



LeasePlan Finance N.V.

Financial report for the year 2013

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



pwc

Table of contents

Financial report

Management Report	3
--------------------------	---

Financial statements

Balance sheet as at 31 December 2013	6
--------------------------------------	---

Income Statement for the year ended 31 December 2013	7
--	---

Notes to the Financial Statements	8
-----------------------------------	---

Other information

Appropriation of result	28
-------------------------	----

Post Balance Sheet Events	28
---------------------------	----

Auditor's report	29
------------------	----

Management report

The Managing Board takes pleasure in submitting the LeasePlan Finance N.V. (the "Company") annual report for the financial year ended 31 December 2013. The Company is a direct subsidiary of LeasePlan Corporation N.V. The original purpose of the Company was to provide financial services to LeasePlan subsidiaries worldwide. In this capacity it was engaged in treasury activities in its own right and also on behalf of the parent company, LeasePlan Corporation N.V. The activities of the Company continue to be scaled back as it moves further towards an administrative role on behalf of the parent company. The Company no longer issues bonds under the EMTN programme and its engagement in creating new loans to companies within the group has substantially reduced. The primary role of the Company is to provide a comprehensive set of treasury support services to LeasePlan Corporation N.V. and to execute the treasury strategy set out by the Managing Board of LeasePlan Corporation N.V.

The balance sheet total amounts to EUR 0.4 billion. Compared to 2012 (EUR 1.1 billion) the balance sheet has decreased by EUR 0.7 billion. The reduction is due to aforementioned reduction in the Company's activities.

The outstanding balance of issued debt securities dropped from EUR 0.7 billion as at 31 December 2012 to EUR 0.1 billion as at 31 December 2013. The Company has not issued any debt securities during the year. The amount of borrowings and loans from third parties is relatively small with listed debt outstanding being covered by loans from the parent company.

LeasePlan Finance N.V. ceased to issue bonds in 2010 and was removed as co-issuer from the EMTN program with LeasePlan Corporation N.V. in 2011.

The Company's funding requirements for the coming year are primarily dependant on the requirements of the Group subsidiaries that borrow from it. Any such loans will be covered through additional funding, as required from the parent company. However, as mentioned above, the activities of the Company continue to be scaled back as it moves further towards an administrative role on behalf of the parent company, and as a result, we do not expect a material increase in the company's funding requirements.

The Company is exposed to various risks such as currency risk and interest rate risk. The Company manages these risks through the use of over the counter (OTC) derivative, mainly interest rate swaps, cross-currency interest rate swaps and currency swaps. For details of the Company's financial risk management and derivatives used, refer to note 4 of the Financial Statements.

The profit after tax for 2013 is EUR 6.5 million (2012: EUR 4.1 million).

Based on the results for the year the company is in a solvent position and the Directors have considered the appropriateness of the going concern basis in preparing the financial statements for the year ended 31 December 2013 on pages 6 to 27 which form part of the financial report. As part of their review of the financial statements for the year ended 31 December 2013, the directors have assessed the future liquidity requirements and risks of the company as set out in note 4 to the accounts.

The Managing Board cannot predict with reasonable accuracy the expected results of the Company for the forthcoming year, due to the number of external factors influencing the result. The main impact on the future result is the movement in interest rate yield curves, which in turn affects the fair value of derivatives which gives rise to the uncertainty. It is expected that the number of employees of the Company will remain constant in 2014 (2013: 18). It is anticipated that the level of total assets of the Company will further decrease in 2014 due to reduced funding activities.

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Managing Board responsibility on financial reporting

The Managing Board is responsible for maintaining proper accounting records, for safeguarding assets and for taking reasonable steps to prevent and detect fraud and other irregularities. It is responsible for selecting suitable accounting policies and applying them on a consistent basis, making judgements and estimates that are prudent and responsible. It is also responsible for establishing and maintaining internal procedures which ensure that all financial information is known to the Managing Board, so that timeliness, completeness and correctness of external financial reporting is assured.

Conformity Statement pursuant to section 5:25C paragraph 2(c) of the Dutch Act on Financial Supervision (Wet op het Financieel Toezicht)

As required by section 5:25c paragraph 2(c) of the Dutch Act on Financial Supervision, each member of the Managing Board hereby confirms that to the best of their knowledge:

- The Company's 2013 annual financial statements give a true and fair view of the assets, liabilities, financial position and profit and loss of the Company.
- The Company's 2013 annual financial statements give a true and fair view of the position at the balance sheet date, the development and performance of the business during the financial year 2013 of the Company, together with a description of the principal risks that the Company is being confronted with.

Corporate Governance Statement

Pursuant to the Dutch Decree of 20 March 2009, updated on 1 January 2010, implementing further accounting standards for annual reports (Besluit Corporate Governance) and based on the listing of LeasePlan debt securities issued on regulated markets in the EU, the following information is provided. The most important features of the control systems set-up for securing reliable financial statements are:

- As a subsidiary in the LeasePlan Corporation Group, the Company has a uniform set of accounting and reporting principles for its business based on its application of Dutch GAAP;
- A monthly cycle of reporting is maintained and throughout the year financial results and movements therein are analysed, explained and linked to the risk management information;
- Compliance with these uniform accounting and reporting principles is reviewed by the Group function 'Control, Reporting and Tax', and both internal and external auditors;
- As a reporting entity within the LeasePlan Group, the management of LeasePlan Finance N.V. submit a letter of representation emphasising the compliance with the uniform set of accounting and reporting principles.

