

**Driver Master S.A.**  
**Société Anonyme**

**AUDITED ANNUAL ACCOUNTS  
FOR THE FINANCIAL PERIOD  
FROM THE INCORPORATION DATE  
OF 05 JUNE  
TO 31 DECEMBER 2015**

**Address:**  
52-54 Avenue du X Septembre  
L-2550 Luxembourg

**RCS Luxembourg : B 197.583**

## **Driver Master S.A.**

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## Driver Master S.A.

### 1. DIRECTORS' REPORT

The Board of Directors of Driver Master S.A. (the Company) herewith submits its report for the period ending 31 December 2015.

#### General

The Company is a securitization company within the meaning of the Luxembourg Law of March 22, 2004 on securitization (the "Securitization Law") and has as its corporate purpose the securitization of car Permitted Assets.

The Company may, in accordance with the terms of the Securitization Law, and in particular its article 5, create one or more compartments. Each compartment shall, unless otherwise provided for in the resolution of the Board of Directors creating such compartment, correspond to a distinct part of the assets and liabilities in respect of the corresponding funding.

#### Summary of activities

During the period ended 31 December 2015, the Company has purchased seven pools of monthly paid car Permitted Assets (the "Permitted Assets") for its Compartments: Compartment 1, Compartment 2, Compartment 3, Compartment 4, Compartment 5, Compartment 6 and Compartment 7 with a total discounted nominal value of EUR 7,050,068,594 for a total price of EUR 6,927,906,194 whereby the underlying car lease contracts are mainly for the Bank of vehicles originated by Volkswagen Bank GmbH via the Volkswagen group dealership network (which, inter alia, comprises of Volkswagen, Audi, SEAT, Skoda and Volkswagen Nutzfahrzeuge) throughout Germany and are entered into with both private and business customers.

The Permitted Assets have been purchased as follows:

Portfolio	Value at initial purchase (in EUR)	Purchase price (in EUR)
Compartment 1	750,026,299	737,030,299
Compartment 2	1,050,004,687	1,031,810,287
Compartment 3	1,050,005,518	1,031,811,118
Compartment 4	1,050,002,450	1,031,808,050
Compartment 5	1,050,005,093	1,031,810,693
Compartment 6	1,050,014,359	1,031,819,959
Compartment 7	1,050,010,188	1,031,815,788
Total	<u>7,050,068,594</u>	<u>6,927,906,194</u>

The purchase of the Permitted Assets has been financed by issuances of in total EUR 6,702,700,000 Class A Asset Backed Rate Notes (the "Class A Notes") and EUR 312,100,000 Class B Asset Backed Rate Notes (the "Class B Notes" and collectively the "Notes") and Subordinated Loans for a total amount of EUR 373,851,988.

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Permitted Assets and in the title ownership of the leased vehicles which have been transferred to the Company.

The Subordinated Loans have been granted to the Company for the purpose of credit enhancement and they rank junior to the Notes.

The Company has entered into swap agreements for Compartment 1 for each class of Notes to hedge the interest rate risk deriving from the scheduled periodic payments payable by the Lessees of the vehicles to the Company and the floating rate interest payments owed by the company under the Notes.

Both the Notes and the Subordinated Loans are limited recourse obligations of the Company, whereby the Company pays only those amounts which are actually available to it, being essentially the amounts received from the Lease Receivables and the amounts received or paid under the interest rate swap agreements less costs.

## Driver Master S.A.

### 1. DIRECTORS' REPORT

#### Portfolio of Permitted Assets

As at 31 December 2015, the total Permitted Assets principal of all compartments was decreased by EUR 763,903,805 by way of payments collected from Volkswagen Bank GmbH. Total interest income for all compartments for the period ended 31 December 2015 amounted to EUR 95,423,967.

#### Notes and Subordinated Loans

As at 31 December 2015, the Company has issued the following amounts on the outstanding principal of each Class A and/or Class B Note and the Subordinated Loan:

	Period	Class A Note	Class B Note	Subordinated Loan
Compartment 1	2015	1.020.100.000	47.500.000,00	56.952.827
Compartment 2	2015	947.100.000	47.500.000,00	52.939.987
Compartment 3	2015	947.100.000	47.500.000,00	52.940.824
Compartment 4	2015	947.100.000	47.500.000,00	52.855.101
Compartment 5	2015	947.100.000	47.500.000,00	52.857.762
Compartment 6	2015	947.100.000	47.500.000,00	52.654.835
Compartment 7	2015	947.100.000	47.500.000,00	52.650.652
Total		6.702.700.000	332.500.000,00	373.851.988,00

#### Emission Issue:

On 18 September 2015, the United States Environmental Protection Agency ("EPA") announced that certain vehicles include software that circumvents EPA emissions standards for certain air pollutants. The software was installed on vehicles with EA 189 diesel engines and optimises nitrogen oxides (NOx) emissions when the vehicle is operated on a test bench.

On 10 December 2015, Volkswagen announced that it had presented specific technical measures for the EA 189 diesel engines to the German Federal Motor Transport Authority (Kraftfahrt-Bundesamt, "KBA"). On 16 December 2015, Volkswagen announced that the presented technical measures have generally been approved by the KBA. These measures apply to Europe (EU-28 markets). After the measures have been implemented, the vehicles will fulfil the duly applicable emissions standards in these markets. The measures have been formulated with the aim of avoiding any impairment of engine output, fuel consumption or performance.

The Issuer has been advised by Volkswagen AG that, based on Volkswagen AG's current knowledge, the residual values of the vehicles fitted with EA 189 diesel engine have not been adversely affected in many European major markets. However, it cannot be excluded that the residual value of the vehicles fitted with EA 189 diesel engine may decrease in the future. In relation to Europe and the rest of the world, there are no indications as of the date of these annual accounts that recent developments have had a negative impact on payments under the affected Financing Contracts comprised in the pool of Purchased Receivables (which do not relate to customers or vehicles in the US and Canada), but any such negative impact cannot be ruled out.

An adverse impact on the value of the affected vehicles could result in lower recoveries on a sale or other disposition of an affected vehicle following default by an Obligor.

