

A photograph showing a group of people in a supportive circle, hugging each other. The focus is on the hands and arms of the individuals, conveying a sense of community and care. The background is softly blurred, showing more people in similar blue shirts.

Q4 and FY 2022 Results

8 February 2023



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The estimated unaudited consolidated financial information presented for the year ending 31 December 2022 was reviewed by the Board of Directors on 7 February 2023 and has been prepared in accordance with IFRS as adopted in the European Union and applicable at this date. The audit procedures carried out by the Statutory Auditors on the consolidated financial statements are in progress. ALD’s consolidated financial statements for the year ending 31 December 2022 are expected to be closed by the Board of Directors by end March 2023.

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Highlights

Delivering a landmark year



Record performance

Funded fleet

+3.1%⁽¹⁾
vs. Dec 2021

Used car sales per unit sold

EUR 2,846
vs. EUR 1,422 FY 2021

Net income (Group share)

EUR 1,203m
+37.8% vs. FY 2021

Proposed dividend

EUR 1.06⁽²⁾
per share

Products addressing new market segments growing strongly

Flex fleet

78k⁽¹⁾ vehicles



New partnership



- Digital subscription offer in Germany

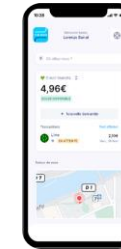
Multi-cycle lease

52k⁽¹⁾ vehicles

- On track to achieve the Move 2025 target (125k vehicles)



Multi-modality



New features now available in France, Belgium and the Netherlands

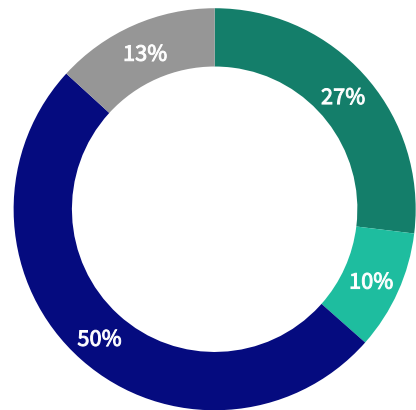
- Transforming employees' mobility journey
- Enhancing management of carbon footprint and mobility budget
- Broadening ALD's customer base

ALD committed to lead the transition towards sustainable mobility

Driving the shift towards EV

EVs representing **27%** of passenger car deliveries in 2022 in EU+⁽¹⁾

- ALD ahead of the market in EV penetration (23%⁽²⁾)
- EVs accounting for 35% of ALD's order book



