



**LeasePlan Finance N.V.**

**Financial report  
for the year 2014**

## **Table of contents**

### **Financial report**

|                          |   |
|--------------------------|---|
| <b>Management Report</b> | 3 |
|--------------------------|---|

### **Financial statements**

|                                      |   |
|--------------------------------------|---|
| Balance sheet as at 31 December 2014 | 6 |
|--------------------------------------|---|

|  |   |
|--|---|
| Income Statement for the year ended 31 December 2014 | 7 |
|--|---|

|                                   |   |
|-----------------------------------|---|
| Notes to the Financial Statements | 8 |
|-----------------------------------|---|

### **Other information**

|                         |    |
|-------------------------|----|
| Appropriation of result | 30 |
|-------------------------|----|

|                           |    |
|---------------------------|----|
| Post Balance Sheet Events | 30 |
|---------------------------|----|

|                  |    |
|------------------|----|
| Auditor's report | 31 |
|------------------|----|

## Management report

The Managing Board takes pleasure in submitting the LeasePlan Finance N.V. (the "Company") annual report for the financial year ended 31 December 2014. The Company is a direct subsidiary of LeasePlan Corporation N.V. The original purpose of the Company was to provide financial services to LeasePlan subsidiaries worldwide. In this capacity it was engaged in treasury activities in its own right and also on behalf of the parent company, LeasePlan Corporation N.V. The activities of the Company continue to be scaled back as it moves further towards an administrative role on behalf of the parent company. The Company no longer issues bonds under the EMTN programme and its engagement in creating new loans to companies within the group has substantially reduced. The primary role of the Company is to provide a comprehensive set of treasury support services to LeasePlan Corporation N.V. and to execute the treasury strategy set out by the Managing Board of LeasePlan Corporation N.V.

The balance sheet total amounts to EUR 134 million. Compared to 2013 (EUR 414 million) the balance sheet has decreased by EUR 280 million. The reduction is due to aforementioned reduction in the Company's activities.

The outstanding balance of issued debt securities dropped from EUR 108 million as at 31 December 2013 to EUR 90 million as at 31 December 2014. The Company has not issued any debt securities during the year. The amount of borrowings and loans from third parties is relatively small with listed debt outstanding being covered by loans from the parent company.

LeasePlan Finance N.V. ceased to issue bonds in 2010 and was removed as co-issuer from the EMTN program with LeasePlan Corporation N.V. in 2011.

The Company's funding requirements for the coming year are primarily dependant on the requirements of the Group subsidiaries that borrow from it. Any such loans will be covered through additional funding, as required from the parent company. However, as mentioned above, the activities of the Company continue to be scaled back as it moves further towards an administrative role on behalf of the parent company, and as a result, we do not expect any increase in the company's funding requirements.

The Company is exposed to various risks such as currency risk and interest rate risk. The Company manages these risks through the use of over the counter (OTC) derivatives, mainly interest rate swaps, cross-currency interest rate swaps and currency swaps. For details of the Company's financial risk management and derivatives used, refer to note 4 of the Financial Statements.

The profit after tax for 2014 is EUR 4.4 million (2013: EUR 6.5 million).

Based on the results for the year the company is in a solvent position and the Directors have considered the appropriateness of the going concern basis in preparing the financial statements for the year ended 31 December 2014 on pages 6 to 29 which form part of the financial report. As part of their review of the financial statements for the year ended 31 December 2014, the directors have assessed the future liquidity requirements and risks of the company as set out in note 4 to the accounts.

The Managing Board cannot predict with reasonable accuracy the expected results of the Company for the forthcoming year, due to the number of external factors influencing the result. One of the main factors affecting the future result is the movement in interest rate yield curves, which in turn affects the fair value of derivatives which gives rise to the uncertainty. As the number of derivatives has reduced significantly, the impact of the fair value moves should lessen. It is expected that the number of employees of the Company will increase in 2015 to 19 (2014: 18). It is anticipated that the level of total assets of the Company will further decrease in 2015 due to reduced funding activities.



**Managing Board responsibility on financial reporting**

The Managing Board is responsible for maintaining proper accounting records, for safeguarding assets and for taking reasonable steps to prevent and detect fraud and other irregularities. It is responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgements and estimates that are prudent and responsible. It is also responsible for establishing and maintaining internal procedures which ensure that all financial information is known to the Managing Board, so that timeliness, completeness and correctness of external financial reporting is assured.

**Conformity Statement pursuant to section 5:25C paragraph 2(c) of the Dutch Act on Financial Supervision (Wet op het Financieel Toezicht)**

As required by section 5:25c paragraph 2(c) of the Dutch Act on Financial Supervision, each member of the Managing Board hereby confirms that to the best of their knowledge:

- The Company's 2014 annual financial statements give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company.
- The Company's 2014 annual financial statements give a true and fair view of the position at the balance sheet date, the development and performance of the business during the financial year 2014 of the Company, together with a description of the principal risks that the Company is being confronted with.

**Corporate Governance Statement**

Pursuant to the Dutch Decree of 20 March 2009, updated on 1 January 2010, implementing further accounting standards for annual reports (Besluit Corporate Governance) and based on the listing of LeasePlan debt securities issued on regulated markets in the EU, the following information is provided. The most important features of the control systems set-up for securing reliable financial statements are:

- As a subsidiary in the LeasePlan Corporation Group, the Company has a uniform set of accounting and reporting principles for its business based on its application of Dutch GAAP;
- A monthly cycle of reporting is maintained and throughout the year financial results and movements therein are analysed, explained and linked to the risk management information;
- Compliance with these uniform accounting and reporting principles is reviewed by the Group function 'Control, Reporting and Tax', and both internal and external auditors;
- As a reporting entity within the LeasePlan Group, the management of LeasePlan Finance N.V. submit a letter of representation emphasising compliance with the uniform set of accounting and reporting principles.

**Act On Management and Supervision**

Gender diversity is important for LeasePlan and providing a non-discriminatory environment for our people is one of the principles of our Code of Conduct. The Act on Management and Supervision requires that the Company (as defined in the Act) aims in the years 2013 – 2015 to establish an equal division of gender in the Managing Boards and Supervisory Boards thereof, i.e. at least 30% male and at least 30% female members. The legislator will evaluate the effect of this temporary law at the end of 2015. The profiles in case of (re-)appointment of Managing or Supervisory Board members of LeasePlan require indeed a diverse composition of the Boards. Below we provide an overview of the status of our efforts to aim for at least 30% male and 30% female board members in our Company, as required by the Act on Management and Supervision:

The Managing Board consists of one male member and one female member.

