Sixt Aktiengesellschaft
Interim Report as at 31 March 2006

1. Summary

- **Business development in Q1 2006 significantly exceeds expectations**
- **Consolidated operating revenue up 19% to EUR 283,7 million**
- **EBIT up 112% to EUR 37.5 million**
- **Quarterly profit increased more than four-fold, up 331% to EUR 20.1 million**
- **Forecast for full-year 2006 confirmed**

Q1 2006 business development at Sixt AG, Germany's largest car rental company and one of the leading vendor-neutral and non-bank providers of full-service leasing, significantly exceeded the Managing Board's expectations. The mobility services provider registered a significant growth in business in some areas in the two Vehicle Rental and Leasing business units, both in Germany and abroad. Consolidated operating revenue rose by 19.0% year-on-year. Consolidated operating profit (EBIT) recorded clearly above-average growth of 111.5% to EUR 37.5 million.

In the Managing Board's opinion, the results of the first three months are a good basis for achieving the targets for full-year 2006.

2. Report on the Position of the Sixt Group

2.1 General Developments in the Group

Total consolidated revenue for the first three months of this year amounted to EUR 379.9 million, thus increasing by 23.9% against the same period of the previous year (EUR 306.7 million). Of this amount, EUR 49.3 million was generated abroad, up 17.0% on the same period of 2005 (EUR 42.1 million).

Operating revenue from rental and leasing activities – which best reflects the performance of the Sixt Group – increased by 19.0% in the first three months from EUR 238.3 million to EUR 283.7 million. Both Vehicle Rental and Leasing business units contributed to the growth in revenue, as did both domestic and foreign business.

At EUR 95.1 million, revenue from the sale of used leasing vehicles in the first three months was significantly higher (+40.9%) than in the same period of the previous year (EUR 67.5 million). In contrast to reporting under the German Commercial Code (HGB), the revenue from the sale of used vehicles from the Vehicle Rental Business Unit is not reported as revenue under IFRS. Rather, the selling expenses for these rental vehicles carried under "Fleet expenses and cost of lease assets" are reduced by the corresponding amounts of sales revenue. This has no effect on the Group's results of operations, but leads to a significant reduction in consolidated revenue compared to revenue reporting under HGB.

Consolidated operating profit (EBIT) increased from EUR 17.7 million to EUR 37.5 million (+111.5%) in Q1, a significantly stronger increase than revenue. Consolidated profit before taxes (EBT) was also influenced by positive effects in net finance costs and reached EUR 32.7 million. This represents an increase of 284.3% against the figure for Q1 2005 (EUR 8.5 million). The operating units' foreign business contributed EUR 0.8 million to consolidated EBT from January to March 2006 (prior-year period: EUR 0.8 million).

The Managing Board attributes the encouraging business development of the first three months primarily to the following factors:

- Sixt recorded a strong pick-up in business from business and corporate customers. In addition to the slightly improved economic conditions in Europe, the sales optimisations implemented in 2005 in particular had an effect in both business units.
- As in the previous year, new corporate customers of all sizes were acquired.
- The international expansion, which was further driven forward in the quarter under review, had positive effects.
- Sixt also recorded growing demand from private customers on the back of the tourism market.
- Despite the strong growth, the Sixt Group still has lean structures and processes, which ensure moderate cost increase and enable above-average earnings growth.

Both business units, but particularly the Vehicle Rental segment, contributed to the improved results of operations in Q1.

The "Other" segment recorded positive EBT of EUR 1.3 million for the first three months after EUR 1.4 million in the prior-year period, in particular from e-commerce business and financial income.

2.2 Vehicle Rental Business Unit

The main operating highlights in the Vehicle Rental Business Unit in Q1 2006 were:

- Continuation of international expansion, including Sixt's move into India and Costa Rica via franchisees;
- Adaptation of the sales strategy for the growing holiday rental car segment (Sixt Holiday Cars), which is now offered selectively via travel agents and the Sixt call centre in addition to the proven Internet sales channel;
- Increasing demand in the trucks and vans segment and corresponding expansion of the rental fleet;
- Recognition of Sixt's high vehicle rental service quality by the high-profile industry awards "Business Traveller Award 2005" and "Autoflotte Flotten-Award 2006". In both cases, Sixt was rated the best car rental company in Germany.

