

Successful start in the new fiscal year – positive new business development at GRENKE

- GRENKE Group Leasing's new business amounted to EUR 363.7 million in the first quarter of 2016 – a year-on-year increase of 19.3%
- GRENKE Group Factoring's new business reached EUR 76.3 million in the first quarter of 2016 – a year-on-year increase of 16.3%
- GRENKE Bank's business start-up financing attained a level of EUR 5.0 million in the first quarter of 2016 – a year-on-year increase of 27.6%

Baden-Baden, April 4, 2016: In the first quarter of 2016, the new business volume of GRENKE Group Leasing (including franchise partners) – i.e. the total acquisition cost of newly purchased leased assets – amounted to EUR 363.7 million (Q1-2015: EUR 304.8 million), corresponding to a rise of 19.3%. As a result, we met our growth forecast of 16 – 20%. GRENKE Group Factoring's new business (including franchise partners) – i.e. the total of purchased receivables – in the first quarter of 2016 amounted to EUR 76.3 million (Q1-2015: EUR 65.6 million). This is equivalent to a 16.3% increase. GRENKE Group's new business volume (including franchise partners) reached EUR 445.0 million (Q1-2015: EUR 374.3 million), corresponding to growth of 18.9%.

The contribution margin 2 of the Leasing segment's new business amounted to EUR 61.9 million in the first quarter of 2016, which is equivalent to a CM2 margin for the Leasing segment of 17.0% (Q1-2015: EUR 58.9 million and 19.3%, respectively). The CM1 margin (contribution margin 1 at acquisition values) of the Leasing segment amounted to 13.1% in the first quarter of 2016 for a total of EUR 47.6 million (Q1-2015: 14.2% and EUR 43.3 million, respectively).

The perceived decline in the margin can be traced back to two budgeted effects: The first, with respect to the CM1 margin, stems from the strategy to increase new business volumes in the leasing segment rather than target higher margins – a strategy that positively yielded year-on-year new business growth of 25.2% in the second half of 2015 and 19.3% in the first quarter of 2016. The second is the change in the calculation method in the second half-year 2015 for the CM2 margin for forecasting follow-up business related to new business in order to align with the growing share of new business acquired internationally and to forecast the follow-up business outside of our home market and accommodate levels not equal to those in Germany.

An isolated comparison of the margins in Q4-2015 (CM1: 13.0% and CM2: 17.0%) and the first quarter of 2016 (CM1: 13.1% and CM2: 17.0%) shows the margins' steady development.

The international share of GRENKE Group's new business amounted to 73.0% in the first quarter of 2016 compared to 72.9% in the previous year's period.

Corporate News

Baden-Baden, Germany

April 04, 2016

Our Leasing segment's new business in our home market of Germany achieved another double-digit increase (12.1%). The growth trend in our core market of France (18.6%) and the important Italian market (44.3%) persisted allowing us to expand our position.

We also continued to forge ahead with our international growth in the first quarter of 2016 by opening a branch office in Oulu (Finland) as part of our cell division strategy. This brings our number of locations outside of Germany to a total of 86.

In the first quarter of 2016, GRENKE Group recorded 101,621 lease applications (84,281 thereof were international), which generated 43,228 new lease contracts (34,783 thereof were international). The mean term per lease contract amounted to EUR 8,414 and, although moderately higher than its level in the previous year (Q1-2015: EUR 8,167), was still at a low level that is customary for our business.

The conversion rate (applications into contracts) in the GRENKE Group (Leasing segment) for the first quarter of 2016 totalled 43%. The conversion rate in our international markets was 41%, which was lower than the rate in the German market (49%).

In the Factoring segment, we achieved a 16.3% rise in new business volume. The income margin on the new business volume in Germany of EUR 33.2 million remained at a high level of 2.01% (Q1-2015: 2.15%). The income margin in our international markets on new business volume of EUR 43.0 million remained at the level of the second half of 2015 and equalled 1.34% (Q1-2015: 1.59%). This margin relates to the average period for a factoring transaction in Germany of approximately 29 days (Q1-2015: approx. 27 days) and 38 days internationally (Q1-2015: approx. 35 days).

The development of GRENKE Bank's business start-up financing and microcredit business was exceptionally favourable growing 27.6% in comparison to the previous year's period and reaching a total volume of EUR 5.0 million.

