AGENDA

01 // Overview business year 2019
02 // Key facts & figures
03 // Diversification (1/2)
04 // Key ratios & equity
05 // Profitability & risk
06 // Refinancing measures
07 // Diversification (2/2)
08 // Guidance for 2020
01 // REVIEW & KEY RATIOS

Antje Leminsky | Chair of the Board

Analysts Conference on February 11, 2020 – Frankfurt
2019 GRENKE tackled a challenging but successful path

REVIEW OF MILESTONES IN 2019

- **Managing risk & provisions**
  Target for loss ratio with 1.5 % met

- **Strong new business growth**
  High double-digit growth with 18.2 %

- **Strengthening CM2 margin base**
  From 16.6 % in Q1 to 17.8 % in Q4

- **Ensuring high profitability of the Group**
  Increasing net profit by 8 % to EUR 142.1M

- **Prepare way for further growth**
  Issuing additional AT1 to achieve equity ratio of 17.5 %

- **Joining MDAX**
  Grenke AG shares included in MDAX on June 24, 2019
We again strengthened growth through several innovations

EXAMPLES

Market Presence
- 4 new locations opened in Belgium, Canada*, Spain and Emirates
- Feasibility study finished for new franchise in Arizona

*Franchise

Sales Channels
- Direct sales stabilized at 15%
- Active resellers extended to 41,348
- Highly scalable small-ticket partnership model with mobility provider established in Germany, further country rollout prepared for 2020
- Sales power consolidated cross-segments to provide SOLUTIONS (Germany)

Products, Objects
- New object categories developed (e.g. ebikes)
- Micro credit and SME credit business substantially extended

Services
- eSignature service extended in several versions and further rolled out to a total of 20 countries; Bank ID included for Scandinavian countries
- New leasing reseller portal upgraded and introduced in 13 countries
The solidity of our business model is reflected in numbers

THE FINANCIAL YEAR 2019 AT A GLANCE

+ 4 new locations

1,675 staff members

EUR 142.1m net profit

17.5% equity ratio

New Business GRENKE Group 2014 – 2019, in EUR millions

<table>
<thead>
<tr>
<th>Year</th>
<th>Value (EUR millions)</th>
</tr>
</thead>
<tbody>
<tr>
<td>2014</td>
<td>1,353</td>
</tr>
<tr>
<td>2015</td>
<td>1,704</td>
</tr>
<tr>
<td>2016</td>
<td>1,974</td>
</tr>
<tr>
<td>2017</td>
<td>2,449</td>
</tr>
<tr>
<td>2018</td>
<td>2,980</td>
</tr>
<tr>
<td>2019</td>
<td>3,567</td>
</tr>
</tbody>
</table>
High demand continued in all segments

NEW BUSINESS DEVELOPMENT AMONG ALL THREE SEGMENTS IN 2019

New business by segments 2019, in EUR millions

**LEASING**
- 2018: 2,409.8
- 2019: 2,849.1

**SME LENDING BUSINESS**
- 2018: 43.1
- 2019: 54.1

**FACTORING**
- 2018: 526.9
- 2019: 663.4

Leasing is still our core business.
Strong new business development in leasing sustained

LEASING: GERMANY, FRANCE AND ITALY CONTINUE TO BE OUR CORE MARKETS

Leasing new business 2019 by core markets, in EUR millions

- Germany: 630.1 (16%)
- France: 734.5 (19%)
- Italy: 877.8 (15%)
- North/East Europe: 481.6 (23%)
- Other regions: 125.0 (34%)

YOY comparison:

- New business growth Leasing (Group): +18.2%
- Total new business volume (Group): 2,849.1 EUR millions
- Germany new business growth: +16.4%
- France new business growth: +18.2%
- Italy new business growth: +8.5%
We have further diversified our customer and product portfolio