The Vehicle Rental Business Unit generated rental revenue of EUR 199.2 million in Q1, a year-on-year increase of 16.8% (previous year: EUR 170.5 million). Revenue in Germany amounted to EUR 157.7 million, representing growth of 15.8% as against the prior-year period (EUR 136.1 million). This growth enabled Sixt to extend its market leadership in Germany. EUR 41.5 million was generated abroad, an increase of 20.8% on the prior-year period (EUR 34.4 million). Sixt generated significant growth in some areas in the key European countries.

The business unit's EBT in the first three months rose by EUR 24.0 million, from EUR 4.5 million to EUR 28.5 million.

In response to higher demand, the Sixt Group increased the Group’s average number of rental vehicles across Europe in Q1 to around 48,100 after 45,500 in the same period last year (+5.7 %). The number of rental offices worldwide (own offices and franchisees) rose further in the first three months, reaching 1,475 as at 31 March after 1,443 at the end of the previous year and 1,403 as at 31 March 2005. New offices were mainly opened abroad.

2.3 Leasing Business Unit

The main operating highlights in the Leasing Business Unit during the first three months of 2006 were:

- Move into private customer leasing in Austria;
- Launch of an online service for employees and employers to individually calculate the possible financial advantages of converting salary components into company cars;
- Expansion of the successful "Sixt FAirbag Plus" service offering for the transparent return of leasing vehicles, now also available to private customers and companies with small fleets of less than 10 vehicles.

The Leasing Business Unit recorded leasing revenue of EUR 84.5 million for Q1 2006, an increase of 24.7% year-on-year (Q1 2005: EUR 67.8 million). The growth was mainly generated in Germany (+23.7% to EUR 77.9 million), but revenue in other European countries was also significantly up on the previous year (+38.0% to EUR 6.6 million).

Revenue from the sale of used leasing vehicles reached EUR 95.1 million, an increase of 40.9% on Q1 2005 (EUR 67.5 million). Total revenue for the business unit rose by 32.8% year-on-year in the three-month period from EUR 135.3 million to EUR 179.6 million.
EBT in the first three months amounted to EUR 2.9 million, after EUR 2.6 million in the prior-year period.

2.4 Outlook

On the basis of the encouraging business development of the first three months, the Managing Board is confirming its previous forecast for full-year 2006. Sixt continues to anticipate achieving double-digit growth rates for both consolidated operating revenue and consolidated operating profit. This forecast assumes that the announced increase in rental prices will gain permanent acceptance in the market during the current year, and that no unforeseen negative events occur.

3. Consolidated Balance Sheet

Assets EUR thou.	**Interim report** **31 March 2006**	**Annual financial statements** **31 December 2005**
Current assets		
Cash and cash equivalents	46,660	43,317
Trade accounts receivable	127,508	112,733
Accounts receivable due from affiliated companies	17,717	12,930
Current receivables and other assets	78,498	50,620
Inventories	11,915	23,891
Rental vehicles	717,233	462,774
Total current assets	**999,531**	**706,265**
Non-current assets		
Deferred tax assets	4,286	6,371
Non-current other receivables and assets	16,310	14,851
Financial assets	5,885	5,885
Lease assets	464,485	523,266
Investment property	3,324	3,324
Property and equipment	35,053	35,066
Intangible assets	3,964	3,544
Goodwill	18,442	18,442
Total non-current assets	**551,749**	**610,749**
Total assets	**1,551,280**	**1,317,014**

Liabilities and shareholders' equity EUR thou.	**Interim report** **31 March 2006**	**Annual financial statements** **31 December 2005**
Current liabilities and provisions		
Current other liabilities	25,974	22,620
Current finance lease liabilities	72,333	87,620
Liabilities to affiliated companies	5,536	5,018
Trade payables	339,389	203,967
Current financial liabilities	231,722	147,742
Current other provisions	74,412	62,338
Total current liabilities and provisions	**749,366**	**529,305**
Non-current liabilities and provisions		
Deferred tax liabilities	11,467	11,884
Non-current other liabilities	7,852	12,557
Non-current finance lease liabilities	2,154	1,197
Non-current financial liabilities	476,724	476,712
Non-current other provisions	18,197	19,549
Total non-current liabilities and provisions	**516,394**	**521,899**
Shareholders' equity		
Subscribed capital	57,816	57,816
Capital reserves	120,335	120,314
Other reserves (including revenue reserves)	105,676	86,100
Minority interests	1,693	1,580
Total shareholders’ equity	**285,520**	**265,810**
Total liabilities and shareholders’ equity	**1,551,280**	**1,317,014**

