

An aerial photograph of a two-lane asphalt road. A red car is driving on the road. The road is flanked by rows of trees with bright yellow autumn foliage. Long shadows of the trees are cast across the road and the adjacent fields. The top of the image shows a green field, and the bottom shows a brown, plowed field. A white line and a blue line are overlaid on the image, framing the text.

First half 2022 Results

3 August 2022



Disclaimer

The information contained in this document (the “Information”) has been prepared by ALD (the “Company”) solely for informational purposes. The Information is proprietary to the Company and confidential. This presentation and its content may not be reproduced or distributed or published, directly or indirectly, in whole or in part, to any other person for any purpose without the prior written permission of ALD.

The Information is not an offer to buy or sell or a solicitation of an offer to buy or sell any security or instrument or to participate in any trading strategy, and does not constitute a recommendation of, or advice regarding investment in, any security or an offer to provide, or solicitation with respect to, any securities-related services of the Company. This presentation is information given in a summary form and does not purport to be complete. It is not intended to be relied upon as advice to investors or potential investors and does not take into account the investment objectives, financial situation or needs of any particular investor. Investors should consult the relevant offering documentation, with or without professional advice when deciding whether an investment is appropriate.

This presentation contains forward-looking statements relating to the targets and strategies of ALD. These forward-looking statements are based on a series of assumptions, both general and specific, in particular the application of accounting principles and methods in accordance with IFRS (International Financial Reporting Standards) as adopted in the European Union. These forward-looking statements have also been developed from scenarios based on a number of economic assumptions in the context of a given competitive and regulatory environment. The Group may be unable to:

- anticipate all the risks, uncertainties or other factors likely to affect its business and to appraise their potential consequences;*
- evaluate the extent to which the occurrence of a risk or a combination of risks could cause actual results to differ materially from those provided in this document and the related presentation.*

Therefore, although ALD believes that these statements are based on reasonable assumptions, these forward-looking statements are subject to various risks and uncertainties, including matters not yet known to it or its management or not currently considered material, and there can be no assurance that anticipated events will occur or that the objectives set out will actually be achieved. Important factors that could cause actual results to differ materially from the results anticipated in the forward-looking statements include, among others, overall trends in general economic activity and in ALD’s markets in particular, regulatory and prudential changes, and the success of ALD’s strategic, operating and financial initiatives. Unless otherwise specified, the sources for the business rankings and market positions are internal.

Other than as required by applicable law, ALD does not undertake any obligation to update or revise any forward-looking information or statements, opinion, projection, forecast or estimate set forth herein. More detailed information on the potential risks that could affect ALD’s financial results can be found in the Universal Registration Document filed with the French financial markets authority (Autorité des Marchés Financiers).

Investors are advised to take into account factors of uncertainty and risk likely to impact the operations of the Group when considering the information contained in such forward-looking statements. To the maximum extent permitted by law, none of ALD or any of its affiliates, directors, officers, advisors and employees shall bear any liability (in negligence or otherwise) for any direct or indirect loss or damage which may be suffered by any recipient through use or reliance on anything contained in or omitted from this document and the related presentation or any other information or material arising from any use of these presentation materials or their contents or otherwise arising in connection with these materials.

The financial information presented for the half year ending 30 June 2022 was reviewed by the Board of Directors on 2 August 2022 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date.

By receiving this document and/or attending the presentation, you will be deemed to have represented, warranted and undertaken to (i) have read and understood the above notice and to comply with its contents, and (ii) keep this document and the Information confidential.

Highlights

Strong commercial and exceptional financial performance

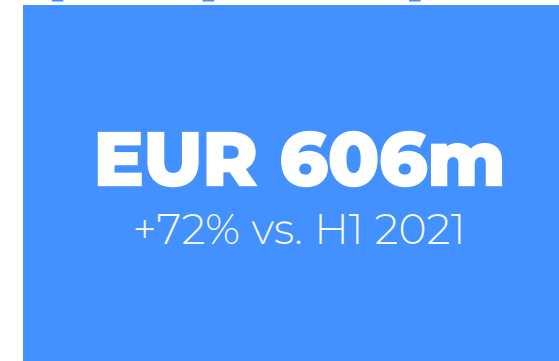
Funded fleet



Used car sales per unit sold



Net income (Group share)



Navigating through a fast-changing environment



Disruption of supply chains

- Bulk purchases and anticipation of orders, leveraging on OEM partnerships
 - Contract extension, ALD Flex and Used car lease
- + Reduced residual value risk
+ Reinforcement of client relationships



Risk of recession

- Development of multicycle lease offering
 - Close monitoring of riskier client segments
- + Shift from ownership to usership supporting long-term growth