At the date of these accounts, there are no indications that recent developments will have a negative impact on payments under the affected Financing Contracts comprised in the pool of Receivables purchased, but any such negative impact cannot be ruled out.

#### **Voting rights**

Each issued share holds one vote in a Meeting of Shareholders. No special voting rights exist, nor does the sole Shareholder have any special right of control.

## **Driver Master S.A.**

### **1. DIRECTORS' REPORT**

#### **Acquisition of own shares**

The Company may, to the extent and under the terms permitted by law, purchase its own shares. During the period ended December 31, 2015 the Company has not purchased any of its own shares.

#### **Research and development activities**

The Company was neither involved nor participated in any kind of research or development activities in the period ended December 31, 2015.

#### **Branches and participations of the Company**

The Company does not have any branches or participations.

#### **Board of Directors**

The Company is managed by a Board of Directors comprising at least three members. The Directors, whether shareholders or not, are appointed for a period not exceeding six years by the sole Shareholder, who may at any time remove them.

The Board of Directors is vested with the powers to perform all acts of administration and disposition in compliance with the corporate objects of the Company. The Company will be bound in any circumstances by the joint signatures of two members of the Board of Directors unless special decisions have been reached concerning the authorised signature in case of delegation of powers or proxies.

Since incorporation, the Board of Directors is composed of Mrs Z.H. Cammans, Mrs P.J.S. Dunselman and Mrs C. Pirrie.

#### **Internal control and risk management procedures**

The Board of Directors is responsible for managing the Company and carefully managing the Company's system of internal control and risk management. Its members are jointly accountable for the management of the Company and ensure that the statutory and legal requirements and obligations of the Company are met and complied with.

The Board has the overall responsibility for the Company's system of internal control and for achieving its effectiveness. This system of internal control is designed to manage, rather than eliminate, risk of failure to achieve business objectives and can only provide reasonable and not absolute assurance against material misstatement or loss. The Company operates a management structure with clear delegated authority levels and clear functional reporting lines and accountability. All relevant decisions are subject to appropriate authorisation procedures. The Board monitors financial and operational performance and compliance controls on a continuing basis and identifies and responds to business risks as they arise.

#### **Related business risks**

##### Credit risk:

The Company may be exposed to a credit risk with third parties with whom it trades and may also bear the risk of settlement default.

##### Counterparty risk:

Some of the assets and derivatives will expose the Company to the risk of Counterparty default.

##### Interest rate risk:

For Compartment 1, the Receivables bear interest at fixed rates while the Notes and the Subordinated loan bears interest at floating rates based on 1-month EURIBOR. The Company will hedge afore-described interest rate risk related to the Notes and will use payments made by the swap counterparties to make payments on the Notes on each Payment date. The Subordinated loan is not covered by such swap transactions. The Board of Directors considers however that the Excess spread of the Structure would cover any movements in the 1-month EURIBOR.

The liquidity risk, market risk, currency risk and the price risk are not defined as the Directors of the Company believe that these risks are not applicable for the Company or are not deemed as principal risks to the Company as a whole.

## **Driver Master S.A.**

### **1. DIRECTORS' REPORT**

#### **Related business risks (continued)**

##### Interest rate risk:

For Compartment 1, the Receivables bear interest at fixed rates while the Notes and the Subordinated loan bears interest at floating rates based on 1-month EURIBOR. The Company will hedge afore-described interest rate risk related to the Notes and will use payments made by the swap counterparties to make payments on the Notes on each Payment date. The Subordinated loan is not covered by such swap transactions. The Board of Directors considers however that the Excess spread of the Structure would cover any movements in the 1-month EURIBOR.

The liquidity risk, market risk, currency risk and the price risk are not defined as the Directors of the Company believe that these risks are not applicable for the Company or are not deemed as principal risks to the Company as a whole.

#### **Subsequent events**

Regarding the Emission Issue, there are no indications that recent developments will have a negative impact on payments under the affected Financing Contracts comprised in the pool of Receivables purchased, but any such negative impact cannot be ruled out.

No other event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at December 31, 2015.

#### **Future outlook**

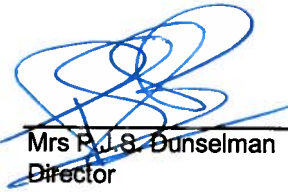
No material changes in activities are contemplated for the year 2016.

Luxembourg, 7 July 2016



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Mrs Z.H. Cammallas  
Director



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Mrs F.J.S. Dunselman  
Director

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Mrs C. Pirrie  
Director



## **Audit report**

To the Board of Directors of  
**Driver Master S.A.**

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### **Report on the annual accounts**

We have audited the accompanying annual accounts of Driver Master S.A., which comprise the balance sheet as at 31 December 2015, the profit and loss account for the period from 5 June 2015 to 31 December 2015 and a summary of significant accounting policies and other explanatory information.

#### *Board of Directors' responsibility for the annual accounts*

The Board of Directors is responsible for the preparation and fair presentation of these annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts, and for such internal control as the Board of Directors determines is necessary to enable the preparation of annual accounts that are free from material misstatement, whether due to fraud or error.

#### *Responsibility of the "Réviseur d'entreprises agréé"*

Our responsibility is to express an opinion on these annual accounts based on our audit. We conducted our audit in accordance with International Standards on Auditing as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier". Those standards require that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance about whether the annual accounts are free from material misstatement.

An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the annual accounts. The procedures selected depend on the judgment of the "Réviseur d'entreprises agréé", including the assessment of the risks of material misstatement of the annual accounts, whether due to fraud or error. In making those risk assessments, the "Réviseur d'entreprises agréé" considers internal control relevant to the entity's preparation and fair presentation of the annual accounts 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 entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by the Board of Directors, as well as evaluating the overall presentation of the annual accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.



*Opinion*

In our opinion, the annual accounts give a true and fair view of the financial position of Driver Master S.A. as of 31 December 2015, and of the results of its operations for the period from 5 June 2015 to 31 December 2015 in accordance with Luxembourg legal and regulatory requirements relating to the preparation of the annual accounts.

