Deutsche Leasing

2021

ANNUAL REPORT 2021/22

2022

TEAM D

Finanzgruppe

More in Sight

Additional information relating to our Annual Report 2021/22 and current information on the development of the Deutsche Leasing Group's business can be found at **deutsche-leasing.com/finanzberichte**

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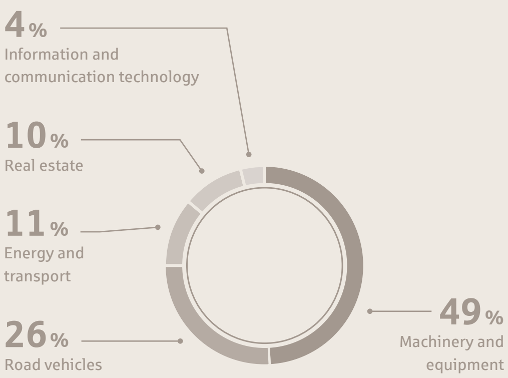
OVERVIEW OF THE DEUTSCHE LEASING GROUP

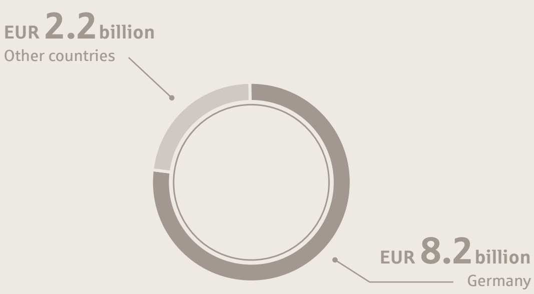
Figures in EUR million	2021/22	2020/21	2019/20	2018/19	2017/18
New business	**10,397**	**9,925**	**9,218**	**10,297**	**9,181**
New business: movables	9,379	8,927	8,768	9,630	8,474
New business: real estate	1,018	998	450	667	707
Assets under management	**41,634**	**40,964**	**39,981**	**40,426**	**38,561**
Assets under management: movables	33,017	32,672	31,668	31,465	29,489
Assets under management: real estate	8,617	8,292	8,313	8,961	9,072
Balance-sheet total	23,273	22,590	22,131	22,147	20,784
Net asset value	2,298	2,201	2,099	2,070	1,969
Equity	1,005	989	907	927	857
Economic result	177	175	70	170	159
Employees	**2,845**	**2,755**	**2,716**	**2,624**	**2,575**
Number of employees at Deutsche Leasing*	1,954	1,882	1,806	1,751	1,774
Number of employees at DAL	340	336	335	331	324
Number of employees at investments	551	537	575	542	477

* From financial year 2020/21 onwards, the employees of Deutsche Leasing Finance are included in the "Number of employees at Deutsche Leasing" rather than the "Number of employees at investments".

New business of the Deutsche Leasing Group 2021/22 by business segment



New business of the Deutsche Leasing Group 2021/22 Germany/other countries



MANAGEMENT BOARD DEUTSCHE LEASING

Kai Ostermann
Chief Executive Officer

Sonja Kardorf
Management Board member

Georg Hansjürgens
Management Board member

Markus Strehle
Management Board member

Rainer Weis
Management Board member

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MANAGEMENT BOARD'S LETTER

Dear clients and business partners of the Deutsche Leasing Group,

The war in Ukraine and the related geopolitical upheavals have had a considerable impact on our financial year 2021/22.

So much is now more complex and uncertain. We are currently undergoing a huge economic transformation. The geopolitical changes and the war in Ukraine are putting significant pressure on supply chains, sales markets, and the supply of energy. Companies are thus obliged not only to consider the issues of digitalisation, the recruitment and retention of skilled workers and decarbonisation, they are also forced to confront these geopolitical and macroeconomic changes. As always in times of upheaval, huge challenges and tremendous market opportunities go hand in hand. Targeted and forward-looking investments will play a crucial role for the German economy as a whole and for every business. After all, there can be no transformation without investment!

This transformation of the economy will require staying power and networks in order to jointly strike out on new paths and identify solutions. That will continue to require a strong SME sector and its partners. Deutsche Leasing stands side by side with the SME sector to play a role in shaping these changes. With our sector and asset expertise, we are financing and realising the SME sector's transformation. We are thus making a systematic contribution to the German economy's climate-friendly and digital transformation.

That requires close cooperation with you – our customers, Sparkassen-Finanzgruppe and our partners. The high level of trust which you continue to place in Deutsche Leasing, particularly in these challenging times, is a great honour for us. We would like to thank you wholeheartedly for our intensive and consistently forward-looking partnership. We would particularly like to thank our employees in Germany and other countries. In consistently rising to new challenges and seizing opportunities, they are demonstrating strong team spirit, a high level of commitment and outstanding achievement – as they proved once again in the past financial year.

New business again exceeds 10 billion mark

In the financial year 2021/22, the significant change in overall conditions had some negative effects on the Deutsche Leasing Group, but also some positive impacts. Overall, our broad diversification in the market played a key role in our ability to exploit market opportunities and in our successful overall development, despite the more difficult circumstances.

With a 4.8 per cent increase in our new business volume to EUR 10.4 billion, we have exceeded the EUR 10 billion mark for the second time in Deutsche Leasing's history. We have thus maintained our leading market position in a market environment which remained challenging. Our economic result also rose slightly year-on-year to EUR 177 million. With an increase in our net asset value to approx. EUR 2.3 billion, we have once again considerably strengthened the economic fundamentals of the Deutsche Leasing Group.

Renewable energy as a source of growth impetus

A glance at the distribution of new business by asset class in our various **business segments** shows that our individual business segments generally exceeded or matched the level achieved in the previous year.

- In the **energy and transport** segment, which encompasses investments in infrastructure and utilities as well as transport and logistics, the volume of new business increased significantly by more than 30 per cent to

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EUR 1.1 billion. Above all, this was driven by the further rise in the number of renewable energy projects which we supported.

- In the **road vehicles** segment – which includes the passenger car fleet business as well as commercial vehicles – our new business volume increased by 14 per cent to EUR 2.8 billion.
- The new business volume in the **machinery and equipment** segment – which remains the core focus of Deutsche Leasing's asset finance business – amounted to EUR 5.1 billion and thus matched the previous year's figure.
- The **real estate** segment was also stable and remained at the same high level as in the previous year with a new business volume of EUR 1 billion.
- The volume of new business in the **information and communication technology** segment amounted to EUR 0.4 billion and was thus lower than in the previous year. This was partly due to the uncertainties associated with the market environment as well as the ongoing supply chain problem. In times of transformation, companies' technological development (modernisation of IT, digitalisation of processes and jobs) remains essential and creates market opportunities.

New business in Russia frozen

In early March 2022, in response to the start of the war in Ukraine, the Deutsche Leasing Group froze active new business in Russia while safeguarding the viability of day-to-day business operations under the prevailing sanctions and acting in close consultation with its customers and partners. Accordingly, the share of the Deutsche Leasing Group's new business accounted for by Russia declined to 0.3 per cent in the financial year 2021/22 (previous year: 1.3 per cent).

Factoring turnover once again increased

Deutsche Factoring Bank achieved factoring turnover of EUR 23 billion in the calendar year 2022 and thus an increase of 12.4 per cent on the previous year. It had already surpassed the 20 billion mark for the first time in 2021. It reached another record result thanks to the dynamic trend for business with new and existing customers in Germany and through import and export factoring. Its business success also reflected its continuous and efficient market exploitation together with Deutsche Leasing and Sparkassen-Finanzgruppe. In the new customers segment, the volume of business brokered by savings banks was more than 90 per cent. With its receivables financing and debt management products, Deutsche Factoring Bank focuses on SME customers and is Sparkassen-Finanzgruppe's factoring centre of excellence.

Positive trend for investments

Bad Homburger Inkasso (BHI) was able to gain new customers – in particular, in the housing and energy sectors as well as transport operators – and now has 1,388 clients in total, including 363 savings banks and other Sparkassen-Finanzgruppe companies. Despite a challenging environment and internal change and modernisation processes – including an extensive changeover of its core IT systems – BHI won a large number of new customers and acquired new cases. As an associated company of the Deutsche Leasing Group, Bad Homburger Inkasso offers bad loan solutions as well as the market-oriented resale of movable and real estate collateral.

S-Kreditpartner (SKP), a joint venture of Deutsche Leasing and Landesbank Berlin/Berliner Sparkasse, fared well in the calendar year 2022 despite the more difficult conditions. In the past year, this product specialist for vehicle and consumer loans within Sparkassen-Finanzgruppe achieved its highest new business volume since its founding – EUR 4.9 billion – thanks to a successful first half of the year. This corresponds to a 15 per cent increase year-on-year and demonstrates that it has successfully implemented its strategy together with the savings banks. For 2023, a more subdued new business trend should be expected on account of the slowdown in economic activity.

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The volume of existing retail and corporate customer business amounted to EUR 10.5 billion and increased by 16 per cent year-on-year. Currently, around 60 per cent of the savings banks are cooperating with S-Kreditpartner through fully fledged partnerships. Ten such new partnerships were added in 2022.

Strategy defined, areas of transformation deepened and market opportunities realised

The Deutsche Leasing Group's past financial year was dominated by forward-looking changes. We not only adjusted our corporate strategy and actively exploited market opportunities, we also stepped up our sustainability efforts even further and made significant progress in the area of digitalisation.

Our revised corporate strategy **"Strategy 2030"** is our response to the complex and uncertain environment. We have thus established a framework for our areas of strategic focus, such as sustainability and digitalisation, for our market ambitions in Germany and other countries, and for the Deutsche Leasing Group's continuous processes of corporate transformation over the next few years.

We have successfully established a new central market unit to deepen our **centre of excellence function within Sparkassen-Finanzgruppe**. We are thus intensifying our close partnership with the savings banks and focusing on a joint, strategically-oriented market exploitation approach. We have expanded our range of digital solutions in our business and commercial customers segment as demonstrated by our fully digitalised S-Gewerbekredit product for financing of smaller plant and equipment expenditures.

We have systematically deepened the profile of **sustainability and decarbonisation** in our business activities in relation to our customers and within Sparkassen-Finanzgruppe. This is a central strategic area of focus and a transformation engine for us and for our customers and partners. Our Strategy 2030 and our role as an active transformation service provider in the area of sustainability should be understood in this context. We have made changes to our evaluation and steering activities in regard to sustainability criteria (ESG criteria/risks) for our portfolios in Germany and other countries. We have coordinated more closely with the savings banks regarding our activities in the areas of sustainability and transformation financing so as to pool areas of expertise in a strategic and sales-oriented manner and to exploit these on the market in our customer relationships. The renewable energy projects which our subsidiary DAL Deutsche Anlagen-Leasing is implementing with savings banks are one example of this. However, our activities here also include joint investment solutions promoting climate-friendly mobility for vehicle fleets and local public transport as well as more energy-efficient machinery and equipment. For our own business operations, we have intensified the regular assessment of our sustainability efforts from an ESG point of view and defined further measures in order to realise our goal of achieving carbon neutrality in our business operations by 2035, in line with Sparkassen-Finanzgruppe's commitment to climate-friendly and sustainable business activities. Our employees are undergoing targeted ESG training with this goal in mind.

In the financial year 2021/22, we continued to step up our investments in **IT modernisation, process and product optimisation and forward-looking digital solutions**. This delivered significant performance improvements for our customers and partners and for our own business operations. We have realised a key step in the modernisation of our IT with our successful relocation to a new data centre. Within the scope of our ongoing action and investment programme, together with our digital and innovation subsidiary, **vent.io**, we have made improvements for our customer business which include machine data-based digital business models. vent.io has also expanded its activities in the areas of digital customer and partner interfaces, MVP development, and data science models as well as investments in and partnerships with B2B start-ups.

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The picture for our **international activities** in more than 20 foreign markets varied in the financial year 2021/22. The course of business differed from one country to the next in view of the macroeconomic and geopolitical developments. At the same time, we were able to realise important projects. This included the continuous expansion of our market activities in Austria and Switzerland as well as our ECA (export credit agency) business.

Promising outlook for the financial year 2022/23

The Deutsche Leasing Group's new financial year 2022/23 will continue to be shaped by a complex and uncertain environment. The macroeconomic trend and issues such as the supply of energy, inflation, the war in Ukraine, the increasing polarisation of geopolitical interests, ongoing trade conflicts and, not least, the interest-rate trend are one aspect of this.

Nonetheless, we also see attractive opportunities for the Deutsche Leasing Group in the financial year 2022/23. Processes of upheaval and transformation – which currently include decarbonisation and digitalisation – are shaping the market and most companies' activities. These changes entail investments in the future which are critical to success. They also offer us the opportunity to make an active contribution to a modern and climate-friendly economy while developing profitable growth areas – very much in keeping with our Strategy 2030.

We will intensify and develop our range of advisory and other services and solutions in this role as an **active transformation service provider in the area of sustainability**. This particularly concerns products and services relating to the action fields of renewable energy (incl. photovoltaic systems, solar and wind farms), energy efficiency (machinery, equipment, real estate) and e-mobility (commercial vehicles, passenger cars, local public transport). Our close cooperation with the savings banks in the areas of transformation financing and sustainability will play an important and prominent role for a strong SME sector. We will also review further potential for sustainability in the Deutsche Leasing Group's business model.

The renewal of our own IT landscape remains of key significance for our **digitalisation and modernisation projects** – as the basis for digital customer applications, portal solutions and flexible execution processes. Important system changeovers in the current financial year will contribute to this. In addition, we will further optimise our processes and products in order to accelerate the pace of our digital automation and implementation workflows where necessary and appropriate.

Besides continuing to develop existing, successful partnerships, our digital subsidiary **vent.io** will invest further in start-ups as planned. At the same time, we will focus on the development of digital customer and partner interfaces as well as the implementation of data science use cases.

In our **intragroup business with the savings banks**, we see further growth areas in addition to transformation financing. The expansion of our joint factoring business is one such example of this. Overall, we will strengthen the visibility of our close relationship with Sparkassen-Finanzgruppe, which will enable us to complement each other's areas of expertise more effectively. With this aim in mind, our Strategic Market Exploitation system which is in place throughout Germany will provide targeted support for our new central market unit. Many savings banks will already be able to make use of this advisory service in the current year and thus access new market analysis tools, for instance.

Our **international business** segment continues to offer strong business potential for the Deutsche Leasing Group since the German economy is export-oriented and international in focus, and markets are generally diversified worldwide. Reliable relationships and structures remain of paramount importance. With our international network and our globally-oriented partnerships, we provide assistance to

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international vendors (machinery and equipment manufacturers) in their international sales markets and to German companies with their direct investments. We are also closely cooperating with the savings banks regarding foreign business. Moreover, we are the savings banks' central ECA partner in export financing. We see additional revenue opportunities in structured financing in the areas of specialist transactions and project business, as well as in the expansion of our global range of insurance products.

Altogether, for the financial year 2022/23, the Deutsche Leasing Group aims to achieve a rate of new business growth which surpasses the trend for the overall economy and is accompanied by an increase in its net asset value.

Looking forward, much is set to remain challenging and uncertain in the financial year 2022/23 – but there will also be many opportunities. Particularly in times like these, competence and cooperation based on trust and partnership are key, especially when it comes to long-term financing arrangements. It is here that we can rely on our many years of experience and on our relationships with the savings banks, our partners, and our customers. It is their needs which will continue to shape and motivate our activities.

Kai Ostermann | Georg Hansjürgens | Sonja Kardorf | Markus Strehle | Rainer Weis

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SUPERVISORY BOARD'S REPORT

For the Supervisory Board
Alexander Wüerst
Chairman of the Supervisory Board

In the financial year 2021/22, the Supervisory Board monitored the orderliness of the Management Board's management of the company and performed the tasks required of it by law and according to Deutsche Leasing's company agreement and the Supervisory Board's rules of procedure. In accordance with its function and its understanding of its role, the Supervisory Board is continuously, promptly and comprehensively notified of the company's development and of important business transactions. All key questions concerning the company's position and development, strategic and operational planning, risk management and regulatory requirements were extensively discussed. In regular communication between the chairman of the Supervisory Board and the chairman of the Management Board of the managing shareholder, current operational matters were discussed and strategic planning was initiated.

Structure of the Supervisory Board

As of 30 September 2022, the Supervisory Board consisted of 19 persons, almost all of whom were Management Board members of savings banks. To improve the efficiency of its operations, the Supervisory Board has established two committees: a loans and investments committee and an audit committee. The Supervisory Board is comprehensively notified of the agenda and outcome of meetings of these committees through the committee chairman at regular meetings and through receipt of the minutes.

Supervisory Board's activities

The Supervisory Board's four regular meetings entailed detailed reporting from the Management Board on commercial and risk policy, the current economic environment, the financial and profit situation, strategic and operational planning and risk management, as well as related discussions. Investment issues, realisation of the Group's foreign strategy and regulatory requirements were discussed in detail with the Management Board. The Supervisory Board considered

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issues of relevance for the annual financial statements at a further meeting. The Supervisory Board was regularly kept informed of the impact of the coronavirus pandemic and the Russia-Ukraine conflict on the macroeconomic environment as well as Deutsche Leasing's course of business and outlook. In the spring of 2022, three extraordinary meetings relating to the Russia-Ukraine conflict were held with the loans and investments committee as well as the chairman and deputy chairwoman of the Supervisory Board, in order to discuss the current situation, Deutsche Leasing's response and potential consequences. The Supervisory Board was kept continuously informed of developments by means of the minutes of meetings and also through detailed reports at its meetings.

Together with the Management Board, in the financial year 2021/22 the Supervisory Board once again examined how modern technologies and digitalisation can be utilised and developed even more consistently and how to respond to increasing margins, competition and cost pressure.

Issues of particular relevance were followed up in greater depth in committee meetings and proposed resolutions were prepared.

At its four regular meetings, the loans and investments committee held detailed discussions concerning risk decisions on commitments beyond the scope of the Management Board's responsibility as well as risk policy issues for the company, and intensively prepared Supervisory Board resolutions in the field of investments.

At a total of four meetings, the audit committee focused on the following issues: the financial statements and consolidated financial statements as well as the combined management report of Deutsche Sparkassen Leasing AG & Co. KG, and also, with the auditor, its audit findings, in preparation for the Supervisory Board's financial statements meeting. The auditor's findings concerning the supervisory requirements relating to the audit of the financial statements and consolidated financial statements of Deutsche Sparkassen Leasing AG & Co. KG as of 30 September 2022 were extensively reviewed. The audit committee also discussed the medium-term equity planning of the Deutsche Leasing Group in detail. The audit committee examined in depth the consequences of the German Act Strengthening Financial Market Integrity (Gesetz zur Stärkung der Finanzmarktintegrität, FISG) as well as the economic effects of the Russia-Ukraine conflict on Deutsche Leasing in regard to specific accounting issues.

The Supervisory Board made all of the decisions which were required of it and which fell within the scope of its competence. It was involved in decisions of material significance for the company and, where necessary, provided its consent following an extensive discussion and review process. The Supervisory Board discussed with the Management Board the company's strategy and resulting measures for realisation of its medium- and long-term goals and took note of these.

Financial statements and consolidated financial statements

KPMG AG Wirtschaftsprüfungsgesellschaft has been appointed as the auditor and has issued unqualified auditor's reports for the financial statements and consolidated financial statements of Deutsche Sparkassen Leasing AG & Co. KG for the financial year 2021/22 as well as the combined management report. The auditor has notified the Supervisory Board's audit committee of its audit findings and has discussed them in detail with its members. The audit committee has notified the Supervisory Board of the outcome of its review of the auditor's reports and its discussions and has recommended the endorsement of the financial statements and the consolidated financial statements and the presentation of the financial statements to the shareholders' meeting for approval.

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The auditor has provided a comprehensive report on its audit findings at the Supervisory Board's financial statements meeting and has replied to questions.

Following its own audit and discussion of the financial statements and the combined management report with the appointed auditor, the Supervisory Board has noted the auditor's audit findings and has not raised any objections. The Supervisory Board endorses the financial statements presented to it and proposes the approval of the financial statements by the shareholders' meeting.

Proposal for appropriation of profits

The Supervisory Board has discussed the proposal for appropriation of the profit for the year and recommends that the shareholders allocate an amount of EUR 11,993,814.44 of the parent company's net income for the year of EUR 51,993,814.44 to the non-withdrawable reserves.

The Supervisory Board would like to thank the members of the Supervisory Board who left their positions during the year under review, Mr Roland Burgis and Mr Rainer Schwab, for their valuable service. The Supervisory Board would also like to express its thanks and recognition to the Management Board and to all of the company's employees for their sustained commitment and for all of their work in the financial year 2021/22.

Bad Homburg v. d. Höhe,
March 2023

For the Supervisory Board

Alexander Wüerst
Chairman

Combined management report Deutsche Leasing Group

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Combined management report

Financial year 2021/22
Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe

Business performance

- At EUR 10.4 billion, new business volume surpasses the 10 billion mark for the second time in Deutsche Leasing's history (+4.8 per cent)
- Strong domestic growth in the renewable energy segment and for fleet business especially, but varied trend for foreign business
- Expected economic recovery delayed by the Russia-Ukraine war and knock-on effects

Earnings position

- Positive and negative effects in a challenging environment (war, supply chains, interest rates, inflation)
- Risk situation remains stable, but increased level of risk provisions for discernible risks in connection with Deutsche Leasing's Russia business
- Further increase in net asset value, despite more difficult outline conditions
- Economic result is higher than in the previous year and at a good level

Net assets and financial position

- A 3.0 per cent increase in consolidated balance-sheet total to EUR 23.3 billion
- Equity shown in the balance sheet increased to EUR 1.0 billion
- Diversified portfolio structure in terms of sectors as well as asset and credit rating classes and volumes, with high level of granularity and without specific risk concentrations
- Secure financing base with broad foundations

Opportunities and risk management

- Risk-bearing capacity remains clearly intact, even in stress scenarios, and default situation is orderly
- Robust market position thanks to diversification, leasing partnerships and an extensive range of factoring, insurance and other products and services
- Strong market opportunities in relation to intra-group business with the savings banks and as an active transformation service provider in the area of sustainability

Outlook

- The continuation of the Russia-Ukraine war and the resulting geopolitical and economic effects pose the strongest risk for future development
- The margin and risk trends will be particular areas of focus in the financial year 2022/23
- Net asset value expected to increase, together with moderate rise in equity as well as provisions in accordance with §§ 340f and 340g of the German Commercial Code (Handelsgesetzbuch, HGB)

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Basic information regarding the Deutsche Leasing Group

Overview

Deutsche Sparkassen Leasing AG & Co. KG, headquartered in Bad Homburg v. d. Höhe (also referred to hereinafter as “DL KG”), is the parent company of the Deutsche Leasing Group. As a financial services provider, it is supervised by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht, BaFin) and by the German Bundesbank.

As one of the leading asset finance and asset service partners in Germany and Europe, the Deutsche Leasing Group offers investment-related financing solutions (asset finance) as well as supplementary services (asset services) for both fixed and current assets. On the basis of a broad product range, the Deutsche Leasing Group supports its customers in their realisation of investment projects in Germany and other countries. This encompasses small-volume investments and financing, individual, complex major projects, factoring business and debt management. In terms of its customers, Deutsche Leasing – as a central group partner of the savings banks – mainly focuses on SMEs in Germany, which it also supports at an international level.