4. Consolidated Statement of Changes in Equity

EUR thou.	Subscribed capital	Capital reserves	Other reserves[1]	Minority interests	Sixt Group
1 January 2005	**57,611**	**119,236**	**43,996**	**1,606**	**222,449**
Consolidated net income Q1 2005			4,666	18	**4,684**
Dividends 2004			0		**0**
Other changes		22	-191	-29	**-198**
31 March 2005	**57,611**	**119,258**	**48,471**	**1,595**	**226,935**

EUR thou.	Subscribed capital	Capital reserves	Revenue reserves[1]	Minority interests	Sixt Group
1 January 2006	**57,816**	**120,314**	**86,100**	**1,580**	**265,810**
Consolidated net income Q1 2006			20,092	-6	**20,086**
Dividends 2005			0		**0**
Other changes		21	-516	119	**-376**
31 March 2006	**57,816**	**120,335**	**105,676**	**1,693**	**285,520**

[1)] including retained earnings

At EUR 1.55 billion, the Sixt Group's total assets as at 31 March 2006 were EUR 234.3 million or 17.8% above the figure as at year-end 2005. The growth corresponds to the expansion of operating business; on the assets side of the balance sheet, it is due primarily to the increase in rental vehicles. These rose by EUR 254.5 million to EUR 717.2 million as against the previous reporting date. The strong growth is also attributable to vehicle purchases on credit being increasingly used as a form of financing for the rental fleet in the quarter under review. Total current assets increased by EUR 293.3 million to EUR 999.5 million.

In contrast, non-current assets declined by EUR 59.0 million to EUR 551.7 million. The decrease is due to a reduction in lease assets (by EUR 58.8 million to EUR 464.5 million), as there were more vehicle sales in Q1 and lease vehicles were re-financed via leasing.

On the equity and liabilities side of the balance sheet, equity amounted to EUR 285.5 million after EUR 265.8 million as at 31 December 2005 (EUR +19.7 million). The equity ratio was thus 18.4%, after 20.2% as at the end of the previous year.

Non-current financial liabilities amounting to EUR 476.7 million (31 December 2005: EUR 476.7 million) again consisted mainly of the bond issued in 2005 (principal amount: EUR 225 million) and the profit participation capital (principal amount: EUR 100 million).

Current liabilities rose in Q1 by EUR 220.1 million to EUR 749.4 million. The increase in current financial liabilities of EUR 84.0 million to EUR 231.7 million corresponds to the expanded fleet, which was increasingly financed through purchases on credit. The rise in trade payables by EUR 135.4 million to EUR 339.4 million is attributable to the higher business volume and is also a reporting date effect.

5. Earnings Development

Group Profit and Loss Account - Nature of expense method - EUR thou.	**Q1 2006**	**Q1 2005**
Revenue	379,878	306,713
Other operating income	7,108	2,188
Fleet expenses and cost of lease assets	181,022	137,443
Personnel expenses	24,419	22,656
Depreciation and amortisation expense[1)]	68,086	59,238
Amortisation of goodwill	0	0
Other operating expenses	75,986	71,847
Operating profit (EBIT)	**37,473**	**17,717**
Net finance costs (net interest result and income from investments)	-4,742	-9,199
Profit before taxes (EBT)	**32,731**	**8,518**
Income tax expense	12,645	3,834
Consolidated profit for the period	**20,086**	**4,684**
of which attributable to minority interests	-6	18
of which attributable to shareholders of Sixt AG	**20,092**	**4,666**
Earnings per share in EUR (basic)	0.89	0.21
Earnings per share in EUR (diluted)	0.87	0.20
Weighted average shares outstanding[2)] (basic)	22,584,500	22,504,300
Weighted average shares outstanding[2)] (diluted)	23,014,500	22,846,700

1) thereof depreciation and amortisation of rental vehicles:
Q1 2006: EUR 41,761 thou. (Q1 2005: EUR 27,721 thou.)
thereof depreciation and amortisation of lease assets:
Q1 2006: EUR 24,585 thou. (Q1 2005: EUR 27,392 thou.)

