prestigious award which is based on an extensive customer referendum in the country.

Moreover, Sixt was priced as best car rental company in Majorca. The German institute for customers (Deutsches Kundeninstitut) assigns this award in cooperation with a local newspaper and bases its judgement on a detailed comparative analysis on the popular Spanish holiday island.

Valuable brand: In 2015 Sixt was for the first time admitted to the list of the 50 “Best German Brands” by the brand consultancy agency Interbrand and belongs now to the most precious German brands.

10.2 LEASING BUSINESS UNIT

Sector developments
During the first half of 2015 the European leasing industry recorded a positive development. According to data by the industry association Leaseurope, the volume of new business grew 10.4% year-on-year to EUR 140.5 billion compared to the previous year (EUR 127.2 billion). The new business volume in the mobile leasing rose 11.0% to EUR 134.1 billion (H1 2014: EUR 120.8 billion). At the time this report was prepared, no data was available yet on the development of the European leasing industry for the whole year of 2015.

The German leasing market, being the second biggest in Europe after the UK, also performed positively. According to data supplied by the Bundesverband Deutscher Leasing-Unternehmen (BDL – German Association of Leasing Companies), investments in 2015 rose to EUR 52.2 billion, compared to the EUR 50.7 billion in 2014 (+3.0%). EUR 51.0 billion of this was attributable to the leasing of moveable assets (2014: EUR 49.0 billion; +4.1%). At 74.0% the new business in vehicle leasing with passenger and utility vehicles makes up by far the largest portion in the leasing market.

Sources
Leaseurope, Biannual Survey 2015, 25 November 2015
Bundesverband Deutscher Leasing-Unternehmen (BDL – German Association of Leasing Companies), Leasing-Markt 2015 (leasing market 2015), 19 November 2015

Developments in the Leasing Business Unit
The Leasing Business Unit is covered by Sixt Leasing AG and its operating subsidiaries. It is the third largest provider of vehicle leasing amongst the vendor-neutral, non-bank related leasing providers in Germany and has a presence in around 40 countries through its subsidiaries and franchise partners. Sixt Leasing AG is listed on the regular market of the Frankfurt Stock Exchange (Prime Standard) since the 7 May 2015.

The Sixt Leasing offer covers the business fields Fleet Leasing, Fleet Management and Online Retail (leasing service for private and commercial customers). In Fleet Leasing, Sixt Leasing develops full-service solutions for companies and optimises in a long-term and vendor-neutral manner the total cost of ownership of the fleet. In Fleet Management, Sixt Leasing offers its expertise also through the subsidiary Sixt Mobility Consulting GmbH to companies, which purchased their vehicles or lease them from a third party. The business field Online Retail is covered with the online platform ***sixt-neuwagen.de***. On this website, customers can configure and lease the newest models of various vehicle manufacturers.

Sixt Leasing experienced a positive development in 2015. The Business Unit recorded a growth in revenue and contract portfolio. The operating result of the Business Unit was significantly improved through strengthened concentration on profitability in the contract portfolio compared to the previous year.

The contract portfolio of the Business Unit reached as per 31 December 2015 in Germany and abroad around 103,200 contracts (excluding franchisees and cooperation partners), 6.0% more than on the reporting date last year (97,400 contracts). The business field Online Retail increased the contract portfolio until the end of 2015 by 33.7% to 21,100 contracts (2014: 15,800 contracts). In the business field Fleet Leasing the portfolio accounted for 48,300 contracts (2014: 50,200 contracts; -3.7%). In the business unit Fleet Management, at the beginning of the reporting year, the business relation with a major client was not pursued, who did not fulfil the profitability requirements anymore. This, however, was more than compensated with the conclusion of a contract with a new major customer. At the end of the reporting year, the contract portfolio in the business field therefore amounted to 33,800 contracts, 7.6% more than 2014 (31,400 contracts).

Alongside the contracts directly under management, another around 5,900 contracts were administered by the Swiss-based company Managed Mobility AG at the end of 2015. Through its Swiss subsidiary Sixt Leasing AG holds a 50% share in the joint venture that is consolidated at-equity and which has been operating since spring 2015.

Taking into account the leasing contracts of franchisees and cooperation partners worldwide, at the end of the year 2015 the contract portfolio of the Business Unit amounted to 162,500 contracts, after 154,900 contracts in 2014 (+5.0%).

Sixt Leasing slightly increased the leasing revenue in the year 2015 by 0.6% to EUR 419.8 million (2014: EUR 417.3 million). In Germany the leasing revenues accounted for EUR 357.1 million to previous year's level (EUR 357.1 million). In other European countries where Sixt Leasing is active, such as in France, the Netherlands, in Austria and in Switzerland, an improvement of the leasing revenue was achieved of 4.1% to EUR 62.7 million (2014: EUR 60.2 million).

The Business Unit generated revenue from the sale of used leasing vehicles in the year 2015 of EUR 235.5 million, some 61.4% more than the previous year (2014: EUR 145.9 million). This development was due to an increase in vehicle returns and the expansion of services of the vehicle remarketing for customers of the Fleet Management business field.

In total, the Business Unit generated a revenue of EUR 655.4 million in 2015, which represents an increase of 16.4% compared to the prior year (EUR 563.2 million).

The business segment's earnings before taxes (EBT) improved significantly from EUR 25.6 million to EUR 30.3 million (+18.2%). The key factors for this positive development were the revenue growth in Online Retail business, improved margins from new business as well as a discharge in the domain of refinancing. The operating return on sales, which is defined as the ratio of the EBT to the operating segment sales, amounted to 7.2% (2014: 6.1%) and consequently exceeds the raised long-term target of 6%.

Key figures for the Leasing Business Unit			Change
in EUR million	**2015**	2014	in %
Leasing revenue	419.8	417.3	0.6
Thereof abroad	62.7	60.2	4.1
Sales revenue	235.5	145.9	61.4
Thereof abroad	23.5	17.2	36.8
Total revenue	655.4	563.2	16.4
Earnings before interest and taxes (EBIT)	51.6	48.7	5.8
Earnings before taxes (EBT)	30.3	25.6	18.2
Return on sales (in %)	7.2	6.1	1.1 points

Fleet Leasing increases profitability: Sixt Leasing placed special emphasis in 2015 on increasing the profitability of the Fleet Leasing's contract portfolio. One of the targets was to raise the services ordered by the customers in the individual contracts. At the same time, business relations were renegotiated or in individual cases discontinued, if own expectations in regard to the profitability were not met.

In the reporting year, Sixt Leasing had been continually extending its range of services with technological innovations. In Fleet Leasing, Sixt Leasing offers its customers online and mobile tools, such as the Leasing app or for the development of detailed reports. The offer was complemented with the Sixt driver's logbook app. It allows company car users to record their journeys by smartphone. These are then documented for their tax authority. This enables them to have their company cars taxed according to actual usage and thus generating potentially substantial savings compared with the usual flat rate taxation based on the car's list price (the so-called "1-percentage rule" applicable for Germany).

Sixt Leasing offers Fleet Leasing in Germany, and through its own subsidiaries also in France, the Netherlands, in Austria and in Switzerland. A special focus during the reporting year was placed on the acceleration of leasing activities in these countries, which was already reflected in the rise of leasing revenue.

In the year under review, the business field Fleet Leasing registered a high degree of customer satisfaction. In an internal survey with the aid of a CSI-Tool (Customer Satisfaction Index) 86% of the people surveyed stated that they would recommend Sixt Leasing and 90% affirmed their intention to continue using Sixt Leasing's Fleet Leasing solutions in future. Sixt Leasing conducts regular surveys and thereby receives important impulses for the development and design of the Company's products and services.

Online Retail expands service range: Sixt Leasing expanded the service range in the year 2015 in the Online Retail business field through the online platform ***sixt-neuwagen.de***. Sixt Neuwagen offers the latest vehicle models from over 30 different manufacturers. The customers can configure and order the car of their personal choice. Alongside classic finance leasing, Sixt Neuwagen also offers Sixt Vario-Financing, which allows to acquire the vehicle for a fixed price, which is agreed upon during the conclusion of contract. To further ease the acquisition of the leased vehicle at the end of the contract term Sixt Neuwagen offers a follow-up financing. Sixt Neuwagen started to cooperate with the special financing institution akf bank. An akf team supports Sixt Neuwagen in preparing the offers and in their direct implementation.

In addition, Sixt Neuwagen extended the offer of instantly available cars. This way, Sixt Neuwagen is meeting many customers' wishes to obtain a vehicle that is immediately available at the dealership. Sixt Neuwagen increased the amount of service components used by customers in the leasing contracts by offering transparent services. More and more private and commercial customers make use of the additional services, such as damage or claim management or an inspection package. The share of contracts including such elements amounted to one third of the total number of contracts (2014: around 15%) at the end of the year.

In the reporting year, customer loyalty measures were further intensified. The portal introduced a loyalty programme for existing customers, which represents an additional incentive to conclude a subsequent contract after the end of the leasing term. At the end of the fiscal year, approximately every second customer made use of this option.

Fleet Management promotes expansion: In the business field Fleet Management, Sixt Mobility Consulting concluded a contract over several years in 2015 with SAP – the largest European software producer – about the management of the German fleet of around 14,000 vehicles. Within the scope of this cooperation, Sixt Mobility Consulting also developed the Sixt Global Reporting, in order to consolidate the around 23,500 SAP vehicles worldwide into one standardised report and to consequently operate them in an improved manner.

In addition, a large customer chose Sixt Mobility Consulting for the management of 10,000 vehicles. The implementation of the mandate should be completed by spring 2016.

Sixt Mobility Consulting also further pushed forward the internationalisation in the reporting year. A threefold strategy is followed, which is based on the formation of own companies in selected European countries, the expansion through high-performance franchise partners and the application of the newly developed tool Sixt Global Reporting for the management of international fleets.

In the course of the internationalisation, Sixt Leasing intends to realign the Dutch subsidiary onto the Fleet Management and beyond that founded a French subsidiary for the Fleet Management. In Switzerland the Managed Mobility AG emerged as joint venture with a subsidiary of the Swisscom AG. The joint venture acts as specialist for all questions concerning fleet management and fleet optimisation.

The Sixt Global Reporting, which represents an important pillar of the internationalisation of Sixt Mobility Consulting, is an online-based tool and creates an overall transparency of all mobility solutions, which a company runs worldwide. The reporting provides a standardised overview about the relating costs and covers saving potentials in this manner on a global level. Sixt Mobility Consulting offers the Sixt Global Reporting to all companies, which merge their vehicle from different countries and various sources in a consistent manner and who would like to analyse them in a targeted manner.

Furthermore, the tool is an efficient instrument to demonstrate saving potentials to customers. The detailed findings are discussed by the company together with the customers. Consequently, this provides the possibility to take over the management of fleet parts in other countries.

Sixt Mobility Consulting received recognition for the Sixt Global Reporting within the scope of the Fleet Europe Awards and was given the “International Fleet Industry Award 2015”. The Fleet Europe Awards is the most prestigious prize of the industry on international level.

B.3 \\ EVENTS SUBSEQUENT TO REPORTING DATE

On 15 March 2016 the Managing Board of Sixt SE has – with consent of the Supervisory Board – resolved to buy back own ordinary and preference shares on the stock exchange for a total maximum purchase price of EUR 50 million (excluding incidental purchase expenses). The shares shall be bought back for the purpose of reducing the share capital by cancellation of acquired shares. The share buy-back programme shall be carried out in accordance with section 14 (2), 20a (3) WpHG (German Securities Trading Act) in conjunction with EU Regulation (EG) No. 2273/2003 (so-called Safe Habour) respectively after 3 July 2016 in accordance with the relevant provisions of EU regulation (EU) No. 596/2014. A detailed description to the share buy-back contains the announcement from 15 March 2016 which is disclosed on the website of the Company under ***http://ir.sixt.eu***.

No other events of special significance for the net assets, financial position and results of operations of the Group occurred after the end of financial year 2015.

B.4 \\ GOVERNANCE REPORT

1. HUMAN RESOURCE REPORT

Sixt maintains a premium claim both for its products as well as its services. Accordingly, the Company attaches great significance to its workforce's customer focus and quality of service to ensure entrepreneurial success. The aim of the employees is to make the wishes and requirements of customers their own and to convince them of Sixt over the long term.

Sixt attaches strategic importance to its human resources work. It comprises a detailed selection and recruitment process, and extensive offers for further training to foster the employees' professional and personal development. On top of this, the Company provides training units outside Germany to take due account of the Group's international expansion. In this Sixt challenges its workforce to act on their own responsibility to continually improve Sixt's services and meet the changing mobility requirements of the Company's customers.

Apprenticeships and traineeships

Sixt has always assumed its responsibilities of giving young people the chance to acquire qualified and sustainable professional training. Thus, the Group offers a variety of apprenticeships, such as commercial assistants for office management, both in the rental stations and in the headquarters, commercial officers in the automotive industry or IT specialists for application development.

Personnel development starts as early as the training courses. Sixt cooperates with universities and higher education institutions that offer (German) dual degree courses, for example majoring in service sector marketing, international business, accounting & controlling, media management & communication and (business) computer science. At the end of 2015 Sixt employed 215 apprentices in Germany (2014: 210 apprentices).

In addition, Sixt offers trainee programs for graduates in its branch offices as well as its headquarters. In the year under review 29 trainees (2014: 32 trainees) were recruited for future management assignments. Trainees working in the branch offices are offered international training opportunities alongside their duties in Germany. They are trained over a course of nine months to take over a station as Junior Branch Manager in one of Sixt's European corporate countries.

Provided their marks are good enough and provided they show interest in this sector, apprentices and students in the dual degree courses are offered the chance to switch into a regular employment contract at the end of their training, from where they can take control of their professional career.

Feedback culture

Sixt cultivates an active feedback culture. Twice a year, employee assessments are carried out (the so-called Employee Satisfaction Index). In addition, the Company also undertakes 360-degree feedbacks (manager assessments, which compares self-assessment with the assessments of superiors, colleagues and employees).

These feedback tools serve the employees as well as Sixt as decision aids and form the basis for future development and promotion programs tailored to the employee in question. Sixt thereby guarantees continuous personnel development geared to the requirements and needs of the day-to-day work.

Promotional programmes
Sixt offers its employees many different national and international career paths. Thus, employees can use multiple on-the-job options for their professional and personal development, both at headquarters as well as the branch offices. Key elements in the executive development are the promotion programmes entitled “Leadership Excellence”, “Future Leader”, “Supervisor” and “Junior Branch Manager”. The programmes are meant to identify particular development potential of colleagues, offer them structured promotion and thus train future top performers and executives. Over 60 employees participated in this programme during the year under review (2014: more than 40 employees).

Sixt Colleges
The “Sixt Colleges” train employees of all functional levels and ranks from Germany and abroad in a wide range of different topics. Lessons are conducted primarily as classroom training courses and are supplemented by e-learning content. Both instruction methods are continuously being extended and interlinked. The Sixt Colleges additionally coordinate training and education seminars in the Sixt corporate countries, as well as the trainings of apprentices.

The seminar programme addresses key competencies such as improving advice and consultation at the counter or in the field, management skills for trainees and executives or the professional expertise required by future branch managers as well as representatives in the rental business. Furthermore, the courses offer extensive further training for all employees, for example in foreign languages, IT as well as soft skills.

In the year under review well over 1,700 training units with around 10,000 participants were held (2014: 1,100 training units with around 7,000 participants). On top of these, the range of e-learning services also expanded. Sixt and its franchise partners' employees attended a total of around 40,000 e-learning lessons (2014: 30,000 e-learning lessons).

Number of employees
The Sixt Group employed 5,120 people on average in 2015. The significant increase of 18.8% compared to the previous year’s average of 4,308 members of staff is based on the strong growth of operating rental business in the Sixt‘s European corporate countries and the US.

The Vehicle Rental Business Unit employed an average of 4,766 people in 2015, and thus about 20.3% more than in the previous year (3,961 people).

The Leasing Business Unit had 280 members of staff in 2015 (2014: 275 people).

The Internet and Other segment had an average of 74 employees (2014: 72 employees).

Number of employees by business unit (average)	**2015**	2014
Vehicle Rental	4,766	3,961
Leasing	280	275
Internet/Other	74	72
Total	**5,120**	**4,308**

2. 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 SE. The structure of the remuneration system is regularly reviewed to test its appropriateness.

The Managing Board's remuneration comprises fixed and variable components as well as other customary fringe benefits. These are reported as a total amount for all Managing Board members, as in accordance with the resolution passed by the Annual General Meeting on 3 June 2014, total remuneration is currently not disclosed or broken down for individual Managing Board members. In view of this resolution, contributions, remuneration and retirement benefits are not disclosed individually for each Managing Board member according to the model tables appended to the Code (section 4.2.5 (3) of the Code).

The fixed component is commensurate with the responsibilities and the individual performance of the Managing Board member in question and is paid in twelve equal instalments.

On top, a variable remuneration is granted, and is paid out over a period of up to four years. This portion of the remuneration is based on the consolidated earnings before taxes (EBT) of the Sixt Group, whereby 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.

In addition to these two components, the members of the Managing Board – like other senior executives of the Sixt Group – also receive non-cash benefits such as company cars, mobile phones and accident insurance contributions. Furthermore, a D&O insurance policy has been taken out for individual members of the Managing Board. 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 remuneration paid to members of the Supervisory Board is governed by the Articles of Association of Sixt SE. 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 SE" in the notes to the consolidated financial statements.

3. DISCLOSURES IN ACCORDANCE WITH SECTIONS 289 (4) AND 315 (4) HGB INCLUDING EXPLANATIONS BY THE MANAGING BOARD

Composition of subscribed capital, share categories
As at 31 December 2015, the subscribed capital of Sixt SE 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 2015, the ordinary shares therefore account 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 the shares have been fully paid up.

Only the ordinary shares carry voting rights; each ordinary share conveys one vote at the Annual General Meeting. Subject to mandatory statutory provisions, the preference shares do not convey any voting rights. To the extent that preference shares are accorded a voting right, one preference share carries one vote. Preference shares 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 of a year does not suffice for distribution of the minimum dividend. Further details can be found in article 22 of the Articles of Association of Sixt SE.

The non-voting preference share accommodates 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 SE 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.

Restrictions on voting rights or the transfer of shares
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. However, lock-up periods apply to shares, received by employees, senior executives and members of Sixt Group's Managing Board as part of the Matching Stock Programme. For further details, please refer to the Corporate governance report.

Shareholdings in Sixt SE
As at 31 December 2015, Erich Sixt Vermögensverwaltung GmbH, all shares of which are directly and indirectly fully owned by the Sixt family, holds 18,711,822 ordinary voting shares, conveying 60.1% of the voting rights. The Company has not received any information about, and the Managing Board is not aware of, any further direct or indirect interests in the share capital exceeding 10% of the voting rights as at 31 December 2015.

Shares with special rights
In accordance with article 10 (1) of Sixt SE's Articles of Association, the Company's Supervisory Board consists of three members. According to legal provisions two of these members are elected by the Annual General Meeting. 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 providing they are shareholders. In all other respects, there are no shares conveying special control rights.

Employee participation and their 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.

Appointment and dismissal of Managing Board members, amendments to the Articles of Association
Sixt SE has a two-tier management and monitoring system, made up of a management body (Managing Board) and a supervisory body (Supervisory Board). The legal stipulations and conditions of the Articles of Association governing the appointment and dismissal of Managing Board members are defined in articles 39 (2), sentence 1, 46 of the SE Regulation, section 16 SEAG, article 9 (1) lit. c) (ii) of the SE Regulation, sections 84, 85 of the AktG (German Public Companies Act) and article 7 of the Articles of Association. In accordance with these the Managing Board is made up of one or more members. The Supervisory Board determines the number of Managing Board members. In accordance with article 7 (2) of the Articles of Association of Sixt SE, the Managing Board members can be appointed by the Supervisory Board for a period not exceeding five years. The Supervisory Board adopts resolutions in this regard by a simple majority of votes cast. Reappointments are permitted. 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 Sixt SE's Articles of Association are passed by the Annual General Meeting. Subject to mandatory statutory provisions, the preference shares do not carry any voting rights in this context. Mandatory statutory provisions require resolutions to amend the Articles of Association to be adopted by a majority of three-quarters of the share capital represented at the adoption of the resolution (article 59 (1) of the SE Regulation, section 179 (2) sentence 1 AktG).

However, the law also provides for the possibility that the Articles of Association allow for a smaller majority providing at least half of the subscribed capital is presented. This possibility does not apply though to a change of the Company's purpose, relocation of the Company's seat into another member state, or for cases where a higher majority of capital is mandatory under statutory provisions (article 59 (2) of the SE Regulation, section 51 SEAG).

Sixt SE 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. According to article 20 (2) of the Articles of Association, amendments to the Articles of Association can be adopted by a simple majority of votes cast, if at least half of the voting share capital is represented and insofar as this does not conflict with any mandatory statutory provisions. However, under article 20 (2) sentence 3 of the Articles of Association, capital increases from corporate funds may only be passed by a majority of 90% of the votes duly cast. In accordance with article 16 of the Articles of Association, amendments to the Articles of Association that only concern the formal wording may also be passed by the Supervisory Board instead of the Annual General Meeting.

Powers of the Managing Board, with particular regard to the issue and buy-back of shares
In accordance with article 4 (3) 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 authorisation also includes the power to issue new non-voting preference shares up to the legally permitted limit. For the distribution of profits and/or company assets these non-voting preference shares are ranked equal to the non-voting preference shares previously issued. Further details, including details of the Managing Board's authorisation to exclude shareholders' subscription rights in specific cases, follow from the aforementioned article of the Articles of Association. The authorisation of the Managing Board to issue new shares from authorised capital enables the Managing Board to meet potential capital requirements of Sixt SE quickly and flexibly and to make use of attractive financing options as they arise on the market.

By resolution of the Annual General Meeting of 20 June 2013 the Managing Board is authorised to issue, on one or more occasions in the period up to and including 19 June 2018 with the consent of the Supervisory Board, profit participation bonds and/or rights registered in the name of the holder and/or bearer up to a maximum of EUR 350,000,000.00 with a fixed or indefinite term against cash and/or non-cash contributions. The profit participation bonds and rights issued under this authorisation may not provide for conversion or subscription rights to shares of the Company.

The issue can be effected by a company in which Sixt SE is directly or indirectly invested with a majority of votes and capital. In this case, the Managing Board is authorised to assume for the issuing company the guarantee on behalf of Sixt SE that the resulting liabilities will be met. The shareholders of Sixt SE are accorded in principle the statutory subscription right. However, with the consent of the Supervisory Board, the Managing Board is authorised to exclude the subscription right under certain conditions, which follow fully from the resolution taken by the Annual General Meeting on 20 June 2013 on Agenda Item 7. The authorisation of the Managing Board to issue profit participation bonds and rights extends the range of financing instruments at the Company's disposal and thereby offers attractive financing means as they arise on the market that go beyond the classic forms of raising equity and debt capital. Depending on the definition of the conditions for the bonds and/or profit participation rights this may also offer the possibility to classify the financing instruments as equity for rating and/or accounting purposes.