All figures are stated in EUR million (previous year's figures have been adjusted)

New business	Q1-2016	Q1-2015	% change
GRENKE Group leasing	363.7	304.8	19.3
- of which: International	274.5	225.9	21.5
- of which: Franchise international	7.4	5.8	26.3
- of which: Germany	81.9	73.0	12.1
Western Europe* (without Germany)	124.3	108.6	14.5
Southern Europe*	99.2	72.0	37.8
Northern/Eastern Europe*	53.5	45.9	16.4
Other regions*	4.9	5.2	-6.9

Corporate News

Baden-Baden, Germany

April 04, 2016

	Q1-2016	Q1-2015	% change
New business			
GRENKE Group factoring	76.3	65.6	16.3
- of which: Germany	33.2	24.6	35.1
- of which: International	32.2	32.5	-0.7
- of which: Franchise international	10.8	8.5	26.9

	Q1-2016	Q1-2015	% change
GRENKE Bank			
Deposits	363.7	288.9	25.9
New business start-up financing (including the microcredit business)	5.0	4.0	27.6

Development of contribution margin 2 in EUR million (previous year's figures have been adjusted)

	Q1-2016	Q1-2015	% change
GRENKE Group leasing	61.9	58.9	5.1
- of which: International	49.5	47.2	4.8
- of which: Franchise international	1.3	1.0	26.5
- of which: Germany	11.1	10.6	4.5
Western Europe* (without Germany)	21.9	21.9	-0.1
Southern Europe*	18.3	16.5	10.9
Northern/Eastern Europe*	9.7	8.9	8.7
Other regions*	0.9	0.9	-3.4

*Regions:

Western Europe (without Germany): Austria, Belgium, France, Luxembourg, The Netherlands, Switzerland

Southern Europe: Croatia, Italy, Malta, Portugal, Slovenia, Spain

Northern/Eastern Europe: Denmark, Finland, Ireland, Norway, Sweden, UK / Czech Republic, Hungary, Poland, Romania, Slovakia

Other regions: Brazil, Canada, Chile, Dubai, Singapore, Turkey

"We had a successful start in the 2016 fiscal year. With our leasing business growing 19% in the first quarter we are well within our guidance range of 16 – 20%. Despite the intense competition encountered in our home market of Germany, we were able to generate renewed double-digit growth in new business of 12%. The year started off very positively in our important markets of France, with 19% growth, and Italy, with 44% growth. GRENKE Bank also performed well. Since the start of the year, our business start-up financing and microcredit business have grown 28%. In continuing with our growing internationalisation, we opened an additional Northern European location in Oulu, Finland. Next to our 28 German locations, we now successfully operate 86 locations internationally", said Wolfgang GRENKE, Chairman of the Board of Directors of GRENKELEASING AG.

Corporate News

Baden-Baden, Germany

April 04, 2016

"At the beginning of the 2016 fiscal year, we were able to further expand our strong basis for refinancing. We have secured our future growth by placing a bond in March with a volume of EUR 125 million, an interest coupon of 1.5% and a term of roughly 5 years. A key element of our growth is our regional development. GRENKE Bank plays an essential role in this area. The cooperation with Thüringer Aufbaubank that has been in place since 2012 to provide development loans, entered a new phase in the first quarter of 2016. Under what is already the fourth global loan from which over 1,900 sponsored lease contracts have been concluded to date, a further EUR 7.5 million has been made available to small- and medium-sized enterprises and self-employed professionals at favourable conditions", explained Jörg Eicker, Chief Financial Officer (CFO) of GRENKELEASING AG.

The Company will publish its Quarterly Statement for the First Quarter of 2016 on April 28, 2016.

Should you have any queries, please contact:

GRENKELEASING AG
Corporate Communications / Investor Relations
Renate Hauss
Neuer Markt 2
76532 Baden-Baden, Germany
Tel.: +49 7221 5007-204
E-mail: investor@grenke.de
Internet: <http://www.grenke.de>

The GRENKE Group

The GRENKE Group is a broadly diversified provider of IT-based services in Small-Ticket-IT-Leasing, Factoring and Banking for small and medium-sized companies. In addition, the GRENKE Bank offers its classic online services also to private customers.

The GRENKE Group is independent of vendors and banks and holds a leading market position in Europe in the field of small-ticket IT leasing for products such as PCs, notebooks, copiers, printers, or software of relatively low asset value. The GRENKE Group operates in 30 countries and employs more than 1100 staff.

GRENKELEASING AG is listed in the Prime Standard of the Frankfurt Stock Exchange and is included in the SDAX. GRENKELEASING AG shares are listed on the Frankfurt Stock Exchange with the code GLJ, ISIN DE000A161N30.

Information on the GRENKE Group and its products is available at <http://www.grenke.de>