**Report on other legal and regulatory requirements**

The Directors' report, which is the responsibility of the Board of Directors, is consistent with the annual accounts.

PricewaterhouseCoopers, Société coopérative  
Represented by

Luxembourg, 7 July 2016

A handwritten signature in blue ink, appearing to read 'Simon', written in a cursive style.

Günter Simon



RCSL Nr. : B197583

Matricule : 2015 2207 612

eCDF entry date : 28/06/2016

**BALANCE SHEET**Financial year from <sup>01</sup> 05/06/2015 to <sup>02</sup> 31/12/2015 (in <sup>03</sup> EUR )

Driver Master S.A.

52-54, avenue du X Septembre  
L-2550 Luxembourg**ASSETS**

	Reference(s)	Current year	Previous year
<b>A. Subscribed capital unpaid</b>	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
<b>B. Formation expenses</b>	1107	107	108
<b>C. Fixed assets</b>	1109	109	110
I. Intangible fixed assets	1111	111	112
1. Research and development costs	1113	113	114
2. Concessions, patents, licences, trade marks and similar rights and assets, if they were	1115	115	116
a) acquired for valuable consideration and need not be shown under C.I.3	1117	117	118
b) created by the undertaking itself	1119	119	120
3. Goodwill, to the extent that it was acquired for valuable consideration	1121	121	122
4. Payments on account and intangible fixed assets under development	1123	123	124
II. Tangible fixed assets	1125	125	126
1. Land and buildings	1127	127	128
2. Plant and machinery	1129	129	130

The notes in the annex form an integral part of the annual accounts

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Matricule: 2015 2207 612

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	131	132
4. Payments on account and tangible fixed assets under development	1133	133	134
<b>III. Financial fixed assets</b>	1135	<b>7.307.383.899,00</b>	136
1. Shares in affiliated undertakings	1137	137	138
2. Amounts owed by affiliated undertakings	1139	139	140
3. Shares in undertakings with which the undertaking is linked by virtue of participating interests	1141	141	142
4. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1143	143	144
5. Securities and other financial instruments held as fixed assets	1145	145	146
6. Loans and claims held as fixed assets	1147	<b>7.307.383.899,00</b>	148
7. Own shares or own corporate units	1149	149	150
<b>D. Current assets</b>	1151	<b>562.179.940,00</b>	152
<b>I. Inventories</b>	1153	153	154
1. Raw materials and consumables	1155	155	156
2. Work and contracts in progress	1157	157	158
3. Finished goods and merchandise	1159	159	160
4. Payments on account	1161	161	162
<b>II. Debtors</b>	1163	<b>194.573.100,00</b>	164
1. Trade receivables	1165	165	166
a) becoming due and payable within one year	1167	167	168
b) becoming due and payable after more than one year	1169	169	170
2. Amounts owed by affiliated undertakings	1171	171	172
a) becoming due and payable within one year	1173	173	174
b) becoming due and payable after more than one year	1175	175	176
3. Amounts owed by undertakings with which the undertaking is linked by virtue of participating interests	1177	177	178
a) becoming due and payable within one year	1179	179	180
b) becoming due and payable after more than one year	1181	181	182

The notes in the annex form an integral part of the annual accounts

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	Reference(s)	Current year	Previous year
4. Other receivables	1183	183 194.573.100,00	184
a) becoming due and payable within one year	1185	185 194.573.100,00	186
b) becoming due and payable after more than one year	1187	187	188
III. Transferable securities and other financial instruments	1189	189	190
1. Shares in affiliated undertakings and in undertakings with which the undertaking is linked by virtue of participating interests	1191	191	192
2. Own shares or own corporate units	1193	193	194
3. Other transferable securities and other financial instruments	1195	195	196
IV. Cash at bank, cash in postal cheque accounts, cheques and cash in hand	1197	197 367.606.840,00	198
E. Prepayments	1199	199	200
<b>TOTAL (ASSETS)</b>		201 7.869.563.839,00	202 0,00

RCSL Nr.: B197583

Matricule : 2015 2207 612

**LIABILITIES**

	Reference(s)	Current year	Previous year
<b>A. Capital and reserves</b>	1301 <u>6</u>	301 <u>31.000,00</u>	302 _____
I. Subscribed capital	1303 _____	303 <u>31.000,00</u>	304 _____
II. Share premium and similar premiums	1305 _____	305 _____	306 _____
III. Revaluation reserves	1307 _____	307 _____	308 _____
IV. Reserves	1309 _____	309 _____	310 _____
1. Legal reserve	1311 _____	311 _____	312 _____
2. Reserve for own shares or own corporate units	1313 _____	313 _____	314 _____
3. Reserves provided for by the articles of association	1315 _____	315 _____	316 _____
4. Other reserves	1317 _____	317 _____	318 _____
V. Profit or loss brought forward	1319 _____	319 _____	320 _____
VI. Profit or loss for the financial year	1321 _____	321 _____	322 _____
VII. Interim dividends	1323 _____	323 _____	324 _____
VIII. Capital investment subsidies	1325 _____	325 _____	326 _____
IX. Temporarily not taxable capital gains	1327 _____	327 _____	328 _____
<b>B. Subordinated debts</b>	1329 <u>8</u>	329 <u>373.851.988,00</u>	330 _____
1. Convertible loans	1413 _____	413 _____	414 _____
a) becoming due and payable within one year	1415 _____	415 _____	416 _____
b) becoming due and payable after more than one year	1417 _____	417 _____	418 _____
2. Non convertible loans	1419 _____	419 <u>373.851.988,00</u>	420 _____
a) becoming due and payable within one year	1421 _____	421 <u>9.938.475,00</u>	422 _____
b) becoming due and payable after more than one year	1423 _____	423 <u>363.913.513,00</u>	424 _____
<b>C. Provisions</b>	1331 _____	331 _____	332 _____
1. Provisions for pensions and similar obligations	1333 _____	333 _____	334 _____
2. Provisions for taxation	1335 _____	335 _____	336 _____
3. Other provisions	1337 _____	337 _____	338 _____
<b>D. Non subordinated debts</b>	1339 _____	339 <u>7.495.680.851,00</u>	340 _____
1. Debenture loans	1341 _____	341 <u>7.014.800.000,00</u>	342 _____
a) Convertible loans	1343 _____	343 _____	344 _____
i) becoming due and payable within one year	1345 _____	345 _____	346 _____
ii) becoming due and payable after more than one year	1347 _____	347 _____	348 _____