The Annual General Meeting on 6 June 2012 resolved to authorise 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 authorisation was granted. At no point shall the shares acquired under the 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 authorisation may be exercised in full or in part, on one or more occasions, by the Company or its dependent or majority-owned companies, as well as third parties acting for the account of the Company or for the account of its dependent or majority-owned companies. The authorisation may be exercised for any purpose permitted by law. Acquisitions for the purpose of trading in treasury shares are excluded. According to the resolution of the Annual General Meeting of 6 June 2012 the Company is also authorised to acquire treasury shares by using derivatives. The complete wording of the aforementioned authorisation to acquire treasury shares follows from the resolutions taken on Agenda Items 6 and 7 during the Annual General Meeting on 6 June 2012.

As at 31 December 2015 the Company held no treasury shares.

Significant agreements by the Company that are subject to a change of control as a result of a takeover bid
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 respective creditors of the 2010/2016 bond (ISIN: DE000A1E8V89), the 2012/2018 bond (ISIN:

DE000A1PGPF8) and the 2014/2020 bond (ISIN: DE000A11QGR9) issued by the Company in the total amount of EUR 250.0 million each 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 Wertpapier-handelsgesetz (WpHG – German Securities Trading Act)) legal or economic ownership of ordinary shares which together convey more than 50% of voting rights. The term person refers here to any natural or legal person or to any kind of organisation, but excluding affiliated subsidiaries of the issuer within the meaning of sections 15 to 18 of the AktG.

- The agreement on a partially drawn-down vehicle financing line, to the total amount of GBP 60.0 million, provides for the possibility of termination by the contract partner, in case of a change of control of the English subsidiaries or in the case of a third party gaining control of Sixt SE.

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 to assert a potential right of termination in the event of a change in control.

Compensation agreements between the Company and members of the Managing Board or employees in the case of a takeover bid

Compensation agreements between the Company and members of the Managing Board or employees in the case of a takeover bid do not exist.

B.5 \\ REPORT ON OUTLOOK

1. ECONOMIC ENVIRONMENT

Expectations for the development of the world economy in 2016 are generally positive. In January 2016 the International Monetary Fund (IMF) projected a global growth rate of 3.4%, and thus corrected the initial estimate of 3.6% pronounced in October 2015 downwards. The reason given by the IMF was the slowing economic growth in emerging economies, above all in China, and the moderate recovery in the industrialised nations.

According to the IMF's projections the economy of the US is set to grow by 2.6% and thus more strongly than in the preceding year. The factors positively shoring up this development are the ongoing strong demand from consumers as well as the construction industry's healthy development on the back of low interest rates. Factors down weighing expectations are the slower demand from emerging economies as well as the appreciation of the Dollar, which burdens US exports.

For the Euro area the IMF expects economic growth to be around 1.7% and thus slightly higher than the year before. The low price of oil is making a positive contribution here as well as the weaker Euro, which fell against the Dollar and therefore furthered exports. The German Institut für Weltwirtschaft (IfW – Institute for World Economy at the University of Kiel) affirmed this projection and likewise expects economic output to grow by 1.7%.

In 2016 the German economy will continue its moderate upturn. Accordingly, the IMF notched up its October forecast of 1.6% and now expects growth to be 1.7%. Germany's economic research institutes are even more optimistic in their outlook for the year. Thus, the German ifo Institut (ifo institute) expects the gross domestic product (GDP) to gain 1.9%, while the IfW even foresees growth of 2.2%. Factors driving this positive trend are expected to come from private consumption, which is benefiting from significant income gains, as well as stronger investment activity by industry. Moreover, higher government investments in the provisioning and integration of refugees could have the effect of an “economic stimulus programme”.

Sources
International Monetary Fund (IMF), World Economic Outlook October 2015, 28 September 2015
International Monetary Fund (IMF), World Economic Outlook January 2016, 9 January 2016
Institut für Weltwirtschaft (IfW – Institute for World Economy at the University of Kiel), media information, 14 December 2015
ifo Institut (ifo institute), ifo economic forecast 2015-2017, 9 December 2015

2. SECTOR DEVELOPMENT

2.1 VEHICLE RENTAL BUSINESS UNIT

Sixt expects generally positive economic conditions in its European core markets as well as the USA. Nonetheless, economic risks or the numerous geo-political crises must be monitored carefully, as these could potentially affect international travel activities.

In 2016 the large European vehicle rental markets should generate revenues slightly above the level of last year. According to forecasts published by Euromonitor International the market volume in Germany is set to climb from EUR 2.1 billion to EUR 2.2 billion. In Sixt’s European corporate countries of Belgium, France, the UK, the Netherlands, Austria, Switzerland, and Spain, market volume is expected to climb marginally to EUR 9.8 billion. For the US Euromonitor International expects market volume to rise to USD 28.3 billion.

Travel activities to foreign destinations will also continue to grow in 2016. The European Travel Commission (ETC), a European umbrella organisation of national tourism associations, projects a year-on-year increase of 5.7% for North America and of 4.4% for Europe. In the business traveller segment, the Global Business Travel Association (GBTA) expects revenue growth of 6.3% in the five biggest European business travel markets of Germany, the UK, France, Spain, and Italy. In the private customer segment the number of journeys is expected to increase by 1.6%, according to Euromonitor International.

For air traffic within Germany, which serves as key indicator for the demand for rental vehicles, the Arbeitsgemeinschaft Deutscher Verkehrsflughäfen (ADV – German Airports Association) expects the number of passengers to grow by over 3% in 2016.

Sources
Euromonitor International, Travel 2015

European Travel Commission (ETC), European Tourism in 2015: Trends & Prospects (Q3/2015), October 2015
Global Business Travel Association (GBTA), press release, 9 November 2015
Arbeitsgemeinschaft Deutscher Verkehrsflughäfen (ADV – German Airports Association), press release, 18 January 2016

2.2 LEASING BUSINESS UNIT

For 2016 the Bundesverband Deutscher Leasingunternehmen (BDL – German Association of Leasing Companies) expects the German leasing industry to see moderate growth. Thus, the Association projects industry revenue to climb by around 3%. This assumption is based on a corresponding uptake of investments in equipment. Leasing of moveable assets is set to grow by 3% to 4%. The ifo institute considers the mood of the industry to be fairly optimistic. Though the business climate index for the leasing of moveable assets dropped substantially at the start of 2016 following the German leasing companies' worsening assessment of the current business climate, the industry's expectations for the first six months remained positive nonetheless.

As last year, the automotive industry will not provide any essential impulses for the leasing industry. For 2016 the Verband der Automobilindustrie (VDA – German Automotive Industry Association) forecasts a moderate growth in new registrations for the global passenger car market, up by around 2%. Developments in Germany are expected to be accordingly weaker. At 3.2 million new registrations, the car market will be only 1% up on the level of the preceding year, according to the VDA.

Sources
Bundesverband Deutscher Leasing-Unternehmen (BDL - German Association of Leasing Companies), Statement of the BDL president Martin Mudersbach on the new leasing business 2015; http://bdl.leasingverband.de/verband/statements
Bundesverband Deutscher Leasing-Unternehmen (BDL – German Association of Leasing Companies), press release, 19 November 2015
Bundesverband Deutscher Leasing-Unternehmen (BDL – German Association of Leasing Companies), press release, 26 January 2016
Verband der Automobilindustrie (VDA – German Automotive Industry Association), press release, 1 December 2015
ifo Institut (ifo institute), ifo economic forecast, press release, 9 December 2015

3. EXPECTED DEVELOPMENT IN FISCAL YEAR 2016

3.1 VEHICLE RENTAL BUSINESS UNIT

Sixt will continue to drive forward the extension of its worldwide vehicle rental activities in 2016 as well. The main focus will be on the ongoing expansion in the Western European markets and the USA. Sixt reckons that the share the German domestic market makes in total rental revenues will continue to fall in the current year. This is in line with strategy and furthers the diversification of risks. By the same token, all foreign markets, as in the year before, are expected to generate a revenue growth that outperforms the market levels.

Sixt puts special emphasis on generating qualitative and margin-oriented growth through its own stations as well as efficient franchise partners. Following the strong expansion in the last few years, the consolidation of the structures in individual corporate countries will constitute a key task in 2016.

In Europe outside Germany Sixt is working hard to increase market shares, some of which are substantially below those in Germany. To this end, the network of stations will be carefully extended in individual countries through measured steps. Compared with the German market, the high proportion of Sixt's tourism business in France and Spain is likely to have a positive effect, as the attractiveness of these holiday destinations is set to grow still further given the numerous geo-political crises in such regions as the Near East or North Africa.

Sixt will continue to monitor the market on the North American continent very closely to utilise potential opportunities. This applies in particular to participating in tenders for stations at attractive traffic junctions such as airports.

In addition, Sixt will continue to supplement its international network of countries through cooperation agreements with franchise partners and will coordinate these with its own activities in Sixt corporate countries if required. The focus here is on the large economic growth regions in the Asia-Pacific region or Latin America.

The premium carsharing DriveNow is planning to drive forward its internationalisation, which kicked off in 2014, and will therefore launch operations in further European metropolitan areas in 2016. Alongside these DriveNow is also planning to continually extend its product and service ranges. One such example is the extension of its fleet with electric vehicles, such as the BMW i3. In addition, DriveNow aims to expand its areas of operation at the various locations, promote the interconnection of its services with those of public transport and intensify marketing cooperation with trade partners.

The chauffeur service myDriver started the year 2016 with its internationalisation and is now available in over 30 cities in 8 European countries outside of Germany. This foreign presence will be expanded further, while the focus of its operating activity in Germany and abroad is increasingly on the transfer of business and corporate customers.

Sixt is also planning to extend its flat rate rental vehicle service, Sixt unlimited. Following the expansion of the Europe-wide station network where the product is offered, the Company is reviewing the development of new booking options and operation start-ups in other European countries.

Alongside the generation of additional growth in these operating business undertakings, Sixt will focus in 2016 in particular on adjusting the Group's structures and operating processes to the substantially increased size of the Company, which has grown significantly over the past years. The objective is to secure efficient and customer-focused corporate processes and a uniformly high quality level across all national markets. In this context, Sixt lays great stress on active personnel work and above all recruiting new colleagues for the future success of the Company.

In 2016, Sixt will drive forward the optimisation of existing and the development of new online and mobile solutions for vehicle rentals. This applies above all to the functions provided on the website as well as the applications for smartphones and tablets. Moreover, the Company will try out innovative rental concepts such as “SmartStart” and “Sixt fastlane”, which facilitate taking out rental cars via smartphone and independent of the classic over-the-counter transaction. The product “Sixt fastlane”, which was launched in 2015 in Switzerland as a pilot project, is to be rolled out in the current year to further Sixt corporate countries.

In addition, Sixt will continue to extend communication to its target groups via its own channels such as the Sixt-Blog or via social media platforms like Twitter and Facebook. One key aspect is on testing new platforms with a large marketing potential such as Snapchat. The aim is to identify promising channels as early as possible, gain experience and establish a company-specific presence.

It will be equally important to integrate Sixt's service offers into the booking processes of cooperation partners, such as hotel chains and airlines, as well as popular travel apps. This creates added value for customers and increases the range of Sixt's rental services.

3.2 LEASING BUSINESS UNIT

For 2016, as well as for the subsequent years, Sixt Leasing AG plans to continue its course of qualitative and earnings-focused growth and to expand its position as an innovative provider of automotive mobility on the German market, generating a strong profit margin. At the same time the company plans to intensify its foreign operations especially in its Fleet Management business unit, above all by extending the already existing customer relations. The biggest growth driver for the upcoming years is expected to be its Online Retail business field. As a first mover it is addressing an almost undeveloped future market in Germany for online leasing by private and commercial customers. Sixt Leasing is also continuously reviewing the possibilities of targeted acquisitions to expand its market presence.

Another focal point for Sixt Leasing will be remarketing the increasing number of vehicles returned after their leasing term, whose residual values are not secured by predefined repurchase agreements with vehicle dealers. The expansion in the contract portfolio, especially in the Online Retail business field, means that the number of returned vehicles that need subsequent remarketing is also set to grow. Sixt Leasing is increasingly managing to generate higher earnings, either directly through the residual values of the vehicles or through so-called end-of-term service charges billed on return. Remarketing is effected primarily through an internet-based used vehicle portal as well as the Sixt-owned stationary sales stations in Berlin, Frankfurt am Main, Munich and Nuremberg.

In its Fleet Leasing business field, Sixt Leasing AG aims to achieve moderate growth in its contract portfolio in the lower single-digit percentage range in 2016. In the Online Retail business field (private as well as commercial customers), which it provides via the online platform ***sixt-neuwagen.de***, the company expects to increase the number of contracts to around 32,000 by the end of 2017. For the Fleet Management business field, the mid-term expectations are for the number of contracts to climb to over 50,000.

4. FINANCIAL OUTLOOK

The outlook of the Managing Board of Sixt SE for the financial year 2016 is generally optimistic. Based on available general economic and industry-specific projections for the Vehicle Rental Business Unit it expects to see ongoing growth in demand in Germany, but particularly in dynamically developing foreign markets. Sixt also expects to generate slightly higher revenue in its operating leasing business. The Group's strategic growth initiatives will continue in the current fiscal year, which will once more entail extra expenditure.

On the basis of these assumptions and a cautious and demand-driven fleet policy, the Managing Board expects to see slight growth in consolidated operating revenues in fiscal year 2016. Given that extra expenditure will continue to be incurred for strategic expansion measures the Managing Board expects to generate stable to slightly higher Group EBT in fiscal year 2016. Regarding the Group’s equity ratio, the Managing Board expects a figure above the minimum target ratio of 20%.

B.6 \\ REPORT ON RISKS AND OPPORTUNITIES

1. INTERNAL CONTROL AND RISK MANAGEMENT ORGANISATION

1.1 RISK MANAGEMENT SYSTEM

Sixt SE has installed an internal control and risk management system designed to identify at an early stage all developments that can lead to significant losses or endanger the existence of the Company or of the Group. Effective tools ensure that risks are centrally and decentrally identified, evaluated and managed swiftly. Sixt's risk management system covers all activities for the systematic handling of potential risks in the Company, starting with risk identification and documentation, analysis and assessment as well as monitoring of material risks. It is defined by a formal process that firmly integrates all relevant Group divisions and segments. The risk management system installed with Sixt thereby registers the relevant individual risks. The opportunities management is not part of the risk management system.

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 respective 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 directly to the Managing Board. The internal audit monitors the efficiency of the risk management system. Internal audit also reports directly to the Managing Board of Sixt SE.

The Group's organisational set-up determines the decision-makers, communication and reporting paths, structures and risk responsibility officers involved in the risk management process. The officers responsible for risks on the level of the decentralised risk management organisations are equipped with adequate early-detection systems tailored to their areas as well as analysis and reporting tools, and control and monitoring systems. In addition, the central risk management organisation uses pre-defined key parameters to quantify and appropriately condense the individual risks, which are identified locally, assigns these to suitable risk categories and reports them to the Managing and Supervisory Boards.

Sixt 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 minimum requirements of the Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin – Federal Financial Supervisory Authority) to be met by the risk management of institutes (MaRisk).

1.2 RISK ASSESSMENT

After considering the risks in the installed planning, reporting, control and early warning systems, the organisational unit's risk officers regularly record all business-relevant and significant risks within the entire Group at least once every quarter during the risk inventory, which is conducted as part of the risk controlling. To this end, they analyse the assessments of the executives as well as further relevant information. Any changes in risk level and new risks are communicated without delay.

The individual risks' probability of occurrence is measured in the categories "low" (up to 30%), "possible" (between 31% up to 50%), "probable" (between 51% up to 90%) and "very probable" (over 90%). The individual risks are assigned to the defined risk categories and the corresponding damage classes according to the estimated amount of damage. On the Group level the central risk management agglomerates the decentrally registered individual risks in a risk inventory and clusters them into risk groups according to the estimated amount of damage and probabilities of occurrence. This forms the basis for the risk report, which is integral part of the reporting system to the Managing and Supervisory Boards of Sixt SE.

1.3 INTERNAL CONTROL- AND RISK MANAGEMENT SYSTEM FOR (GROUP) ACCOUNTING (DISCLOSURES IN ACCORDANCE WITH SECTIONS 289 (5) AND 315 (2) NO. 5 OF THE HGB

The internal control and risk management system for the Group's and the Company's accounting contains organisational provisions and technical requirements to manage the risk associated with accounting. Key elements here are the clear and appropriate separation of functions with regard to the Managing Board and leadership responsibilities including management control processes, the central accounting and reporting organisation for all consolidated companies, the technical stipulations contained in guidelines and the Group manual, 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 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 functional access rules. Employees receive appropriate information and training on data protection rules and regulations. In addition, general behavioural provisions for employees relating to financial matters are part of the regulations of Sixt's "Code of Conduct".

The Supervisory Board examines the annual financial statements and the consolidated financial statements together with the management report on the Group's and the Company's situation as well as the dependent company report and discusses these with the Managing Board and the auditors.

2. RISK FACTORS

As an internationally active Company, Sixt is exposed to a variety of different risks, which can have material effects on the Group's business performance, net assets, financial position and results of operations. The following provides an aggregate overview of the relevant risk factors. The structure of risk categories outlined essentially follows the categorisation in the reporting of the central risk management system.

2.1 GENERAL MARKET RISKS (ECONOMIC, SOCIAL AND REGULATORY RISKS)

The Sixt Group's main activities are vehicle rental and leasing, the business focus of which is centred in Germany. Nonetheless, as part of Sixt's internationalisation, the business activities outside of Germany, both in Europe and outside Europe, are gaining more and more 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 (for example sector risks and 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 Sixt Group 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 expand revenue and market share by expanding above all in key Western Europe countries and in the US. This objective is to be achieved primarily by organic growth. Nonetheless, as far as growth outside of Germany is concerned, well-considered acquisitions cannot be ruled out.

The internationalisation strategy involves various risks including market-specific, legal, fraud, financial and personnel risks. These include possible incorrect assessments of market conditions in the countries in question, changes to national legal or tax frameworks, the costs associated with the establishment of an effective business organisation and the need to find qualified management personnel and suitable employees. In the case of acquisitions, there are also the customary transaction risks. Due to the initiating and expanding foreign operations the Group's results of operations can be impacted negatively. The failure or delay of the foreign expansion could affect existing customer relations adversely, because especially business and corporate customers, who are one of Sixt's main customer groups, 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 the specific tax frameworks. 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.

2.2 SPECIFIC MARKET RISKS OF THE VEHICLE RENTAL AND LEASING BUSINESS UNITS

Specific market risks – Vehicle Rental Business Unit
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 possible quality as feasible.

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 agreements 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.

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 adjusts vehicle deliveries to intra-year requirements planning. Flexible agreements with vehicle manufacturers and dealers 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. In certain supply agreements the possibility is given, that Sixt is enabled to a limited extent to react at short notice to unforeseeable fluctuations in demand.

Furthermore, Sixt's international expansion changes purchasing requirements. Sixt relies on having a broad supplier base in all corporate countries, whereby vehicle fleets have to be tailored to a certain extent 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 Managing Board is closely monitoring the developments surrounding the emission issue at the Volkswagen Group. It is currently uncertain whether and to which extent further supply shortages for specific vehicle models are likely to occur at the Volkswagen Group. In such case, however, the Managing Board believes to be in a position to switch to different models or brands.

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 simultaneous 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 individual 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. For an efficient and flexible control sophisticated, reliable and tried-and-tested fleet management tools are all the more important.

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.

The development of the used car market in Germany and the US 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 in Germany recorded stagnation on a low level. In the US, on the other hand, volatility was found to increase.

Allowing for the opportunities afforded by the market, Sixt seeks to hedge rental vehicles through buy-back agreements with manufacturers and dealers to minimise the risks associated with the sale of vehicles. This means that buy-back conditions for these vehicles are already fixed at the time of acquisition. The Company therefore has a reliable basis for calculating the development of its fleet costs. By reducing the resale risk, Sixt is to a large extent independent of the situation on the used car market. Around 91% of all vehicles added into the fleet during the fiscal year were covered by means of take-back agreements.

However, within this context the risk persists that contractual partners, dealers or manufacturers, may not be able to meet their repurchase agreements. Moreover, given the current economic risks 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.

Sixt regularly assesses the creditworthiness of its contractual partners according to strict standards. This is especially important at times when the automobile trading markets are tight, so that the risk of contractual partners, dealers or manufacturers, not meeting their repurchase agreements 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 online trading platform.

Commercial customers from the Vehicle Rental Business Unit, who receive vehicle quotas on account, have their creditworthiness regularly reviewed and monitored on the basis of internal guidelines.

Specific market risks – Leasing Business Unit

In the Leasing Business Unit one focus of business activities is on corporate customers so that the Business Unit's performance is highly dependent, among other things, on companies' investment behaviour. This investment behaviour can especially be influenced – apart from general cyclical factors – by the underlying economic, legal accounting and tax conditions in particular 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, or potentially adverse changes to the international accounting stipulations relating to leasing contracts, can reduce the attractiveness of leasing fleet solutions for lessees.

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, which 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 Leasing Business Unit, Sixt focuses its offering on the full-service leasing, which provides a variety of services mainly to business customers in addition to the customary finance leasing, as well as fleet management. In this context, 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 leasing products gives Sixt the opportunity to set itself apart from its competitors. In the Fleet Management business field Sixt can leverage its many years of experience in the management of vehicle fleets and its position as a major fleet operator.

Alongside the business with corporate customers, private and commercial customer business is gaining more and more importance for the Leasing Business Unit and shall be set for further expansion. In the Online Retail business field the Business Unit offers attractive vehicle solutions to its target customers via the website ***sixt-neuwagen.de***. The associated diversification of the customer portfolio helps to counter risks that could stem from the economic, accounting and fiscal conditions prevailing for commercial vehicle leases in the business with corporate customers.

To guard against the risks of reselling vehicles, the Leasing Business Unit also partially covers the residual values, which are calculated in the leasing contracts according to market conditions, through buy-back agreements with manufacturers or dealers. This applies to the majority of vehicles in the business with corporate customers, where the residual values are covered by buy-back agreements. As of 31 December 2015 around 53% of vehicles in the Fleet Leasing and Online Retail business fields were covered by buyback agreements. The percentage figure includes lease assets, inventory and orders.

The Managing Board is closely monitoring the developments surrounding the emissions issue at the Volkswagen Group. For a certain part of the affected vehicles in the portfolio of the Leasing Business Unit buyback agreements with dealers or the manufacturer do not exist. Despite the fact that since the last investigation in October more motor versions are affected, the number of vehicles affected in the portfolio of the Leasing Business Unit without buyback agreement has not noteworthy changed. In this context, the Sixt Group could face lower than expected proceeds from remarketing and, therefore, an increased residual value risk. So far, no decline of used car prices for the affected vehicles of the Volkswagen Group can be determined. The Managing Board expects to have a reliable assessment of the risk not before the measures that are to be taken on behalf of the Volkswagen Group will have been made concrete and a general evaluation in the market is made thereupon.