Rising interest rates

- Systematic hedging of liquidity, IR and FX risks at contract origination
- + Competitive advantage in access to funding



Inflation

- More frequent adjustment of pricing parameters in new contracts
- + Underpinning future used car sales result

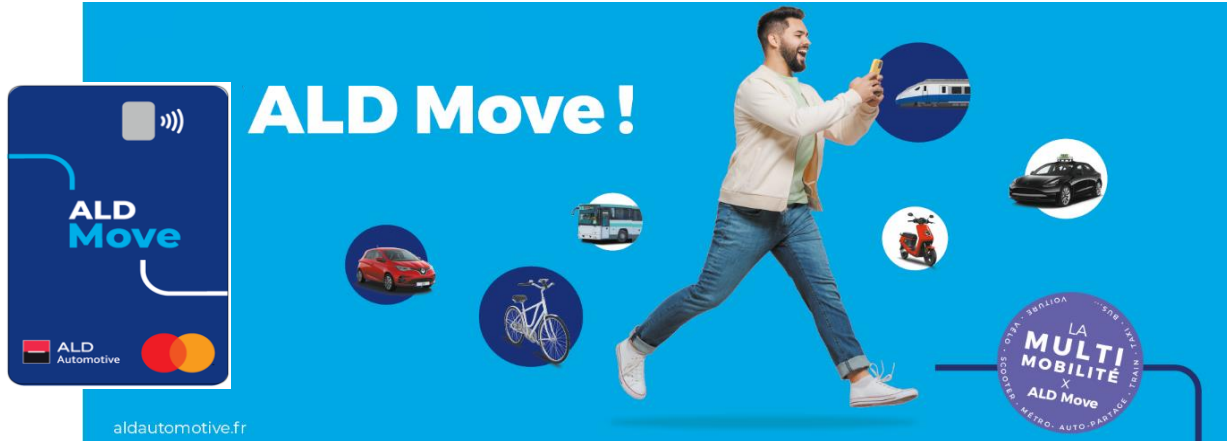


Higher fuel price

- Reinforcement of client advisory on sustainable and innovative products (EV, multimodality)
- + Powertrain transition where ALD is a market leader

ALD shaping the world of mobility

B to B to E⁽¹⁾



ALD Move launched in France in May 2022

- Mobile application allowing users to **plan, book and pay multimodal transports**, enriched by **skipr**
- Available to **all employees**

B to C



- Simple all-inclusive and fully digital subscription
- **#1** in Germany with **13k vehicles⁽²⁾**, planned roll-out across Europe



