



## Press Release

Almere, 09 February 2010

### LeasePlan realises net profit of EUR 165 million in 2009

- Results improved substantially in 2<sup>nd</sup> half of 2009 to a net profit of EUR 165 million for the year (compared to EUR 61 million at 30 June 2009)
- Slightly smaller lease portfolio compared to year-end 2008: EUR 13.6 billion (-4%)
- Strong capital position with BIS ratio at 14.9% and Tier 1 ratio at 12.8%
- Successful unguaranteed debt capital market issue in October 2009
- Transfer of 50% shareholding to Fleet Investments completed

### LeasePlan key figures

Volumes (EUR billion)	Dec 09	Dec 08
Total assets	17.1	17.7
Lease portfolio	13.6	14.2
Number of cars (x 1000)	1,309	1,391
Number of staff (nominal)	6,071	6,249
Profitability (EUR million)/solvency		
Net profit for the period	165	202
Profit for the period from continuing operations	169	208
Return on equity	11.3%	13.7%
BIS ratio*	14.9%	13.2%
Tier 1 ratio*	12.8%	9.8%
<i>* including transitional capital floor</i>		

### Good results despite difficult economic circumstances

Whereas most economies reported negative growth and companies are downsizing, LeasePlan saw only a relatively modest decrease in the total value of its lease portfolio at EUR 13.6 billion. The number of vehicles decreased slightly, reflecting client initiatives to downscale their company car fleets.

Net profit for 2009 amounts to EUR 165 million, down from EUR 202 million in 2008. This reduction is predominantly attributable to the reduced prices for end of contract cars, following the severe downturn in that market in almost all countries in which we operate. This led to a loss on contract terminations of EUR 97 million (versus a loss of EUR 12 million in 2008). Following the sharp decline in end of contract car prices, particularly during the last quarter of 2008, on average we saw a marked recovery across the countries in 2009, leading to a recovery in results in the 2<sup>nd</sup> half of 2009.

Results were also impacted by a larger than usual impairment for receivables of EUR 56 million (43bp of average risk weighted assets) compared to EUR 10 million in 2008 (8bp of average risk weighted assets). Overall the exposure to credit risk remains modest, as witnessed by an average impairment for receivables of 20bp of average risk weighted assets over the past 4 years. This reflects LeasePlan's broad and high-quality client base.

Despite the turmoil in the financial markets, interest margins and other leasing revenues remained stable. This provided strong support to our financial performance in 2009, as did strict cost management leading to a reduction in overheads of EUR 15 million. Net profit in 2009 was also positively affected by an incidental net profit contribution in our Treasury operations of EUR 47 million, which reflects a positive result on the (partial) repurchase of a subordinated loan. This one-off benefit occurred in the 1<sup>st</sup> half of 2009 and therefore emphasises the strength of the recovery of the core business in the 2<sup>nd</sup> half of 2009.

“I am very pleased with our positive performance in 2009 and particularly with the improvement in the 2<sup>nd</sup> half of 2009. Although the global economic crisis persisted during a large part of the year, we were able to maintain our market leading business franchise and achieve positive results,” LeasePlan CEO Vahid Daemi said. “Our employees showed a tremendous commitment to support our clients in these turbulent times. Unfortunately, we could not prevent partly passing on increased costs for depreciation and financing to our clients. We managed to almost maintain the value of our lease portfolio in a contracting market, reconfirming and reinforcing our global leadership position. Our results have been negatively affected by the unprecedented losses in the sale of end of contract cars. Yet more than ever, we benefited from the investments made in our high quality risk management processes and our global presence, which enabled us to better control the risks related to reduced residual values. In view of these circumstances, our positive results for 2009 mark a good performance and confirm the resilience and structural strength of our company.”

## **Funding activities of LeasePlan**

LeasePlan adheres to a matched funding principle in order to minimise (re)financing risk, meaning that the average maturity of the debt will largely match the average maturity of our lease contracts. Consequently, new funding is required on a regular basis in order to provide our clients with new vehicles at the end of the contract term.

During 2009, LeasePlan and other financial institutions were still affected by malfunctioning capital markets. We therefore took the opportunity to issue debt under the Dutch State Guarantee Scheme in late 2008 and during the 1<sup>st</sup> half of 2009. In October 2009, LeasePlan once again returned to independent funding through a successful unguaranteed debt issue into the capital markets. The issue was heavily oversubscribed and placed with a broad range of European investors.

LeasePlan continues to pursue a further diversification of its funding. In addition to the current sources of funding, such as a broad mix of public bonds, private placements and securitisation, LeasePlan today introduced a savings bank to the Dutch market under the name LeasePlan Bank. This will further enhance our funding profile.

LeasePlan's long-term unsecured debt is rated by Standard & Poor's (BBB+), Moody's (A3) and Fitch (A-).

## **Change in shareholding LeasePlan**

On 1 February 2010 the transaction regarding the (previously announced) change in 50% shareholding in LeasePlan has been completed. The transaction involves Fleet Investments B.V., an investment company of German banker Friedrich von Metzler, taking a 50% stake in LeasePlan. This transaction follows the decision at the end of 2008 of both Mubadala Development Company and the Olayan Group to divest their respective 25% stakes in LeasePlan. Volkswagen will continue to maintain a 50% shareholding in LeasePlan.

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**Not for publication:**

The full Annual Report 2009 will be available on [www.leaseplan.com](http://www.leaseplan.com) on Thursday 25 March 2010

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### **About LeasePlan**

LeasePlan is a Dutch financial services company focused on fleet management. Established more than 45 years ago, the company has grown to become the world's leading provider of fleet management services and is now active in 30 countries. LeasePlan employs more than 6,000 people and is owned by the Volkswagen Bank GmbH (50%) and Fleet Investments B.V. (50%), an investment company owned by German banker Friedrich von Metzler.

More details on LeasePlan can be found on [www.leaseplan.com](http://www.leaseplan.com)