DIVERSIFICATION IN NEW BUSINESS, LEASING 2019

Customer portfolio in % of NAV

- Primary Sector: 79.86%
- Secondary Sector: 0.92%
- Tertiary Sector: 16.03%

Object Portfolio in % of NAV

- IT equipment (incl. notebooks): 33.8%
- Machinery and other equipment: 22.3%
- Photocopying equipment: 18.3%
- Medical equipment: 8.8%
- Telecommunications: 7.6%
- General office technology: 3.7%
- Security equipment: 3.7%
- Others: 1.8%
YoY, we have improved all key ratios significantly

### Key Ratios at a Glance

<table>
<thead>
<tr>
<th>Key results</th>
<th>2019</th>
<th>2018</th>
<th>Difference</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Interest Income</td>
<td>EUR 368.9m</td>
<td>EUR 321.1m</td>
<td>+ 14.9 %</td>
</tr>
<tr>
<td>Operating Result</td>
<td>EUR 174.3m</td>
<td>EUR 158.2m</td>
<td>+ 10.2 %</td>
</tr>
<tr>
<td>Net Profit</td>
<td>EUR 142.1m</td>
<td>EUR 131.5m</td>
<td>+ 8.0 %</td>
</tr>
<tr>
<td>CM2 volume</td>
<td>EUR 485.2m</td>
<td>EUR 420.7m</td>
<td>+ 15.3 %</td>
</tr>
<tr>
<td>Cost/Income Ratio</td>
<td>57.3 % (43.6 %)</td>
<td>56.8 % (45.4 %)</td>
<td>+ 0.9 % (-4 %)</td>
</tr>
<tr>
<td>Loss Rate</td>
<td>1.5 %</td>
<td>1.3 %</td>
<td>+ 15.4 %</td>
</tr>
</tbody>
</table>
We have laid foundation for further growth

CAPITAL RATIOS

Development of capital 2014 - 2019

Capital ratios as of Dec. 31, 2019

as a % of total assets (risk-weighted assets)
We have ensured sustainability along the value chain

KPI OF NON-FINANCIAL DISCLOSURES (EXAMPLES)

**Sustainable HRM**
- 81.8% hiring ratio of trainees
- 91% training ratio (GRENKE Talent Lab)
- 25% gender-specific ratio in higher management positions
- 10.5% staff turnover ratio

*in average of our core markets: Germany, France and Italy

**Corporate Management**
- 62.1% training ratio with our introductory days
- 9 scheduled compliance and money laundering prevention audits

**Resource Management**
- 25% contracts settled in 2019 via eSignature
- Only 5.6% of invoices printed*

**Community Involvement**
- GRENKE Chess Classic
- KSC Sponsoring

**Quality Management**
- 16 locations audited by TÜV Süd

*in average of our core markets: Germany, France and Italy
FIGURES, REFINANCING & OUTLOOK

Sebastian Hirsch | Member of the Board

Analysts Conference on February 11, 2020 – Frankfurt
Balancing growth, profitability and risk

BASIS FOR SUSTAINABLE GROWTH

**Funding.**
Use of matched funding with attractive conditions thanks to favourable rating

**Growth.**
Steering of sales force by new business & CM2

**Risk management.**
Ongoing improvement of forecast of losses with learning IT-based model

**Equity.**
Profound basis to ensure path for further growth
Precise calculation and forecasting of credit losses

LOSS RATE DEVELOPMENT

<table>
<thead>
<tr>
<th>Loss rate* (left column)</th>
<th>Loss Expectations</th>
</tr>
</thead>
<tbody>
<tr>
<td>3%</td>
<td></td>
</tr>
<tr>
<td>2%</td>
<td></td>
</tr>
<tr>
<td>1%</td>
<td></td>
</tr>
<tr>
<td>0%</td>
<td></td>
</tr>
</tbody>
</table>

AVERAGE: 1.6%

- Settlement of claims and risk provision (2009 = 100%)
- Volume of leased assets (2009 = 100%)
- IFRS9
- Loss rate (left column)
- Calculated loss expectations at contract start
- CM2**
- Calculated actual loss expectations per end of period