The Supervisory Board consists of two male members. There were no changes in the year and it was deemed not in the interests of the Company to replace and nominate a female member in either place. It is not anticipated that this will change in the foreseeable future.

Almere, 22 April 2015

Managing Board:



William O'Dwyer  
Director



Yolanda Paulissen  
Director

## Balance sheet as at 31 December 2014

(after appropriation of result)

EUR (x1,000)

|  | Notes | 2014           | 2013           |
|--|-------|----------------|----------------|
| <i>Non-Current Assets</i>                  |       |                |                |
| Intangible Fixed Assets                    | 5     | 67             | -              |
| Tangible Fixed Assets                      | 5     | 76             | 112            |
| Loans to Group Companies                   | 6     | 36,500         | 104,000        |
| Loans to Third Parties                     | 9     | -              | 30             |
| Derivatives                                | 10    | 3,534          | 3,814          |
| Deferred Tax Asset                         | 13    | 8              | 98             |
|  |       | <u>40,185</u>  | <u>108,054</u> |
| <i>Current assets</i>                      |       |                |                |
| Loans to Group Companies                   | 6     | 90,800         | 280,359        |
| Loans to Associated Companies              | 7     | -              | 7,168          |
| Loans to Financial Institutions            | 8     | 500            | 8,070          |
| Loans to Third Parties                     | 9     | 30             | -              |
| Interest receivable on inter-company loans | 11    | 1,939          | 6,721          |
| Accrued interest and deferred income       |       | -              | 194            |
| Other Assets                               |       | 547            | 427            |
| Derivatives                                | 10    | 137            | 2,892          |
| Cash at banks                              | 14    | 73             | 515            |
|  |       | <u>94,026</u>  | <u>306,346</u> |
|  |       | <u>134,211</u> | <u>414,400</u> |
| <i>Shareholders' Equity</i>                |       |                |                |
| Issued and paid-up capital                 | 15    | 45             | 45             |
| Retained Earnings                          | 15    | 19,720         | 15,305         |
|  |       | <u>19,765</u>  | <u>15,350</u>  |
| <i>Non-Current liabilities</i>             |       |                |                |
| Debt securities                            | 17    | 75,541         | 90,090         |
| <i>Current liabilities</i>                 |       |                |                |
| Loans from Group Companies                 | 16    | 19,595         | 277,422        |
| Debt Securities                            | 17    | 14,611         | 17,669         |
| Derivatives                                | 10    | 2              | 4,175          |
| Interest due on loans                      | 18    | 1,059          | 1,359          |
| Taxation                                   | 12    | 2,849          | 7,520          |
| Bank Overdraft                             | 14    | -              | 95             |
| Other liabilities                          |       | 789            | 720            |
|  |       | <u>38,905</u>  | <u>308,960</u> |
|  |       | <u>134,211</u> | <u>414,400</u> |

## Income statement for the year ended 31 December 2014

EUR (x1,000)

|                                | Notes | 2014                | 2013                |
|--------------------------------|-------|---------------------|---------------------|
| <i>Income</i>                  |       |                     |                     |
| Interest and similar income    | 19    | 10,127              | 30,801              |
| Interest and similar expenses  | 20    | (4,869)             | (26,904)            |
| Fair value gain on derivatives | 21    | <u>459</u>          | <u>4,673</u>        |
|                                |       | 5,717               | 8,570               |
| <i>Expenses</i>                |       |                     |                     |
| General Expenses               | 22    | <u>98</u>           | <u>(4)</u>          |
| Profit before tax              |       | 5,815               | 8,566               |
| Income tax expense             | 12    | <u>(1,400)</u>      | <u>(2,101)</u>      |
| Profit for the year            |       | <u><u>4,415</u></u> | <u><u>6,465</u></u> |



## Notes to the Financial Statements

### 1. GENERAL INFORMATION

#### 1.1. *Operations*

The Company, which is a wholly owned subsidiary of LeasePlan Corporation N.V., was incorporated on 30 November 1994. The Company is domiciled in the Netherlands, having its statutory seat in Almere. The objective of the Company is to provide treasury support activities to its parent company, LeasePlan Corporation N.V., and the parent company's related subsidiaries. It also acts as a finance company, by borrowing and lending money to and from third parties and related companies, and provides treasury support activities to the Group. The Company operates through its Irish Branch at 6 Suffolk Street, Dublin 2.

#### 1.2. *Basis for Preparation*

The financial statements were prepared in accordance with the statutory provisions of Part 9, Book 2, of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. The financial statements are denominated in Euro.

#### 1.3. *Going Concern*

The financial statements have been prepared on the basis that the entity is a going concern. The Company has positive equity of €19.7m as at 31 December 2014 (2013: EUR15.3 million).

#### 1.4. *Group Structure*

The Company is a member of the LeasePlan Group. The ultimate parent company of this group is LeasePlan Corporation N.V. in Amsterdam (the Netherlands). The financial statements of the Company are included in the consolidated financial statements of LeasePlan Corporation N.V. in Amsterdam (the Netherlands). Copies of the annual report of LeasePlan Corporation N.V. can be downloaded or viewed online at [www.leaseplan.com](http://www.leaseplan.com). Printed copies of the annual report are available on request.

Art 403 means that LeasePlan Corporation N.V. is jointly and severally liable for all debts resulting from legal acts performed by the Company. LeasePlan Corporation N.V. has issued a so-called article 403 statement. Repayment of the bonds to the investors is guaranteed by LeasePlan Corporation N.V.

#### 1.5. *Changes in Accounting Policies*

There were no changes in accounting policies in 2014.

#### 1.6. *Related Party Transactions*

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control the Company are considered a related party. In addition, statutory directors, other key management of the Company or the ultimate Parent and close relatives are regarded as related parties.

Significant transactions with related parties are disclosed in the notes. The nature, extent and other information is disclosed if this is required for to provide a true and fair view.

#### 1.7. *Cashflow Statement*

The Company is exempt under RJ 300.104 from preparing a cash flow statement since it is included in its parent company's consolidated financial statements.

#### 1.8. *Estimates*

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Dutch Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.



