

# Debt investor presentation

June 2024

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The financial information presented for the three-month period ending 31 March 2024 was reviewed by the Board of Directors on 2 May 2024 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date.

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## **Felix Orsini**    **Head of ALM and Treasury**

Felix Orsini joined Ayvens in November 2023 as Head of ALM and Treasury. Previously he was at Societe Generale Corporate and Investment Banking (SG CIB) which he joined in 2008, as Head of Debt Capital Markets (DCM) origination for France, Belgium, and Luxembourg, before being promoted in 2010 to Global Co-head of DCM for Corporate issuers. In June 2016, he was appointed Global Head of DCM for SSA (Sovereigns, Supra-nationals, and Agencies) in addition to his previous responsibilities. In June 2019, he was promoted Global Head of DCM

Felix started his career in Debt Capital markets at BNP Paribas in Paris in 1994. Two years later, he joined ABN AMRO to set up and head the DCM origination team of the bank in France. He graduated from ESSEC Business School in France in 1990.



## **Beatrice Lan-Shun**    **Head of Investor relations**

Béatrice Lan-Shun joined Ayvens in January 2022 as Head of Investor relations and Financial communication, based in Paris. Previously she was Director of Liquidity risk management for Asia Pacific at Societe Generale, based in Hong Kong since 2018. Prior to that, she held several senior positions in the Treasury, Risk and Finance departments of Societe Generale in Paris.

Béatrice started her career as Equity research analyst in HSBC in 1999 and joined the Equity research team of Societe Generale in 2000. She graduated from Paris Dauphine and Paris Nanterre universities in 1998



# Content

- 1 Leader in a very attractive industry
- 2 Funding strategy and ESG profile
- 3 Sound risk management
- 4 Q1 2024 results
- 5 Appendix



1

Leader in a very  
attractive  
industry

# We make mobility easy for our clients

Full-service leasing

Fleet management

**We finance  
vehicles**



**We provide a wide  
range of  
services<sup>(1)</sup>**



**We sell the  
vehicles or lease  
them again**



# The industry benefits from very attractive dynamics

## 1 A highly profitable business

**Structurally high returns**

**Operational efficiency enhanced by industrialized processes and scale**

## 2 High barriers to entry

**Access to long-term funding at competitive cost**

**Scale really matters:**

- Improved procurement conditions
- Large infrastructure investments
- Geographical coverage

## 3 Strength and resilience

**Client stickiness**

**Visibility over margins (average contract duration of 4 years)**

**Structurally low credit risk**

**Asset-backed business supporting profitability through the cycle**



# Strong structural mobility sector growth



## Electrification

EV & eLCV  
**Around 70% of new vehicles by 2030<sup>(1)</sup>**

New EV / Battery  
**technology & business models**



## Behavioral changes

**Shift from ownership to usership**

**Flexible leasing solutions**

**Used car / Multi-cycle lease**



## New opportunities from digital

**Increasing digitalization for a seamless digital experience**

**Data-driven value creation** (adaptive billing, AI, in-car experience)



## Emerging ecosystem

**Fragmentation and expansion of value chains**

**New partnership opportunities**



## Evolving competition

Continuing **OEMs consolidation** and implementation of **agency model**

**New entrants** (EV, non-European, new mobility and tech players)

**Partnership opportunities**



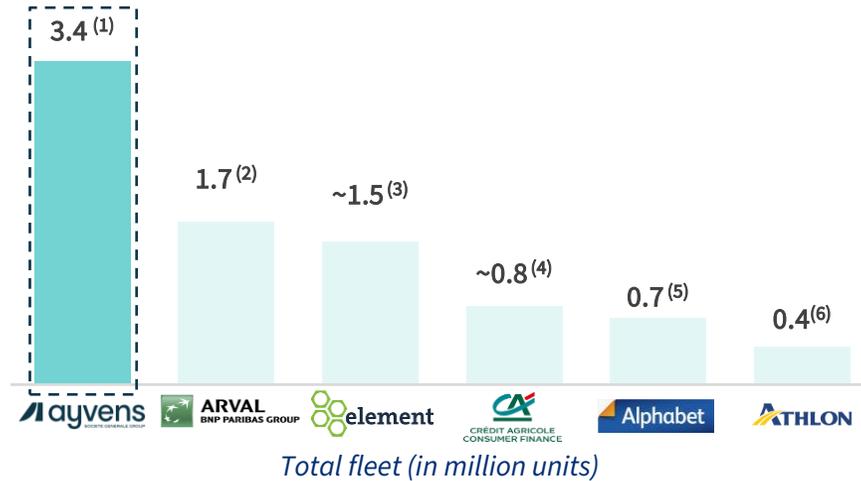
# Leveraging on the power of leadership to shape the future of mobility