On 30 September 2022, overall the Group had 2,845 employees in 24 countries.

Products and services

Deutsche Leasing’s combination of asset, industry, service and product competence provides its customers with a significant advantage. The solutions offered by the Deutsche Leasing Group mainly comprise leasing and asset financing for machinery and equipment, vehicles, IT and communication equipment, medical technology, real estate, intangible assets and large-scale movable assets such as energy generation plants (solar and wind farms especially) and rail vehicles, as well as factoring. A wide range of financing solutions such as leasing, rental, hire purchase and investment loans are available for this purpose. Close cooperation with development institutions such as Kreditanstalt für Wiederaufbau (KfW), Landwirtschaftliche Rentenbank and regional development banks mean that Deutsche Leasing is able to assist with the entire advisory process for financing projects eligible for development funds and to supplement these funds with its own solutions. It offers its partners sales financing products as well as dealer purchase finance. In its international business segment, its customers and partners also receive support in the form of ECA-covered export financing.

Asset finance solutions form the core of the Deutsche Leasing Group’s business model. The range of services covers the entire life cycle of a contract, from purchasing of assets via brokerage of asset-related insurance and administrative activities to resale of assets. This is supplemented by full-service products as well as certified returns in the vehicle fleet segment, construction management services for real estate leasing and lifecycle management, including IT services and logistics. In its factoring and collection segment, the Deutsche Leasing Group offers comprehensive debt management services.

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Its in-depth asset know-how and its understanding of specific industry requirements enable the tailored ongoing development of its range of services in line with the market's requirements. Market segments with relevant investment requirements are identified early on and customers receive individual support during the planning of their investments and right up to their realisation, thus laying the foundations for successful long-term partnerships. Sustainable investments (such as renewable energy, electric mobility) in particular are increasingly important for our customers and for the Deutsche Leasing Group itself. In addition, the Deutsche Leasing Group offers standardised, small-volume financing for its business customers seeking simple and rapid access to smaller investment assets.

Organisation and structure

The Deutsche Leasing Group is represented in the market through Deutsche Leasing AG and its various business segments, its subsidiaries DAL Deutsche Anlagen-Leasing GmbH & Co. KG (DAL), Deutsche Leasing Finance GmbH (DLF) and Deutsche Factoring Bank GmbH & Co. KG (DFB), as well as further investments specialising in the asset finance and asset service segments. Companies in 24 countries in Europe, Asia and America provide an international platform for the Deutsche Leasing Group's services.

As the market leader in Germany and one of the leading providers of leasing in Europe, it focuses on business-to-business operations with small and medium-sized enterprises. In particular, the combination of comprehensive asset, industry, product and service competence, all from a single source, provides added value for our customers.

Deutsche Leasing's **Savings Banks and SMEs business segment** specialises in the German market, with a clear focus on the savings banks – which are supported through a combination of offline and online channels – as well as direct distribution. This business segment pursues a generalist sales model and offers a broad range of financing services for movable investment assets (including with the assistance of DLF), from solutions-oriented support for individual projects to processing of small-volume standard transactions. In line with the Deutscher Sparkassen- und Giroverband (DSGV) segmentation model, Deutsche Leasing distinguishes between the customer support services which it provides for larger corporate and company customers, on the one hand, and smaller commercial and business customers on the other. Alongside Deutsche Leasing's most popular leasing and hire-purchase products, its digital S-Gewerbekredit product covers the financing of smaller plant and equipment expenditures. For instance, S-Gewerbekredit (which has omni-channel capability) enables customers to view online, or on their mobile devices, a quotation which has been produced offline and to complete the entire process digitally, using an e-signature. In future, new marketing packages are intended to enhance the attractiveness of Deutsche Leasing's range of services via targeted communication and impulse management. In addition, in cooperation with the International business segment, the savings banks and their clientele receive needs-oriented support for their foreign activities through so-called "German desks" in the foreign companies of the Deutsche Leasing Group.

The **Mobility business segment** positions itself as a finance and service partner for the SME sector's mobility concepts and together with the savings banks in the small-business segment, in order to operate as a leading market participant in the German non-captive market for vehicle fleets. The services offered in this business segment encompass vehicle-related investment and service solutions as well as efficient fleet

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management for SMEs in Germany in particular. Tailored mobility solutions are to be provided for customers via asset-oriented financing know-how as well as modular services. The ongoing market changes – in the form of the growing significance of alternative drive types and new mobility concepts – require a consistent focus on the market's requirements as well as the development of new product concepts and solutions. In addition to Deutsche Leasing's existing configuration and calculation service and online customer portal, this business segment is also stepping up its digital customer contact processes within the scope of its initial and ongoing advisory and support services, with the goal of increased customer satisfaction and retention. Through AutoExpo Deutsche Auto-Markt GmbH (AutoExpo), this business segment has its own specialised reselling company which resells returned leasing assets to private and commercial buyers in Germany and other countries.

With its international network, in its **International business segment** Deutsche Leasing pools its expertise in assisting small and medium-sized enterprises and partners (vendors) outside Germany. This business segment serves as an international centre of excellence for asset finance and asset services in Sparkassen-Finanzgruppe and offers selected vendors and their clientele in 24 countries asset finance solutions which match local requirements. Moreover, in cooperation with AKA Ausfuhrkredit-Gesellschaft mbH (AKA), customers of the savings banks and Deutsche Leasing are offered ECA-covered export financing. In addition, so-called "German desks" established in Deutsche Leasing's foreign companies assist them with their foreign investments. The use of digital partner portals and their consistent ongoing development are promoted in order to develop new market segments and for the purpose of efficient handling of business transactions in multiple countries.

DAL Deutsche Anlagen-Leasing GmbH & Co. KG (DAL) operates as a centre of excellence for real estate business as well as specialist transactions and project business. It offers its customers structured financing and leasing solutions for long-term and large-scale investments in the real estate (including construction management), transport, logistics, (renewable) energy, medical technology, IT and special products (e.g. financing solutions for intangible assets and current assets) business segments. It specialises in the arrangement of major projects. For IT-related plant and equipment expenditures in the hardware segment, services such as logistics, data deletion and software loading are offered via a service centre operated by DAL.

Since 1 October 2022, the **Central Savings Bank Support (CSBS) unit** has provided the savings banks with strategic support in order to identify new revenue potential. It is building upon the successes achieved during a previous project phase where three savings banks, as pilot organisations, successfully tested a new form of cooperation – Strategic Market Exploitation – for their region. The future sales strategy for DSGV's corporate customer business represents a contribution to the Deutsche Leasing Group's goal of striking out in new directions in its corporate customer business. While drawing upon the expertise of the entire Deutsche Leasing Group, the CSBS analyses the potential offered by a savings bank's sales market and pursues a regular dialogue with the savings banks' management teams. With the strategic advisory services it provides for the savings banks, the Deutsche Leasing Group aims to strengthen its role within Sparkassen-Finanzgruppe.

Deutsche Leasing Insurance Services GmbH (DL Ins) is the central service provider, in-house broker and global centre of excellence for the Deutsche Leasing Group's insurance and insurance-related services. It develops, purchases and manages efficient and sustainable insurance services for the Deutsche Leasing Group. These services are available as an additional offering for all of the Deutsche Leasing Group's busi-

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ness partners. They thus increase the level of customer, partner and employee satisfaction while generating more non-interest related income and helping to reduce the level of risk. As a service centre, DL Ins is also responsible for all of the Deutsche Leasing Group's self-insurance and workforce insurance policies.

Deutsche Leasing Finance GmbH (DLF) offers loan products which provide (subsidiary) support for the products of the Deutsche Leasing Group. In its capacity as a credit institution, DLF primarily provides investment loans and dealer purchase finance. In addition, DLF purchases non-due receivables from leasing and hire-purchase contracts concluded by companies of the Deutsche Leasing Group and thus operates as an intragroup financing partner. Moreover, in the case of financing requirements, this credit institution assists the subsidiaries of the Deutsche Leasing Group, including outside Germany, and provides intragroup guarantees and credit facilities within the scope of its financing activities. DLF is accredited with various public business development banks and thus offers the customers of the Deutsche Leasing Group access to development funds.

As part of the Deutsche Leasing Group, **Deutsche Factoring Bank GmbH & Co. KG (DFB)** is the centre of excellence for factoring and debt management within Sparkassen-Finanzgruppe and offers receivables financing, debt management and loss protection solutions in Germany and other countries for over 50 different industries. It is continuously expanding its partnership with savings banks by means of a systematic market exploitation strategy, thus strengthening the range of products and services which the savings banks offer their customers. DFB also cooperates with selected intermediaries and brokers.

Bad Homburger Inkasso GmbH (BHI) – an associated company of the Deutsche Leasing Group – offers bad debt solutions as well as the market-oriented resale of movable and real estate collateral (mainly non-performing leasing contracts including securing, valuing and reselling the respective leasing assets) on behalf of its shareholders, the savings banks and other companies and institutions.

S-Kreditpartner GmbH (SKP), a Deutsche Leasing investment, focuses on personal car and consumer loans in Germany. The goal is to strengthen the market position of Sparkassen-Finanzgruppe in this business segment on a long-term basis. For the savings banks, as a group partner, SKP is the leading product and process specialist for consumer financing and liquidity solutions in Sparkassen-Finanzgruppe. SKP markets its products to borrowers via savings banks, its own online presences, SKP's sales service centre and other intermediaries. SKP also offers financing of purchasing activities for the vehicle industry. In Berlin, with S-Lab, SKP has established a platform for innovation and exchange which enables the development of new, forward-looking solutions by bringing together various market actors.

The digital and innovation-oriented subsidiary **vent.io GmbH (vent.io)** is working on digital solutions which will safeguard key future competences of Deutsche Leasing. vent.io focuses on forward-looking digital business models by investing in or pursuing partnerships with B2B start-ups as well as establishing its own digital customer and partner interfaces and pursuing MVP development and data science strategies.

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Positioning within Sparkassen-Finanzgruppe

As a centre of excellence for leasing, factoring and other SME-oriented asset finance solutions, the Deutsche Leasing Group is a central and internationally focused group partner which assists the savings banks with the realisation of their clientele's investments. The development of a market-oriented, digital product portfolio which is available online will consistently strengthen this centre of excellence function within Sparkassen-Finanzgruppe. As well as improving Deutsche Leasing's centre of excellence function within Sparkassen-Finanzgruppe, this will also enhance the intragroup benefit. Besides close market cooperation, the savings banks also serve as the Deutsche Leasing Group's key financing partner. Moreover, overall 342 savings banks (previous year: 351) are shareholders in the Deutsche Leasing Group, as direct and indirect limited partners; the number of savings banks has decreased slightly on account of mergers.

Distribution channels

The Deutsche Leasing Group exploits its markets through three different distribution channels:

Savings banks: The needs of the savings banks' customers are the key priority here and are optimally fulfilled through the cooperation of the respective savings bank with the Deutsche Leasing Group. The savings banks can rely on a comprehensive range of services: from standardised product lines to tailored specialist solutions. The Deutsche Leasing Group thus enables the savings banks to access its full range of products and services. Together with CSBS, cooperation with the savings banks is to be stepped up via Strategic Market Exploitation, in order to leverage additional revenue potential. Moreover, German desks have been established in the foreign companies of DL KG; here, German-speaking employees serve as on-site contacts for the savings banks and their clientele.

Direct business: With a regional sales structure which enables a local presence, DL and DAL exploit the market independently, through direct acquisition. Direct business sales focus especially on those customers and market segments whose potential the savings banks or partners/vendors have not yet fully exhausted. Direct business enables the further development of business relationships with new and existing customers as well as establishing know-how and insight into the industry and business relationship in question; this underlines the Deutsche Leasing Group's independence.

Partners: The Deutsche Leasing Group's partners are its dealers, vendors and cooperation partners. By working with its dealers and vendors, the Deutsche Leasing Group gains efficient and early access to customers, thus ensuring broad sales coverage in Germany and other countries. In addition, the Deutsche Leasing Group develops new market potential via successful partnerships with financial institutions.

Locations

The Deutsche Leasing Group's core market is Germany, while through its foreign network it supports German companies' exports and their international presence. It does so through cooperation with international vendors – mainly in Germany, Austria and Switzerland ("DACH") – which rely on the financing expertise of the Deutsche Leasing Group's international network to support their sales activities. On the other hand, as well as assisting German companies' foreign direct investment programmes, the Group also supports foreign subsidiaries of German corporate groups through its 23-country foreign network.

In the year under review, as well as its headquarters in Bad Homburg v. d. Höhe, the Deutsche Leasing Group had one German branch office, in Berlin, and seven other German sales offices. The Deutsche Leasing Group is also represented in other regions through its investments. The following figure provides an overview of the Group's international locations.

International presence of the Deutsche Leasing Group

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Economic report

Overall economic and industry-specific environment

The **global economy** almost ground to a standstill due to the ongoing logistics bottlenecks prompted by the pandemic as well as the high rate of inflation and the outbreak of the Russia-Ukraine conflict in the spring of 2022. In addition, world trade was frequently adversely affected by China's strict anti-Covid policy, since ports and factories were disrupted by containment measures. In the context of the Covid-19 pandemic and the Russia-Ukraine war, in the second quarter of 2022, global gross domestic product (GDP) stagnated and the volume of output in the G20 countries declined. The central banks pursued an increasingly restrictive monetary policy and raised interest rates on several occasions in order to counter the unexpectedly strong level of inflation.

GDP in the **Eurozone** picked up by 0.7 per cent in the first quarter and by 0.8 per cent in the second quarter of 2022. Consumption activity continuously declined over the course of the year, due to high energy, food and electricity prices as well as lower real disposable incomes. The price rises caused inflation to climb well beyond the ECB's target level of 2 per cent. After ending its asset purchase programme (APP), the European Central Bank (ECB) raised its key interest rate in July and September 2022 and intends to implement further interest-rate adjustments in 2022. In addition, the rate of production was curbed by supply-side bottlenecks, resulting in underutilisation of production capacities in the current year.

The **German economy** grew by 0.8 per cent in the first quarter and by 0.1 per cent in the second quarter of 2022. The pandemic-related factors declined in significance and faded into the background by comparison with the Russia-Ukraine war and the inflation trend. The high rate of inflation and the uncertainty over the supply of energy and energy costs had a negative impact on industries which are large consumers of gas and electricity, their exports and investment activity, consumers' purchasing power and private consumption. Consumer-related industries were particularly badly affected by the decline in private households' purchasing power. From the point of view of foreign trade, exports picked up moderately in the second quarter of 2022 after having declined during the first quarter of 2022 in the context of ongoing supply-side bottlenecks. Logistics problems continued to adversely affect output in the manufacturing sector. A backlog of orders arose in this sector following the outbreak of the pandemic. Due to the continuing supply chain problems, it was not possible to complete these orders as expected during the current year.

Financial performance indicators

As in the previous year, the Deutsche Leasing Group is managed according to a Group-wide integrated logic which focuses on the development of new business as well as the Group's net asset value and equity, with due consideration of risk-bearing capacity.

New business

As a key management ratio, new business comprises all of the (confirmed) transactions within a specific reporting period, including the total historical costs for all associated investment assets from leasing, hire-purchase, rental and investment loans, the services stipulated under service agreements as well as the average level of recourse to credit lines within the scope of dealer purchase finance. Turnover and debt volumes in factoring and collection business are not included in this definition on grounds of limited comparability but are nonetheless separately considered for internal management purposes.

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On the development of new business, please refer to the comments on the Group's › "Business performance".

Net asset value

Leasing companies use the net asset value calculation in addition to annual financial statements prepared in accordance with German commercial law. The net asset value calculation presents hidden reserves and hidden liabilities within the scope of the volume/portfolio entered into and thus provides information on the present-value future net earnings potential which will be reflected in the profit and loss accounts (P&L) for subsequent periods. The net asset value calculation thus transcends the inherent weaknesses associated with a profit and loss account prepared in accordance with commercial law (periodisation, inevitable establishment and release of hidden reserves) and helps to avoid the potential mismanagement which would result in case of a purely P&L-based performance assessment.

As well as equity shown in the balance sheet, the net asset value includes the earnings potential and profit contributions for future profit and loss accounts on the basis of the portfolio as of the key date, established by means of prior offsetting of expenses (declining interest-rate trend, start-up costs from acquisition and advance depreciation, by comparison with their straight-line leasing instalment equivalents) and calculated profits in a given portfolio.

While the net asset value calculation plays a less prominent role than the annual financial statements, it is essential for an overall assessment of the economic situation and serves as the basis for determining a leasing company's risk coverage potential, as determined on a value-oriented basis. At the same time, the net asset value is used as a financial measure of total equity.

As a necessary supplement to the profit and loss account prepared in accordance with commercial law, the net asset value calculation provides the basis for a general indication of net income realised within a given period. This is referred to as the economic result for the period. The Deutsche Leasing Group calculates its net asset value and its economic result on the basis of the industry standard developed by the Federal Association of German Leasing Companies.

On the development of the net asset value, please refer to the comments on the › "Earnings position".

Equity

To ensure adequate economic foundations for its growth objectives and as cover against possible unexpected risks, the Deutsche Leasing Group maintains a strong equity base as well as reserves in accordance with §§ 340f and 340g HGB.

On the development of equity, please refer to the comments on the › "Earnings position".

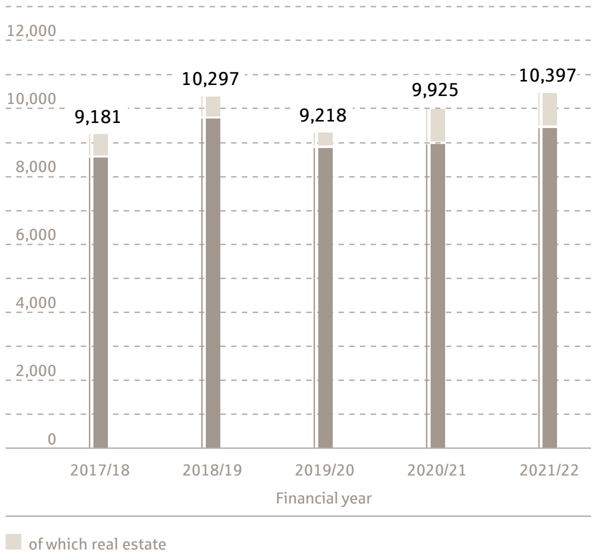
Business performance

For the financial year 2021/22, the Deutsche Leasing Group had expected its new business growth to outpace the trend for the overall economy and had envisaged an increase in its net asset value and a moderate rise in its equity as well as its provisions established in accordance with §§ 340f and 340g HGB. This planning was based on the then current studies of economic research institutes which – despite the risks of setbacks on account of the development of the pandemic, supply bottlenecks and geopolitical conflicts – expected to see an economic recovery and, following the first six months of 2022, overall economic output returning to its pre-crisis level.

Despite adverse overall conditions (the Omicron variant of the virus, worsening supply bottlenecks), the Deutsche Leasing Group got off to a good start in the financial year 2021/22 which was largely in line with its forecasts. However, this was abruptly interrupted by the outbreak of the Russia-Ukraine war in February 2022. The economic environment deteriorated as a result of the war, and economic recovery was curbed due to a series of negative effects (e.g. supply chain disruptions, the high level of inflation) aggravated by the war. New factors also came into play, such as the wide-ranging sanctions imposed on Russia and the greater emphasis placed on energy independence. In light of the practical experience gained during the Covid-19 crisis, Deutsche Leasing has continued to make care calls – closely coordinated between its distribution and risk teams – in order to provide in-depth customer support and assess potential risk factors. In spite of these challenges, the Deutsche Leasing Group's volume of new business grew by 4.8 per cent to EUR 10.4 billion and it thus once again confirmed its market leadership in Germany and its position among the leading leasing providers in Europe. The new business volume exceeded the 10 billion mark for the second time in the Deutsche Leasing Group's history and fell only slightly short of the target figure. The following summary shows the development of new business over a period of five years:

New business of the Deutsche Leasing Group

EUR million



The distribution of new business by asset class is as follows:

New business by asset class

Asset class	2020/21 New business In EUR million	2020/21 New business Share in per cent	2021/22 New business In EUR million	2021/22 New business Share in per cent	Change in EUR million in relation to previous year
Machinery and equipment	5,202	52	5,125	49	–77
Road vehicles	2,412	24	2,754	26	+342
Energy and transport	844	9	1,100	11	+256
Real estate	998	10	1,018	10	+20
Information and communication technology	469	5	400	4	–69
Deutsche Leasing Group	**9,925**	**100**	**10,397**	**100**	**+472**

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The new business volume in the **machinery and equipment** segment – the core focus of Deutsche Leasing's asset finance business – amounted to EUR 5.1 billion and thus matched the previous year's figure.

As well as commercial vehicles, the **road vehicles** segment also includes passenger cars. Its new business volume increased to EUR 2.8 billion.

At EUR 1.0 billion, the volume of new business in the **real estate** segment was at the same level as in the previous year.

In the **energy and transport** segment, which encompasses investments in infrastructure and utilities as well as transport and logistics, the volume of new business increased significantly to EUR 1.1 billion. This was mainly due to investments in renewable energy.

The volume of new business in the **information and communication technology** segment amounted to EUR 0.4 billion and was thus lower than in the previous year. Once the current uncertainty (including in relation to supply chains) has been overcome, companies' technological developments (digitalisation of processes and jobs) and the related information technology requirements will provide opportunities for new business growth.

Economic situation

EARNINGS POSITION

On the basis of its increased volume of new business, the Deutsche Leasing Group has considerably boosted the earnings potential of its portfolio; however, due to the periodisation requirement, the margins entered into will only gradually make themselves felt in the profit and loss accounts for subsequent periods. Upstream personnel and material expenses to generate this potential are resulting in an asynchronous trend for the earnings components of the profit and loss account, which is reflected in the significantly increased net asset value as of 30 September 2022.

Leasing income resulting from leasing and hire-purchase business and from the sale of second-hand leasing assets rose by EUR 37 million on the previous year to EUR 7,575 million. On the other hand, **leasing expenses** increased by EUR 119 million to EUR 4,658 million. However, directly related **depreciation and valuation adjustments on leasing assets** were at EUR 2,383 million, EUR 135 million lower than in the previous year. In principle, scheduled depreciation on newly-acquired leasing assets included in this amount in the period remains in line with the term of the underlying leasing contracts.

Net interest income has significantly improved year-on-year and amounted to EUR 44 million. Interest income developed disproportionately strongly by comparison with interest expenses and benefited from the growth in the volume of banking and factoring transactions.

General administrative expenses amounted to EUR 451 million and thus increased on the previous year (previous year: EUR 429 million), in the context of the higher level of inflation and the favourable course of business.

Risk provisions under commercial law, in the form of **depreciation and valuation adjustments on receivables** (incl. the allocation made to the provisions in accordance with §§ 340f and 340g HGB) amounted to EUR 89 million and were significantly higher than in the previous year (previous year: EUR 21 million). This increase resulted from provisioning for discernible risks in connection with DL Vostok and Deutsche Leasing's Russia business.

Overall, these effects have resulted in a **net profit for the year** for the Group of EUR 33.3 million (previous year: EUR 100.9 million). The Group's **net income for the year** amounted to EUR 43.3 million (previous year: EUR 110.9 million).