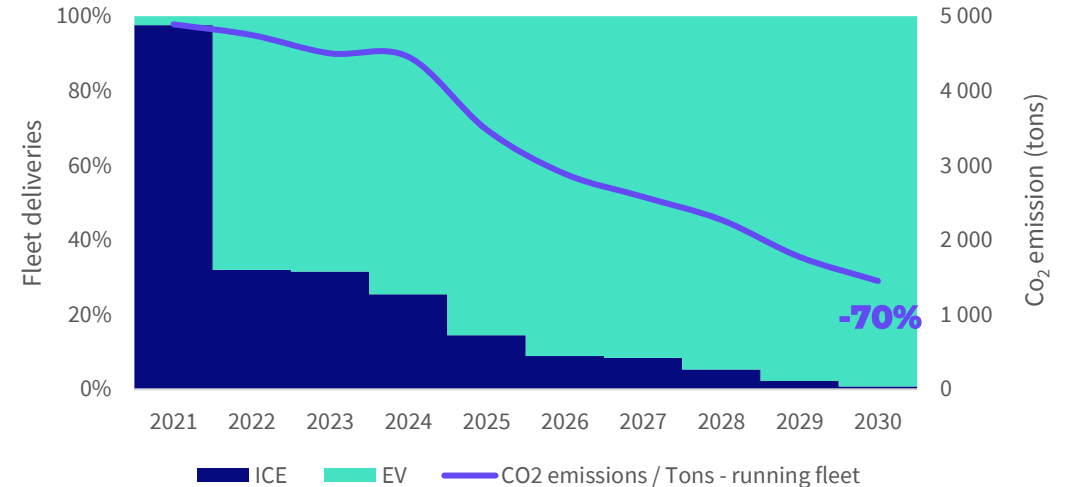
■ EV³ ■ Other Green⁴ ■ ICE ■ Other⁵

ALD Electric offer (including charging) available in **34** countries

- +12 countries vs. 2021

Shaping the way to net zero

CO₂ emissions - Client case study



My Net Zero programme

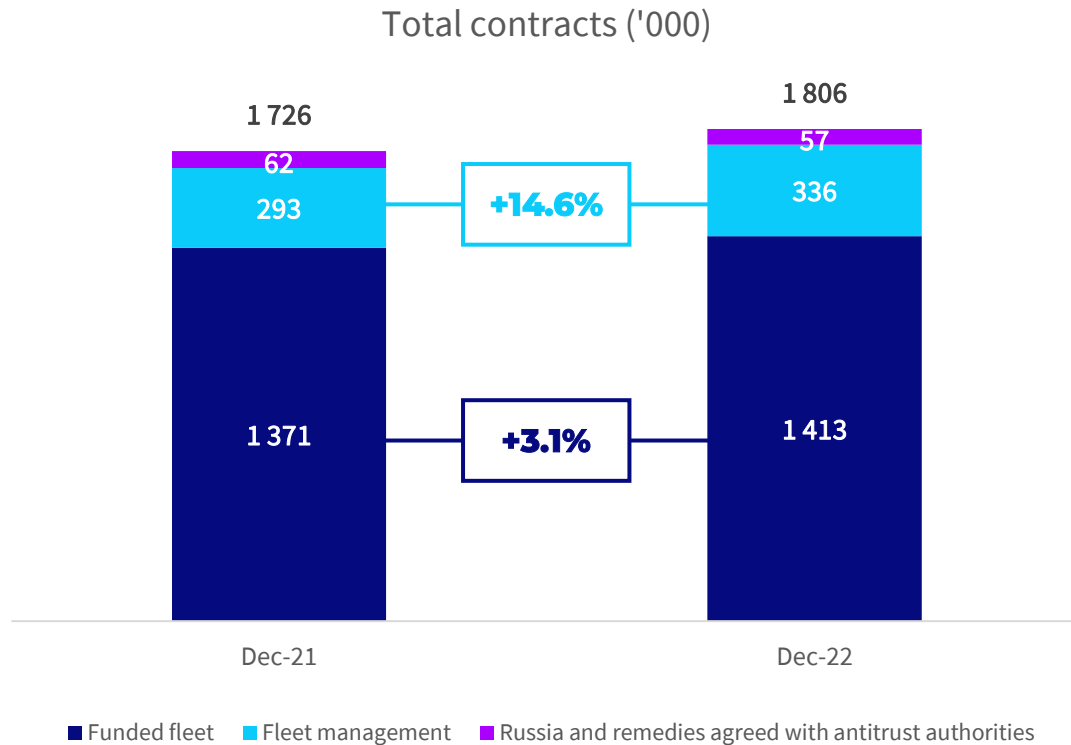
Helping clients beat their CO₂ emissions objectives

Unique and state-of-the-art modelling tool adapted to clients' needs

- Simulations taking into account vehicle cycle renewal, EV readiness of countries in scope



Continued positive commercial dynamics



Funded fleet: +3.1%⁽¹⁾ vs. end December 2021, in line with guidance (+2% to +4%)

Fleet management: +14.6%⁽²⁾ vs. end December 2021

- Leveraging on a new banking partnership

Total contracts: 1,806k, +5.2%⁽¹⁾⁽²⁾ vs. end December 2021

Order book remaining at high level

Update on the acquisition of LeasePlan

2022 main achievements

- ✓ Main approvals received from competition and regulatory authorities
 - ✓ Main regulatory approvals received (ECB, DNB and ACPR)
 - ✓ Waiver to the obligation to file a tender offer on ALD granted by the AMF
 - ✓ European Commission approval under the EU Merger Regulation (subject to limited disposals) and non-EU⁽¹⁾ approvals received
- ✓ Successful EUR 1.2 bn rights issue

Next steps

- Target closing by end of March 2023
- ALD Extraordinary General Meeting
- At closing, ALD S.A becomes a Financial Holding Company