# Undisputed leadership in an industry where size matters

## Leadership

#1 multi-brand player



#1 in 29 countries including the top European markets

## Scale



Earning assets<sup>(1)</sup>  
EUR 52.7 billion



Scalability leading to best-in-class operating efficiency

Unrivalled purchasing power



800,000 vehicles

purchased per annum



4 million tyres



# #1 global multi-brand, multi-channel player offering the broadest range of products across all segments

## Best-in-class product range

One-stop shop with high potential for cross and up-selling

FLEX  
Multi-cycle  
LCV

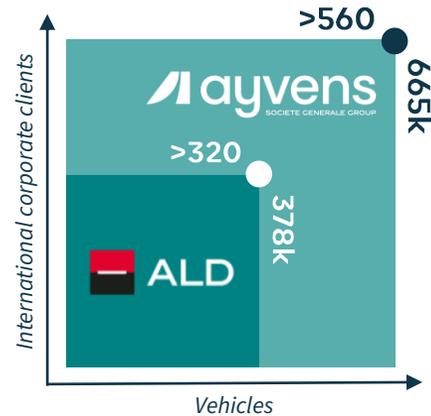


Ability to anticipate market needs  
Subscription / Multimodality



## Broadest client reach

Undisputed leadership in B2B and blue chips



Leading innovative capabilities in B2C

## Unrivalled geographical footprint

42 countries

Coverage is key for multinationals and large corporates customers



c. 50 customers served in more than 20 countries

## Enhanced distribution capabilities

Undisputed leadership on partnerships

> 430 partners

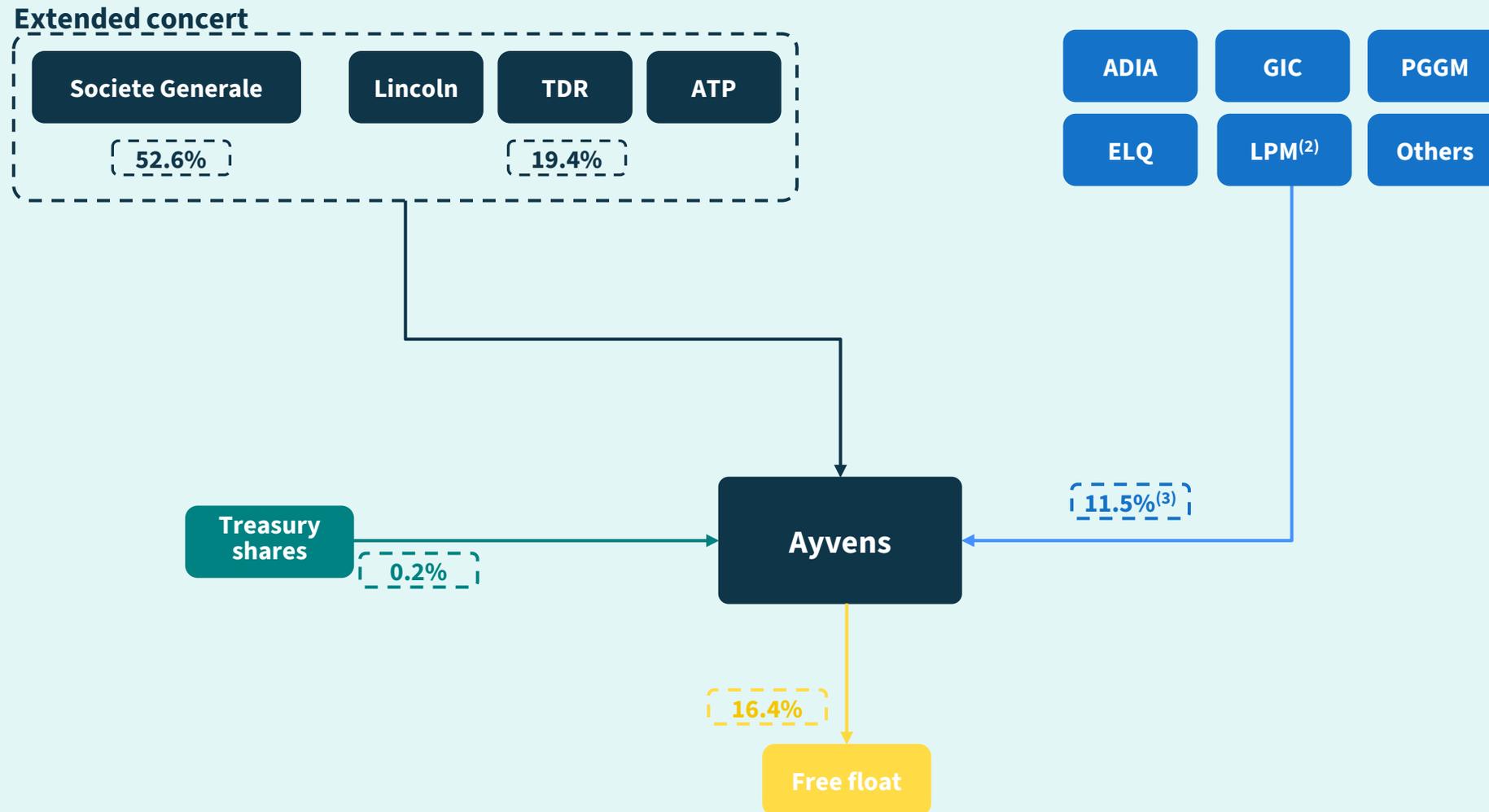
OEMs



Others



# Shareholder structure<sup>(1)</sup> as at 31 December 2023



# Ayvens is a key business of Societe Generale

## Compelling strategic rationale



## Close integration within the SG Group

✓ SG, first lender to Ayvens<sup>(1)</sup>

EUR 13.7bn senior debt | EUR 1,500m Tier 2 | EUR 750m Additional Tier 1

✓ Overall liquidity management at SG level

✓ Inclusion in SG's resolution perimeter

- SG as single point of entry

✓ Governing and management bodies of Ayvens

- Majority of board members
- First CEO, deputy CEO, CFO and CRO appointed by SG
- Exco composition determined by SG

✓ Integration within SG Group

- Thorough integration of risk, compliance and internal control: compliance with SG policies, functional reporting to SG
- Provision by SG of intra-group corporate services



# Main strategic and financial objectives for 2026

## Clients

Focus on profitable growth

**Earning assets <sup>(1)</sup>**

**+6%**  
CAGR 2023-2026

Promote multimodality

**Active users of  
MaaS platform**

**200k in 2026**  
launched in 2022

## Operational efficiency

Successfully integrate LeasePlan

**Annual synergies**

**EUR 440m**  
by 2026

Leverage on leadership  
and scale to achieve  
best-in-class efficiency

**Cost / Income ratio  
(excl. UCS results)**

**c. 52% in 2026**  
vs. 56% in 2022<sup>(2)</sup>

## Responsibility

Lead the way to  
sustainable mobility

**Share of EV in new car  
deliveries**

**50% in 2026**  
vs. 28% in 2022

Step up decarbonization

**Running fleet CO<sub>2</sub>  
emissions <90g/km <sup>(3)</sup>**

vs. 112g in 2022

**Internal CO<sub>2</sub> emissions <sup>(4)</sup>**  
-35% vs. 2019

Maintain employee  
engagement at high level

**Employee engagement**

**75% in 2026**  
vs. 74% in 2022

## Profitability

Achieve superior  
financial return

**ROTE <sup>(5)</sup>**

**13%-15% in 2026**

Maintain robust capital position

**CET 1 ratio**  
c. 12%

Offer attractive  
shareholder return

**Dividend payout**  
50%

1. Net carrying amount of the rental fleet plus receivables on finance leases

2. Cost / Income ratio of the combined entity in 2022, based on public disclosure, excluding UCS results, reduction in depreciation costs and non-recurring items

3. WLTP (Worldwide harmonized Light vehicles Test Procedure)

4. Scope 1, Scope 2 and Scope 3 limited to business travel, paper and waste

5. Return on Tangible Equity

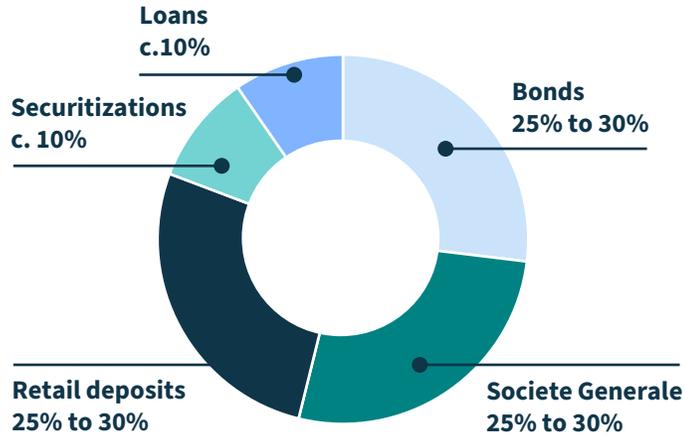


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# Funding strategy and ESC profile

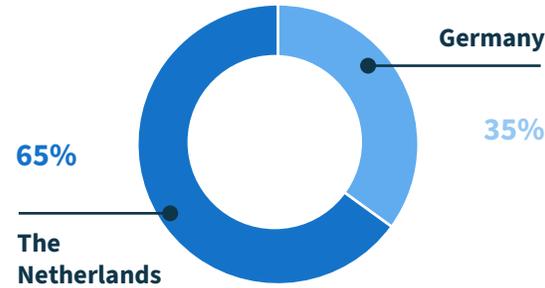
# Development supported by strong funding diversification

## Target funding structure



## Strong retail deposits base

**EUR 12.8bn**  
As at 31 March 2024



## Strong issuer profile

Best long-term credit ratings<sup>(1)</sup>



Established issuer on market, including of green bonds

## Accelerating funding diversification

### Currency diversification

- Debut CHF issue in March 2024
- Exploring opportunities in other markets

### Investor diversification

- Intensifying investor marketing
- Debut 7-year transaction in January 2024

## Annual funding target issuance

**Bonds** *Including green bonds*

**EUR 4-5bn**

**Securitization**

**EUR 1-1.5bn**

**Retail deposits**

**+ EUR 1bn p.a.**



# Best debt credit ratings<sup>(1)</sup> and strong investor appetite

## Long-term senior unsecured debt ratings

**MOODY'S** **A1**  
Negative outlook

**S&P Global**  
Ratings

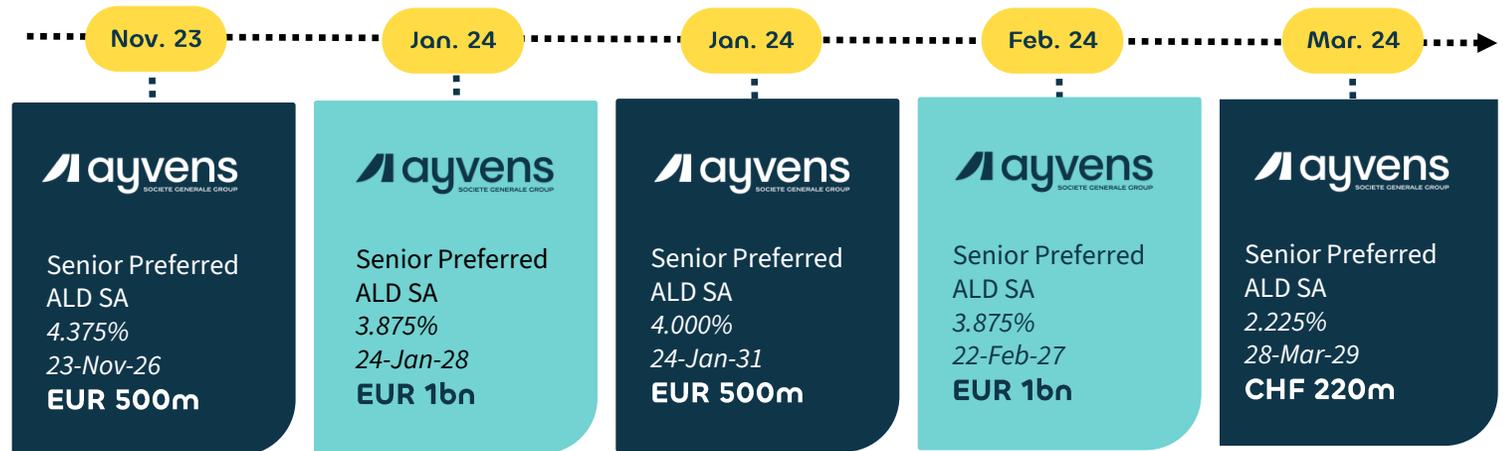
**A-**  
Stable outlook

**Fitch**  
Ratings

**A-**  
Stable outlook

## 2024 long-term funding programme well advanced

- **EUR 4bn-5bn** funding programme planned for 2024
- **Prudent** pre-funding and front-loading (65% of 2024 annual programme already funded)
- **Flexibility** in seizing market windows
- **Diversification** of investor base and currencies
- **Balanced** maturity schedule