## 2. ACCOUNTING POLICIES FOR THE BALANCE SHEET

### 2.1. *General*

The financial statements are drawn up in accordance with the provisions of Title 9, Book 2 of the Dutch Civil Code and the firm pronouncements in the Dutch Accounting Standards, as published by the Dutch Accounting Standards Board ('Raad voor de Jaarverslaggeving').

In general, assets and liabilities (except for group equity) are stated at the amounts at which they were acquired or incurred, or fair value. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred.

### 2.2. *Comparative Figures*

The accounting policies have been consistently applied to the years presented.

### 2.3. *Foreign Currencies*

#### *Functional currency*

The financial statements are presented in Euro, which is the functional and presentation currency of the Company.

#### *Transactions, assets and liabilities*

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions (or the approximated rates).

### 2.4. *Interest Payable and Receivable*

Interest payable and receivable on interest rate swaps are valued in the balance sheet at the year-end spot exchange rate. The commitment for the principal amount and the fair values of the swaps are disclosed by way of notes to the financial statements. Interest income and expenses on interest rate swaps and the related interest payable and receivable are stated at the net contracted amounts and are attributed to the financial year to which they relate.

### 2.5. *Taxation*

The provision for corporation tax is calculated based upon applicable Dutch and Irish Tax Law.

The rate of taxation in the Netherlands for the year 2014 was 25% and 12.5% in Ireland.

### 2.6. *Intangible fixed assets*

Intangible fixed assets is comprised of the treasury system and is stated at historical cost less amortisation. Impairments are taken into consideration; this is relevant in the event that the carrying amount of the asset (or of the cash-generating unit to which the asset belongs) is higher than its realisable value.

With regard to the determination as to whether an intangible fixed asset is subject to an impairment, please refer to note 2.14 below.

### 2.7. *Tangible fixed assets*

Tangible Fixed Assets comprise of furniture & fittings and IT equipment and are stated at historical cost plus expenditure that is directly attributable to the acquisition of the items, less straight-line depreciation over their estimated useful lives. Allowance is made for any impairment losses expected on the balance sheet date. For details on how to determine whether tangible fixed assets is impaired, please refer to note 2.14 below.

Other tangible fixed assets are valued at historical cost including directly attributable expenditure, less straight-line depreciation over their estimated useful lives, or value in use, if lower.

**2.8. *Receivables***

Receivables are recognised initially at fair value and subsequently measured at amortised cost.

**2.9. *Cash and cash equivalents***

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than one month. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

**2.10. *Provisions***

Provisions are recognised for legally enforceable or constructive obligations existing on the balance sheet date, the settlement of which is probable to require an outflow of resources whose extent can be reliably estimated.

Provisions are measured on the basis of the best estimate of the amounts required to settle the obligations as at the balance sheet date. Provisions are stated at the present value of the expenditure expected to be required to settle the obligations.

If the expenditure to settle obligations is expected to be recovered from third parties, the recovery is carried as an asset on the balance sheet if it is likely to be received upon settlement of the obligation.

**2.11. *Deferred tax assets and liabilities***

Deferred tax assets and liabilities are recognised to provide for timing differences between the tax bases of assets and liabilities, and their carrying amounts in the financial statements, on the understanding that deferred income tax assets / liabilities are recognised only to the extent that it is probable that future taxable profit / losses will be available against which the temporary differences and losses can be utilised. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised.

Deferred taxes are recognised at face value, net of any provisions.

**2.12. *Loans to Financial Institutions***

Loans to Financial Institutions include both deposits to banks and also any monies placed arising from a credit support annex. These loans are initially measured at fair value and subsequently carried at amortised cost.

**2.13. *Loans to group companies***

Loans to group companies are initially measured at fair value and subsequently carried at amortised cost.

**2.14. *Impairment of Non-Current Assets***

On each balance sheet date, the Company assesses whether there are any indications that a non current asset may be subject to impairment. If any such indications are present, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash-generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Fair value less costs to sell is determined based on the active market. For the determination of the value in use, cash flows are discounted. Impairment is directly recognised as an expense in the income statement, unless the asset is carried at fair value, in which case the impairment loss qualifies as a revaluation decrease.

If it is established that a previously recognised impairment no longer applies or has declined, the increased carrying amount of the assets in question is not set higher than the



carrying amount that would have been determined had no asset impairment been recognised.

**2.15. *Interest bearing loans, borrowings and non-current liabilities***

Interest bearing loans and borrowings are the Company's sources of debt funding and relate to liabilities to financial institutions, funds entrusted and debt securities issued. Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, being the amount received taking account of any premium or discount, less transaction costs.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

**2.16. *Current liabilities***

On initial recognition current liabilities are recognised at fair value. After initial recognition current liabilities are recognised at amortised cost price, being the amount received, taking into account premiums or discounts, less transaction costs. This is usually the nominal value.

**2.17. *Fair Value***

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. If no fair value can be readily and reliably established, fair value is approximated by deriving it from the fair value of components of a comparable financial instrument, or by approximating fair value using valuation models and valuation techniques. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models, making allowance for entity-specific inputs.

**2.18. *Derivative Financial Instruments and Hedge Accounting***

In applying fair value hedge accounting, both the hedging instrument and the hedged position are stated at fair value, at least where this is attributable to the hedged risk. The gain or loss from re-measuring the hedging instrument at fair value or the foreign currency component of its carrying amount on the balance sheet date shall be directly recognised in the income statement.

The Company shall discontinue prospectively the hedge accounting if:

- the hedging instrument expires or is sold, terminated or exercised;
- the hedge no longer meets the criteria for hedge accounting;
- the Company revokes the designation.

Where relevant and applicable, the Company applies fair value hedge accounting. The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items. The Company also performs an assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items.

Derivative financial instruments not quoted in an active market and not designated as hedging instruments are initially recognised at fair value and are subsequently re-measured at their fair value. Changes in the fair value of these derivative instruments are recognised directly in the income statement.

The Company applies fair value hedge accounting to hedge fixed rate risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed borrowings is directly recognised in the income statement. The gain or loss relating to the ineffective portion is recognised in the income statement.

The Company does not apply cash flow hedge accounting under Dutch GAAP, as it is performed at a Group level. Whilst the Company may be economically hedged, the requirements are not met for cash flow hedge accounting at a company level. The result is

that any cumulative gain/loss arising on a hedged instrument that might have been classed as a cash flow hedge at a group level is recognised in the income statement.

The Company measures and recognises derivative financial instruments at fair value (market value).