Act On Management and Supervision

Gender diversity is important for LeasePlan and providing a non-discriminatory environment for our people is one of the principles of our Code of Conduct. The Act on Management and Supervision requires that the Company (as defined in the Act) aim in the years 2013 – 2015 to establish an equal division of gender in the Managing Boards and Supervisory Boards thereof, i.e. at least 30% male and at least 30% female members. The legislator will evaluate the effect of this temporary law at the end of 2015. The profiles in case of (re-)appointment of Managing or Supervisory Board members of LeasePlan require indeed a diverse composition of the Boards. Below we provide an overview of the status of our efforts to aim for at least 30% male and 30% female board members in our Company, as required by the Act on Management and Supervision:

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Following the resignation of Paul Benson from the Managing Board on 13th June 2013, the Managing Board now consists of one male member and one female member.

The Supervisory Board consists of two male members. There were no changes in the year and it was deemed not in the interests of the Company to replace and nominate a female member in either place. It is not anticipated that this will change in the foreseeable future.

Almere, 23 April 2014

Managing Board:

William O'Dwyer
Director

Yolanda Paulissen
Director

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Balance sheet as at 31 December 2013

(after appropriation of result)

EUR (x1,000)	Notes	2013	2012
<i>Non-Current Assets</i>			
Tangible Fixed Assets		112	145
Loans to Group Companies	5	104,000	347,690
Loans to Associated Companies	6	-	5,920
Loans to Third Parties	8	30	30
Derivatives	9	3,814	10,974
Deferred Tax Asset	12	98	1,253
		<u>108,054</u>	<u>366,012</u>
<i>Current assets</i>			
Loans to Group Companies	5	280,359	638,625
Loans to Associated Companies	6	7,168	9,987
Loans to Financial Institutions	7	8,070	27,220
Interest receivable on inter-company loans	10	6,721	17,783
Accrued interest and deferred income		194	416
Other Assets		427	495
Derivatives	9	2,892	14,074
Cash at banks	13	515	405
		<u>306,346</u>	<u>709,005</u>
		<u>414,400</u>	<u>1,075,017</u>
<i>Equity</i>			
Issued and paid-up capital	14	45	45
Accumulated Surplus	14	15,305	8,840
		<u>15,350</u>	<u>8,885</u>
<i>Non-Current liabilities</i>			
Debt securities	16	90,090	109,879
Derivatives	9	-	7,684
		<u>90,090</u>	<u>117,563</u>
<i>Current liabilities</i>			
Loans from Group Companies	15	277,422	280,527
Debt Securities	16	17,669	622,979
Derivatives	9	4,175	20,200
Interest due on loans	17	1,359	17,458
Taxation	11	7,520	6,590
Bank Overdraft	13	95	53
Other liabilities		720	762
		<u>308,960</u>	<u>948,569</u>
		<u>414,400</u>	<u>1,075,017</u>

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Income statement for the year ended 31 December 2013

EUR (x1,000)	Notes	2013	2012
<i>Income</i>			
Interest and similar income	18	30,801	94,302
Interest and similar expenses	19	(26,904)	(88,996)
Fair value gain on derivatives	20	<u>4,673</u>	<u>527</u>
		8,570	5,833
<i>Expenses</i>			
General Expenses	21	<u>(4)</u>	<u>(491)</u>
Profit before tax		8,566	5,342
Income tax expense	11	<u>(2,101)</u>	<u>(1,266)</u>
Profit for the year		<u><u>6,465</u></u>	<u><u>4,076</u></u>

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Notes to the Financial Statements

1. GENERAL INFORMATION

1.1. *Operations*

The Company, which is a wholly owned subsidiary of LeasePlan Corporation N.V., was incorporated on 30 November 1994. The Company is domiciled in the Netherlands, having its statutory seat in Almere. The objective of the Company is to provide treasury support activities to its parent company, LeasePlan Corporation N.V., and the parent company's related subsidiaries. It also acts as a finance company, by borrowing and lending money to and from third parties and related companies, and provides treasury support activities to the Group. The Company operates through its Irish Branch at 6 Suffolk Street, Dublin 2.

1.2. *Basis for Preparation*

The financial statements were prepared in accordance with the statutory provisions of Part 9, Book 2, of the Dutch Civil Code and the firm pronouncements in the Guidelines for Annual Reporting in the Netherlands as issued by the Dutch Accounting Standards Board. The financial statements are denominated in Euro.

The financial report has been prepared taking into account the Art 403 exemptions of book 2 of the Dutch Civil code. Amongst other things, Art 403 means that LeasePlan Corporation N.V. is jointly and severally liable for all debts resulting from legal acts performed by the Company.

1.3. *Going Concern*

The financial statements have been prepared on the basis that the entity is a going concern. The Company has an equity surplus of €15m as at 31 December 2013.

1.4. *Group Structure*

The Company is a member of the LeasePlan Group. The ultimate parent company of this group is LeasePlan Corporation N.V. in Amsterdam (the Netherlands). The financial statements of the Company are included in the consolidated financial statements of LeasePlan Corporation N.V. in Amsterdam (the Netherlands). Copies of the annual report of LeasePlan Corporation N.V. can be downloaded or viewed online at www.leaseplan.com. Printed copies of the annual report are available on request.

1.5. *Changes in Accounting Policies*

There were no changes in accounting policies in 2013.

1.6. *Related Party Transactions*

All legal entities that can be controlled, jointly controlled or significantly influenced are considered to be a related party. Also, entities which can control the Company are considered a related party. In addition, statutory directors, other key management of the Company and its Parent and close relatives are regarded as related parties.

Significant transactions with related parties are disclosed in the notes. The nature, extent and other information is disclosed if this is required for to provide a true and fair view.

1.7. *Cashflow Statement*

The Company is exempt from preparing a cash flow statement since it is included in its parent company's consolidated financial statements.

1.8. *Estimates*

The preparation of financial statements in conformity with the relevant rules requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Group's accounting policies. If necessary for the purposes of providing the view required under Section 362(1), Book 2, of the Dutch Civil Code, the nature of these estimates and judgments, including the related assumptions, is disclosed in the notes to the financial statement items in question.