Redemption of LeasePlan's EUR 500 million Undated Deeply Subordinated Additional Tier 1 on 29 May 2024



# A strong banking group

A diversified group of 50+ financial institutions is supporting the group globally (including EIB and IFC)

## Revolving Credit Facility (RCF) renewed in February 2024

	New facility	Previous facility
❖ Facility type:	Undrawn liquidity facility	Undrawn liquidity facility
❖ Borrowers:	LeasePlan Corp and Ayvens SA	LeasePlan Corp
❖ Total amount:	EUR 1,750 million	EUR 1,375 million
❖ Maturity:	3 years	3 years
❖ Number of banks:	14	11

## Term Loan Facility (TLF) with 2 ext. options, renewed in September 2023

	New facility	Previous facility
❖ Facility type:	Drawn facility	Drawn facility
❖ Borrowers:	LeasePlan Corp and Ayvens SA	LeasePlan Corp
❖ Total amount:	EUR 1,750 million	EUR 1,750 million
❖ Maturity:	3.7 years (incl. final extension option)	3 years
❖ Number of banks:	5	5



# Strong recognition of ESG commitments

AGENCIES

HIGH

SCORE

LOW

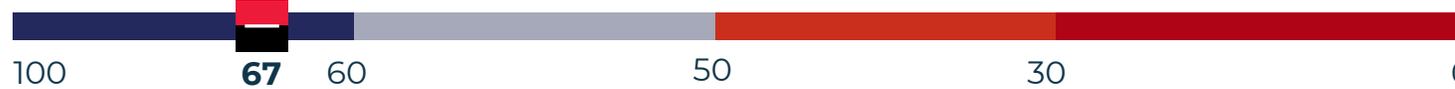
POSITION VERSUS PEERS



BETTER THAN EUROPEAN AVERAGE + RENTAL & LEASING SECTOR



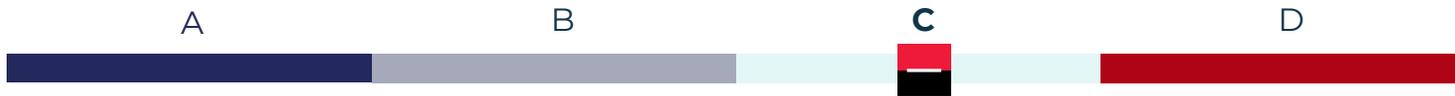
ALD: **GOLD** MEDAL  
LEASEPLAN: **SILVER** MEDAL



**ADVANCED**  
TOP 1% GLOBAL UNIVERSE



**TOP 30%**



RATED **"PRIME"** ON SUSTAINABILITY PERFORMANCE  
**TOP 20%** IN THE SECTOR

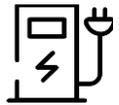


**LOW RISK**  
**TOP 1% (ALD) & 3% (LP) IN TRANSPORTATION**



# ESG drives everything we do

Our sustainability pillars are fully embedded in our strategy



Shape the future of sustainable mobility, with a full suite of client solutions

- Electric Vehicles (new & used)
- MaaS<sup>(1)</sup> & multimodality
- Multi-cycle
- Consultancy services



Act across our value chain to benefit the environment and the community

- Reduction in internal footprint
- Responsible sourcing
- Circularity in vehicle operations
- Societal commitment



Behave responsibly, internally and with external stakeholders

- ESG and risk management
- Internal ethics and conduct
- Customer satisfaction
- ESG trainings and objectives



Be a supportive and responsible employer

- Employee experience
- Corporate culture
- Diversity, Equity and Inclusion (DE&I)
- People development



3

# Sound risk management

# Limited credit risk over the cycle

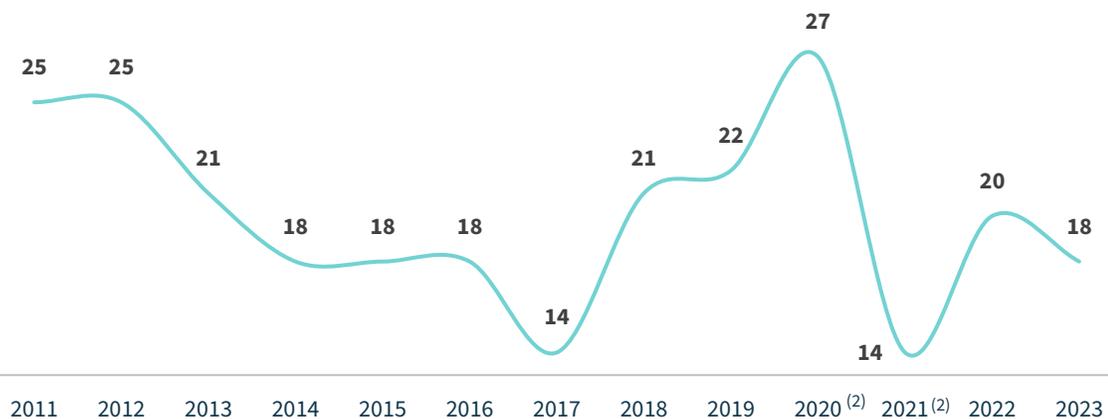
## Strong underwriting process

- **Alignment with SG risk policies:** credit authorities set by country, client segment, industry and rating
- **Local credit analysis** supplemented by **SG's expertise** for shared clients and large exposures
- Credit lines usually **small and drawn progressively**, collateral security depending on the counterparty

## Sound client portfolio

- **83% of fleet in Western Europe and Nordics**
- **Low concentration:** top 10 clients accounting for 5 % of fleet
- **Highly-rated clients:** large international key accounts (blue chips) representing 25% of fleet

## Evolution of cost of risk as a % of Average Earning Assets (bps)<sup>(1)</sup>



## Secure business model

- **Contractual protection:** Ayvens retains vehicle ownership easing repossession whenever needed
- **Crucial assets:** cars are essential for our clients' activity and are one of the last services they stop paying in case of difficulty
- **Liquid collateral:** scope of financed assets limited to light passenger and commercial vehicles, whose second-hand markets are very active



# A strong framework to monitor residual value risk throughout the asset's life cycle

## 1 Contract origination

- Residual value set at the entry of the asset onto the balance sheet, proposed by local teams and approved by the central control function
- Calculation considers a range of factors including **market context, model life cycle, specification, anticipated used car market demand** at contract end
- Leveraging more than **30 years** of in-house **data** and **expertise**

## 3 Industrialized operational mitigants

- Powerful global **multi-channel remarketing platform** allowing to balance different market dynamics and maximize resale value at contract end

<b>600,000</b> vehicles sold p.a.	<b>24,000</b> active traders	<b>36</b> countries
--------------------------------------	---------------------------------	------------------------

- **Growing multi-cycle lease** capability to further mitigate residual value risk
- Proactive **contract modifications** capability during the life of the contract

## 4 Electric vehicles

- Formation of a **cross enterprise global working group** to ensure a coordinated approach to market and sharing of market knowledge and dynamics:
- **Detailed analysis** on a **more frequent** basis of residual value positioning given lack of historical data

## 2 Contract life management

- Fleet revaluation process twice per year at vehicle level during contract to ensure forward looking book values are still valid
- When a **net loss** is anticipated, **negative impact** booked in leasing contract margin
- **Anticipated profits** are **not booked** unless required by accounting standards as experienced in **exceptional circumstances in 2022 and 2023**



- Close monitoring of **used car market dynamics on early life EV** to build knowledge on **elements influencing sale prices**
- Close collaboration **with global EV partners** to build knowledge



# Used car market trends

## Market trends

### BEV<sup>(1)</sup>

- Lower carbon emissions
- Competitive Total Cost of Ownership (TCO) in most advanced countries<sup>(4)</sup>