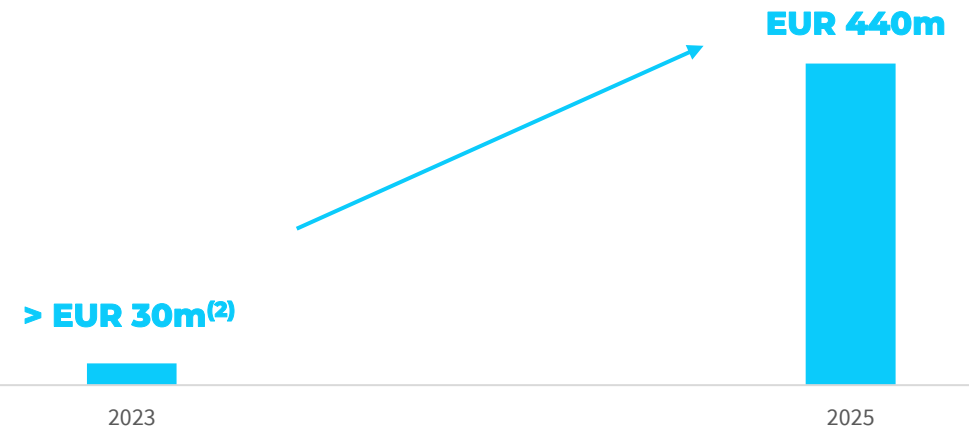
Integration execution until 2025



Costs to achieve



Annual synergies

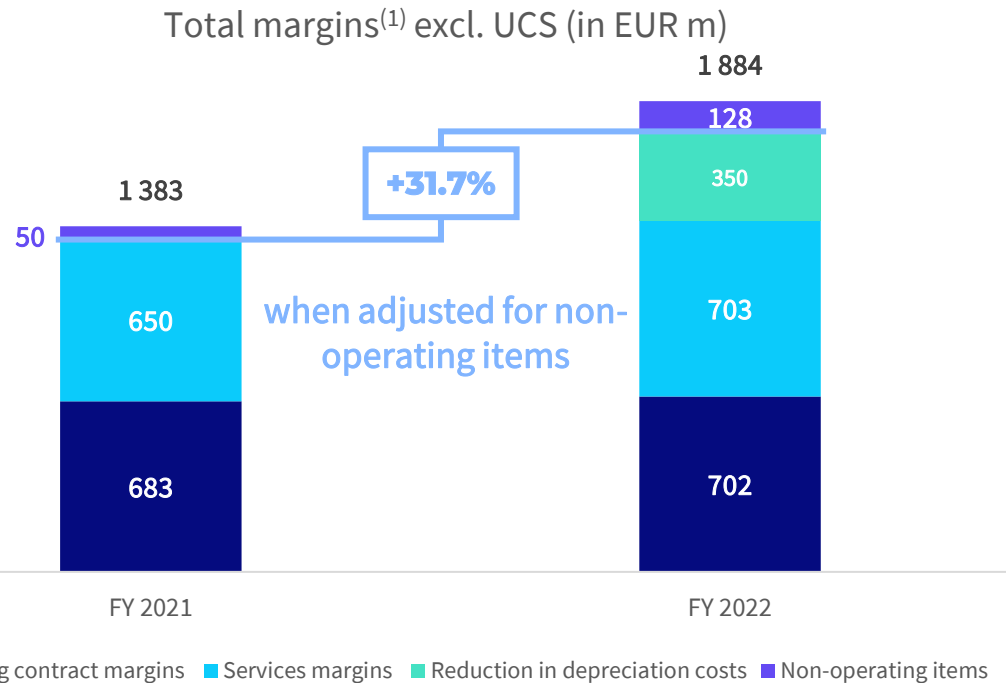


Q4 and FY 2022

Financial results



Strong growth in margins excluding non-operating items



Total margins excl. UCS result up 36.3% vs. FY 2021 and up 31.7% when adjusted for non-operating items

Reduction in depreciation costs⁽²⁾ boosting Leasing contract margin: EUR +350.3m, reflecting higher than previously anticipated estimated 2023 used car prices

Non-operating items impacting Leasing contract margin: EUR +128.4m in FY 2022 vs. +49.8m in FY 2021

- Hyperinflation in Turkey⁽³⁾: EUR +59.9m
- Fleet revaluation⁽⁴⁾: EUR +72.2m vs. EUR +49.8m in FY 2021
- Ukraine provision: EUR -3.6m

1. Including Russia, Belarus and remedies agreed with antitrust authorities (Portugal, Ireland and Norway except NF Fleet Norway). These entities are held-for-sale assets under IFRS 5 but don't represent a major line of business or geographical area of operations

2. 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

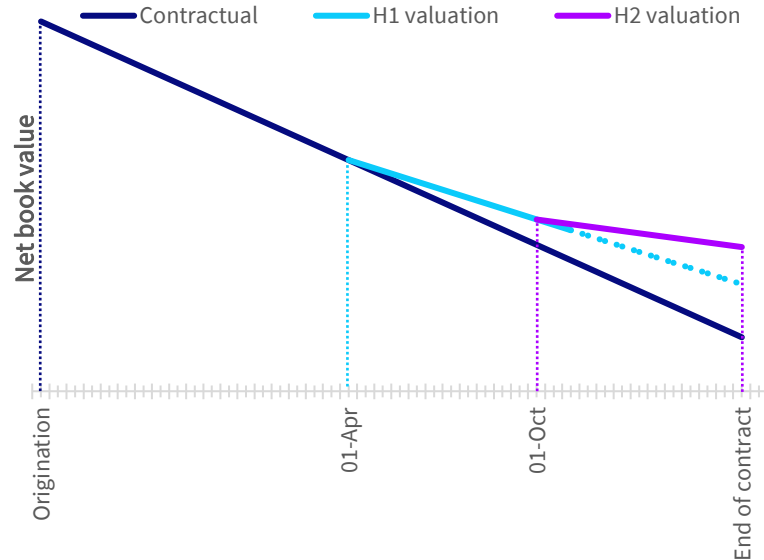
3. As per IAS 29 "Financial Reporting in Hyperinflationary Economies". First Time Application in Turkey: 1 January 2022