In the event that used leasing vehicles are to be sold on the open market the Leasing Business Unit is dependent on the developments on the used car market, particularly in Germany.

The value of vehicles to be sold directly by Sixt on the used vehicle market is analysed regularly based on market reports, the Company's own experience and market observations. For the most part, these vehicles are sold by in-house specialists at specially established locations under the brand names "Sixt Autoland" and "Carpark". In addition, the vehicles as well as supplementary services are also offered to commercial as well as private customers through internet portals.

Nonetheless, the risk that contractual partners may not be able to meet their repurchase agreements cannot be excluded. When selecting vehicle dealers, Sixt therefore pays great attention to their economic stability. Sixt conducts regular and strict creditworthiness reviews and monitoring of vehicle suppliers.

Next to the general risks of reselling vehicles on the open market, there is also the risk that lessees fail to meet their payment obligations during the term of the contract or only pay parts thereof, resulting in payment defaults. This counterparty default risk in the customer business generally increases with a worsening economic climate, as it can trigger more payment defaults of leasing customers.

Risk management already identifies every single contract's risks of counterparty default on receipt of the leasing agreement. Risks of counterparty default are checked at regular intervals and are managed pro-actively. Furthermore, the creditworthiness of corporate customers is regularly monitored during the lease period. Vehicle suppliers who have furnished the Sixt Leasing Group with repurchase commitments, have to undergo creditworthiness reviews as well as leasing customers.

Any negative changes in the relationship to customers and vehicle suppliers are as a result identified immediately, and the appropriate countermeasures can be taken promptly if necessary. Commitments with higher levels of risk or potential default risks are monitored and controlled especially closely by the risk management department.

This precautionary measure helps to avoid and/or mitigate future risks arising from the customer relationship. The risk metering and control systems as well as the organisation of the credit risk management of Sixt Leasing AG comply with the minimum requirements for risk management (MaRisk) as defined by Bundesanstalt für Finanzdienstleistungsaufsicht (BaFin – Federal Financial Supervisory Authority).

2.3 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 sustainably change their financing policies.

In its dealings with corporate customers the Leasing Business Unit can generally counter the interest rate risks, which follow a possible change in market rates, by agreeing interest escalation clauses in the specific master agreements, which are entered into for new contracts concluded under such master agreements. Next to these, the interest rate risks are partly covered by refinancing assets with matching maturities. In view of the intention of making the Sixt Leasing Group's refinancing more independent, it could be more difficult or more expensive for the Leasing Business Unit to find external financing options, depending on the assessment and appraisal of the Sixt Leasing Group's creditworthiness. However as common in the leasing industry asset-based financing opportunities (for example forfeiting or securitisation of leasing receivables) which are not used to date will be available to Sixt Leasing Group. Nevertheless the risk remains that any increase in refinancing costs significantly affects the cost base and that this higher refinancing costs might not be passed on to customers.

Moreover, an inconsistency between remaining terms and interest rates of assets and the maturities as well as interest rates of the liabilities of the Sixt Leasing Group could adversely affect the operating results. Refinancing options with, as far as possible, matching maturities are being sought to counter these potentially adverse effects.

The Sixt Leasing Group faces an interest rate risk which results from contractually fixed interest rates in the leasing arrangements and variable interest rates included in external refinancing agreements. Sixt Leasing Group will occasionally enter into derivatives to hedge against interest rate risks. However, it cannot be guaranteed that such hedging is completely effective or that losses can be completely avoided.

Sixt Group 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 vehicles in the rental and leasing fleets are mostly covered by buy-back agreements with manufacturers and dealers, which significantly increases the security for the financing banks.

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 customers taking out loans. Moreover, the ever tighter legal rules and regulations, which financial institutes have to comply with when granting credit, require that they underlay these with more equity. This could result in Sixt Group's financing costs increasing or that they remain at a high level. The Group continues to have a strong equity base and a broad financing mix. The Group's solid financial circumstances give it good access to the capital markets, which it used successfully in the past by placing bonds or issuing borrower's note loans on the market. However, one can never fully rule out the possibility that the capital markets, temporarily or for longer, 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 SE and its subsidiaries maintain trustworthy business relationships with a number of banks since many years.

2.4 OTHER RISKS (OPERATIONAL AND LEGAL RISKS)

Operational risks are losses caused by human behaviour, technological failure, inadequate or faulty processes, or by external events. Regulatory, legal and tax related risks are included in this definition.

A complex, high-performance IT system is essential for processing rental and leasing operations. Hard- and software related system malfunctions or 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 operating 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.

As in the past, 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 everyday life, one may well assume that the utilisation of internet-based offers is set to continue in future.

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

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

The personal skills and know-how of the Group's employees constitute an important success factor. Particularly in times of expanding international business operations and the associated recruitment of new staff, Sixt is dependent on having a sufficient number of qualified and motivated 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 to 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.

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 contested issues, which under certain circumstances might have to be settled in court.

The French competition authority (Autorité de la Concurrence) is currently pursuing a judicial inquiry against various car rental companies, including, among others, Sixt SAS, Avrigny, alleging potentially concerted anti-competitive behaviour at various French airports. The inquiries' findings are presently pending. Sixt is of the opinion, though, that the accusations raised by the French competition authority are unfounded. In the event that the French competition authority should arrive at a different opinion, this might result in considerable fines against Sixt SAS and possibly also against Sixt SE.

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

3. THE MANAGING BOARD'S ASSESSMENT OF THE OVERALL RISK PROFILE

Sixt SE has installed a group-wide internal control and risk management system designed to identify at an early stage all developments that can lead to significant losses or endanger the continued existence of the Group. As part of the established risk management system, all the risks listed are regularly reviewed, analysed and the probability of their occurrence and effect is assessed. The result is communicated to the Managing and Supervisory Boards so that the necessary counter measures can be initiated in case of need.

Both the overall risk and the risk profile of the Sixt Group have remained essentially unchanged from the previous year. At present no risks which, alone or in their entirety, could endanger the Company's continued existence have been identified.

4. OPPORTUNITIES REPORT

Sixt SE is active in over 100 countries worldwide through its own organisational units and franchise partners. In the various markets it offers its customers a multitude of solutions for different specific mobility requirements. Consequently there are a number of opportunities that can positively affect the Company's business performance.

Opportunities are defined as possibilities arising from events, developments or actions that allow the Company to achieve and/or outperform the scheduled Company targets. It is the operating Business Units' task to identify and realise these opportunities as part of the corporate strategy.

4.1 MARKTET OPPORTUNUTIES

General economic developments
The Sixt Group is essentially dependent on general economic conditions in Germany in particular, but also in other European countries and the US. An improvement in the economy results in increased investment willingness by companies as well as a higher spending propensity of business and private customers, both of which would have a positive effect on the vehicle rental and leasing industry.

In its budget for the fiscal year 2016, the Sixt Group takes due account of economic analysts' assessments of the business cycle, as the report on outlook outlines. In the event that the economy should perform better than forecast, this could raise demand for Sixt's products and services.

Positive developments with the main target groups
During the last few fiscal years, the Sixt Group has positioned itself more and more as a provider of premium products for private customers. In the Vehicle Rental Unit these customers constituted the Group's most sizeable customer segment, accounting for 55% (2015). Thanks to the combination of its premium strategy with successful advertisement campaigns and the extension of its network of stations, particularly in the strong touristic Sixt corporate countries of France or Spain, Sixt was able to generate higher revenues with private customers. For 2016 Sixt once more expects an increase in holiday travel to the countries of relevance for the Group. Should developments in the tourism sector outperform expectations in Sixt's key markets, this could result in higher revenue generated in the private customer business.

Sixt has also positioned itself as a provider of high quality mobility products and services for business and corporate customers, who made up 36% in revenues generated by vehicle rentals in 2015. Thanks to intensified sales activities, and the recent friendly economic environment, the business with corporate customers proved to be successful for Sixt during the previous year. In its business plans the Company expects business travel to increase in 2016. In the event that Sixt's assumptions should be exceeded, the Company, being one of the leading international providers of mobility services, stands to obtain above-average benefits from such growth, given its large share in business and corporate customers.

4.2 OPPORTUNITIES FROM COMPETITION

Accelerated growth through acquisitions
The Sixt Group pursues the objective of driving forward its foreign expansion primarily through organic growth. Nonetheless, there is also a possibility of accelerating the Group's growth by acquiring other local and regional competitors at favourable conditions. To this end Sixt is constantly reviewing relevant market opportunities and is focusing especially on extending its customer base or acquiring concessions at airports. When examining potential take-over candidates, the Managing and Supervisory Board apply strict criteria regarding earnings situation, risk profile and enterprise culture as well as compatibility with Sixt's business model.

Potential adjustments in the competitive environment
The vehicle rental industry is characterised by intense predatory competition with some providers pursuing an aggressive price strategy that can make it difficult or even impossible to cover operating costs over the long term. As a consequence, the situation could arise where competitors have to abandon business operations because they no longer have access to fresh capital or cannot extend it. Sixt enjoys a very solid economic position and has adequate financial resources. Thus, the Company would be capable of exploiting free market capacities and generating additional revenue.

Specific demand for premium vehicles
In keeping with Sixt's premium strategy, the bulk of the Sixt fleet is made up of very well-equipped cars from renowned brands. Experience has shown that there is a very specific demand for these vehicles, which allows the Company to obtain higher average prices. Given improved income situations of companies and private households, as well as customers' higher levels of requirements, the demand for top quality vehicles could exceed planning assumptions. The Sixt Group stands to benefit exceptionally well from this development.

Greater brand awareness through marketing campaigns
Marketing campaigns which attract great attention are opening up the chance to increase the brand awareness of Sixt and thereby positively affect business performance. To this end, a number of eye-catching advertisement campaigns were launched in the fiscal year under review in the Vehicle Rental Business Unit's operations in France, the UK, the Netherlands and Spain. The Leasing Business Unit likewise launched its first TV campaign in January 2016 under the caption "Sixt Neuwagen braucht keine Werbung – bei den Preisen" (At these prices, Sixt Neuwagen does not need ads), which was broadcasted during primetime on all major private stations.

Increasing internationalisation and online sales
The Leasing Business Unit permanently monitors the expansion of its global presence by establishing and expanding its own national subsidiaries as well as by cooperating with competent franchise partners. Especially the Fleet Management business field aims to oversee the fleets of its international customers across national boundaries. The new Sixt Global Reporting Tool opens up additional opportunities for acquiring mandates and potential expanding fleet management into other countries. The online marketing of new leasing vehicles through the internet platform *sixt-neuwagen.de* is set to gain in importance due to the increasing significance of the internet for private as well as commercial customers as a source of information when procuring and financing vehicles. If this trend outperforms expectations, it could have a positive effect on the business situation of the Online Retail business field.

4.3 OPPORTUNITIES FROM INNOVATIONS

Demand-appropriate mobility
Society's mobility requirements are changing and are no longer focused on the ownership of a car but the actual usage of demand-specific mobility. Especially in densely populated areas, the significance of a freely available car is gaining more and more appeal over the ownership of a car, given the lack of parking space, the high density of traffic, increasing costs of ownership as well as greater ecological awareness.

Over the last few years, the Sixt Group has developed and brought to market new mobility concepts for private and corporate customers. These include the premium carsharing service DriveNow, the personalised chauffeur service myDriver, which acts as an alternative to taxis, as well as the flat rate rental vehicle service Sixt unlimited for frequent travellers. Sixt is thereby taking due account of the owned car's increasing loss of significance throughout society as well as the need for flexible and demand-adjusted mobility.

The development, introduction and expansion of such concepts is associated with uncertainties, as the actual demand and market volume can differ from expectations regarding market acceptance. However, a positive deviation from expectations, for example in the wake of a social change in values, can trigger sustained growth in revenue and thereby increase the economic significance of new mobility concepts for the Sixt Group.

Interlinking means of transportation

As part of its new mobility concepts, the Sixt Group is collaborating, among other things, with partners to intelligently interlink the various modes of transportation such as buses, railways, air traffic so as to offer customers mobility solutions that are optimally tailored to their needs. Thus the premium carsharing service DriveNow, in cooperation with public transport providers, is developing special combined mobility services which are already encountering a positive echo in their local markets. Given the experiences made here, Sixt is presently expecting demand for these interlinked services to grow continuously. As one of the innovation leaders in the vehicle rental industry, the Group could continue to benefit over the long term from ongoing successful market penetration by providing corresponding mobility solutions.

Significance of online and mobile channels

Customers have grown accustomed to organising their business and private trips irrespective of place and time by using online and mobile channels. Accordingly, the entire preparation of a journey, starting from the choice of airline, hotel reservation through to booking the rental vehicle, is conducted via one technical interface, such as the computer, the smartphone or tablet. To this end, Sixt is cooperating with numerous renowned addresses in the travel and mobility industry and has user-friendly online and mobile solutions that are permanently up-graded to the latest state of technology.

The trend towards modern online and mobile services also continues for fleet leasing and fleet management and improves the workflow or takes the form of reporting options and apps. In the fiscal year under review Sixt developed such modern solutions as the Sixt driver's logbook app or Sixt Global Reporting, which both offer the opportunity to address customer requirements even more specifically and thereby generate significant competitive advantages.

Accordingly Sixt communicates its products and services via its own channels, such as the Sixt Rent a Car app, its own Facebook site or the Sixt blog. Moreover, Sixt is continuously testing the usage of new social networks and platforms for event-driven communication and marketing activities, thus gathering experience early on.

Moreover, Sixt is integrating its products and services into the booking procedures of hotels and airlines, thereby extending their reach. If higher user intensity, and thus more online bookings, outstrip expectations, this would have a positive effect on the Sixt Group's business situation.

B.7 \\ DEPENDENT COMPANY REPORT

In accordance with section 17 of the AktG, Sixt SE is a dependent company of Erich Sixt Vermögensverwaltung GmbH, Pullach, as well as ES Asset Management and Services GmbH & Co. KG, Pullach. According to article 9 (1) lit. c) (ii) of the SE Regulation, section 49 (1) SEAG in conjunction with section 312 of the AktG, a report is therefore prepared containing the following concluding declaration by the Managing Board:

“There were no legal transactions or measures subject to disclosure requirements in the fiscal year 2015”

B.8 \\ 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 Sixt SE’s Annual Report 2015 as part of the corporate governance report and is available to the general public online at ***http://ir.sixt.eu*** under “Corporate Governance”.

B.9 \\ ADDITIONAL INFORMATION FOR SIXT SE PURSUANT TO HGB

Fundamentals and business performance
Sixt SE (European Stock Corporation – Societas Europaea) is the parent company that acts as the holding company for the Sixt Group. The legal form “SE” of the holding company reflects the Group’s strong international orientation. Sixt SE assumes the central management tasks and is responsible for the strategic and financial management of the Group. It also carries out various financing functions, primarily for the key companies of the Vehicle Rental Business Unit and Sixt Leasing AG, which is stock listed since May 2015 and represents the Leasing Business Unit together with its subsidiaries. The Company is headquartered in Pullach, with registered branches in Leipzig and at Munich Airport.

In its function Sixt SE’s business performance, net assets, financial position and results of operations as well as its risks and opportunities are essentially dependent on the development of Sixt Group’s consolidated companies.

Business performance of Sixt SE is characterised by the financing requirements and the proceeds distributed or transferred by Sixt Group’s subsidiaries. The annual financial statements of Sixt SE are prepared pursuant to (German) commercial law and the legal stipulations on stock corporations and serve as the basis for the fiscal year’s allocation of the unappropriated profit to be approved by the Annual General Meeting.

Results of operations, net assets and financial position
For its services rendered, Sixt SE receives remuneration of EUR 7.0 million (2014: EUR 4.5 million). Furthermore, the result of the sale of financial assets of EUR 108.3 million and the release of allowances of EUR 1.2 million are included in the fiscal year 2015. Besides this, Sixt receives EUR 43.1 million (2014: EUR 41.2 million) from financing services and income from investments and earnings transfers of EUR 93.4 million (2014: EUR 94.0 million). This is set off by personnel and operational expenses of EUR 17.9 million (2014: EUR 11.6 million) as well as interest and similar expenses of EUR 40.4 million (2014: EUR 39.4 million). There were loss transfers in the year under review in the amount of EUR 8.0 million (2014: EUR 0 million). Result from ordinary activities amounts to EUR 186.7 million (2014: EUR 87.8 million). The taxes on income reduced to EUR 0.2 million (2014: EUR 14.5 million) based on the reversal of deferred taxes in the amount of EUR 8.6 million due to the IPO of Sixt Leasing AG. Net income for the period under review is EUR 186.5 million (2014: EUR 73.3 million).

Sixt SE’s significant assets consist of shareholdings in affiliated companies and investments of EUR 648.1 million (2014: EUR 537.4 million). In addition, Sixt SE recognises receivables from affiliated companies and investments of EUR 1,559.8 million (2014: EUR 1,262.7 million).

As in the year before, the share capital of Sixt SE amounts to EUR 123.0 million. The equity reported increases to EUR 703.8 million (2014: EUR 575.3 million) and mainly results from the unappropriated profit.

Significant financial liabilities are the outstanding bonds of EUR 750.0 million (2014: EUR 750.0 million), commercial papers of EUR 279.0 million (2014: EUR 0 million) as well as liabilities from borrower’s note loans in the amount of EUR 348.0 million (2014: EUR 347.0 million).Further to these, Sixt SE has liabilities to affiliated companies of EUR 87.7 million (2014: EUR 77.8 million).

Risks, opportunities and outlook
As far as its opportunities and risks are concerned, Sixt SE’s development is essentially dependent on the performance of the operating companies within the Sixt Group. To this extent, the overall assessment in the report on risks and opportunities of the Sixt Group serves a reference. The economic development of Sixt SE is likewise significantly determined by the performance, financing requirements and earnings strength of the Sixt Group’s companies. Their earnings distributions are directly or indirectly determined by the resolutions of Sixt SE. Based on the IPO of Sixt Leasing AG and the termination of the profit and loss transfer agreement between Sixt Leasing AG and Sixt SE, the realised annual results from Sixt Leasing AG not flow in the full amount towards Sixt SE, and moreover dependent on the resolution of the Annual General Meeting of the company. In line with expectations regarding the development of the Group, Sixt reckons to see a stable to slight increase in earnings before taxes for Sixt SE.

Investments
As part of its financing function within the Sixt Group, Sixt SE will provide consolidated companies with loans and funds in the form of equity. Potential company start-ups or acquisitions could require investments to be made by Sixt SE.

Pullach, 29 March 2016

Sixt SE

The Managing Board

ERICH SIXT	DETLEV PÄTSCH	DR. JULIAN ZU PUTLITZ	ALEXANDER SIXT	KONSTANTIN SIXT

PERFORMANCE

PERFORMANCE IS WHAT WE'RE LIVING FOR.

It's efficiency that makes us successful, success that makes us independent, independence that makes us dynamic. And dynamism that brings us success in all important markets. That is how we define excellence every day.

C \\ CONSOLIDATED FINANCIAL STATEMENTS

C.1 \\ CONSOLIDATED INCOME STATEMENT AND STATEMENT OF COMPREHENSIVE INCOME

of Sixt SE, Pullach, for the year ended 31 December 2015

Consolidated Income Statement					
in EUR thou.	Notes		2015		2014
Revenue	\4.1\		2,179,259		1,796,162
Other operating income	\4.2\		122,058		66,180
Fleet expenses and cost of lease assets	\4.3\		807,307		675,236
Personnel expenses	\4.4\		274,504		219,766
a) Wages and salaries		236,185		188,224	
b) Social security contributions		38,319		31,542	
Depreciation and amortisation expense	\4.5\		418,515		347,060
a) Depreciation of rental vehicles		216,805		173,130	
b) Depreciation of lease assets		178,258		158,140	
c) Depreciation of property and equipment and investment property		12,104		9,428	
d) Amortisation of intangible assets		11,348		6,362	
Other operating expenses	\4.6\		579,207		421,039
Earnings before interest and taxes (EBIT)			**221,784**		**199,241**
Net finance costs	\4.7\		-36,574		-42,219
a) Interest income		1,110		1,029	
b) Interest expense		40,039		38,073	
c) Other net financial income		4,707		-3,147	
d) Result from at-equity measured investments		-2,351		-2,028	
Earnings before taxes (EBT)			**185,210**		**157,022**
Income tax expense	\4.8\		57,037		47,001
Consolidated profit			**128,174**		**110,021**
Of which attributable to minority interests	\4.9\		13,097		16
Of which attributable to shareholders of Sixt SE			**115,076**		**110,005**
Earnings per ordinary share – basic (in EUR)	\4.10\		2.39		2.28
Earnings per preference share – basic (in EUR)	\4.10\		2.41		2.30

Consolidated statement of comprehensive income		
in EUR thou.	2015	2014
Consolidated profit	128,174	110,021
Other comprehensive income (not recognised in the income statement)		
Components that could be recognised in the income statement in future		
Currency translation gains/losses	10,308	8,076
Derivative financial instruments in hedge relationship	-	1,241
Related deferred taxes	-	-309
Total comprehensive income	**138,482**	**119,029**
Of which attributable to minority interests	13,446	16
Of which attributable to shareholders of Sixt SE	125,036	119,013

C.2 \\ CONSOLIDATED BALANCE SHEET

of Sixt SE, Pullach, as at 31 December 2015

Assets in EUR thou.	Notes	**31 Dec. 2015**	31 Dec. 2014
Non-current assets			
Goodwill	\4.11\	18,442	18,442
Intangible assets	\4.12\	27,969	24,929
Property and equipment	\4.13\	163,572	65,183
Investment property	\4.14\	2,972	3,008
Lease assets	\4.15\	957,779	902,366
At-equity measured investments	\4.16\	5,316	5,840
Financial assets	\4.17\	1,784	2,504
Other receivables and assets	\4.18\	4,933	4,487
Deferred tax assets	\4.8\	7,459	9,662
Total non-current assets		**1,190,228**	**1,036,420**
Current assets			
Rental vehicles	\4.19\	1,763,251	1,261,738
Inventories	\4.20\	92,408	41,876
Trade receivables	\4.21\	276,682	234,988
Other receivables and assets	\4.22\	265,280	177,644
Income tax receivables	\4.22\	7,023	12,351
Cash and bank balances	\4.23\	65,588	53,087
Total current assets		**2,470,232**	**1,781,684**
Total assets		**3,660,461**	**2,818,104**