### 3. ACCOUNTING POLICIES FOR THE INCOME STATEMENT

#### 3.1. *General*

The result is the difference between interest income and expenses charged for the year. The results on transactions are recognised in the year in which they are realised.

Profit or loss is also determined taking account the recognition of unrealised changes in fair value of derivative instruments not designated as hedges. Finally profit or loss is determined by taking account of the difference between services rendered to the group and costs charged for the year.

#### 3.2. *Revenue*

Revenue from provision of services is recognised on an invoice basis.

#### 3.3. *Interest paid and received*

Interest paid and received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans made.

#### 3.4. *Gains and losses*

Gains or losses on transactions are recognised in the year in which they are realised.

#### 3.5. *Exchange differences*

Exchange differences arising upon the settlement of monetary items are recognised in the income statement in the period that they arise.

#### 3.6. *General expenses*

General expenses comprise costs chargeable to the year that are not directly attributable to the interest margin for the year. This includes office overheads, professional fees and other general expenses.

#### 3.7. *Amortisation and depreciation*

Intangible assets are amortised and tangible fixed assets depreciated over their estimated useful lives as from the inception of their use. Future amortization and depreciation is adjusted if there is a change in estimated useful life.

Gains and losses on sales of tangible fixed assets are included in depreciation.

#### 3.8. *Employee benefits*

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, where they are due to employees.

#### 3.9. *Pension contributions*

The Company operates a defined contribution pension plan on behalf of its employees. The Company pays contributions into the pension plan on a compulsory and contractual basis. Except for paying these contributions, the Company has no other obligations to pay further contributions by virtue of the pension plan. Contributions are recognised as expenses when incurred.

#### 3.10. *Tax expense*

Income tax is calculated on the profit/loss before tax in the income statement, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax-exempt items, and plus non-deductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

#### 4. FINANCIAL RISK MANAGEMENT POLICY

##### *Liquidity risk*

Liquidity risk is the risk that the Company will experience difficulty in financing its assets and / or meeting its contractual payment obligations as they fall due, or will only be able to do so at substantially above the prevailing market cost of funds. Liquidity risk arises from differences in timing between cash inflows and outflows. The Company is exposed to the risk that its liabilities require payment at a different moment in time than its assets turn into cash causing either a drain on the Company's available cash resources or creating excess liquidity. It is in the interests of LeasePlan Corporation N.V. to ensure that the Company always has access to these funds in the future. As a result of the asset reduction which commenced in 2010 and the internal shift of inter-company loan production back to the parent company, it is expected that the liquidity needs of the Company will continue to reduce going forward. This diminution in both liquidity risk and cashflow needs will allow a structured decrease of the short-term advances provided on a roll-over basis by the parent company in the previous years. Where necessary, the Company will still have access to funds through the parent or directly in the market through inter-bank lending.

##### *Interest rate and cash flow risk*

The Company uses derivatives for hedging purposes to manage interest rate positions. The positions are naturally created by lending predominantly for 2-3 years at fixed rates and borrowing short-term or at floating rates. The Company does not use derivatives for speculative trading purposes.

In relation to any potential risk arising on future cash flows, this would be managed through loans from the parent company.

##### *Currency risk*

All currency risk is measured and controlled at a Group level. The Group funds its assets with liabilities in the same currency or uses foreign currency derivatives to avoid currency risk. There are currency mismatch limits set for the realized profit margins earned in foreign currencies, which are closed regularly to stay within limits.

The Group is exposed to currency risk on the equity holdings of its subsidiaries. The Group has in general, a policy not to hedge translation risk, but has the option to do so if and where operations are denominated in highly volatile currencies or in a high inflation environment.

##### *Credit risk*

The Company is exposed to credit risk on deposits and derivative counterparties. These counterparties of the LeasePlan Group are all regulated banks with a strong credit rating, with most of whom International Swaps and Derivatives Association agreements (ISDAs) and Credit Support Annexes (CSAs) are in place. There are limits for exposures to counterparties. The Treasury Risk Manager checks compliance with risk limits daily (deposit/call usage) and monthly (derivative usage).

Additionally, to avoid the settlement risk on Foreign Currency Swaps, maximum transaction size limits and daily settlement limits are in place and monitored on a daily basis by the Treasury Risk Manager.

Any investments to external parties are subject to approval by the Managing Board of the parent company, LeasePlan Corporation N.V. Lending to LeasePlan subsidiaries is subject to individual counterparty exposure limits.

##### *Operational risk*

Operational risk management is concerned primarily with identifying weaknesses in internal procedures and external causes of wilful or accidental damage to the Company. Procedures are adopted to prevent loss-making situations or limit their potential impact. The Company actively manages operational risks using a database that collects information on operational losses incurred by the Company and also conducts regular Risk Self Assessment workshops.

*Compliance risk*

The Company is committed to complying with corporate and local policies, local laws and regulations. The Company adheres to its local Compliance Charter ensures the guiding principles are embedded within the organisation. The Company employs a dedicated Compliance Officer and for compliance matters reports to the local Finance Director ensuring no conflict of interests. On an annual and biannual basis a full compliance review is performed for adherence to corporate and local policies, local laws and regulations.



5. FIXED ASSETS

**Tangible Assets**

|                            | <u>IT Equipment</u> | <u>Furniture<br/>&amp; Fittings</u> | <u>Total</u> |
|----------------------------|---------------------|-------------------------------------|--------------|
| EUR (x1,000)               |                     |                                     |              |
| <b>At 1 January 2013</b>   |                     |                                     |              |
| Cost                       | 70                  | 416                                 | 486          |
| Accumulated depreciation   | <u>(60)</u>         | <u>(314)</u>                        | <u>(374)</u> |
| Carrying amount            | <u>10</u>           | <u>102</u>                          | <u>112</u>   |
| <b>Movements</b>           |                     |                                     |              |
| Acquired                   | 5                   | -                                   | 5            |
| Disposed                   | -                   | (49)                                | (49)         |
| Depreciated                | <u>(6)</u>          | <u>14</u>                           | <u>8</u>     |
| Balance                    | <u>(1)</u>          | <u>(35)</u>                         | <u>(36)</u>  |
| <b>At 31 December 2014</b> |                     |                                     |              |
| Cost                       | 75                  | 367                                 | 442          |
| Accumulated depreciation   | <u>(66)</u>         | <u>(300)</u>                        | <u>(366)</u> |
| Carrying amount            | <u>9</u>            | <u>67</u>                           | <u>76</u>    |

