



# Third quarter 2020 Results

5 November 2020



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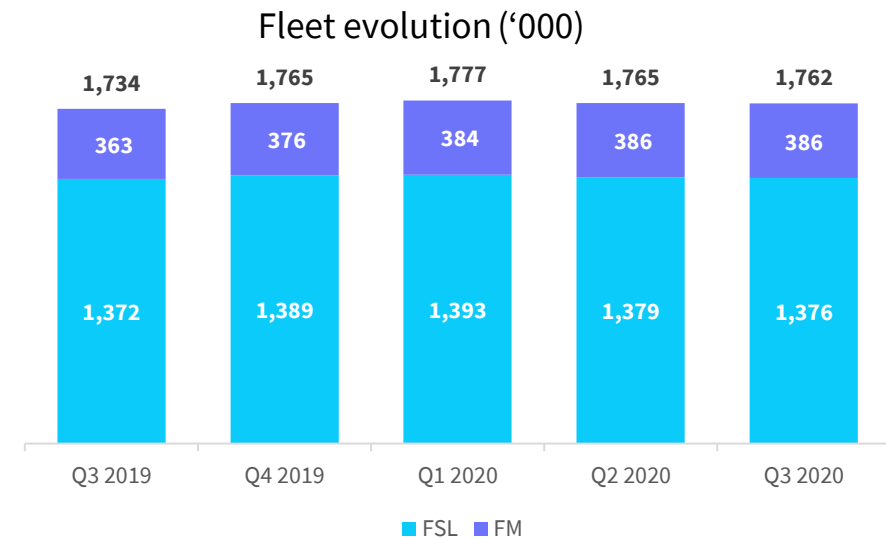
# Fleet evolution

**Total fleet growth + 1.6%<sup>(1)</sup> vs. end September 2019**

**Slight decrease in fleet over the quarter caused by economic slowdown in Western Europe**

**Maintaining leading position in Europe with a Total fleet of 1.76m vehicles at end September 2020**

**Fleet growth guidance for 2020 confirmed close to 0%**



# Strong performance of remarketing

## Volume of used cars sold<sup>(1)</sup>: 89K in Q3 2020

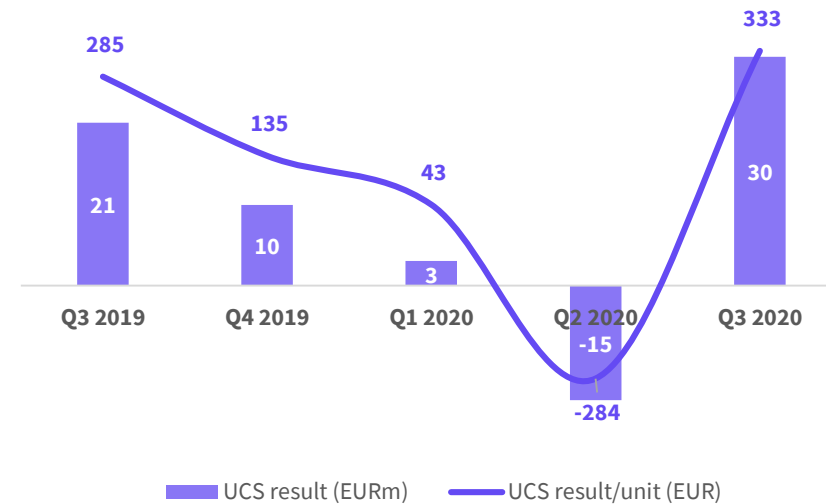
- Record volumes sold in Q3 2020 supported by efficient digital remarketing platform
- Used car market recovered over the quarter
  - › Strong demand underpinned by catch-up effect after end of lock down
  - › Cars preferred to public modes of transportation for pandemic reasons
- Stock level reduced over the quarter

## Used Car Sales result at EUR 29.7 m in Q3 2020

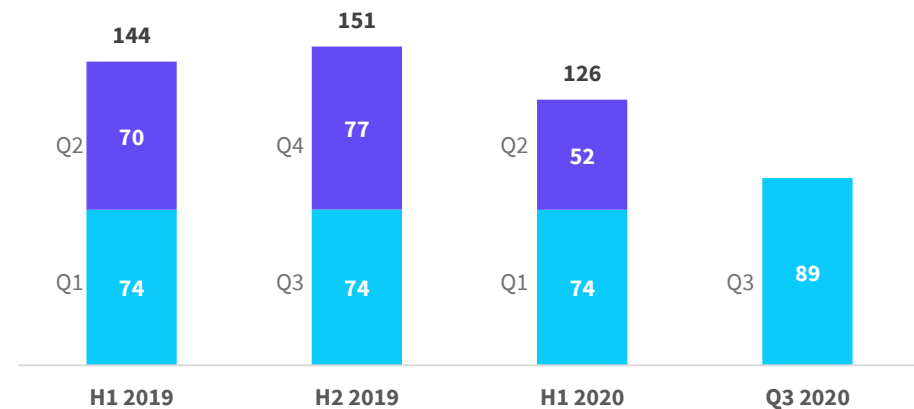
## Average UCS result per unit<sup>(1)</sup> EUR 333 in Q3 2020, EUR 84 in 9M 2020

## Updated FY2020 guidance: UCS result per unit to average EUR -50 to 150

Used Car Sales result



Cars sold ('000)



