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AKTIENGESELLSCHAFT

GRENKELEASING AG: Earnings Growth as Planned in First Half of 2006

Baden-Baden, 27 July 2006: After-tax profit in the first half of 2006 came to EUR 15.5 million. This means an increase of 10.4 % compared to last year's figure of EUR 14.0 million. Earnings per share were EUR 1.14 (compared to EUR 1.03 in HY1 2005).

Earnings before taxes (EBT) came to EUR 25.0 million in the first half of this year against EUR 22.9 million in HY1 2005. This marks an increase of 10.2 %.

As already reported, the company's new business (i.e. the total acquisition cost of new leased assets plus receivables) rose by 13.2 % to EUR 229 million in the first six months of 2006 (HY1 2005: EUR 202 million).

The group continued to record dynamic growth abroad. All in all, its business in foreign markets grew by 27.4 % year-on-year and contributed 36 % (HY1 2005: 32 %) to the group's new business. Its French subsidiary achieved a growth rate of 27.4 %. In Switzerland, business improved by 15.4 %, whereas in Germany new business rose by 6.8 %. The new business generated by the group's franchise partners increased by 146.9 % to a figure of EUR 16.8 million (HY1 2005: EUR 6.8 million).

The Contribution Margin 1 (CM1 at acquisition value) exceeded our 10 % target margin both in the second quarter and the first half of this year.

The full six months report for 2006 is available on the internet under www.grenkeleasing.de Investor Relations – Financial Data.

The Executive Board

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End of ad hoc announcement

“As planned, our earnings before taxes (EBT) grew by 10.2 % year-on-year, despite the fact that personnel and other operating expenses rose disproportionately as a result of our international expansion. The still low cost-income ratio shows that our strategy of expanding throughout Europe does not increase cost. This key performance indicator, which shows the ratio of expenses to earnings, again reached a very good level of 42.4 % in the first six months of 2006. On the basis of the trend seen in the first half of this year, we reaffirm our full-year target for 2006 of achieving double-digit growth in new business and profit”, commented Dr. Uwe Hack, CFO of GRENKELEASING AG, explaining the earnings figures.

The result was generated by 379 employees compared to 321 employees in the first half of 2005 (full-time employees, excluding directors). 51 employees work in the group’s franchise operations.

The group recorded 58,468 leasing enquiries in the first half of 2006 (ex-Germany: 25,167), leading to the generation of 29,901 new leasing contracts (ex-Germany: 11,300). The average value per contract conclusion came to around EUR 7,653 and is thus slightly higher than in the previous year (HY1 2005: EUR 7,324).

The company now has operations in 16 European countries. GRENKELEASING is represented in 20 cities throughout Germany. In addition to its six French branch offices and three branch offices in Switzerland, the company has subsidiaries in Austria, Italy, the Czech Republic, Spain, the Netherlands, Denmark, Sweden, Ireland, and Belgium. A franchise system gives GRENKELEASING a presence in the UK, Poland, Norway, and Hungary.

GRENKELEASING mainly offers small-ticket IT leasing contracts, i.e. for products such as PCs, notebooks, copiers, printers, or software having relatively small transaction values. The company is the German and Swiss market leader in this segment. GRENKELEASING AG is listed in the Prime Standard segment of the German stock exchange in Frankfurt and has a listing on the SDAX (small-cap) index.

Information on the company and its products is available on the Internet under http://www.grenkeleasing.de.