2. ACCOUNTING POLICIES FOR THE BALANCE SHEET

2.1. *General*

In general, assets and liabilities (except for group equity) are stated at the amounts at which they were acquired or incurred, or fair value. If not specifically stated otherwise, they are recognised at the amounts at which they were acquired or incurred.

2.2. *Comparative Figures*

The accounting policies have been consistently applied to the years presented.

2.3. *Foreign Currencies*

Functional currency

The financial statements are presented in Euro, which is the functional and presentation currency of the Company.

Transactions, assets and liabilities

Foreign currency transactions in the reporting period are translated into the functional currency using the exchange rates prevailing at the dates of the transactions.

Monetary assets and liabilities denominated in foreign currencies are translated at the rate of exchange prevailing at the balance sheet date. Foreign exchange gains and losses resulting from the settlement of such transactions and from the translation at year-end exchange rates are recognised in the income statement.

Translation differences on non-monetary assets held at cost are recognised using the exchange rates prevailing at the dates of the transactions (or the approximated rates).

2.4. *Interest Payable and Receivable*

Interest payable and receivable on interest rate swaps are valued in the balance sheet at the year-end spot exchange rate. The commitment for the principal amount and the fair values of the swaps are disclosed by way of notes to the financial statements. Interest income and expenses on interest rate swaps and the related interest payable and receivable are stated at the net contracted amounts and are attributed to the financial year to which they relate.

2.5. *Taxation*

The provision for corporation tax is calculated based upon applicable Dutch and Irish Tax Law.

The rate of taxation in the Netherlands for the year 2013 was 25% and 12.5% in Ireland.

2.6. *Non-current Assets*

Furniture & fittings and IT equipment are stated at historical cost plus expenditure that is directly attributable to the acquisition of the items, less straight-line depreciation over their estimated useful lives. Allowance is made for any impairment losses expected on the balance sheet date. For details on how to determine whether property, plant or equipment is impaired, please refer to note 2.13 below.

Other non-current assets are valued at historical cost including directly attributable expenditure, less straight-line depreciation over their estimated useful lives, or value in use, if lower.

2.7. *Receivables*

Receivables are recognised initially at fair value and subsequently measured at amortised cost. If payment of the receivable is postponed under an extended payment deadline, fair value is measured on the basis of the discounted value of the expected revenues. Interest gains are recognised using the effective interest method. When a receivable is uncollectable, it is written off against the allowance account for receivables.

2.8. Cash and cash equivalents

Cash and cash equivalents include cash in hand, bank balances and deposits held at call with maturities of less than one month. Bank overdrafts are shown within borrowings in current liabilities on the balance sheet. Cash and cash equivalents are stated at face value.

2.9. Provisions

Provisions are recognised for legally enforceable or constructive obligations existing on the balance sheet date, the settlement of which is probable to require an outflow of resources whose extent can be reliably estimated.

Provisions are measured on the basis of the best estimate of the amounts required to settle the obligations as at the balance sheet date. Provisions are stated at the present value of the expenditure expected to be required to settle the obligations.

If the expenditure to settle obligations is expected to be recovered from third parties, the recovery is carried as an asset on the balance sheet if it is likely to be received upon settlement of the obligation.

2.10. Deferred tax assets and liabilities

Deferred tax assets and liabilities are recognised to provide for timing differences between the tax bases of assets and liabilities, and their carrying amounts in the financial statements, on the understanding that deferred income tax assets / liabilities are recognised only to the extent that it is probable that future taxable profit / losses will be available against which the temporary differences and losses can be utilised. Deferred income tax is determined using tax rates that have been enacted or substantially enacted by the balance sheet date and are expected to apply when the related deferred income tax asset is realised.

Deferred taxes are recognised for timing differences concerning group companies, participating interests and joint ventures, unless the Company is able to determine the moment of expiry of the timing difference and it is not likely that the timing difference will expire in the foreseeable future.

Deferred taxes are recognised at face value, net of any provisions.

2.11. Loans to Financial Institutions

Loans to Financial Institutions include both deposits to banks and also any monies placed arising from a credit support annex. These loans are initially measured at fair value and subsequently carried at amortised cost.

2.12. Loans to group companies and associates

Loans to group companies are initially measured at fair value and subsequently carried at amortised cost.

2.13. Impairment of Non-Current Assets

On each balance sheet date, the Company tests whether there are any indications of assets being subject to impairment. If any such indications are present, the recoverable amount of the asset is determined. If this proves to be impossible, the recoverable amount of the cash-generating unit to which the asset belongs is identified. An asset is subject to impairment if its carrying amount exceeds its recoverable amount; the recoverable amount is the higher of an asset's fair value less costs to sell and value in use.

Fair value less costs to sell is determined based on the active market. For the determination of the value in use, cash flows are discounted. Impairment is directly recognised as an expense in the income statement, unless the asset is carried at fair value, in which case the impairment loss qualifies as a revaluation decrease.

If it is established that a previously recognised impairment no longer applies or has declined, the increased carrying amount of the assets in question is not set higher than the carrying amount that would have been determined had no asset impairment been recognised.

2.14. *Interest bearing loans, borrowings and non-current liabilities*

Interest bearing loans and borrowings are the Company's sources of debt funding and relate to liabilities to financial institutions, funds entrusted and debt securities issued. Borrowings are initially recognised at fair value, net of transaction costs incurred. Borrowings are subsequently stated at amortised cost, being the amount received taking account of any premium or discount, less transaction costs.

Any difference between the proceeds (net of transaction costs) and the redemption value is recognised in the income statement over the period of the borrowings using the effective interest method.