Depreciation is calculated to write off the cost, less estimated residual value of each asset, on a straight line basis over its expected useful life, at the following annual rates:

|                      |     |
|----------------------|-----|
| IT Equipment         | 33% |
| Furniture & Fittings | 10% |

**Intangible assets**

|                            | <u>Computer<br/>Software</u> | <u>Total</u> |
|----------------------------|------------------------------|--------------|
| EUR (x1,000)               |                              |              |
| <b>At 1 January 2013</b>   |                              |              |
| Cost                       | 582                          | 582          |
| Accumulated amortisation   | <u>(582)</u>                 | <u>(582)</u> |
| Carrying amount            | <u>-</u>                     | <u>-</u>     |
| <b>Movements</b>           |                              |              |
| Acquired                   | 96                           | 96           |
| Amortised                  | <u>(29)</u>                  | <u>(29)</u>  |
| Balance                    | <u>67</u>                    | <u>67</u>    |
| <b>At 31 December 2014</b> |                              |              |
| Cost                       | 678                          | 678          |
| Accumulated amortisation   | <u>(611)</u>                 | <u>(611)</u> |
| Carrying amount            | <u>67</u>                    | <u>67</u>    |



Amortisation is calculated to write off the cost, less estimated residual value of each asset, on a straight line basis over its expected useful life, at the following annual rate:

Amortisation rate 33%

#### 6. LOANS TO GROUP COMPANIES

| Maturity      | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------|--------------|--------------|
| EUR (x1,000)  |              |              |
| 0 - 1 month   | 16,000       | 26,176       |
| 1 - 3 months  | 14,500       | 44,335       |
| 3 - 12 months | 60,300       | 209,848      |
| 1 yr - 5 yrs  | 36,500       | 104,000      |
| Total         | 127,300      | 384,359      |

The fair value of the loans to group companies is as follows:

|                          | 31 Dec. 2014 | 31 Dec. 2013 |
|--------------------------|--------------|--------------|
| EUR (x1,000)             |              |              |
| Loans to Group Companies | 131,562      | 399,978      |

The average interest rates applicable to the outstanding balances can be summarised as follows:

|                          | 31 Dec. 2014 | 31 Dec. 2013 |
|--------------------------|--------------|--------------|
| Loans to Group Companies | 3.02%        | 3.75%        |

Movements in Loans to Group Companies can be broken down as follows:

|                      | 31 Dec. 2014 | 31 Dec. 2013 |
|----------------------|--------------|--------------|
| EUR (x1,000)         |              |              |
| At 1 January         | 384,359      | 986,315      |
| Issuance             | 23,300       | 68,706       |
| Maturity             | (280,588)    | (653,268)    |
| Exchange Differences | 229          | (17,394)     |
| At 31 December       | 127,300      | 384,359      |

It is determined that the credit risk in relation to these loans is considered low, arising from loan agreements in place between the company and the group company, when combined with guarantees provided by the parent company in connection with the external activities of the subsidiaries.

7. LOANS TO ASSOCIATED COMPANIES

| Maturity      | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------|--------------|--------------|
| EUR (x1,000)  |              |              |
| 0 - 1 month   | -            | 1,483        |
| 1 - 3 months  | -            | 297          |
| 3 - 12 months | -            | 5,388        |
| Total         | -            | 7,168        |

The fair value of the loans to associated companies is as follows:

|                               | 31 Dec. 2014 | 31 Dec. 2013 |
|-------------------------------|--------------|--------------|
| EUR (x1,000)                  |              |              |
| Loans to Associated Companies | -            | 7,506        |

The average interest rates applicable to the outstanding balances can be summarised as follows:

|                               | 31 Dec. 2014 | 31 Dec. 2013 |
|-------------------------------|--------------|--------------|
| Loans to Associated Companies | -            | 5.09%        |

Movements in Loans to Associated Companies can be broken down as follows:

|                      | 31 Dec. 2014 | 31 Dec. 2013 |
|----------------------|--------------|--------------|
| EUR (x1,000)         |              |              |
| At 1 January         | 7,168        | 15,907       |
| Issuance             | -            | 1,483        |
| Maturity             | (8,140)      | (9,590)      |
| Exchange Differences | 972          | (632)        |
| At 31 December       | -            | 7,168        |

8. LOANS TO FINANCIAL INSTITUTIONS

| Maturity      | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------|--------------|--------------|
| EUR (x1,000)  |              |              |
| 0 - 1 month   | 500          | -            |
| 1 - 3 months  | -            | -            |
| 3 - 12 months | -            | 8,070        |
| Total         | 500          | 8,070        |

The fair value of the loans to financial institutions is as follows:

|                                 | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------------------------|--------------|--------------|
| EUR (x1,000)                    |              |              |
| Loans to Financial Institutions | 500          | 8,063        |

The balance on loans to financial institutions in 2014 fully relates to collateral placed arising from Credit Support Annexes (CSAs) with the Company's counterparties. A CSA defines the terms under which collateral is transferred between OTC swap counterparties to mitigate the credit risk arising from movements in derivative positions. The fair value is the same as the book value of the loans to financial institutions due to the fact that the balance is made up of one CSA maturing in January 2015. In accordance with article 2.381b of the Dutch Civil Code, Management has reviewed this CSA and in the light of the relationship with the external financial institution, have assured themselves that the CSA will be repaid in full. On this basis they have not adjusted the book value.

The average interest rates applicable to the outstanding balance can be summarised as follows:

|                                 | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------------------------|--------------|--------------|
| Loans to Financial Institutions | 0.14%        | 0.22%        |

Movements in Loans to Financial Institutions can be broken down as follows:

|                     | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------------|--------------|--------------|
| EUR (x1,000)        |              |              |
| At 1 January        | 8,070        | 27,220       |
| Collateral placed   | -            | 1,700        |
| Collateral returned | (7,570)      | (20,850)     |
| At 31 December      | 500          | 8,070        |

The credit risk associated with these loans to financial institutions is considered low arising from the review that management have performed on the relationships with the financial institutions referred to above.