2) No-par value voting ordinary bearer shares and no-par value non-voting preference bearer shares

The cost of purchased materials, which corresponds to fleet expenses and the cost of lease assets, rose by 31.7% from EUR 137.4 million to EUR 181.0 million.

Personnel expenses (+7.8%), depreciation and amortisation expense (+14.9%) and other operating expenses (+5.8%) developed at a slower pace than revenue growth in the first three months. The higher personnel expenses reflect the increase in Group employees.

As a result, operating profit (EBIT) rose by 111.5% from EUR 17.7 million to EUR 37.5 million.

Net finance costs amounted to EUR -4.8 million, a clear improvement on EUR -9.2 million in the prior-year period, due mainly to the fair value measurement of interest rate derivatives for interest rate hedges required by IFRS.

The Sixt Group recorded profit before taxes (EBT) of EUR 32.7 million, an increase of 284.3% on the previous year (EUR 8.5 million). Consolidated profit after taxes and after minority interests amounted to EUR 20.1 million, a more than four-fold increase on the previous year (EUR 4.7 million; +330.6%).

On the basis of 22.6 million outstanding shares, earnings per share (basic) amounted to EUR 0.89 after EUR 0.21 in the first three months of 2005. Diluted earnings per share amounted to EUR 0.87 (previous year: EUR 0.20) considering the dilution on convertible bonds issued to employees.

6. Consolidated Cash Flow Statement

Cash flow statement EUR thou.	**Q 1 2006**	**Q 1 2005**
Cash flows from operating activities:		
Consolidated profit for the period	20,086	4,684
Depreciation / amortisation	68,086	59,238
Increase / decrease in provisions and accruals	10,722	4,854
Losses / gains on the disposal of fixed assets	0	0
Change in rental vehicles, net	-296,221	-193,888
Change in net working capital	183,315	142,664
Net cash flows used in / from operating activities	**-14,012**	**17,552**
Cash flows from investing activities:		
Payments to acquire intangible assets, property and equipment, lease assets, net	-91,073	-84,360
Proceeds from disposal of intangible assets, property and equipment, lease assets, net	123,122	85,204

Net cash flows from investing activities	**32,049**	**844**
Cash flows from financing activities:		
Other changes in equity	-376	-198
Proceeds from non-current financial liabilities	12	-36
Payment of capital lease liabilities	-14,330	-20,216
Dividends paid	0	0
Net cash flows used in financing activities	**-14,694**	**-20,450**
Net change in cash and cash equivalents	**3,343**	**-2,054**
Cash and cash equivalents at beginning of period	43,317	36,913
Cash and cash equivalents at end of period	**46,660**	**34,859**

Net cash flows from operating activities amounted to EUR -14.0 million in the first three months of 2006, after a positive figure of EUR 17.6 million in the same prior-year period. This was mainly attributable to the higher investment of funds due to the increase in rental vehicles. Net cash flows from investing activities amounted to EUR 32.0 million (January to March 2005: EUR +0.8 million), primarily as a result of increased vehicle sales in the leasing business unit. Financing activities generated negative cash flows of EUR 14.7 million (prior-year period: EUR -20.5 million). Total cash and cash equivalents rose by EUR 3.3 million as at 31 March 2006 compared with year-end 2005 (previous year: EUR -2.1 million).

7. Other information about the Group

7.1 Accounting

The consolidated interim report of Sixt AG as at 31 March 2006 was prepared in accordance with International Financial Reporting Standards (IFRSs) as adopted by the EU and effective as at the reporting date. The term IFRSs also covers the International Accounting Standards (IASs) still in effect. All Interpretations of the International Financial Reporting Interpretations Committee (IFRIC) and the former Standing Interpretations Committee (SIC) that are effective as at the reporting date have been applied.

7.2 Accounting policies

In the period covered by this consolidated interim report, there have been no changes in the accounting policies applied in the consolidated financial statements for the period ended 31 December 2005.