2.15. *Fair Value*

Fair value is the amount for which an asset could be exchanged, or a liability settled, between knowledgeable, willing parties in an arm's length transaction. If no fair value can be readily and reliably established, fair value is approximated by deriving it from the fair value of components or of a comparable financial instrument, or by approximating fair value using valuation models and valuation techniques. Valuation techniques include using recent arm's length market transactions between knowledgeable, willing parties, if available, reference to the current fair value of another instrument that is substantially the same, discounted cash flow analysis and option pricing models, making allowance for entity-specific inputs.

2.16. *Derivative Financial Instruments and Hedge Accounting*

In applying fair value hedge accounting, both the hedging instrument and the hedged position are stated at fair value, at least where this is attributable to the hedged risk. The gain or loss from re-measuring the hedging instrument at fair value or the foreign currency component of its carrying amount on the balance sheet date shall be directly recognised in the income statement.

The Company shall discontinue prospectively the hedge accounting if:

- the hedging instrument expires or is sold, terminated or exercised;
- the hedge no longer meets the criteria for hedge accounting;
- the Company revokes the designation.

Where relevant and applicable, the Company applies fair value hedge accounting. The Company documents at the inception of the transaction the relationship between hedging instruments and hedged items. The Company also performs an assessment, both at hedge inception and on an ongoing basis, of whether the derivatives that are used in hedging transactions are highly effective in offsetting changes in fair values of hedged items.

Derivative financial instruments not quoted in an active market and not designated as hedging instruments are initially recognised at fair value and are subsequently re-measured at their fair value. Changes in the fair value of these derivative instruments are recognised directly in the income statement.

The Company applies fair value hedge accounting to hedge fixed or floating interest rate risk on borrowings. The gain or loss relating to the effective portion of interest rate swaps hedging fixed or floating-rate borrowings is directly recognised in the income statement. The gain or loss relating to the ineffective portion is recognised in the income statement.

The Company does not apply cash flow hedge accounting under Dutch GAAP, as it is performed at a Group level. Whilst the Company may be economically hedged, the requirements are not met for cash flow hedge accounting at a company level. The result is that any cumulative gain/loss arising on a hedged instrument that might have been classed as a cash flow hedge at a group level is recognised in the income statement.

The Company measures and recognises derivative financial instruments at fair value (market value).

3. ACCOUNTING POLICIES FOR THE INCOME STATEMENT

3.1. *Result*

Profit or loss is primarily determined as the difference between interest income and expense charged for the year. Revenues on transactions are recognised in the year in which they are realised. Profit or loss is also determined taking account the recognition of unrealised changes in fair value of derivative instruments not designated as hedges. Finally Profit or loss is determined by taking account of the difference between services rendered to the group and costs charged for the year.

3.2. *Revenue*

Revenue from provision of services is recognised on an invoice basis.

3.3. *Interest paid and received*

Interest paid and received is recognised on a time-weighted basis, taking account of the effective interest rate of the assets and liabilities concerned. When recognising interest paid, allowance is made for transaction costs on loans made.

3.4. *Gains and losses*

Gains or losses on transactions are recognised in the year in which they are realised; losses are taken as soon as they are foreseeable.

3.5. *Exchange differences*

Exchange differences arising upon the settlement of monetary items are recognised in the income statement in the period that they arise.

3.6. *General expenses*

General expenses comprise costs chargeable to the year that are not directly attributable to the interest margin for the year. This includes office overheads, professional fees and other general expenses.

3.7. *Amortisation and depreciation*

Intangible assets are amortised and property, plant and equipment depreciated over their estimated useful lives as from the inception of their use. Future amortization and depreciation is adjusted if there is a change in estimated useful life.

Gains and losses on sales of property, plant and equipment are included in depreciation.

3.8. *Employee benefits*

Salaries, wages and social security contributions are taken to the income statement based on the terms of employment, where they are due to employees.

3.9. *Pension contributions*

The Company operates a defined contribution pension plan on behalf of its employees. The Company pays contributions into the pension plan on a compulsory and contractual basis. Except for paying these contributions, the Company has no other obligations to pay further contributions by virtue of the pension plan. Contributions are recognised as expenses when incurred. Prepaid contributions are recognised as prepayments and accrued income to the extent that this will lead to a reduction in future payments or a cash refund.

3.10. *Tax expense*

Income tax is calculated on the profit/loss before tax in the income statement, taking into account any losses carried forward from previous financial years (where not included in deferred income tax assets) and tax-exempt items, and plus non-deductible expenses. Account is also taken of changes in deferred income tax assets and liabilities owing to changes in the applicable tax rates.

3.11. *Dividends*

Dividends on equity shares are recognised in the financial statements when they have been appropriately approved or authorised by the shareholders and are no longer at the discretion of the company.

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



PricewaterhouseCoopers Accountants N.V.
For identification purposes only



4. FINANCIAL RISK MANAGEMENT POLICY

Liquidity risk

Liquidity risk is the risk that the Group will experience difficulty in financing its assets and / or meeting its contractual payment obligations as they fall due, or will only be able to do so at substantially above the prevailing market cost of funds. Liquidity risk arises from differences in timing between cash inflows and outflows. The Company is exposed to the risk that its liabilities require payment at a different moment in time that its assets turn into cash causing either a drain on the Company's available cash resources or creating excess liquidity. It is in the interests of LeasePlan Corporation N.V. to ensure that the Company always has access to these funds in the future. As a result of the asset reduction which commenced in 2010 and the internal shift of inter-company loan production back to the parent company, it is expected that the liquidity needs of the Company will continue to reduce going forward. This diminution in both liquidity risk and cashflow needs will allow a structured decrease of the short-term advances provided on a roll-over basis by the parent company in the previous years. Where necessary, the Company will still have access to funds through the parent or directly in the market through inter-bank lending.

Interest rate and cash flow risk

The Company uses derivatives for hedging purposes to manage interest rate positions. The positions are naturally created by lending predominantly for 2-3 years at fixed rates and borrowing short-term or at floating rates. The Company does not use derivatives for speculative trading purposes.