#### 9. LOANS TO THIRD PARTIES

| Maturity      | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------|--------------|--------------|
| EUR (x1,000)  |              |              |
| 0 - 1 month   | -            | -            |
| 1 - 3 months  | -            | -            |
| 3 - 12 months | 30           | -            |
| 1 yr - 5 yr   | -            | 30           |
| Total         | 30           | 30           |

The fair value of the loans to third parties is as follows:

|                        | 31 Dec. 2014 | 31 Dec. 2013 |
|------------------------|--------------|--------------|
| EUR (x1,000)           |              |              |
| Loans to Third Parties | 32           | 32           |

The average interest rates applicable to the outstanding balance can be summarised as follows:

|                        | 31 Dec. 2014 | 31 Dec. 2013 |
|------------------------|--------------|--------------|
| Loans to Third Parties | 4.95%        | 4.95%        |

There were no movements in Loans to Third Parties during 2014 (2013: Nil).

The credit risk associated with these loans to third parties is considered low arising from the review that management have performed on the relationships with the financial institutions.

#### 10. DERIVATIVES

Derivative transactions are undertaken to hedge interest rate and foreign currency exposures arising from the company's activities. Derivatives are not held for trading purposes and hedging is performed in the Company for group purposes, therefore hedging should not be seen in the light of the Company only.

The use of derivatives therefore reduces any interest rate and/or currency risk that the Company incurs, because of its lending and borrowing. As a result of the total amount of derivatives concluded, results in any remaining interest rate and currency risk being small.

The contracted amounts of the various derivatives are listed below. The headings for the interest rate contracts are based on the relevant maturity date of the interest rate exposure.

| Notional amounts ( <b>Assets</b> ) |                |                |               |               |              |
|------------------------------------|----------------|----------------|---------------|---------------|--------------|
| EUR (x1,000)<br>2014               | Total          | < 1 year       | 1-5 year      | > 5 year      | Fair Value   |
| Interest rate contracts            | 37,500         | 12,500         | 5,000         | 20,000        | 3,671        |
| Currency contracts                 | -              | -              | -             | -             | -            |
| <b>Total</b>                       | <b>37,500</b>  | <b>12,500</b>  | <b>5,000</b>  | <b>20,000</b> | <b>3,671</b> |
| <b>2013</b>                        |                |                |               |               |              |
| Interest rate contracts            | 197,170        | 157,670        | 19,500        | 20,000        | 6,517        |
| Currency contracts                 | 9,024          | 9,024          | -             | -             | 189          |
| <b>Total</b>                       | <b>206,194</b> | <b>166,694</b> | <b>19,500</b> | <b>20,000</b> | <b>6,706</b> |



| Notional amounts<br>(Liabilities) |         |          |          |          |            |
|-----------------------------------|---------|----------|----------|----------|------------|
| EUR (x1,000)<br>2014              | Total   | < 1 year | 1-5 year | > 5 year | Fair Value |
| Interest rate contracts           | 2,000   | 2,000    | -        | -        | 2          |
| Currency contracts                | -       | -        | -        | -        | -          |
| Total                             | 2,000   | 2,000    | -        | -        | 2          |
| 2013                              |         |          |          |          |            |
| Interest rate contracts           | 220,000 | 220,000  | -        | -        | 3,712      |
| Currency contracts                | 8,131   | 8,131    | -        | -        | 463        |
| Total                             | 228,131 | 228,131  | -        | -        | 4,175      |

The above amounts give an indication of the extent of the contracts, but do not indicate the extent of the risks. The risks inherent in derivatives are determined on the basis of the credit risk, expressed in terms of the credit equivalent. This also includes the market risk, which is expressed as the positive exposure on a marked-to-market basis. The credit equivalent amounts to approximately 3.0% (2013: 1.7%) of the total balance sheet.

The credit equivalent can be broken down as follows:

| 2014                    | Non-weighted | Weighted |
|-------------------------|--------------|----------|
| EUR (x1,000)            |              |          |
| Interest rate contracts | 3,997        | 799      |
| Currency contracts      | -            | -        |
| Total                   | 3,997        | 799      |

Comparative figures are as follows:

| 2013                    | Non-weighted | Weighted |
|-------------------------|--------------|----------|
| EUR (x1,000)            |              |          |
| Interest rate contracts | 6,915        | 1,383    |
| Currency contracts      | 268          | 54       |
| Total                   | 7,183        | 1,437    |

The fair value of the derivative financial instruments is as follows:

|                         | <b>2014</b>                     |                              |             | <b>2013</b>                     |                              |             |
|-------------------------|---------------------------------|------------------------------|-------------|---------------------------------|------------------------------|-------------|
|                         | Contract/<br>Notional<br>Amount | Fair Values – Dirty<br>Price |             | Contract/<br>Notional<br>Amount | Fair Values – Dirty<br>Price |             |
| EUR (x1,000)            |                                 | Assets                       | Liabilities |                                 | Assets                       | Liabilities |
| Interest rate contracts | 39,500                          | 3,671                        | 2           | 417,170                         | 6,517                        | 3,712       |
| Currency contracts      | -                               | -                            | -           | 17,155                          | 189                          | 463         |
| Total                   | 39,500                          | 3,671                        | 2           | 434,325                         | 6,706                        | 4,175       |

For interest rate swaps and currency interest rate swaps, the fair value is calculated using a discounted cashflow method, by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

If a listed price is not available, then the fair value is estimated by discounting the difference between the contractual forward bid price and the current forward price for the remaining maturity of the contract using a market based interest rate.

#### 11. INTEREST RECEIVABLE ON LOANS

The interest receivable on loans represents the interest accrued on loans to group companies.

There are no amounts due after more than one year. Given the short term character of these receivables, the fair value of the receivables approximates to the book value.

#### 12. TAXATION

|  | 31 Dec. 2014 | 31 Dec. 2013 |
|--|--------------|--------------|
| EUR (x1,000)                                 |              |              |
| Corporation tax charge                       | (1,481)      | (3,243)      |
| Income tax withheld                          | (9)          | (14)         |
| Total current tax charge                     | (1,490)      | (3,257)      |
| Deferred tax on MTM adjustment               | 115          | 1,168        |
| Depreciation in excess of capital allowances | (25)         | (12)         |
| Tax on result                                | (1,400)      | (2,101)      |

The Company carries on its business through the group head office in the Netherlands and also the branch in Ireland. Therefore it is subject to the prevailing nominal tax rate in both of the countries, 25% in the Netherlands (2013: 25%) and 12.5% in Ireland (2013: 12.5%).