Equity and liabilities in EUR thou.	Notes	**31 Dec. 2015**	31 Dec. 2014
Equity			
Subscribed capital	\4.24\	123,029	123,029
Capital reserves	\4.25\	241,494	202,077
Other reserves	\4.26\	590,689	416,475
Minority interests	\4.27\	103,573	-
Total equity		**1,058,786**	**741,581**
Non-current liabilities and provisions			
Other provisions	\4.28\	247	389
Financial liabilities[1]	\4.29\	920,560	1,130,537
Other liabilities[1]	\4.30\	1,157	8,268
Deferred tax liabilities	\4.8\	18,705	16,675
Total non-current liabilities and provisions		**940,668**	**1,155,868**
Current liabilities and provisions			
Other provisions	\4.31\	113,698	75,275
Income tax provisions	\4.31\	42,329	34,477
Financial liabilities[1]	\4.32\	908,708	289,072
Trade payables	\4.33\	484,804	404,919
Other liabilities[1]	\4.34\	111,469	116,911
Total current liabilities and provisions		**1,661,007**	**920,655**
Total equity and liabilities		**3,660,461**	**2,818,104**

[1] *Since fiscal year 2015 the figures presented in current and non-current financial liabilities include current and non-current finance lease liabilities, which have previously been included in other liabilities. Prior-year figures were adjusted accordingly.*

C.3 \\ CONSOLIDATED CASH FLOW STATEMENT

of Sixt SE, Pullach, for the year ended 31 December 2015

Consolidated cash flow statement		
in EUR thou.	**2015**	2014
Cash flow from operating activities		
Consolidated profit	128,174	110,021
Income taxes recognised in income statement	52,851	40,560
Income taxes paid	-39,683	-49,813
Financial income recognised in income statement	40,870	42,312
Interest received	1,373	1,746
Interest paid	-43,516	-41,100
Depreciation and amortisation[1]	418,515	347,060
Income from disposal of fixed assets	-7,242	-1,004
Income from disposal of financial assets	-4,978	-
Other (non-)cash expenses and income	19,298	18,834
Cash flow	**565,660**	**468,616**
Proceeds from disposal of lease assets	196,106	129,433
Payments for investments in lease assets	-424,053	-420,187
Change in rental vehicles, net	-718,318	-422,159
Change in inventories	-50,533	6,488
Change in trade receivables	-41,694	19,194
Change in trade payables	79,884	60,640
Change in other net assets[2]	-61,107	-17,260
Net cash flows used in operating activities	**-454,053**	**-175,235**
Investing activities		
Proceeds from disposal of intangible assets, property and equipment and investment property	532	-
Proceeds from disposal of financial assets	5,010	33
Payments for investments in intangible assets and property and equipment	-124,201	-31,676
Payments for investments in financial assets	-1,944	-5,554
Payments for investments in short-term financial assets	-79,973	-
Proceeds from disposal of short-term financial assets	80,000	-
Net cash flows used in investing activities	**-120,576**	**-37,197**
Financing activities		
Payments received to equity from the public offering of Sixt Leasing AG	239,339	-
Payments made due to the issue of new shares of Sixt Leasing AG, set off in equity	-5,364	-
Dividend payment	-58,008	-48,397
Payments received from taken out borrower's note loans, bonds and long-term bank loans	50,000	377,013
Payments made for redemption of borrower's note loans, bonds and long-term bank loans	-100,000	-103,733
Payments received from taken out financial liabilities/Payments made for redemption of financial liabilities[2]	459,658	-7,198
Net cash flows from financing activities	**585,625**	**217,685**
Net change in cash and cash equivalents	**10,995**	**5,252**
Effect of exchange rate changes on cash and cash equivalents	1,031	929
Changes in the scope of consolidation	476	1,327
Cash and cash equivalents at 1 Jan.	**53,087**	**45,579**
Cash and cash equivalents at 31 Dec.	**65,588**	**53,087**

1 *The depreciation and amortisation expense includes write-downs on rental and lease vehicles intended for sale.*

2 *Since the fiscal year 2015 other change in current and non-current financial liabilities include the change in current and non-current finance lease liabilities, which have previously been included in change in other net assets. Prior-year figures were adjusted accordingly.*

C.4 \\ CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

of Sixt SE, Pullach, as at 31 December 2015

Consolidated statement of changes in equity in EUR thou.	Subscribed capital	Capital reserves	Other reserves			Equity attributable to shareholders of Sixt SE	Minority interests	Total equity
			Retained earnings	Currency translation reserve	Other equity			
1 Jan. 2015	**123,029**	**202,077**	**165,364**	**4,319**	**246,792**	**741,581**	**-**	**741,581**
Consolidated profit 2015	-	-	-	-	115,076	115,076	13,097	128,174
Dividend payments 2014	-	-	-	-	-58,008	-58,008	-	-58,008
Exchange rate changes 2015	-	-	-	9,959	-	9,959	349	10,308
Increase due to the employee participation programme	-	984	-	-	-	984	28	1,013
Expansion of the scope of consolidation	-	-	1,878	-	-	1,878	-	1,878
Transfer to capital reserves	-	1,388	-	-	-1,388	-	-	-
Changes due to the public offering of Sixt Leasing AG	-	38,733	105,670	-528	2,954	146,828	92,511	239,339
Expenses recognised in equity from the public offering of Sixt Leasing AG	-	-2,250	-	-	-	-2,250	-3,114	-5,364
Tax effects recognised in equity from the public offering of Sixt Leasing AG	-	562	-1,354	-	-	-791	779	-13
Other changes	-	-	933	-	-978	-45	-77	-122
31 Dec. 2015	**123,029**	**241,494**	**272,490**	**13,750**	**304,449**	**955,213**	**103,573**	**1,058,786**
1 Jan. 2014	**123,029**	**201,995**	**157,425**	**-3,757**	**196,554**	**675,246**	**252**	**675,498**
Consolidated profit 2014	-	-	-	-	110,005	110,005	16	110,021
Other comprehensive income	-	-	-	8,076	932	9,008	-	9,008
Dividend payments 2013	-	-	-	-	-48,397	-48,397	-	-48,397
Increase due to the employee participation programme	-	2,290	-	-	-	2,290	-	2,290
Disposal from the exercise under the employee participation programme	-	-2,208	-	-	-	-2,208	-	-2,208
Transfer to retained earnings	-	-	7,000	-	-7,000	-	-	-
Other changes	-	-	939	-	-5,302	-4,363	-268	-4,631
31 Dec. 2014	**123,029**	**202,077**	**165,364**	**4,319**	**246,792**	**741,581**	**-**	**741,581**

See also the Notes \4.24\ to \4.27

C.5 \\ NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

of Sixt SE, Pullach, for the year ended 31 December 2015

1. GENERAL DISCLOSURES

1.1 INFORMATION ABOUT THE COMPANY

Sixt SE, domiciled in Zugspitzstrasse 1, 82049 Pullach, Germany, is registered in section B of the commercial register at the Munich Local Court, under docket number 206738. 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”, which in 2013 was transferred into “Sixt SE”. The Company 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 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 SE, Pullach.

1.2 GENERAL DISCLOSURES ON THE CONSOLIDATED FINANCIAL STATEMENTS

The consolidated financial statements of Sixt SE as at 31 December 2015 were prepared in accordance with International Financial Reporting Standards (IFRSs), as adopted by the EU and the applicable commercial law regulations according to section 315a (1) of the HGB (German Commercial Code).

The consolidated financial statements were prepared on the basis of the historical acquisition and production costs. Excluded are certain financial instruments that were measured at fair value as of reporting date. The appropriate explanations are given in the sections entitled “Reporting and valuation methods” and “Additional disclosures on financial instruments”.

The Company applied the following new and/or amended standards for the first time in the current fiscal year:

IFRIC 21 – Levies:

IFRIC 21 provides guidelines when a liability should be recognized for a levy, which is imposed by legal stipulations from public authorities.

This had no material impact on the consolidated financial statements.

The annual improvement project to the IFRS – Cycle 2011 to 2013 resulted in changes to numerous standards. These relate to IFRS 1, IFRS 3, IFRS 13 and IAS 40. The application of these changes do not have a significant influence on the consolidated financial statements.

The following new and/or amended standards/interpretations have been ratified by the IASB but are not yet mandatory. The Company has not applied these regulations prematurely:

Standard/ Interpretation		Adoption by European Commission	Applicable as at
IFRS 9	Financial instruments	No	1 Jan. 2018
IFRS 14	Regulatory deferral accounts	No	1 Jan. 2016
IFRS 15	Revenue from contracts with customers	No	1 Jan. 2018
IFRS 16	Leases	No	1 Jan. 2019
Amendments to IFRS 10, IFRS 12 and IAS 28	Investment entities: applying the consolidation exception	No	1 Jan. 2016
Amendments to IFRS 10 and IAS 28	Sale or contribution of assets between an investor and its associate or joint venture	No	Deferred indefinitely
Amendments to IFRS 11	Accounting for acquisitions of interest in joint operations	24 Nov. 2015	1 Jan. 2016
Amendments to IAS 12	Recognition of deferred tax assets for unrealised losses	No	1 Jan. 2017
Amendments to IAS 1	Disclosure initiative	18 Dec. 2015	1 Jan. 2016
Amendments to IAS 7	Disclosure initiative	No	1 Jan. 2017
Amendments to IAS 19	Employee benefits	17 Dec. 2014	1 Feb. 2015
Amendments to IAS 27	Equity method in separate financial statements	18 Dec. 2015	1 Jan. 2016
Amendments to IAS 16 and IAS 38	Clarification of acceptable methods of depreciation and amortisation	2 Dec. 2015	1 Jan. 2016
Amendments to IAS 16 and IAS 41	Agriculture: bearer plants	23 Nov. 2015	1 Jan. 2016
	Annual improvement project 2010-2012	17 Dec. 2014	1 Feb. 2015
	Annual improvement project 2012-2014	15 Dec. 2015	1 Jan. 2016

The effects of these standards and interpretations, in particular of IFRS 15, are presently still being investigated. However, the application of IFRS 15 is, according to current knowledge, not expected to have in any material effects. Effects of the application of IFRS 16 are presently still being examined.

The consolidated income statement is prepared using the total cost (nature of expense) method.

The Group currency of Sixt SE is the Euro (EUR). Unless specified otherwise the amounts listed in the consolidated financial statements are given in “EUR thousand”. Due to rounding it is possible that individual figures in these consolidated financial statements do not add up exactly to the totals shown. For the same reason, the percentage figures presented may not always exactly reflect the absolute figures to which they relate to.

The annual financial statements of Sixt SE, the consolidated financial statements and the management report on the Group’s and the Company’s situation are published in the Federal Gazette (Bundesanzeiger).

2. CONSOLIDATION

2.1 CONSOLIDATED COMPANIES

The scope of consolidated companies derives from the application of IFRS 10 (Consolidated financial statements) and IFRS 11 (Joint arrangements).

The consolidated financial statements of Sixt SE as at 31 December 2015 include the following fully consolidated companies (the equity interest corresponds to the voting power):

Name	Domicile	Equity interest
BLM GmbH & Co. KG	Taufkirchen	100%
BLM Verwaltungs GmbH	Pullach	100%
e-Sixt GmbH & Co. KG	Pullach	97%
Europa Service Car Ltd.	Chesterfield	100%
MD Digital Mobility GmbH & Co. KG	Berlin	100%
Sigma Grundstücks- und Verwaltungs GmbH	Pullach	100%
Sigma Grundstücks- und Verwaltungs GmbH & Co. Immobilien KG	Pullach	94%
Sixt AG (in Liquidation)	Basle	100%
Sixt Air GmbH (formerly United rentalsystem GmbH)	Pullach	100%
Sixt Asset and Finance SAS	Avrigny	100%
Sixt Autoland GmbH	Garching	100%
Sixt B.V.	Hoofddorp	100%
Sixt Belgium BVBA	Zaventem	100%
Sixt Beteiligungen GmbH & Co. Holding KG	Pullach	100%
Sixt College GmbH	Pullach	100%
Sixt European Holding GmbH & Co. KG	Pullach	100%
Sixt Executive GmbH	Pullach	100%
Sixt Finance GmbH	Pullach	100%
Sixt Financial Services GmbH	Pullach	100%
Sixt Franchise USA, LLC	Delaware	100%
Sixt G.m.b.H.	Vösendorf	100%
Sixt GmbH & Co. Autovermietung KG	Pullach	100%
Sixt Insurance Services PCC Ltd.	St. Peter Port	100%
Sixt Leasing (Schweiz) AG	Urdorf	42%
Sixt Leasing AG	Pullach	42%
Sixt Leasing G.m.b.H.	Vösendorf	42%
Sixt Location Longue Durée SARL	Paris	42%
Sixt Mobility Consulting B.V. (formerly Sixt Leasing B.V.)	Hoofddorp	42%
Sixt Mobility Consulting GmbH	Pullach	42%
Sixt Plc	Chesterfield	100%
Sixt rent a car Ltd. (formerly Sixt Kenning Ltd.)	Chesterfield	100%
SIXT RENT A CAR S.L.U.	Palma de Mallorca	100%
Sixt Rent A Car, LLC	Delaware	100%
Sixt rent-a-car AG	Basle	100%
Sixt Reparatur und Service GmbH	Pullach	100%
SIXT S.à.r.l.	Luxembourg	100%
Sixt SAS	Avrigny	100%
Sixt Transatlantik GmbH	Pullach	100%
Sixt Ventures GmbH (formerly Sixt e-ventures GmbH)	Pullach	100%
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Alpha Immobilien KG	Pullach	100%
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Delta Immobilien KG	Pullach	100%
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Epsilon Immobilien KG	Pullach	100%
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Gamma Immobilien KG	Pullach	100%
Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG	Pullach	100%

Table continued:

Name	Domicile	Equity interest
Sixt VIP Services GmbH	Munich	100%
SXT Beteiligungs GmbH & Co. KG	Pullach	100%
SXT Dienstleistungen GmbH & Co. KG	Rostock	100%
SXT International Projects and Finance GmbH	Pullach	100%
SXT Reservierungs- und Vertriebs-GmbH	Rostock	100%
SXT Services GmbH & Co. KG	Pullach	100%
SXT Telesales GmbH	Berlin	100%
United Kenning Rental Group Ltd.	Chesterfield	100%
United Rental Group Ltd.	Chesterfield	100%

In addition to these, the two companies Akrimo GmbH & Co. KG, Pullach (equity interest 95%), and ASX Beteiligungs-GmbH & Co FAKO KG, Pullach (equity interest 0%, however control according to IFRS 10), are consolidated. Furthermore the joint ventures DriveNow GmbH & Co. KG, Munich, including its subsidiaries DriveNow Austria G.m.b.H., Vienna, DriveNow UK Ltd, London, and DriveNow Sverige AB, Sollentuna as well as autohaus24 GmbH, Pullach (each 50% equity interest), and Managed Mobility AG, Urdorf (equity interest Sixt Leasing AG 50%), are recognised in accordance with the at-equity method pursuant to the regulations in IFRS 11 as well as IAS 28.

The following list shows all Group companies which have not been consolidated. These subsidiaries, most of which have no operating activities, have not been consolidated because of their insignificance in the aggregate for the presentation of a true and fair view of the net assets, financial position and results of operations of the Group. The combined revenue of these companies amounts to less than 2% of consolidated revenue.

Name	Domicile	Equity	Equity interest	Annual result
DriveNow Verwaltungs GmbH	Munich	26,092 EUR	50.0%	-430 EUR
e-Sixt Verwaltungs GmbH	Munich	78,760 EUR	100.0%	7,621 EUR
MD Digital Mobility Österreich G.m.b.H.	Vösendorf	31,403 EUR	100.0%	-1,140 EUR
MD Digital Mobility Schweiz AG (in liquidation)	Basle	90,114 CHF	100.0%	-3,920 CHF
MD Digital Mobility Verwaltungs-GmbH	Berlin	21,924 EUR	100.0%	-45 EUR
Sixt Aéroport SARL	Paris	116,901 EUR	100.0%	9,051 EUR
Sixt Beteiligungen GmbH	Pullach	44,661 EUR	100.0%	1,526 EUR
Sixt Business SARL	Saint-Louis	20,199 EUR	100.0%	4,171 EUR
Sixt Centre SARL	Saint-Louis	29,407 EUR	100.0%	11,647 EUR
Sixt Développement SARL	Paris	79,683 EUR	100.0%	6,233 EUR
Sixt Executive France SARL	Paris	106,198 EUR	100.0%	16,884 EUR
Sixt Financial Services USA, LLC	Delaware	817,220 USD	100.0%	284,360 USD
Sixt Franchise GmbH	Pullach	27,217 EUR	100.0%	1,114 EUR
Sixt GmbH	Munich	17,824 EUR	100.0%	2,624 EUR
Sixt Holiday Cars GmbH	Pullach	25,565 EUR	100.0%	264 EUR
Sixt Immobilien Beteiligungen GmbH	Pullach	153,396 EUR	100.0%	11,585 EUR
Sixt International Holding GmbH	Pullach	-6,800 EUR	100.0%	-3,607 EUR
Sixt Leasing N.V.	Sint-Stevens-Woluwe	120,706 EUR	100.0%	-2,741 EUR
Sixt Mobility Consulting Österreich GmbH	Vösendorf	9,803 EUR	41.9%	-19,723 EUR
Sixt Mobility Consulting Sarl	Paris	7,000 EUR	41.9%	0 EUR
Sixt Nord SARL	Paris	133,718 EUR	100.0%	30,231 EUR
SIXT S.A.R.L.	Monaco	1,078,364 EUR	99.9%	232,897 EUR
Sixt Seine SARL	Saint-Louis	36,471 EUR	100.0%	18,174 EUR
Sixt Sud SARL	Paris	147,511 EUR	100.0%	14,818 EUR
Sixt Systems GmbH	Pullach	12,723 EUR	100.0%	-1,363 EUR
Sixt Tourisme SARL	Saint-Louis	28,448 EUR	100.0%	14,592 EUR
Sixt Travel GmbH	Taufkirchen	366,102 EUR	97.1%	7,215 EUR
Sixt Verwaltungs-GmbH	Taufkirchen	47,203 EUR	100.0%	1,476 EUR
Sixti SARL	Courbevoie	125,519 EUR	100.0%	22,877 EUR
SXT Beteiligungsverwaltungs GmbH	Pullach	25,382 EUR	100.0%	744 EUR
SXT Verwaltungs GmbH	Pullach	23,985 EUR	100.0%	-1,177 EUR
TOV 6-Systems	Kiev	9,498,234 UAH	100.0%	2,220,489 UAH
TÜV SÜD Car Registration & Services GmbH	Munich	884,075 EUR	50.0%	357,734 EUR
UNITED RENTAL GROUP AMERICA LIMITED	Chesterfield	-326,757 GBP	100.0%	-366,757 GBP
United Rental Group, LLC	Delaware	15,868,109 USD	100.0%	-166,411 USD
United Rentalsystem SARL	Paris	143,132 EUR	100.0%	14,436 EUR

Also not consolidated were MOHAG Autohaus Datteln GmbH & Co. KG, Datteln (Equity: EUR 375,008; annual result: EUR 1,635,253), in which the Sixt Group holds 95% of the fixed capital, over which the Sixt Group neither holds control nor has significant influence due to contractual agreements.

In accordance with section 264b of the HGB, the following companies are exempt from the duty to prepare and publish annual financial statements under the provisions applicable to corporations: BLM GmbH & Co. KG, Taufkirchen, e-Sixt GmbH & Co. KG, Pullach, MD Digital Mobility GmbH & Co. KG, Berlin, Sigma Grundstücks- und Verwaltungs GmbH & Co. Immobilien KG, Pullach, Sixt Beteiligungen GmbH & Co. Holding KG, Pullach, Sixt European Holding GmbH & Co. KG, Pullach, Sixt GmbH & Co. Autovermietung KG, Pullach, Sixt Verwaltungs-gesellschaft mit beschränkter Haftung & Co. Alpha Immobilien

KG, Pullach, Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Delta Immobilien KG, Pullach, Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Epsilon Immobilien KG, Pullach, Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Gamma Immobilien KG, Pullach, Sixt Verwaltungsgesellschaft mit beschränkter Haftung & Co. Sita Immobilien KG, Pullach, SXT Beteiligungs GmbH & Co. KG, Pullach, SXT Dienstleistungen GmbH & Co. KG, Rostock, as well as SXT Services GmbH & Co. KG, Pullach. Sixt Finance GmbH, Pullach, Sixt Transatlantik GmbH, Pullach as well as SXT International Projects and Finance GmbH, Pullach, and Sixt Mobility Consulting GmbH, Pullach, make use of the exemption with regard to publication provided for in section 264 (3) of the HGB.

2.2 CHANGES IN THE SCOPE OF CONSOLIDATION

The following changes in the consolidated Group as against the end of 2014 occurred: SIXT S.à.r.l., Luxembourg, and Sixt Franchise USA, LLC, Delaware were newly consolidated. The companies were established by the Sixt Group and so far had not been consolidated because of their insignificance. In addition to these, newly consolidated companies are the SXT International Projects and Finance GmbH, Pullach, as well as the joint ventures Managed Mobility AG, Urdorf, and DriveNow Sverige AB, Sollentuna, founded in the financial year 2015 and recognised in accordance with the at-equity method. Their initial consolidation had no noteworthy effects on the Group's net assets, financial position and results of operations.

2.3 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 2015. 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.

Subsidiaries are those companies in which the Group has existing rights that give it the ability to direct their main activities. The main activities are the activities that have a material impact on the profitability of the company. Control thus only exists if the Group is exposed to variable returns from the relationship with a company and its power over the relevant activities gives it the opportunity to influence these returns. As a rule, the possibility of control is based on a direct or indirect majority of the voting rights by Sixt SE. Control of Sixt Leasing AG is based on the existing Supervisory Board majority in favour of Sixt SE, as well as the concluded financing agreements of both companies. Subsidiaries are consolidated from the date on which the possibility of control exists. They are no longer consolidated when this possibility no longer exists.

Acquisition accounting is performed in accordance with IFRS 3, which requires business combinations to be accounted for using the acquisition method. Assets and liabilities acquired must generally be recognised at fair value. Any excess of the cost of the business combination over the Group's share of the net fair values of the acquiree's assets, liabilities and contingent liabilities is recognised as goodwill and tested for impairment on a regular basis, and at least once a year.

The 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.

The resulting difference from the acquisition accounting of the subsidiaries consolidated for the first time in 2015 is charged or credited to other reserves, as all these companies were founded by the Company.

Joint ventures are recognised in accordance with the at-equity method pursuant to the regulations in IFRS 11 as well as IAS 28.

Intra-Group transactions are eliminated in the course of consolidation. Significant 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.

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.

2.4 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, equity at historic prices. Income statement items are translated at the average rates for the year. The resulting difference as against the closing rate is recognised in the other comprehensive income and accumulated in equity as currency translation differences.

Goodwill arising out of the acquisition of a foreign business operation and any fair value adjustments to the identifiable assets and liabilities will be treated as assets and liabilities of the foreign operation and translated at the closing rate. The resulting differences from translation are recognised in the reserves from currency translations.