The notes in the annex form an integral part of the annual accounts

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Matricule : 2015 2207 612

	Reference(s)	Current year	Previous year
b) Non convertible loans	1349 _____ 9	349 _____ 7.014.800.000,00	350 _____
i) becoming due and payable within one year	1351 _____	351 _____ 1.202.152.076,00	352 _____
ii) becoming due and payable after more than one year	1353 _____	353 _____ 5.812.647.924,00	354 _____
2. Amounts owed to credit institutions	1355 _____	355 _____	356 _____
a) becoming due and payable within one year	1357 _____	357 _____	358 _____
b) becoming due and payable after more than one year	1359 _____	359 _____	360 _____
3. Payments received on account of orders as far as they are not deducted distinctly from inventories	1361 _____	361 _____	362 _____
a) becoming due and payable within one year	1363 _____	363 _____	364 _____
b) becoming due and payable after more than one year	1365 _____	365 _____	366 _____
4. Trade creditors	1367 _____	367 _____	368 _____
a) becoming due and payable within one year	1369 _____	369 _____	370 _____
b) becoming due and payable after more than one year	1371 _____	371 _____	372 _____
5. Bills of exchange payable	1373 _____	373 _____	374 _____
a) becoming due and payable within one year	1375 _____	375 _____	376 _____
b) becoming due and payable after more than one year	1377 _____	377 _____	378 _____
6. Amounts owed to affiliated undertakings	1379 _____ 10	379 _____ 480.143.155,00	380 _____
a) becoming due and payable within one year	1381 _____	381 _____ 480.143.155,00	382 _____
b) becoming due and payable after more than one year	1383 _____	383 _____	384 _____
7. Amounts owed to undertakings with which the undertaking is linked by virtue of participating interests	1385 _____	385 _____	386 _____
a) becoming due and payable within one year	1387 _____	387 _____	388 _____
b) becoming due and payable after more than one year	1389 _____	389 _____	390 _____
8. Tax and social security debts	1391 _____ 16	391 _____ 18.550,00	392 _____
a) Tax debts	1393 _____	393 _____ 18.550,00	394 _____
b) Social security debts	1395 _____	395 _____	396 _____

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Matricule : 2015 2207 612

	Reference(s)	Current year	Previous year
9. Other creditors	1397 _____ 11	397 _____ 719.146,00	398 _____
a) becoming due and payable within one year	1399 _____	399 _____ 719.146,00	400 _____
b) becoming due and payable after more than one year	1401 _____	401 _____	402 _____
<b>E. Deferred income</b>	1403 _____	403 _____	404 _____
	<b>TOTAL (LIABILITIES)</b>	405 _____ <b>7.869.563.839,00</b>	406 _____ <b>0,00</b>

RCSL Nr.: B197583

Matricule : 2015 2207 612

eCDF entry date : 28/06/2016

**PROFIT AND LOSS ACCOUNT**Financial year from <sup>01</sup> 05/06/2015 to <sup>02</sup> 31/12/2015 (in <sup>03</sup> EUR )

Driver Master S.A.

52-54, avenue du X Septembre  
L-2550 Luxembourg**A. CHARGES**

	Reference(s)	Current year	Previous year
<b>1. Use of merchandise, raw materials and consumable materials</b>	1601 _____	601 _____	602 _____
<b>2. Other external charges</b>	1603 _____ <b>12</b>	603 _____ <b>86.088,00</b>	604 _____
<b>3. Staff costs</b>	1605 _____	605 _____	606 _____
a) Salaries and wages	1607 _____	607 _____	608 _____
b) Social security on salaries and wages	1609 _____	609 _____	610 _____
c) Supplementary pension costs	1611 _____	611 _____	612 _____
d) Other social costs	1613 _____	613 _____	614 _____
<b>4. Value adjustments</b>	1615 _____	615 _____	616 _____
a) on formation expenses and on tangible and intangible fixed assets	1617 _____	617 _____	618 _____
b) on current assets	1619 _____	619 _____	620 _____
<b>5. Other operating charges</b>	1621 _____ <b>13</b>	621 _____ <b>83.072.821,00</b>	622 _____
<b>6. Value adjustments and fair value adjustments on financial fixed assets</b>	1623 _____	623 _____	624 _____
<b>7. Value adjustments and fair value adjustments on financial current assets. Loss on disposal of transferable securities</b>	1625 _____	625 _____	626 _____
<b>8. Interest and other financial charges</b>	1627 _____ <b>14</b>	627 _____ <b>12.261.845,00</b>	628 _____
a) concerning affiliated undertakings	1629 _____	629 _____ <b>2.295.589,00</b>	630 _____
b) other interest and similar financial charges	1631 _____	631 _____ <b>9.966.256,00</b>	632 _____

The notes in the annex form an integral part of the annual accounts

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	Reference(s)	Current year	Previous year
<b>9. Share of losses of undertakings accounted for under the equity method</b>	1649 _____	649 _____	650 _____
<b>10. Extraordinary charges</b>	1633 _____	633 _____	634 _____
<b>11. Income tax</b>	1635 _____ <b>16</b>	635 _____ <b>3.213,00</b>	636 _____
<b>12. Other taxes not included in the previous caption</b>	1637 _____	637 _____	638 _____
<b>13. Profit for the financial year</b>	1639 _____	639 _____ <b>0,00</b>	640 _____
<b>TOTAL CHARGES</b>		641 _____ <b>95.423.967,00</b>	642 _____ <b>0,00</b>