The effective rate of tax for the year was 24.1% (2013: 24.5%). The expected rate of tax at 25% has been reduced due to the Irish tax assessed for the period being higher than the standard rate of corporation tax. The differences are analysed below:

|                           | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------------------|--------------|--------------|
| EUR (x1,000)              |              |              |
| Result before Tax         | 5,815        | 8,566        |
| Irish Current Tax @ 12.5% | (57)         | (48)         |
| Dutch Current Tax @ 25%   | (1,340)      | (2,048)      |
| Effects of:               |              |              |
| Non-deductible expenses   | (3)          | (5)          |
| Total current tax charge  | (1,400)      | (2,101)      |

### 13. DEFERRED TAXATION

Deferred taxation represents a timing difference and the movement is set out below:

| Deferred Tax Asset                                 | 31 Dec. 2014 | 31 Dec. 2013 |
|--|--------------|--------------|
| EUR (x1,000)                                       |              |              |
| Opening Balance                                    | 98           | 1,253        |
| Movement in deferred tax arising on MTM adjustment | (115)        | (1,167)      |
| Depreciation in excess of capital allowances       | 25           | 12           |
| Closing Balance                                    | 8            | 98           |

### 14. CASH AT BANKS

Cash at banks consists of current/short-term deposit accounts, specified as follows:

|                  | 31 Dec. 2014 | 31 Dec. 2013 |
|------------------|--------------|--------------|
| EUR (x1,000)     |              |              |
| Current accounts | 73           | 515          |
| Overdraft        | -            | (95)         |

Cash and cash equivalents include deposits to the amount of Nil (2013: Nil). All cash and cash equivalents are at the free disposal of the Company.

## 15. SHAREHOLDER'S EQUITY

The movements during the year can be specified as follows:

|                                | Share<br>Capital | Retained<br>earnings | Total  |
|--------------------------------|------------------|----------------------|--------|
| EUR (x1,000)                   |                  |                      |        |
| Balance as at 31 December 2013 | 45               | 15,305               | 15,350 |
| Net Result 2014                | -                | 4,415                | 4,415  |
| Balance as at 31 December 2014 | 45               | 19,720               | 19,765 |

*Authorised, Issued and paid-up ordinary capital*

The authorised share capital consists of:

|  | EUR (x1,000) |
|--|--------------|
| 500 ordinary shares of Euro 454 nominal value each | 227          |
| Of which not issued                                | (182)        |
| Issued and paid up                                 | 45           |

## 16. LOANS FROM GROUP COMPANIES

| Maturity      | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------|--------------|--------------|
| EUR (x1,000)  |              |              |
| 0 - 1 month   | 19,595       | 277,422      |
| 1 - 3 months  | -            | -            |
| 3 - 12 months | -            | -            |
| Total         | 19,595       | 277,422      |

The fair value of the loans from group companies is as follows:

|                            | 31 Dec. 2014 | 31 Dec. 2013 |
|----------------------------|--------------|--------------|
| EUR (x1,000)               |              |              |
| Loans from Group Companies | 19,599       | 277,516      |

The average interest rates applicable to the outstanding inter-company loans can be summarised as follows:

|                            | 31 Dec. 2014 | 31 Dec. 2013 |
|----------------------------|--------------|--------------|
| Loans from Group Companies | 1.27%        | 2.01%        |

The level of risk associated with these loans is considered low due to LeasePlan Corporation N.V. providing access to funds to cover any shortfall, should it arise.



17. DEBT SECURITIES

| Instrument type                              | 31 Dec. 2014 | 31 Dec. 2013 |
|--|--------------|--------------|
| EUR (x1,000)                                 |              |              |
| Bonds & Notes                                | 87,500       | 105,170      |
| Discount from issue notes                    | (25)         | (41)         |
| Cumulative loss on bonds in fair value hedge | 2,677        | 2,630        |
| Total  | 90,152       | 107,759      |

There are five bonds outstanding in LeasePlan Finance N.V. Of these bonds, three are listed on the Luxembourg Stock Exchange with the remaining two unlisted.

The fair value of the debt securities is as follows:

|                 | 31 Dec. 2014 | 31 Dec. 2013 |
|-----------------|--------------|--------------|
| EUR (x1,000)    |              |              |
| Debt Securities | 91,163       | 108,565      |

The average interest rates applicable to the outstanding balances can be summarised as follows:

|               | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------|--------------|--------------|
| Bonds & Notes | 2.13%        | 2.17%        |

| Maturity      | 31 Dec. 2014 | 31 Dec. 2013 |
|---------------|--------------|--------------|
| EUR (x1,000)  |              |              |
| 0 - 1 month   | -            | -            |
| 1 - 3 months  | -            | 17,669       |
| 3 - 12 months | 14,611       | -            |
| 1 yr - 5 yr   | 53,561       | 68,245       |
| > 5 yrs       | 21,980       | 21,845       |
| Total         | 90,152       | 107,759      |

The debt securities are split over the following main currencies:

| Notional amounts | EUR     | CZK   | Total   |
|------------------|---------|-------|---------|
| EUR (x1,000)     |         |       |         |
| 2014             | 90,152  | -     | 90,152  |
| 2013             | 100,089 | 7,670 | 107,759 |

18. INTEREST DUE ON LOANS

This amount represents the accrued interest payable on loans, due in the next financial year.

|   | 31 Dec. 2014 | 31 Dec. 2013 |
|---|--------------|--------------|
| EUR (x1,000)                            |              |              |
| Interest payable on Inter-company Loans | 3            | 48           |
| Interest payable on Debt Securities     | 1,056        | 1,311        |
|   | 1,059        | 1,359        |

All interest due on loans is due in less than one year. Given the short term character of these payables, the fair value of the payables approximates to the book value.