4. On the basis of the expected roll-off of the fleet portfolio and deriving from the usual revaluation exercise

Higher estimated 2023 used car prices

1

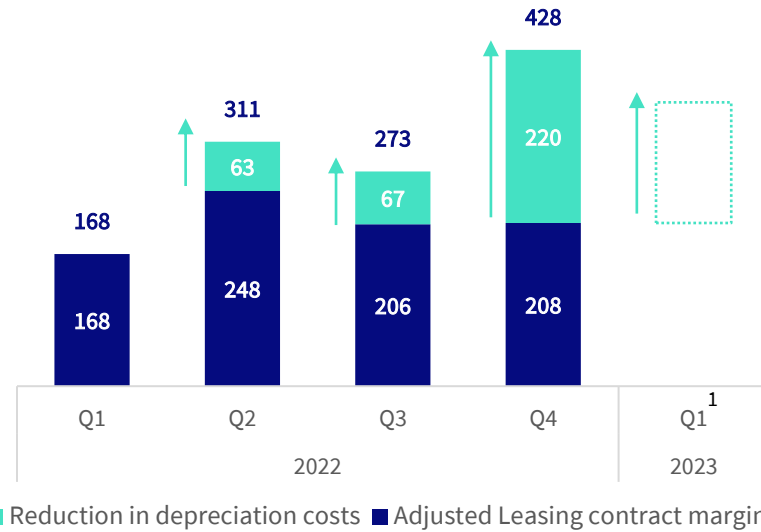
Depreciation curve



Change in depreciation curve reflecting higher than previously anticipated estimated 2023 used car prices

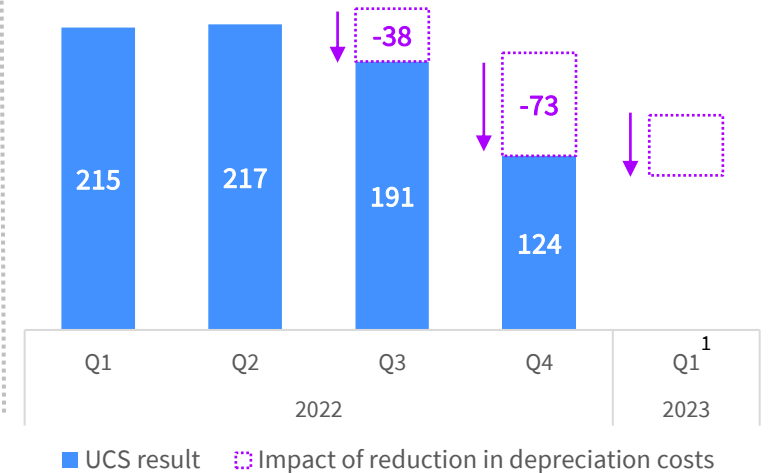
2

Leasing contract margin (in EUR m)



3

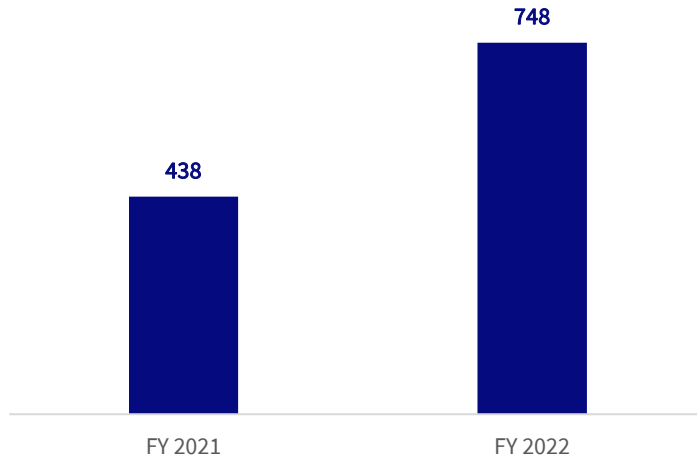
Reduction in depreciation costs lowering UCS result (in EUR m)



Mechanism of reduction in depreciation costs (in EUR m)	FY 2022
+ Positive impact on Leasing contract margin	+350.3
- Negative impact on Used car sales result	-110.9
= Net impact on Gross operating income	+239.4