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**B. INCOME**

	Reference(s)	Current year	Previous year
<b>1. Net turnover</b>	1701 _____	701 _____	702 _____
<b>2. Change in inventories of finished goods and of work and contracts in progress</b>	1703 _____	703 _____	704 _____
<b>3. Fixed assets under development</b>	1705 _____	705 _____	706 _____
<b>4. Reversal of value adjustments</b>	1707 _____	707 _____	708 _____
a) on formation expenses and on tangible and intangible fixed assets	1709 _____	709 _____	710 _____
b) on current assets	1711 _____	711 _____	712 _____
<b>5. Other operating income</b>	1713 _____	713 _____	714 _____
<b>6. Income from financial fixed assets</b>	1715 _____ <b>15</b>	715 _____ <b>95.423.967,00</b>	716 _____
a) derived from affiliated undertakings	1717 _____	717 _____ <b>95.423.967,00</b>	718 _____
b) other income from participating interests	1719 _____	719 _____	720 _____
<b>7. Income from financial current assets</b>	1721 _____	721 _____	722 _____
a) derived from affiliated undertakings	1723 _____	723 _____	724 _____
b) other income from financial current assets	1725 _____	725 _____	726 _____
<b>8. Other interest and other financial income</b>	1727 _____	727 _____	728 _____
a) derived from affiliated undertakings	1729 _____	729 _____	730 _____
b) other interest and similar financial income	1731 _____	731 _____	732 _____
<b>9. Share of profits of undertakings accounted for under the equity method</b>	1745 _____	745 _____	746 _____
<b>10. Extraordinary income</b>	1733 _____	733 _____	734 _____
<b>13. Loss for the financial year</b>	1735 _____	735 _____ <b>0,00</b>	736 _____
<b>TOTAL INCOME</b>		737 _____ <b>95.423.967,00</b>	738 _____ <b>0,00</b>

The notes in the annex form an integral part of the annual accounts

**Driver Master S.A.**

## **5. NOTES TO THE ANNUAL ACCOUNTS**

### **Note 1 - General information**

The Company is a Luxembourg public limited liability company incorporated in Luxembourg on 05 June 2015 for an unlimited period of time under the legal form of "Société Anonyme" having its corporate office at 52-54, Avenue du X Septembre, L-2550 Luxembourg, Grand-Duchy of Luxembourg. The Company is registered at the Registre du Commerce et Sociétés of Luxembourg City under number B 197.583.

The accounting period of the Company begins January 1st and terminates on December 31st except for the first period of activity which began on 5 June 2015, date of the incorporation, and terminated on 31 December 2015.

The purpose of the Company is the securitisation, within the meaning of the Luxembourg Law of 22 March 2004 on Securitisations (hereinafter the "Securitisation Law"), of receivables (the "Permitted Assets"). The Company may enter into any agreement and perform any action necessary or useful for the purposes of securitising Permitted Assets, including, without limitation, disposing of its assets in accordance with the relevant agreements.

The Company may only carry out the above activities if and to the extent that they are compatible with the Securitisation Law.

The Company may, in accordance with the terms of the Securitisation Law, and in particular its article 5, create one or more compartments. Each compartment shall, unless otherwise provided for in the resolution of the Board of Directors creating such compartment, correspond to a distinct part of the assets and liabilities in respect of the corresponding funding.

The Company is included in the consolidated accounts of Volkswagen AG, forming the largest body of undertakings of which the Company forms a part as a subsidiary undertaking. The registered office of that company is located at Berliner Ring 2, 38440 Wolfsburg, (HRB Nr. 100484) and the consolidated accounts are available at the same address.

In addition, the Company is included in the consolidated accounts of Volkswagen Financial Services AG, forming the smallest body of undertakings included in the body of undertakings referred to in the above-mentioned paragraph of which the Company forms a part as a subsidiary undertaking. The registered office of that company is located at Gifhorner Str. 57, 38112 Braunschweig, (HRB Nr. 1858) and the consolidated accounts are available at the same address.

Capitalised terms not defined within these audited annual accounts are defined in the respective Transaction Documents of each compartment of the Company.

### **Note 2 - Summary of significant accounting principles**

#### **2.1 Basis of preparation**

The annual accounts have been prepared in accordance with Luxembourg legal and regulatory requirements under the historical cost convention. Accounting policies and valuation rules are, besides the ones laid down by the law of December 19, 2002, as amended (the "Amended Law") determined and applied by the Board of Directors.

The preparation of annual accounts requires the use of certain critical accounting estimates. It also requires the Board of Directors to exercise its judgement in the process of applying the accounting policies. Changes in assumptions may have a significant impact on the annual accounts in the period in which the assumptions changed. The Board of Directors believes that the underlying assumptions are appropriate and that the annual accounts therefore present the financial position and results fairly.

The Company makes estimates and assumptions that affect the reported amounts of assets and liabilities in the next financial year. Estimates and judgements are continually evaluated and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances.

#### **2.2 Significant accounting policies**

The main valuation rules applied by the Company are the following:

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## **5. NOTES TO THE ANNUAL ACCOUNTS**

### **Note 2 - Summary of significant accounting principles (continued)**

#### **2.2.1 Formation expenses**

The formation expenses of the Company are directly charged to the profit and loss account of the year in which they are incurred.

#### **2.2.2 Financial fixed assets**

Permitted Assets included in financial fixed assets are recorded at their discounted nominal value. In case of a durable depreciation in value according to the opinion of the Board of Directors, value adjustments are made in respect of financial fixed assets, so that they are valued at the lower figure to be attributed to them at the balance sheet date. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

#### **2.2.3 Debtors**

Other debtors are recorded at their nominal value. They are subject to value adjustments where their recovery is either uncertain or compromised. These value adjustments are not continued if the reasons for which the value adjustments were made have ceased to apply.

#### **2.2.4 Derivative financial instruments**

The Company may enter into derivative financial instruments such as swaps in order to reduce its exposure coming from the floating rate of the Notes against the fixed rate of the Permitted Assets. The interests linked to derivatives instruments are recorded on an accrual basis at the closing date. Commitments relating to swap transactions are recorded in the off-balance sheet accounts (see note 20).

#### **2.2.5 Foreign currency translation**

The Company maintains its books and records in EUR.