# Third quarter financial results

In EUR million	Q3 2020	Q3 2019	Var Q3 '20/'19	Var % Q3 '20/'19
<b>Total fleet <sup>(1)</sup> ('000 vehicles)</b>	<b>1,762</b>	<b>1,734</b>	<b>28</b>	<b>1.6%</b>
Leasing contract margin	151.7	167.6	(15.9)	-9.5%
Services margin	158.3	158.7	(0.4)	-0.3%
<b>Leasing contract &amp; Services margins</b>	<b>310.1</b>	<b>326.3</b>	<b>(16.3)</b>	<b>-5.0%</b>
Used Car sales result	29.7	21.1	8.6	40.5%
<b>Gross Operating Income</b>	<b>339.7</b>	<b>347.4</b>	<b>(7.7)</b>	<b>-2.2%</b>
Total operating expenses	(154.1)	(158.9)	4.8	-3.0%
<i>Cost / Income ratio excl CSR</i>	49.7%	48.7%		
Cost of risk <sup>(2)</sup>	(11.8)	(10.6)	(1.1)	10.5%
<b>Operating result</b>	<b>173.9</b>	<b>177.9</b>	<b>(4.0)</b>	<b>-2.3%</b>
Share of profit of associates and jointly controlled entities	0.7	0.5	0.2	47.0%
<b>Profit before tax</b>	<b>174.6</b>	<b>178.4</b>	<b>(3.8)</b>	<b>-2.1%</b>
Income tax expense	(32.2)	(31.1)	(1.1)	3.6%
Non-controlling interests	(1.7)	(1.2)	(0.6)	49.4%
<b>Net Income group share</b>	<b>140.6</b>	<b>146.1</b>	<b>(5.5)</b>	<b>-3.8%</b>

**Leasing contract and services margins continuing to rise in line with fleet growth when adjusted for Q3 impact of fleet revaluation**

- Leasing contract and Services margins down EUR 16.3m

**Used car sales result reflecting recovery of used car markets, up significantly vs. Q3 2019**

**Operating expenses down EUR 4.8m**

- Demonstrated ability to control costs in difficult times

**Cost of risk EUR 11.8m, up EUR 1.1m**

- IFRS 9 forward looking provisions unchanged vs. June

**Net Income (Group Share) of EUR 140.6m**

# 9 months financial results

Net Income (Group Share) at EUR 347.5 million

In EUR million	9M 2020	9M 2019	Var 9M '20/'19	Var % 9M '20/'19
<b>Total fleet <sup>(1)</sup> ('000 vehicles)</b>	<b>1,762</b>	<b>1,734</b>	<b>28</b>	<b>1.6%</b>
Leasing contract margin	447.2	497.9	(50.7)	-10.2%
Services margin	478.8	466.4	12.4	2.7%
<b>Leasing contract &amp; Services margins</b>	<b>926.0</b>	<b>964.3</b>	<b>(38.3)</b>	<b>-4.0%</b>
Used car sales result	18.0	64.5	(46.5)	-72.1%
<b>Gross Operating Income</b>	<b>944.0</b>	<b>1,028.8</b>	<b>(84.8)</b>	<b>-8.2%</b>
Total operating expenses	(467.4)	(475.6)	8.2	-1.7%
<i>Cost / Income ratio excl CSR</i>	50.5%	49.3%		
Cost of risk <sup>(2)</sup>	(59.3)	(32.4)	(26.9)	83.1%
<b>Operating result</b>	<b>417.2</b>	<b>520.7</b>	<b>(103.5)</b>	<b>-19.9%</b>
Share of profit of associates and jointly controlled entities	1.4	1.4	0.1	5.0%
<b>Profit before tax</b>	<b>418.7</b>	<b>522.1</b>	<b>(103.4)</b>	<b>-19.8%</b>
Income tax expense	(76.8)	(90.8)	14.1	-15.5%
Result from discontinued operations	10.0	0.0	10.0	
Non-controlling interests	(4.4)	(4.4)	0.1	-1.4%
<b>Net Income group share</b>	<b>347.5</b>	<b>426.8</b>	<b>(79.3)</b>	<b>-18.6%</b>

## Leasing contract and services margins rising in line with fleet growth when adjusted for impact of fleet revaluation

- Leasing contract and Services margins down EUR 38.3m
- Excess depreciation reflecting unchanged assumptions so far from H1 Fleet Revaluation

## Operating expenses down EUR 8.2m

- Demonstrated ability to control costs in difficult times

## Cost of risk EUR 59.3m, up EUR 26.9m

- EUR 13.4m forward looking provision reflecting an increase in probability of default , esp. on high risk industries recorded in H1 2020

## EUR 10m post-tax profit on disposal of stake in ALD Fortune (China) recorded in Q1 2020

# 2020 Updated guidance



**Total fleet growth (organic) close to 0% versus 2019, plus bolt-on acquisitions as opportunities arise**

**Used Car Sales result per vehicle to average EUR -50 to EUR 150**



**Cost/income ratio (excl UCS result) between 50% and 51%**

12 November

# Capital Markets Day

For investors and analysts

Coming soon

**Presentation of a new strategic plan over the next five years:**

- **New mobility trends**
- **Shift to electric vehicles**
- **Growth drivers**
- **Financial objectives including dividend policy**

**Q&A session for discussion with the management**





ALD