19. INTEREST AND SIMILAR INCOME

|   | 2014   | 2013   |
|---|--------|--------|
| EUR (x1,000)                              |        |        |
| Interest income from Group Companies      | 10,208 | 30,252 |
| Interest income from Associated Companies | 180    | 600    |
| Interest income from Banks                | 4      | 15     |
| Exchange Differences                      | (265)  | (66)   |
|   | 10,127 | 30,801 |

20. INTEREST AND SIMILAR EXPENSES

|                                     | 2014  | 2013   |
|-------------------------------------|-------|--------|
| EUR (x1,000)                        |       |        |
| Interest expense to Group Companies | 2,633 | 7,695  |
| Interest expense to Banks           | 22    | 16     |
| Bond Interest                       | 1,901 | 8,550  |
| Interest on external derivatives    | 337   | 10,506 |
| Write off commitment fees           | (40)  | -      |
| Capital Discount                    | 16    | 137    |
|                                     | 4,869 | 26,904 |

21. FAIR VALUE GAIN ON DERIVATIVES

|  | 2014  | 2013  |
|--|-------|-------|
| EUR (x1,000)   |       |       |
| Fair value (loss)/gain on derivatives and bonds in hedge | (202) | (11)  |
| Fair value gain/(loss) on derivatives not in hedge       | 661   | 4,684 |
|  | 459   | 4,673 |

## 22. GENERAL EXPENSES

These expenses consist of:

|                                  | 2014  | 2013  |
|----------------------------------|-------|-------|
| EUR (x1,000)                     |       |       |
| Staff costs                      | 125   | 154   |
| of which salaries                | 138   | 105   |
| of which social security charges | (14)  | (9)   |
| of which other staff costs       | 1     | 58    |
| Housing Expenses                 | 11    | 21    |
| Professional fees/services       | 30    | 15    |
| IT                               | 19    | 33    |
| Marketing expenses               | -     | 1     |
| Travel expenses                  | (10)  | 14    |
| Non-recoverable VAT              | 91    | 76    |
| Other office expenses            | (435) | (349) |
| Amortisation and depreciation    | 71    | 39    |
|                                  | (98)  | 4     |

Other office expenses includes an amount that the company recharges to the parent company to represent the costs of the services provided on the parent's behalf, as set out in the service agreement between the company and LeasePlan Corporation N.V.

The staff costs include employer pension contributions of €9,345 (2013: €13,200). The Company contributes to a defined contribution scheme on behalf of its employees.

Expenses incurred by LeasePlan Finance N.V. are allocated on an agreed percentage basis to LeasePlan Corporation N.V.

## 23. AUDIT FEES

The following audit fees were expensed in the income statement in the reporting period, taking into account recharged amounts to LeasePlan Corporation N.V.:

|                                   | 2014 | 2013 |
|-----------------------------------|------|------|
| EUR (x1,000)                      |      |      |
| Audit of the Financial Statements | 6    | 15   |
| Other Audit Procedures            | 12   | 5    |
|                                   | 18   | 20   |

## 24. NUMBER OF EMPLOYEES

The number of staff employed by the Company as at the end of the year was 18 (2013: 18).

The total number of employees who worked for the Company outside the Netherlands in 2014 was 18 (2013:18).

## 25. REMUNERATION OF THE MEMBERS OF THE MANAGING BOARD AND SUPERVISORY BOARD

The Supervisory Board has received no remuneration chargeable to the Company during the year (2013: Nil).

As there is only one member of the Managing Board who receives remuneration in his capacity as an employee of the Company, rather than as a member of the Managing Board, under article 2.383 sub 1 of the Dutch Civil Code, the Company has elected not to disclose a statement detailing this natural persons remuneration.



## 26. COMMITMENTS AND CONTINGENCIES

The Company and LeasePlan Corporation N.V. are jointly liable for the bank overdraft.

On 6<sup>th</sup> December 2012, the Company and LeasePlan Corporation N.V. entered into a revolving credit facility for EUR 1.25 billion with a consortium of banks. This facility is due to mature December 2015.

On the 6<sup>th</sup> December 2012, the Company and LeasePlan Corporation N.V. also entered into a revolving credit facility for EUR 1.25 billion with Volkswagen A.G. This facility is due to mature December 2015.

Neither of these facilities have been drawn on to date.

For corporate income tax purposes the Company forms part of the fiscal unity with LeasePlan Corporation N.V. As a result the Company can be held jointly liable for the tax payables by the fiscal unity.

## 27. INTEREST RELATED PARTY TRANSACTIONS

As stated in the management report on page 3, the principal activity of the company is the financing of part of the LeasePlan Group through the international debt markets. During the year the Company has provided financing to other companies within the group. The following is a list of related parties to which financing has been provided:

DCS Fleet SAS  
 Elymus Holding Espana S.L.  
 LeasePlan Österreich Fuhrparkmanagement GmbH  
 LeasePlan (Schweiz) AG  
 LeasePlan Deutschland GmbH  
 LeasePlan Servicios S.A.  
 LeasePlan Finland Oy  
 LeasePlan France S.A.  
 LeasePlan UK Limited  
 LeasePlan Hellas  
 LeasePlan Fleet Management Services Ireland Limited  
 LeasePlan Norge A/S  
 LeasePlan Sverige AB  
 LeasePlan Slovakia s.r.o.  
 LeasePlan Corporation N.V.  
 LeasePlan Infrastructure Services Ltd  
 LeasePlan Emirates Fleet Management

During the year ended December 31, 2014, transactions entered into between the Company and its parent company, LeasePlan Corporation N.V., were as follows:

|                                  | 31 Dec. 2014 | 31 Dec. 2013 |
|----------------------------------|--------------|--------------|
| EUR (x1,000)                     |              |              |
| Interest received on Loans       | 1            | 1,600        |
| Interest paid on Loans           | 2,633        | 7,695        |
| Recharge of overheads            | 4,722        | 3,908        |
| Loan Receivable Balance          | -            | 206          |
| Accrued Interest receivable      | -            | 1            |
| Inter-company account receivable | 435          | 348          |
| Loan Payable Balance             | 19,595       | 277,422      |
| Accrued Interest payable         | 3            | 48           |

As mentioned in note 26 above, the Company entered into a joint EUR 1.25 billion revolving credit facility with LeasePlan Corporation N.V., from Volkswagen A.G.

Almere, 22 April 2015

Managing Board:



W. O'Dwyer

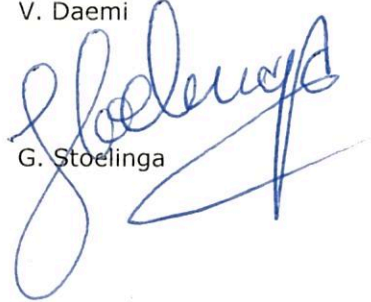


Y. Pauwssen

Supervisory Board:



V. Daemi



G. Stoelinga

**Other information****APPROPRIATION OF RESULT**

In accordance with Article 19 of the Articles of Association of the Company the result for the year is at the disposal of the Annual General Meeting of Shareholders.

The Management proposes a dividend of EUR 19 million be paid to LeasePlan Corporation. This profit appropriation is not reflected in these financial statements.

**POST BALANCE SHEET EVENTS**

No material events affecting the Company have occurred since the balance sheet date.