#### Expectations

**New BEV deliveries picking up and becoming more affordable, impacting used car prices**

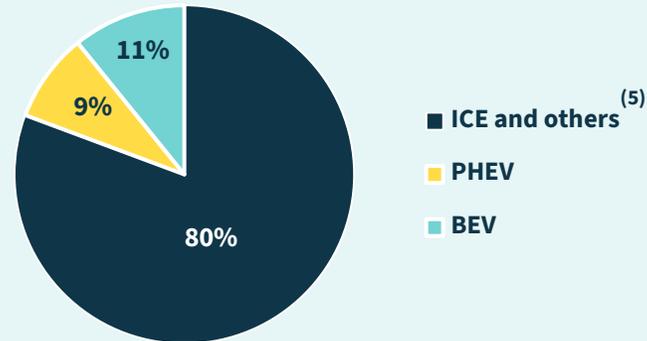
### PHEV<sup>(2)</sup>

- Demand underpinned by the used car deficit and drivers' interest in flexibility, until stricter regulations come into force and access to charging infrastructure and technology improve

#### Expectations

**Gradual normalization of used car prices**

Funded fleet: 2.7m vehicles  
as at 31 December 2023



### ICE<sup>(3)</sup>

- Favourable used car market, supported by significant shortfall of new car deliveries in Europe since 2020

#### Expectations

**Gradual normalization of used car prices**

## Ayvens' positioning

- Strong commercial franchise on corporates and SMEs
- Corporate clients committed to reach their ESG targets
- More demanding environmental regulations in Europe
- Average lease duration of c. 4 years

## Asset risk management

- Current BEV UCS losses in line with fleet valuation assumptions
- Proactive management in a changing environment
- Prudent historical residual values on ICE allowing to offset future potential deterioration on EV used car prices



# Solid ALM risk management

## Strong governance

- Daily management by entities and central Treasury
- Quarterly Group Asset and Liability Management and risk committees
- Oversight by Societe Generale

## Systematic hedging of liquidity, IR and FX risks

- Liquidity, interest rate and currency profile of funding matched with the lease contract portfolio profile as much as possible
- Where matching is not possible, derivatives are used to hedge IR and FX risks
- Modest limits on residual exposure

## Liquidity regulatory requirements

- LeasePlan Corporation N.V. subject to LCR and NSFR

## Ample immediately available liquidity

- Cash balance at Central bank: EUR 4.3bn <sup>(1)</sup>
- Undrawn committed RCF: EUR 1.75bn



# ④ Q1 2024 results

# Progress on LeasePlan integration

## Streamlining the Group's organization



**Declaration of No-Objection<sup>(1)</sup> obtained,** allowing to start the merger of legal entities



**Implementation of Target Operating Model** and start of IT integration



**Office relocation** already effective in **5 countries**

## Rolling out the most powerful remarketing platform



### Ayvens Carmarket

> **93,000 vehicles** sold through the platform in Q1 2024<sup>(2)</sup>

> **+31% bids/vehicle** in Q1 2024 vs. 2023<sup>(3)</sup>

> **23,000 vehicles** exported in Q1 2024

## Buying more efficiently



**EUR 20m P&L synergies<sup>(4)</sup>** achieved in Q1 2024



On track to achieve **EUR 120m P&L synergies** in FY 2024

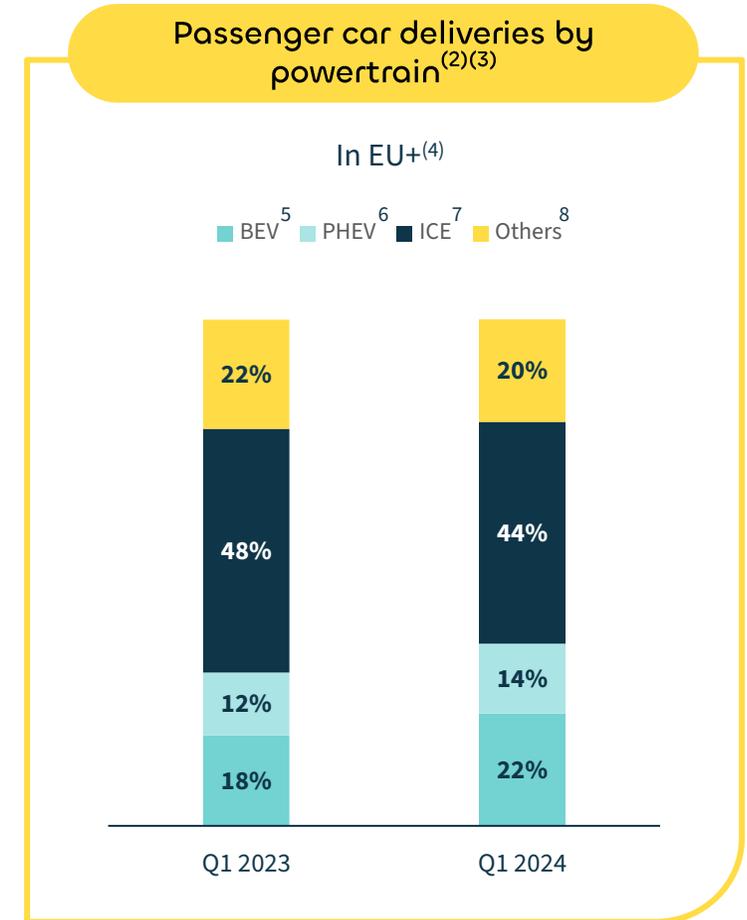
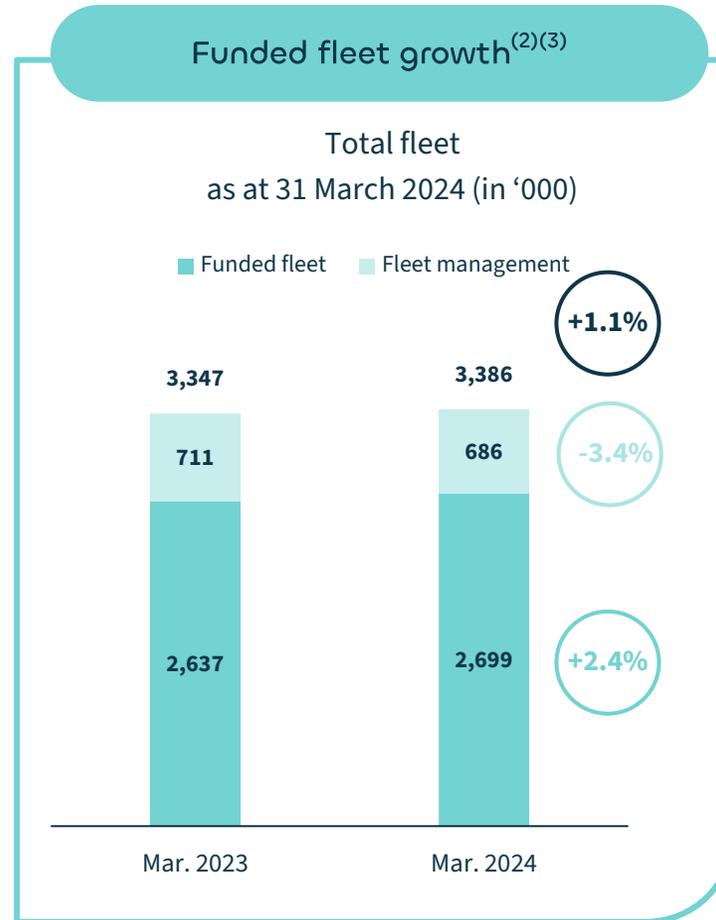
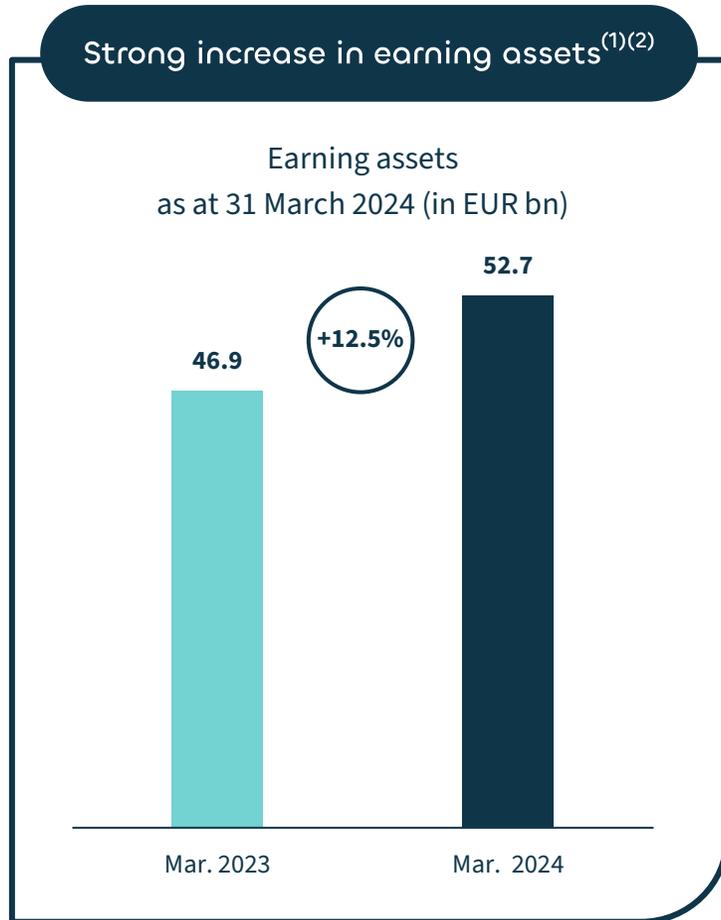