7.3 Sixt Group revenue development

in EUR million	**Q1 2006**	Q1 2005	**Change in %**
Operating revenue	**283.7**	**238.3**	**+19.0**
thereof Vehicle Rental	199.2	170.5	+ 16.8
thereof Leasing	84.5	67.8	+ 24.7
Revenue from vehicle sales	**95.1**	**67.5**	**+ 40.9**
thereof Vehicle Rental	-	-	-
thereof Leasing	95.1	67.5	+ 40.9
Other revenue	1.1	0.9	+ 21.0
Consolidated revenue	**379.9**	**306.7**	**+ 23.9**

7.4 Segment reporting

The Sixt Group is active in the two main business areas of vehicle rental and leasing. Excluding revenue from vehicle sales, the revenue from these activities is also described as "operating revenue". Activities that cannot be allocated to these segments, such as financing, holding company activities, real estate leasing, or e-Commerce activities, are combined in the "Other" segment.

By business unit	**Rental**		**Leasing**		**Other**		**Consolidation/ Reclassification**		**Sixt Group**	
in EUR million	**2006**	2005	**2006**	2005	**2006**	2005	**2006**	2005	**2006**	2005
External revenue	199.2	170.5	179.6	135.3	1.1	0.9	0.0	0.0	379.9	306.7
Internal revenue	1.2	1.2	7.1	12.2	0.6	0.7	-8.9	-14.1	0.0	0.0
Total revenue	200.4	171.7	186.7	147.5	1.7	1.6	-8.9	-14.1	379.9	306.7
Depreciation/ amortisation	43.3	31.7	22.9	27.4	1.8	0.1	0.1	0.0	68.1	59.2
EBIT[1)]	29.8	10.9	8.1	8.1	-0.4	-1.3	0.0	0.0	37.5	17.7
Net finance costs[2)]	-1.3	-6.4	-5.2	-5.5	1.7	2.7	0.0	0.0	-4.8	-9.2
EBT[3)]	28.5	4.5	2.9	2.6	1.3	1.4	0.0	0.0	32.7	8.5
Investments[4)]	2.0	1.7	89.1	82.7	0.0	0.0	0.0	0.0	91.1	84.4
Assets	1,079.6	910.3	504.9	566.6	894.7	743.5	-927.9	-829.1	1,551.3	1,391.3
Liabilities	997.3	866.9	482.3	544.2	610.4	460.4	-824.2	-707.2	1,265.8	1,164.3

Employees[5]	1,707	1,617	218	202	19	18	0	0	1,944	1,837

By region	**Germany**		**Abroad**		**Consolidation/ Reclassification**		**Sixt Group**	
in EUR million	**2006**	2005	**2006**	2005	**2006**	2005	**2006**	2005
Total revenue	331.3	264.9	49.3	42.1	-0.7	-0.3	379.9	306.7
Investments[4]	84.4	76.1	6.7	8.3	0.0	0.0	91.1	84.4
Assets	1,318.5	1,169.3	363.8	318.1	-131.0	-96.1	1,551.3	1,391.3

1) Corresponds to profit from operating activities (EBIT)
2) Corresponds to net interest/investment income
3) Corresponds to profit before taxes (EBT)
4) Excluding rental vehicles
5) Annual average, Basis of consolidation modified

7.5 Employees

The growing demand in both business units resulted in increased hiring in the Group. The average number of employees in the first three months of 2006 was 1,944. This represents an increase of 107 employees (5.8%) compared with the average figure for the prior-year period (1,837). The new employees were hired primarily at the Vehicle Rental Business Unit in Germany. Overall, the average number of employees in Germany rose by 109 from 1,330 in the prior-year period to 1,439 in the first three months of 2006. The number of employees outside Germany was 505 (previous year: 507).

7.6 Investments

The Sixt Group significantly expanded the volume of investments in the first quarter of 2006 in view of the good business development and the positive expectations for the coming months. Approximately 33,400 vehicles were added to the rental and leasing fleets between January and March. This is almost 22% more than in the same period in 2005 (27,400 vehicles). The value of the vehicles was EUR 0,84 billion, an increase of around 36% compared with the prior-year figure (EUR 0,62 billion). For full-year 2006, the Managing Board is also expecting higher investments than in 2005 (approximately EUR 2.6 billion).

Pullach, 18 May 2006

Sixt Aktiengesellschaft

The Managing Board