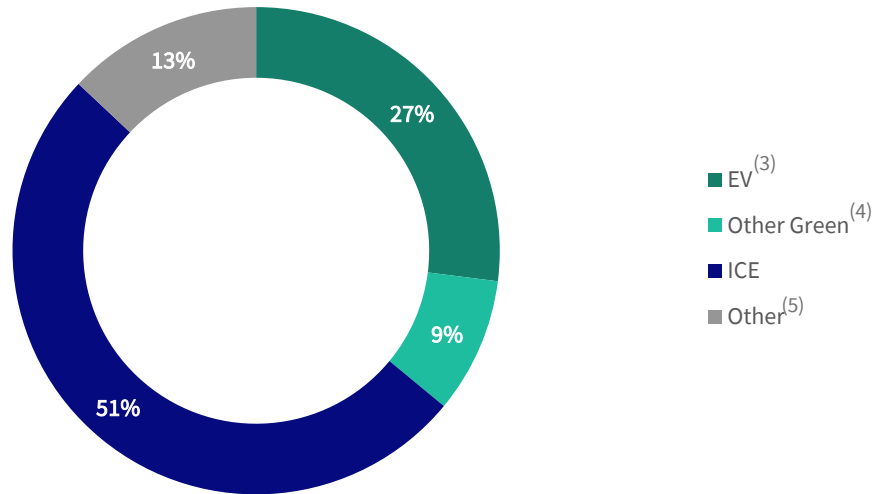
B to B

ALD FLEX

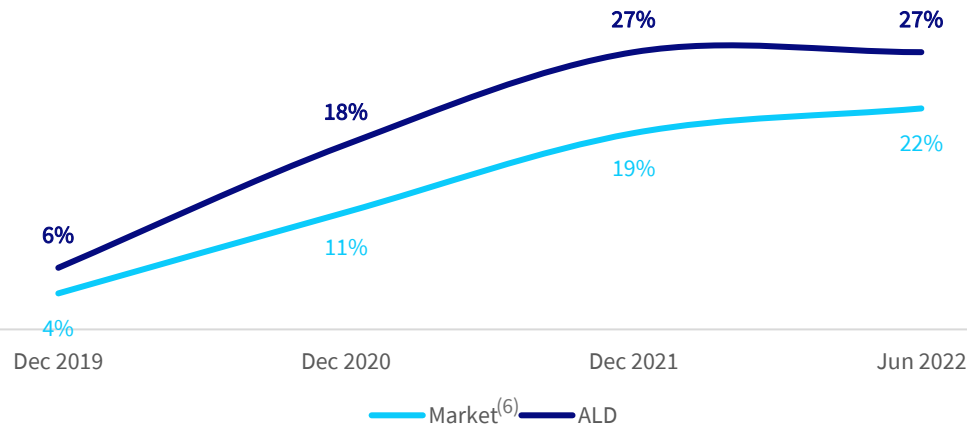
- **52k vehicles⁽³⁾** at end June 2022, **+18%** vs. December 2021
- Available in **32 countries** (+2 additional countries by end 2022)

ALD committed to lead the transition to sustainable mobility

ALD EU+(1) passenger car deliveries by powertrain(2)




Share of EV in new passenger car deliveries in EU+ (12-month rolling average)



Transition to EV underpinned by strong megatrends

- European regulations favouring electrification
- Increasing interest from corporates and private individuals in reducing their carbon footprint

Driving the shift towards EV

- ALD ahead of the market in EV penetration
- ALD appointed sole EV solution provider (advisory, fleet, charging) to a few large corporate clients, of which:
 - › **THALES** across Europe
 - ›  in 10 countries
- ALD Electric offer (including charging) available in 34 countries by end 2022

EUR 500m 'green and positive impact' bond issued in June for exclusive financing of BEV⁽³⁾ (0g CO₂/km tailpipe emissions)

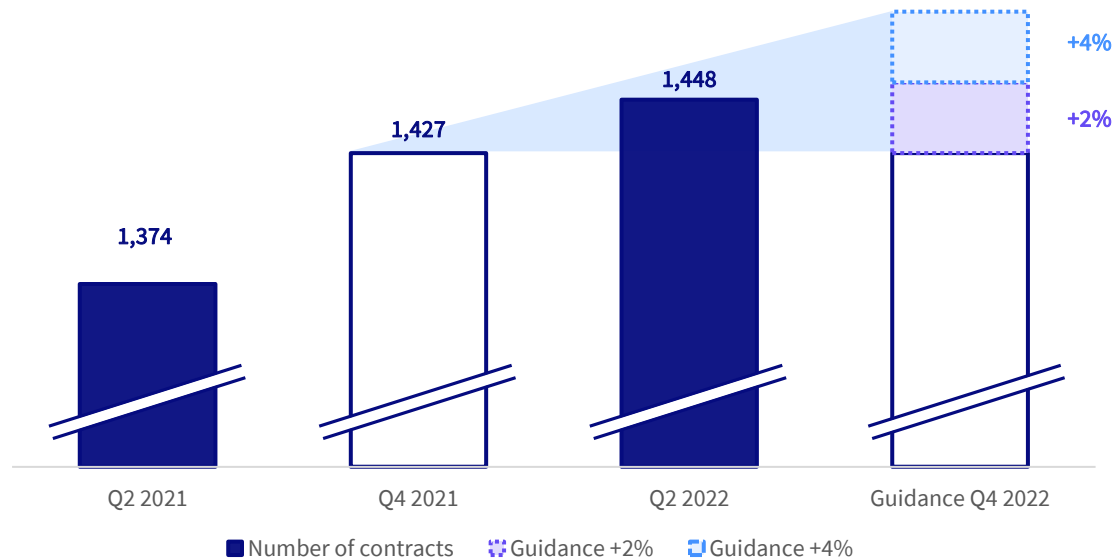
1. EU+: European Union + UK, Norway, Switzerland
 2. Last 12 months from end June 2022, management information
 3. EV: Battery Electric Vehicles (BEVs), Plug-in Hybrids (PHEVs), Fuel Cell (FCEV)
 4. Other Green: Full Hybrids (HEVs)

5. Other: Gas, Flex Fuel, Mild Hybrids, other
 6. Source: ACEA

Strong commercial dynamics

In a context of continuing supply constraints

Funded fleet ('000) at end of period



Funded fleet at 1,448k vehicles, up 5.4% vs end June 2021

- Organic contribution to funded fleet growth: +3.1% vs. end June 2021
- +1.5% vs. end December 2021, on track with guidance of +2%/+4% growth in FY 2022
- Total contracts: 1,761k at end June 2022, +2.0% vs end 2021