**Frame agreement** with Stellantis to buy up to **500,000 vehicles**

1. Declaration of No-Objection (DNO) obtained from both the European Central Bank and the Dutch National Bank in March 2024  
2. Ayvens sold total 152,000 vehicles in Q1 2024. The balance was sold through B2B partners, drivers and retail channels  
3. Monthly average  
4. Management information



# Asset growth driven by sharp increase in vehicle value



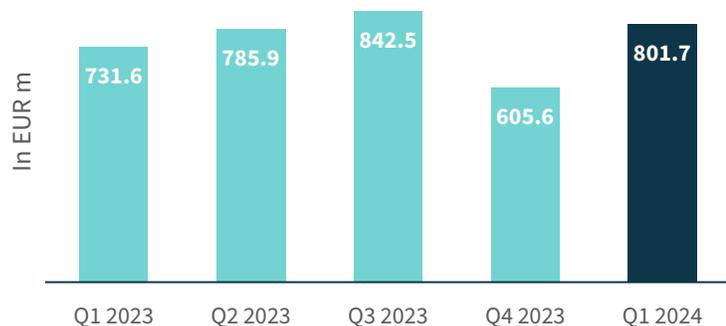
1. Net carrying amount of the rental fleet plus net receivables on finance leases  
 2. On a like-for-like basis (perimeter as at 31 March 2024)  
 3. Management information  
 4. EU+: European Union, UK, Norway, Switzerland

5. Battery Electric Vehicles  
 6. Plug-in Hybrids  
 7. Internal Combustion Engine: Petrol and Diesel  
 8. Others: Fuel cell, Gas, Flex Fuel, Full Hybrids, Mild Hybrids and others

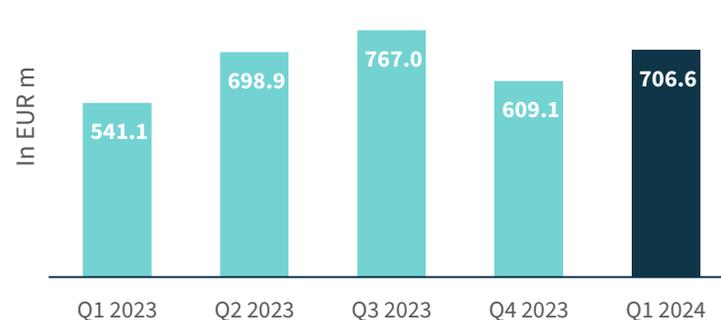


# Q1 2024 financial results<sup>(1)</sup>

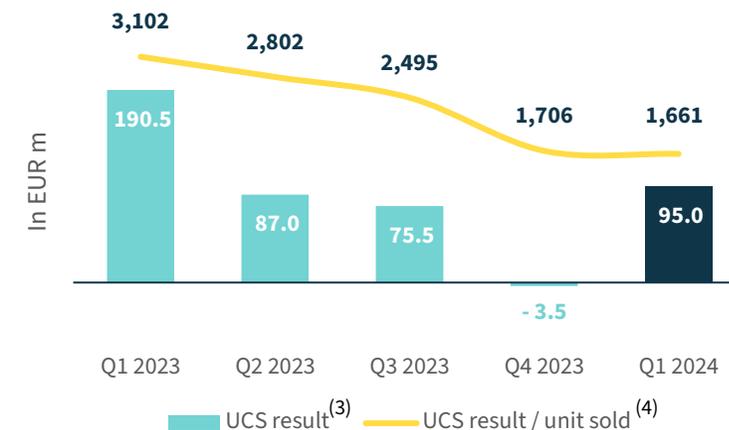
## Gross operating income<sup>(2)</sup>



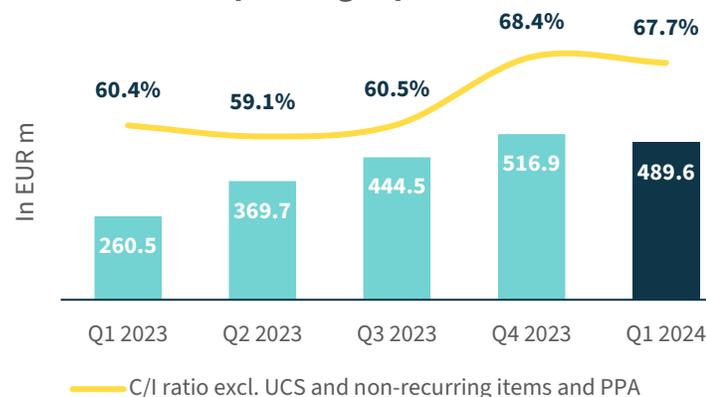
## Leasing contract and Services margins



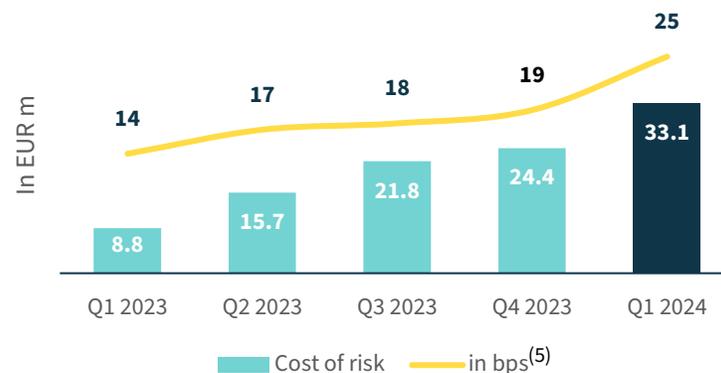
## Used Car Sales result



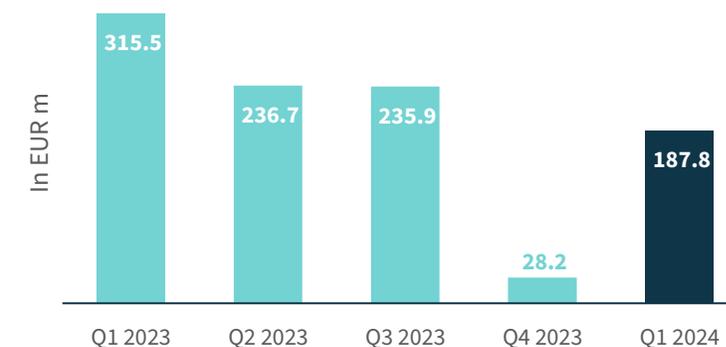
## Operating expenses



## Cost of risk



## Net income (Group share)



1. LeasePlan consolidated from 22 May 2023. Impact of LeasePlan's Purchase Price Allocation attributed to each quarter since acquisition closing (instead of the 2023 impact being allocated to Q4 2023 only)

2. Leasing contract margin, Services margin and Used Car Sales result

3. Used car sales result including the impacts of reduction in depreciation costs in previous quarters and LeasePlan's Purchase Price Allocation

4. Management information, excluding impact of reduction in depreciation costs and LeasePlan's Purchase Price Allocation

5. Annualized cost of risk, as a percentage of arithmetic average earning assets



# Stabilization of margins

## Leasing contract and Services margins<sup>(1)</sup> in EUR m

541.1

698.9

767.0

609.1

706.6

## Underlying margins excl. UCS in bps<sup>(2)</sup>

554

558

552

515

522



■ Underlying leasing contract and services margins

■ Non-recurring items and PPA

Underlying margins  
**+3.7%** vs Q4 2023

Impact of ongoing  
measures to defend  
margins

Procurement and  
revenue synergies  
**EUR 20m<sup>(3)</sup>**

Fleet revaluation and  
reduction in depreciation  
costs  
Limited impact in a  
normalizing used car market