* Losses p.a. (of historical asset values, factored in), ** Present value of operating income of a lease contract less risk and individual contract costs, *** New calculation of CM2 margin

Analysts Conference – Frankfurt

Leasing – Banking – Factoring | Investor Relations // GRENKE // 15
Successfull improvement of CM2 margin during FY 2019

GRENKE GROUP LEASING

CM1 in EUR millions
CM1 is calculated as the present value of the interest margin net of commissions paid to third parties

CM2 in EUR millions
CM2 is made up of the present value of operating income of a lease contract less risk and individual contract costs

CM1 Margin
New Business Leasing

CM2 Margin

CM1 in EUR millions
CM2 in EUR millions

New calculation of CM2/CM2-margin
### Steady CM2 margins promote solid P&L

**CM2 OPERATIVE AND P&L CALCULATION – GRENKE GROUP LEASING**

<table>
<thead>
<tr>
<th>CM1</th>
<th>CM2</th>
</tr>
</thead>
<tbody>
<tr>
<td>Forecast subsequent business</td>
<td>158</td>
</tr>
<tr>
<td>Forecast losses</td>
<td>161</td>
</tr>
<tr>
<td>Forecast service business</td>
<td>134</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>NET INTEREST INCOME</th>
</tr>
</thead>
<tbody>
<tr>
<td>369</td>
</tr>
<tr>
<td>Settlement of claims/risk provision</td>
</tr>
<tr>
<td>Profit from service business</td>
</tr>
<tr>
<td>Profit from new business</td>
</tr>
<tr>
<td>Gains/losses from disposals</td>
</tr>
<tr>
<td>OPERATING INCOME</td>
</tr>
<tr>
<td>Staff costs</td>
</tr>
<tr>
<td>Selling and admin. Expenses</td>
</tr>
<tr>
<td>Depreciation and impairment</td>
</tr>
<tr>
<td>OPERATING RESULT</td>
</tr>
</tbody>
</table>
Restating financial statements for IFRS 16 lessor accounting

SPECIFIED STANDARDS REQUIRE ADJUSTMENT OF INITIAL DIRECT COSTS (IDC)

- IFRS 16 standards have specified the definition of IDCs
- Henceforth, IDCs only include variable costs which occurred in direct connection to a lease contract, thus excluding imputed fixed costs
- Restatement mainly shifts positions within the income statement and has marginal bottom line effect
- Balance sheet is affected by a slight decrease in equity (below 1% of total equity)
- Profitability and operational business unaffected

<table>
<thead>
<tr>
<th>IMPACT ON KPIs</th>
<th>CIR</th>
<th>CM1</th>
<th>CM2</th>
<th>EPS/Net profit</th>
<th>Equity ratio</th>
<th>Loss ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>Positive</td>
<td>↑</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Negative</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>None</td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
### Impact on financial statements (1/2) - IS