Transactions expressed in currencies other than EUR are translated into EUR at the exchange rate effective at the time of the transaction. Cash, short-term debtors and creditors are translated on the basis of the exchange rates effective at balance sheet date. The exchange gains and losses are recorded in the profit and loss account. Other assets and liabilities are translated separately at the lower or the higher of the value converted at the historical exchange rate or the value determined on the basis of the exchange rates effective at balance sheet date. Solely the exchange losses are recorded in the profit and loss account. Exchange gains and losses are recorded in the profit and loss account at the moment of realisation.

Where there is an economic link between an asset and liability, these are valued in total according to the method described above and the net unrealised losses are recorded in the profit and loss account whereas the net unrealised exchange gains are not recognised.

#### **2.2.6 Accruals and deferred income**

This liability item includes income received during the financial period but relating to a subsequent financial year.

#### **2.2.7 Notes issued**

Notes issued are stated at par value less any repayments made to their principal.

#### **2.2.8 Debts**

Where the amount repayable on account is greater than the amount received, the difference may be accounted for in the profit and loss account when the debt is issued.

#### **2.2.9 Interest receivable and payable**

Interest receivable and payable are recorded on an accrual basis.

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## 5. NOTES TO THE ANNUAL ACCOUNTS

### Note 2 - Summary of significant accounting principles (continued)

#### 2.2.10 Provisions

Provisions are intended to cover charges which at the balance sheet date are either likely to be incurred or certain to be incurred but uncertain as to their amount or the date on which they will arise.

#### 2.2.11 Equalisation provision

Losses during the period as a result from sales, default, lower market values or cost may cause a partial reduction on the assets. Such shortfalls will first be borne by the Subordinated Lender in inverse order of the priority of payments. Consequently, a provision for decrease in value will be made and deducted from the amount repayable of the Subordinated Loan and booked in the profit and loss account as "Equalisation provision" under "Other operating income".

Similarly, in case of profit made during the period, the Equalisation provision booked in the profit and loss would result into an additional liability towards the Originator.

### Note 3 - Financial fixed assets

	<u>2015</u> EUR
Loans and claims held as fixed assets	
<u>Movements during the period</u>	
Initial purchases	7,050,068,594
Additions for the period	1,021,219,110
Reimbursements for the period	(763,903,805)
Closing balance	<u>7,307,383,899</u>

On 27 July 2015, Compartment 1 acquired from Volkswagen Bank GmbH a portfolio of Permitted Assets valued at EUR 750,026,299 following a discount on its nominal value of 3.5370 per cent per annum. This portfolio was purchased for a price of EUR 737,030,299 calculated as the discounted nominal amount, less (i) an amount of EUR 4,500,000 for overcollateralisation purposes, and less (ii) an amount of EUR 8,496,000 for the endowment of the cash collateral account.

On 27 July 2015, Compartment 2 acquired from Volkswagen Bank GmbH a portfolio of Permitted Assets valued at EUR 1,050,004,687 following a discount on its nominal value of 3.5370 per cent per annum. This portfolio was purchased for a price of EUR 1,031,810,287 calculated as the discounted nominal amount, less (i) an amount of EUR 6,300,000 for overcollateralisation purposes, and less (ii) an amount of EUR 11,894,400 for the endowment of the cash collateral account.

On 27 July 2015, Compartment 3 acquired from Volkswagen Bank GmbH a portfolio of Permitted Assets valued at EUR 1,050,005,518 following a discount on its nominal value of 3.5370 per cent per annum. This portfolio was purchased for a price of EUR 1,031,811,118 calculated as the discounted nominal amount, less (i) an amount of EUR 6,300,000 for overcollateralisation purposes, and less (ii) an amount of EUR 11,894,400 for the endowment of the cash collateral account.

On 25 August 2015, Compartment 4 acquired from Volkswagen Bank GmbH a portfolio of Permitted Assets valued at EUR 1,050,002,450 following a discount on its nominal value of 3.5370 per cent per annum. This portfolio was purchased for a price of EUR 1,031,808,050 calculated as the discounted nominal amount, less (i) an amount of EUR 6,300,000 for overcollateralisation purposes, and less (ii) an amount of EUR 11,894,400 for the endowment of the cash collateral account.

On 25 August 2015, Compartment 5 acquired from Volkswagen Bank GmbH a portfolio of Permitted Assets valued at EUR 1,050,005,093 following a discount on its nominal value of 3.5370 per cent per annum. This portfolio was purchased for a price of EUR 1,031,810,693 calculated as the discounted nominal amount, less (i) an amount of EUR 6,300,000 for overcollateralisation purposes, and less (ii) an amount of EUR 11,894,400 for the endowment of the cash collateral account.

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## **5. NOTES TO THE ANNUAL ACCOUNTS**

### **Note 3 - Financial fixed assets (continued)**

On 25 November 2015, Compartment 6 acquired from Volkswagen Bank GmbH a portfolio of Permitted Assets valued at EUR 1,050,014,359 following a discount on its nominal value of 3.5370 per cent per annum. This portfolio was purchased for a price of EUR 1,031,819,959 calculated as the discounted nominal amount, less (i) an amount of EUR 6,300,000 for overcollateralisation purposes, and less (ii) an amount of EUR 11,894,400 for the endowment of the cash collateral account.

On 25 November 2015, Compartment 7 acquired from Volkswagen Bank GmbH a portfolio of Permitted Assets valued at EUR 1,050,010,188 following a discount on its nominal value of 3.5370 per cent per annum. This portfolio was purchased for a price of EUR 1,031,815,788 calculated as the discounted nominal amount, less (i) an amount of EUR 6,300,000 for overcollateralisation purposes, and less (ii) an amount of EUR 11,894,400 for the endowment of the cash collateral account.

Acquisition of the Permitted Assets was financed by the issue of Class A and Class B Floating Rate Asset Backed Notes and through receipt of a Subordinated Loan (see also notes 9 and 10).

#### Emission Issue:

On 18 September 2015, the United States Environmental Protection Agency ("EPA") announced that certain vehicles include software that circumvents EPA emissions standards for certain air pollutants. The software was installed on vehicles with EA 189 diesel engines and optimises nitrogen oxides (NOx) emissions when the vehicle is operated on a test bench.