The exchange rates (= EUR 1) applied for currency translation purposes are shown in the table below:

Exchange rates		Closing rate		Average rate
	31 Dec. 2015	31 Dec. 2014	**2015**	2014
Pound Sterling	0.73505	0.77880	0.72400	0.80345
Swiss Francs	1.08205	1.20230	1.06409	1.21277
US-Dollar	1.08925	1.21550	1.10436	1.32174

3. REPORTING AND VALUATION METHODS

3.1 INCOME STATEMENT

Revenue

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 and the amount of the revenue can be determined reliably.

Leasing revenues are recognised ratably over the term of the respective leasing relation. Revenue amounts generated at the start of the lease as special lease payment, are deferred and recognised in profit and loss over the period of the leasing contract's term. Revenue from services is recognised as soon as the service is rendered and the amount of the revenue can be determined reliably. If during the term of the lease lump sum payments for services are agreed with the lessee the income is recognised only to the amount of expenses incurred plus a calculatory margin. Proceeds from services and their corresponding expenses are recorded on a gross basis within revenue and fleet expenses and cost of lease assets.

Amounts due under leases that are classified as finance leases as substantially all risks and rewards associated with ownership are essentially transferred to the lessee, are recognised as receivables at the amount of the Group's net investment in the leases and are subsequently measured applying the effective interest method. Finance lease income is split up into an interest portion and redemption payments on the receivable. Only the interest portion is recognised through profit and loss. The finance income is allocated over the term of the lease on a systematic and rational basis. Lease payments relating to the period are applied against the gross investment in the lease to reduce both the principal and the unearned finance income.

Discounts, bonuses and VAT/sales or other taxes relating to the goods or services provided are deducted from the revenue.

Vehicle sales are recognised when the vehicle is delivered and ownership is transferred, the amount of the revenue and the costs still to be incurred can be determined reliably and an incoming benefit is probable.

Net finance costs
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. The effective interest method is applied for this. Income and expense arising from profit and loss transfer agreements are 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
Income tax expense is the aggregate of current tax expense and deferred taxes.

Current and deferred taxes are generally recognised in the income statement, except where they relate to items recognised in other comprehensive income or directly in equity. In this case the current and deferred tax is also recognised in comprehensive income or equity.

Current tax expense is calculated on the basis of the taxable income for the year.

Deferred taxes are the tax charges and tax reliefs expected to result from differences between the carrying amounts of assets and liabilities in the consolidated financial statements and their tax base.

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 the deviations in the valuation of assets and liabilities as against the corresponding tax basis.

Earnings per share
Basic earnings per share are measured in accordance with IAS 33 (Earnings per share). Undiluted earnings per share are calculated by dividing the share in post-tax earnings of the parent company's shareholders by the weighted average number of shares outstanding during the fiscal year. Consolidated profit is to be allocated to the different classes of shares. If applicable, diluted earnings per share are reported separately.

3.2 ASSETS

Goodwill
Any goodwill generated from a business combination is recognised at cost less any necessary impairment and is carried separately in the consolidated balance sheet. For the purpose of testing impairment, goodwill is allocated to those cash-generating units (or groups) of the Group, of which it is expected that they can draw benefit from the synergies of the business combination.

Those cash-generating units, to which a portion of goodwill is allocated, must be tested for impairment at least annually. If the recoverable amount of a cash-generating unit is smaller than the carrying amount of the unit, the impairment costs must be allocated first to the carrying amount of goodwill allocated to the unit and then to the other assets of the unit pro rata on the basis of the carrying amount of each asset in the unit. The recoverable amount is the higher value from the value in use and the fair value less costs for selling the asset.

Any impairment of goodwill is recognised directly in the income statement. An impairment loss recognised for goodwill shall not be reversed in a subsequent period.

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 (2016 to 2019) and a growth factor of 1% taken as the basis in deriving a sustainable figure. The discount rate (before taxes and growth discount) used is currently 7.1% (2014: 7.1%). The assumptions used for the model are based on external observations. Sixt holds the view that no reasonably conceivable change in the underlying assumptions, on which the determination of the recoverable amount is based, would result in the accumulated carrying amount of the cash-generating unit exceeding its recoverable amount.

Intangible assets
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 acquisition cost less accumulated depreciation and impairment, while internally generated intangible assets are only capitalised at production 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
Property and equipment are carried at cost less straight-line depreciation and recognised impairment. Investment property is also carried at cost less straight-line depreciation and recognised impairment, as no market value can be reliably determined.

Depreciation is taken so that the acquisition costs of assets less their residual values are depreciated on a straight-line basis over their useful lives. The expected useful lives, residual values and depreciation methods are re-evaluated at the end of each reporting period and all necessary changes in estimates are applied prospectively. 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

Property and equipment are derecognised either when on disposal or when no further economic benefit is to be expected from the continued use of the asset. The resulting gain or loss from the sale or retirement of property and equipment is determined as the difference between the sales proceeds and the carrying amount of the asset and is recognised in profit or loss.

Lease assets
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 lease) or the lessor (operate lease).

Leasing relations are classified as finance lease, if under the lease agreement all opportunities and risks associated with ownership are essentially transferred to the lessee. All other leasing relations are classified as operate lease.

Assets leased out by the Sixt Leasing Group as lessor under operate leases are carried in the balance sheet at cost less straight-line depreciation to their calculated 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. Estimating the residual values necessitates assumptions regarding the age and mileage of the vehicle at the time of its disposal as well as the expected conditions on the used vehicle market. This results in a market price risk exposure, which is evaluated by the Group periodically by estimating residual values and adjusting depreciation rates. Any adjustments to depreciation are made prospectively. Impairment losses are recognised in individual cases, if the carrying amount, which is based on the originally calculated residual value, exceeds the carrying amount expected prospectively at disposal. Leasing revenue from operate leases is allocated to the income statement in a straight-line basis over the term of the corresponding leasing relation.

Lease assets that the Sixt Group has leased out as finance leases are capitalised at the present value of the contractually agreed payments as assets under finance leases receivables. Lease payments are apportioned between interest payments and repayment of the leasing receivable, to achieve a constant periodic rate of interest on the receivable. Only the interest portion is recognised through profit and loss.

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 present value of the minimum lease payments or their fair value. The assets are depreciated to their contractual residual values on a straight-line basis over the respective lease terms. Impairment losses are recognised in the event that an indication of value impairment is given. The corresponding liabilities to the lessor are recognised as liabilities arising from future lease payments under financial liabilities. Leasing payments to the lessor are divided up into an interest portion and a redemption portion. Only the interest portion is recognised in the income statement.

Assets leased by the Sixt Group as lessee under operate leases are not recognised as Group assets.

The Group reviews the carrying amounts of property and equipment and intangible assets as well as lease assets at each balance sheet date, to determine if there are any indications for an impairment of these assets. If any such indications can be detected, the recoverable amount of the asset is estimated to determine the extent of a possible impairment expense.

Rental vehicles

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 to the extent that indications for impairment are given.

Inventories

The vehicles intended for sale are recognised in the item inventories. These are measured at amortised cost, including incidental costs, and are regularly compared with the net realisable value. If this is lower, an impairment loss is recognised.

Raw materials, consumables and supplies are carried at the lower of cost, including incidental costs and discounts, or net realisable value.

Financial assets, other receivables and assets

Equity interests are generally measured at fair value in accordance with IAS 39. In so far as they cannot be reliably determined, they are measured at amortised cost.

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 party. 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 according to the IAS 39 categories reported.

Financial assets at fair value through profit or loss comprise financial assets held for trading (FAHfT). Receivables from derivatives that are recognised under the 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. The gain or loss resulting from the measurement of derivative financial instruments is immediately recognised in profit or loss, unless the derivative is designated and effective as hedging instrument as part of a hedging relationship (hedge accounting). In this case, the timing of the recognition in the income statement of the measurement results depends on the type of hedging relationship.

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 effect of interest accumulation 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. At present the Group does not have any held-to-maturity financial assets.

Available-for-sale financial assets (AfS) comprise those non-derivative financial assets that are not assigned to one of the other categories. These are, in particular, equity instruments and debt instruments not held to maturity that are 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 amortised 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.

Except for the financial assets recognised at fair value through profit or loss, financial assets are reviewed at each reporting date for potential impairment indicators. Financial assets are considered impaired, if as a result of one or more events after the initial recognition of the asset, an objective indication exists that the expected future cash flows of the financial asset have changed negatively.

A number of categories of financial assets where impairment is not identified on a case by case basis, such as trade receivables for example, are tested for impairment on a portfolio basis. An objective indication for an impairment of a portfolio of receivables can be based on the Group's past experience regarding payments received, an increase in the frequency of payment defaults within the portfolio over an assumed credit period, as well as observable changes in the national or local economic environment to which the defaults can be linked.

In the case of financial assets measured at amortised cost, the impairment loss corresponds to the difference between the carrying amount of the asset and the net present value of expected future cash flows determined on the basis of the original effective interest rate on the asset.

With financial assets measured at cost, the impairment loss corresponds to the difference between the carrying amount of the asset and the net present value of expected future cash flows determined on the basis of the current market rate of return for a similar financial asset. These impairments cannot be reversed in subsequent periods.

An impairment leads to a direct reduction in the carrying amount of the affected financial assets, with the exception of trade receivables and receivables from insurances in the other assets, whose carrying amount is reduced by an impairment account (allowance account). Changes in the carrying amount of the impairment account are recognised in the income statement.

In the event that a financial asset classified as available-for-sale should be considered to be impaired, gains and losses previously recognised in other comprehensive income must be reclassified into the income statement during the period.

If in a subsequent fiscal year the impairment loss of a financial asset measured at amortised cost decreases, and the decrease can be related objectively to an event occurring after the impairment was recognised, the previously recognised impairment is reversed through the income statement. The appreciation in value may not, however, exceed the amount of amortised costs without impairment.

For equity instruments that are classified as available-for-sale, any impairment recognised in the past in profit and loss are not reversed. Any increase in the fair value is recognised after an impairment has been taken in other comprehensive income and accumulated in the revaluation reserve for financial investments.

With debt instruments that are classified as available-for-sale, any impairment recognised in the past in profit and loss are reversed in subsequent periods, if the increase in the fair value of the instrument can be attributed to an event that occurred after recognition of the impairment.

The Group derecognises a financial asset if the contractual rights to cash flows from the financial asset expire or the financial asset and practically all the opportunities and risks associated with the financial asset are transferred to a third party.

3.3 EQUITY AND LIABILITIES

Share-based payments

Equity-settled share-based payment transactions to employees are measured at the grant date fair value of the equity instruments granted. The section entitled “Share-based payment” provides further information on the determination of the fair value of equity-settled share-based payments.

The fair value determined at the grant date of the equity-settled share-based payments is recognised as expense on a straight-line basis over the vesting period with corresponding increase of equity (capital reserves) and is based on the Group's expectations regarding the equity instruments expected to vest. The Group reviews at each balance sheet date its estimate regarding the number of equity instruments expected to vest.

Provisions

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. The measurements are made with the best estimate of the consideration required to settle the present obligation at the balance sheet date, taking into account the risks and uncertainties inherent in the obligation. Where a provision is measured on the basis of the estimated cash flows for meeting the obligation, these cash flows are discounted if the impact on interest is significant.

Financial liabilities

Financial liabilities are measured on initial recognition at their fair value and subsequently – with the exception of derivative financial instruments, which are measured at fair value – according to the effective interest method at amortised costs less directly attributable transaction costs, where applicable. Leasing payments for liabilities to the lessor are divided up into an interest portion and a redemption portion. Only the interest portion is recognised as expense within the net finance costs.

3.4 HEDGING RELATIONSHIPS

The Group designates individual hedging instruments, including derivatives, as part of the fair value hedges or cash flow hedges.

The details of the hedging relationship between underlying and hedging transaction are documented at the start of hedge accounting. In addition, the effectiveness to the hedged risk of the designated hedging instrument in the hedging relationship is regularly documented with regard to compensation for changes of the fair value and/or in the cash flows of the underlying transaction, both at the inception of a hedging relationship and over the course of the relationship.

The section entitled “Additional disclosures on financial instruments” provides details on the fair value of the derivatives used for hedging.

Fair Value Hedge
The changes in the fair value of derivatives, suited and designated as fair value hedges, are immediately recognised in the income statement together with the changes in fair value of the underlying transaction attributable to the hedged risk. Changes in the fair value of the hedging instrument and changes in the underlying transaction attributable to the hedged risk are recognised in the item of the income statement which is associated with the underlying transaction.

Financial accounting of the hedging relationship ends if the Group terminates the hedging relationship, the hedging instrument expires, is sold, ends or is exercised or if the instrument is no longer suitable for hedging. Where the underlying transaction is interest-bearing, the adjustment to the carrying amount of the underlying transaction attributable to the hedged risk is reversed through profit or loss as of this time.

Cash Flow Hedge
The effective part of a change to the fair value of derivatives, which are suitable for cash flow hedges and which have been designated as such, is recognised in other comprehensive income under the item derivative financial instruments in hedge relationship. The gains or losses from the ineffective portion is carried immediately through profit or loss and recognised under other operating income and/or other operating expenses in the income statement.

Amounts recognised in other comprehensive income are transferred to the income statement during the period in which the hedged underlying transaction is also carried through profit or loss. They are recognised in the same item of the income statement that also lists the underlying transaction.

Financial accounting of the hedging relationship ends if the Group terminates the hedging relationship, the hedging instrument expires, is sold, ends or is exercised or if the instrument is no longer suitable for hedging. The full amount of gains or losses recognised in other comprehensive income at this point in time that has accumulated in equity remains in equity and is only recognised in the income statement when the anticipated transaction is also recognised in the income statement. Where the forecasted transaction is no longer expected to occur, the cumulative gain or loss recognised in equity is directly transferred to the income statement.

3.5 ESTIMATION UNCERTAINTIES AND DISCRETIONARY DECISIONS

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: Goodwill is measured on the basis of expected developments and estimated parameters, 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. Assessment is performed on a portfolio basis, based on management expectations. Derivatives are measured on the basis of estimated market yield curves calculated by the relevant transaction partners (banks). The need for 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

\4.1\ *Revenue* is broken down as follows:

Revenue		Germany		Abroad		Total	Change
in EUR thou.	**2015**	2014	**2015**	2014	**2015**	2014	in %
Rental Business Unit							
Rental revenue	699,347	630,504	677,534	489,119	1,376,881	1,119,623	23.0
Other revenue from rental business	91,333	76,326	51,057	32,049	142,390	108,375	31.4
Total	**790,680**	**706,830**	**728,592**	**521,168**	**1,519,272**	**1,227,998**	**23.7**
Leasing Business Unit							
Leasing revenue	357,121	357,083	62,706	60,242	419,827	417,325	0.6
Sales revenue	212,006	128,721	23,533	17,199	235,540	145,920	61.4
Total	**569,127**	**485,804**	**86,239**	**77,441**	**655,366**	**563,245**	**16.4**
Other revenue	4,621	4,919	-	-	4,621	4,919	-6.1
Group total	**1,364,429**	**1,197,553**	**814,831**	**598,609**	**2,179,259**	**1,796,162**	**21.3**

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

The revenue reported for the Rental Business Unit as well as the leasing revenue are together described as "operating revenue". Operating revenue in the Rental Business Unit comprises rental revenue of EUR 1,376,881 thousand (2014: EUR 1,119,623 thousand) and other revenue from rental business, such as insurance recoveries, subsidies, license and franchise fees, and commission revenue amounting to EUR 142,390 thousand (2014: EUR 108,375 thousand). Other revenue from rental business includes compensation payments from third parties totalling EUR 99,435 thousand (2014: EUR 79,506 thousand).

As in the previous year, rental fleet vehicles were sold predominantly 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 are not recognised in the Rental segment. Instead, the selling expenses carried under fleet expenses and cost of lease assets are reduced by the corresponding amounts. Any remaining balance is allocated to depreciation and amortisation expense. Furthermore, a 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.

In keeping with the focus on the full-service leasing market segment, operating leasing revenue comprises contractually agreed lease instalments (EUR 211,395 thousand, 2014: EUR 193,342 thousand), as well as revenue relating to service components such as repairs, fuel, tyres, etc., revenue from the settlement of claims and franchise fees (EUR 208,432 thousand, 2014: EUR 223,983 thousand).

In contrast to the Rental segment, the Leasing segment sells a significant proportion of vehicles directly and therefore reports all proceeds from the sale of used lease assets under revenue. In the Leasing segment, compensation payments from third parties amount to EUR 6,027 thousand (2014: EUR 5,022 thousand).

\4.2\ *Other operating income* in the amount of EUR 122,058 thousand (2014: EUR 66,180 thousand) includes income of EUR 66,816 thousand (2014: EUR 23,810 thousand) from currency translation. The item also includes income of EUR 24,889 thousand (2014: EUR 19,045 thousand), among others, from forwarding costs to third parties, income of EUR 5,089 thousand (2014: EUR 4,182 thousand) from non-cash benefits and income of EUR 1,489 thousand (2014: EUR 2,250 thousand) from payments on previously derecognised receivables.

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

Fleet expenses and cost of lease assets by segment			Change
in EUR thou.	**2015**	2014	in %
Rental Business Unit	411,351	343,803	19.6
Leasing Business Unit	395,955	331,433	19.5
Group total	**807,307**	**675,236**	**19.6**

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			Change
in EUR thou.	**2015**	2014	in %
Repairs, maintenance and reconditioning	251,730	225,658	11.6
Fuel	100,330	109,976	-8.8
Insurance	97,484	83,527	16.7
Transportation	48,528	40,298	20.4
Taxes and charges	20,772	22,264	-6.7
Other, including selling expenses	288,463	193,513	49.1
Group total	**807,307**	**675,236**	**19.6**

\4.4\ *Personnel expenses* increased from EUR 219,766 thousand the year before to EUR 274,504 thousand in the year under review. The main reasons are the increased number of employees due to the international expansion as well as the extension of the scope of consolidation. Social security contributions mainly include employer contributions to statutory social insurance schemes. All employees of consolidated companies in Germany have a contribution-defined pension plan under the statutory German pension insurance, to which the Sixt Group contributes the currently applicable rate of 9.35% (employer's share) of the remuneration liable to pension contribution.

Personnel expenses			Change
in EUR thou.	**2015**	2014	in %
Wages and salaries	236,185	188,224	25.5
Social security contributions	38,319	31,542	21.5
Group total	**274,504**	**219,766**	**24.9**

Average number of employees during the year:

Employees in the Group	2015	2014
Female employees	2,844	2,404
Male employees	2,276	1,904
Group total	**5,120**	**4,308**

The Rental Business Segment employed 4,766 (2014: 3,961) members of staff, and the Leasing Business Unit employed 280 (2014: 275) members of staff. The "Other" segment carried 74 (2014: 72) members of staff.

\4.5\ ***Expenses for depreciation and amortisation*** in the financial year are explained in more detail below:

Depreciation and amortisation expense			Change
in EUR thou.	**2015**	2014	in %
Rental vehicles	216,805	173,130	25.2
Lease assets	178,258	158,140	12.7
Property and equipment and investment property	12,104	9,428	28.4
Intangible assets	11,348	6,362	78.4
Group total	**418,515**	**347,060**	**20.6**

Due to the expansion of the fleet depreciation and amortisation expense increased to EUR 216,805 thousand (2014: EUR 173,130 thousand). Impairment losses of EUR 2,754 thousand (2014: EUR 1,255 thousand) were charged on rental vehicles of EUR 300 million (2014: EUR 59 million). At EUR 178,258 thousand depreciation of lease assets was higher year on year (2014: EUR 158,140 thousand). No impairment losses were charged in the year under review (2014: EUR 205 thousand). Impairment losses are based on assumed future prices on the used vehicle market. The depreciation and amortisation expense includes write-downs of EUR 15.3 million (2014: EUR 12.5 million) on rental and lease vehicles intended for sale.

\4.6\ The following table contains a breakdown of *other operating expenses*:

Other operating expenses in EUR thou.	**2015**	2014	Change in %
Leasing expenses	66,887	62,578	6.9
Commissions	133,217	97,497	36.6
Expenses for buildings	64,670	53,797	20.2
Other selling and marketing expenses	55,026	43,009	27.9
Expenses from write-downs of receivables	27,020	21,964	23.0
Audit, legal, advisory costs, and investor relations expenses	24,342	14,998	62.3
Other personnel services	82,092	64,973	26.3
IT expenses	14,695	11,869	23.8
Currency translation/consolidation	66,185	20,788	>100
Miscellaneous expenses	45,072	29,566	52.4
Group total	**579,207**	**421,039**	**37.6**

The consolidated financial statements of Sixt SE registered fees for the auditors of the consolidated financial statements in the amount of EUR 711 thousand (2014: EUR 504 thousand). The fees are recognised as operating expense or within equity for fees directly attributable to the public offering of Sixt Leasing AG. The fees break down into audit costs (EUR 397 thousand, 2014: EUR 259 thousand), other assurance services (EUR 223 thousand, 2014: EUR 58 thousand), tax consultant services (EUR 68 thousand, 2014: EUR 37 thousand) and other services (EUR 23 thousand, 2014: EUR 150 thousand) that were provided for the parent or subsidiary companies.

\4.7\ *Net finance costs* have improved year-on-year from EUR -42,219 thousand to EUR -36,574 thousand despite the higher funding volume due to the increased fleet. Main reason has been the recorded increase of other net financial income by EUR 7,854 thousand due to the positive impact from the disposal of financial assets as well as the improved net income from derivative financial instruments in 2015. The following table contains a breakdown of the net finance costs:

Net finance costs in EUR thou.	**2015**	2014
Other interest and similar income	851	947
Other interest and similar income from unconsolidated affiliated companies	258	82
Interest and similar expenses	-39,910	-37,930
Interest and similar expenses for unconsolidated affiliated companies	-128	-143
Net interest expense	**-38,929**	**-37,044**
Result from at-equity measured investments	**-2,351**	**-2,028**
Income from financial assets	6,657	2,649
Expenses for financial assets	-10	-528
Net income from derivative financial instruments	-1,941	-5,268
Other financial net income	**4,707**	**-3,147**
Net finance costs	**-36,574**	**-42,219**

\4.8\ ***Income tax expense*** comprises the following:

Income tax expense			Change
in EUR thou.	**2015**	2014	in %
Current income tax for the reporting period	52,851	40,560	30.3
Deferred taxes	4,186	6,441	-35.0
Group total	**57,037**	**47,001**	**21.4**

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 the deviations in the valuation of assets and liabilities in the IFRS consolidated balance sheet as against the tax 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 accepted 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% (2014: 15%) was used to calculate deferred taxes at the German companies as at 31 December 2015. In each case, a solidarity surcharge of 5.5% on the corporation tax was also included and a trade tax rate between 9.1% and 12.4% (2014: between 9.1% and 12.4%) depending on the municipality's tax assessment rate was applied. Thus an aggregate tax rate between 24.9% and 28.2% (2014: between 24.9% and 28.2%) 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% (2014: 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% (2014: 15%), a solidarity surcharge of 5.5% (2014: 5.5%) as well as trade tax at 11% (2014: 11%).