Commercial dynamics reflected in rising order book

- Continued disruptions in supply chains leading to
 - › Long delays in deliveries of new cars
 - › Greater anticipation of orders by clients



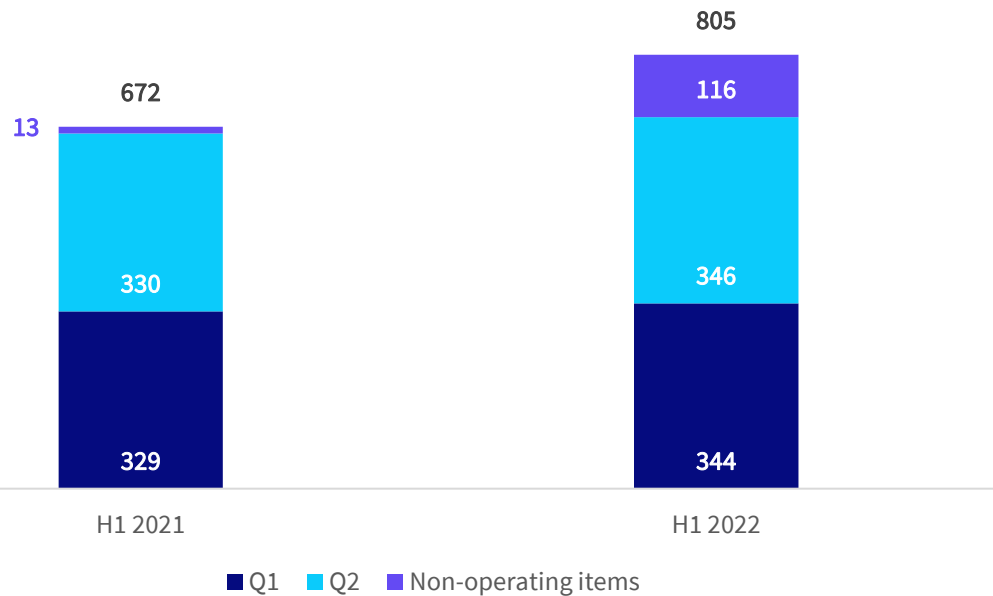
H1 2022

Financial results



Total margins boosted by non-operating items

Total margins excl. UCS (in EUR m)



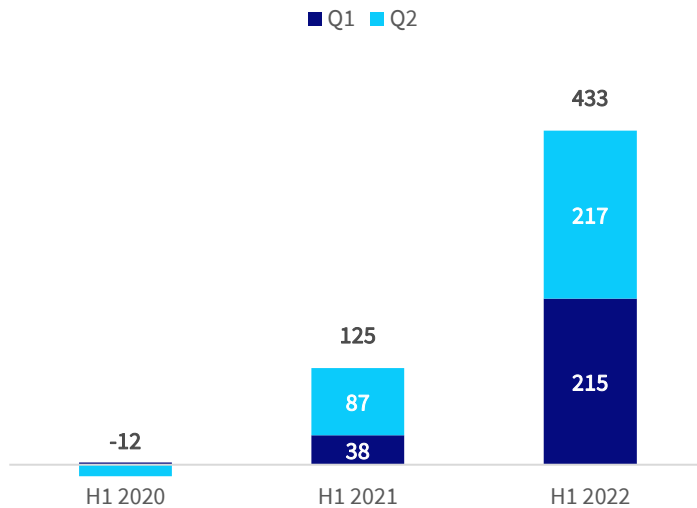
Non-operating items impacting Leasing contract margin for total of EUR +115.9m

- Hyperinflation in Turkey⁽¹⁾: EUR +39.5m in Q2 2022
- Depreciation adjustments: EUR +103.2m in H1 2022 vs EUR +12.7m in H1 2021, of which:
 - › Fleet revaluation⁽²⁾ of EUR +40.5m vs EUR +12.7m in H1 2021
 - › Reduction in depreciation costs⁽³⁾ of EUR +62.7m, driven by change in depreciation curve reflecting exceptionally high used car prices
- Provision in Ukraine: EUR -27m booked in Q1 2022
 - › Prudent provisioning rate: c. 50% at end June 2022