Exceptionally high used car sales result

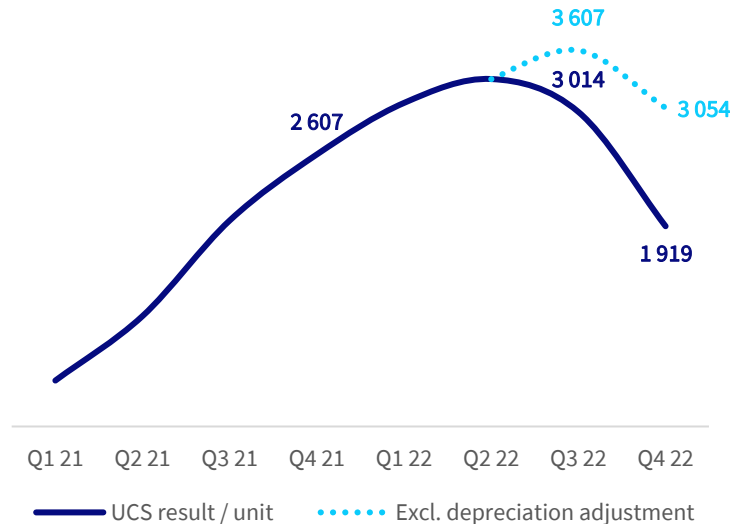
Used car sales result (in EUR m)



Used car sales result at EUR 747.6m in FY 2022

- Highly favourable conditions in used car markets
- Impact of change in depreciation curve on UCS at EUR -111m in FY 2022

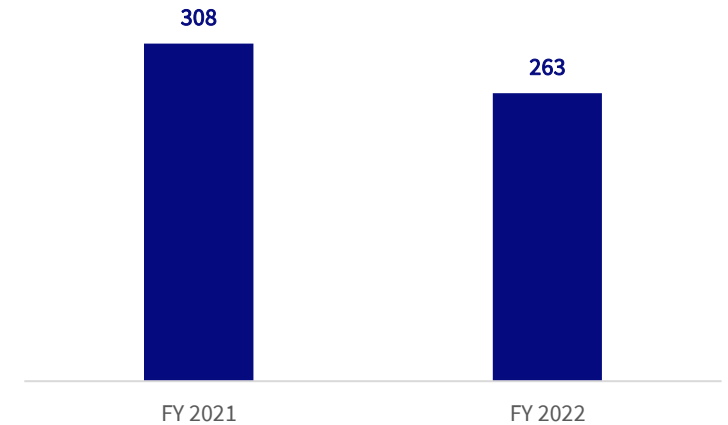
Used car sales result per unit sold⁽¹⁾ (in EUR)



UCS result per unit⁽¹⁾ at EUR 2,846 in FY 2022 vs. EUR 1,422 in FY 2021

- QoQ decrease due to the reduction in depreciation costs in Leasing contract margin in previous quarters
- Without reduction in depreciation costs, UCS result per unit would have been EUR 3,054 in Q4 2022

Used cars sold⁽¹⁾ ('000 units)

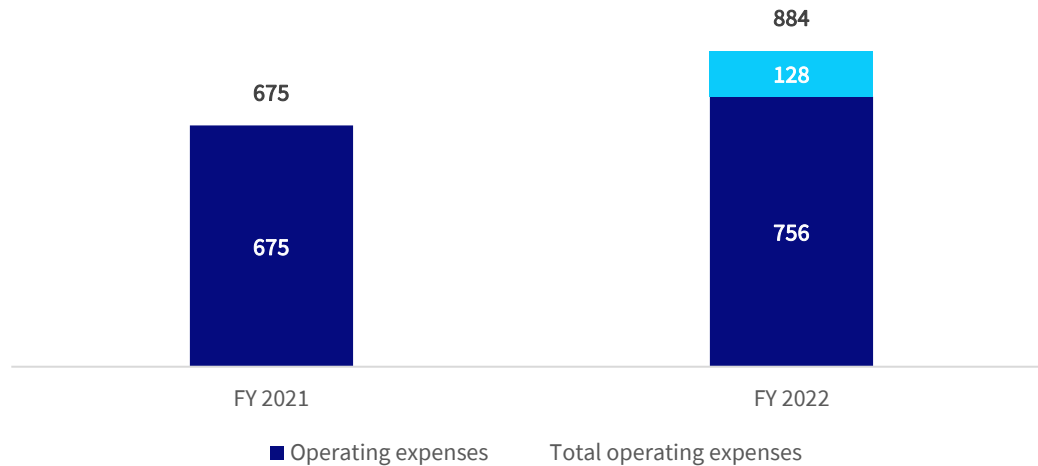


263k used cars sold⁽¹⁾ in FY 2022

- Lower volume of vehicles sold due to contract extensions and development of used car lease