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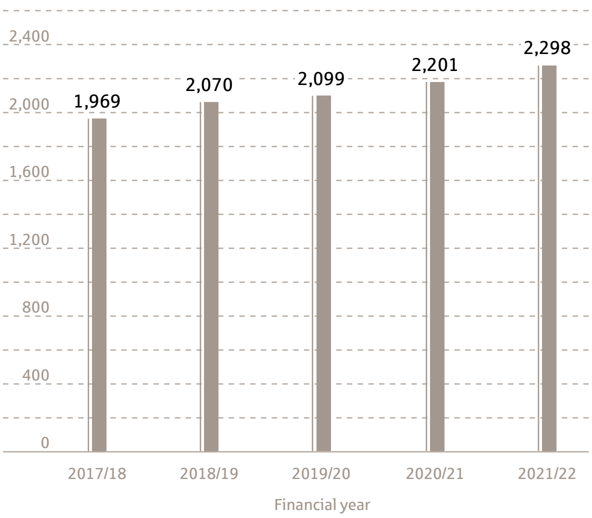
Equity shown in the balance sheet has increased by EUR 16 million, from EUR 989 million to EUR 1,005 million.

In the financial year 2021/22, the **net asset value** increased to EUR 2,298 million. The present-value surplus resulting from the existing portfolio of contracts (future income less future expenses) and the present value of the expected, non-guaranteed revenues from follow-up business both rose. The net asset value is calculated according to the standard developed by the Federal Association of German Leasing Companies in terms of its structure and substance. The auditor reviews this value in line with the "IDW Audit Standard: Net Asset Value Calculation Auditing for Leasing Companies (IDW PS 810)" issued by the Institute of Public Auditors in Germany, Düsseldorf. The net asset value reflects the value of the Deutsche Leasing Group's equity, after disclosure of hidden reserves. It is a key element for calculation of the economic result – a recognised, summary ratio indicating period net income for leasing companies.

Net asset value of the Deutsche Leasing Group

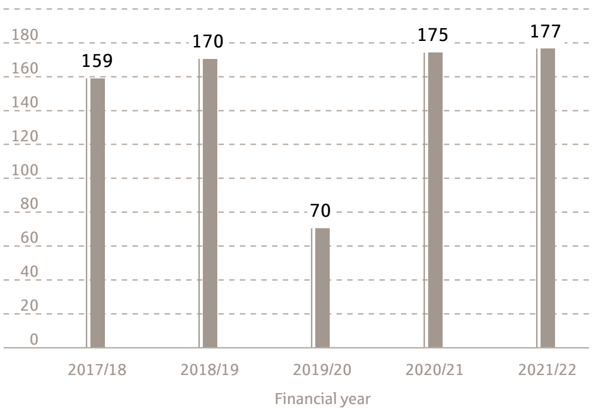
EUR million



Allowing for the dividend distributed by Deutsche Sparkassen Leasing AG & Co. KG, the **economic result** realised in the financial year 2021/22 reached a figure of EUR 177 million.

Economic result of the Deutsche Leasing Group

EUR million



NET ASSET SITUATION

Deutsche Leasing's **consolidated balance-sheet total** increased from EUR 22.6 billion to EUR 23.3 billion at the end of the year under review. This mainly resulted from the growth in the volume of receivables from customers (EUR +790 million), which contrasted with a decline in leasing assets (EUR –207 million).

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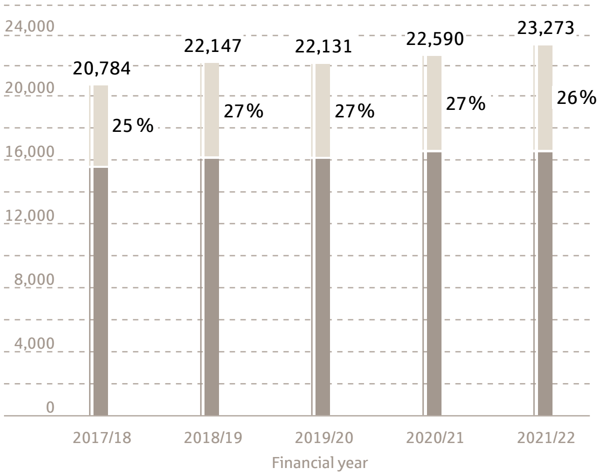
Development of consolidated balance-sheet total

EUR million

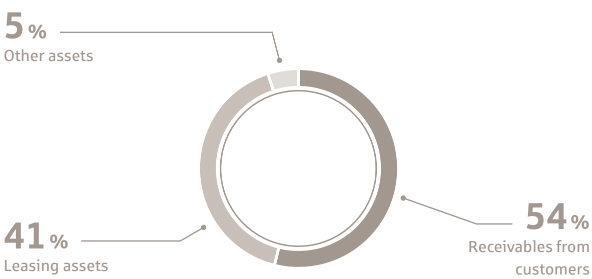


Percentage share accounted for by foreign business

At EUR 16.8 billion, leasing assets at historical costs were lower than in the previous year (EUR 17.1 billion). Leasing assets measured at residual book values – one of the key elements of the consolidated balance-sheet total – had the following structure on 30 September 2022, with a breakdown for individual business segments:

The residual book values of leasing assets thus accounted for 41 per cent of the overall consolidated balance-sheet total (previous year: 43 per cent). Receivables from customers (mainly hire-purchase receivables and receivables from banking and factoring transactions) amounted to 54 per cent of the consolidated balance-sheet total (previous year: 52 per cent).

Structure of assets as of 30 September 2022



Foreign subsidiaries account for around 26 per cent of the Group's total assets. The leasing business of foreign subsidiaries is generally reported as hire-purchase business in accordance with the German Commercial Code.

Leasing assets measured at residual book values	2020/21		2021/22		Change	
Asset class	In EUR million	Share in per cent	In EUR million	Share in per cent	In EUR million	Share in per cent
Machinery and equipment	5,116	52	5,023	53	–93	–2
Road vehicles	3,007	31	3,041	32	34	1
Information and communication technology	936	10	890	9	–46	–5
Energy and transport	604	6	496	5	–108	–18
Real estate	81	1	87	1	6	7
Deutsche Leasing Group	**9,744**	**100**	**9,537**	**100**	**–207**	**–2**

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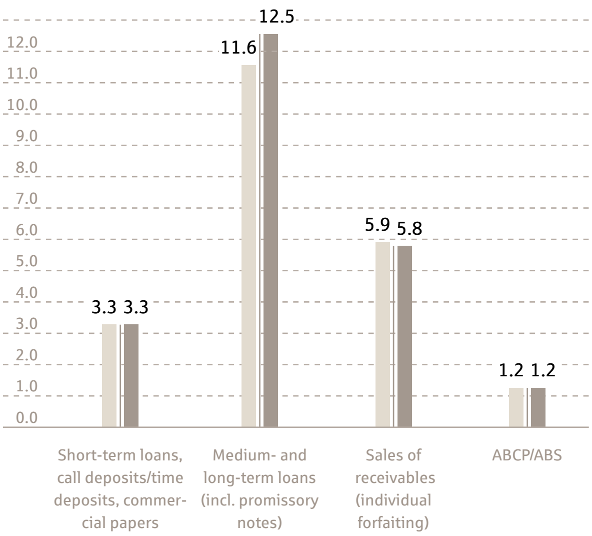
FINANCIAL POSITION

The debt capital borrowed in the financial year 2021/22 served to finance the customer business of the Deutsche Leasing Group, in particular the acquisition of leasing assets and the grant of loans to customers. Borrowed funds of the Group's domestic and foreign companies (without DAL's non-recourse business, but including DFB) increased by 3.6 per cent on the previous year, on account of the new business trend. On 30 September 2022 they amounted to EUR 22.8 billion (previous year: EUR 22.0 billion). The following figure shows the development of the financing volume by financing instrument:

Development of financing volume by financing instrument

EUR billion



With a share of around 55 per cent, medium- and long-term borrowing (including the issuance of promissory note loans) continued to account for most of the Deutsche Leasing Group's borrowed funds. The significant rise in the level of medium- and long-term borrowing in the financial year 2021/22 (+8 per cent) was mainly attributable to an increased volume of interest-rate hedging required due to customer business ahead of schedule. These requirements were met by entering into an increased number of fixed-rate loans.

The financing volumes borrowed via the money market were largely unchanged relative to the previous financial year and were mainly used to finance short-term business with customers. Almost a quarter of money market borrowing served to finance DFB's factoring business.

The contribution provided by securitisation-based financing to the overall financing volume was unchanged. Refinancing was handled via the established ABCP financing platforms in the financial year 2021/22. Financing via the sale of receivables registered a slight decline.

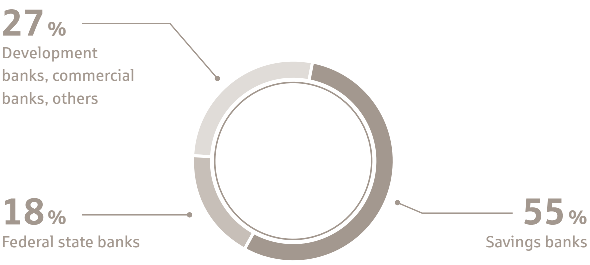
Borrowed funds generally had original terms of up to seven years and average terms of around five years and were entered into on a fixed-interest basis. Where necessary, interest rates were also fixed by means of interest-rate derivatives. In almost all cases, these funds were borrowed on terms matching the structures of customer transactions, from the point of view of the capital commitment and fixed interest-rate periods as well as the respective currency. Maturity transformations were thus not implemented to any significant extent.

As before, derivative financing instruments for management of interest and currency risks (mainly interest-rate swaps) were exclusively entered into for hedging purposes. Since the volume, term and capital commitment periods of the derivative financing instruments entered into were determined on the basis of the structures of the underlying customer transactions and borrowed funds (mainly as a macro hedge on the basis of interest-rate gap analyses, and in some cases as a micro hedge), risk is effectively covered. A documented, appropriate and functional risk management system is used for these transactions.

The volume of financing (Germany and other countries, excluding DAL's non-recourse business, including DFB) was distributed as follows between the financing partners as of 30 September 2022:

Financing volume

(Germany and other countries, excl. DAL's non-recourse business)



The Deutsche Leasing Group continued to receive almost all of its funding from institutions within Sparkassen-Finanzgruppe. As of 30 September 2022, savings banks and federal state banks provided considerably more than two-thirds of all borrowed funds. Public business development banks accounted for around two-thirds of the remaining borrowing.

In its financial management, the Deutsche Leasing Group seeks to safeguard permanent solvency and to cover financing requirements on the best possible terms, with the goals of hedging financial risks and achieving the greatest possible level of independence in relation to developments in the financial markets.

In the financial year 2021/22, the Deutsche Leasing Group maintained a broadly diversified debt financing structure, in terms of the number of financing partners and the financing instruments used. Financing reserves were maintained at a high level in the financial year 2021/22 in a market environment which was initially depressed by the Covid-19 pandemic and then, over the remainder of the year, by the effects of Russia's war of aggression against Ukraine. As of 30 September 2022, Deutsche Leasing's free liquidity remained clearly in excess of EUR 4 billion. By virtue of the structures established for forfaiting and securitisation, as well as financing by means of conventional credit lines, further options were utilised for debt financing and in order to ensure liquidity. Overall, on the basis of its anchoring in Sparkassen-Finanzgruppe, its stable, long-term business relationships with credit institutions and a diversified range of financing instruments, the Deutsche Leasing Group thus has a broad financing base which will enable future business growth.

The Deutsche Leasing Group was able to fulfil its payment obligations at all times in the financial year 2021/22.

Within the scope of the **statement of cash flows**, cash and cash equivalents amounted to EUR 184.0 million at the start of the financial year, and to EUR 261.1 million at the end of the financial year. The structure of the statement of cash flows reflects the specific characteristics of the leasing sector. The cash inflow from current business activities amounted to EUR 121.7 million (previous year: EUR 109.4 million), while the cash outflow from investing activities totalled EUR –11.1 million (previous year: EUR –16.3 million). The cash outflow from financing activities amounted to EUR –33.5 million (previous year: EUR –14.1 million).

Contingent liabilities under suretyships and guarantee agreements amounted to EUR 429 million at the end of the financial year (previous year: EUR 397 million). On the balance-sheet date, irrevocable loan commitments were valued at EUR 594 million (previous year: EUR 493 million).

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General statement by the Management Board on the economic situation

The Deutsche Leasing Group was faced with a challenging environment in the financial year 2021/22. From the second half of the financial year onward this was shaped by the direct and indirect effects of the Russia-Ukraine war in particular. Thanks to broad diversification on the market and active utilisation of market opportunities (in the renewable energy segment especially), the volume of new business was increased to EUR 10.4 billion. The ongoing implementation of the Deutsche Leasing Group's action and investment programme is safeguarding its future viability in relation to digitalisation and process efficiency. In addition, initial areas of activity for sustainability-related issues have been defined in an ESG taskforce and preparations have been made for a line organisation in this context.

In response to Russia's war of aggression against Ukraine, in early March 2022 the Deutsche Leasing Group froze new business in Russia while safeguarding the viability of day-to-day business operations in the prevailing sanctions environment and acting in close consultation with its customers and partners. Accordingly, the share of the Deutsche Leasing Group's new business accounted for by Russian new business declined to 0.3 per cent in the financial year 2021/22 (previous year: 1.3 per cent). Even after the outbreak of the war in Ukraine, our portfolio developed robustly and our customers' payment behaviour was regular. DL Vostok was thus able to service its debt. Due to the high level of uncertainty attached to the course of business in Russia (the war, the sanctions regime, the suspension of energy supplies), adequate provision was made by means of scenario analyses in order to cover discernible risks associated with DL Vostok. There are no uncertainties relating to DL Vostok which give rise to significant doubts as to the Group's ability to continue as a going concern.

The Deutsche Leasing Group registered significant growth in its net asset value. As of the balance-sheet date, this amounted to EUR 2,298 million (previous year: EUR 2,201 million). Its economic result amounted to EUR 177 million; please see the comments on the › "Earnings position" for further details. Equity shown in the balance sheet has increased by EUR 16 million to EUR 1,005 million, while contingency reserves in accordance with §§ 340f and 340g HGB continued to amount to EUR 440 million in total.

The Deutsche Leasing Group enjoyed a secure refinancing position, particularly thanks to its integration within Sparkassen-Finanzgruppe and its long-established business relationships with credit institutions. The financial position of the Deutsche Leasing Group is unchanged and remains stable.

DL KG, as the Group's parent company, reported a net income for the year of EUR 52.0 million (previous year: EUR 38.0 million). This provides the basis for the proposed distribution to the shareholders of DL KG in the amount of EUR 40.0 million (previous year: EUR 28.0 million).

Deutsche Leasing has held its own in a challenging environment. Deutsche Leasing's net asset, financial and liquidity position remains in good order and stable.

Non-financial performance indicators

Employees

As well as a sustainable business model, qualified and committed employees with a strong customer focus play a vital role in the business success of the Deutsche Leasing Group, supporting its aim to position itself as a leading asset finance partner and a centre of excellence for Sparkassen-Finanzgruppe. Deutsche Leasing has always set itself the goal of maintaining close and ongoing contact and relationships with its employees

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and managers and continuously investing in the development of technical and management skills. It continues to stand by this goal, now more than ever in the current challenging environment.

The workforce's high level of commitment played a key role in Deutsche Leasing's successful handling of the enduring business challenges which have resulted from the Covid-19 pandemic as well as the effects of the war in Ukraine. Employees' in-depth expertise and many years of experience were essential here. Deutsche Leasing is aware that it is necessary to approach ever-faster and increasingly complex cycles of change professionally and confidently. This is a basic precondition in order to ensure a business' future viability. The dedication and expertise of Deutsche Leasing's employees are vital to its success in ensuring a high level of satisfaction on the part of its customers and partners. Employees and managers refine their technical, methodical and personal skills by means of skill-building and development measures. Core areas of focus are continuously adjusted in line with changed outline conditions as well as the requirements of the respective target group. The broad range of courses on offer covers agile work methods, sales skills, resilience during difficult times, achieving a sense of presence during video conferences and the confident use of collaboration tools. A particular area of focus was reboarding support for Deutsche Leasing's teams and divisions following the strict coronavirus pandemic-related restrictions and, in the same vein, establishing mobile working as part of the Group's corporate culture. As well as managers, entire teams were helped to define new communication structures and to change the nature of communication within a team.

The Deutsche Leasing Group's employees set great store by its corporate culture and its central values of "Trust", "Team spirit", "Passion" and "Commitment". Its corporate culture underpins the successful implementation of its strategy and the fulfilment of its brand promise, provides a framework for successful internal cooperation and reflects the employees' expectations of the company. In the past financial year, a process was initiated for this purpose in order to promote the ongoing development of Deutsche Leasing's corporate culture in a targeted fashion. An integrative performance culture which informs our activities at all times is a key priority for us. A dovetailed understanding of our collaboration and management culture, on the one hand, and our strategy, structures and processes, on the other, together with their ongoing development are essential in order to successfully deal with the challenges we are set to face in the future. One clearly defined goal in this context is ongoing active encouragement and support for agile and flexible working, in order to promote innovations as well as rapid decision-making and implementation.

On the balance-sheet date, the Deutsche Leasing Group had a total of 2,845 (previous year: 2,755) employees, of which 522 outside Germany (previous year: 510). The average length of employees' service in Germany was 11.9 years (previous year: 12.0 years), and on average they were 46.3 years of age (previous year: 46.2 years). The fluctuation rate was 7.1 per cent (previous year: 4.7 per cent). The level of fluctuation declined significantly during the coronavirus pandemic. Job security was particularly important for many employees during this period. As the pandemic levelled off, the labour market staged a significant recovery. The rate of fluctuation in the past financial year was in line with the level seen three years ago. The sickness level was 5.4 per cent (previous year: 4.2 per cent).

A performance-oriented remuneration system links individual employees' goals with the company's strategic objectives and thus provides an additional framework for the company's consistent management.

Deutsche Leasing organises its initial training, its dual courses and its programmes for trainees and young and upcoming managers within the context of its corporate strategy, and does so with very strong results.

This is an investment which pays off and which in the reporting period once again enabled an increased number of technical and management positions at a wide range of different levels to be filled internally, with former apprentices, dual-course students and trainees in particular.

Deutsche Leasing currently has five trainees (previous year: five) with permanent employment contracts. Trainees are hired every quarter. The company's initial training programme is currently offering 35 young talents the opportunity to make a start in the profession. They are able to do so either via an apprenticeship in office administration or via a dual-course structure. Here, students can pursue degrees in International Business Management/General Management and Digital Business Management at the accadis University of Applied Sciences in Bad Homburg and a Bachelor of Science degree in Information Management at the Rhine-Main University of Cooperative Education. These courses are Deutsche Leasing's response to the market's demands in relation to digitalisation and IT issues. All of Deutsche Leasing's apprentices and graduates with bachelor's degrees were offered full-time employment positions upon successfully completing their training or courses of study. All of these trainees have taken on more advanced roles in line with the core areas of their training and their expertise.

Social commitment

As a member of Sparkassen-Finanzgruppe, the Deutsche Leasing Group lives up to its social responsibility in various ways, for example through the support which it provides in the areas of art and culture, science, social issues and sport.

Besides financial initiatives, many Deutsche Leasing Group employees display a high level of social engagement through the company's "Socially Active Employees" (SAM) scheme which was created in 2011. Here, through work activities and fundraising campaigns, employees participate in social projects on their own initiative, with Deutsche Leasing providing benefits in kind. For example, Deutsche Leasing's employees collected food donations for people in need in the region and handed these over to local food banks. During the Christmas period, Deutsche Leasing's employees once again took part in its annual Christmas wish list initiative. As in previous years, wish lists were collected from various social welfare institutions in the local region, and Deutsche Leasing's employees were thus able to fulfil the Christmas wishes noted on these lists.

The Ukraine crisis prompted Deutsche Leasing to donate in the spring of 2022 in order to assist affected people on the ground as well as refugees. A large-scale fundraising campaign was initiated among the company's employees for this purpose and proved highly successful. The Management Board doubled the volume of donations received in support of a large alliance of German relief organisations, in order to help refugees in need in Germany and provide immediate assistance in affected regions in Ukraine. In addition, donations in kind were collected for war refugees over an extended period of time at the Group's headquarters in Bad Homburg and made available to central collection points in the region. In the past year Deutsche Leasing also provided the children of refugee families with laptops, in order to enable them to participate in lessons.

In the past financial year, for the first time ever on Germany's "bicycle day", Deutsche Leasing encouraged its employees to travel to work by bike instead of using their cars, in order to protect the environment and contribute to a good cause. Deutsche Leasing rewarded its employees' sporting commitment by making a donation to a non-profit organisation in Bad Homburg. In the autumn of 2022, Deutsche Leasing took part in a charity hike. Its employees walked 10, 30 or 50 kilometres together with the association Wandern und Walken für den guten Zweck Hochtaunus e. V. The proceeds from this hiking event were donated to charitable projects in the local region. Deutsche Leasing maintains a continuous dialogue with all of these social welfare institutions which it has supported for many years now, and Deutsche Leasing's commitment is highly appreciated.

Team spirit is also encouraged at Deutsche Leasing. Many of its employees once again took part in Germany's national sports badge competition – an initiative of Sparkassen-Finanzgruppe which combines sporting commitment with social engagement. In addition, many runners from the company's workforce again signed up for Bad Homburg's annual company running event, Bad Homburg Runs After Work. They were able to combine networking with shared outdoor sporting activity alongside well-known companies from the local region and around 1,000 runners.

Deutsche Leasing continues to support and to assist a large number of organisations and associations through donations and funding. It sets great store by continuing to honour its existing commitments as a reliable partner. Accordingly, in the past financial year, Deutsche Leasing has maintained its current commitments without any changes.

Deutsche Leasing is actively dedicated to sports funding. This includes its support for the German Sports Aid Foundation. As part of Sparkassen-Finanzgruppe, for many years now Deutsche Leasing has been a "Top Partner of Team Germany". It thus supports the German Olympics teams, the Paralympics team as well as young sportsmen and women and grassroots sport.

In the field of art and culture, this year the major event which Deutsche Leasing is sponsoring together with Deutscher Sparkassen- und Giroverband (DSGV) and Frankfurter Sparkasse is the art exhibition "Renoir. Rococo Revival" at Frankfurt's Städel Museum. Deutsche Leasing also supports a large number of cultural initiatives. It has a long-established and solid relationship with the Rheingau Music Festival in the form of a premium partnership. The festival enriches the Rhine-Main region's cultural scene every year, with almost 150 concerts at over 40 venues every summer.

Deutsche Leasing is also active in science funding and provides assistance for a wide range of research projects conducted by various institutions. Deutsche Leasing's long-standing membership of the funding association for the University of Cologne's leasing research institute documents the company's intensive relationships with universities. In addition, the lectures and forums supported by Deutsche Leasing and its membership of Sparkassen-Finanzgruppe's science funding association ensure an active exchange between the realms of theory and practice.