Total margins up 4.6% vs H1 2021 when adjusted for non-operating items

Record Used car sales result

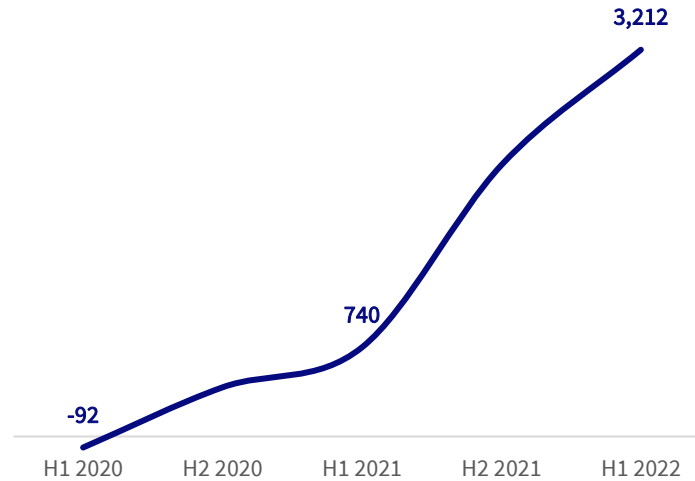
Used car sales result (in EUR m)



Used Car Sales result at EUR 433m in H1 2022

- Exceedingly favourable conditions in used car markets generating exceptional profits

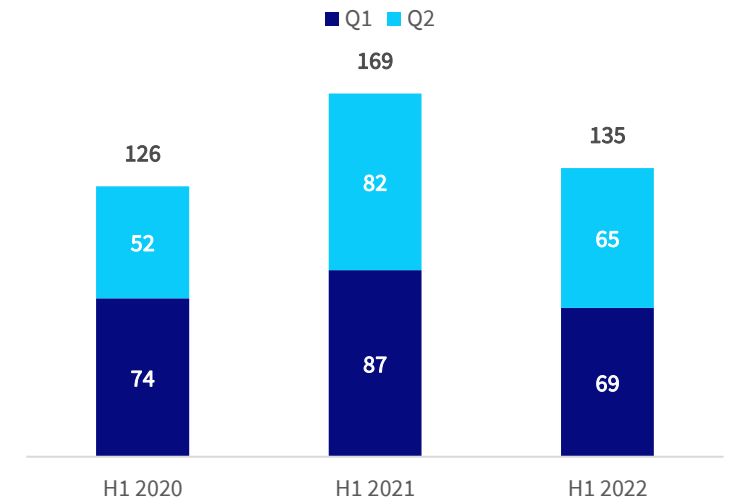
Used car sales per unit sold (in EUR)



UCS result per unit⁽¹⁾ at EUR 3,212 in H1 2022

- Prices supported by the shortage of new cars in a context of strong demand
- EUR 3,330 in Q2 2022 vs EUR 3,101 in Q1 2022

Used cars sold ('000 units)

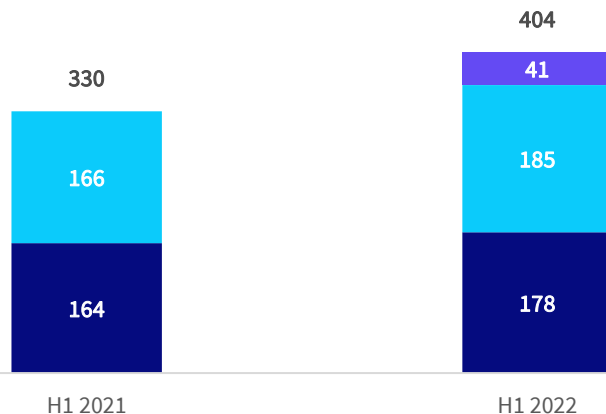


135k used cars sold⁽¹⁾ in H1 2022

- Lower volume of vehicles sold due to contract extensions and increased used car lease
- Low stock of used cars

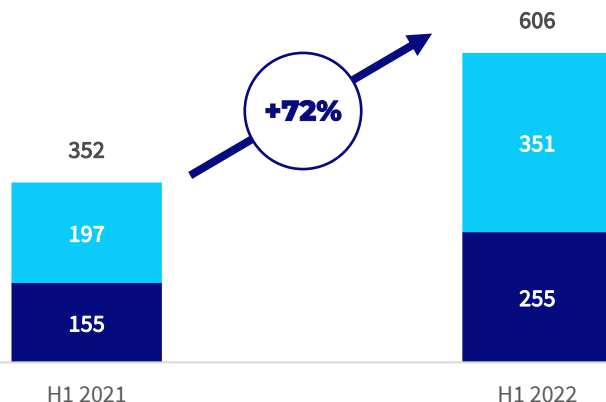
Record net income

Total operating expenses (in EUR m)



■ Q1 ■ Q2 ■ LeasePlan preparation costs

Net income group share (in EUR m)