#### RESTATED INCOME STATEMENT POSITIONS

<table>
<thead>
<tr>
<th>Position</th>
<th>2019 restated</th>
<th>2018 restated</th>
<th>2018 adjustments*</th>
<th>2018 as reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Interest Income</td>
<td>368,938</td>
<td>321,066</td>
<td>38,126</td>
<td>282,940</td>
</tr>
<tr>
<td>Settlement of claims and risk provision</td>
<td>125,926</td>
<td>91,751</td>
<td>-124</td>
<td>91,875</td>
</tr>
<tr>
<td>Net interest income after settlement of claims and risk provision</td>
<td>243,012</td>
<td>229,315</td>
<td>38,250</td>
<td>191,065</td>
</tr>
<tr>
<td>Profit from service business</td>
<td>101,661</td>
<td>85,582</td>
<td>135</td>
<td>85,447</td>
</tr>
<tr>
<td>Profit from new business</td>
<td>54,253</td>
<td>46,048</td>
<td>-37,243</td>
<td>83,291</td>
</tr>
<tr>
<td>Gains(+) / losses (-) from disposals</td>
<td>-2,241</td>
<td>-2,581</td>
<td>-108</td>
<td>-2,473</td>
</tr>
<tr>
<td>Income from operating business</td>
<td>396,685</td>
<td>358,364</td>
<td>1,034</td>
<td>357,330</td>
</tr>
<tr>
<td>Other operating expenses</td>
<td>10,571</td>
<td>7,803</td>
<td>-27</td>
<td>7,830</td>
</tr>
<tr>
<td>Operating results</td>
<td>174,299</td>
<td>158,216</td>
<td>1,061</td>
<td>157,155</td>
</tr>
<tr>
<td>Earnings before tax</td>
<td>170,700</td>
<td>156,591</td>
<td>1,061</td>
<td>155,530</td>
</tr>
<tr>
<td>Tax</td>
<td>28,640</td>
<td>25,097</td>
<td>677</td>
<td>24,420</td>
</tr>
<tr>
<td>Earnings after tax</td>
<td>142,060</td>
<td>131,494</td>
<td>384</td>
<td>131,110</td>
</tr>
</tbody>
</table>

*Effects on 2019 figures are of similar magnitude

Assuming stipulated constant cash flows, reduced IDCs lead to lower initial lease receivables and consequently to increased actuarial returns. As a result, net interest income increases while profit from new business decreases.

Adjustments of settlement of claims and risk provision, as well as gains/losses from disposals, are attributable to adjusted amount of lease receivables.

Insignificant bottom-line effect with magnitude of below 1% of EBT.
### Impact on financial statements (2/2) - BS

RESTATED BALANCE SHEET POSITIONS

<table>
<thead>
<tr>
<th></th>
<th>2019 restated</th>
<th>2018 restated</th>
<th>2018 adjustments</th>
<th>2018 as reported</th>
</tr>
</thead>
<tbody>
<tr>
<td>Lease receivables</td>
<td>1,901,181</td>
<td>1,570,755</td>
<td>-34,418</td>
<td>1,605,173</td>
</tr>
<tr>
<td>Total current assets</td>
<td>2,972,450</td>
<td>2,398,882</td>
<td>-34,418</td>
<td>2,433,300</td>
</tr>
<tr>
<td>Lease receivables</td>
<td>3,744,735</td>
<td>3,126,784</td>
<td>27,947</td>
<td>3,098,837</td>
</tr>
<tr>
<td>Property, plant and equipment</td>
<td>109,092</td>
<td>85,326</td>
<td>-4,654</td>
<td>89,980</td>
</tr>
<tr>
<td>Deferred tax assets</td>
<td>21,967</td>
<td>15,997</td>
<td>794</td>
<td>15,203</td>
</tr>
<tr>
<td>Total non-current assets</td>
<td>4,175,032</td>
<td>3,467,278</td>
<td>24,087</td>
<td>3,443,191</td>
</tr>
<tr>
<td>Total assets</td>
<td>7,147,482</td>
<td>5,866,160</td>
<td>-10,331</td>
<td>5,876,491</td>
</tr>
<tr>
<td>Deferred tax liabilities</td>
<td>61,676</td>
<td>47,103</td>
<td>-888</td>
<td>47,991</td>
</tr>
<tr>
<td>Total non-current liabilities</td>
<td>4,037,380</td>
<td>3,145,544</td>
<td>-888</td>
<td>3,146,432</td>
</tr>
<tr>
<td>Retained earnings</td>
<td>712,672</td>
<td>616,257</td>
<td>-9,480</td>
<td>625,737</td>
</tr>
<tr>
<td>Other components of Equity</td>
<td>410</td>
<td>729</td>
<td>37</td>
<td>692</td>
</tr>
<tr>
<td>Total equity attributable to shareholders of GRENKE AG</td>
<td>1,048,750</td>
<td>952,654</td>
<td>-9,443</td>
<td>962,097</td>
</tr>
<tr>
<td>Total equity</td>
<td>1,248,750</td>
<td>1,077,654</td>
<td>-9,443</td>
<td>1,087,097</td>
</tr>
<tr>
<td>Total liabilities and equity</td>
<td>7,147,482</td>
<td>5,866,160</td>
<td>-10,331</td>
<td>5,876,491</td>
</tr>
</tbody>
</table>