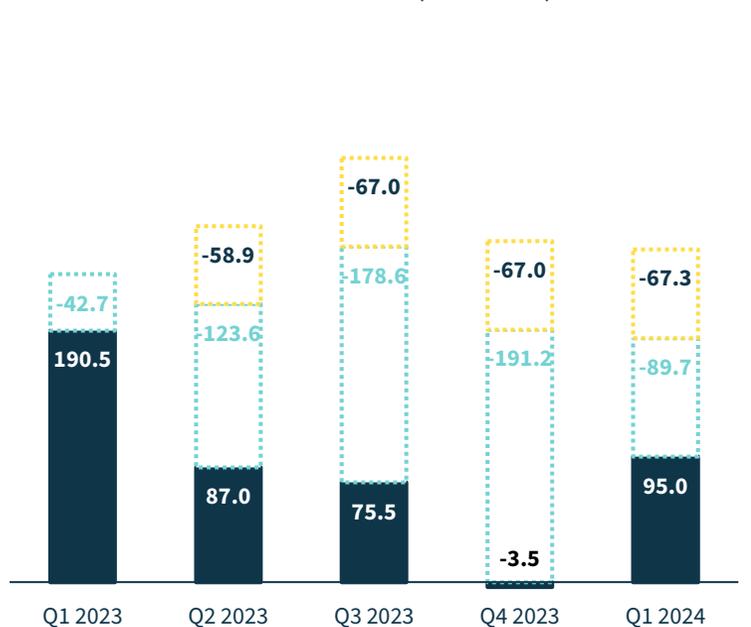
Non-recurring items in EUR million	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Fleet revaluation and reduction in depreciation costs	174.4	158.0	113.7	107.1	17.6
MtM of derivatives	0.0	33.1	-81.8	-137.4	9.5
Hyperinflation in Turkey	18.5	1.3	45.9	-26.5	-1.7
Reversal on entities transferred to discontinued operations <sup>(4)</sup>	-	-	-23.9	-	-
Impact of PPA	0.0	-15.5	26.0	7.3	-1.9
<b>Total non-recurring items and PPA<sup>(1)</sup></b>	<b>192.9</b>	<b>177.0</b>	<b>79.9</b>	<b>-49.5</b>	<b>23.5</b>

1. LeasePlan consolidated from 22 May 2023. Impact of LeasePlan's Purchase Price Allocation (PPA) attributed to each quarter since acquisition closing (instead of the 2023 impact being allocated to Q4 2023 only)  
 2. Leasing contract and Services margins excluding non-recurring items and LeasePlan's Purchase Price Allocation (PPA), annualized and expressed as a percentage of average earning assets  
 3. Management information  
 4. Transfer of ALD's entities in Portugal, Ireland and Norway to discontinued operations

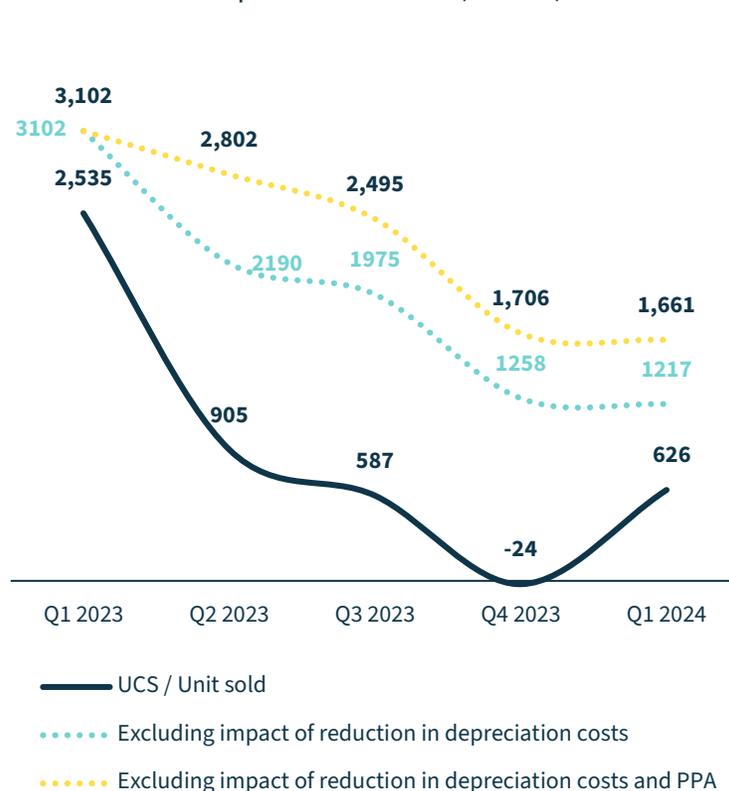


# Used car sales results still at a high level

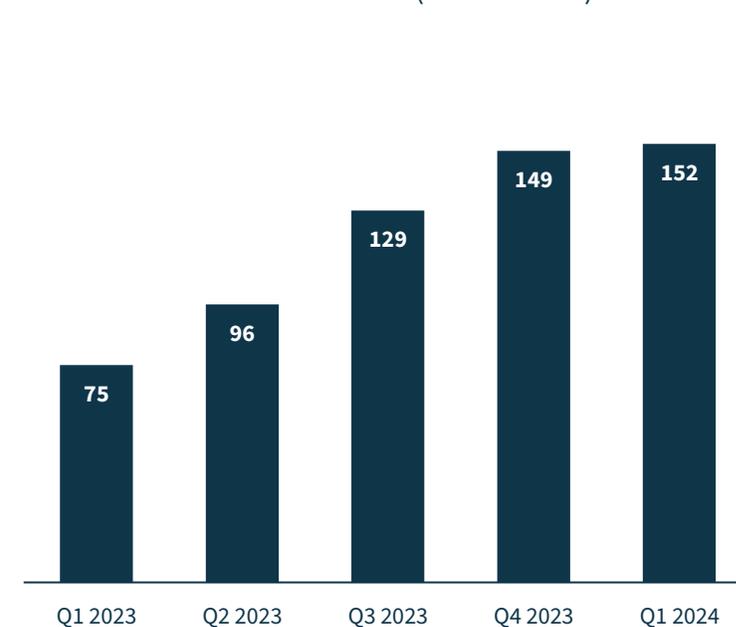
Used car sales result<sup>(1)</sup> (in EUR m)



UCS result per unit sold<sup>(1)(2)</sup> (in EUR)



Used cars sold<sup>(1)(2)</sup> (in '000 units)



# Operating expenses

## Total operating expenses<sup>(1)</sup> in EUR m



In EUR million	Q1 2023	Q2 2023	Q3 2023	Q4 2023	Q1 2024
Cost to achieve (CTA) <sup>(3)</sup>	38.0	47.0	40.0	45.0	25.7
Consultancy costs and transaction/rebranding costs	12.0	14.0	4.3	21.4	1.7
Reversal on entities transferred to discontinued operations <sup>(4)</sup>			-15.4		
<b>Total non-recurring items</b>	<b>50.0</b>	<b>61.0</b>	<b>28.9</b>	<b>66.4</b>	<b>27.4</b>

1. LeasePlan consolidated from 22 May 2023. Impact of LeasePlan's Purchase Price Allocation (PPA) attributed to each quarter since acquisition closing (instead of the 2023 impact being allocated to Q4 2023 only)