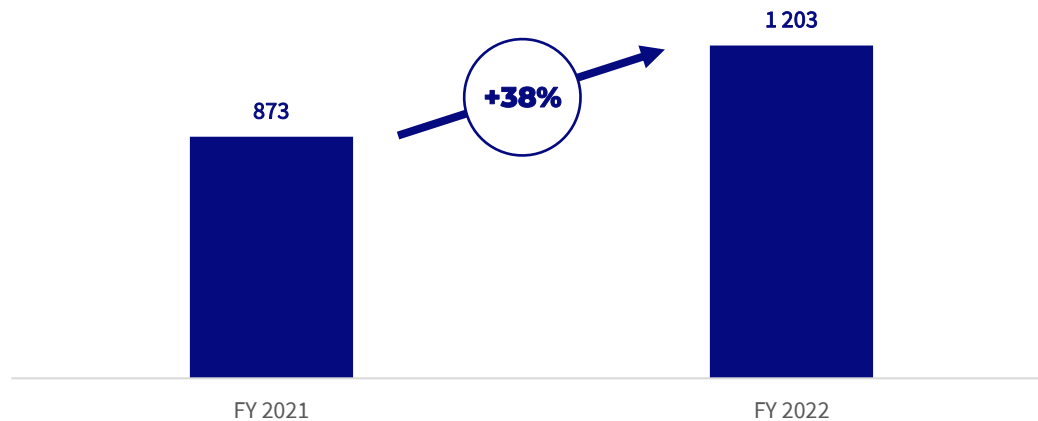
Record net income

Total operating expenses (in EUR m)



■ Operating expenses ■ Total operating expenses

Net income group share (in EUR m)



1. Impairment charges on receivables
2. As % of Average Earning Assets (including Russia, Belarus, Portugal, Ireland and Norway except NF Fleet Norway)
3. Impairment of the net book value of Russian and Belarus entities classified as held-for-sale. Upon classification as held for sale, assets are not depreciated and any subsequent differences between the fair value and the net book value will be booked in the income statement in future periods until the closing of the transaction. Accumulated translation reserves will be reclassified into the income statement at the closing of the transaction with no impact to the shareholders' equity. Total equity of the Russian and Belarus entities amounted to EUR 136.0m at 31 December 2022, including

Total operating expenses at EUR 884.3m in FY 2022, including

- LeasePlan acquisition-related costs: EUR 128m
- Scope effect (Sabadell, Fleetpool, Ford Fleet Management): EUR 31.5m
- Higher variable compensation accrual linked to strong results

Cost of risk⁽¹⁾ at EUR 46.1m vs. low EUR 24.8m in FY 2021

- 20 bps⁽²⁾ in FY 2022 vs. 11 bps in FY 2021

Record net income (Group share) at EUR 1,203.2m

- Non-recurring expenses at EUR 50.6m⁽³⁾
- Effective tax rate at 26.9% due to non-recurring expenses
- Earnings per share at EUR 2.66⁽⁴⁾, +35%⁽⁵⁾ vs. FY 2021
- Proposed dividend at EUR 1.06, vs. EUR 0.99⁽⁵⁾ in FY 2021, representing a 50% payout ratio⁽⁶⁾

1. accumulated translation reserves of EUR -54.3m
2. Diluted Earnings per share, calculated according to IAS 33. Basic EPS for 2022 at EUR 2.66
3. Adjusted for rights issue in 2022
4. % of net income (Group share) distributed to outstanding shareholders post rights issue. While the closing of the LeasePlan acquisition is expected before the payment of the 2022 dividend, the current shareholders of LeasePlan will not receive this dividend

Balance sheet at December 2022

In EUR million	FY 2022	FY 2021	Var.	Var. %
Earning assets	23,943	22,489	1,454	6.5%
<i>o/w Rental fleet</i>	23,227	21,711	1,516	7.0%
<i>o/w Financial lease receivables</i>	716	777	(61)	-7.9%
Long term invt. – Equity Reinvestment	200	280	(80)	-28.6%
Cash & Cash deposits	253	153	100	65.4%
Intangibles (incl. goodwill)	745	665	80	12.0%
Other	5,125	3,404	1,721	50.6%
Assets held-for-sale	1,085	0	1,085	
Total Assets	31,351	26,991	4,360	16.2%
Shareholders' equity	6,857	4,812	2,045	42.5%
Minority interest	37	34	3	8.8%
Financial debt	19,874	18,517	1,357	7.3%
Other liabilities	4,356	3,628	728	20.1%
Liabilities held-for-sale	227	0	227	
Total liabilities and equity	31,351	26,991	4,360	16.2%
<i>Total Equity on Total Assets</i>	<i>22.0%</i>	<i>18.0%</i>		

Earning Assets increased by 10.3%⁽¹⁾ vs. December 2021, reflecting higher value vehicles (esp. Electric Vehicles)

Total Equity/Asset ratio at 22.0% at end December 2022, up from 18.0% in December 2021

