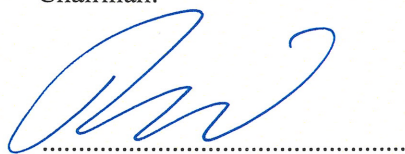


Arval A/S
Annual report 2016

Approved at the Company's annual general meeting on 3 April 2017

Chairman:



THOMAS WEISBJERG
ADVOKAT
NIELSEN NØRAGER
ADVOKATPARTNERSELSKAB
FREDERIKSBERGGADE 16
1459 KØBENHAVN K

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Statement by the Board of Directors and the Executive Board

The Board of Directors and the Executive Board have today discussed and approved the annual report of Arval A/S for the financial year 1 January - 31 December 2016.


The annual report has been prepared in accordance with the Danish Financial Statements Act.

It is our opinion that the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016.

Further, in our opinion, the Management's review fairly presents the matters described in the review.

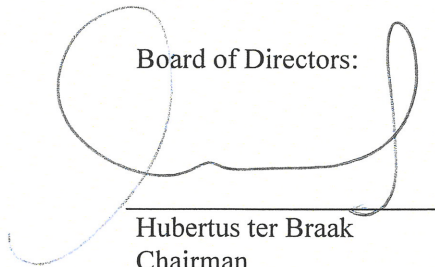
We recommend that the annual report be approved at the annual general meeting.

Herlev, 28 March 2017
Executive Board:



Thomas Bardram

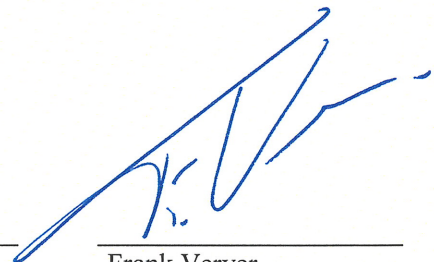
Board of Directors:



Hubertus ter Braak
Chairman



Robertus Metselaar



Frank Verver

Independent auditors' report

To the shareholder of Arval A/S

Opinion

We have audited the financial statements of Arval A/S for the financial year 1 January - 31 December 2016, which comprise an income statement, balance sheet and notes, including a summary of significant accounting policies. The financial statements are prepared under the Danish Financial Statements Act.

In our opinion, the financial statements give a true and fair view of the Company's financial position at 31 December 2016 and of the results of the Company's operations for the financial year 1 January - 31 December 2016 in accordance with the Danish Financial Statements Act.

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs) and the additional requirements applicable in Denmark. Our responsibilities under those standards and requirements are further described in the "Auditor's Responsibilities for the Audit of the financial statements" section of our report. We are independent of the company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) and the additional requirements applicable in Denmark, and we have fulfilled our other ethical responsibilities in accordance with these requirements. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Management's responsibilities for the Financial Statements

Management is responsible for the preparation of Financial Statements that give a true and fair view in accordance with the Danish Financial Statements Act, and for such internal control as Management determines is necessary to enable the preparation of Financial Statements that are free from material misstatement, whether due to fraud or error.

In preparing the Financial Statements, Management is responsible for assessing the Company's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting in preparing the Financial Statements unless Management either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Auditor's Responsibilities for the Audit of the financial statements

Our objectives are to obtain reasonable assurance about whether the Financial Statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these Financial Statements.

As part of an audit conducted in accordance with ISAs and the additional requirements applicable in Denmark, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the Financial Statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by Management.
- Conclude on the appropriateness of Management's use of the going concern basis of accounting in preparing the Financial Statements and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required

Independent auditors' report

to draw attention in our auditor's report to the related disclosures in the Financial Statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Company to cease to continue as a going concern.

- Evaluate the overall presentation, structure and contents of the Financial Statements, including the disclosures, and whether the Financial Statements represent the underlying transactions and events in a manner that gives a true and fair view.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Statement on Management's Review

Management is responsible for Management's Review.

Our opinion on the Financial Statements does not cover Management's Review, and we do not express any form of assurance conclusion thereon.

