GRENKELEASING AG: Strong Growth in all Markets

Baden-Baden, 4 April 2006:

GRENKELEASING closed the first quarter of 2006 with earnings in new business – i.e. the total acquisition costs of newly purchased leased assets – of EUR 115.2 million (previous year EUR 95.3 million). This corresponds to a growth in new business of 20.9 % compared to the same period of the previous year.

The group achieved double-digit growth at home and abroad and maintained a very high momentum in its foreign business. All in all, its business in foreign markets grew by 42.4 % against the previous year and contributed 35 % (previous year: 29.7 %) to the group's new business. Its French subsidiary achieved growth of 42.5 %. In Switzerland, business improved by 15.1 %, whereas in Germany new business rose by 11.8 %.

The margin of new business (contribution margin 1) – a key profitability indicator of new business – improved to EUR 12 million in 2006 (against last year's comparable of EUR 10.9 million), corresponding to an increase of 10.2 %.

The company will publish its detailed three months report for 2006 on 27 April 2006.

The Executive Board

Should you have any queries, please contact:

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End of ad hoc announcement

"Our excellent sales performance enables us to continue building up our market share. It is important to take into account that the first quarter of the year benefited from having three additional working days and was also favourably influenced by the fact that the Easter holidays lie in April. We will see a turnaround of this effect in the second quarter. The growth in contribution margin 1 (CM1) did not quite keep pace with the significant growth in new business, although the CM1 margin (CM1 at acquisition cost) exceeded our target margin of 10 %. Particular in times of rising interest rates, higher refinancing costs can only be passed on to the market with a time lag, putting a temporary squeeze on CM1. In addition to this, our average acquisition value per new contract has increased. When acquisition costs rise, contribution margin 1 is always lower due to the conditions of the market. We expect to balance out this small downside by improving our post-term rentals with existing contracts", explained Dr. Uwe Hack, CFO of GRENKELEASING AG, commenting on the result.

The group recorded 30,878 leasing enquiries in the first quarter of 2006 (ex-Germany: 13,309), leading to the generation of 15,166 new leasing contracts (ex-Germany: 5,543). The average value per contract came to around EUR 7,597 and is thus slightly higher than in the previous year (Q1 2005: EUR 7,154).

The company now has operations in 15 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, and Norway.

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.