Deutsche Leasing moreover has a seat on the board of trustees of the German Sparkassenstiftung for International Cooperation, Bonn, Sparkassen-Finanzgruppe's institution devoted to development issues which for over 30 years has pursued the goal worldwide of providing people in developing countries and emerging economies with access to financial services and thus the means of escaping poverty. In 55 developing countries and emerging economies, this institution offers local populations the prospect of a better life. For instance, this includes Ukraine and neighbouring Moldova, where rapid reconstruction aid is needed due to the war. Deutsche Leasing is also a member of Sparkassen-Finanzgruppe's Scientific Research Foundation (Stiftung für die Wissenschaft), Bonn. This funds projects, events and publications in the fields of finance, banking and stock exchange studies, politics and the social sciences as well as digitalisation-related questions. These two foundations are charitable organisations and carry out research into issues such as sustainability.

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Report on risks and opportunities and forecast report

Report on opportunities

The rapidly changing environment means that the Deutsche Leasing Group needs to identify opportunities at the earliest possible moment, evaluate them and take suitable action so that these opportunities can be transformed into commercial success.

Within the scope of its annual strategy and planning process, organic growth opportunities are systematically identified on the basis of a comprehensive analysis of the market environment. As well as market potential, customer requirements and general and specific market and environment developments, the detailed analysis includes trends as well as competitors and regulatory requirements; at a general level, planning reflects the related impacts and resulting requirements. The goals and business activities defined in the company's business strategy on the basis of its "Strategy 2030" and the measures thus determined in accordance with the company's risk strategy serve as the basis for the Deutsche Leasing Group's medium-term planning for the financial years 2022/23 to 2024/25. These strategies are reviewed and (if necessary) adjusted every year.

The Deutsche Leasing Group sees future growth opportunities in the following fields in particular:

INTRAGROUP BUSINESS WITH THE SAVINGS BANKS

Due to the Deutsche Leasing Group's anchoring in Sparkassen-Finanzgruppe, its long-term position as a member of this group plays a key role. The Deutsche Leasing Group sees additional potential and scaling possibilities in its **intragroup business with the savings banks** and would like to further expand the contribution which it makes as a Sparkassen-Finanzgruppe group partner. In order to intensify its cooperation with Sparkassen-Finanzgruppe and with the individual savings banks in particular, holistic strategic support for all of these institutions is now pooled in the new market unit "Central Savings Bank Support" (CSBS). To achieve this objective, alongside existing methods for identifying revenue potential in Sparkassen-Finanzgruppe, the CSBS provides a new approach: strategic cooperation via Strategic Market Exploitation.

Since the financial year 2022/23, the new CSBS market unit has been responsible for providing strategic support for all of Germany's savings banks. The savings banks thus now have a central port of call covering the further development of their various offerings relating to the service portfolio of the overall Deutsche Leasing Group. The goal of this new unit is to deepen cooperation with the savings banks in order to jointly achieve improved exploitation of the market in relation to the savings banks' business, commercial, corporate and company customers.

For this purpose, as a first step, 19 savings banks will be able to make use of Strategic Market Exploitation and will thus gain access to new market analysis tools, for instance. Central Savings Bank Support will assist all of the other institutions with their regional strategic projects via structured or systematic market exploitation. In subsequent years, the aim is to gradually establish Strategic Market Exploitation with further savings banks.

Rounded off by segment-oriented sales management, **small and medium-sized enterprises** are supervised on a target-group-oriented basis. A key area of focus for the financial year 2022/23 is the implementation of the new distribution structure for the corporate and company customers and business and commercial customers segments. In its exploitation of the market, Deutsche Leasing distinguishes between the high volumes of investment which corporate and company customers require, and business and commercial customers' fairly low-volume investment needs. As well as addressing

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customers appropriately, this segmentation is also characterised by a flexible distribution structure and new distribution roles.

To ensure a high level of satisfaction on the part of its customers, the Deutsche Leasing Group has developed, and integrated in its operating processes, specific support concepts in accordance with customers' individual requirements as well as digital solutions which provide new opportunities for customers' small-volume business. Rapid contract processing is underpinned by efficient processes and systems as well as modern technologies.

SUSTAINABILITY

As an active **transformation service provider in the area of sustainability**, the Deutsche Leasing Group has a holistic view of the challenges which its customers face and intends to exploit the resulting market opportunities. Its sector and asset competence provide the basis for its tailored support of customers in relation to their future investment projects. The Deutsche Leasing Group sees the long-term transformation of the economy as a continuous process. Investments in modern fixed assets provide various means of bringing down carbon emissions: state-of-the-art, resource-optimised production engineering, renewable energy and the contribution to a circular economy which is an intrinsic part of the leasing financing model.

For the Deutsche Leasing Group, sustainability means being aware of its responsibility for the environment, society and the business sector at all times and consistently adapting its activities and business operations in line with current and future challenges. The Deutsche Leasing Group will thus remain competitive and ready to face the future – as a business and as an employer. The Deutsche Leasing Group is guided in its activities by the UN's 17 Sustainable Development Goals as well as the Paris Climate Agreement. It is also one of the signatories of the German Savings Banks' Commitment to Climate-Friendly and Sustainable Business Activities, which includes the goal of achieving climate-neutral status for its own business activities by no later than 2035.

FACTORING

With its range of services covering financing, loss protection and debt management, **Deutsche Factoring Bank (DFB)** is an indispensable component in small and medium-sized enterprises' financing mix which is continuing to gain in significance in the business and commercial customers segment. This offers growth potential for savings banks and for the Deutsche Leasing Group, since the leasing and factoring businesses complement one another as products. These synergies have a positive impact on the requirements of corporate and commercial customers and likewise on their structures and their risk management. The consolidation and expansion of its partnerships with the savings banks in the SME business segment as well as sales activities covering established major customers likewise represent areas of potential. Accordingly, DFB is assisting the savings banks' corporate customer relationship managers through factoring webinars within the scope of a digital training concept. In addition, through its S-Compact product, Deutsche Factoring Bank has corporate financing solutions for savings banks' commercial and smaller corporate customers in particular.

INSURANCE

The Deutsche Leasing Group's **insurance** and insurance-related services offer it a significant volume of potential revenue (independent of interest rates) in Germany and other countries. Its range of insurance products is to be further expanded through deeper cooperation with the savings banks and its market entry into additional country units. As an additional asset service, integrated and matching insurance products are to be offered as a growing share of Deutsche Leasing's asset

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finance business, covering all of its distribution channels and segments. Its broad product range will have a supportive effect here: brokerage of insurance to provide all-risk cover for assets, asset protection and credit protection in the form of residual debt insurance or liquidity protection for vehicles requiring registration, to provide cover for a potential residual debt, as well as administrative and support activities and the resale of assets. In addition, own risk coverage models in selected sales units, the opening up of selected segments at DAL, residual debt insurance products for S-Gewerbekredit and the introduction of GAP insurance policies in vendor business represent further opportunities.

DIGITAL OFFERINGS

Digital offerings and solutions have been further developed as a result of Deutsche Leasing's customer focus and the lessons learned from the Covid-19 crisis. Deutsche Leasing's offering includes opening up online sales channels as well as developing web-based portals in line with customers' specific requirements. Two examples of this from the financial year 2021/22 are the further development of the successful IT hardware purchasing and financing portal my.DAL and the initiation of a digital mobility portal for the savings banks' business and commercial customers which can be used to configure vehicles and calculate leasing offerings.

The digitalisation of products can be accelerated by means of standardisation and modularisation of product structures as well as uniform execution processes in the Group's business units. Electronic signatures were introduced in the financial year 2021/22. This means that a loan transaction for an S-Gewerbekredit (a product designed for business and commercial customers), for example, can thus now be completed entirely digitally. In addition, a separate Business Transformation Unit was established which identifies potential areas of optimisation in relation to services provided for customers and partners and realises these improvements through digitalisation and automation of business processes (end-to-end). As well as improving customer satisfaction and enhancing customer profitability, optimisation of processes is likewise an area of focus in a project which is currently being implemented for the Group-wide standardisation of Deutsche Leasing's CRM tool. On the basis of continuous market monitoring, vent.io is developing prototype digital capacities which are coordinated with potential customers and optimised at shorter intervals. vent.io is also concerned with the establishment of data science within the Deutsche Leasing Group, in order to continuously generate added value for business by means of the intelligent analysis of internal and external data. This is achieved by means of the targeted implementation of data-based use cases.

INTERNATIONAL BUSINESS

Due to the German business sector's strong export focus and international presence, the Deutsche Leasing Group sees **international business** as a further growth field. Here, it supports vendors in their international sales markets and assists German companies with their foreign investments. In concrete terms, Deutsche Leasing enters into partnerships with international vendors and assists German companies and their foreign subsidiaries with direct investments. Via Deutsche Leasing's ECA offering, in cooperation with AKA it is positioned as a central ECA partner for the savings banks. Partnerships with DL Ins – in order to expand its range of insurance products – and with DAL – for the purpose of structured financing in the areas of specialist transactions and project business – provide additional business potential. The German business sector's global presence offers market opportunities for the Deutsche Leasing Group. Apart from Germany, it aims to access these opportunities through the 23 countries which make up its foreign network. Deutsche Leasing intends to leverage these opportunities together with the savings banks.

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Risk report

Risk management supports the Management Board of the Deutsche Leasing Group in the implementation of its business and risk strategy, taking all relevant risk types and all of the Group's German and foreign companies into consideration.

Risk Controlling coordinates company-wide holistic risk management for all types of risk. This department has technical competence and responsibility for methods and models of risk measurement, control and aggregation, for the calculation of risk-relevant parameters, for internal risk control and for internal and external reporting.

This department also performs the risk controlling function prescribed in the Minimum Requirements for Risk Management (Mindestanforderungen an das Risikomanagement, MaRisk) published by BaFin. The head of the Risk Controlling department is responsible for the risk controlling function and reports to the Chief Risk Officer.

Risk reporting provides quarterly reporting on the development of risk-bearing capacity (RBC) and all risk categories classified as material. In addition, an ad hoc reporting procedure has been established for information which is significant in terms of risk aspects. Action recommendations for risk control are also provided.

The risk & finance committee is the central advisory body for the overall Management Board for issues relating to the integrated, holistic risk- and revenue-oriented management of the Deutsche Leasing Group. In particular, the committee's core tasks include preparatory activities for the purpose of the Management Board's decision-making and implementation of these activities in relation to management-related issues. The risk board provides additional assistance in relation to specific risk-related issues. Information concerning the various risk types/categories is compiled by this committee.

Internal Audit regularly audits the Deutsche Leasing Group's risk management within the scope of its audit plan.

The goal of opportunities and risk management is to establish a balanced relationship between risk and opportunity/income at the level of the overall Group; adequate risk-bearing capacity is ensured in terms of the relationship between the level of capital available for risk coverage and overall risks. The risk-bearing capacity calculation provides the basis for the Deutsche Leasing Group's risk control strategy.

The Deutsche Leasing Group endeavours to continuously develop its risk measurement methods, so as to comply with the requirements for modern risk management as well as current regulatory trends. In the financial year 2021/22, as well as the redesign of the validation process and the revision of the validation concept for all material risk categories, development activities comprised the recalibration of the method used for partnerships in non-risk-related business, in relation to customers' credit risk, as well as the introduction of an add-on factor for the calculation of the translation risk in order to ensure that a conservative approach is maintained amid rising levels of market volatility. In addition, the early warning indicators for credit risks have been further developed. These ensure that portfolio-specific developments within the Deutsche Leasing Group and the assessment of vendors outside Germany are incorporated in valuations in addition to market indicators. Moreover, in the financial year 2021/22, activities were initiated in order to quantify sustainability risks (ESG risks) in connection with the implementation of a climate stress test, and Deutsche Leasing's portfolios in Germany and other countries were analysed from the point of view of ESG criteria.

RISK-BEARING CAPACITY

The risk coverage potential is determined on the basis of the net asset value less the expected future income tax burden and provides the starting point for the calculation of risk-bearing capacity (RBC). The risk coverage capital used is calculated by deducting from the risk coverage potential a buffer position and the anticipated excess obligation from pension risk and corresponds to the aggregate amount of the RBC limits allocated and thus the risk tolerance of the overall Management Board. The Deutsche Leasing Group's risk-bearing capacity remained adequate in the financial year 2021/22. As of 30 September 2022, its risk-bearing capacity was 39 per cent. On the basis of the business model of the Deutsche Leasing Group, the "customers' credit risk" risk category continues to dominate the overall risk profile.

Limits apply for all relevant quantifiable risk categories within the framework of the risk-bearing capacity concept. Overall, the risk coverage capital remains sufficient so as to be able to cover further risks in future.

The risk types credit and asset risk, market price risk, liquidity risk, operational risks, equity investment and business risk and the risk categories translation and pension risk are measured on the basis of value-at-risk methods. The risks determined through a historical stress test and a serious hypothetical stress test were covered by the available risk coverage capital. Risk-bearing capacity was thus intact in all stress scenarios. The historical stress test is a macroeconomic stress test covering multiple risk types. This is based on the historical scenario of the situation in the financial year 2008/09 and complies with the requirement in the Minimum Requirements for Risk Management to reflect a serious economic downturn.

In the financial year 2021/22, risk-bearing capacity and capital requirements planning once again formed a component of the Deutsche Leasing Group's planning process, which involved, i.a., a review of the VaR limits.

RISK INVENTORY

Within the scope of the regular risk inventory, all of the risks to which the Deutsche Leasing Group is exposed were comprehensively documented, with the goal of determining the risk universe which is relevant for risk control purposes. Materiality analyses were performed for all of the risks identified, enabling clear categorisation as either material or non-material, depending on the risk category.

All quantifiable, material risks which may be usefully limited by means of the available risk coverage capital (RCC) are included in the RBC calculation.

The following risk map provides a holistic view of the risk types/categories identified for the Deutsche Leasing Group for the financial year 2021/22 on the basis of the 2021 risk inventory. In the financial year 2021/22, new product processes were implemented which incorporated risk controlling. This did not point to any basis for an ad hoc review of the risk map prior to the standard inventory in 2022.

The Deutsche Leasing Group's risk map in the financial year 2021/22

Risks at Deutsche Leasing

Risk types

Credit risk	Asset risk	Market price risk	Liquidity risk	Operational risks	Equity investment risk	Business risk	Other risks
Customers' credit risk	Residual value risk – automotive	Interest-rate risk	Insolvency risk	Risks resulting from internal procedures, people or systems as well as external factors (incl. legal and validity risk)	Equity investment risk	Business risk	Translation risk
Counterparty risk	Residual value risk – EQUIP	Currency risk	Funding-spread risk				Strategic risk
Country risk	Residual value risk – ITK						Pension risk
Lessor risk							Reputation risk
							Liability risk
							Net present value risk

Risk categories: material risk; material risk which cannot be usefully limited through RCC; non-material risk

Credit risk

Credit risk is the risk of non-fulfilment of agreed payments or services under contracts concluded, resulting in a loss for the Deutsche Leasing Group. The risk type credit risk consisted of the following risk categories in the financial year 2021/22:

- **Customers' credit risk:** Customers' credit risk refers to the risk of losses which may arise due to deteriorations in credit standing (migration risk) or the default of business partners (counterparty risk). It includes potential impairment of collateral for customers which have already defaulted (risk arising from distressed assets).
- **Counterparty risk:** Counterparty risk refers to the credit and default risks of counterparties for cash, commercial and derivative transactions.
- **Country risk:** Country risk refers to the risk of losses arising on account of crisis situations for individual countries which result due to political or economic events. Country risk applies in the form of transfer and sovereign risk.
- **Lessor risk:** Lessor risk refers to the risk of suffering losses due to the customer asserting rights under rental agreements upon non-fulfilment of service providers' contractually-agreed services.

Asset risk

Asset risk (also known as residual value risk) describes the risk of unanticipated losses due to an inability to realise the expected residual value of a leasing asset upon expiry or early termination of the lease agreement, e.g. due to a change in the market price. A residual value risk will apply where the contractual claim against the lessee is not sufficient to cover the historical costs incl. the calculated margins.

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Market price risk

Market price risk refers to the general risk of unexpected losses due to a change in market parameters (interest rates, share prices, exchange rates, commodity prices and resulting variables). At the Deutsche Leasing Group, market price risk is limited to interest-rate risk and currency risk. Interest-rate risk refers to the risk of unanticipated losses resulting from an open interest-rate position due to changes in the interest yield curve. Currency risk describes the risk of an unanticipated loss arising from foreign currency positions due to exchange rate fluctuations.

Liquidity risk

Liquidity risk describes the risk of the Deutsche Leasing Group no longer being able to meet payment commitments as of the respective due date as well as a deterioration in the conditions for generation of liquidity. The Deutsche Leasing Group understands liquidity risk to mean the insolvency risk and funding-spread risk categories. Insolvency risk is the risk of the Deutsche Leasing Group no longer being able to fulfil its current and future payment obligations in full or no longer being able to do so in good time. Funding-spread risk is the risk of an unanticipated loss resulting from changes in Deutsche Leasing's own refinancing costs because new borrowing is only possible at refinancing levels which are significantly higher than expected. Increased funding spreads result from a deterioration in the credit rating of the Deutsche Leasing Group or a general worsening of market conditions for borrowing.

Operational risks

Operational risks comprise the risk of losses due to the inadequacy or failure of internal procedures and systems as well as people or external events. This definition includes legal risk and validity risk.

Equity investment risk

Equity investment risk describes the risk of losses associated with investments held in companies under corporate law.

Business risk

Business risk describes the risk of business development yielding lower income or higher costs than envisaged and these deviations adversely affecting the net asset value trend.

Other risks

Other risks cover the risk of an unanticipated loss which cannot be allocated to credit risk, asset risk, market price risk, liquidity risk, operational risks, equity investment risk or business risk. Other risks include the following risk categories:

- **Translation risk:** Translation risk refers to the risk of the foreign-currency net asset value of the foreign companies leading to unanticipated losses due to exchange-rate fluctuations.
- **Strategic risk:** Strategic risk refers to the risk of unanticipated losses resulting from poor management decisions in relation to the business-policy positioning of the Deutsche Leasing Group.
- **Pension risk:** Pension risk arises from the Deutsche Leasing Group's obligations under pension commitments which may give rise to an increased burden for the company in the event that, on account of adverse market trends, the investment which is intended to cover these obligations is not sufficient in order to fulfil them.
- **Reputation risk:** Reputation risk refers to the risk of losses in the event that the reputation of the Deutsche Leasing Group suffers harm or deteriorates. Such losses may also result, directly or indirectly, from other risk categories which have materialised, or may amplify these other risk categories.
- **Liability risk:** Liability risk is the risk of losses arising for the Deutsche Leasing Group due to its status as the owner of leasing or hire-purchase assets.
- **Net present value risk:** The net asset value serves as risk coverage potential (RCP) within the scope of the RBC calculation. The risk-free interest yield curve will be applied for a present-value RCP calculation. However, due to the discounting method applied (= refinancing interest rate), the net asset value

(as the RCP) does not depend on the current interest yield curve. Risks which arise from a fluctuation in the interest yield curve are therefore reflected in the net present value risk.

The risk map underwent a fundamental review within the scope of the 2022 standard inventory for the financial year 2022/23. In particular, it was simplified by grouping risk types and risk categories with the same risk drivers. No new material risks were identified. However, as a result of the grouping of previously separate risk categories, in some cases previously non-material risk categories were added to risk categories which had already been classified as material. On the one hand, this applies for the exchange-rate risk, which will combine the two previous risk categories translation and currency risk. On the other hand, the integration of the previous risk categories asset risk – Equip and asset risk – ITK means that, in future, the ITK portfolio will likewise be considered material alongside Equip. Due to the increased volume of approval of service products in the financial year 2021/22 and the Deutsche Leasing Group's growing strategic focus as an asset service partner, from the financial year 2022/23 onward, service risk will be defined as a new non-material risk category. This will include lessor risk. In response to regulatory priorities, sustainability risk, model risk and risk concentrations have been registered as cross-sectional risks.

RISK MANAGEMENT FOR RELEVANT RISKS

Over the course of the Covid-19 pandemic, the Deutsche Leasing Group has continuously and flexibly adjusted to changed outline conditions. On this basis, in the financial year 2021/22 its risk-management system was likewise able to appropriately react to the outbreak of the Russia-Ukraine war and the related uncertainty. Above all, this uncertainty related to the supply of energy and energy costs, high inflation rates and levels of market volatility as well as the ongoing supply bottlenecks which the pandemic gave rise to, particularly in connection with China's zero-Covid policy. As well as the implementation of scenario analyses, monitoring was expanded for selected sub-portfolios and direct contact with customers and vendors was stepped up.

Credit risk

On the balance-sheet date, the credit risk for the risk categories defined as material amounted to EUR 339 million.

- **Customers' credit risk:** The Deutsche Leasing Group calculates the value at risk (VaR) for customers' credit risk on the basis of a credit portfolio model in the 99.9 per cent quantile.

  The creditworthiness structure of Deutsche Leasing's own-risk portfolio remained stable at a positive level in the financial year 2021/22.

  As of 30 September 2022, the Group's portfolio remains characterised by a high level of granularity and thus no specific risk concentration. Segment and country commitments are within the levels specified in the risk strategy, in order to restrict concentration limits.

  The risk situation in the financial year 2021/22 was shaped by a highly challenging market environment: the Russia-Ukraine war prompted renewed supply bottlenecks, rising prices and interest rates, and geopolitical tensions in particular. Risk provisions under commercial law were significantly higher than in the previous year. This increase was due, in particular, to provisioning for discernible risks in connection with DL Vostok and Deutsche Leasing's Russia business as well as a significant addition to the general valuation adjustments which are determined according to the rules laid down in the opinion BFA 7 issued by the Institute of Public Auditors in Germany and therefore involve a forward-looking and thus significantly more volatile calculation than in the past.

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Without these provisions, risk provisions under commercial law would be at the same favourable level as in the previous year, reflecting Deutsche Leasing's rigorous continuation of its active and conservative risk management strategy as well as stringent workout management in Germany and other countries.

- **Counterparty risk:** The value at risk (VaR) for counterparty risk is determined on the basis of the same credit portfolio model which is applied for customers' credit risk.

  As a rule, the Deutsche Leasing Group only accepts as counterparties banks with a very low level of credit risk. In accordance with the risk principles for transactions with banks, the risk volume for credit balances, investments, foreign exchange transactions and derivatives is limited through maximum limits and maturity periods in accordance with the credit rating and size of the counterparties. A balanced credit rating structure focusing on the upper to medium investment-grade segment and a strongly diversified portfolio have thus been safeguarded.

- **Country risk:** The Deutsche Leasing Group calculates the value at risk for the country risk on the basis of a statistical model in the 99.9 per cent quantile. The potential effects arising from sovereign and transfer risk are considered separately.

  The individual countries are assigned limits and these limits are monitored for operational management of country risks.

Asset risk

Asset risk is calculated for the automotive portfolio (passenger cars and vans) by means of a portfolio model, on the basis of the 99.9 per cent quantile. The loss potential in the equip portfolio is determined by means of an expert assessment. The overall asset risk for the above-mentioned risk categories amounted to EUR 33 million as of 30 September 2022.