In connection with our audit of the Financial Statements, our responsibility is to read Management's Review and, in doing so, consider whether Management's Review is materially inconsistent with the Financial Statements or our knowledge obtained during the audit, or otherwise appears to be materially misstated.

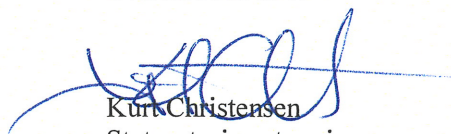
Moreover, it is our responsibility to consider whether Management's Review provides the information required under the Danish Financial Statements Act.

Based on the work we have performed, we conclude that Management's Review is in accordance with the Financial Statements and has been prepared in accordance with the requirements of the Danish Financial Statement Act. We did not identify any material misstatement of Management's Review.

Copenhagen, 28 March 2017

MAZARS

Statsautoriseret revisionspartnerselskab
CVR-no. 31 06 17 41



Kurt Christensen
Statsautoriseret revisor
(state-authorised public accountant)

Management's Review

Company details

Arval A/S
Lyskær 1, 1. tv.
P.O. Box 78
DK-2730 Herlev
Denmark

Telephone:	+45 70 26 50 60
Fax:	+45 70 26 50 61
Website:	www.arval.dk
E-mail:	info@arval.dk
CVR no.:	33 74 79 85
Established:	18 May 2011
Registered office:	Herlev, Denmark
Financial year:	1 January - 31 December

Board of Directors

Hubertus ter Braak, Chairman
Robertus Metselaar
Frank Verver

Executive Board

Thomas Bardram

Management's review

Operating review

Principal activities

Arval A/S is the Danish part of the Arval Group, which again is a subsidiary of BNP Paribas, European banking and financial services leader, and one of the world's six safest banks, according to Standard & Poor's. Arval belongs to BNP Paribas' Retail Banking core activity.

Arval is a specialist in full service multi-brand vehicle leasing, Arval offers companies tailored solutions aimed at optimising their employees' mobility while outsourcing the risks associated with fleet management.

Development in activities and financial matters

As in previous years, the Company's results for 2016 are to a large extent affected by costs incurred in connection with acquiring market share in Denmark.

Financial statements 1 January - 31 December

Income statement

DKK'000	Note	2016	2015
Income relating to lease assets		111,669	67,382
Expenses relating to lease assets	1, 2	-105,349	-63,624
Profit from leasing activities		6,320	3,758
Selling costs and administrative expenses	1, 3	-20,755	-16,673
Operating loss		-14,435	-12,915
Financial expenses		-13	-5
Loss before tax		-14,448	-12,920
Tax on loss for the year	4	3,404	3,337
Loss for the year		-11,044	-9,583
 Proposed distribution of loss			
Dividend for the financial year		0	0
Retained earnings		-11,044	-9,583
		-11,044	-9,583

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2016	2015
ASSETS			
Non-current assets			
Property, plant and equipment	1		
Lease assets		344,320	231,574
Leasehold improvements		467	546
Tools and equipment		1,839	1,527
Total non-current assets		346,626	233,647
Current assets			
Receivables			
Trade receivables		29,864	23,090
Deferred tax asset	5	5,898	6,121
Other receivables		7,819	7,755
		43,581	36,966
Cash at bank and in hand	6	12,250	0
Total current assets		55,831	36,966
TOTAL ASSETS		402,457	270,613

Financial statements 1 January – 31 December

Balance sheet

DKK'000	Note	2016	2015
EQUITY AND LIABILITIES			
Equity	7		
Share capital		10,000	17,000
Retained earnings		927	-5,029
Total equity		10,927	11,971
Liabilities other than provisions			
Long-term liabilities other than provisions			
Debt to group enterprises	2	226,231	156,712
Short-term liabilities other than provisions			
Debt to group enterprises	2	108,518	69,141
Trade payables		31,279	17,473
Other payables		10,088	4,977
Deferred income		15,414	10,339
		165,299	101,930
Total liabilities other than provisions		391,530	258,642
TOTAL EQUITY AND LIABILITIES		402,457	270,613
Contractual obligations and contingencies, etc.	8		
Mortgages and collateral	9		
Related party disclosures	10		