■ Q1 ■ Q2

Total Operating Expenses at EUR 404.3m in H1 2022, including

- › LeasePlan preparation costs: EUR +41.3m
- › Scope effect (Sabadell Renting, FFM UK): EUR +7.9m
- › Increased variable compensation accrual
- Cost/Income ratio (excl. UCS result) at 50.2%

Estimated FY 2022 preparation costs for the acquisition of LeasePlan: c. EUR 100m

Cost of risk⁽¹⁾ at EUR 18.9m vs EUR 16.6m in H1 2021

- Including EUR 2m impairment charge on receivables in Ukraine booked in Q1 2022
- Continued low default rate: 16 bps⁽²⁾, stable vs H1 2021

Record Net income (Group share) at EUR 606.1m vs EUR 352.0m in H1 2021

- EUR 350.9m in Q2 2022, +78.5% vs Q2 2021
- Diluted Earnings per share⁽³⁾: EUR 1.50 in H1 2022



Outlook



2022 guidance maintained

Funded fleet⁽¹⁾

To grow between
2% and **4%**
vs Dec 2021

Used car sales

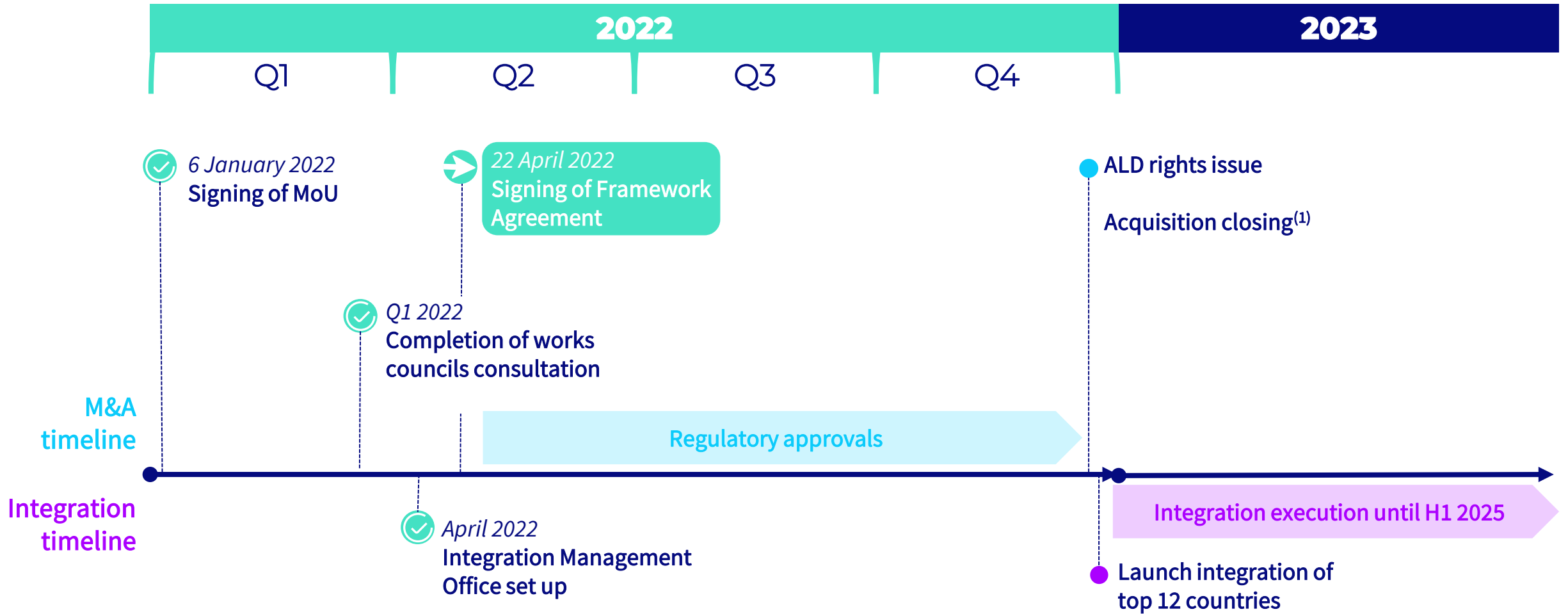
To be above
EUR 2,000
per unit sold

Dividend Payout ratio

To be between
50% and **60%**

LeasePlan acquisition timeline

Main achievements and next steps



1. Subject to closing conditions (see press release dated 6 January 2022)



Appendix



First half financial results

In EUR million	H1 2022	H1 2021	Var.	Var. %
Total contracts ('000)	1,761	1,761	0	0.0%
Full service leasing	1,448	1,374	74	5.4%
Fleet management	313	388	-74	-19.2%
Leasing contract margin	479.6	356.8	122.8	34.4%
Services margin	325.7	314.7	10.9	3.5%
Leasing contract & Services margins⁽¹⁾	805.2	671.6	133.7	19.9%
Used car sales result	432.7	125.3	307.4	245.3%
Gross Operating Income	1,237.9	796.9	441.0	55.3%
Total operating expenses	(404.3)	(329.9)	(74.3)	22.5%
Cost / Income ratio excl. UCS	50.2%	49.1%	1.1bps	
Cost of risk ⁽²⁾	(18.9)	(16.6)	(2.3)	14.0%
Operating result	814.7	450.3	364.4	80.9%
Share of profit of associates and jointly controlled entities	1.1	0.7	0.4	50.4%
Profit before tax	815.8	451.1	364.7	80.9%
Income tax expense	(207.9)	(95.6)	(112.3)	117.5%
Result from discontinued operations	0.0	0.0	0.0	
Non-controlling interests	(1.7)	(3.4)	1.7	-50.3%
Net Income group share	606.1	352.0	254.1	72.2%

Leasing contract & Services Margins at EUR 805.2m vs. EUR 671.6 in H1 2021

Operating expenses impacted by acquisition preparation costs of EUR 41.3m

Low cost of risk⁽³⁾: 16 bps, stable vs H1 2021

Effective tax rate of 25.5%

- Increase due to the end of the benefit of Italian stability law, the provision in Ukraine and Turkey hyperinflation

Net Income (Group Share) at EUR 606.1m, up 72.2% vs. H1 2021

- After tax impact of hyperinflation in Turkey: EUR +27.5m

Second quarter financial results

In EUR million	Q2 2022	Q2 2021	Var.	Var. %
Total contracts ('000)	1,761	1,761	0	0.0%