In relation to any potential risk arising on future cash flows, this would be managed through loans from the parent company.

Currency risk

All currency risk is measured and controlled at a Group level. The Group funds its assets with liabilities in the same currency or uses foreign currency derivatives to avoid currency risk. There are currency mismatch limits set for the realized profit margins earned in foreign currencies, which are closed regularly to stay within limits.

The Group is exposed to currency risk on the equity holdings of its subsidiaries. The Group has in general, a policy not to hedge translation risk, but has the option to do so if and where operations are denominated in highly volatile currencies or in a high inflation environment.

Credit risk

The Company is exposed to credit risk on deposits and derivative counterparties. These counterparties of the LeasePlan Group are all regulated banks with a strong credit rating, with most of whom International Swaps and Derivatives Association agreements (ISDAs) and Credit Support Annexes (CSAs) are in place. There are limits for exposures to counterparties. The Treasury Risk Manager checks compliance with risk limits daily (deposit/call usage) and monthly (derivative usage).

Additionally, to avoid the settlement risk on Foreign Currency Swaps, maximum transaction size limits and daily settlement limits are in place and monitored on a daily basis by the Treasury Risk Manager.

Any investments to external parties are subject to approval by the Managing Board of the parent company, LeasePlan Corporation N.V. Lending to LeasePlan subsidiaries is subject to individual counterparty exposure limits.

Operational risk

Operational risk management is concerned primarily with identifying weaknesses in internal procedures and external causes of wilful or accidental damage to the Company. Procedures are adopted to prevent loss-making situations or limit their potential impact. The Company actively manages operational risks using a database that collects information on operational losses incurred by the Company and also conducts regular Risk Self Assessment workshops.

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



Compliance risk

The Company is committed to complying with corporate and local policies, local laws and regulations. The Company adheres to its local Compliance Charter which is derived from the LeasePlan Corporation Global Compliance Charter which ensures the guiding principles are embedded within the organisation. The Company employs a dedicated Compliance Officer and for compliance matters reports to the local Finance Director ensuring no conflict of interests. On an annual and biannual basis a full compliance review is performed for adherence to corporate and local policies, local laws and regulations.

5. LOANS TO GROUP COMPANIES

Maturity	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
0 - 1 month	26,176	133,218
1 - 3 months	44,335	138,463
3 - 12 months	209,848	366,944
1 yr - 5 yrs	104,000	347,690
Total	384,359	986,315

The fair value of the loans to group companies is as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Loans to Group Companies	399,978	1,027,498

The average interest rates applicable to the outstanding balances can be summarised as follows:

	31 Dec. 2013	31 Dec. 2012
Loans to Group Companies	3.75%	4.06%

Movements in Loans to Group Companies can be broken down as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
At 1 January	986,315	2,789,278
Issuance	68,706	243,541
Maturity	(653,268)	(2,079,304)
Exchange Differences	(17,394)	32,800
At 31 December	384,359	986,315

It is determined that the credit risk in relation to these loans is considered low, arising from loan agreements in place between the company and the group company, when combined with guarantees provided by the parent company in connection with the external activities of the subsidiaries.

6. LOANS TO ASSOCIATED COMPANIES

Maturity	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
0 - 1 month	1,483	1,338
1 - 3 months	297	1,905
3 - 12 months	5,388	6,744
1 yr - 5 yr	-	5,920
Total	7,168	15,907

The fair value of the loans to associated companies is as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Loans to Associated Companies	7,506	16,797

The average interest rates applicable to the outstanding balances can be summarised as follows:

	31 Dec. 2013	31 Dec. 2012
Loans to Associated Companies	5.09%	5.13%

Movements in Loans to Associated Companies can be broken down as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
At 1 January	15,907	17,281
Issuance	1,483	7,688
Maturity	(9,590)	(8,763)
Exchange Differences	(632)	(299)
At 31 December	7,168	15,907

It is determined that the credit risk in relation to these loans is considered low, arising from loan agreements in place between the company and the group company, when combined with guarantees provided by the parent company in connection with the external activities of the subsidiaries.

7. LOANS TO FINANCIAL INSTITUTIONS

Maturity	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
0 - 1 month	-	-
1 - 3 months	-	-
3 - 12 months	8,070	27,220
1 yr - 5 yr	-	-
Total	8,070	27,220

PricewaterhouseCoopers Accountants N.V.
For identification purposes only



The fair value of the loans to financial institutions is as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Loans to Financial Institutions	8,063	27,232

The balance on loans to financial institutions in 2013 fully relates to collateral placed arising from Credit Support Annexes (CSAs) with the Company's counterparties. A CSA defines the terms under which collateral is transferred between OTC swap counterparties to mitigate the credit risk arising from movements in derivative positions. The fair value is lower than the book value of the loans to financial institutions due to the fact that most of the loans are approaching their maturity. In accordance with article 2.381b of the Dutch Civil Code, Management have reviewed each of these loans and in the light of the relationship with the external financial institution, have assured themselves that the loans will be repaid in full. On this basis they have not adjusted the book value.

The average interest rates applicable to the outstanding balance can be summarised as follows:

	31 Dec. 2013	31 Dec. 2012
Loans to Financial Institutions	0.22%	0.13%

Movements in Loans to Financial Institutions can be broken down as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
At 1 January	27,220	56,422
Collateral placed	1,700	34,680
Collateral returned	(20,850)	(63,882)
At 31 December	8,070	27,220

The credit risk associated with these loans to financial institutions is considered low arising from the review that management have performed on the relationships with the financial institutions referred to above.