Financial statements 1 January – 31 December

Notes

1 Property, plant and equipment

DKK'000	Lease assets	Leasehold improve- ments	Tools and equip- ment
Cost at 1 January 2016	312,100	790	2,335
Additions	205,759	0	1,008
Disposals	-15,851	0	-665
Cost at 31 December 2016	<u>502,008</u>	<u>790</u>	<u>2,678</u>
Impairment losses and depreciation at 1 January 2016	80,526	244	808
Depreciation	86,622	79	408
Disposals	-9,460	0	-377
Impairment losses and depreciation at 31 December 2016	<u>157,688</u>	<u>323</u>	<u>839</u>
Carrying amount at 31 December 2016	<u><u>344,320</u></u>	<u><u>467</u></u>	<u><u>1,839</u></u>

DKK'000	2016	2015
Depreciation is recognised as follows:		
Expenses relating to lease assets	86,622	52,013
Selling costs and administrative expenses	487	495
	<u>87,109</u>	<u>52,508</u>

2 Debt to group enterprises

Amounts owed to group enterprises fall due in the following order:

DKK'000	2016	2015
Within 1 year	108,518	69,141
Between 1 and 5 years	226,231	156,712
After 5 years	0	0
	<u>334,749</u>	<u>225,853</u>
Interest paid on debt to group enterprises	<u>2,816</u>	<u>2,302</u>

Interest paid on debt to group enterprises is recognised as expenses relating to lease assets.

Financial statements 1 January – 31 December

Notes

3 Average number of employees

2016	2015
15	14
15	14

4 Tax on loss for the year

DKK'000

Computed tax on the taxable income
Adjustment of deferred tax

2016	2015
0	0
3,404	3,337
3,404	3,337

5 Deferred tax asset

DKK'000

Deferred tax at 1 January
Joint taxation contribution received
Adjustment of deferred tax

2016	2015
6,121	7,645
-3,627	-4,861
3,404	3,337
5,898	6,121

6 Cash at bank and in hand

The Company's cash at bank and in hand is held with group enterprises.

Financial statements 1 January – 31 December

Notes

7 Equity

	Share capital	Retained earnings	Total
Balance at 1 January 2016	17,000	-5,029	11,971
Capital reduction to cover loss	-7,000	7,000	0
Unconditional shareholders contribution	0	10,000	10,000
Transferred, cf. the proposed distribution of loss	0	-11,044	-11,044
Balance at 31 December 2016	10,000	927	10,927

Share capital

The share capital consists of nominal 10,000 shares of DKK 1,000 each. All shares rank equally.

Changes in the share capital are specified as follows:

	2016	2015	2014	2013	2012
Balance at 1 January	17,000	26,277	26,277	26,277	7,500
Capital reduction to cover loss	-7,000	-9,277	-17,326	0	-3,223
Cash capital increase	0	0	17,326	0	22,000
	10,000	17,000	26,277	26,277	26,277

8 Contractual obligations and contingencies, etc.

The Company is subject to the Danish rules on mandatory joint taxation of the BNP Paribas Group's Danish companies and branches. The companies and branches included in the joint taxation have joint and several unlimited liability for Danish corporation taxes and withholding taxes on dividends, interest and royalties. Any subsequent corrections of the taxable income subject to joint taxation or withholding taxes on dividends, etc., may entail that the companies' liability will increase.

Contingencies

At 31 December 2016, the Company has provided bank guarantees in the amount of DKK 1,375 thousand.

Contractual obligations

At 31 December 2016, the Company has assumed rental and lease obligations totalling DKK 5,314 thousand in the non-cancellable period. The contracts have a non-cancellable period of up to 50 months.

Financial statements 1 January – 31 December

Notes

9 Mortgages and collateral

The Company's assets are not mortgaged or used for collateral.