The **automotive** business segment (passenger cars and vans) continues to utilise long-term normal market residual value assessments and transfers residual value risks to solvent third-party guarantors in some cases. In addition, a high level of diversification is ensured in the contract portfolio. Residual value assessments and diversification in terms of makes, models, drive technologies and resale channels have a significant impact on the level of success in reselling vehicles.

Ongoing monitoring of the leasing and second-hand car market, stringent use and optimisation of asset management instruments, the institutionalised integration of all of the relevant units and vehicle-specific resale analyses (vehicle type, drive type, manufacturer, model etc.) provide a professional basis for sound residual value management. The residual value assessment is regularly reviewed by means of external asset-based validation (incl. Schwacke GmbH and DAT). In the wake of the production outages associated with Covid-19, the scarcity of semiconductors and additional production and supply chain bottlenecks (partly as a result of the Russia-Ukraine war) resulted in a further reduction in the availability of new cars. Highly positive car resale results were thus once again achieved in the financial year 2021/22.

With adequate valuation methods in its **machinery and equipment** business segment, the Deutsche Leasing Group has solid foundations for control and management of the risk resulting from open residual values. Residual value quotations are exclusively handled by specialised employees in Deutsche Leasing's Intensive Care & Asset Management department.

The results of expiring contracts featuring open residual values were once again positive in the financial year 2021/22. The agreement of terms and conditions of use and return on a case-by-case basis has had a positive effect on the technical condition of assets leased under operating leasing contracts. The level of demand for second-hand assets has recently been stable in most market segments.

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In its **information and communication technology** business segment, the Deutsche Leasing Group also offers its customers contracts with open residual values. Specialist asset management teams implement the asset residual value assessments which are required for this purpose on the basis of conservative benchmarks. Due to regular resale activities, these units have the excellent level of market expertise which is required for valid residual value forecasts. This is reflected in continuous additional revenue in the asset resale segment over the past few years.

Market price risk

In line with the basic principle that financing activities provide for congruent, interest rate-optimised financing of customer business, the Deutsche Leasing Group does not pursue any own-account trading of money and capital market products.

To a limited extent, interest-rate risks are entered into in order to realise additional income resulting from market trends, within the scope of original financing requirements, and are managed by means of a stringent limit system.

In terms of currency risks, customer transactions always have same-currency financing. Currency risks therefore apply, at most, on a temporary basis prior to execution of financing/hedging transactions or due to margin components of customer receivables which are not secured through same-currency financing. In the financial year 2021/22, as a non-material risk category, currency risk was accordingly not taken into consideration in the risk-bearing capacity calculation.

The applicable rules for control of market price risks are based on the above-mentioned principles and consistently limit the scope of the risk position which is permissible for optimisation of financing costs through limits in line with the economic risk.

Interest-rate risks are subject to operational monitoring and control on the basis of interest-rate gap analyses and sensitivities (basis point value concept), with corresponding limitations of the permitted interest rate-induced changes in present values in line with the control guidelines. For calculation of the economic risk and for operational management purposes, value-at-risk calculations are performed for open interest-rate positions. These calculations are based on the variance/co-variance method and apply differentiating assumptions concerning the holding period of the open interest-rate position and the inclusion of equity as a component of the financing portfolio.

Liquidity risk

The business activities and the continuing growth of the Deutsche Leasing Group are based on permanent availability of liquidity and financing through optimised interest rates. The Deutsche Leasing Group adheres to the principle of financing its business at matching maturities, including in relation to liquidity maturities.

The guidelines applicable for liquidity control reflect this basic conservative orientation and limit the scope of the risk position which is permissible for optimisation of financing costs. In relation to insolvency risk, the limits defined for the liquidity risk refer to nominal minimum requirements for free liquidity as well as the ratio of free liquidity to the liquidity requirements resulting from the funding matrix. In regard to the funding-spread risk, the limits are based on the economic risk resulting from liquidity mismatches and are broken down into nominal position and sensitivity limits at the operational level.

In concrete terms, as a reflection of insolvency risk, liquidity risk is controlled and monitored through liquidity planning which distinguishes between various planning periods and different scenarios. In addition, cumulative cash flows are compared with the available financing lines within the scope of liquidity control. The resulting (minimum) liquidity ratio was complied with at all times.

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The geopolitical risks which have materialised as a result of the Russia-Ukraine war, persistently high inflation rates and the monetary policy turnaround which the main central banks have embarked upon have put significant pressure on the financial markets and prompted considerable market price volatility as well as interest-rate rises. Even in these difficult market conditions, Deutsche Leasing's cooperation with savings banks and other credit institutions (including business development banks) remained stable from the point of view of financing, and the scope of available financing lines was moderately expanded. At the end of the financial year, these free lines – despite increased borrowing associated with the growth trend – remained clearly in excess of EUR 4 billion.

Economic risk resulting from funding-spread risk is quantified on the basis of scenario analyses. This is implemented according to sensitivity calculations (liquidity basis point value concept) in line with the extension requirements for borrowed funds resulting from the maturity structure for future liquidity inflows/outflows.

Operational risks

In principle, operational risks may result from all commercial activities and are thus inherent in the business activities of the Deutsche Leasing Group. They mainly depend on the level of complexity of products and processes. Systematic risk management enables early identification of these risks and implementation of suitable control measures to avoid or limit them.

The risk management process encompasses regular risk identification and quantification in all departments of the company and an analysis of loss events actually arising. Moreover, an annual risk analysis is conducted to prevent criminal acts which might jeopardise the Deutsche Leasing Group's assets. This identifies, analyses and evaluates potential gateways for internal and external criminal activities. The Deutsche Leasing Group focuses in particular on the early identification of new types of fraud and on how to prevent them.

The Deutsche Leasing Group has outsourced selected corporate functions to other companies in accordance with § 25b of the German Banking Act (Kreditwesengesetz, KWG). A regular risk analysis is performed in the case of outsourced activities. This assesses the nature, scope, complexity and risk content of outsourced processes. A risk analysis is performed prior to the conclusion of a new outsourcing agreement or in the case of changes to an existing outsourcing agreement. This risk assessment is used to determine whether outsourcing is material or immaterial from the point of view of risk. The assessment method applied for this purpose includes risk-sensitive assessment criteria and distinguishes between the materiality assessment and the evaluation of the service provider.

The potential risks for the Deutsche Leasing Group arising from current litigation are fully covered through provisions.

Equity investment risk, business risk, translation risk

Equity investment risk is determined by means of a simulation model, on the basis of the book value of investments. The business risk is estimated on the basis of historical deviations in the actual values of relevant components of the company's business performance in relation to their target values. The translation risk is measured by means of a VaR approach. These risk types/categories are likewise restricted by specifying limits within the scope of the RBC concept and are monitored and controlled by means of internally-prescribed processes.

General comments

The economic trend in the financial year 2022/23 is expected to be adversely affected by uncertainty relating to the supply of energy and energy costs, high inflation rates and levels of market volatility as well as ongoing supply bottlenecks which originated in the pandemic

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and are attributable to China's zero-Covid policy especially; Germany is therefore expected to experience a decline in its GDP in 2023. In this context, the Deutsche Leasing Group is assessing the impact of these negative economic effects by means of scenario analyses. A moderately increased level of risk is currently considered to apply for the Deutsche Leasing Group, with specific countries and segments affected to varying extents. The limit defined for credit risk in particular still offers sufficient scope in order to cope adequately with a weak economic period.

In summary, subject to unchanged conservative valuation benchmarks and on the strength of the additional measures which it has implemented to cover potential risks arising from negative effects of the Russia-Ukraine war, the Deutsche Leasing Group has made appropriate provision for all discernible risks in its consolidated financial statements. Non-scheduled depreciation, provisions and valuation adjustments remain adequate on the basis of conservative assumptions. In addition, the Deutsche Leasing Group has reserves in line with §§ 340f and 340g HGB; it has also established significant hidden risk provisions due to advance expenses typical of the leasing business. These are documented, i.a., by means of the Group's net asset value which is calculated on the basis of the standard applied by the Federal Association of German Leasing Companies.

Overall, no special business model-related risks exceeding the normal level of risk and jeopardising going-concern status are discernible for the Deutsche Leasing Group.

Forecast report for the Deutsche Leasing Group

The forecasts regarding potential macroeconomic developments referred to below have been issued by the Kiel Institute for the World Economy (IfW Kiel, September 2022) and the German Council of Economic Experts (November 2022). Since the start of the pandemic, these forecasts have been subject to considerable uncertainty. The outbreak of the Russia-Ukraine war has only heightened this uncertainty. In particular, China's strict anti-Covid policy is prompting near-continuous negative impacts on world trade, since ports and factories (for example) are disrupted by containment measures. Current forecasts have once again been revised downwards relative to the projections made back in the summer. As well as the pandemic-related and geopolitical risks, the high rate of inflation – which reflects supply shortages and, above all, oil, gas and electricity price rises – is now entrenched. The two institutions consider that the considerably more restrictive monetary policy adopted by the central banks is increasing the risk of recession in the advanced economies.

WORLD ECONOMY

The forecasts published by the German Council of Economic Experts and IfW Kiel assume that global gross domestic product (GDP) will increase by between +2.8 per cent and +2.9 per cent in 2022 and by between +1.9 per cent and +2.2 per cent in 2023.

According to IfW Kiel, global economic growth will remain subdued in the second half of 2022 and further weaken in 2023. The world economy can only be expected to recover in 2024, when it may benefit from a fall in commodity prices as well as full order books, with supply bottlenecks having been eliminated. According to IfW Kiel, the only moderate rise in GDP over the next few quarters reflects an entrenched high rate

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of inflation, associated price rises for oil and gas in particular and continuing supply bottlenecks and logistical problems. The inflationary trend is expected to lead to a further tightening of monetary policy in most advanced economies. According to IfW Kiel's forecast, this is likely to give rise to large interest-rate adjustments in the current year, followed by smaller interest-rate moves in 2023. In addition, the decline in real disposable household incomes, the low level of consumer confidence and the high price levels (for natural gas in Europe especially) are expected to dampen private consumption and investments. The German council of economic experts expects inflation to remain high in many economies over the course of the forecast period. It will fall in most G20 countries in 2023, but nonetheless clearly exceed the central banks' target levels.

EUROZONE

IfW Kiel envisages GDP growth in the Eurozone of 3.0 per cent in the current year and predicts a decline of 0.1 per cent in 2023. The most recent study presented by the German council of economic experts forecasts GDP growth of +3.3 per cent for 2022 and +0.3 per cent for 2023.

According to the projections of the German council of economic experts, the outlook for the Eurozone's economy has significantly deteriorated. Due to the high energy prices and the lack of consumer demand owing to the loss of purchasing power, at least during the 2022/23 winter a declining economic trend is envisaged in the Eurozone. IfW Kiel considers a short-term shutdown in production in the Eurozone and a heightened risk of recession to be probable, since the disruptions in the energy markets are weighing on growth. Despite the ECB's restrictive monetary policy and further planned interest-rate rises, the projections of IfW Kiel and the German Council of Economic Experts assume that the rate of inflation in 2023 will clearly exceed the ECB's 2 per cent target. Consumption may continuously decline due to high energy, food and electricity prices as well as lower real disposable incomes. The German Council of Economic Experts expects an inflation rate of +8.0 per cent in the current year and +7.4 per cent in 2023. The ECB ended its asset purchase programme (APP) in July 2022 and implemented further key interest-rate increases in September and October 2022. Due to the high rate of inflation, the German Council of Economic Experts expects to see a further rise in interest rates in the current year and in the first half of 2023. IfW Kiel assumes that the interest-rate level will stabilise in the second half of 2023.

GERMANY

The forecasts published by IfW Kiel and the German Council of Economic Experts anticipate a GDP growth trend for Germany of +1.4 per cent or +1.7 per cent in 2022 and –0.7 per cent or –0.2 per cent in 2023, respectively.

The forecasts of IfW Kiel and the German Council of Economic Experts suggest that Germany is on the verge of a mild recession. The country's high level of dependence on Russian gas imports together with the limited availability of alternatives and persistently high inflation especially are dampening the German economy. However, according to the German Council of Economic Experts' forecast, thanks to full gas storage facilities and the savings achieved, a gas shortage will be avoided during the 2022/23 and 2023/24 winters. The German Council of Economic Experts predicts an inflation rate of +8.0 per cent in the current year and +7.4 per cent in 2023. Following weak GDP growth in the first three quarters of 2022, IfW Kiel's forecast assumes that GDP will fall by the third quarter of 2023. From the summer of 2023, the robust labour market, declining inflation and government aid may counteract the negative trend. According to IfW Kiel's forecast, the extent of the decline in economic output will likely primarily depend on the development of energy prices and the supply of energy, related cost increases for companies and the scope of the decline in purchasing power suffered by consumers.

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Predictions for **plant and equipment expenditures** have been strongly revised downward relative to the summer forecasts. Contrary to the most recent forecasts in the double-digit percentage range for 2022, according to IfW Kiel's current study, plant and equipment expenditures in Germany will only increase by 0.8 per cent in 2022 and by 1.1 per cent in 2023. The growth achieved by the leasing sector will thus also be more moderate in 2023. In the long term, there is still considerable potential due to the transformation of the economy in the context of digitalisation, decarbonisation and sustainability as well as increased public investment. The ifo Business Climate Index for the movables leasing segment fell from –4.2 to –9.1 points in October 2022. The forecast component declined from –39.0 to –43.3 points, while the assessment of the current situation decreased from 38.2 to 32.7 points.

Deutsche Leasing will continue to be faced with a challenging environment in the coming financial year. The economic research institutes predict weaker growth rates relative to last year's planning, in particular due to the Russia-Ukraine war. Deutsche Leasing's planning anticipates the uncertainty in relation to the economic trends as far as possible, and the forecasts of leading economic research institutes have been consulted for this purpose: the continuation of the Russia-Ukraine war and the resulting geopolitical and economic effects constitute the most significant risk affecting the Deutsche Leasing Group's planning. This planning assumes no further escalation of the war, the current supply bottlenecks being eliminated by the end of 2023 and economic growth over the course of the planning period. The planning further envisages that, following its high level in 2022, inflation will stabilise at a more moderate level in subsequent years and that interest rates will rise in a more measured fashion by comparison with the trend in 2022. While the growing level of economic uncertainty poses considerable risks, there is also attractive market potential. Deutsche Leasing continues to see considerable growth potential together with the savings banks. In addition to the envisaged growth trajectory associated with S-Gewerbekredit, this potential is to be leveraged above all through the newly-established CSBS unit especially, and in the Mobility business segment in particular, together with the savings banks in the small-business segment. There will also be new market opportunities due to Germany's national energy transition (investments in renewable energy, e.g. wind farms and solar power plants) as well as our customers' decarbonisation targets (incl. expenditure on energy-saving plant replacements). In the short term, due to the rapid rise in interest rates and the high rate of inflation, a challenging competitive environment is expected which will be shaped by high margin pressure, higher costs as a result of inflation and higher default risks. Accordingly, the financial year 2022/23 will focus above all on the margin, income and risk trends and thus on the result including risk.

With these challenges and this potential in mind, while adhering to its conservative risk policy, Deutsche Leasing is continuing to pursue its long-term growth and income goals. The Deutsche Leasing Group aims to achieve profitable growth in its volume of new business which will outpace the trend for the overall economy and will be accompanied by a rising net asset value and a moderate rise in its equity as well as its provisions established in accordance with §§ 340f and 340g HGB.

Thanks

A great debt of gratitude is owed to Deutsche Leasing's employees. Their strong team spirit, high level of commitment and outstanding performance have enabled a successful financial year 2021/22. We would also like to thank, not least, our customers and partners for our in-depth relationship which is based upon mutual trust. Deutsche Leasing would like to thank Sparkassen-Finanzgruppe for their consistently successful cooperation and partnership and for the trust which this reflects.

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Internal control system and risk management system in relation to the Group's financial reporting process

The objectives of the financial reporting-related internal control system (ICS) are compliance with the financial reporting rules and maintaining an orderly financial reporting system. Deutsche Leasing draws up its consolidated financial statements in accordance with the German Commercial Code and supplementary provisions of the German Accounting Ordinance for Banks and Financial Services Providers (Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute, RechKredV).

The Management Board has overall responsibility for the Group's financial reporting process. All of the companies included in the consolidated financial statements are incorporated by means of a process defined in writing. The basis of consolidation is centrally organised. The principles and the structural and organisational procedures of the financial reporting-related ICS are defined in writing and are continuously refined. The Finance/IT/Organisation department is responsible for the accounting rules which must be complied with, the definition of account allocation rules, the methodology for accounting entries and the administration of the financial accounting system. The financial reporting process is documented in line with the principles of orderly accounting, in a manner which expert third parties are able to understand. The relevant records are kept in compliance with the retention periods stipulated by law.

The functions of the organisational units involved in the financial reporting process are clearly segregated. In the contract management systems, the leasing, hire-purchase and loan contracts etc. of contract units are recorded in subsidiary ledgers. The data are transferred from the subsidiary ledgers to the general ledger via automated interfaces.

The involvement of the Finance department in the new product process ensures that new products are duly incorporated in the financial reporting system.

Deutsche Leasing uses a standard financial accounting software package. The limited grant of access rights protects the financial reporting process against unauthorised access. In addition, the dual-control principle, standardised reconciliation routines and target and actual data comparisons ensure that errors are identified and corrected in good time. These measures also ensure that assets and liabilities are properly recognised, measured and presented. The company's financial reporting process is also incorporated in the Group's risk management system.

Internal Audit regularly conducts process-independent audits in order to verify the functionality of the financial reporting-related internal control system and the risk management system.

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Deutsche Sparkassen Leasing AG & Co. KG

Basic information regarding Deutsche Sparkassen Leasing AG & Co. KG

DL KG is the parent company of the Deutsche Leasing Group. DL KG plays the key role in the business activities of the Deutsche Leasing Group which are outlined in the › "Basic information" chapter.

In the year under review, it had one branch office in Berlin. This handled risk decision-making and processing of a portion of new and existing business. On 30 September 2022, it had 13 (previous year: 12) employees.

Economic report

The overall economic and industry-specific environment presented in the › "Economic report" chapter and business performance are largely consistent with those of DL KG.

Earnings position

DL KG's **net income for the year** amounted to EUR 52.0 million (previous year: EUR 38.0 million).

Leasing income resulting from leasing and hire-purchase business and from the sale of second-hand leasing assets increased by EUR 121 million to EUR 5,162 million (previous year: EUR 5,041 million). **Leasing expenses** which are associated with leasing income increased by EUR 201 million to EUR 2,822 million.

Depreciation on leasing assets decreased by EUR 130 million to EUR 2,055 million. In principle, scheduled depreciation on newly-acquired leasing assets included in this amount in the period remains in line with the term of the underlying leasing contracts.

Net interest income improved from EUR – 25 million to EUR – 15 million, with interest expenses at the same level as in the previous year.

General administrative expenses have risen by 4 per cent to EUR 245 million. This increase occurred in the context of higher inflation and a favourable course of business by comparison with the previous year.

Equity increased to EUR 696 million in the financial year 2021/22 (EUR +23 million). The fund for general banking risks pursuant to § 340g HGB amounted to EUR 168 million and was thus unchanged on the previous year.

Financial position

The financial position outlined in the › "Economic situation" section is largely consistent with the financial position of DL KG.

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Net asset situation

The **total assets** of DL KG increased by EUR 691 million by comparison with the previous year and amount to EUR 13.3 billion. The net asset situation remains mainly shaped by leasing assets as well as receivables from customers. At EUR 14.2 billion, leasing assets, measured at initial values, were lower than in the previous year (EUR 14.5 billion).

General statement by the Management Board on the economic situation

Deutsche Sparkassen Leasing AG & Co. KG has reported a net income for the year of EUR 52.0 million (previous year: EUR 38.0 million). This income provides the basis for the proposal to distribute a dividend to the shareholders in the amount of EUR 40.0 million (previous year: EUR 28.0 million).

The net asset, financial and earnings situation of Deutsche Sparkassen Leasing AG & Co. KG remains in good order.

The economic situation outlined in the › "General statement by the Management Board on the economic situation" section of the Group management report is largely consistent with that of DL KG.

Financial and non-financial performance indicators

The performance indicators outlined in the › "Financial performance indicators" and "Non-financial performance indicators" sections of the Group management report are largely consistent with the performance indicators of DL KG.

On the balance-sheet date, DL KG had a total of 1,163 (previous year: 1,113) employees. For further information, please refer to the › "Employees" subsection.

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Report on risks and opportunities and forecast report

Report on risks and opportunities

Risks and opportunities and the processes for handling risks and opportunities at Deutsche Sparkassen Leasing AG & Co. KG are largely analogous to those applicable for the Deutsche Leasing Group. They are discussed in the › "Report on risks and opportunities and forecast report" chapter.

Forecast report

In general, DL KG is subject to the same factors as the Deutsche Leasing Group in relation to its envisaged business development. Please refer to the › "Report on risks and opportunities and forecast report" chapter for further information and figures.