8. LOANS TO THIRD PARTIES

Maturity	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
0 - 1 month	-	-
1 - 3 months	-	-
3 - 12 months	-	-
1 yr - 5 yr	30	30
Total	30	30

The fair value of the loans to third parties is as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Loans to Third Parties		

32 PricewaterhouseCoopers Accountants N.V.
For identification purposes only



The average interest rates applicable to the outstanding balance can be summarised as follows:

	31 Dec. 2013	31 Dec. 2012
Loans to Third Parties	4.95%	4.95%

There were no movements in Loans to Third Parties during 2013 (2012: Nil).

The credit risk associated with these loans to third parties is considered low arising from the review that management have performed on the relationships with the financial institutions.

9. DERIVATIVES

Derivative transactions are undertaken to hedge interest rate and foreign currency exposures arising from the company's activities. Derivatives are not held for trading purposes and hedging is performed in the Company for group purposes, therefore hedging should not be seen in the light of the Company only.

The use of derivatives therefore reduces any interest rate and/or currency risk that the Company incurs, because of its lending and borrowing. As a result of the total amount of derivatives concluded, results in any remaining interest rate and currency risk being small.

The contracted amounts of the various derivatives are listed below. The headings for the interest rate contracts are based on the relevant maturity date of the interest rate exposure.

Notional amounts (Assets)					
EUR (x1,000)	Total	< 1 year	1-5 year	> 5 year	Fair Value
2013					
Interest rate contracts	197,170	157,670	19,500	20,000	6,517
Currency contracts	9,024	9,024	-	-	189
Total	206,194	166,694	19,500	20,000	6,706
2012					
Interest rate contracts	1,080,710	884,865	175,845	20,000	24,948
Currency contracts	24,507	22,963	1,544	-	100
Total	1,105,217	907,828	177,389	20,000	25,048

Notional amounts (Liabilities)					
EUR (x1,000) 2013	Total	< 1 year	1-5 year	> 5 year	Fair Value
Interest rate contracts	220,000	220,000	-	-	3,712
Currency contracts	8,131	8,131	-	-	463
Total	228,131	228,131	-	-	4,175
2012					
Interest rate contracts	1,584,515	1,362,515	222,000	-	26,074
Currency contracts	181,946	176,026	5,920	-	1,810
Total	1,766,461	1,538,541	227,920	-	27,884

The above amounts give an indication of the extent of the contracts, but do not indicate the extent of the risks. The risks inherent in derivatives are determined on the basis of the credit risk, expressed in terms of the credit equivalent. This also includes the market risk, which is expressed as the positive exposure on a marked-to-market basis. The credit equivalent amounts to approximately 1.7% (2012: 2.6%) of the total balance sheet.

The credit equivalent can be broken down as follows:

2013 EUR (x1,000)	Non-weighted	Weighted
Interest rate contracts	6,915	1,383
Currency contracts	268	54
Total	7,183	1,437

Comparative figures are as follows:

2012 EUR (x1,000)	Non-weighted	Weighted
Interest rate contracts	26,578	5,316
Currency contracts	926	185
Total	27,504	5,501

The fair value of the derivative financial instruments is as follows:

	Contract/ Notional Amount	2013		Contract/ Notional Amount	2012	
		Assets	Fair Values – Dirty Price Liabilities		Assets	Fair Values – Dirty Price Liabilities
EUR (x1,000)						
Interest rate contracts	417,170	6,517	3,712	2,665,225	24,948	26,074
Currency contracts	17,155	189	463	206,453	100	1,810
Total	434,325	6,706	4,175	2,871,678	25,048	27,884

For interest rate swaps and currency interest rate swaps, the fair value is calculated using a discounted cashflow method, by discounting estimated future cash flows based on the terms and maturity of each contract and using market interest rates for a similar instrument at the measurement date.

If a listed price is not available, then the fair value is estimated by discounting the difference between the contractual forward bid price and the current forward price for the remaining maturity of the contract using a market based interest rate.

10. INTEREST RECEIVABLE ON LOANS

The interest receivable on loans represents the interest accrued on loans to group companies.

There are no amounts due after more than one year. Given the short term character of these receivables, the fair value of the receivables approximates to the book value.

11. TAXATION

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Corporation tax charge	(3,243)	(1,415)
Income tax withheld	(14)	(9)
Total current tax charge	(3,257)	(1,424)
Deferred tax on MTM adjustment	1,168	132
Depreciation in excess of capital allowances	(12)	26
Tax on result	(2,101)	(1,266)

The Company carries on its business through the group head office in the Netherlands and also the branch in Ireland. Therefore it is subject to the prevailing nominal tax rate in both of the countries, 25% in the Netherlands (2012: 25%) and 12.5% in Ireland (2012: 12.5%).

The effective rate of tax for the year was 24.5% (2012: 23.7%). The Irish tax assessed for the period is higher than the standard rate of corporation tax whereas the Dutch tax assessed for the period is lower than the standard rate of corporation tax. The differences are analysed below:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Result before Tax	8,566	5,342
Irish Current Tax @ 12.5%	(48)	(48)
Dutch Current Tax @ 25%	(2,048)	(1,239)
<i>Effects of:</i>		
Non-deductible expenses	(5)	(3)
Adjustment to previous years	-	24
Total current tax charge	(2,101)	(1,266)

12. DEFERRED TAXATION

Deferred taxation represents a timing difference on relief for corporation tax losses, as well as depreciation in excess of capital allowances and other disallowable expenses. The balance is as set out below:

Deferred Tax Asset		
	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Opening Balance	1,253	1,411
Movement in deferred tax arising on MTM adjustment	(1,167)	(132)
Depreciation in excess of capital allowances	12	(26)
Closing Balance	98	1,253

Where the unrecognised deductible temporary differences and tax losses are concerned, as they have not yet utilised, it is not known whether they will be utilised against future taxable profits or set off against other tax liabilities.

13. CASH AT BANKS

Cash at banks consists of current/short-term deposit accounts, specified as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Current accounts	515	405
Overdraft	(95)	(53)

Cash and cash equivalents include deposits to the amount of Nil (2012: Nil). All cash and cash equivalents are at the free disposal of the Company.