10 Related party disclosure

Arval A/S' related parties comprise the following:

Ownership

The following shareholders are registered in the Company's register of shareholders as holding minimum 5% of the voting rights or minimum 5% of the share capital:

Arval Service Lease SA
1, boulevard Haussmann
FR-75009 Paris
France

The Company's ultimate parent company is BNP Paribas SA with head office in Paris, France. The Company is included in the consolidated financial statements of BNP Paribas SA, which are available on <http://www.bnpparibas.com>.

Financial statements 1 January – 31 December

Accounting policies

The annual report of Arval A/S for 2016 has been prepared in accordance with the provisions applying to reporting class B enterprises under the Danish Financial Statements Act.

The format of the income statement and balance sheet has been adapted to the conditions of the Company.

The accounting policies applied remain unchanged from previous years.

Recognition and measurement

Assets are recognised in the balance sheet when it is probable that future economic benefits will flow to the Company and the value of the asset can be reliably measured.

Liabilities are recognised in the balance sheet when an outflow of economic benefits is probable and when the liability can be reliably measured.

On initial recognition, assets and liabilities are measured at cost. Subsequently, assets and liabilities are measured as described below for each individual item.

Certain financial assets and liabilities are measured at amortised cost implying the recognition of a constant effective interest rate to maturity. Amortised cost is calculated as initial cost minus any principal repayments and plus or minus the cumulative amortisation of any difference between cost and nominal amount.

In recognising and measuring assets and liabilities, any gains, losses and risks occurring prior to the presentation of the annual report that evidence conditions existing at the balance sheet date are taken into account.

Income is recognised in the income statement as earned, including value adjustments of financial assets and liabilities measured at fair value or amortised cost. Equally, costs incurred to generate the year's earnings are recognised, including depreciation, amortisation, impairment losses and provisions as well as reversals as a result of changes in accounting estimates of amounts which were previously recognised in the income statement.

Foreign currency translation

On initial recognition, transactions denominated in foreign currencies are translated at the exchange rates at the transaction date. Foreign exchange differences arising between the exchange rates at the transaction date and at the date of payment are recognised in the income statement as financial income or financial expenses.

Receivables and payables and other monetary items denominated in foreign currencies are translated at the exchange rates at the balance sheet date. The difference between the exchange rates at the balance sheet date and at the date at which the receivable or payable arose or was recognised in the latest financial statements is recognised in the income statement as financial income or financial expenses.

Financial statements 1 January – 31 December

Accounting policies

Income statement

Income relating to lease assets

Income relating to lease assets comprises lease payments from operating leases, management and administration fees and payments for service elements subject to risks.

Income relating to lease assets is measured at fair value of the agreed consideration ex. VAT and taxes charged on behalf of third parties as well as all discounts granted.

Expenses relating to lease assets

Expenses relating to lease assets comprise interest expenses in relation to funding of the lease assets, depreciation of lease assets, costs related to service elements subject to risks and loss on exposures.

Selling costs and administrative expenses

Selling costs and administrative expenses comprise costs incurred during the year for sales campaigns, management and administration of the Company, including staff costs, management, advertising, administration, office premises and depreciation, etc.

Financial income and expenses

Financial income and expenses comprise interest income and expense, gains and losses on securities, payables and transactions denominated in foreign currencies, amortisation of financial assets and liabilities as well as surcharges and refunds under the on-account tax scheme, etc.

Tax on loss for the year

The Company is subject to the Danish rules on mandatory joint taxation of the BNP Paribas Group's Danish companies and branches. The subsidiaries are included in the joint taxation from the date when they are included in the consolidated financial statements and up to the date when they are excluded from the consolidation.

BNP Paribas Factor A/S is the administrative company under the joint taxation and accordingly pays all corporation taxes to the tax authorities.

On payment of joint taxation contributions, the current Danish corporation tax is allocated between the jointly taxed companies in proportion to their taxable income. Companies with tax losses receive joint taxation contributions from other companies that have used the tax losses to reduce their own taxable profit. Tax for the year comprises joint taxation contributions and changes in deferred tax for the year, including changes as a result of a change in the tax rate. The tax expense relating to the profit/loss for the year is recognised in the income statement, and the tax expense relating to changes directly recognised in equity is recognised directly in equity.