Bad Homburg v. d. Höhe, 13 December 2022

Deutsche Sparkassen Leasing AG & Co. KG
represented by its general partner

Deutsche Sparkassen Leasing
Verwaltungs-Aktiengesellschaft

Östermann Hansjürgens Kardorf Strehle Weis

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Consolidated financial statements

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Consolidated balance sheet as of 30 September 2022

Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe

Assets

			As of 30/9/2022	As of 30/9/2021
		EUR	EUR	TEUR
1. Cash reserves				
a) Cash in hand		46,068.24		23
b) Central bank balances		261,005,287.66	261,051,355.90	184,001
2. Receivables from credit institutions				
a) Due daily		315,128,102.39		299,964
b) Other receivables		93,209,186.99	408,337,289.38	67,512
3. Receivables from customers			12,463,304,200.83	11,673,550
4. Equities and other non-fixed-interest securities			3,277,115.36	2,944
5. Investments of which: in credit institutions EUR 243,767,167.70 (previous year: TEUR 228,320)			274,143,879.15	255,962
6. Shares in affiliated companies			14,820,412.99	16,269
7. Leasing assets			9,537,087,422.43	9,743,839
8. Intangible assets				
a) Concessions, industrial property rights acquired for consideration and similar rights and assets and licences for such rights and assets		35,784,890.49		39,077
b) Goodwill		36,291,459.27		40,324
c) Advanced payments		8,517,618.06	80,593,967.82	8,951
9. Property, plant and equipment			103,821,054.48	112,733
10. Other assets			104,765,493.49	126,271
11. Prepayments			21,902,836.35	18,800
12. Surplus resulting from offsetting of assets			0.00	11
Total assets			**23,273,105,028.18**	**22,590,231**

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Consolidated balance sheet as of 30 September 2022

Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe

Equity and liabilities

			As of 30/9/2022	As of 30/9/2021
		EUR	EUR	TEUR
1. Liabilities owed to credit institutions				
a) Due daily		928,769,647.80		851,126
b) With agreed maturity or notice period		14,472,733,780.10	15,401,503,427.90	13,926,462
2. Liabilities owed to customers				
a) Other liabilities				
aa) Due daily		457,352,663.75		475,901
ab) With agreed maturity or notice period		575,628,890.35	1,032,981,554.10	533,428
3. Liabilities evidenced by certificates				
a) Issued bonds			1,527,245,890.69	1,270,746
4. Other liabilities			313,191,071.82	328,904
5. Deferred income			3,452,292,009.94	3,738,565
6. Provisions				
a) Provisions for pensions and similar obligations		56,382,019.26		46,854
b) Provisions for taxation		14,136,675.41		8,572
c) Other provisions		174,123,495.83	244,642,190.50	134,902
7. Subordinate liabilities			39,491,715.68	29,228
8. Fund for general banking risks			257,000,000.00	257,000
9. Equity				
a) Called-up capital Subscribed capital/ equity shares of limited partners		240,000,000.00		240,000
b) Reserves		555,854,555.62		489,784
c) Differences from currency translation		14,398,620.50		897
d) Non-controlling interests		161,240,560.18		156,953
e) Net profit for the year		33,263,431.25	1,004,757,167.55	100,909
Total equity and liabilities			**23,273,105,028.18**	**22,590,231**

1. Contingent liabilities Liabilities under suretyships and guarantee agreements			428,680,421.58	397,405
2. Other obligations Irrevocable loan commitments			594,370,891.55	492,932

Consolidated profit and loss account for the period from 1 October 2021 to 30 September 2022

Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe

			2021/22	2020/21
	EUR	EUR	EUR	TEUR
1. Leasing income		7,575,134,995.07		7,538,128
2. Leasing expenses		−4,658,416,330.88	2,916,718,664.19	−4,539,751
3. Interest income from a) Credit and money market transactions of which: negative interest income EUR 6,633,289.17 (previous year: TEUR 6,805)		172,260,379.72		146,913
4. Interest expenses of which: negative interest expenses EUR 7,399,534.65 (previous year: TEUR 5,001)		−128,385,573.21	43,874,806.51	−125,289
5. Current income from a) Investments of which: result due to change in equity values EUR −2,930,228.69 (previous year: TEUR 9,443)		16,768,712.63		27,502
b) Shares in affiliated companies		3,415,626.58	20,184,339.21	8,393
6. Income from profit and loss transfer agreements			444,538.56	654
7. Commission income		36,674,189.76		33,783
8. Commission expenses		−38,246,710.88	−1,572,521.12	−34,745
9. Other operating income			321,895,937.16	327,281
10. General administrative expenses a) Personnel expenses aa) Wages and salaries	−238,960,175.42			−227,459
ab) Social security contributions and expenses for retirement pensions and other benefits of which: for retirement pensions EUR 14,276,616.39 (previous year: TEUR 15,835)	−50,292,508.23	−289,252,683.65		−50,414
b) Other administrative expenses		−162,173,081.31	−451,425,764.96	−150,641

Continued

Consolidated profit and loss account for the period from 1 October 2021 to 30 September 2022

Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe

			2021/22	2020/21
	EUR	EUR	EUR	TEUR
11. Depreciation and valuation adjustments on a) Leasing assets b) Intangible assets and property, plant and equipment		−2,382,644,260.81 −27,773,562.77	−2,410,417,823.58	−2,518,064 −26,230
12. Other operating expenses			−269,947,120.60	−256,253
13. Depreciation and valuation adjustments on receivables and specific securities and allocations to provisions for leasing and loan business of which: expenses for allocation to the fund for general banking risks pursuant to § 340g HGB EUR 0.00 (previous year: TEUR 5,000)			−89,350,315.54	−21,435
14. Depreciation and valuation adjustments on (previous year: income from write-ups on) investments, shares in affiliated companies and securities treated as non-current assets			−7,876,466.23	758
15. Expenses from profit and loss transfer agreements			−54,977.08	−121
16. Profit on ordinary activities			**72,473,296.52**	**133,010**
17. Taxes on income and profit			−26,803,040.46	−19,955
18. Other taxes, not included under Item 12			−2,395,164.50	−2,147
19. Net income for the year			**43,275,091.56**	**110,908**
20. Non-controlling interests in profit			−10,313,750.45	−10,082
21. Non-controlling interests in loss			302,090.14	83
22. Net profit for the year			**33,263,431.25**	**100,909**

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Notes to the consolidated financial statements for the financial year 2021/22

Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe

General disclosures

As a financial services provider, Deutsche Sparkassen Leasing AG & Co. KG (registration court: Bad Homburg v. d. Höhe, commercial register no.: HRA 3330) has prepared its consolidated financial statements for the financial year ending 30 September 2022 in accordance with commercial law provisions (§§ 290 ff. HGB), the supplementary provisions for credit institutions and financial services providers (§§ 340 ff. HGB) as well as the provisions of the German Accounting Ordinance for Banks and Financial Services Providers (Verordnung über die Rechnungslegung der Kreditinstitute und Finanzdienstleistungsinstitute, RechKredV). The company makes use of RechKredV forms 1 (balance sheet) and 3 (vertical-format profit and loss account).

Due to the parent company's legal form, equity is presented in deviation from the requirements stipulated in the RechKredV forms. The components of the company's reserves are not disclosed separately.

Where disclosures may be provided either in the consolidated balance sheet or in the notes to the consolidated financial statements, as a rule they are provided in the notes to the consolidated financial statements.

Group of consolidated companies

As well as Deutsche Sparkassen Leasing AG & Co. KG, a total of 80 subsidiaries have been incorporated in the consolidated financial statements. By comparison with the previous year, three subsidiaries were included in the consolidated financial statements for the first time; three subsidiaries were deconsolidated. This has not had any adverse impact on comparability with the previous year.

A total of twelve associated companies have been valued using the equity method.

The subsidiaries, joint ventures and associated companies which are of minor significance for an assessment of the net asset, financial and profit situation – even collectively – have not been consolidated and have not been valued according to the equity method.

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The parent company has the following key investments:

Name of the company	Registered office of the company	Equity share in per cent
Germany		
Deutsche Leasing AG	Bad Homburg v. d. Höhe	100.0
Deutsche Leasing Finance GmbH	Bad Homburg v. d. Höhe	100.0
DAL Deutsche Anlagen-Leasing GmbH & Co. KG	Mainz	99.8
AutoExpo Deutsche Auto-Markt GmbH	Fernwald	100.0
Bad Homburger Inkasso GmbH	Bad Vilbel	47.4
BHS Bad Homburger Servicegesellschaft mbH	Bad Vilbel	100.0
Deutsche Leasing Global GmbH	Bad Homburg v. d. Höhe	100.0
S-Kreditpartner GmbH	Berlin	33.3
Deutsche Factoring Bank GmbH & Co. KG	Bremen	53.0

Name of the company	Registered office of the company	Equity share in per cent
Other countries		
Deutsche Leasing Austria GmbH	Vienna	100.0
Deutsche Leasing Benelux N.V.	Antwerp (Berchem)	100.0
Deutsche Leasing Bulgaria EAD	Sofia	100.0
Deutsche Leasing Canada (Del.), Inc.	Wilmington	100.0
Deutsche Leasing Canada, Corp.	Halifax	100.0
Deutsche Leasing (China) Co., Ltd.	Shanghai	100.0
Deutsche Leasing ČR, spol. s r.o.	Prague	100.0
Deutsche Leasing France Operating S.A.S.	Rueil-Malmaison	100.0
Deutsche Leasing France S.A.S.	Rueil-Malmaison	100.0
Deutsche Leasing Funding B.V.	Amsterdam	100.0
Deutsche Leasing Hungária Zrt.	Budapest	100.0
Deutsche Leasing Hungária Kft.	Budapest	100.0
Deutsche Leasing Ibérica, E.F.C., S.A.	Barcelona	100.0
DL Ibérica EquipRent, S.A.	Barcelona	100.0
Deutsche Leasing (Ireland) D.A.C.	Dublin	100.0
Deutsche Leasing Italia S.p.A.	Milan	100.0
Deutsche Leasing Operativo S.r.l.	Milan	100.0
Deutsche Leasing Nederland B.V.	Amsterdam	100.0
Deutsche Leasing North America, Inc.	Wilmington	100.0
Deutsche Leasing USA, Inc.	Wilmington	100.0
Deutsche Leasing Polska S.A.	Warsaw	100.0
Deutsche Leasing Romania IFN S.A.	Bucharest	100.0
Deutsche Leasing Romania Operational SRL	Bucharest	100.0
Deutsche Leasing Slovakia spol. s r.o.	Bratislava	100.0
Deutsche Leasing Sverige AB	Stockholm	100.0
Deutsche Leasing (UK) Ltd.	London	100.0
Deutsche Sparkassen Leasing do Brasil Banco Múltiplo S.A.	São Paulo	100.0
Locadora DL do Brasil Ltda.	São Paulo	100.0

Please refer to the appendix to the notes to the consolidated financial statements (§ 313 (2) HGB) for full **disclosures concerning shareholdings.**[1]

[1] The appendices to the notes to the consolidated financial statements are not printed in the annual report. They may be viewed in the German Federal Gazette as disclosed.

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Consolidation methods

For subsidiaries newly incorporated in the group of consolidated companies, capital consolidation is performed according to the revaluation method. The historical costs of the shares in subsidiaries are offset against their share of equity as of the date on which this company became a subsidiary.

The profits brought forward of consolidated subsidiaries are allocated to the reserves.

Loans, receivables and liabilities between consolidated companies are offset.

Trade receivables and other income realised between consolidated companies are offset against corresponding expenses.

Future receivables resulting from intragroup purchases of receivables – which are reported in the consolidated financial statements at their present value – are consolidated with the deferred income item from sales of receivables under leasing contracts. Any remaining amount is reported in the profit and loss account.

The value of the investments in associated companies reported using the equity method has been calculated by means of the book value method as of the date on which the company became an associated company; in subsequent years, this amount is recognised pursuant to § 312 (4) Clause 1 HGB.

Currency translation

Currency translation for foreign financial statements is based on the modified closing rate method. Assets and liabilities are translated at mean spot exchange rates on the balance-sheet date, expenses and income at average annual rates and equity at historical rates. Differences resulting from currency translation are not recognised in income and are separately reported in equity.

Accounting policies

Currency translation for assets and liabilities is in accordance with the rules laid down in § 340h HGB and §§ 300 (2) in conjunction with 256a HGB.

Cash reserves and receivables from credit institutions are reported at nominal value.

In principle, receivables are reported at their historical costs. Claims under hire-purchase contracts and sales of receivables are reported at their present value. Discernible risks are taken into account by means of depreciation to the lower fair value. According to §§ 253 (5) in conjunction with 298, 300 (2) HGB, write-ups are implemented where the grounds for depreciation are no longer applicable.

The general valuation adjustment made on receivables from customers is calculated on the basis of differently weighted, forward-looking scenarios.

Deferral agreements were concluded with some of Deutsche Leasing’s customers in the context of the economic crisis caused by the Covid-19 pandemic. In accordance with the guidance published by the Banking Committee of the Institute of Public Auditors in Germany (IDW), in principle, leasing and hire-purchase instalments are recognised in line with the original instalment plans,

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irrespective of the payment date, while payment is required of customers as of a later date. In the financial year 2021/22, the volume of customers with deferral agreements declined significantly by comparison with the financial year 2019/20 and thus the start of the Covid-19 pandemic.

Equities and other non-fixed-interest securities, investments not measured using the equity method and shares in affiliated companies are reported at amortised historical costs. The value of the investments in associated companies reported using the equity method is calculated in accordance with § 312 HGB.

As a rule, scheduled depreciation on newly-acquired leasing assets is in line with the term of the leasing contracts. In some cases, scheduled depreciation is recognised over the ordinary useful life of the asset.

As a rule, the straight-line depreciation method is used instead of the declining-balance depreciation method if this results in an increase in depreciation.

Intangible assets are reported at their historical costs less scheduled amortisation. Goodwill is subject to straight-line amortisation over the average residual terms of the existing portfolio of contracts, over a period of 15 years.

Property, plant and equipment is valued at historical costs less scheduled depreciation.

Leasing goods, intangible assets and property, plant and equipment are subject to non-scheduled depreciation in the case of permanent impairment. Leasing goods are subject to non-scheduled depreciation in the case of possible risks associated with violations of leasing contracts.

In principle, other assets are reported at their historical costs. Where this includes assets resulting from terminated leasing contracts, these are valued at amortised historical costs.

Differences between the amount disbursed and the amount repaid are shown under accrued and deferred items and released as scheduled.

Liabilities are valued at their settlement amounts.

Deferred income mainly consists of the purchase prices resulting from the sale of leasing receivables. Where these result from the sale of non-straight-line leasing instalments they are reversed in proportion to the capital, and otherwise on a straight-line basis. In the case of non-monthly leasing instalments, deferred income includes income to guarantee realisation of revenues in accordance with the performance period.

Provisions for pensions are valued using the projected unit credit method and their reported amounts are based on actuarial calculations. The provision amounts have been calculated in accordance with §§ 253 (2) in conjunction with 298, 300 (2) HGB and in conjunction with the German Provisions Discounting Ordinance (Rückstellungsabzinsungsverordnung, RückAbzinsV), subject to the interest rates for accounting purposes fixed by the German Bundesbank and on the basis of an average market interest rate for the past ten financial years of between 1.77 and 1.87 per cent. This calculation is based on the current Heubeck 2018 G guideline tables and an index-linked pension increase of between 1.00 and 2.00 per cent. An index-linked salary increase of 2.00 per cent has been assumed for a portion of the provisions for pensions. For calculation of the rate of fluctuation, fluctuation probabilities of 2.00 to 4.07 per cent have been applied.

Provisions for anniversary bonuses have been calculated according to the projected unit credit method, with discounting rates of between 1.35 and 1.38 per cent and an index-linked salary increase of between 2.00 and 2.50 per cent. For calculation of the rate of fluctuation, fluctuation probabilities of 2.00 to 3.40 per cent have been applied.

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Old-age part-time working obligations are calculated by means of a discounting rate of 0.39 per cent and an index-linked salary increase of 2.50 per cent.

Provisions for taxation and other provisions are reported in the value of the settlement amount, which is deemed necessary according to a prudent commercial assessment.

Financial statements of foreign companies have been included on the basis of the uniform valuation methods for the consolidated financial statements, while considering peculiarities in individual countries and complying with the principle of materiality.

Within the scope of the loss-free valuation of interest-related business in the banking book, a progress review has been prepared for financial assets as well as interest-bearing deposit operations, including carefully assessed risk and administrative expenses. The surpluses expected to result from this have been identified. This has not given rise to a need to establish provisions for contingent losses.

In cases where liabilities (underlying transactions) are pooled (valuation units) to equalise opposite cash flows or changes in value resulting from similar risks entered into through financial instruments (hedging instruments), pursuant to § 254 HGB, the general valuation principles will not apply insofar as and for as long as opposite cash flows or changes in value equalise one another. For the effective portion, changes in the values of underlying transactions and hedging instruments are calculated according to the "net hedge presentation method" for interest and the "gross hedge presentation method" for currencies.

Deferred taxes are calculated for time differences between the commercial and tax balance-sheet valuations of assets, liabilities and accruals and deferrals, in principle encompassing includable tax loss carryforwards. Timing differences resulting from the parent company's balance-sheet items are included as well as those applicable for subsidiary companies. Domestic and foreign consolidated subsidiaries which are not included in the tax group are also considered. Deferred taxes are calculated on the basis of the income tax rate for the respective member of the group of consolidated companies of between 9.00 per cent and 47.50 per cent. Deferred tax assets and liabilities are offset. Due to the overall assessment – including the deferred taxes from the annual financial statements of the consolidated companies – in the case of tax relief, balance-sheet reporting is waived in line with the capitalisation option. In the reporting year, no deferred taxes are reportable in the consolidated financial statements of Deutsche Sparkassen Leasing AG & Co. KG, since this option has not been used.

Notes on the consolidated balance sheet

Please see the fixed-asset movement schedule for disclosures concerning equities and other non-fixed-interest securities, investments, shares in affiliated companies, leasing assets, intangible assets and property, plant and equipment.

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Fixed-asset movement schedule

	Historical costs				Write-ups
	1/10/2021	Additions	Disposals	Reclassifications	in financial year
	EUR	EUR	EUR	EUR	EUR
1. Equities and other non-fixed-interest securities	3,101,032.80	747,041.76	2,449.13	0.00	0.00
2. Investments	256,014,592.75	18,181,907.99	0.00	0.00	0.00
3. Shares in affiliated companies	16,804,183.42	7,275,856.96	1,448,113.05	0.00	0.00
4. Leasing assets					
Leasing goods	16,638,275,242.10	2,501,801,006.59	3,347,981,549.10	+439,497,621.40	6,643,269.47
Advanced payments	439,497,621.40	534,520,705.83	0.00	−439,497,621.40	0.00
	17,077,772,863.50	3,036,321,712.42	3,347,981,549.10	0.00	6,643,269.47
5. Intangible assets					
Industrial rights	161,546,906.20	3,207,414.45	4,456,177.49	+6,175,484.58	0.00
Goodwill	68,438,785.72	0.00	0.00	0.00	0.00
Advanced payments	8,950,908.34	5,742,194.30	0.00	−6,175,484.58	0.00
	238,936,600.26	8,949,608.75	4,456,177.49	0.00	0.00
6. Property, plant and equipment					
Buildings on leasehold properties	122,508,080.03	0.00	829,330.05	0.00	0.00
Fittings, tools and equipment	81,550,317.57	3,510,505.26	4,275,481.75	+505,961.38	0.00
Advanced payments	505,961.38	0.00	0.00	−505,961.38	0.00
	204,564,358.98	3,510,505.26	5,104,811.80	0.00	0.00
	17,797,193,631.71	**3,074,986,633.14**	**3,358,993,100.57**	**0.00**	**6,643,269.47**

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Fixed-asset movement schedule

	Depreciation/amortisation			
	1/10/2021	Additions	Disposals	30/9/2022
	EUR	EUR	EUR	EUR
1. Equities and other non-fixed-interest securities	156,700.72	411,809.35	0.00	568,510.07
2. Investments	52,621.59	0.00	0.00	52,621.59
3. Shares in affiliated companies	535,657.38	7,275,856.96	0.00	7,811,514.34
4. Leasing assets				
Leasing goods	7,335,722,873.92	2,389,287,530.28*	2,489,341,530.34	7,235,668,873.86
Advanced payments	0.00	0.00	0.00	0.00
	7,335,722,873.92	2,389,287,530.28	2,489,341,530.34	7,235,668,873.86
5. Intangible assets				
Industrial rights	122,469,622.12	12,627,714.59	4,408,599.46	130,688,737.25
Goodwill	28,114,942.08	4,032,384.37	0.00	32,147,326.45
Advanced payments	0.00	0.00	0.00	0.00
	150,584,564.20	16,660,098.96	4,408,599.46	162,836,063.70
6. Property, plant and equipment				
Buildings on leasehold properties	32,290,695.16	3,502,087.29	18,031.00	35,774,751.45
Fittings, tools and equipment	59,540,069.64	7,611,376.52	3,777,199.65	63,374,246.51
Advanced payments	0.00	0.00	0.00	0.00
	91,830,764.80	11,113,463.81	3,795,230.65	99,148,997.96
	7,578,883,182.61	**2,424,748,759.36**	**2,497,545,360.45**	**7,506,086,581.52**

* The gross write-ups and depreciation in the financial year are shown in the consolidated fixed-asset movement schedule for leasing goods. Accordingly, they cannot be reconciled with the consolidated profit and loss account.

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Fixed-asset movement schedule

		Book values	
		30/9/2022	30/9/2021
		EUR	EUR
1. Equities and other non-fixed-interest securities		3,277,115.36	2,944,332.08
2. Investments		274,143,879.15	255,961,971.16
3. Shares in affiliated companies		14,820,412.99	16,268,526.04
4. Leasing assets			
Leasing goods		9,002,566,716.60	9,304,341,073.68
Advanced payments		534,520,705.83	439,497,621.40
		9,537,087,422.43	9,743,838,695.08
5. Intangible assets			
Industrial rights		35,784,890.49	39,077,284.08
Goodwill		36,291,459.27	40,323,843.64
Advanced payments		8,517,618.06	8,950,908.34
		80,593,967.82	88,352,036.06
6. Property, plant and equipment			
Buildings on leasehold properties		85,903,998.53	90,217,384.87
Fittings, tools and equipment		17,917,055.95	22,010,247.93
Advanced payments		0.00	505,961.38
		103,821,054.48	112,733,594.18
		10,013,743,852.23	**10,220,099,154.60**

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	30/9/2022	30/9/2021
	EUR	TEUR
Receivables from credit institutions	**408,337,289.38**	**367,476**
a) Due daily	315,128,102.39	299,964
b) Other receivables	93,209,186.99	67,512
ba) up to three months	13,689,484.23	5,488
bb) more than three months and up to one year	20,178,802.23	60
bc) more than one year and up to five years	7,485,988.03	10,109
bd) more than five years	51,854,912.50	51,855
Receivables from customers	**12,463,304,200.83**	**11,673,550**
a) up to three months	2,696,545,201.61	2,182,731
b) more than three months and up to one year	1,563,812,953.25	1,564,582
c) more than one year and up to five years	5,359,040,772.66	5,283,469
d) more than five years	2,580,381,442.59	2,400,218
e) with an indefinite term	263,523,830.72	242,550

	30/9/2022	30/9/2021
	EUR	TEUR
Liabilities owed to credit institutions	**15,401,503,427.90**	**14,777,588**
a) Due daily	928,769,647.80	851,126
b) With agreed maturity or notice period	14,472,733,780.10	13,926,462
ba) up to three months	1,574,244,665.42	1,313,715
bb) more than three months and up to one year	2,793,284,861.17	2,855,067
bc) more than one year and up to five years	7,639,270,729.10	7,563,403
bd) more than five years	2,465,933,524.42	2,194,277
Liabilities owed to customers	**1,032,981,554.10**	**1,009,329**
a) Due daily	457,352,663.75	475,901
b) With agreed maturity or notice period	575,628,890.35	533,428
ba) up to three months	51,755,102.49	39,818
bb) more than three months and up to one year	132,961,085.21	122,005
bc) more than one year and up to five years	358,530,253.68	362,074
bd) more than five years	32,382,448.97	9,531
Liabilities evidenced by certificates	**1,527,245,890.69**	**1,270,746**
a) up to three months	613,581,965.45	464,508
b) more than three months and up to one year	85,726,876.69	40,000
c) more than one year and up to five years	0.00	0
d) more than five years	827,937,048.55	766,238

Please see above for the disclosures concerning receivables from credit institutions and customers as well as the liabilities owed to credit institutions and customers and liabilities evidenced by certificates.

Receivables from credit institutions include sales of receivables to savings banks and credit institutions which have not yet been settled up. Receivables from shareholders amount to EUR 10.0 million (previous year: EUR 9.4 million). Receivables from affiliated companies amount to EUR 51.9 million (previous year: EUR 51.9 million). Of the total amount, EUR 72.2 million (previous year: EUR 64.6 million) relates to foreign-currency amounts.

Of the **receivables from customers**, EUR 9,370.5 million (previous year: EUR 8,720.6 million) relates to the leasing, hire-purchase, rental and factoring businesses. Of this total figure, foreign-currency receivables amount to EUR 2,821.6 million (previous year: EUR 2,901.5 million). Receivables from shareholders amount to EUR 0.1 million (previous year: EUR 0.1 million). This item includes receivables from affiliated companies in the amount of EUR 125.8 million (previous year: EUR 114.5 million) which were reported under other assets in the previous year. The figure for the previous year has been adjusted for improved comparability.