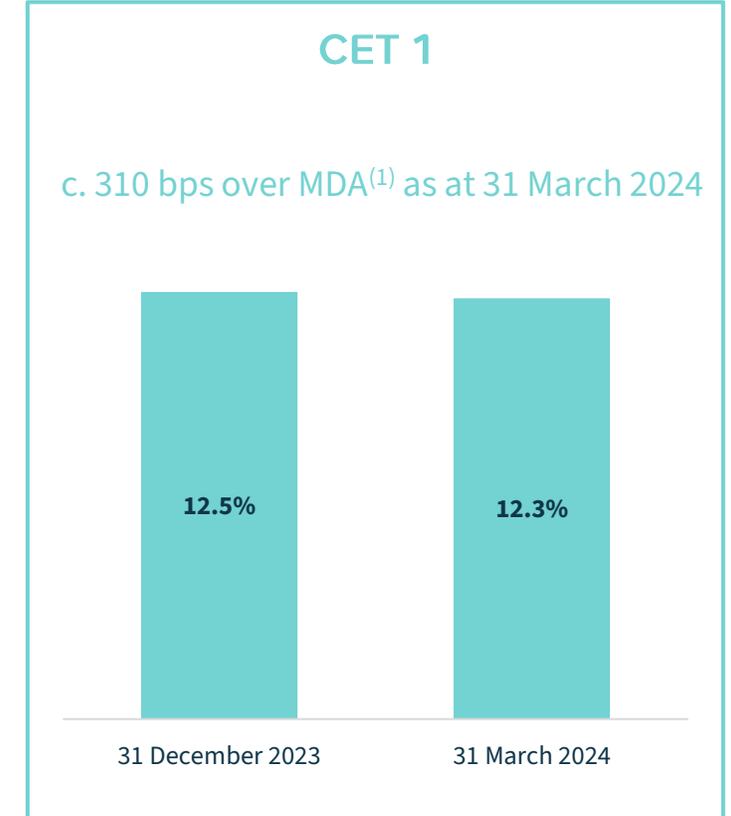
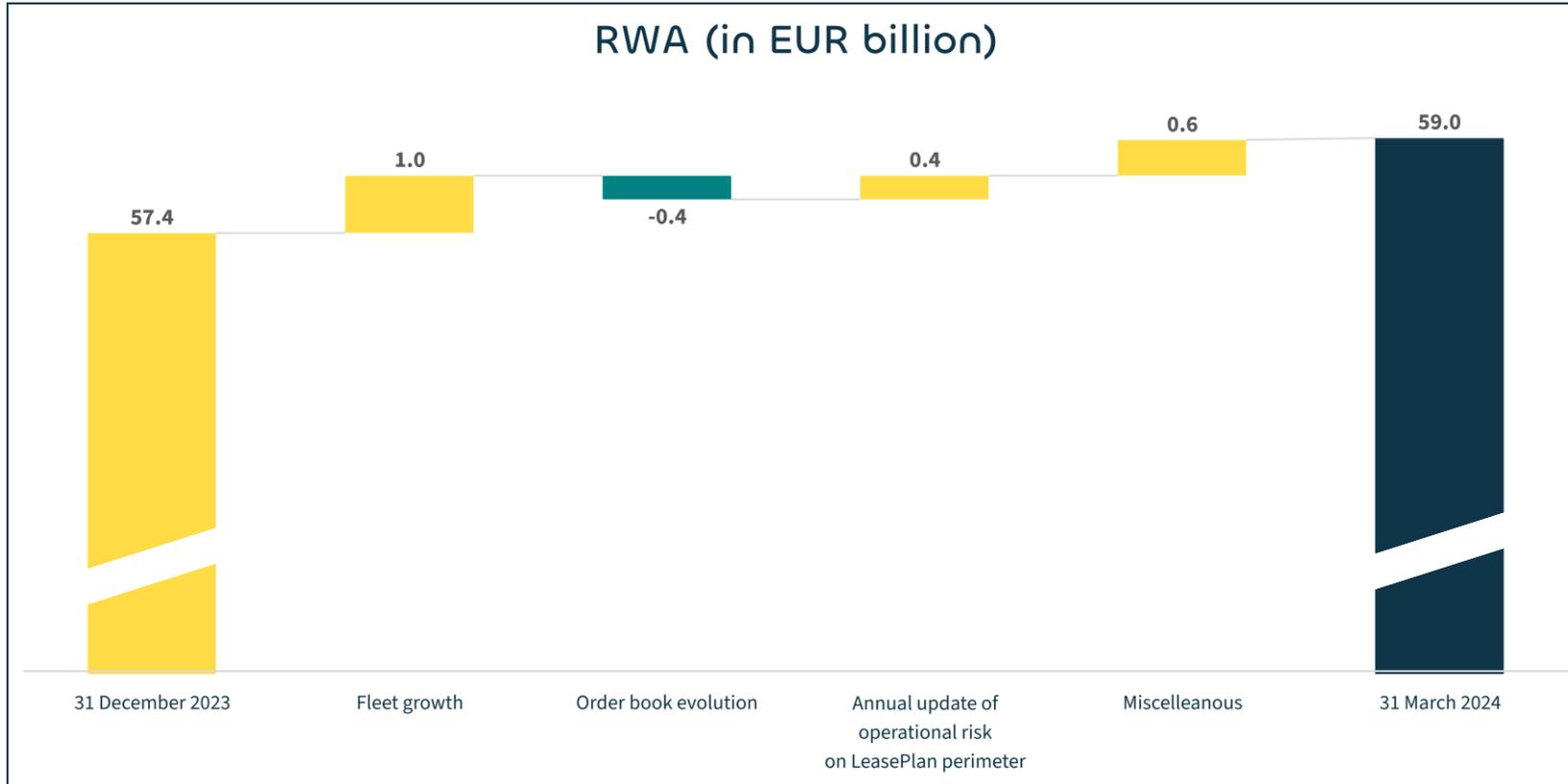
2. Excluding non-recurring items

3. Management information

4. Transfer of ALD's entities in Portugal, Ireland and Norway to discontinued operations



# Risk-Weighted Assets and capital



# 5 Appendix

# FY 2024 guidance

Euro area scenario



1. Excluding the negative impact of reduction in depreciation costs and PPA  
 2. Excluding UCS result, non-recurring items and PPA  
 3. Of net income Group share, after deduction of interest on AT1 capital



# Balance sheet as at 31 March 2024

in EUR million	31 March 2024	31 December 2023
Earning assets	52,733	52,025
<i>o/w Rental fleet</i>	50,528	49,765
<i>o/w Financial lease receivables</i>	2,205	2,260
Cash & Cash deposits with the ECB	4,935	3,997
Intangibles (incl. goodwill)	2,702	2,695
Operating lease and other receivables	7,174	6,536
Other	5,344	5,008
<b>Total assets</b>	<b>72,887</b>	<b>70,261</b>
Group shareholders' equity	11,062	10,826
<i>o/w Group shareholders' equity excl. AT1</i>	10,312	10,076
<i>Tangible shareholders' equity</i>	7,573	7,362
<i>o/w AT1<sup>(1)</sup></i>	750	750
Non-controlling interests	536	526
<i>o/w non controlling interests excl. AT1</i>	29	28
<i>o/w non controlling interests - AT1<sup>(2)</sup></i>	507	498
<b>Total equity</b>	<b>11,598</b>	<b>11,352</b>
Deposits	12,824	11,785
Financial debt	38,621	37,627
Trade and other payables	6,479	6,035
Other liabilities	3,366	3,463
<b>Total liabilities and equity</b>	<b>72,887</b>	<b>70,261</b>



# Yearly series

(in EUR million) <sup>(1)</sup>	2015	2016	2017	2018	2019	2020 <sup>(2)</sup>	2021	2022 <sup>(3)</sup>	2023
Leasing Contract Margin	431.6	514.1	574.5	623.8	664.1	604.4	732.8	1,181.2	1,261.9
Services Margin	534.0	528.6	593.0	616.7	632.3	652.0	650.0	715.1	1,354.2
<b>Leasing Contract and Services Margins</b>	<b>965.6</b>	<b>1,042.7</b>	<b>1,167.5</b>	<b>1,240.5</b>	<b>1,296.4</b>	<b>1,256.4</b>	<b>1,382.8</b>	<b>1,896.2</b>	<b>2,616.1</b>
Used Car Sales result	207.2	201.5	165.3	102.5	75.0	61.1	437.7	747.6	349.5
<b>Gross Operating Income</b>	<b>1,172.8</b>	<b>1,244.2</b>	<b>1,332.8</b>	<b>1,343.0</b>	<b>1,371.4</b>	<b>1,317.5</b>	<b>1,820.6</b>	<b>2,643.9</b>	<b>2,965.6</b>
Total Operating Expenses	(491.8)	(553.1)	(598.0)	(617.6)	(635.0)	(633.7)	(675.1)	(882.7)	(1,591.6)
Impairment Charges on Receivables	(20.9)	(23.8)	(22.4)	(37.8)	(45.0)	(71.1)	(24.8)	(46.1)	(70.7)
Non-Recurring Income (Expenses)	(57.0)	(2.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	(50.6)	(14.1)
Share of profit of associates and jointly controlled entities	0.9	0.7	1.2	1.5	1.8	1.9	(1.9)	1.7	6.4
<b>Profit Before Tax</b>	<b>604.0</b>	<b>666.1</b>	<b>713.6</b>	<b>689.1</b>	<b>693.2</b>	<b>614.6</b>	<b>1,118.7</b>	<b>1,666.1</b>	<b>1,295.7</b>
Income tax expense	(174.7)	(150.4)	(140.4)	(126.8)	(122.2)	(108.9)	(238.6)	(446.0)	(374.0)
Result from discontinued operations	0.0	0.0	0.0	0.0	0.0	10.0	0.0	0.0	(77.6)
Non-controlling interests	(5.0)	(4.0)	(5.6)	(6.6)	(6.8)	(5.8)	(7.1)	(4.7)	(27.9)
<b>Net Income (Group share)</b>	<b>424.3</b>	<b>511.7</b>	<b>567.6</b>	<b>555.6</b>	<b>564.2</b>	<b>509.8</b>	<b>873.0</b>	<b>1,215.5</b>	<b>816.2</b>