- Equity comprising EUR 1.2bn rights issue financing part of the LeasePlan acquisition expected to close by end of March 2023
- Total Equity / Asset ratio at 20.1% net of proposed dividend

c. EUR 2bn bond issued in FY 2022

Strong 2022 performance in line with guidance

Funded fleet

Used car sales

Dividend payout ratio⁽²⁾

**Actual
performance
2022**

+3.1%⁽¹⁾

EUR 2,846
per unit sold

50%
Proposed dividend:
EUR 1.06

**November
2022
guidance**

Between
+2% and **+4%**

Above
EUR 2,800
per unit sold

50%



Appendix



FY 2022 financial results

In EUR million	FY 2022	FY 2021	Var.	Var. %
Total contracts ('000)	1,806	1,726	81	4.7%
<i>Full service leasing contracts</i>	<i>1,464</i>	<i>1,427</i>	<i>37</i>	<i>2.6%</i>
<i>Fleet management contracts</i>	<i>342</i>	<i>299</i>	<i>43</i>	<i>14.4%</i>
Leasing contract margin	1,181.1	732.8	448.2	61.2%
Services margin	703.2	650.0	53.1	8.2%
Leasing contract & Services margins	1,884.2	1,382.8	501.4	36.3%
Used car sales result	747.6	437.7	309.9	70.8%
Gross Operating Income	2,631.8	1,820.6	811.3	44.6%
Total operating expenses	(884.3)	(675.1)	(209.2)	31.0%
<i>Cost / Income ratio excl. UCS</i>	<i>46.9%</i>	<i>48.8%</i>		
Cost of risk ⁽¹⁾	(46.1)	(24.8)	(21.3)	85.9%
Non-recurring expenses	(50.6)	0.0	(50.6)	
Operating result	1,650.8	1,120.6	530.2	47.3%
Share of profit of associates and jointly controlled entities	1.7	(1.9)	3.6	-186.7%
Profit before tax	1,652.5	1,118.7	533.8	47.7%
Income tax expense	(444.6)	(238.6)	(206.0)	86.3%
Result from discontinued operations	0.0	0.0	0.0	
Non-controlling interests	(4.7)	(7.1)	2.4	-33.7%
Net Income group share	1,203.2	873.0	330.2	37.8%

Fourth quarter financial results

In EUR million	Q4 2022	Q4 2021	Var.	Var. %
Total contracts ('000)	1,806	1,726	81	4.7%
Full service leasing contracts	1,464	1,427	37	2.6%
Fleet management contracts	342	299	43	14.4%
Leasing contract margin	428.0	201.8	226.2	112.1%
Services margin	196.8	161.8	35.0	21.6%
Leasing contract & Services margins	624.8	363.6	261.2	71.8%
Used car sales result	123.9	160.0	(36.1)	-22.6%
Gross Operating Income	748.7	523.6	225.1	43.0%
Total operating expenses	(260.0)	(183.4)	(76.7)	41.8%
Cost / Income ratio excl. UCS	41.6%	50.4%		
Cost of risk ⁽¹⁾	(13.8)	0.4	(14.2)	N/A
Non-recurring expenses ⁽²⁾	(50.6)	0.0	(50.6)	
Operating result	424.3	340.6	83.7	24.6%
Share of profit of associates and jointly controlled entities	0.3	(3.1)	3.3	-109.0%
Profit before tax	424.6	337.6	87.0	25.8%
Income tax expense	(137.4)	(73.0)	(64.4)	88.2%
Result from discontinued operations	0.0	0.0	0.0	
Non-controlling interests	(2.1)	(1.7)	(0.4)	24.1%
Net Income group share	285.0	262.8	22.1	8.4%

Leasing contract & Services margins at EUR 624.8m

- Reduction in depreciation costs⁽³⁾: EUR +220.3m
- Non-operating items impacting Leasing contract margin: EUR +33.7m
 - Fleet revaluation⁽⁴⁾: EUR +12.5m vs. EUR +32.0m in Q4 2021
 - Ukraine provision reversal: EUR +21.4m

LeasePlan acquisition-related costs: EUR 44.3m

Cost of risk at 23 bps⁽⁵⁾

Net Income (Group Share) at EUR 285.0m, up 8.4% vs. Q4 2021

- Non-recurring expenses⁽²⁾: EUR 50.6m
- Effective tax rate impacted by non-deductible expenses

1. Impairment charges on receivables
 2. Impairment of the net book value of Russian and Belarus entities classified as held-for-sale
 3. 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
 4. On the basis of the expected roll-off of the fleet portfolio and deriving from the usual revaluation exercise
 5. As % of Average Earning Assets including Russia, Belarus, Portugal, Ireland and Norway except NF Fleet Norway