Of the **investments**, investments in associated companies measured using the equity method amount to EUR 256.0 million (previous year: EUR 239.4 million).

Of the **property, plant and equipment**, EUR 56.3 million (previous year: EUR 58.8 million) relates to the main administrative headquarters of the Deutsche Leasing Group, which it uses for its own purposes, and EUR 17.9 million (previous year: EUR 22.0 million) to fittings, tools and equipment.

In the previous year, the **other assets** item included loans to affiliated companies in the amount of EUR 114.5 million which in the current financial year are reported under receivables from customers. The figure for the previous year has been adjusted for improved comparability. In the current financial year, this item includes tax receivables in the amount of EUR 57.0 million (previous year: EUR 89.9 million) as well as inventories in the amount of EUR 38.5 million (previous year: EUR 22.8 million). Of the total amount, EUR 23.9 million (previous year: EUR 29.3 million) relates to foreign-currency amounts.

Of the overall volume of assets, foreign-currency amounts total EUR 3,318.1 million (previous year: EUR 3,430.6 million).

In relation to the **surplus resulting from the offsetting of assets** in the previous year, the reinsurance policies were exclusively for fulfilment of the obligations resulting from pension provisions and were not available to other creditors. They have been offset against the underlying obligations pursuant to § 246 (2) Clause 2 HGB. In the previous year, the fair values of the plan assets corresponded to the cover funds documented by the insurer and thus matched the historical costs in the amount of TEUR 1,317. The fair value of the plan provisions which exceeds the relevant pension obligation was in the previous year reported as TEUR 11 in accordance with § 246 (2) Clause 3 HGB. Expenses and income were offset.

Liabilities owed to credit institutions mainly relate to loans and time deposits and include foreign-currency items in the amount of EUR 1,879.9 million (previous year: EUR 1,820.2 million). In addition, liabilities owed to shareholders amount to EUR 771.9 million (previous year: EUR 695.8 million). Of the total amount, EUR 403.1 million (previous year: EUR 393.8 million) is secured by means of the transfer of title of leasing goods for security purposes. This is associated with the sale of claims resulting from residual values and leasing instalments. Of the total amount, EUR 2,595.1 million (previous year: EUR 2,318.8 million) is secured by means of collateral provided or else by Deutsche Leasing's own assets within the scope of refinancing of lending.

Of the **liabilities owed to customers**, EUR 200.0 million (previous year: EUR 200.0 million) is secured by means of the transfer of title of leasing goods for security purposes. This is associated with the sale of claims resulting from leasing instalments. This item includes liabilities in the amount of EUR 37.1 million which were reported under other liabilities in the previous year. The figure for the previous year has been adjusted for improved comparability. Of the overall volume of liabilities, foreign-currency liabilities amount to EUR 19.7 million (previous year: EUR 24.0 million).

Of the **liabilities evidenced by certificates**, EUR 1,301.3 million (previous year: EUR 976.8 million) is secured by means of the transfer of title of leasing goods for security purposes. This is associated with the sale of claims resulting from leasing instalments.

Of the **other liabilities**, liabilities owed to suppliers amount to EUR 268.8 million (previous year: EUR 272.4 million). In the previous year, this item included liabilities in the amount of EUR 37.1 million which in the current financial year have been reportted under liabilities owed to customers. The figure for the previous year has been adjusted for improved comparability.

Provisions for pensions and similar obligations have been established for employees, managing directors and former Management Board members. The difference in accordance with § 253 (6) HGB amounts to EUR 5.1 million (previous year: EUR 6.2 million).

The **other provisions** mainly relate to outstanding payments for the personnel segment and provisions for anniversary bonuses and old-age part-time working and also for leasing business.

The **subordinate liabilities** relate to Deutsche Factoring Bank GmbH & Co. KG.

Of the total volume of liabilities, foreign-currency amounts total EUR 1,973.5 million (previous year: EUR 1,940.8 million).

Notes on contingent liabilities

As of the balance-sheet date, **contingent liabilities** amount to EUR 428.7 million (previous year: EUR 397.4 million) and **other obligations** to EUR 594.4 million (previous year: EUR 492.9 million).

The parent company has issued letters of comfort and loan guarantees for the following foreign subsidiaries to their financing banks:

Name of the company	Registered office of the company
Deutsche Leasing Austria GmbH	Vienna
Deutsche Leasing Benelux N.V.	Antwerp (Berchem)
Deutsche Leasing Bulgaria EAD	Sofia
Deutsche Leasing (China) Co., Ltd.	Shanghai
Deutsche Leasing ČR, spol. s r.o.	Prague
Deutsche Leasing France Operating S.A.S.	Rueil-Malmaison
Deutsche Leasing France S.A.S.	Rueil-Malmaison
Deutsche Leasing Funding B.V.	Amsterdam
Deutsche Leasing Hungária Zrt.	Budapest
Deutsche Leasing Hungária Kft.	Budapest

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Name of the company (Continued)	**Registered office of the company**
Deutsche Leasing Ibérica, E.F.C., S.A.	Barcelona
DL Ibérica EquipRent S.A.	Barcelona
Deutsche Leasing (Ireland) D.A.C.	Dublin
Deutsche Leasing Italia S.p.A.	Milan
Deutsche Leasing Operativo S.r.l.	Milan
Deutsche Leasing Nederland B.V.	Amsterdam
Deutsche Leasing Polska S.A.	Warsaw
Deutsche Leasing Romania IFN S.A.	Bucharest
Deutsche Leasing Romania Operational SRL	Bucharest
Deutsche Leasing Slovakia spol. s r.o.	Bratislava
Deutsche Leasing Sverige AB	Stockholm
Deutsche Leasing (UK) Ltd.	London
Deutsche Leasing Vostok AG	Moscow
Deutsche Sparkassen Leasing do Brasil Banco Múltiplo S.A.	São Paulo
Locadora DL do Brasil Ltda.	São Paulo

The parent company provides the following confirmation within the scope of the letters of comfort:

> *With the exception of a political risk scenario, Deutsche Sparkassen Leasing AG & Co. KG hereby undertakes to provide its subsidiary with funding so that it is able to fulfil its liabilities.*

Through a loan guarantee-based commitment in relation to the financing banks, the political risk is regularly also assumed. This is particularly applicable in relation to the subsidiaries Deutsche Leasing (China) Co., Ltd., Shanghai, Deutsche Leasing Vostok AG, Moscow, Deutsche Leasing ČR, spol. s r.o., Prague, Deutsche Sparkassen Leasing do Brasil Banco Múltiplo S.A., São Paulo, and Locadora DL do Brasil Ltda., São Paulo. In principle, Deutsche Sparkassen Leasing AG & Co. KG also assumes the political risk for its financing company Deutsche Leasing Funding B.V., Amsterdam, in relation to the financing banks, within the scope of a guarantee or a letter of comfort.

The parent company has submitted a letter of commitment within the scope of the entry of S-Kreditpartner GmbH, Berlin, into the institutional protection scheme established by Deutscher Sparkassen- und Giroverband e.V., Berlin. Deutsche Sparkassen Leasing AG & Co. KG thus provides Deutscher Sparkassen- und Giroverband e.V., Berlin, with an undertaking that, in the event of this company receiving assistance under this protection scheme, it will reimburse these expenses in accordance with its equity share.

In view of current forecasts, the parent company considers that the risk of recourse under these letters of comfort, guarantees and letters of commitment is highly improbable.

The **liabilities under suretyships and guarantee agreements** reported under contingent liabilities are mainly associated with investment loans granted by Deutsche Leasing Finance GmbH.

The **irrevocable loan commitments** included in the other obligations item are mainly associated with investment loans granted by Deutsche Leasing Finance GmbH as well as dealer purchase finance. Irrevocable loan commitments to an associated company amount to EUR 16.1 million (previous year: EUR 15.5 million).

Notes on the consolidated profit and loss account

The disclosures concerning the classification of income by geographic market are based on the structure selected by the parent company for control and reporting purposes.

Leasing income comprises revenues from leasing instalments and hire-purchase contracts as well as revenues from the resale of leasing goods and was mainly realised in Germany.

Leasing expenses comprise expenses resulting from the acquisition of hire-purchase assets and the disposal of leasing goods.

Of the **interest income**, EUR 138.8 million (previous year: EUR 120.9 million) relates to Germany and EUR 33.5 million (previous year: EUR 26.0 million) to other countries. Interest expenses for liabilities resulting from retirement pension commitments in the amount of TEUR 30 have been offset against interest income on the plan assets in the amount of TEUR 32 in accordance with § 246 (2) Clause 2 HGB and are allocable to Deutsche Factoring Bank GmbH & Co. KG.

The **interest expenses** include expenses in accordance with §§ 277 (5) in conjunction with 298, 300 (2) HGB in the amount of EUR 2.8 million (previous year: EUR 11.4 million). The interest expenses include an amount of EUR 2.9 million (previous year: EUR 2.2 million) in expenses for subordinated loans. Of the total amount, in the previous year EUR 1.1 million related to the difference between the higher one-off amount and the pension provision amount carried as a liability as of the date of transfer to the pension fund.

Of the **commission income**, EUR 35.6 million (previous year: EUR 32.4 million) relates to Germany and EUR 1.1 million (previous year: EUR 1.4 million) to other countries.

The **other operating income** mainly comprises services income. This item includes income not related to the period in the amount of EUR 5.7 million (previous year: EUR 21.5 million). Of the other operating income, EUR 265.5 million (previous year: EUR 253.3 million) relates to Germany and EUR 56.4 million (previous year: EUR 74.0 million) to other countries. Of the total amount, currency translation income totals EUR 64.6 million (previous year: EUR 67.6 million).

Depreciation of leasing assets includes non-scheduled depreciation in the amount of EUR 16.4 million (previous year: EUR 23.3 million).

The **other operating expenses** mainly comprise services expenses. This item includes expenses not related to the period in the amount of EUR 1.7 million (previous year: EUR 3.8 million). Currency translation expenses total EUR 59.9 million (previous year: EUR 63.9 million).

Taxes on income and profit include tax expenses not related to the period in the amount of EUR 0.1 million (previous year: EUR 0.0 million).

Other disclosures

On the balance-sheet date, other financial obligations amounted to EUR 28.6 million (previous year: EUR 32.1 million) under service and lease agreements, mainly for branch offices. These lease agreements have a remaining term expiring in 2044 at the latest.

A second-hand car guarantee for a period of twelve months is provided for motor vehicles sold to end-consumers. On the balance-sheet date, this has resulted in contingent liabilities due to warranties. An insurance policy has been taken out to cover this risk.

On the balance-sheet date, order commitments under leasing and hire-purchase contracts amount to EUR 3,212.9 million (previous year: EUR 2,430.8 million).

Derivatives (interest-rate swaps, currency swaps, interest-rate/currency swaps) are exclusively entered into for hedging of interest-rate fluctuation/currency risks.

Deutsche Leasing deals with interest-rate risks, in particular, through the use of interest-rate swaps. Within the scope of its risk management system, as a rule, fixed- and variable-interest cash flows are combined for the relevant currencies and jointly considered in interest-rate gap analyses. This enables a holistic assessment of all of the relevant cash flows resulting from lending business and deposit operations. The overhang of fixed cash flows which give rise to a risk position in case of a change in the interest-rate level is indicated through interest-rate gap analyses which can be prepared at the level of the individual company and also at Group level. This risk position is continuously analysed by means of detailed maturity bands and is reduced by means of conventional loans and derivatives (macro hedge). In some cases, hedges (interest-rate swaps) are entered into as cover against interest-rate risks for specific underlying transactions (variable-interest loans), subject to identical conditions for the underlying transaction and the hedging transaction (micro hedge). Currency risks are reduced through the use of currency swaps in particular.

The effectiveness of the macro hedge ("interest exposure book management") is measured by comparing the interest-rate gap analysis with and without derivatives. The effectiveness of micro hedges is prospectively measured by means of a comparison of the relevant parameters for the underlying transactions and hedging instruments in both qualitative and quantitative terms. A documented, appropriate and functional risk management system is also used for these transactions.

As of 30 September 2022, the outstanding nominal value of the derivatives amounted to EUR 2,500.5 million (previous year: EUR 2,658.5 million). The total derivatives with negative fair values as of the balance-sheet date amount to EUR 13.8 million (previous year: EUR 13.2 million) and have been determined by means of the mark-to-market method. Due to the effectiveness of the macro hedge ("interest exposure book"), no provisions are established. The derivatives have a maximum remaining term of 8.0 years.

In the past financial year, the total fee for the auditor was TEUR 3,443 (previous year: TEUR 3,616). Of this amount, TEUR 2,214 (previous year: TEUR 2,295) related to the auditor's fee within the meaning of § 318 HGB and TEUR 170 to the previous year. Of the total fee amount, TEUR 3,296 related to auditing services (previous year: TEUR 3,479). Of this amount, TEUR 2,067 (previous year: TEUR 2,158) comprised auditing services performed by the auditor within the meaning of § 318 HGB and TEUR 161 auditing services in the previous year. Of the overall fee, TEUR 147 related to other assurance services (previous year: TEUR 137). Of this amount, TEUR 147 (previous year: TEUR 137) related to other assurance services performed by the auditor within the meaning of § 318 HGB and TEUR 9 (previous year: TEUR 3) to other assurance services in the previous year.

Cash and cash equivalents in the statement of cash flows consist of the cash reserves balance-sheet item. The change in cash flow from current business activities is determined on the basis of the consolidated net income for the year; the reconciliation results from the consolidated profit and loss account.

On average, the company had 1,356 female and 1,398 male employees in the past financial year.

Total remuneration of the members of the Supervisory Board of the parent company amounted to EUR 0.3 million (previous year: EUR 0.3 million). An amount of EUR 0.2 million (previous year: EUR 0.2 million) was paid out in the form of pensions for former members of the Management Board of the parent company in the current financial year.

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The **Supervisory Board** of the parent company has the following members:

Alexander Wüerst
Chairman
Chief Executive Officer
Kreissparkasse Köln, Cologne

Marina Barth
Deputy Chairwoman
Deputy Executive Officer
Sparkasse Hannover, Hanover

Andreas Bartsch
Chief Executive Officer
Sparkasse Marburg-Biedenkopf, Marburg

Dr Joachim Bonn
Chief Executive Officer
Sparkasse Duisburg, Duisburg

Frank Brockmann
Deputy Spokesman of the Board of Management
Hamburger Sparkasse AG, Hamburg

Roland Burgis (to September 2022)
Deputy Executive Officer
Sparkasse Nürnberg, Nuremberg

Bernd Fischer
Member of the Management Board
Sparkasse Schwaben-Bodensee, Memmingen

Michael Fröhlich
Chief Executive Officer
Sparkasse Bielefeld, Bielefeld

Stefan Hattenkofer (since October 2022)
Member of the Management Board
Stadtsparkasse München, Munich

Horst Herrmann
Chief Executive Officer
Kreissparkasse Saarlouis, Saarlouis

Günter Högner
Chief Executive Officer
Nassauische Sparkasse, Wiesbaden

Michael Huber
Chief Executive Officer
Sparkasse Karlsruhe, Karlsruhe

Hans Jürgen Kulartz
Member of the Management Board
Landesbank Berlin AG, Berlin

Ulrich Lepsch
Chief Executive Officer
Sparkasse Spree-Neiße, Cottbus

Thomas Piehl
Chief Executive Officer
Sparkasse Holstein, Bad Oldesloe

Matthäus Reiser
Chief Executive Officer
Kreissparkasse Rottweil, Rottweil

Helmut Schleweis
President
Deutscher Sparkassen- und Giroverband e. V., Berlin

Rainer Schwab (to June 2022)
Works Council Chairman
Deutsche Sparkassen Leasing AG & Co. KG,
Bad Homburg v. d. Höhe

Volker Tainz (since July 2022)
Business Analyst
Deutsche Sparkassen Leasing AG & Co. KG,
Bad Homburg v. d. Höhe

Anke Tiedge
Key Competence Management Officer
Deutsche Sparkassen Leasing AG & Co. KG,
Bad Homburg v. d. Höhe

Thomas Traue
Chief Executive Officer
Sparkasse Vorderpfalz, Ludwigshafen am Rhein

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The personally liable and managing shareholder of the parent company is Deutsche Sparkassen Leasing Verwaltungs-Aktiengesellschaft, Bad Homburg v. d. Höhe, with subscribed capital amounting to EUR 50,000.00.

The **Management Board** of the managing shareholder of the parent company consists of the following persons:

Kai Ostermann, Chief Executive Officer
Georg Hansjürgens
Sonja Kardorf
Markus Strehle
Rainer Weis

The Management Board receives EUR 4.5 million (previous year: EUR 4.5 million) for the performance of its tasks.

Out of the net income for the year of EUR 52.0 million reported in the parent company's financial statements, the shareholders' meeting will be presented with the proposal to allocate an amount of EUR 12.0 million to the non-withdrawable reserves.

Please refer to the appendix to the notes to the consolidated financial statements for full **disclosures concerning shareholdings**.[2]

The consolidated financial statements are published in the German Federal Gazette (Bundesanzeiger).

Subsequent events

There were no reportable events in the period from 30 September 2022 up to the preparation of the consolidated financial statements.

Bad Homburg v. d. Höhe, 13 December 2022

Deutsche Sparkassen Leasing AG & Co. KG
represented by its general partner

Deutsche Sparkassen Leasing
Verwaltungs-Aktiengesellschaft

Ostermann Hansjürgens Kardorf Strehle Weis

[2] The appendices to the notes to the consolidated financial statements are not printed in the annual report. They may be viewed in the German Federal Gazette as disclosed.

Statement of cash flows[3]

Deutsche Sparkassen Leasing AG & Co. KG Group

			2021/22	2020/21
			TEUR	TEUR
1.		**Consolidated net income for the year**	**43,275**	**110,908**
2.	+	Depreciation on leasing assets	2,389,288	2,519,853
3.	–	Write-ups on leasing assets[4]	–4,855	–1,789
4.	–	Additions to leasing assets	–3,036,322	–2,830,535
5.	+	Residual book values of disposed leasing assets	858,640	965,532
6.	+	Increase in accrued leasing instalments	11,271	6,446
7.		**Depreciation on and changes to leasing assets**	**218,022**	**659,507**
8.	–	Increase in hire-purchase receivables	–134,291	–356,767
9.	–	Increase in receivables from credit institutions	–40,861	–44,387
10.	–	Increase in receivables from customers (excl. hire-purchase)	–656,324	–593,204
11.	+/–	Decrease/increase in other assets	1,347	–49,191
12.	+	Amortisation of intangible assets and depreciation of property, plant and equipment	27,774	26,230
13.	+	Interest payments received	172,260	146,913
14.		**Change in hire-purchase and other assets**	**–630,095**	**–870,406**
15.	+	Increase in liabilities owed to credit institutions	623,915	506,084
16.	+	Increase in liabilities owed to customers	24,514	172,605
17.	+	Increase in liabilities evidenced by certificates	256,500	119,576
18.	–	Decrease in deferred income from sales of receivables	–297,545	–343,741
19.	–	Interest income less interest expenses	–43,875	–21,624
20.	–	Interest paid	–128,386	–125,290
21.		**Changes in refinancing leasing and hire-purchase**	**435,123**	**307,610**
22.	+/–	Increase/decrease in provisions	54,314	–96,565
23.	–/+	Decrease/increase in other liabilities and other items	–5,207	8,523
24.	+	Income tax expenses less income	26,803	19,955
25.	–	Income tax payments	–20,558	–30,157
26.		**Change in other liabilities and other items**	**55,352**	**–98,244**
27.		**Cash inflow from current business activities**	**121,677**	**109,375**
28.	+	Cash inflow from the sale of intangible assets	48	1,064
29.	–	Payments for acquisition of intangible assets	–8,950	–12,352
30.	+	Cash inflow from the sale of property, plant and equipment	1,310	364
31.	–	Payments for acquisition of property, plant and equipment	–3,511	–5,333
32.		**Cash outflow from investing activities**	**–11,103**	**–16,257**
33.	–	Cash outflow to the parent company's shareholders	–28,000	–12,468
34.	–	Cash outflow to other shareholders	–5,547	–1,663
35.		**Cash outflow from financing activities**	**–33,547**	**–14,131**
		Changes in cash and cash equivalents item nos. (27) + (32) + (35)	**77,027**	**78,987**
		Cash and cash equivalents at the beginning of the period	**184,024**	**105,037**
		Cash and cash equivalents at the end of the period	**261,051**	**184,024**

[3] The structure of the statement of cash flows reflects the specific characteristics of the leasing sector.
[4] The write-ups on leasing assets include additions and disposals in the past financial year.