Reconciliation of taxes		
in EUR thou.	**2015**	2014
Consolidated profit before taxes in accordance with IFRS	185,210	157,021
Expected income tax expense	50,007	42,396
Effect of different tax rates outside Germany	2,138	2,126
Non-deductible operating expenses	10,342	3,416
Tax-exempt income	-898	-360
Income taxes from other periods	-4,435	-4,518
Other effects	-117	3,941
Reported tax expenses	**57,037**	**47,001**

The item other effects includes tax effects from the non-recognition of deferred tax assets, tax effects resulting from changes to tax rates as well as further other effects.

Deferred tax without impact on the income statement amounted to EUR 0 thousand (2014: EUR -61 thousand). The change against the previous year showed EUR 61 thousand (2014: EUR -309 thousand).

The following overview outlines the sources of the deferred tax assets and liabilities:

Deferred taxes	Deferred tax assets		Deferred tax liabilities	
in EUR thou.	**31 Dec. 2015**	31 Dec. 2014	**31 Dec. 2015**	31 Dec. 2014
Fleet	2,426	4,232	15,563	14,444
Receivables	753	30	-	790
Other assets	539	818	1,155	597
Other liabilities	1,592	3,848	5,028	4,395
Provisions	3,042	1,514	-	-
Tax loss carryforwards	2,148	2,771	-	-
	10,500	13,213	21,746	20,226
Offsetting	-3,041	-3,551	-3,041	-3,551
Group total	**7,459**	**9,662**	**18,705**	**16,675**

Of the unused tax losses carried-forward of EUR 51,727 thousand (2014: EUR 37,334 thousand), for which no deferred tax assets were recognised, EUR 22,145 thousand will expire between 2023 and 2035. 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.

For deductible temporary differences in the amount of EUR 17,250 thousand (2014: EUR 20,753 thousand) deferred taxes were not recognised.

\4.9\ The ***minority interests*** contained in the consolidated profit amount to a total of EUR 13,097 thousand (2014: EUR 16 thousand).

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

Dividends		
in EUR thou.	**2015**	2014
Amounts recognised as distribution to shareholders in the financial year	58,008	48,397
Dividend for financial year 2014 EUR 1.20 (2013: EUR 1.00) for each ordinary share	37,376	31,147
Dividend for financial year 2014 EUR 1.22 (2013: EUR 1.02) for each preference share	20,632	17,250

The proposal is to pay for financial year 2015 a dividend of EUR 0.90 per ordinary share and EUR 0.92 per preference share, plus a special dividend of EUR 0.60 for each ordinary and preference share. This corresponds to an estimated total distribution of EUR 72,426 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 consolidated financial statements.

\4.10\ ***Earnings per share*** are as follows:

Earnings per share – basic		2015	2014
Consolidated profit for the period after minority interests	in EUR thou.	115,076	110,005
Profit/Loss attributable to ordinary shares	in EUR thou.	74,362	71,076
Profit/Loss attributable to preference shares	in EUR thou.	40,714	38,929
Weighted average number of ordinary shares		31,146,832	31,146,832
Weighted average number of preference shares		16,911,454	16,911,454
Earnings per ordinary share	in EUR	2.39	2.28
Earnings per preference share	in EUR	2.41	2.30

The profit/loss 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 over the fiscal year that could cause dilutive effects.

4.2 BALANCE SHEET

Assets

\4.11\ to \4.15\ The changes in the Group's *non-current assets* (without financial assets) are shown below:

Consolidated statement of changes in non-current assets	Acquisition and production costs						
in EUR thou.	1 Jan. 2015	Foreign exchange differences	Additions	Changes in the scope of consolidation	Disposals	Transfers	**31 Dec. 2015**
Goodwill	**18,488**	**3**	**244**	**-**	**-**	**-**	**18,735**
Purchased software	33,259	13	5,242	-	709	1,505	39,310
Internally developed software	3,823	-	200	-	-	-	4,023
Payments on account of software	3,157	-	4,493	-	31	-1,499	6,120
Other intangible assets	5,378	592	3,742	-	-	-	9,711
Intangible assets	**45,617**	**605**	**13,677**	**-**	**741**	**6**	**59,165**
Land and buildings	23,925	311	83,285	-	366	-	107,154
Operating and office equipment	95,212	676	21,761	61	8,905	4,469	113,274
Payments on account of property and equipment	854	66	5,235	6	26	-4,475	1,659
Property and equipment	**119,991**	**1,053**	**110,280**	**67**	**9,297**	**-6**	**222,088**
Investment property	**7,311**	**-**	**-**	**-**	**-**	**-**	**7,311**
Lease assets	**1,071,164**	**11,082**	**424,053**	**-**	**362,308**	**-**	**1,143,990**
Total	**1,262,571**	**12,743**	**548,253**	**67**	**372,345**	**-**	**1,451,289**

Consolidated statement of changes in non-current assets	Acquisition and production costs						
in EUR thou.	1 Jan. 2014	Foreign exchange differences	Additions	Changes in the scope of consolidation	Disposals	Transfers	31 Dec. 2014
Goodwill	**18,488**	**-**	**-**	**-**	**-**	**-**	**18,488**
Purchased software	22,968	10	6,749	-	771	4,303	33,259
Internally developed software	3,502	-	321	-	-	-	3,823
Payments on account of software	2,634	-	5,402	-	535	-4,344	3,157
Other intangible assets	3,631	480	1,780	-	513	-	5,378
Intangible assets	**32,735**	**490**	**14,252**	**-**	**1,819**	**-41**	**45,617**
Land and buildings	23,415	332	178	-	-	-	23,925
Operating and office equipment	82,062	513	12,644	70	4,251	4,174	95,212
Payments on account of property and equipment	647	49	4,602	-	311	-4,133	854
Property and equipment	**106,124**	**894**	**17,424**	**70**	**4,562**	**41**	**119,991**
Investment property	**7,311**	**-**	**-**	**-**	**-**	**-**	**7,311**
Lease assets	**914,666**	**1,938**	**420,187**	**-**	**265,627**	**-**	**1,071,164**
Total	**1,079,324**	**3,323**	**451,863**	**70**	**272,009**	**-**	**1,262,571**

Depreciation/amortisation						Carrying amounts	
1 Jan. 2015	Foreign exchange differences	Depreciation/ Amortisation in the financial year	Changes in the scope of consolidation	Disposals	**31 Dec. 2015**	**31 Dec. 2015**	31 Dec. 2014
46	**3**	**244**	**-**	**-**	**293**	**18,442**	**18,442**
16,092	9	9,924	-	698	25,327	13,983	17,167
3,528	-	108	-	-	3,637	387	295
-	-	-	-	-	-	6,120	3,157
1,068	91	1,073	-	-	2,232	7,479	4,310
20,688	**101**	**11,104**	**-**	**698**	**31,196**	**27,969**	**24,929**
4,114	145	1,069	-	160	5,169	101,986	19,811
50,694	286	11,000	18	8,651	53,347	59,927	44,518
-	-	-	-	-	-	1,659	854
54,808	**431**	**12,069**	**18**	**8,810**	**58,516**	**163,572**	**65,183**
4,303	**-**	**35**	**-**	**-**	**4,339**	**2,972**	**3,008**
168,798	**3,310**	**171,184**	**-**	**157,081**	**186,211**	**957,779**	**902,366**
248,643	**3,845**	**194,636**	**18**	**166,589**	**280,554**	**1,170,735**	**1,013,928**

Depreciation/amortisation						Carrying amounts	
1 Jan. 2014	Foreign exchange differences	Depreciation/ Amortisation in the financial year	Changes in the scope of consolidation	Disposals	31 Dec. 2014	31 Dec. 2014	31 Dec. 2013
46	**-**	**-**	**-**	**-**	**46**	**18,442**	**18,442**
11,035	9	5,819	-	771	16,092	17,167	11,933
3,471	-	57	-	-	3,528	295	31
-	-	-	-	-	-	3,157	2,634
1,025	70	486	-	513	1,068	4,310	2,606
15,531	**79**	**6,362**	**-**	**1,284**	**20,688**	**24,929**	**17,204**
3,537	153	424	-	-	4,114	19,811	19,878
45,327	224	8,969	3	3,829	50,694	44,518	36,735
-	-	-	-	-	-	854	647
48,864	**377**	**9,393**	**3**	**3,829**	**54,808**	**65,183**	**57,260**
4,268	**-**	**35**	**-**	**-**	**4,303**	**3,008**	**3,043**
140,044	**585**	**154,539**	**-**	**126,370**	**168,798**	**902,366**	**774,622**
208,753	**1,041**	**170,329**	**3**	**131,483**	**248,643**	**1,013,928**	**870,571**

\4.11\ The *goodwill* of EUR 18,442 thousand (2014: 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. In financial year 2015 a goodwill from the takeover of a business interest in the US was capitalised. This goodwill was subsequently fully depreciated by EUR 244 thousand.

\4.12\ *Intangible assets* include purchased software amounting to EUR 13,983 thousand (2014: EUR 17,167 thousand) and internally developed software amounting to EUR 387 thousand (2014: EUR 295 thousand). The item also includes payments on account in respect of software amounting to EUR 6,120 thousand (2014: EUR 3,157 thousand) and other intangible assets amounting to EUR 7,479 thousand (2014: EUR 4,310 thousand).

\4.13\ The item *property and equipment* includes land and buildings for rental offices/service points and administrative buildings in Germany and abroad in the amount of EUR 101,986 thousand (2014: EUR 19,811 thousand).The increase results mainly from the purchase of the site of the Sixt Headquarter in Pullach. Operating and office equipment (mainly IT systems, fixtures and fittings and office equipment) are included in the amount of EUR 59,927 thousand (2014: EUR 44,518 thousand). The item also includes payments on account made for property and equipment in the amount of EUR 1,659 thousand (2014: EUR 854 thousand). Land charges are registered against properties for real estate financing in the amount of EUR 1,153 thousand (2014: EUR 1,553 thousand). No impairment losses were recognised in the year under review.

\4.14\ *Investment properties* are measured at amortised cost. Scheduled depreciation covers a period of 50 years. The fair value was calculated using the income capitalisation approach. No write-downs to the lower fair value were required in the year under review as the fair value was above amortised cost. 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 892 thousand (2014: EUR 1,262 thousand) are secured by real property liens. Net rental income for the period is the balance of rental income of EUR 253 thousand (2014: EUR 252 thousand) and expenses of EUR 12 thousand (2014: EUR 11 thousand).

Investment property		
in EUR thou.	**2015**	2014
Net rental income	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 Dec.	4,860	4,832
Carrying amount as at 31 Dec.	2,972	3,008

As the input factors used for determining the fair value cannot be observed, the fair value measurement is classified into level 3 of the fair value hierarchy.

\4.15\ *Lease assets* increased to EUR 957.8 million (2014: EUR 902.4 million). As lessor, the Group primarily leases out vehicles of various brands, mainly under full-service lease agreements. Of the future minimum lease payments under operate leases totalling EUR 363 million (2014: EUR 350 million), payments of EUR 179 million (2014: EUR 172 million) are due within one year, payments of EUR 184 million (2014: EUR 177 million) are due in one to five years and payments of EUR 0.1 million (2014: EUR 0.1 million) are due in more than five years. The amounts shown contain only the lease instalments without service components. Prior-year figures were adjusted accordingly. The fixed-term agreements usually contain agreements on the vehicles' mileage. The resulting contingent lease payments recognised as income in the period under review amounted to EUR 1.2 million (2014: EUR 0.4 million). In addition to these, the Group estimates calculated residual values covered by buyback agreements in the amount of EUR 324 million (2014: EUR 377 million) and further calculated residual values not covered by third parties in the amount of EUR 383 million (2014: EUR 276 million).

Lease assets of EUR 69.0 million (2014: EUR 162.2 million) are pledged as collateral for liabilities to banks.

Certain other lease vehicles are refinanced under finance lease agreements having the same maturities as the lease vehicles. These agreements are structured such that the refinanced vehicles remain attributable to the Group in the amount of EUR 25.6 million (2014: EUR 41.3 million). The agreements have a residual term of up to five years and provide for full amortisation. The obligations under the leases are presented under financial liabilities.

\4.16\ The carrying amount of ***at-equity measured investments*** totals EUR 5,316 thousand (2014: EUR 5,840 thousand).

At-equity measured investments comprise the interests in the joint ventures DriveNow GmbH & Co. KG, Munich, and its subsidiaries DriveNow Austria G.m.b.H., Vienna, DriveNow UK Ltd, London, und DriveNow Sverige AB, Sollentuna, as well as autohaus24 GmbH, Pullach, and Managed Mobility AG, Urdorf.

DriveNow is a provider of mobility services for carsharing in Germany. Since 2014 the company also offers its services in the other European countries, where DriveNow expands primarily. As intermediary autohaus24 GmbH offers its customers individually configured new cars and related services via the internet. Managed Mobility AG is specialised on fleet management and fleet optimisation for business customers in Switzerland.

Financial information regarding the at-equity measured investments are summarised in the following table:

At-equity measured investments in EUR million	**2015**	2014
Revenue	61.9	36.4
Net income	-7.5	-5.3
Group's proportion of the net income	-3.2	-2.0
Current and non-current assets	38.8	24.0
Current and non-current provisions and liabilities	20.6	12.3
Equity	18.2	11.7
Group's proportion of the net assets	4.3	5.8
Carrying amount	5.3	5.8

\4.17\ The carrying amount of the unconsolidated affiliates and investments presented under financial assets amounts to EUR 1,784 thousand (2014: EUR 2,504 thousand).

\4.18\ ***Non-current other receivables and assets*** mainly include the non-current portion of finance lease receivables resulting from lease agreements with customers that are classified as finance leases. The details of the agreements are as follows:

Non-current finance lease receivables	Gross investment		Present value of outstanding minimum lease payments	
in EUR million	**31 Dec. 2015**	31 Dec. 2014	**31 Dec. 2015**	31 Dec. 2014
Due in one to five years	1.6	1.8	1.4	1.7
Unrealised finance income	0.1	0.1	-	-

The interest rate implicit in the leases is fixed at inception of the lease for the entire term. The agreements partly 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 3,541 thousand (2014: EUR 2,860 thousand), in each case maturing in one to five years.

\4.19\ The ***rental vehicles*** item increased from EUR 1,261.7 million to EUR 1,763.3 million. The increase is due, among other things, to the higher number of capitalised rental vehicles as at reporting date and higher average acquisition costs. The acquisition costs for new additions to rental vehicles in the fiscal year amounted to EUR 3,156 million (2014: EUR 2,363 million). For the rental assets reported at the end of the year under review, it amounted to EUR 1,890 million (2014: EUR 1,367 million). Rental vehicles in the amount of EUR 313.3 million (2014: EUR 22.9 million) are pledged as collateral for liabilities to banks.

As in the previous years, rental vehicles were financed also via operate leases, which were concluded with manufacturers/manufacturer financing companies.

Certain other rental vehicles are refinanced under finance lease agreements having the same maturities as the rental vehicles. These agreements are structured such that the refinanced vehicles remain attributable to the Group in the amount of EUR 40.5 million (2014: EUR 24.9 million). The agreements have a residual term of less than one year and provide for full amortisation. The obligations under the leases are presented under financial liabilities.

\4.20\ *Inventories* increased significantly to a total of EUR 92,408 thousand (2014: EUR 41,876 thousand) – mainly resulting from the increase to EUR 89,627 thousand (2014: EUR 39,281 thousand) of rental and lease vehicles intended for sale. Impairment losses on the vehicles amount to EUR 35,692 thousand (2014: EUR 23,691 thousand). Other inventories consist mainly of fuel and other supplies.

\4.21\ *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.

\4.22\ *Current other receivables and assets* falling due within one year can be broken down as follows:

Current other receivables and assets		
in EUR thou.	**31 Dec. 2015**	31 Dec. 2014
Financial other receivables and assets		
Current finance lease receivables	1,448	1,760
Receivables from affiliated companies	17,013	2,254
Receivables from other investees	4,315	4,194
Miscellaneous assets	45,910	27,308
Non-financial other receivables and assets		
Recoverable income taxes	7,023	12,351
Other recoverable taxes	2,769	14,316
Insurance claims	9,749	5,552
Deferred income	21,077	17,834
Delivery claims for vehicles of the rental and lease fleets	162,998	104,426
Group total	**272,302**	**189,995**

Finance lease receivables 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. The agreements contain put options on the part of the Group as lessor. Further details are shown below:

Current finance lease receivables	Gross investment		Present value of outstanding minimum lease payments	
in EUR million	**31 Dec. 2015**	31 Dec. 2014	**31 Dec. 2015**	31 Dec. 2014
Due within one year	1.6	1.9	1.5	1.8
Unrealised finance income	0.2	0.1	-	-

Receivables from affiliated companies relate primarily to short-term loans to finance investments and to receivables from intercompany settlements.

\4.23\ *Cash and bank balances* of EUR 65,588 thousand (2014: EUR 53,087 thousand) include cash and short-term deposits at banks with terms of under one month, excluding one amount of EUR 4,000 thousand with a maturity of nine months. The item corresponds to the cash and cash equivalents item in the consolidated cash flow statement.

Equity and liabilities
The Sixt Group's equity increased year-on-year to a total of EUR 1,058,786 thousand (2014: EUR 741,581 thousand). The subscribed capital of Sixt SE contained in this total amounted unchanged to EUR 123,029 thousand.

Minority interests are reported in current other liabilities where interests in equity or in the net profit or loss of consolidated partnerships are affected.

\4.24\ Subscribed capital of Sixt SE

The share capital is composed of:	Non-par value shares	Nominal value in EUR
Ordinary shares	31,146,832	79,735,890
Non-voting preference shares	16,911,454	43,293,322
Balance as at 31 Dec. 2015	**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
By resolution of the Annual General Meeting of 6 June 2012 the Managing Board was authorised, as specified in the proposed resolution, to acquire treasury 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, on one or more occasions for any purpose permitted by law. Acquisitions for the purpose of trading in treasury shares are excluded. No use was made of the authorisation during the year under review.

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 authorisation also includes the power to issue new non-voting preference shares up to the legally permitted limit. 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 aforelisted authorisations, 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 authorisation takes effect nor at the time of their exercise.

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

By resolution of the Annual General Meeting of 20 June 2013 the Managing Board is authorised to issue, on one or more occasions in the period up to and including 19 June 2018 with the consent of the Supervisory Board, profit participation bonds and/or rights registered in the name of the holder and/or bearer by up to a maximum of EUR 350,000,000.00 with a fixed or open-ended term against cash and/or non-cash contributions. The profit participation bonds and rights issued under this authorisation may not provide for conversion or subscription rights to shares of the Company. The issue can be effected by a company in which Sixt SE is directly or indirectly invested with a majority of votes and capital. In this case, the Managing Board is authorised to assume for the issuing company the guarantee on behalf of Sixt SE that the ensuing liabilities will be met. The shareholders of Sixt SE are accorded in principle the statutory subscription right. However, with the consent of the Supervisory Board, the Managing Board is authorised to exclude the subscription right under certain conditions, which follow fully from the resolution taken by the Annual General Meeting on 20 June 2013 on Agenda Item 7. The authorisation of the Managing Board to issue profit participation bonds and rights extends the range of financing instruments at the Company's disposal and thereby offers attractive financing means as they arise on the market that go beyond the classic forms of raising equity and debt capital. Depending on the definition of the conditions for the bonds and/or profit participation this may also offer the possibility to classify the financing instruments as equity for rating and/or accounting purposes.

\4.25\ Capital reserves

Capital reserves		
in EUR thou.	**2015**	2014
Balance as at 1 Jan.	202,077	201,995
Increase due to the employee participation programme	984	2,290
Disposal from the exercise under the employee participation programme	-	-2,208
Transfer to capital reserves	1,388	-
Changes due to the public offering of Sixt Leasing AG	38,733	-
Expenses recognised in equity from the public offering of Sixt Leasing AG	-2,250	-
Tax effects recognised in equity from the public offering of Sixt Leasing AG	562	-
Balance as at 31 Dec.	**241,494**	**202,077**

The change in the capital reserves to EUR 241,494 thousand (2014: EUR 202,077 thousand) results from allocations to the matching stock programme MSP 2012, transfers to the capital reserves as well as receipts due to the public offering of Sixt Leasing AG reduced by expenses and tax effects directly recognised in equity.

\4.26\ Retained earnings

Retained earnings		
in EUR thou.	**2015**	2014
Balance as at 1 Jan.	165,364	157,425
Expansion of the scope of consolidation	1,878	-
Transfer to retained earnings of Sixt SE	-	7,000
Changes due to the public offering of Sixt Leasing AG	105,670	-
Tax effects recognised in equity from the public offering of Sixt Leasing AG	-1,354	-
Other changes	933	939
Balance as at 31 Dec.	**272,490**	**165,364**

\4.26\ Currency translation reserve

Currency translation reserve		
in EUR thou.	**2015**	2014
Balance as at 1 Jan.	4,319	-3,757
Differences arising from the translation of the financial statements of foreign subsidiaries	9,959	8,076
Changes due to the public offering of Sixt Leasing AG	-528	-
Balance as at 31 Dec.	**13,750**	**4,319**

\4.26\ Other equity

Other equity in EUR thou.	2015	2014
Balance as at 1 Jan.	246,792	196,554
Consolidated profit	115,076	110,005
Dividend payments	-58,008	-48,397
Transfer to retained earnings of Sixt SE	-	-7,000
Transfer to capital reserves	-1,388	-
Changes due to the public offering of Sixt Leasing AG	2,954	-
Other changes	-978	-4,370
Balance as at 31 Dec.	**304,449**	**246,792**

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

\4.27\ Minority interests

Minority interests in EUR thou.	2015	2014
Balance as at 1 Jan.	-	252
Consolidated profit	13,097	16
Differences arising from the translation of the financial statements of foreign subsidiaries	349	-
Increase due to the employee participation programme	28	-
Changes due to the public offering of Sixt Leasing AG	92,511	-
Expenses recognised in equity from the public offering of Sixt Leasing AG	-3,114	-
Tax effects recognised in equity from the public offering of Sixt Leasing AG	779	-
Other changes	-77	-268
Balance as at 31 Dec.	**103,573**	**-**

Minority interests are related entirely to the Leasing Business Unit.

Non-current liabilities and provisions

\4.28\ *Non-current other provisions* consist mainly of provisions for property rental agreements. The discount rate is 4.4%. The obligations are likely to lead to corresponding outflows of resources over a period of two years.