14. SHAREHOLDER'S EQUITY

The movements during the year can be specified as follows:

	Share Capital	Retained earnings	Total
EUR (x1,000)			
Balance as at 31 December 2012	45	8,840	8,885
Net Result 2013	-	6,465	6,465
Balance as at 31 December 2013	45	15,305	15,350

Authorised, Issued and paid-up ordinary capital

The authorised share capital consists of:

	EUR (x1,000)
500 ordinary shares of Euro 454 nominal value each	227
Of which not issued	(182)
Issued and paid up	45

15. LOANS FROM GROUP COMPANIES

Maturity	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
0 - 1 month	277,422	280,064
1 - 3 months	-	463
3 - 12 months	-	-
1 yr - 5 yr	-	-
Total	277,422	280,527

The fair value of the loans from group companies is as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Loans from Group Companies	277,516	280,636

The average interest rates applicable to the outstanding inter-company loans can be summarised as follows:

	31 Dec. 2013	31 Dec. 2012
Loans from Group Companies	2.01%	2.64%

The level of risk associated with these loans is considered low due to LeasePlan Corporation N.V. providing access to funds to cover any shortfall, should it arise.

16. DEBT SECURITIES

Instrument type	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Bonds & Notes	105,170	728,754
Discount from issue notes	(41)	(178)
Cumulative loss on bonds in fair value hedge	2,630	4,282
Total	107,759	732,858

The fair value of the debt securities is as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Debt Securities	108,565	715,370

The average interest rates applicable to the outstanding balances can be summarised as follows:

	31 Dec. 2013	31 Dec. 2012
Bonds & Notes	2.17%	3.41%

Maturity	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
0 - 1 month	-	-
1 - 3 months	17,669	499,911
3 - 12 months	-	123,068
1 yr - 5 yr	68,245	86,871
> 5 yrs	21,845	23,008
Total	107,759	732,858

The debt securities are split over the following main currencies:

Notional amounts	EUR	SEK	JPY	Other	Total
EUR (x1,000)					
2013	100,089	-	-	7,670	107,759
2012	624,416	81,773	18,324	8,345	732,858

17. INTEREST DUE ON LOANS

This amount represents the accrued interest payable on loans, due in the next financial year.

	2013	2012
EUR (x1,000)		
Interest payable on Inter-company Loans	48	53
Interest payable on Debt Securities	1,311	17,405
	1,359	17,458

All interest due on loans is due in less than one year. Given the short term character of these payables, the fair value of the payables approximates to the book value.

18. INTEREST AND SIMILAR INCOME

	2013	2012
EUR (x1,000)		
Interest income from Group Companies	30,252	93,374
Interest income from Associated Companies	600	1,013
Interest income from Banks	15	126
Exchange Differences	(66)	(211)
	30,801	94,302

19. INTEREST AND SIMILAR EXPENSES

	2013	2012
EUR (x1,000)		
Interest expense to Group Companies	7,695	32,950
Interest expense to Third parties	-	7
Interest expense to Banks	16	62
Bond Interest	8,550	41,766
Interest on external derivatives	10,506	13,656
Capital Discount	137	555
	26,904	88,996

20. FAIR VALUE GAIN ON DERIVATIVES

	2013	2012
EUR (x1,000)		
Fair value gain on derivatives and bonds in hedge	4,684	194
Fair value (loss)/gain on derivatives not in hedge	(11)	333
	4,673	527

21. GENERAL EXPENSES

These expenses consist of:

	2013	2012
EUR (x1,000)		
Staff costs	154	416
<i>of which salaries</i>	<i>105</i>	<i>316</i>
<i>of which social security charges</i>	<i>(9)</i>	<i>17</i>
Housing Expenses	21	62
Professional fees/services	15	65
IT	33	132
Marketing expenses	1	-
Travel expenses	14	27
Non-recoverable VAT	76	100
Other office expenses	(349)	(350)
Amortisation and depreciation	39	39
	4	491

The staff costs include employer pension contributions of €13,200 (2012: €38,046). The Company contributes to a defined contribution scheme on behalf of its employees.

Expenses incurred by LeasePlan Finance N.V. are allocated on an agreed percentage basis to LeasePlan Corporation N.V.

22. AUDIT FEES

The following audit fees were expensed in the income statement in the reporting period:

	2013	2012
EUR (x1,000)		
Audit of the Financial Statements	15	43
Other Audit Procedures	5	17
	20	60

In the prior year the amount presented in relation to the audit of the financial statements referred to the charge for that specific year. In the current year the note has been expanded to include all audit fees expensed to the Income Statement, including those costs from previous years which may not have been accrued for.

23. NUMBER OF EMPLOYEES

The number of staff employed by the Company as at the end of the year was 18 (2012: 19).

The total number of employees who worked for the Company outside the Netherlands in 2013 was 18 (2012:19).

24. RESIGNATION OF DIRECTORS

Mr Paul Benson resigned from the Managing Board on 13th June 2013. There were no further changes to the structure of the Managing Board or Supervisory Board during the year.

25. REMUNERATION OF THE MEMBERS OF THE MANAGING BOARD AND SUPERVISORY BOARD

The Supervisory Board has received no remuneration chargeable to the Company during the year (2012: Nil).

During 2013 an amount of EUR35k (2012: €95k) was charged to the Company with regard to the Managing Board, which includes former members.

26. COMMITMENTS AND CONTINGENCIES

The Company and LeasePlan Corporation N.V. are jointly liable for the bank overdraft.

On 6th December 2012, the Company and LeasePlan Corporation N.V. entered into a revolving credit facility for EUR 1.25 billion with a consortium of banks. This facility is due to mature December 2015.