Full service leasing	1,448	1,374	74	5.4%
Fleet management	313	388	-74	-19.2%
Leasing contract margin	311.2	185.2	126.0	68.0%
Services margin	165.1	158.3	6.8	4.3%
Leasing contract & Services margins ⁽¹⁾	476.3	343.5	132.8	38.7%
Used car sales result	217.4	87.1	130.4	149.7%
Gross Operating Income	693.7	430.6	263.1	61.1%
Total operating expenses	(216.5)	(166.1)	(50.5)	30.4%
Cost / Income ratio excl. UCS	45.5%	48.3%	-2.9bps	
Cost of risk ⁽²⁾	(11.0)	(7.9)	(3.1)	39.3%
Operating result	466.2	256.6	209.6	81.7%
Share of profit of associates and jointly controlled entities	0.2	0.4	(0.2)	-48.4%
Profit before tax	466.4	257.0	209.4	81.5%
Income tax expense	(116.0)	(58.8)	(57.2)	97.2%
Result from discontinued operations	0.0	0.0	0.0	
Non-controlling interests	0.5	(1.6)	2.1	-127.6%
Net Income group share	350.9	196.5	154.3	78.5%

Leasing contract & Services Margins at EUR 476.3m

- Turkey hyperinflation: EUR +39.5m
- Depreciation adjustments: EUR +90.7m in Q2 2022 vs EUR +13.6m in Q2 2021, of which:
 - › Fleet revaluation ⁽³⁾ of EUR +28.0m vs EUR +13.6m in Q2 2021
 - › Reduction in depreciation costs ⁽⁴⁾ of EUR +62.7m driven by change in depreciation curve reflecting exceptionally high used car prices

C/I excl. UCS result at 45.5%

- Preparation costs for the acquisition of LeasePlan: EUR 31.2m

Effective tax rate of 24.9%

Net Income (Group Share) at EUR 350.9m, up 78.5% vs. Q1 2021

1. Volume and loyalty bonuses paid to customers were reclassified from Services margin to Leasing contract margin in 2021. This reclassification does not impact Total margins.
2. Impairment charges on receivables
3. On the basis of the expected roll-off of the fleet portfolio and deriving from the usual revaluation exercise
4. Reduction in depreciation costs compared to the contractual costs in relation to vehicles whose sales proceeds are forecast to be in excess of their net book value and for which depreciation has been adjusted or stopped

Balance sheet

In EUR million	June 2022	December 2021	Var. June 22 vs. Dec 21	Var. % June 22 vs. Dec 21
Earning assets	23,652	22,489	1,164	5.2%
<i>o/w Rental fleet</i>	22,912	21,711	1,201	5.5%
<i>o/w Financial lease receivables</i>	740	777	(37)	-4.8%
Long term invt. – Equity Reinvestment	244	280	(36)	-12.8%
Cash & Cash deposits	280	153	127	83.3%
Intangibles (incl. goodwill)	731	665	67	10.0%
Other	3,919	3,405	514	15.1%
Total Assets	28,827	26,991	1,836	6.8%
Shareholders' equity	5,105	4,812	294	6.1%
Minority interest	37	34	4	10.8%
Financial debt	19,495	18,517	978	5.3%
Other liabilities	4,189	3,629	560	15.4%
Total liabilities and equity	28,827	26,991	1,836	6.8%