(in '000)	2015	2016	2017	2018	2019	2020	2021	2022	2023
<b>Total Contracts</b>	<b>1,207</b>	<b>1,376</b>	<b>1,511</b>	<b>1,663</b>	<b>1,765</b>	<b>1,758</b>	<b>1,726</b>	<b>1,806</b>	<b>3,420</b>
Full service leasing contracts			1,179	1,299	1,389	1,372	1,427	1,464	2,709
Fleet management contracts			332	365	376	386	299	342	710



# Return on tangible equity (ROTE)

in EUR million	Q1 2024	Q1 2023
Group shareholders' equity	11,062.1	7,187.8
AT1 capital	(750.0)	0.0
Dividend provision and interest on AT1 capital <sup>(1)</sup>	(523.8)	(756.6)
OCI excluding conversion reserves	20.7	(36.2)
<b>Equity base for ROE calculation end of period</b>	<b>9,809.0</b>	<b>6,395.1</b>
Goodwill	1,990.9	618.6
Intangible assets	711.0	134.2
Average equity base for ROE calculation	9,744.3	6,348.0
Average Goodwill	(1,990.9)	(618.6)
Average Intangible assets	(707.5)	(130.4)
<b>Average tangible equity for ROTE calculation</b>	<b>7,046.0</b>	<b>5,599.0</b>
Group net income after non controlling interests	187.8	315.5
Interest on AT1 capital	(18.3)	0.0
<b>Adjusted Group net income</b>	<b>169.5</b>	<b>315.5</b>
<b>ROTE</b>	<b>9.6%</b>	<b>22.5%</b>



# CRR2/CRD5 prudential capital ratios and RWA

in EUR million	31 March 2024	31 December 2023
Group shareholders' equity	11,062	10,826
AT1 capital	(750)	(750)
Dividend provision & interest on AT1 capital <sup>(1)</sup>	(524)	(423)
Goodwill and intangible assets	(2,702)	(2,695)
Deductions and regulatory adjustments	153	183
<b>Common Equity Tier 1 capital</b>	<b>7,239</b>	<b>7,141</b>
AT1 capital	750	750
<b>Tier 1 capital</b>	<b>7,989</b>	<b>7,891</b>
Tier 2 capital	1,500	1,500
<b>Total capital (Tier 1 + Tier 2)</b>	<b>9,489</b>	<b>9,391</b>
<b>Risk-Weighted Assets</b>	<b>58,981</b>	<b>57,377</b>
Credit Risk Weighted Assets	49,770	49,034
Market Risk Weighted Assets	2,394	1,993
Operational Risk Weighted Assets	6,818	6,350
Common Equity Tier 1 ratio	12.3%	12.5%
Tier 1 ratio	13.5%	13.8%
Total Capital ratio	16.1%	16.4%



# Capital requirements

	Q1 2024	Q2 2024	Q3 2024	Q4 2024
<b>Maximum Distributable Amount<sup>(1)</sup></b>	<b>9.21%</b>	<b>9.52%</b>	<b>9.54%</b>	<b>9.54%</b>



# Interest rate risk hedging strategy and impact on margins

## Hedging strategy

- **Interest rate and currency profile of funding** are matched with the lease contract portfolio profile as much as possible
- Where matching is not possible, **derivatives are used to hedge IR and FX risks**
- On the liabilities side, bonds are issued mostly at fixed rate. When the proceeds cannot be matched with lease contracts, they are **swapped to pay floating interest**
- On the assets side, fixed-rate client contracts are **swapped to receive floating interest** when fixed rate funding is not immediately available

## Impact on P&L

- While the Group is **economically hedged**, there can be accounting mismatches when derivatives do not qualify for hedge accounting and are fair valued through P&L
- Derivatives on client contracts do not qualify for hedge accounting and their fair value goes through P&L, creating volatility on revenues
- The de-designation of the micro fair value hedging (MFVH) relation on bonds previously documented by LeasePlan has contributed to reduce the sensitivity of the derivatives portfolio
- MtM of derivatives, which is recorded in Leasing contract margin, results from interest rate and foreign exchange rate movements (e.g. as net receiver of floating rate, positive MtM when interest rates rise) and reverses towards the derivative's maturity (pull to par)

## Sensitivity

- MtM as at 31 March 2024: **EUR +87m**
- Sensitivity to +10/-10 bps parallel shift (without impact of convergence to par)<sup>(1)</sup>: **EUR +10m/EUR -10m** in the income statement



# FY 2023 financial results<sup>(1)(2)</sup>

In EUR million	FY 2023 <sup>(2)</sup>	FY 2022 <sup>(3)</sup>	Var. FY 2023 vs. FY 2022	Var. % FY 2023 vs. FY 2022
<b>Total contracts ('000)</b>	<b>3,420</b>	<b>1,806</b>	<b>1,614</b>	<b>89.3%</b>
<i>Full service leasing contracts</i>	2,709	1,464	1,246	85.1%
<i>Fleet management contracts</i>	710	342	368	107.4%
<i>In EUR million</i>				
Leasing contract margin	1,261.9	1,181.2	80.7	6.8%
Services margin	1,354.2	715.1	639.1	89.4%
<b>Leasing contract &amp; Services margins</b>	<b>2,616.1</b>	<b>1,896.2</b>	<b>719.8</b>	<b>38.0%</b>
Used car sales result	349.5	747.6	(398.1)	-53.2%
<b>Gross Operating Income</b>	<b>2,965.6</b>	<b>2,643.9</b>	<b>321.7</b>	<b>12.2%</b>
Total operating expenses	(1,591.6)	(882.7)	(709.0)	80.3%
<i>Cost / Income ratio excl. UCS</i>	60.8%	46.5%	1429bps	
Cost of risk <sup>(4)</sup>	(70.7)	(46.1)	(24.5)	53.1%
Non-recurring income (expenses)	(14.1)	(50.6)	36.5	-72.2%
<b>Operating result</b>	<b>1,289.3</b>	<b>1,664.5</b>	<b>(375.2)</b>	<b>-22.5%</b>
Share of profit of associates and jointly controlled entities	6.4	1.7	4.7	283.7%
<b>Profit before tax</b>	<b>1,295.7</b>	<b>1,666.1</b>	<b>(370.5)</b>	<b>-22.2%</b>
Income tax expense	(374.0)	(446.0)	71.9	-16.1%
Result from discontinued operations	(77.6)	0.0	(77.6)	
Non-controlling interests	(27.9)	(4.7)	(23.2)	494.9%
<b>Net Income group share</b>	<b>816.2</b>	<b>1,215.5</b>	<b>(399.3)</b>	<b>-32.8%</b>

- Leasing contract and Services margins at EUR 2,616.1m
  - Contribution of LeasePlan<sup>(5)</sup>: EUR 893.8m
  - Non-recurring items and PPA: EUR +424.1m vs. EUR +476.9m in 2022 of which
    - Reduction in depreciation costs<sup>(6)</sup>: EUR +514.6 m vs EUR +350.3m in 2022
    - MtM of derivatives: EUR -186.0m
- Used car sales result at EUR 349.5m
  - Contribution of LeasePlan<sup>(5)</sup>: EUR 369.0m
  - Impact of reduction in depreciation costs during previous quarters:
    - ALD: EUR -312.2m
    - LeasePlan: EUR -223.9m in balance sheet at closing
    - Impact of Purchase Price allocation: EUR -192.8m
- Total operating expenses at EUR 1,591.6m
  - Contribution of LeasePlan<sup>(7)</sup>: EUR 651.1m
  - CTA: EUR 170m vs EUR 128m in 2022
  - Cost of being regulated
- Low cost of risk: 18 bps<sup>(8)</sup> vs. 20 bps in 2022
- Tax rate at 28.9%
- Net income, Group share at EUR 816.2m
- ROTE: 12.4%
- Diluted EPS at EUR 1.07<sup>(9)</sup> vs. EUR 2.68 in 2022
- Proposed dividend at EUR 0.47 vs. EUR 1.06 in 2022, representing a 50% payout ratio<sup>(10)</sup>

1. Including the impact of the Purchase Price Allocation from 22 May 2023  
 2. Actual figures: LeasePlan is consolidated from 22 May 2023  
 3. FY 2022 was restated for IFRS 17, which applies from 1 January 2023  
 4. Impairment charges on receivables  
 5. Excluding non-operating items and PPA

6. ALD only. No reduction in depreciation costs on LeasePlan as the fleet was fair valued under PPA  
 7. including non-recurring items  
 8. Cost of risk expressed as a percentage of arithmetic average of earning assets  
 9. Diluted Earnings per Share, calculated according to IAS 33. Basic EPS for 2023 at EUR 1.08  
 10. Of net income Group share, after deduction of interest on AT1 capital