Non-current other provisions in EUR thou.	Real estate	Other	Total
Balance as at 1 Jan.	304	85	389
Additions	7	6	12
Utilised	-155	-	-155
Balance as at 31 Dec.	**156**	**91**	**247**

\4.29\ *Non-current financial liabilities* comprise liabilities from issued borrower's note loans and bonds, bank loans as well as finance lease liabilities used to refinance the rental and lease fleets falling due in more than one year.

Non-current financial liabilities	Residual term of 1 to 5 years		Residual term of more than 5 years	
in EUR thou.	**31 Dec. 2015**	31 Dec. 2014	**31 Dec. 2015**	31 Dec. 2014
Borrower's note loans	347,649	297,641	-	-
Bonds	502,701	496,608	-	252,474
Liabilities to banks	61,240	62,031	-	-
Finance lease liabilities	8,970	21,783	-	-
Group total	**920,560**	**878,063**	**-**	**252,474**

Borrower's note loans with a total nominal value of EUR 348 million (2014: EUR 398 million) were issued in several tranches. Thereof a nominal amount of EUR 348 million (2014: EUR 298 million) relates to non-current financial liabilities. Interest is paid at a variable or fixed rate with nominal maturities between three and seven years. In fiscal year 2015 the Company issued new long-term borrower's note loans with four year terms at a total volume of EUR 50 million.

The bonds include a EUR 250 million bond issued on the capital market in 2012 with a nominal interest rate of 3.75% p.a. and a maturity of six years until 2018 as well as a EUR 250 million bond issued on the capital market in 2014 with a nominal interest rate of 2.00% p.a. and a maturity of six years until 2020. There are conditional call options for the issuer and put options for the bondholders.

Bonds in the principal amount of EUR 3.6 million had been issued to participants in the MSP 2012 employee equity participation programme as at balance sheet date (2014: EUR 3.2 million). The bonds carry an interest coupon of 4.5% p.a. and have a term until 2020.

Liabilities to banks include the non-current part of two investment loans in the amount of EUR 1.3 million (2014: EUR 2.0 million). These loans have been secured by mortgages.

Liabilities under leases that were entered into to refinance the lease fleet and classified as finance lease are presented in the following:

Non-current finance lease liabilities	Gross investment		Present value of outstanding minimum lease payments	
in EUR thou.	**31 Dec. 2015**	31 Dec. 2014	**31 Dec. 2015**	31 Dec. 2014
Due in one to five years	9,224	22,704	8,970	21,783
Unrealised finance portions	254	921	-	-

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.

\4.30\ *Non-current other liabilities* include interest-bearing liabilities from customer deposits and the reported interest rate hedging transactions.

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 as at 1 Jan.	34,477	26,985	1,279	47,011	75,275
Additions	32,744	45,883	1,498	38,673	86,054
Changes in the scope of consolidation	380	3	0	0	3
Reversals	-58	-1,135	0	-50	-1,184
Utilised	-25,476	-38,823	-430	-7,581	-46,835
Foreign exchange differences	261	185	19	181	385
Balance as at 31 Dec.	**42,329**	**33,098**	**2,365**	**78,234**	**113,698**

\4.32\ ***Current financial liabilities*** include in particular liabilities to banks as well as liabilities from commercial papers and a bond falling due within one year. They can be broken down as follows:

Current financial liabilities		
in EUR thou.	**31 Dec. 2015**	31 Dec. 2014
Borrower's note loans	-	99,887
Bonds	248,714	-
Commercial paper	279,000	-
Liabilities to banks	305,907	119,645
Finance lease liabilities	60,250	52,965
Other liabilities	14,837	16,575
Group total	**908,708**	**289,072**

The borrower's note loans in the nominal value of EUR 100 million, reported last year under current financial liabilities, were repaid in 2015 as per agreement.

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. Liabilities to banks also include the current portion of two investment loans in the amount of EUR 0.8 million (2014: EUR 0.8 million). These loans have been secured by mortgages. Other liabilities consist mainly of deferred interest.

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

Current finance lease liabilities	Gross investment		Present value of outstanding minimum lease payments	
in EUR thou.	**31 Dec. 2015**	31 Dec. 2014	**31 Dec. 2015**	31 Dec. 2014
Due within one year	60,629	53,484	60,250	52,965
Unrealised finance portions	379	519		-

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.

\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		
in EUR thou.	**31 Dec. 2015**	31 Dec. 2014
Financial other liabilities		
Liabilities to affiliated companies	8,415	7,720
Liabilities to other investees	138	297
Payroll liabilities	2,588	1,748
Miscellaneous liabilities	20,825	33,633
Non-financial other liabilities		
Deferred income	34,854	28,325
Tax liabilities	24,887	29,364
Other liabilities	19,763	15,824
Group total	**111,469**	**116,911**

Miscellaneous liabilities include minority interests in equity and in the net profit or loss of consolidated partnerships (EUR 1,640 thousand, 2014: EUR 1,625 thousand).

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 following table shows the carrying amounts and fair values of the individual financial assets and liabilities for each single category of financial instrument. The fair value of financial assets and liabilities that are not regularly measured at fair value, but for which the fair value is to be specified, are assigned in the following table to the measurement levels of the fair value hierarchy.

Financial instruments in EUR thou.	IAS 39 measurement category	Measurement basis for fair value	Carrying amount 31 Dec. 2015	 31 Dec. 2014	Fair value 31 Dec. 2015	 31 Dec. 2014
Non-current assets						
Financial assets	AfS	Level 3	1,784	2,504	1,784	2,504
Finance lease receivables	IAS 17		1,392	1,628	1,419	1,669
Other receivables	LaR		3,541	2,860		
Total			**6,718**	**6,992**	**3,203**	**4,173**
Current assets						
Finance lease receivables	IAS 17		1,448	1,760	1,509	1,838
Currency derivatives	FAHfT	Level 2	223	48	223	48
Trade receivables	LaR		276,682	234,988		
Other receivables	LaR		67,016	33,708		
Total			**345,368**	**270,504**	**1,732**	**1,886**
Non-current liabilities						
Bonds	FLAC	Level 2	502,701	749,082	540,151	813,256
Borrower's note loans	FLAC	Level 2	347,649	297,641	357,281	310,210
Liabilities to banks	FLAC	Level 2	61,240	62,031	61,770	62,651
Financial other liabilities	FLAC		38	124		
Finance lease liabilities	IAS 17		8,970	21,783	9,150	22,408
Interest rate derivatives	FAHfT	Level 2	1,119	8,143	1,119	8,143
Total			**921,717**	**1,138,805**	**969,471**	**1,216,667**
Current liabilities						
Bonds	FLAC	Level 2	248,714	-	259,540	-
Borrower's note loans/CP	FLAC	Level 2	279,000	99,887	279,000	102,319
Liabilities to banks	FLAC	Level 2	305,907	119,645	305,952	119,645
Finance lease liabilities	IAS 17		60,250	52,965	60,971	53,191
Trade payables	FLAC		484,804	404,919		
Other financial liabilities	FLAC		14,837	16,575		
Currency derivatives	FAHfT	Level 2	131	5,994	131	5,994
Interest rate derivatives	FAHfT	Level 2	3,181	-	3,181	-
Financial other liabilities	FLAC		28,653	37,404		
Total			**1,425,476**	**737,388**	**908,775**	**281,149**
Of which aggregated by IAS 39 measurement category						
Available for Sale	AfS		1,784	2,504	1,784	2,504
Loans and Receivables	LaR		347,239	271,556	-	-
Financial Liabilities Measured at Amortised Cost	FLAC		2,273,542	1,787,308	1,803,693	1,408,081
Financial Assets Held for Trade	FAHfT		4,209	14,089	4,209	14,089

The financial instruments in above table are classified 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 parameters other than quoted prices that are observable either directly as prices or are indirectly derived from prices. Level 3 measurements are based on models that use parameters that are not based on observable market data, but rather on assumptions.

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.

For current financial instruments it was assumed that the fair values corresponded to the carrying amounts (amortised cost) unless not specified otherwise in the table. 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 0.5% p.a. and 1.3% p.a. (2014: between 0.6% p.a. and 1.4% p.a.) based on the respective maturities were used for discounting.

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

Net expenses from interest rate derivatives amounted to EUR 1,941 thousand (2014: EUR 5,268 thousand). The net result from the measurement of currency derivatives came to EUR 91 thousand (2014: EUR -5,946 thousand).

The net gain from the available-for-sale financial assets (AfS measurement category) amounted to EUR 4,978 thousand (2014: EUR 0 thousand). The change in the reported carrying amounts and fair values of financial assets net resulted from disposals of equity investments or changes in the scope of consolidation. To the extent that disposals were recognised, these related mainly extensions in the scope of consolidation. At present there is no intention to dispose these equity investments.

Net gains on the LaR measurement category (measured at amortised cost) amounted to EUR 1,489 thousand (2014: EUR 2,250 thousand) and relate 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 1,110 thousand in financial year under review (2014: EUR 1,029 thousand). This includes interest income from finance leases in the amount of EUR 258 thousand (2014: EUR 344 thousand). Total interest expense on financial liabilities not measured at fair value through profit or loss amounted to EUR 40,039 thousand in the financial year (2014: EUR 38,073 thousand). This includes interest expense on finance leases in the amount of EUR 2,080 thousand (2014: EUR 1,606 thousand).

The subsequent measurement of the interest rate and currency derivatives is made at fair value (level 2 measurement). As at balance sheet date, assets from interest rate derivatives amounted to EUR 0 thousand (2014: EUR 0 thousand). Of the financial liabilities from interest rate derivatives, totalling EUR 4,300 thousand (2014: EUR 8,143 thousand), an amount of EUR 4,300 thousand (2014: EUR 8,143 thousand) had no hedging relationship and EUR 0 thousand (2014: EUR 0 thousand) were in cash flow hedge relations. All in all, a volume of EUR 149 million (2014: EUR 149 million) is hedged against interest rate derivatives carrying fixed interest rates between 2.9% and 3.7% (2014: between 2.9% and 3.7%) and remaining terms of up to three years (2014: four years). These interest rate derivatives were in no hedging relationship according to IAS 39. The variable interest rate is based on the 6-monthly Euribor. As at balance sheet date, assets from currency derivatives amounted to EUR 223 thousand (2014: EUR 48 thousand). The financial liabilities from currency derivatives amounted to EUR 131 thousand (2014: EUR 5,994 thousand). A volume of EUR 544 million (2014: EUR 313 million) is hedged against currency derivatives, denominated mainly in US-Dollars and British Pounds, with a maximum remaining term of up to three months. The currency derivatives are in no hedging relationship.

Sensitivity analysis
The sensitivity analysis for the reported interest rate derivatives assumes a parallel shift in the yield curves of +100/-100 basis points. This would result in the changes in the reported fair values presented in the following table.

Change in fair value	Change in the yield curves		Change in the yield curves	
in EUR thou.		**31 Dec. 2015**		31 Dec. 2014
	+100 basis points	-100 basis points	+100 basis points	-100 basis points
Other current and non-current liabilities	1,294	-1,026	3,299	-3,347

Furthermore, based on the parallel shift in the yield curves of +100/-100 basis points, interest expense for variable-rate financial liabilities would increase respectively decrease by EUR 4,304 thousand (2014: EUR 2,651 thousand) taking into account the existing interest rate derivatives but not taking into account possible economic compensations from new business.

The sensitivity analysis for the reported currency derivatives assumes a change in EUR exchange rates of +10/-10 percentage points. The reported fair values as at 31 December 2015 (Other current assets/Other current liabilities) would then amount to EUR 45,996 thousand/EUR -56,691 thousand (2014: EUR 26,642 thousand/EUR -31,813 thousand).

Given aforelisted changes to valuations from interest rate and currency exchange risks as well as not taking into account any tax effects, this would result in a change in equity of EUR 42,985 thousand/EUR -53,413 thousand (2014: EUR 27,290 thousand/-32,509 thousand) and a change in the annual result of EUR 42,985 thousand/EUR -53,413 thousand (2014: EUR 27,290 thousand/EUR -32,509 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 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 149 million in its portfolio at the balance sheet date (2014: EUR 149 million). The fair value of the transactions was in total EUR -4.3 million (2014: EUR -8.1 million).

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	137,983	42,176	29	180,188
Less than 30 days	15,323	12,110	-	27,433
30-90 days	4,166	55	39	4,260
91-360 days	-	-	-	-
More than 360 days	72	-	13	85
Total receivables	**157,544**	**54,341**	**82**	**211,967**
Impaired receivables				
Gross receivables	111,857	4,681	-	116,539
Impairments	49,377	2,445	-	51,823
Net receivables	**62,480**	**2,236**	**-**	**64,716**
Group total as at 31 Dec. 2015	**220,024**	**56,577**	**82**	**276,682**

Trade receivables	Rental	Leasing	Other	Group
in EUR thou.				
Receivables not impaired				
Not past due	104,735	39,526	-	144,261
Less than 30 days	18,561	13,015	5	31,581
30-90 days	5,742	-	2	5,744
91-360 days	297	-	13	310
More than 360 days	31	-	-	31
Total receivables	**129,366**	**52,541**	**20**	**181,927**
Impaired receivables				
Gross receivables	92,249	8,657	-	100,906
Impairments	44,427	3,418	-	47,845
Net receivables	**47,822**	**5,239**	**-**	**53,061**
Group total as at 31 Dec. 2014	**177,188**	**57,780**	**20**	**234,988**

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.

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 other receivables and assets that are neither individually impaired nor past due.

The maximum default amount is the reported carrying amount of the net receivable. No credit derivatives or similar hedging instruments were used to cover credit risk in the period under review. A proportion of the receivables in the leasing business is collateralised by customer deposits.

Impairments are based on parameters such as customer group, customer credit quality, transaction type and age of the receivable. To this end the method of a collective valuation allowance is used as follows. For individual combinations of the mentioned parameters different rates in determining allowances are applied according to the management's expectations. Due to the use of the method of a collective valuation allowance the statement of change in the allowance account is solely displayed as net amount. In the event of concrete indications of default, for example the insolvency of the debtor, the relevant receivables are fully derecognised regardless of collective valuation allowances, which may have been made.

In the fiscal year the allowance account for trade receivables developed as follows:

Change in the allowance account for trade receivables	Balance as at	Change	**Balance as at**
in EUR thou.	1 Jan. 2015		**31 Dec. 2015**
Impairments	47,845	3,978	51,823

Change in the allowance account for trade receivables	Balance as at	Change	Balance as at
in EUR thou.	1 Jan. 2014		31 Dec. 2014
Impairments	48,675	-830	47,845

Analysis of receivables from insurances in the other assets

All the receivables are impaired. In the Vehicle Rental Business Unit the gross receivables amounted to EUR 19,832 thousand (2014: EUR 14,968 thousand), the impairments to EUR 13,868 thousand (2014: EUR 11,200 thousand), so that the resulting net receivables came to EUR 5,964 thousand (2014: EUR 3,768 thousand). In the Leasing Business Unit the gross receivables amounted to EUR 6,184 thousand (2014: EUR 3,480 thousand), the impairments to EUR 2,399 thousand (2014: EUR 1,696 thousand), so that the resulting net receivables came to EUR 3,785 thousand (2014: EUR 1,784 thousand). The maximum default amount is the reported carrying amount of the net receivable.

Change in the allowance account for other assets	Balance as at	Change	**Balance as at**
in EUR thou.	1 Jan. 2015		**31 Dec. 2015**
Impairments	12,896	3,371	16,267

Change in the allowance account for other assets	Balance as at	Change	Balance as at
in EUR thou.	1 Jan. 2014		31 Dec. 2014
Impairments	10,825	2,071	12,896

In the fiscal year under review the expenses for derecognised trade receivables and derecognised receivables from insurances amounted to EUR 18,138 thousand (2014: EUR 17,096 thousand). The expense for derecognition refers to the recognised receivable without taking into account collective valuation allowances, which may have already been made.

The total expense for impairments in these categories amounted to EUR 8,883 thousand (2014: EUR 4,869 thousand) in the financial year.

The proceeds from payments received on the previously derecognised receivables in these categories amounted to EUR 1,489 thousand (2014: EUR 2,250 thousand).

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 by credit lines not yet used.

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

Analysis of the repayment amounts of financial liabilities
The following table includes the repayment amounts (including assumed future payable interest) at their respective maturities:

Repayment amounts by maturity in EUR thou.	Borrower's note loans/CP	Bonds	Liabilities to banks	Finance lease liabilities	Total
2016	284,685	274,849	306,477	60,629	926,640
2017	250,685	14,537	61,459	8,508	335,189
2018	2,092	264,537	331	716	267,676
2019	105,238	5,162	-	-	110,400
2020	-	258,759	-	-	258,759
2021 and later	-	-	-	-	-
31 Dec. 2015	**642,700**	**817,844**	**368,267**	**69,853**	**1,898,664**

Repayment amounts by maturity in EUR thou.	Borrower's note loans/CP	Bonds	Liabilities to banks	Finance lease liabilities	Total
2015	108,086	24,829	120,330	53,485	306,730
2016	5,696	274,829	1,497	14,843	296,865
2017	250,224	14,517	61,297	7,250	333,288
2018	1,636	264,517	331	610	267,094
2019	54,655	5,142	-	-	59,797
2020 and later	-	258,294	-	-	258,294
31 Dec. 2014	**420,297**	**842,128**	**183,455**	**76,188**	**1,522,068**

The financial liabilities maturing in 2016 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. In addition it is intended to enter into an asset backed security transaction for the Leasing Business Unit.

Analysis of the repayment amounts of interest rate and currency derivatives

Repayment amounts by maturity in EUR thou.	Interest rate derivatives	Currency derivatives	Total
2016	-4,563	745	-3,818
2017	-469	-	-469
2018	-103	-	-103
2019	-47	-	-47
2020 and later	-	-	-
31 Dec. 2015	**-5,182**	**745**	**-4,437**

Repayment amounts by maturity in EUR thou.	Interest rate derivatives	Currency derivatives	Total
2015	-4,197	-5,946	-10,143
2016	-4,216	-	-4,216
2017	-371	-	-371
2018	-81	-	-81
2019 and later	-38	-	-38
31 Dec. 2014	**-8,903**	**-5,946**	**-14,849**

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. The key objective is a Group equity ratio (equity/total assets) of at least 20%. 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. As at balance sheet date, the Group's equity ratio was 28.9% (2014: 26.3%). Other key elements of the Group's financial profile are the financial instruments reported in non-current and current financial liabilities. The proportion of total assets accounted for by non-current and current financial liabilities amounted to 50.0% at the balance sheet date (2014: 47.7%). In addition to the reported financial liabilities, the Group has entered into operate lease agreements to refinance its fleets.

5. OTHER DISCLOSURES

5.1 SEGMENT REPORTING

By Business Unit	Rental		Leasing		Other		Reconciliation		Group	
in EUR million	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
External revenue	1,519.3	1,228.0	655.4	563.2	4.6	5.0	-	-	2,179.3	1,796.2
Internal revenue	6.3	9.5	10.0	11.8	23.2	17.0	-39.5	-38.3	-	-
Total revenue	1,525.5	1,237.5	665.4	575.0	27.8	22.0	-39.5	-38.3	2,179.3	1,796.2
Depreciation and amortisation[1]	239.1	188.4	178.6	158.3	0.9	0.4	-	-	418.5	347.1
EBIT[2]	184.3	159.6	51.6	48.7	-14.1	-9.1	-	-	221.8	199.2
Interest income	0.8	1.6	0.6	1.9	37.4	39.6	-37.7	-42.1	1.1	1.0
Interest expenses	-22.4	-22.7	-22.0	-25.0	-33.3	-32.4	37.7	42.1	-40.0	-38.0
Other net financial income[3]	0.1	0.3	-	-	4.6	-3.5	-	-	4.7	-3.2
Result from at-equity measured investments	-2.5	-2.0	0.1	-	-	-	-	-	-2.4	-2.0
EBT[4]	160.4	136.8	30.3	25.6	-5.5	-5.4	-	-	185.2	157.0
Investments[5]	41.1	36.4	425.8	421.0	213.2	0.0	-130.0	-	550.2	457.4
Segment assets	2,469.9	1,772.7	1,109.8	1,080.8	2,166.1	1,432.7	-2,099.8	-1,490.1	3,646.0	2,796.1
Segment liabilities	1,666.8	1,127.6	920.2	1,056.4	1,459.9	864.1	-1,506.2	-1,022.7	2,540.6	2,025.4
Employees[6]	4,766	3,961	280	275	74	72	-	-	5,120	4,308

By Region	Germany		Abroad		Reconciliation		Group	
in EUR million	**2015**	2014	**2015**	2014	**2015**	2014	**2015**	2014
Total revenue	1,374.3	1,208.8	820.2	607.9	-15.2	-20.5	2,179.3	1,796.2
Investments[5]	582.8	407.2	62.5	50.2	-95.1	-	550.2	457.4
Segment assets	3,107.9	2,327.3	1,704.6	1,152.0	-1,166.5	-683.2	3,646.0	2,796.1

[1] *The depreciation and amortisation expense includes write-downs on rental and lease vehicles intended for sale.*
[2] *Corresponds to earnings before interest and taxes (EBIT)*
[3] *Including net investment income*
[4] *Corresponds to earnings before taxes (EBT)*
[5] *Excluding rental assets*
[6] *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). The key parameter for the assessment of the performance by the Managing Board are the earnings before taxes (EBT) of the segments.

The geographic information analyses the Group's revenue and the Group's assets by Group company's country of domicile.

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. Intra-company revenue is calculated at arm's length prices. Group assets and liabilities do not recognise any tax positions.

5.2 CONTINGENT LIABILITIES AND OTHER FINANCIAL OBLIGATIONS

Contingent liabilities

At the end of the fiscal year there were contingencies from guarantees or similar obligations in the amount of EUR 23.5 million (2014: EUR 19.0 million).

Other financial obligations

In addition to provisions and liabilities, the Group has other financial obligations that result mainly from operate leases entered into to refinance the rental fleet and from obligations under rental agreements on buildings.

Other financial obligations in EUR million	**31 Dec. 2015**	31 Dec. 2014
Due within one year	91.3	80.6
Due in one to five years	120.6	204.1
Due in more than five years	74.3	-
Group total	**286.2**	**284.7**

In a few cases, the operate 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 66.9 million (2014: EUR 62.6 million and mileage agreement payments amounted to EUR 14.2 million (2014: EUR 11.8 million).

Purchase commitments under agreements concluded as at the balance sheet date in respect of vehicle deliveries for the rental and lease fleets in the coming year amount to around EUR 3,405 million (2014: EUR 2,198 million).

5.3 SHARE-BASED PAYMENT

In the year under review the Group had an employee participation programme (Matching Stock Programme – MSP) that was initiated in 2012 (MSP 2012). The programme is recognised in the category of equity-settled share-based payment programme and is described in detail below.