Quarterly series

(in EUR million) ¹	Q1 2021	Q2 2021	Q3 2021	Q4 2021	Q1 2022	Q2 2022	Q3 2022	Q4 2022
Leasing Contract Margin	171.6	185.2	174.2	201.8	168.4	311.2	273.4	428.0
Services Margin	156.5	158.3	173.5	161.8	160.6	165.1	180.7	196.8
Leasing Contract and Services Margins	328.1	343.5	347.6	363.6	329.0	476.3	454.2	624.8
Used Car Sales result	38.2	87.1	152.4	160.0	215.2	217.4	191.0	123.9
Gross Operating Income	366.3	430.6	500.1	523.6	544.2	693.7	645.2	748.7
Total Operating Expenses	(163.9)	(166.1)	(161.8)	(183.4)	(187.8)	(216.5)	(220.0)	(260.0)
Impairment Charges on Receivables	(8.7)	(7.9)	(8.6)	0.4	(7.9)	(11.0)	(13.5)	(13.8)
Non-recurring expenses								(50.6)
Profit Before Tax	194.1	257.0	330.0	337.6	349.4	466.4	412.1	424.6
Net Income (Group share)	155.5	196.5	258.1	262.8	255.3	350.9	312.1	285.0

(in '000)	31.03.2021	30.06.2021	30.09.2021	31.12.2021	31.03.2022	30.06.2022	30.09.2022	31.12.2022
Total Contracts	1,759	1,761	1,679	1,726	1,737	1,761	1,762	1,806
<i>Full service leasing contracts</i>	<i>1,370</i>	<i>1,374</i>	<i>1,382</i>	<i>1,427</i>	<i>1,436</i>	<i>1,448</i>	<i>1,454</i>	<i>1,464</i>
<i>Fleet management contracts</i>	<i>389</i>	<i>388</i>	<i>297</i>	<i>299</i>	<i>301</i>	<i>313</i>	<i>308</i>	<i>342</i>

Yearly series

(in EUR million) ¹	2015	2016	2017	2018	2019	2020 ⁽²⁾	2021	2022
Leasing Contract Margin	431.6	514.1	574.5	623.8	664.1	604.4	732.8	1,181.1
Services Margin	534.0	528.6	593.0	616.7	632.3	652.0	650.0	703.2
Leasing Contract & Services Margins	965.6	1,042.7	1,167.5	1,240.5	1,296.4	1,256.4	1,382.8	1,884.2
Used Car Sales Result	207.2	201.5	165.3	102.5	75.0	61.1	437.7	747.6
Gross Operating Income	1,172.8	1,244.2	1,332.8	1,343.0	1,371.4	1,317.5	1,820.6	2,631.8
Total Operating Expenses	(491.8)	(553.1)	(598.0)	(617.6)	(635.0)	(633.7)	(675.1)	(884.3)
Impairment Charges on Receivables	(20.9)	(23.8)	(22.4)	(37.8)	(45.0)	(71.1)	(24.8)	(46.1)
Non-Recurring expenses	(0.0)	(0.0)	(0.0)	(0.0)	(0.0)	0.0	0.0	(50.6)
Profit Before Tax	604.0	666.1	713.6	689.1	693.2	614.6	1,118.7	1,652.5
Net Income (Group share)	424.3	511.7	567.6	555.6	564.2	509.8	873.0	1,203.2







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


Earnings per share and Dividend per share

	2017	2018	2019	2020	2021	2022
Earnings per share (IAS 33)						
Net income (EUR m)	567.6	555.6	564.2	509.8	873.0	1,203.2
Number of shares outstanding at end of period (m)	404.1	404.1	404.1	404.1	404.1	565.7
Weighted average number of shares (m)	404.1	404.1	404.1	404.1	404.1	453.2
Diluted EPS	1.40	1.37	1.40	1.26	2.16	2.66
Diluted EPS adjusted for rights issue⁽¹⁾	1.28	1.25	1.27	1.15	1.97	
Dividend per share						
Net income (EUR m)	567.6	555.6	564.2	509.8	873.0	1,203.2
Payout ratio	39%	42%	45%	50%	50%	50%
Number of shares (m)	404.1	404.1	404.1	404.1	404.1	565.7
DPS	0.55	0.58	0.63	0.63	1.08	1.06
DPS adjusted for rights issue⁽¹⁾	0.50	0.53	0.57	0.57	0.99	

1. Adjustment factor: 0.91233

Increased recognition of ALD's strong commitments in ESG

					
<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 (Group level)</p> <p>30+ countries rated (9 Platinum – 12 Gold)</p>	<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)</p> <p>Top 12%</p> <p>Top 8% in Transportation</p>	<p>'A' rating</p> <p>Top 30%</p>	<p>C ("Prime")</p> <p>Rated "Prime" on sustainability performance</p> <p>Top 20% in the sector</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



2023 financial results agenda

12 May 2023

Q1 results



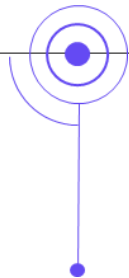
3 November 2023

Q3 and 9M results



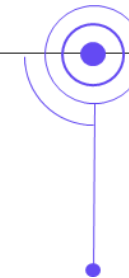
3 August 2023

Q2 and H1 results



8 February 2024

Q4 and FY results





ALD