Earning Assets grew by 5.2% vs December 2021, reflecting the increasing share of higher value vehicles (esp. Electric Vehicles)

Total Equity/Asset ratio at 17.8% at end June 2022, up from 16.6% net of dividend at end December 2021

Quarterly series

(in EUR million) ⁽¹⁾	Q2 2020	Q3 2020	Q4 2020	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022
Leasing Contract Margin	127.3	145.3	172.9	171.6	185.2	174.2	201.8	168.4	311.2
Services Margin	165.6	164.8	157.5	156.5	158.3	173.5	161.8	160.6	165.1
Leasing Contract and Services Margins⁽²⁾	292.9	310.1	330.4	328.1	343.5	347.6	363.6	329.0	476.3
Used Car Sales result	(14.9)	29.7	43.1	38.2	87.1	152.4	160.0	215.2	217.4
Gross Operating Income	278.0	339.7	373.5	366.3	430.6	500.1	523.6	544.2	693.7
Total Operating Expenses	(151.3)	(154.1)	(166.3)	(163.9)	(166.1)	(161.8)	(183.4)	(187.8)	(216.5)
Impairment Charges on Receivables	(29.8)	(11.8)	(11.8)	(8.7)	(7.9)	(8.6)	0.4	(7.9)	(11.0)
Profit Before Tax	97.2	174.6	196.0	194.1	257.0	330.0	337.6	349.4	466.4
Net Income (Group share)	78.0	140.6	162.9	155.5	196.5	258.1	262.8	255.3	350.9



(in '000)	30.06.2020	30.09.2020	31.12.2020	31.03.2021	30.06.2021	30.09.2021	31.12.2021	31.03.2022	30.06.2022
Total contracts	1,765	1,762	1,758	1,759	1,761	1,679	1,726	1,737	1,761
Full service leasing	1,379	1,376	1,372	1,370	1,374	1,382	1,427	1,436	1,448
Fleet management	386	386	386	389	388	297	299	301	313

Yearly series

(in EUR million) ⁽¹⁾	2015	2016	2017	2018	2019	2020	2021
Leasing Contract Margin	431.6	514.1	574.5	623.8	664.1	604.4	732.8
Services Margin	534.0	528.6	593.0	616.7	632.3	652.0	650.0
Leasing Contract & Services Margins⁽²⁾	965.6	1,042.7	1,167.5	1,240.5	1,296.4	1,256.4	1,382.8
Used Car Sales Result	207.2	201.5	165.3	102.5	75.0	61.1	437.7
Gross Operating Income	1,172.8	1,244.2	1,332.8	1,343.0	1,371.4	1,317.5	1,820.6
Total Operating Expenses	(491.8)	(553.1)	(598.0)	(617.6)	(635.0)	(633.7)	(675.1)
Impairment Charges on Receivables	(20.9)	(23.8)	(22.4)	(37.8)	(45.0)	(71.1)	(24.8)
Profit Before Tax	604.0	666.1	713.6	689.1	693.2	614.6	1,118.7
Net Income (Group share)	424.3	511.7	567.6	555.6	564.2	509.8	873.0

(in '000 of vehicles)	2015	2016	2017	2018	2019	2020	2021
Total contracts	1,207	1,376	1,511	1,663	1,765	1,758	1,726

Increased recognition of ALD's strong commitments in ESG

					
<p>Advanced</p> <p>#1 in Business Support Services</p> <p>Top 1% Global Universe</p> <p>67 points /100</p>	<p>Low Risk (16.2)</p> <p>Top 12%</p> <p>Top 8% in Transportation</p>	<p>C ("Prime")</p> <p>Rated "Prime" on sustainability performance</p> <p>Top 20% in the sector</p>	<p>'A' rating</p> <p>Top 30%</p>	<p>B</p> <p>Better than:</p> <ul style="list-style-type: none"> - European average - Rental & leasing sector 	<p>74/100 (Gold)</p> <p>Improvement to Top 2%</p> <p>Gold rating renewed</p>

✓ Tangible reduction of internal carbon footprint

✓ Energy transition embedded in the business model

✓ Social standards and practices

✓ Business ethics, compliance processes and culture

ALD is committed





ALD