On the 6th December 2012, the Company and LeasePlan Corporation N.V. also entered into a revolving credit facility for EUR 1.25 billion with Volkswagen A.G. This facility is due to mature December 2015.

27. INTEREST RELATED PARTY TRANSACTIONS

As stated in the management report on page 3, the principal activity of the company is the financing of part of the LeasePlan Group through the international debt markets. During the year the Company has provided financing to other companies within the group. The following is a list of related parties:

Bumper 3 Finance Plc
 DCS Fleet SAS
 Elymus Holding Espana S.L.
 LeasePlan Österreich Fuhrparkmanagement GmbH
 LeasePlan (Schweiz) AG
 LeasePlan Deutschland GmbH
 LeasePlan Servicios S.A.
 LeasePlan Finland Oy
 LeasePlan France S.A.
 LeasePlan UK Limited
 LeasePlan Hellas
 LeasePlan Fleet Management Services Ireland Limited
 LeasePlan Luxembourg S.A.
 LeasePlan Nederland N.V.
 LeasePlan Norge A/S
 LeasePlan Sverige AB
 LeasePlan Slovakia s.r.o.
 LeasePlan Corporation N.V.
 LeasePlan Infrastructure Services Ltd
 LeasePlan Emirates Fleet Management

During the year ended December 31, 2013, transactions entered into between the Company and its parent company, LeasePlan Corporation N.V., were as follows:

	31 Dec. 2013	31 Dec. 2012
EUR (x1,000)		
Interest received on Loans	1,600	876
Interest paid on Loans	7,695	32,950
Recharge of overheads	3,908	3,826
Loan Receivable Balance	206	33,520
Accrued Interest receivable	1	353
Inter-company account receivable	348	379
Loan Payable Balance	277,422	280,527
Accrued Interest payable	48	53

PricewaterhouseCoopers Accountants N.V.
 For identification purposes only



As mentioned in note 26 above, the Company entered into a joint EUR 1.25 billion revolving credit facility with LeasePlan Corporation N.V., from Volkswagen A.G.

Almere, 23 April 2014

Managing Board:

Supervisory Board:

W. O'Dwyer

V. Daemi

Y. Paulissen

G. Stoelinga

Other information

APPROPRIATION OF RESULT

In accordance with Article 19 of the Articles of Association of the Company the result for the year is at the disposal of the Annual General Meeting of Shareholders.

The Management proposes that the net result for the year amounting to EUR 6.5 million be allocated to the accumulated surplus. This proposal has been incorporated in these financial statements.

POST BALANCE SHEET EVENTS

No material events affecting the Company have occurred since the balance sheet date.

PricewaterhouseCoopers Accountants N.V.
For identification purposes only





Independent auditor's report

To: the general meeting of LeasePlan Finance N.V.

Report on the financial statements

We have audited the accompanying financial statements 2013 as set out on pages 6 to 28 of LeasePlan Finance N.V., Almere, which comprise the balance sheet as at 31 December 2013, the income statement for the year then ended and the notes, comprising a summary of accounting policies and other explanatory information.

The Managing Board's responsibility

The Managing Board is responsible for the preparation and fair presentation of these financial statements and for the preparation of the management report, both in accordance with Part 9 of Book 2 of the Dutch Civil Code. Furthermore, the Managing Board is responsible for such internal control as it determines is necessary to enable the preparation of the financial statements that are free from material misstatement, whether due to fraud or error.

Auditor's responsibility

Our responsibility is to express an opinion on these financial statements based on our audit. We conducted our audit in accordance with Dutch law, including the Dutch Standards on Auditing. This requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the financial statements are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the financial statements. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the financial statements, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the company's preparation and fair presentation of the financial statements in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the company's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Managing Board, as well as evaluating the overall presentation of the financial statements.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of LeasePlan Finance N.V. as at 31 December 2013, and of its result for the year then ended in accordance with Part 9 of Book 2 of the Dutch Civil Code.

PricewaterhouseCoopers Accountants N.V., Thomas R. Malthusstraat 5, 1066 JR Amsterdam, P.O. Box 90357, 1006 BJ Amsterdam, The Netherlands
T: +31 (0) 88 792 00 20, F: +31 (0) 88 792 96 40, www.pwc.nl

'PwC' is the brand under which PricewaterhouseCoopers Accountants N.V. (Chamber of Commerce 34180285), PricewaterhouseCoopers Belastingadviseurs N.V. (Chamber of Commerce 34180284), PricewaterhouseCoopers Advisory N.V. (Chamber of Commerce 34180287), PricewaterhouseCoopers Compliance Services B.V. (Chamber of Commerce 51414406), PricewaterhouseCoopers Pensions, Actuarial & Insurance Services B.V. (Chamber of Commerce 54226368), PricewaterhouseCoopers B.V. (Chamber of Commerce 34180289) and other companies operate and provide services. These services are governed by General Terms and Conditions ('algemene voorwaarden'), which include provisions regarding our liability. Purchases by these companies are governed by General Terms and Conditions of Purchase ('algemene inkoopvoorwaarden'). At www.pwc.nl more detailed information on these companies is available, including these General Terms and Conditions and the General Terms and Conditions of Purchase, which have also been filed at the Amsterdam Chamber of Commerce.



Report on other legal and regulatory requirements

Pursuant to the legal requirement under Section 2: 393 sub 5 at e and f of the Dutch Civil Code, we have no deficiencies to report as a result of our examination whether the management report, to the extent we can assess, has been prepared in accordance with Part 9 of Book 2 of this Code, and whether the information as required under Section 2: 392 sub 1 at b-h has been annexed. Further we report that the management report, to the extent we can assess, is consistent with the financial statements as required by Section 2: 391 sub 4 of the Dutch Civil Code.

Amsterdam, 23 April 2014
PricewaterhouseCoopers Accountants N.V.

Original has been signed by drs. E. Hartkamp RA MRE