Financial statements 1 January – 31 December

Accounting policies

Balance sheet

Non-current assets

Lease assets

Lease assets are measured at cost less accumulated depreciation and impairment losses.

The basis of depreciation is cost less expected residual value after end use.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Depreciation is made on a straight-line basis over the term of the lease.

Depreciation is recognised in the income statement as expenses relating to lease assets.

Gains and losses on the disposal of lease assets are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as expenses relating to lease assets.

Leasehold improvements and tools and equipment

Leasehold improvements and tools and equipment are measured at cost less accumulated depreciation and impairment losses.

The basis of depreciation is cost less expected residual value after end use.

Cost comprises the purchase price and any costs directly attributable to the acquisition until the date when the asset is available for use.

Where individual components of an item of property, plant and equipment have different useful lives, they are accounted for as separate items, which are depreciated separately.

Depreciation is made on a straight-line basis over the expected useful life. The expected useful lives are as follows:

Leasehold improvements	10 years
Tools and equipment	2-5 years

Depreciation is recognised in the income statement as selling costs and administrative expenses.

Gains and losses on the disposal of leasehold improvements and tools and equipment are determined as the difference between the selling price less selling costs and the carrying amount at the date of disposal. Gains or losses are recognised in the income statement as selling costs and administrative expenses.

Financial statements 1 January – 31 December

Accounting policies

Impairment of non-current assets

The carrying amount of property, plant and equipment is subject to an annual test for indications of impairment other than the decrease in value reflected by depreciation.

Impairment tests are conducted of individual assets or groups of assets when there is an indication that they may be impaired. Write-down is made to the recoverable amount if this is lower than the carrying amount.

The recoverable amount is the higher of an asset's net selling price and its value in use. The value in use is determined as the present value of the expected net cash flows from the use of the asset or the group of assets.

Receivables

Receivables are measured at amortised cost.

Write-down is made for bad debt losses where there is an objective indication that a receivable or a receivable portfolio has been impaired.

Write-downs are calculated as the difference between the carrying amount of receivables and the present value of the expected cash flows, including the realisable value of any collateral received. The effective interest rate for the individual receivable or portfolio is used as discount rate.

Equity – dividends

Proposed dividends are recognised as a liability at the date when they are adopted at the annual general meeting (declaration date). The expected dividend payment for the year is disclosed as a separate item under equity.

Corporation tax and deferred tax

Joint taxation contributions payable and receivable are recognised in the balance sheet as tax computed on the taxable income for the year, adjusted for tax on the taxable income of prior years and for tax paid on account under payables to/receivables from affiliates.

In accordance with the joint taxation rules, in its capacity as the administrative company, BNP Paribas Factor A/S is liable for the Company's corporation taxes towards the tax authorities concurrently with the payment of joint taxation contribution.

Deferred tax is measured using the balance sheet liability method on all temporary differences between the carrying amount and the tax value of assets and liabilities. Where different tax rules can be applied to determine the tax base, deferred tax is measured based on Management's planned use of the asset or settlement of the liability, respectively.

Deferred tax assets, including the tax value of tax loss carry forwards, are recognised at the expected value of their utilisation; either as a set-off against tax on future income or as a set-off against deferred tax liabilities in the same legal tax entity and jurisdiction.

Financial statements 1 January – 31 December

Accounting policies

Deferred tax is measured in accordance with the tax rules and at the tax rates applicable at the balance sheet date when the deferred tax is expected to crystallise as current tax. The change in deferred tax as a result of changes in tax rates is recognised in the income statement.

Liabilities other than provisions

Financial liabilities comprising payables to credit institutions, trade payables and payables to affiliates are recognised at the date of borrowing at the net proceeds received less transaction costs paid. In subsequent periods, the financial liabilities are measured at amortised cost.

Other liabilities are measured at net realisable value.

Deferred income

Deferred income comprises payments received concerning income in subsequent years.