In September 2012 the Managing Board and Supervisory Board of Sixt SE resolved to implement a Matching Stock Programme for selected group of employees, senior executives and members of the Managing Board of Sixt SE at the Company and its affiliated companies (MSP 2012). The programme enables employee participation in the form of shares while avoiding any dilutions for existing shareholders of Sixt SE, i.e. new shares are not issued for settlement but shares are bought from the market.

To participate in the MSP, each participant must make a personal investment by acquiring a bond issued by Sixt SE.

The bonds acquired for the 2012 MSP carry a coupon of 4.5% p.a. and have a maturity until 2020. The total volume invested by all participants is limited to EUR 5 million.

The Managing Board of Sixt SE – 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 SE or one of its subsidiaries which has not been terminated at the time of subscribing for the MSP.

Every EUR 1,000 of paid-up subscription amount entitles to subscribe to 500 stock options per annual tranche in accordance with the MSP terms and conditions.

On each 1st of December every year from 2012 (first time) to 2016 (last time) one tranche of 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 stock options for every EUR 1,000 of paid-up subscription amount (5 tranches with 500 stock options each).

The allocated stock options can only be exercised after a lock-up period of four years, starting from the allocation of the respective tranche. The stock options can only be exercised if the exercise price since the allocation of the respective tranche is 20% higher than the initial price of said tranche (exercise threshold). The initial price of the 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 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 stock options of a tranche are exercised. 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 stock options expire without replacement.

The exercise gain for a tranche, calculated if the 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 financial statements of Sixt SE. If it does, the amount must be reduced proportionately for all participants. In addition, the exercise gain (before taxes) of each tranche is limited for every participant to twice his paid-up investment volume. 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 SE. Sixt SE 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 nine years until 2021.

If, during the term of the MSP, adjustments are made to the share capital of Sixt SE or restructuring measures are implemented that have a direct impact on the share capital of Sixt SE and this causes the value of the stock options to change by 10% or more, the initial price is adjusted to the extent necessary to compensate for the change in value of the stock options caused by the capital action.

If Sixt SE distributes dividends or other assets to shareholders in the period between allocation and exercise of a tranche of stock options, 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 stock options already allocated but not yet exercised and the entitlements to unallocated stock options are generally lost.

In addition to the stock options granted in the past ("2012 allocation", "2013 allocation" and "2014 allocation"), in fiscal year 2015 Sixt SE granted stock options or a legally binding right to future stock options to other employees (new hires). Apart from a few exceptions, the conditions for the grant of these shares or rights ("2015 allocation") corresponded to the parameters for the previous allocations. Notwithstanding this, the "2015 allocation" covers the grant of two tranches of stock options. In principle, the market conditions as at 1 December 2015 were used as a basis for granting the tranche of the "2015 allocation"; the conditions as at 1 December 2012 were only used to determine the number of stock options to be granted depending on the relevant investment volume.

The number of stock options under the MSP 2012 changed as follows:

Number of stock options				2012 allocation
	2015	2014	2013	2012
Outstanding at the beginning of the financial year	3,680,500	2,497,000	1,316,000	-
Granted during financial year	1,186,000	1,223,500	1,248,500	1,316,000
Returned during financial year	-97,500	-40,000	-67,500	-
Outstanding at the end ot the financial year	4,769,000	3,680,500	2,497,000	1,316,000
Existing contractual obligation for future grant	1,186,000	2,447,000	3,745,500	5,264,000

Number of stock options			2013 allocation
	2015	2014	2013
Outstanding at the beginning of the financial year	341,000	170,500	-
Granted during financial year	165,500	170,500	170,500
Returned during financial year	-	-	-
Outstanding at the end ot the financial year	506,500	341,000	170,500
Existing contractual obligation for future grant	165,500	341,000	511,500

Number of stock options			2014 allocation
		2015	2014
Outstanding at the beginning of the financial year		220,500	-
Granted during financial year		205,500	220,500
Returned during financial year		-15,000	-
Outstanding at the end ot the financial year		411,000	220,500
Existing contractual obligation for future grant		205,500	441,000

Number of stock options			2015 allocation
			2015
Outstanding at the beginning of the financial year			-
Granted during financial year			248,000
Returned during financial year			-
Outstanding at the end ot the financial year			248,000
Existing contractual obligation for future grant			248,000

As at the balance sheet date the following options from tranches granted under the MSP 2012 were outstanding:

2012 allocation	Number of outstanding stock options	Future exercise date	Residual term	Estimated conversion/ Exercise price
Tranche 2012	1,196,000	2016	1.0 years	10.97 EUR
Tranche 2013	1,196,000	2017	2.0 years	10.43 EUR
Tranche 2014	1,191,000	2018	3.0 years	9.97 EUR
Tranche 2015	1,186,000	2019	4.0 years	9.46 EUR

2013 allocation	Number of outstanding stock options	Future exercise date	Residual term	Estimated conversion/ Exercise price
Tranche 2013	170,500	2017	2.0 years	17.56 EUR
Tranche 2014	170,500	2018	3.0 years	17.09 EUR
Tranche 2015	165,500	2019	4.0 years	16.68 EUR

2014 allocation	Number of outstanding stock options	Future exercise date	Residual term	Estimated conversion/ Exercise price
Tranche 2014	205,500	2018	3.0 years	24.35 EUR
Tranche 2015	205,500	2019	4.0 years	24.57 EUR

2015 allocation	Number of outstanding stock options	Future exercise date	Residual term	Estimated conversion/ Exercise price
Tranche 2015	248,000	2019	4.0 years	37.17 EUR

Measurement of options issued
The stock options under the MSP 2012 were measured by means of a Monte Carlo simulation model. Assuming that the price of the stock option granted can be calculated as the discounted future expected value (with regard to the risk-neutral probability), the 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 results of the individual simulations.

The method used is based on the random walk of the price performance of Sixt preference shares with a log-normal distribution of the relative price changes. Other assumptions used by the model are: the MSP participants pursue a strategy that is profit-maximising from their perspective, constant dividend yields, drift and volatility, the cap of 5% of earnings before taxes (MSP 2012) is not achieved, no change in the share capital of Sixt SE 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 stock option is discounted from the exercise date to the reporting date in accordance with the yield curve observed.

The expected volatility was estimated on the basis of the historical volatility of the share price. The expected term used in the model was adjusted to reflect the Managing Board's best estimate of the impact of non-transferability, exercise restrictions and behaviour such as staff fluctuation.

At the time of granting the parameters used in the simulation were:

Simulation model parameters	2015 allocation	2014 allocation	2013 allocation	2012 allocation
Risk-free interest rate in %	0	0.01	0.40	0.36
Expected volatility in %	28	32	32	39
Expected term until exercise from issue in years	4.0	4.0	4.0	4.0
Price preference shares on the issue date in EUR	39.19	25.44	18.90	12.65

In accordance with IFRS 2, personnel expenses were calculated on the basis of the market conditions at the grant date, and not the market conditions at the balance sheet date. In 2015, the Group recognised personnel expenses of EUR 1,019 thousand (2014: EUR 2,133 thousand) in connection with equity-settled share-based payments. EUR 793 thousand of this amount relates to the "2012 allocation", EUR 104 thousand to the "2013 allocation", EUR 114 thousand to the "2014 allocation" and EUR 8 thousand to the "2015 allocation".

In consideration of currency translation differences, additions to capital reserves respectively minority interest have been made accordingly.

5.4 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.

Related parties	Services rendered		Services used		Receivables from related companies		Liabilities to related companies	
in EUR million	**2015**	2014	**2015**	2014	**31 Dec. 2015**	31 Dec. 2014	**31 Dec. 2015**	31 Dec. 2014
e-Sixt Verwaltungs GmbH	-	-	-	-	-	-	[1]	0.1
Sixt Aéroport SARL	-	-	2.4	3.3	-	-	0.3	0.3
Sixt Business SARL	-	-	2.3	0.5	-	-	0.2	0.2
Sixt Centre SARL	-	-	3.1	1.7	-	-	0.4	0.4
Sixt Développement SARL	1.0	0.6	2.9	1.9	-	-	0.6	0.7
Sixt Executive France SARL	-	-	1.8	2.4	-	-	0.3	0.2
Sixt Financial Services USA, LLC	-	-	-	-	1.3	1.0	1.8	-
Sixt Immobilien Beteiligungen GmbH	-	-	-	-	-	-	0.2	0.1
Sixt International Holding GmbH	-	-	-	-	0.1	0.1	-	-
Sixt Mobility Consulting Österreich GmbH	-	-	-	-	[1]	-	-	-
Sixt Nord SARL	-	-	3.1	4.5	-	-	0.6	0.7
SIXT S.A.R.L., Monaco	0.5	0.5	0.1	0.2	0.2	0.2	1.2	0.7
Sixt Seine SARL	-	-	3.8	1.5	-	-	0.3	0.4
Sixt Sud SARL	-	-	3.4	2.8	-	-	0.5	0.3
Sixt Tourisme SARL	-	-	2.5	2.0	-	-	0.5	0.5
Sixt Travel GmbH	-	-	-	-	-	-	0.4	0.4
Sixt Verwaltungs-GmbH	-	-	-	-	-	-	[1]	-
Sixti SARL	-	-	2.8	3.5	-	-	0.4	0.5
TOV 6-Systems	-	-	1.9	-	-	-	0.1	-
TÜV SÜD Car Registration & Services GmbH	-	-	2.3	-	-	-	-	-
UNITED RENTAL GROUP AMERICA LIMITED	-	-	-	-	14.7	-	-	-
United Rental Group, LLC	0.1	-	-	-	0.5	-	-	-
United Rentalsystem SARL	-	-	2.9	2.5	-	-	0.4	0.3

[1] *Amount less than EUR 0.1 million*

The business relations between the Group and its joint ventures DriveNow GmbH & Co. KG, Munich, autohaus24 GmbH, Pullach, and Managed Mobility AG, Urdorf, are concluded exclusively at normal market conditions. Transactions with these companies result from ordinary business activities and are of minor importance from the Group's perspective. The related receivables and liabilities amount to EUR 4.0 million (2014: EUR 3.8 million) respectively EUR 0.1 million (2014: EUR 0.1 million). The Supervisory Board member Dr. Daniel Terberger holds a participation in a company, with whom the Group maintains a business relationship covering the delivery of working clothes at arm's length conditions. In the year under review EUR 1.6 million were spent (2014: EUR 0.1 million). Furthermore the Group rented three properties belonging to the Sixt family for its operations in the financial year. The rental expenses amounted to EUR 0.2 million (2014: EUR 0.3 million). For their services as Members of the Managing Board, Erich Sixt, Alexander Sixt and Konstantin Sixt receive remuneration which, in accordance with the resolution passed by the Annual General Meeting on 3 June 2014 are not published individually. Members of the Sixt family received remuneration, that are not Managing board remunerations, amounting to EUR 1.1 million (2014: EUR 1.6 million) for their activities in the Group. The listed emoluments of the previous year included the fair value at the issue date for the stock options granted to family members, in the amount of EUR 0.2 million as well as the exercise gain from the exercise of the stock options granted in the amount of EUR 0.3 million. In the fiscal year 2015, granted stock options are presented as part of the Managing Board remuneration.

The Supervisory Board and Managing Board of Sixt SE

Supervisory Board	Membership of supervisory boards and other comparable supervisory bodies of business enterprises
Prof. Dr. Gunter Thielen Chairman Chairman of the Managing Board of Walter Blüchert Stiftung Gütersloh	
Ralf Teckentrup Deputy Chairman Member of the Managing Board of Thomas Cook AG Frankfurt am Main	President of the Administrative Board of M&M Militzer & Münch International Holding AG, Switzerland Member of the Advisory Board of Deutschen Flugsicherung DFS GmbH
Dr. Daniel Terberger Chairman of the Managing Board of KATAG AG Bielefeld	Chairman of the Supervisory Board of Textilhäuser F.Klingenthal GmbH (from 27 October 2015) Member of the Advisory Board of ECE Projektmanagement GmbH & Co. KG Member of the Advisory Board of Eterna Mode Holding GmbH Member of the Advisory Board of Loden-Frey Verkaufshaus GmbH & Co. KG Member of the Advisory Board of William Prym Holding GmbH (from 6 August 2015) Member of the Advisory Board of Leffers & Co. GmbH & Co. KG (from 1 January 2015)

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[1] Chairman of the Supervisory Board of e-Sixt GmbH & Co. KG[1]
Detlev Pätsch Oberhaching	Member of the Supervisory Board of Sixt Leasing AG[1] (until 16 April 2015)
Dr. Julian zu Putlitz Pullach	Member of the Supervisory Board of Sixt Leasing AG[1] (until 16 April 2015) Member of the Supervisory Board of e-Sixt GmbH & Co. KG[1] President of the Administrative Board of der Sixt AG, Schweiz[1]
Alexander Sixt (from 2 February 2015) Munich	Member of the Steering Committee of DriveNow GmbH & Co. KG[1]
Konstantin Sixt (from 2 February 2015) Munich	

[1] *Membership in Group bodies*

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

Total remuneration in EUR thou.	**2015**	2014
Supervisory Board remuneration	200	200
Managing Board remuneration	7,737	7,206
Thereof variable remuneration	2,229	2,331

The total remuneration of the Managing Board includes as a long-term incentive the fair value at initial date of issue of the tranche of stock options granted in fiscal year 2015 to the members of the Managing Board under the Matching Stock Programme 2012 in the amount of EUR 432 thousand (2014: EUR 196 thousand) as well as in the previous year the exercise gain from the exercise of the stock options granted in the amount of EUR 435 thousand. In the year under review, no exercise of stock options was scheduled.

Performance-related remuneration components obtained in the financial year 2015 that will be paid within the next four years amount to EUR 3,441 thousand (2014: EUR 2,506 thousand).

In accordance with the resolution adopted by the Annual General Meeting on 3 June 2014, the total remuneration disclosed is not broken down by individual Managing Board member.

At the end of the reporting year members of the Supervisory Board were granted none and members of the Managing Board were granted 1,650,000 stock options under the employee equity participation programme MSP 2012, and on the basis of their personal investments (2014: 600,000). The presented amount for the year under review includes a total of 600,000 stock options that were granted to members of the Managing Board before their appointment. In addition, there are entitlements to acquire a further total of 450,000 stock options (2014: 400,000) in one tranche 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 2015, Erich Sixt Vermögensverwaltung GmbH, all shares of which are held directly and indirectly by the Sixt family, held an unchanged 18,711,822 shares of the ordinary shares of Sixt SE.

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 SE received no disclosures from the group of persons specified by the stipulation in section 15a of the WpHG.

5.5 PROPOSAL FOR ALLOCATION OF THE UNAPPROPRIATED PROFIT

Sixt SE reported an unappropriated profit for fiscal year 2015 in accordance with German commercial law of EUR 201,899 thousand (2014: EUR 73,405 thousand). Subject to the approval of the Supervisory Board, the Managing Board proposes utilising this unappropriated profit as follows:

Proposal for allocation of the unappropriated profit

in EUR thou.	**2015**	2014
Payment of a dividend of EUR 0.90 (2014: EUR 0.80) and a special dividend of EUR 0.60 (2014: EUR 0.40) per ordinary share entitled to a dividend	46,720	37,376
Payment of a dividend of EUR 0.92 (2014: EUR 0.82) and a special dividend of EUR 0.60 (2014: EUR 0.40) per preference share entitled to a dividend	25,705	20,632
Transfer to retained earnings	50,000	-
Carryforward to new account	79,473	15,397

As at 31 December 2015, 31,146,832 ordinary shares entitled to a dividend and 16,911,454 preference shares entitled to a dividend are issued. This would result in a total distribution of EUR 72,426 thousand and appropriately reflects the earnings trend of the Sixt Group in the year under review.

The proposal by the Managing Board and the Supervisory Board on the appropriation of the unappropriated profit for financial year 2014 was resolved unchanged by the Annual General Meeting on 24 June 2015.

5.6 EVENTS SUBSEQUENT TO REPORTING DATE

On 15 March 2016 the Managing Board of Sixt SE has – with consent of the Supervisory Board – resolved to buy back own ordinary and preference shares on the stock exchange for a total maximum purchase price of EUR 50 million (excluding incidental purchase expenses). The shares shall be bought back for the purpose of reducing the share capital by cancellation of acquired shares. The share buy-back programme shall be carried out in accordance with section 14 (2), 20a (3) WpHG (German Securities Trading Act) in conjunction with EU Regulation (EG) No. 2273/2003 (so-called Safe Habour) respectively after 3 July 2016 in accordance with the relevant provisions of EU regulation (EU) No. 596/2014. A detailed description to the share buy-back contains the announcement from 15 March 2016 which is disclosed on the website of the Company under ***http://ir.sixt.eu***.

No other events of special significance for the net assets, financial position and results of operation of the Group occurred after the end of financial year 2015.

5.7 DECLARATION OF CONFORMITY IN ACCORDANCE WITH SECTION 161 OF THE AKTG

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 SE website under ***http://ir.sixt.eu*** in the section “Corporate Governance”.

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 29 March 2016.

Pullach, 29 March 2016

Sixt SE

The Managing Board

ERICH SIXT	DETLEV PÄTSCH	DR. JULIAN ZU PUTLITZ	ALEXANDER SIXT	KONSTANTIN SIXT

EXCITEMENT

THE X IN SIXT IS FOR EXCITEMENT.

The fire that our products and services inspire in us. The Herzblut with which we pursue our aims. And the performance that we reaffirm every day around the world. Together these create real excitement, in ourselves and in our customers.

D \\ FURTHER INFORMATION

D.1 \\ RESPONSIBILITY STATEMENT

by Sixt SE, Pullach, for financial year 2015

in accordance with sections 297 (2) sentence 4 and 315 (1) sentence 6 of the 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 and loss of the Group, and the management report on the Group's and the Company's situation 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, 29 March 2016

Sixt SE

The Managing Board

ERICH SIXT	DETLEV PÄTSCH	DR. JULIAN ZU PUTLITZ	ALEXANDER SIXT	KONSTANTIN SIXT

The following independent auditor's report ("Bestätigungsvermerk") was issued in accordance with section 322 of the HGB (German Commercial Code) on the IFRS Financial Statements 2015, which were prepared in the German language. The translation of the independent auditors' report ("Bestätigungsvermerk") is as follows:

D.2 \\ INDEPENDENT AUDITORS' REPORT

We have audited the consolidated financial statements prepared by Sixt SE, Pullach, – comprising the consolidated income statement and statement of comprehensive income, the consolidated balance sheet, the consolidated cash flow statement, the consolidated statement of changes in equity and the notes to the consolidated financial statements – and the management report on the Group's and the Company's situation for the business year from 1 January to 31 December 2015. The preparation of the consolidated financial statements and the management report on the Group's and the Company's situation in accordance with IFRS, as adopted by the European Union (EU), and the additional requirements of German commercial law pursuant to section 315a (1) of the HGB are the responsibility of the parent Company's management. Our responsibility is to express an opinion on the consolidated financial statements and on the management report on the Group's and the Company's situation based on our audit.

We conducted our audit of the consolidated financial statements in accordance with section 317 of the HGB and German 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 framework and in the management report on the Group's and the Company's situation are detected with reasonable assurance. Knowledge of the business activities and the economic and legal environment of the Group and expectations as to 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 management report on the Group's and the Company's situation are examined primarily on a test basis within the framework of the audit. The audit includes assessing the annual financial statements of those entities included in consolidation, the determination of entities to be included in consolidation, the accounting and consolidation principles used and significant estimates made by management, as well as evaluating the overall presentation of the consolidated financial statements and the management report on the Group's and the Company's situation. 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 SE, Pullach, comply with IFRS, as adopted by the EU, the additional requirements of German commercial law pursuant to 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 management report on the Group's and the Company's situation is consistent with the consolidated financial statements and as a whole provides a suitable view of the Group's position and suitably presents the opportunities and risks of future development.

Munich, 29 March 2016

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

D.3 \\ BALANCE SHEET

of Sixt SE, Pullach, as at 31 December 2015 (HGB)

Assets in EUR thou.		31 Dec. 2015	31 Dec. 2014
A. Fixed assets			
Financial assets			
1. Shares in related parties	630,163		521,283
2. Shares in other investees	17,973		16,163
		648,136	**537,446**
B. Current assets			
I. Receivables and other assets			
1. Receivables from affiliated companies	1,558,319		1,261,084
2. Receivables from other investees	1,501		1,570
3. Other assets	2,245		4,885
		1,562,065	**1,267,539**
II. Bank balances		**137**	**86**
C. Prepaid expenses		**1,639**	**2,145**
		2,211,977	**1,807,217**

Equity and liabilities in EUR thou.		31 Dec. 2015	31 Dec. 2014
A. Equity			
I. Subscribed capital	123,029		123,029
II. Capital reserves	200,319		200,319
III. Retained earnings			
Other retained earnings	178,538		178,538
IV. Unappropriated profit	201,899		73,405
Thereof retained profits brought forward EUR 15,397 thousand (2014: EUR 99 thousand)		**703,785**	**575,291**
B. Provisions			
1. Provisions for taxes	15,390		17,264
2. Other provisions	9,440		12,277
		24,831	**29,540**
C. Liabilities			
1. Bonds	750,000		750,000
2. Liabilities to banks	627,000		347,000
3. Trade payables	158		60
4. Liabilities to affiliated companies	87,676		77,839
5. Other liabilities	18,526		18,892
		1,483,360	**1,193,791**
D. Deferred tax liabilities		**-**	**8,594**
		2,211,977	**1,807,217**

Off-balance sheet items

Liabilities from guarantees EUR 780,140 thousand (2014: EUR 638,857 thousand)

D.4 \\ INCOME STATEMENT

of Sixt SE, Pullach, for the year ended 31 December 2015 (HGB)

in EUR thou.		2015	2014
1. Other operating income		116,531	4,527
2. Personnel expenses			
a) Wages and salaries	9,345		6,905
b) Social security contributions	25		5
		9,369	6,909
3. Other operating expenses		8,576	4,689
4. Income from investments		93,414	66,897
5. Income from profit transfer agreements		1	27,091
6. Other interest and similar income		43,065	41,161
7. Depreciation of financial assets		-	850
8. Cost of loss absorption		7,958	-
9. Interest and similar expenses		40,398	39,422
10. Result from ordinary activities		**186,710**	**87,806**
11. Taxes on income		207	14,501
12. Net income		**186,502**	**73,306**
13. Retained profits brought forward		15,397	99
14. Unappropriated profit		**201,899**	**73,405**

D.5 \\ FINANCIAL CALENDAR

Financial calendar of Sixt SE	
Annual press conference for financial year 2015 in Munich	15 March 2016
Publication of the Annual Report 2015	19 April 2016
Analyst conference in Frankfurt am Main	20 April 2016
Publication of the quarterly statement as at 31 March 2016	13 Mai 2016
Annual General Meeting for financial year 2015 in Munich	2 June 2016
Publication of the half-year financial report as at 30 June 2016	18 August 2016
Publication of the quarterly statement as at 30 September 2016	17 November 2016

Dates and event locations subject to change

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