On 10 December 2015, Volkswagen announced that it had presented specific technical measures for the EA 189 diesel engines to the German Federal Motor Transport Authority (Kraftfahrt-Bundesamt, "KBA"). On 16 December 2015, Volkswagen announced that the presented technical measures have generally been approved by the KBA. These measures apply to Europe (EU-28 markets). After the measures have been implemented, the vehicles will fulfil the duly applicable emissions standards in these markets. The measures have been formulated with the aim of avoiding any impairment of engine output, fuel consumption or performance.

The Issuer has been advised by Volkswagen AG that, based on Volkswagen AG's current knowledge, the residual values of the vehicles fitted with EA 189 diesel engine have not been adversely affected in many European major markets. However, it cannot be excluded that the residual value of the vehicles fitted with EA 189 diesel engine may decrease in the future. In relation to Europe and the rest of the world, there are no indications as of the date of these annual accounts that recent developments have had a negative impact on payments under the affected Financing Contracts comprised in the pool of Purchased Receivables (which do not relate to customers or vehicles in the US and Canada), but any such negative impact cannot be ruled out.

An adverse impact on the value of the affected vehicles could result in lower recoveries on a sale or other disposition of an affected vehicle following default by an Obligor.

At the date of these accounts, there are no indications that recent developments will have a negative impact on payments under the affected Financing Contracts comprised in the pool of Receivables purchased, but any such negative impact cannot be ruled out.

### **Note 4 - Other receivables becoming due and payable within one year**

This amount mainly stands for the receivable due from Volkswagen Bank GmbH for the December 2015 collection of the Permitted Assets, which is due in January 2016.

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## 5. NOTES TO THE ANNUAL ACCOUNTS

### Note 5 - Cash at bank and in hand

	<u>2015</u>
<u>Cash at bank</u>	EUR
Current account	30,919
Disbursement account	77,789,576
Cash collateral account	86,982,489
Accumulation account	141,492,985
Monthly collateral account	61,310,871
Total	<u>367,606,840</u>

### Note 6 - Subscribed capital

As at 31 December 2015, the subscribed capital amounts to EUR 31,000 and is divided into 3,100 shares fully paid-up with a par value of EUR 10 each. The authorised capital amounts to EUR 31,000.

### Note 7 - Legal reserve

Luxembourg companies are required to allocate to a legal reserve a minimum of 5% of the annual net income, until this reserve equals 10% of the subscribed share capital. This reserve may not be distributed.

### Note 8 - Subordinated debts

	<u>2015</u>
<u>Subordinated Loan</u>	EUR
Initial issuance	352,568,594
Additions for the period	19,114,000
Capitalised interest for the period	2,169,394
Closing balance	<u>373,851,988</u>
<i>Thereof scheduled for redemption within one year</i>	9,938,475
<i>Amount due and payable after more than one year</i>	<u>363,913,513</u>

During the year 2015, the Company has been granted the following Subordinated Loans from Volkswagen International Luxemburg S.A.:

	<u>interest</u>	<u>amount</u>	<u>date</u>
Compartment 1	1m Euribor + 1.85%	37,526,299	23-Jul-15

During the period 2015, the Company had been granted the following Subordinated Loans from Volkswagen Bank GmbH:

	<u>interest</u>	<u>amount</u>	<u>date</u>
Compartment 2	2.01%	52,504,687	23-Jul-15
Compartment 3	2.01%	52,505,518	23-Jul-15
Compartment 4	2.01%	52,502,450	21-Aug-15
Compartment 5	2.01%	52,505,093	21-Aug-15
Compartment 6	3.21%	52,514,359	23-Nov-15
Compartment 7	3.21%	52,510,188	23-Nov-15



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**5. NOTES TO THE ANNUAL ACCOUNTS**

**Note 9 - Non subordinated debts**

	<u>2015</u> EUR
<b>Class A Asset Backed Floating Rate Notes</b>	
Initial issuance	6,359,100,000
Additions for the period	343,600,000
Reimbursements for the period	-
Closing balance	<u>6,702,700,000</u>
<i>Thereof scheduled for redemption within one year</i>	1,202,152,076
<i>Amount due and payable after more than one year</i>	<u><u>5,500,547,924</u></u>

Compartment 1 has initially issued 6,765 Class A Notes with a nominal value of EUR 100,000 each. On 25 November 2015, Compartment 1 issued additional 343.6 Class A Notes. The Class A Notes bear a floating rate interest of one month Euribor + 0.200%. Payments on the Class A Notes are made monthly in arrears on the 25th of each month. The floating rate interest on the Class A Notes has been swapped to a fixed interest rate of 0.410%.

Compartment 2 has issued 9,471 Class A Notes with a nominal value of EUR 100,000 each. The Class A Notes bear a fixed rate interest of 0.41%. Payments on the Class A Notes are made monthly in arrears on the 25th of each month.

Compartment 3 has issued 9,471 Class A Notes with a nominal value of EUR 100,000 each. The Class A Notes bear a fixed rate interest of 0.41%. Payments on the Class A Notes are made monthly in arrears on the 25th of each month.

Compartment 4 has issued 9,471 Class A Notes with a nominal value of EUR 100,000 each. The Class A Notes bear a fixed rate interest of 0.41%. Payments on the Class A Notes are made monthly in arrears on the 25th of each month.

Compartment 5 has issued 9,471 Class A Notes with a nominal value of EUR 100,000 each. The Class A Notes bear a fixed rate interest of 0.41%. Payments on the Class A Notes are made monthly in arrears on the 25th of each month.

Compartment 6 has issued 9,471 Class A Notes with a nominal value of EUR 100,000 each. The Class A Notes bear a fixed rate interest of 0.96%. Payments on the Class A Notes are made monthly in arrears on the 25th of each month.

Compartment 7 has issued 9,471 Class A Notes with a nominal value of EUR 100,000 each. The Class A Notes bear a fixed rate interest of 0.96%. Payments on the Class A Notes are made monthly in arrears on the 25th of each month.