Adjusted IDCs lead to lower lease receivables and property, plant and equipment figures, which additionally result in adjusted deferred taxes.

Currency impact from IDC adjustments in foreign currency countries.

As a result to the contraction of assets, retained earnings shrink by EUR 9.5 million or approximately 1% of total equity.
Settlement of claims & risk provision has a significant impact on the CIR

- **2009** | higher amount of settlement of claims and risk provision
- **2010** | higher expenses for sales & administration
- **2013** | higher expenses for staff and sales & administration
Path laid for further future growth

FUNDING AND EQUITY MEASURES OF 2019

1. EUR 300M bond
   - GRENKE Finance Plc
   - Guarantor: GRENKE AG
   - Issuance date: February 19, 2019
   - 5 years
   - Coupon 1.625%

2. EUR 300M bond
   - GRENKE Finance Plc
   - Guarantor: GRENKE AG
   - Issuance date: November 05, 2019
   - 5 years
   - Coupon 0.625%

3. EUR 75M AT1 hybrid bond
   - GRENKE AG
   - Pricing date: November 26, 2019
   - Coupon 5.375%

- Access to multiple refinancing possibilities with good conditions
- Usage of wide refinancing measures
- Stabilizing equity with hybrid to ensure path for further growth
Diversified finance funding mix

S&P RATING: BBB+/STABLE/A-2/ CONFIRMED IN JUNE 2019

Approx. 3,565 EURm
63%

Approx. 1,127 EURm
20%

Approx. 996 EURm
17%
Focus on diversification

DIVERSIFICATION IN NUMBERS

<table>
<thead>
<tr>
<th>CONTRACTS</th>
<th>TRANSACTIONS</th>
<th>AVERAGE INITIAL INVEST</th>
</tr>
</thead>
<tbody>
<tr>
<td>937k</td>
<td>5.6m</td>
<td>9,079€</td>
</tr>
<tr>
<td>running contracts</td>
<td>payment transactions</td>
<td>mean acquisition value</td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>DISTRIBUTION OF RISK</th>
<th>GRENKE BANK DIRECT DEBIT</th>
<th>MEDICAL SECTOR</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.9%</td>
<td></td>
<td>14.8%</td>
</tr>
<tr>
<td>highest reseller exposure</td>
<td>direct debit</td>
<td>medical customers</td>
</tr>
</tbody>
</table>

- Managing efficiently high amount of lease contracts
- Independent from resellers or customers
- Staying true to small ticket focus
We want to intensify sustainable growth

OUTLOOK FOR 2020

- EUR 153m – 165m net PROFIT
- < 46 % Cost / Income Ratio*
- Loss rate between 1.5 % – 1.6 %
- above 16% EQUITY ratio
- + 6 new LOCATIONS

14 – 18 % new business LEASING

(*without settlement of claims and risk provisions)
Publication calendar of 2020

April 02, 2020
New Business

May 05, 2020
Quarterly Statement (Q1)

May 19, 2020
Annual General Meeting

July 02, 2020
New Business

July 30, 2020
Financial Report (Q2)

October 02, 2020
New Business

October 29, 2020
Quarterly Statement (Q3)
Appendix
GRENKE Group uses matched funding

TREASURY IS STRONGLY FOCUSED ON FINANCING THE CORE BUSINESS


MATURITY STRUCTURE AS PER DECEMBER 2019
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digitalisation