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Statement of changes in equity

Deutsche Sparkassen Leasing AG & Co. KG Group

	Equity of the parent company				
	Equity shares		Reserves		
	Equity shares	Total	Reserves according to shareholders' agreement	Other reserves	Total
	TEUR	TEUR	TEUR	TEUR	TEUR
As of 30/9/2020	240,000	240,000	382,760	104,996	487,756
Increase/decrease in equity shares					
Call on/deposit of capital contributions not called on to date					0
Amounts credited to shareholder accounts for debt capital			−12,468		−12,468
Amounts contributed to/withdrawn from reserves			24,769	−10,273	14,496
Currency translation					
Other changes					
Changes to group of consolidated companies					
Consolidated net income/loss for the year					
As of 30/9/2021	**240,000**	**240,000**	**395,061**	**94,723**	**489,784**

	Equity of the parent company				
	Equity shares		Reserves		
	Equity shares	Total	Reserves according to shareholders' agreement	Other reserves	Total
	TEUR	TEUR	TEUR	TEUR	TEUR
As of 30/9/2021	240,000	240,000	395,061	94,723	489,784
Increase/decrease in equity shares					
Call on/deposit of capital contributions not called on to date					
Amounts credited to shareholder accounts for debt capital			−28,000		−28,000
Amounts contributed to/withdrawn from reserves			38,035	56,036	94,071
Currency translation					
Other changes					
Changes to group of consolidated companies					
Consolidated net income/loss for the year					
As of 30/9/2022	**240,000**	**240,000**	**405,096**	**150,759**	**555,855**

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Continued

Statement of changes in equity

Deutsche Sparkassen Leasing AG & Co. KG Group

	Equity of the parent company		
	Change in equity from currency translation	Consolidated net income/loss for the year which is attributable to the parent company	Total
	TEUR	TEUR	TEUR
As of 30/9/2020	–783	29,935	756,908
Increase/decrease in equity shares			
Call on/deposit of capital contributions not called on to date			0
Amounts credited to shareholder accounts for debt capital			–12,468
Amounts contributed to/withdrawn from reserves		–29,935	–15,439
Currency translation	1,679		1,679
Other changes			
Changes to group of consolidated companies			
Consolidated net income/loss for the year		100,909	100,909
As of 30/9/2021	**896**	**100,909**	**831,589**

	Equity of the parent company		
	Change in equity from currency translation	Consolidated net income/loss for the year which is attributable to the parent company	Total
	TEUR	TEUR	TEUR
As of 30/9/2021	896	100,909	831,589
Increase/decrease in equity shares			
Call on/deposit of capital contributions not called on to date			
Amounts credited to shareholder accounts for debt capital			–28,000
Amounts contributed to/withdrawn from reserves		–100,909	–6,838
Currency translation	13,502		13,502
Other changes			
Changes to group of consolidated companies			
Consolidated net income/loss for the year		33,263	33,263
As of 30/9/2022	**14,398**	**33,263**	**843,516**

Continued

Statement of changes in equity

Deutsche Sparkassen Leasing AG & Co. KG Group

	Non-controlling interests			Group equity
	Non-controlling interests before change in equity from currency translation and profit for the year	Profit/loss attributable to non-controlling interests	Total	Total
	TEUR	TEUR	TEUR	TEUR
As of 30/9/2020	141,949	7,729	149,678	906,586
Increase/decrease in equity shares				
Call on/deposit of capital contributions not called on to date			0	0
Amounts credited to shareholder accounts for debt capital		−1,663	−1,663	−14,131
Amounts contributed to/withdrawn from reserves	5,005	−6,066	−1,061	−16,500
Currency translation				1,679
Other changes				
Changes to group of consolidated companies		0	0	0
Consolidated net income/loss for the year		9,999	9,999	110,908
As of 30/9/2021	**146,954**	**9,999**	**156,953**	**988,542**

	Non-controlling interests			Group equity
	Non-controlling interests before change in equity from currency translation and profit for the year	Profit/loss attributable to non-controlling interests	Total	Total
	TEUR	TEUR	TEUR	TEUR
As of 30/9/2021	146,954	9,999	156,953	988,542
Increase/decrease in equity shares				
Call on/deposit of capital contributions not called on to date				
Amounts credited to shareholder accounts for debt capital		−5,547	−5,547	−33,547
Amounts contributed to/withdrawn from reserves	4,275	−4,452	−177	−7,015
Currency translation				13,502
Other changes				
Changes to group of consolidated companies				
Consolidated net income/loss for the year		10,012	10,012	43,275
As of 30/9/2022	**151,229**	**10,012**	**161,241**	**1,004,757**

Group information

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Reproduction of the independent auditor´s report[5]

KPMG AG Wirtschaftsprüfungsgesellschaft has issued the following unqualified auditor's report for the consolidated financial statements as of 30 September 2022 and the related combined management report:

Audit opinions

We have audited the financial statements of Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe – comprising the balance sheet as of 30 September 2022, the profit and loss account for the financial year from 1 October 2021 to 30 September 2022 and the notes to the financial statements for the financial year 2021/22, including the presentation of the accounting policies – and the consolidated financial statements of Deutsche Sparkassen Leasing AG & Co. KG and its subsidiaries (the Group) – comprising the consolidated balance sheet as of 30 September 2022, the consolidated profit and loss account for the period from 1 October 2021 to 30 September 2022, the statement of changes in equity and the statement of cash flows for the financial year from 1 October 2021 to 30 September 2022 and the notes to the consolidated financial statements for the financial year 2021/22, including the presentation of the accounting policies. In addition, we have audited the company and Group management report (hereinafter: the "combined management report") of Deutsche Sparkassen Leasing AG & Co. KG for the financial year from 1 October 2021 to 30 September 2022.

In our opinion, based on the findings of our audit,

- the attached financial statements comply in all material respects with the German requirements applicable for institutions and give a true and fair view of the company's net asset and financial position as of 30 September 2022 and of its earnings position for the financial year from 1 October 2021 to 30 September 2022, in compliance with the German principles of orderly accounting,
- the attached consolidated financial statements comply in all material respects with the require ments of German commercial law applicable for institutions and give a true and fair view of the Group's net asset and financial position as of 30 September 2022, and of its earnings position for the financial year from 1 October 2021 to 30 September 2022, in compliance with the German principles of orderly accounting, and
- the attached combined management report as a whole presents an accurate view of the company's and the Group's position. In all material respects, this combined management report is consistent with the financial statements and consolidated financial statements, complies with the requirements of German law and suitably presents the risks and opportunities associated with future development.

Pursuant to § 322 (3) Clause 1 HGB, we state that our audit has not led to any reservations with regard to the orderliness of the financial statements and consolidated financial statements or the combined management report.

BASIS FOR THE AUDIT OPINIONS

We conducted our audit of the financial statements and consolidated financial statements and the combined management report in accordance with § 317 HGB and the generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (Institut der Wirtschaftsprüfer, IDW). Our responsibility according to these regulations and standards is described in further detail in the "Responsibility of the auditor for the audit of the financial statements and consolidated financial statements and the combined management report" section of our auditor's report. We are indepen-

[5] The reproduction of the auditor's report is printed in the annual report without the signatures and seal of KPMG AG Wirtschaftsprüfungsgesellschaft.

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dent of the company and its subsidiaries in compliance with the provisions of German commercial law and professional law and have fulfilled our other German professional obligations in compliance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to serve as a basis for our audit opinions regarding the financial statements and consolidated financial statements and the combined management report.

OTHER INFORMATION

The legal representatives are responsible for the other information.

This other information comprises the other parts of the Annual Report, with the exception of the audited financial statements and consolidated financial statements and the combined management report as well as our related auditor's report.

Our audit opinions regarding the financial statements and consolidated financial statements and the combined management report do not extend to this other information, and accordingly we provide neither an audit opinion nor any other form of audit conclusion in this regard.

As part of our audit, we have a responsibility to read this other information and to evaluate whether it

- exhibits material discrepancies in relation to the financial statements or the consolidated financial statements, the combined management report or the knowledge we have obtained during our audit, or

- otherwise seems significantly incorrect.

RESPONSIBILITY OF THE LEGAL REPRESENTATIVES AND THE SUPERVISORY BOARD FOR THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

The legal representatives are responsible for preparing the financial statements and consolidated financial statements, which in all material respects comply with the requirements of German commercial law applicable for institutions, and for the financial statements and consolidated financial statements giving a true and fair view of the net asset, financial and earnings position of the company and the Group in compliance with the German principles of orderly accounting. Furthermore, the legal representatives are responsible for the internal controls that, in accordance with the German principles of orderly accounting, they deemed necessary to enable the preparation of financial statements and consolidated financial statements that are free from material misstatement, whether due to fraud or error.

When preparing the financial statements and consolidated financial statements, the legal representatives are responsible for assessing the company's and the Group's status as a going concern. In addition, they have a responsibility to disclose matters related to the status as a going concern, if relevant. They are also responsible for accounting on the basis of the going concern principle, unless prevented by actual or legal circumstances.

Moreover, the legal representatives are responsible for preparing the combined management report, which as a whole provides an accurate view of the company's and the Group's position and is consistent with the financial statements and consolidated financial statements in all material respects, complies with the requirements of German law and suitably presents the risks and opportunities associated with future devel-

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opment. The legal representatives are also responsible for the arrangements and measures (systems) that they considered necessary to enable the preparation of a combined management report in compliance with the applicable requirements of German law and to allow sufficient, suitable evidence to be provided for the statements in the combined management report.

The Supervisory Board is responsible for monitoring the company's and the Group's accounting process for the preparation of the financial statements and consolidated financial statements and the combined management report.

RESPONSIBILITY OF THE AUDITOR FOR THE AUDIT OF THE FINANCIAL STATEMENTS AND CONSOLIDATED FINANCIAL STATEMENTS AND THE COMBINED MANAGEMENT REPORT

Our objective is to obtain reasonable assurance as to whether the financial statements and consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and whether the combined management report as a whole provides an accurate view of the company's and the Group's position and is in all material respects consistent with the financial statements and consolidated financial statements and with the findings of the audit, complies with the requirements of German law and suitably presents the risks and opportunities associated with future development, and to issue an auditor's report containing our audit opinions regarding the financial statements and consolidated financial statements and the combined management report.

Reasonable assurance is a high level of assurance but not a guarantee that an audit carried out in compliance with § 317 HGB and German generally accepted standards for the audit of financial statements promulgated by the Institute of Public Auditors in Germany (IDW) will always uncover a material misstatement. Misstatements can result from transgressions or inaccuracies and are deemed material if it could be reasonably expected that they would individually or together influence the financial decisions made by users on the basis of these financial statements and consolidated financial statements as well as the combined management report.

We exercise due discretion during the audit and maintain a critical attitude. In addition,

- we identify and evaluate the risks of material misstatements, whether due to fraud or error, in the financial statements and consolidated financial statements and the combined management report, plan and implement audit procedures in response to these risks and obtain audit evidence that is sufficient and appropriate to serve as a basis for our audit opinions. The risk that material misstatements are not uncovered is higher in the case of transgressions than in the case of inaccuracies, as transgressions can entail fraudulent collaboration, falsifications, deliberate omissions, misleading depictions or the suspension of internal controls.
- we gain an understanding of the internal control system relevant for the audit of the financial statements and consolidated financial statements and of the arrangements and measures relevant for the audit of the combined management report in order to plan audit procedures that are appropriate given the circumstances, but not with the aim of providing an audit opinion regarding the effectiveness of these systems.
- we evaluate the appropriateness of the accounting policies used by the legal representatives and the reasonableness of the estimated values presented by the legal representatives and the associated disclosures.

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- we draw conclusions about the appropriateness of the going concern principle applied by the legal representatives and, on the basis of the audit evidence obtained, whether there is material uncertainty regarding events or circumstances that could cause significant doubt about the company's and the Group's ability to continue as a going concern. If we come to the conclusion that there is material uncertainty, we are obliged to call attention to the associated disclosures in the financial statements and consolidated financial statements and in the combined management report in our auditor's report or, if these disclosures are inappropriate, to modify our respective audit opinion. We draw our conclusions on the basis of the audit evidence obtained up to the date of our auditor's report. However, future events or circumstances may mean that the company or the Group is no longer a going concern.
- we evaluate the overall presentation, the structure and the content of the financial statements and consolidated financial statements, including the disclosures, and whether the financial statements and consolidated financial statements present the underlying transactions and events such that the financial statements and consolidated financial statements give a true and fair view of the net asset, financial and earnings position of the company and the Group in compliance with the German principles of orderly accounting.
- we obtain sufficient appropriate audit evidence for the accounting information of the company and its subsidiaries or business activities within the Group to provide a basis for our audit opinions regarding the financial statements and consolidated financial statements and the combined management report. We are responsible for the direction, supervision and performance of the audit of the financial statements and consolidated financial statements. We remain solely responsible for our opinions.
- we evaluate the consistency of the combined management report with the financial statements and consolidated financial statements, its legality and the view it gives of the position of the company and the Group.
- we conduct audit procedures regarding the forward-looking disclosures made by the legal representatives in the combined management report. On the basis of sufficient appropriate audit evidence, we examine the significant assumptions underlying the legal representatives' forward-looking disclosures in particular and evaluate the appropriateness of the derivation of the forward-looking disclosures from these assumptions. We do not provide a separate audit opinion regarding the forward-looking disclosures or the underlying assumptions. There is a considerable, unavoidable risk that future events will differ significantly from the forward-looking disclosures.

Topics for discussion with those responsible for monitoring include the planned scope and scheduling of the audit as well as significant audit findings, including any deficiencies in the internal control system that we find during our audit.

Frankfurt am Main, 14 December 2022

KPMG AG
Wirtschaftsprüfungsgesellschaft

Dielehner	Disser
Wirtschaftsprüfer	Wirtschaftsprüfer
(German Public Auditor)	(German Public Auditor)

Shareholders
Deutsche Sparkassen Leasing AG & Co. KG

Association of savings banks

Rheinischer Sparkassen- und Giroverband	20.02 per cent
Sparkassenverband Baden-Württemberg	18.80 per cent
Sparkassenverband Bayern	12.54 per cent
Sparkassen- und Giroverband Hessen-Thüringen	10.67 per cent
Sparkassenverband Westfalen-Lippe	9.61 per cent
Sparkassenverband Niedersachsen	6.27 per cent
Ostdeutscher Sparkassenverband	5.70 per cent
Hanseatischer Sparkassen- und Giroverband	4.22 per cent
Landesbank Berlin AG	3.86 per cent
Sparkassen- und Giroverband Schleswig-Holstein	3.68 per cent
Sparkassenverband Rheinland-Pfalz	3.56 per cent
Sparkassenverband Saar	1.07 per cent

As of February 2023

Supervisory Board
Deutsche Sparkassen Leasing Verwaltungs-Aktiengesellschaft

Alexander Wüerst, Chairman	Chief Executive Officer, Kreissparkasse Köln, Cologne
Frank Brockmann, Deputy Chairman	Deputy Executive Officer, Hamburger Sparkasse AG, Hamburg
Helmut Schleweis	President, Deutscher Sparkassen- und Giroverband e.V., Berlin

Supervisory Board
Deutsche Leasing AG

Alexander Wüerst, Chairman	Chief Executive Officer, Kreissparkasse Köln, Cologne
Frank Brockmann, Deputy Chairman	Deputy Executive Officer, Hamburger Sparkasse AG, Hamburg
Helmut Schleweis	President, Deutscher Sparkassen- und Giroverband e.V., Berlin

As of February 2023

Supervisory Board
Deutsche Sparkassen Leasing AG & Co. KG

Alexander Wüerst, Chairman	Chief Executive Officer, Kreissparkasse Köln, Cologne
Marina Barth, Deputy Chairwoman	Deputy Executive Officer, Sparkasse Hannover, Hanover
Andreas Bartsch	Chief Executive Officer, Sparkasse Marburg-Biedenkopf, Marburg
Dr Joachim Bonn	Chief Executive Officer, Sparkasse Duisburg, Duisburg
Frank Brockmann	Deputy Executive Officer, Hamburger Sparkasse AG, Hamburg
Roland Burgis (until 30/9/2022)	Deputy Executive Officer, Sparkasse Nürnberg, Nuremberg (retired since July 2022)
Bernd Fischer	Member of the Management Board, Sparkasse Schwaben-Bodensee, Memmingen
Michael Fröhlich	Chief Executive Officer, Sparkasse Bielefeld, Bielefeld
Stefan Hattenkofer (since 1/10/2022)	Member of the Management Board, Stadtsparkasse München, Munich
Horst Herrmann	Chief Executive Officer, Kreissparkasse Saarlouis, Saarlouis
Günter Högner	Chief Executive Officer, Nassauische Sparkasse, Wiesbaden
Michael Huber	Chief Executive Officer, Sparkasse Karlsruhe, Karlsruhe
Hans Jürgen Kulartz	Member of the Management Board, Landesbank Berlin AG, Berlin
Ulrich Lepsch	Chief Executive Officer, Sparkasse Spree-Neiße, Cottbus
Thomas Piehl	Chief Executive Officer, Sparkasse Holstein, Bad Oldesloe
Matthäus Reiser	Chief Executive Officer, Kreissparkasse Rottweil, Rottweil
Helmut Schleweis	President, Deutscher Sparkassen- und Giroverband e. V., Berlin
Rainer Schwab (until 30/6/2022)	Works Council Chairman, Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe
Volker Tainz (since 1/7/2022)	Business Analyst, Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe
Anke Tiedge	Key Competence Management Officer, Deutsche Sparkassen Leasing AG & Co. KG, Bad Homburg v. d. Höhe
Thomas Traue	Chief Executive Officer, Sparkasse Vorderpfalz, Ludwigshafen

As of February 2023

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Management Board
Deutsche Sparkassen Leasing Verwaltungs-Aktiengesellschaft
(managing shareholder of Deutsche Sparkassen Leasing AG & Co. KG)
Deutsche Leasing AG

Kai Ostermann	Chief Executive Officer
Georg Hansjürgens	Management Board member
Sonja Kardorf	Management Board member
Markus Strehle	Management Board member
Rainer Weis	Management Board member

Members of the Management Team

Karsten Reinhard, Thomas Stahl, Meinolf Zörb, Thomas Wacker	International
Frank Hägele, Dr Hubertus Mersmann	Mobility
Dieter Behrens	Savings Banks and SMEs

Directors of Market Units

Bo Liedtke, Cornelius Schneider	Insurance Services
Norbert Schmidt	Sales and Product Management
Frank Speckmann	Central Savings Bank Support

Directors of Divisions

Mirko Beigel	Accounting, Controlling, Taxation
Paulina Rymanowska-Lukosz	Business Transformation Unit
Dirk Spingler	Compliance & AML
Klaus-Günther Rasch	Intensive Care & Asset Management
Anika Christophe	International Risk Management
Axel Brinkmann	Group Audit
Michael Orth	Middle Office
Christoph Khodja	Organisation/Information Technology
Otto Schmitz	Organisation/Information Technology International
Silke Niehaus	Human Resources
Michael Felde	Legal Department
Rainer Werger	Risk Management
Kristina Tonn	Risk Controlling
Jörn van Rossum	Treasury
Ansgar Wagner	Corporate Development

As of February 2023

Managing Directors of Subsidiaries/Investments[6]
Germany

Sonja Kardorf, Rainer Weis, Andreas Geue, Rainer Werger, Frank Speckmann, Michael Orth	Deutsche Leasing Finance GmbH
Bo Liedtke, Cornelius Schneider	Deutsche Leasing Insurance Services GmbH
Andreas Geue (Chairman), Tobias Bergmann, Kai Eberhard	DAL Deutsche Anlagen-Leasing GmbH & Co. KG
Frederik Wegner, Holger Würk	DAL Real Estate Management GmbH
Dr Hubertus Mersmann, Dennis Schmidt	AutoExpo Deutsche Auto-Markt GmbH
Thomas Wacker, Ansgar Wagner	Deutsche Leasing Global GmbH
Nhut Ajat Hong, Sven Siering	vent.io GmbH
Christian Eymery (Spokesman), Susanne Gögel, Fedor Krüger	Deutsche Factoring Bank GmbH & Co. KG
Andreas Appel, Dr Thomas Schneider	Bad Homburger Inkasso GmbH
Heinz-Günter Scheer, Jan Welsch	S-Kreditpartner GmbH

As of February 2023

[6] selected subsidiaries/investments

Go to:

Managing Directors of Subsidiaries[7]
Other countries

Ursula Leutl, Marko Markic	Deutsche Leasing Austria GmbH
Marc Andries	Deutsche Leasing Benelux N.V. Deutsche Leasing Nederland B.V.
Rosen Mishev, Neno Stanev	Deutsche Leasing Bulgaria EAD
Moritz von Gemmingen, Matheus Canhoto Gera	Deutsche Leasing Canada, Corp. Deutsche Leasing Canada (Del.), Inc.
Renato Di Chiara, Olive Xu, Tünde Saller	Deutsche Leasing (China) Co., Ltd.
Mikulas Pribyl, Lenka Glavinić Pivoňková	Deutsche Leasing ČR, spol. s r.o.
Eric Alessandrin, Richard Parcollet	Deutsche Leasing France S.A.S. Deutsche Leasing France Operating S.A.S.
Rüdiger Moll, Jörn van Rossum	Deutsche Leasing Funding B.V.
Katalin Nyikos	Deutsche Leasing Hungária Kft. Deutsche Leasing Hungária Zrt.
Raúl Sánchez	DL Ibérica EquipRent, S.A. Deutsche Leasing Ibérica, E.F.C., S.A.
Fabien Léon Leduc, Simon Dufton, Jari Poutiainen	Deutsche Leasing (Ireland) D.A.C.
Andrea Travaglini, Lorenzo Varisco	Deutsche Leasing Italia S.p.A. Deutsche Leasing Operativo S.r.l.
Krzysztof Brzeziński	Deutsche Leasing Polska S.A.
Laurentiu-Mihai Zaharia, Sorin-Emil Valeanu	Deutsche Leasing Romania IFN S.A. Deutsche Leasing Romania Operational SRL
Mikulas Pribyl, Lenka Glavinić Pivoňková	Deutsche Leasing Slovakia spol. s r. o.
Fabien Léon Leduc, Simon Dufton, Jari Poutiainen	Deutsche Leasing (UK) Ltd.
Moritz von Gemmingen, Matheus Canhoto Gera	Deutsche Leasing USA, Inc. Deutsche Leasing North America, Inc.
Marcelo Festucia, Daniel Coimbra	Deutsche Sparkassen Leasing do Brasil Banco Múltiplo S.A. Locadora DL do Brasil Ltda.

As of February 2023

[7] selected subsidiaries

Deutsche Leasing Group – The solution experts

Deutsche Sparkassen Leasing AG & Co. KG
Owners: around 340 savings banks, directly or through associated companies

Mobile Equipment/Real Estate Leasing

Deutsche Leasing AG[8]	100 per cent
DAL Deutsche Anlagen-Leasing GmbH & Co. KG	99.8 per cent

International Business

Deutsche Leasing Global GmbH[8,9] (Bad Homburg)	100 per cent
Deutsche Leasing Austria GmbH (Vienna)	100 per cent
Deutsche Leasing Benelux N.V. (Antwerp)	100 per cent
Deutsche Leasing Bulgaria EAD (Sofia)	100 per cent
Deutsche Leasing Canada, Corp. (Halifax)	100 per cent
Deutsche Leasing (China) Co., Ltd. (Shanghai)	100 per cent
Deutsche Leasing ČR, spol. s r.o. (Prague)	100 per cent
Deutsche Leasing Ibérica, E.F.C., S.A. **DL Ibérica EquipRent, S.A.** (Barcelona)	100 per cent
Deutsche Leasing France S.A.S. **Deutsche Leasing France Operating S.A.S.** (Paris)	100 per cent
Deutsche Leasing Funding B.V. (Amsterdam)	100 per cent
Deutsche Leasing Hungária Kft. **Deutsche Leasing Hungária Zrt.** (Budapest)	100 per cent
Deutsche Leasing (Ireland) D.A.C. (Dublin)	100 per cent

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[8] profit and loss transfer agreement
[9] Deutsche Leasing Global GmbH is an intermediate holding company within the Deutsche Leasing Group and is included in the consolidated financial statements of Deutsche Sparkassen Leasing AG & Co. KG.

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International Business (Continued)

Deutsche Leasing Italia S.p.A. **Deutsche Leasing Operativo S.r.l.** (Milan)	100 per cent
Deutsche Leasing Nederland B.V. (Amsterdam)	100 per cent
Deutsche Leasing Polska S.A. (Warsaw)	100 per cent
Deutsche Leasing Romania IFN S.A. **Deutsche Leasing Romania Operational SRL** (Bucharest)	100 per cent
Deutsche Leasing Slovakia spol. s r.o. (Bratislava)	100 per cent
Deutsche Leasing (UK) Ltd. (London)	100 per cent
Deutsche Leasing USA, Inc. (Chicago)	100 per cent
Deutsche Sparkassen Leasing do Brasil **Banco Múltiplo S.A.** **Locadora DL do Brasil Ltda.** (São Paulo)	100 per cent

Banking

Deutsche Leasing Finance GmbH[10]	100 per cent
S-Kreditpartner GmbH	33.3 per cent
AKA Ausfuhrkredit-Gesellschaft mbH	2.4 per cent

Digital Ventures & Solutions

vent.io GmbH	100 per cent

Factoring

Deutsche Factoring Bank GmbH & Co. KG	53 per cent

Debt Management

BHS Bad Homburger Servicegesellschaft mbH[10]	100 per cent
Bad Homburger Inkasso GmbH	47.4 per cent

Remarketing

AutoExpo Deutsche Auto-Markt GmbH[10]	100 per cent

Insurance

Deutsche Leasing Insurance Services GmbH[10]	100 per cent

As of February 2023

[10] profit and loss transfer agreement

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