Following the received payments from the Permitted Assets, the Company intends to make further repayments on the outstanding principal of the Class A Notes during the year 2016. The Board of Directors has been able to estimate reliably that the amount of EUR 1,202,152,076 will be repaid in the course of 2016 and has thus classified this amount as becoming due and payable within one year.

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## 5. NOTES TO THE ANNUAL ACCOUNTS

### Note 9 - Non subordinated debts (continued)

<b>Class B Asset Backed Floating Rate Notes</b>	<b>2015</b>
	<u>EUR</u>
Initial issuance	296,100,000
Additions for the period	16,000,000
Reimbursements for the period	-
Closing balance	<u>312,100,000</u>
<i>Thereof scheduled for redemption within one year</i>	-
<i>Amount due and payable after more than one year</i>	<u><u>312,100,000</u></u>

Compartment 1 has initially issued 315 Class B Notes with a nominal value of EUR 100,000 each. On 25 November 2015, Compartment 1 issued additional 16 Class B Notes. The Class B Notes bear a floating rate interest of one month Euribor + 0.600%. Payments on the Class B Notes are made monthly in arrears on the 25th of each month. The floating rate interest on the Class B Notes has been swapped to a fixed interest rate of 0.800%.

Compartment 2 has issued 441 Class B Notes with a nominal value of EUR 100,000 each. The Class B Notes bear a fixed rate interest of 0.80%. Payments on the Class B Notes are made monthly in arrears on the 25th of each month.

Compartment 3 has issued 441 Class B Notes with a nominal value of EUR 100,000 each. The Class B Notes bear a fixed rate interest of 0.80%. Payments on the Class B Notes are made monthly in arrears on the 25th of each month.

Compartment 4 has issued 441 Class B Notes with a nominal value of EUR 100,000 each. The Class B Notes bear a fixed rate interest of 0.80%. Payments on the Class B Notes are made monthly in arrears on the 25th of each month.

Compartment 5 has issued 441 Class B Notes with a nominal value of EUR 100,000 each. The Class B Notes bear a fixed rate interest of 0.80%. Payments on the Class B Notes are made monthly in arrears on the 25th of each month.

Compartment 6 has issued 441 Class B Notes with a nominal value of EUR 100,000 each. The Class B Notes bear a fixed rate interest of 2.02%. Payments on the Class B Notes are made monthly in arrears on the 25th of each month.

Compartment 7 has issued 441 Class B Notes with a nominal value of EUR 100,000 each. The Class B Notes bear a fixed rate interest of 2.02%. Payments on the Class B Notes are made monthly in arrears on the 25th of each month.

Following the received payments from the Permitted Assets, the Company intends to make further repayments on the outstanding principal of the Class B Notes during the year 2016. The Board of Directors has been able to estimate reliably that no repayment should occur in the course of 2016 and has thus classified no amount as becoming due and payable within one year.

The Notes are backed by substantially all of the assets of the Company consisting primarily of the Company's right, title and interest in the Permitted Assets which have been transferred to the Company.

All series of Notes are listed on the regulated market of the Luxembourg Stock Exchange. B series rank junior to A series.



**Driver Master S.A.****5. NOTES TO THE ANNUAL ACCOUNTS****Note 10 - Amounts due to affiliated undertakings**

	<u>2015</u> EUR
Overcollateralisation payable	146,654,251
Servicer fees	6,084,059
Advance payments	139,206,094
Accrued interest Subordinated Loan	126,193
Other amounts payable	187,512,949
Loan administration fee reserve	559,609
	<u>480,143,155</u>

Overcollateralisation payable represents an excess of the Permitted Assets' nominal value over the nominal value of the Notes and the Subordinated Loan and year-end payable towards Volkswagen Bank GmbH.

The Loan administration fee reserve is a collateral provided by VW Bank to cover any administration fee of a Lease Receivable contract that would become receivable before the Company has purchased that contract.

**Note 11 - Other creditors**

	<u>2015</u> EUR
Interest on Class A Notes	529,588
Interest on Class B Notes	51,853
Swap on Class A Notes	38,726
Swap on Class B Notes	3,519
Audit fees	81,900
Tax advisory fees	1,008
Other accruals	12,552
	<u>719,146</u>

**Note 12 - Other external charges**

	<u>2015</u> EUR
Audit fees	81,900
Tax advisory fees	1,008
Bank charges	3,180
Total	<u>86,088</u>

**Note 13 - Other operating charges**

	<u>2015</u> EUR
Servicer fees	26,788,123
Rating agency fees	88,840
Trustee services	21,443
Maintenance fees	61,849
Other operating charges	92,172
Net overcollateralisation expense	56,020,394
Total	<u>83,072,821</u>

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## 5. NOTES TO THE ANNUAL ACCOUNTS

<b>Note 14 - Other interest and similar financial charges</b>	<b>2015</b>
	<u>EUR</u>
<u>Concerning affiliated undertakings</u>	
Interest expense on Subordinated loan	2,295,589
Total	<u><u>2,295,589</u></u>

<u>Other interest and similar financial charges</u>	<u>2015</u>
	<u>EUR</u>
Interest charges on Class A Notes	8,102,348
Interest charges on Class B Notes	798,744
Net interest expense Class A Notes swap	1,020,519
Net interest expense Class B Notes swap	44,645
Total	<u><u>9,966,256</u></u>

<b>Note 15 - Income from financial fixed assets</b>	<b>2015</b>
	<u>EUR</u>
<u>Derived from affiliated undertakings</u>	
Interest income from Permitted Assets	95,423,967
Total	<u><u>95,423,967</u></u>

### Note 16 - Taxes

The Company is subject to all taxes applicable to commercial companies in Luxembourg incorporated under the securitization Law.

### Note 17 - Staff

The Company did not employ any staff during the period under review.

### Note 18 - Emoluments granted to the Members of the Board of Directors

No emoluments have been granted to any member of the Board of Directors, nor have any obligations arisen or been entered into by the Company in respect of retirement pensions for former members of the Board of Directors.

### Note 19 - Loans or advances granted to the Members of the Board of Directors

No loans or advances have been granted to any member of the Board of Directors.

### Note 20 - Off balance sheet commitments

As from 27 July 2015, the Compartment 1 entered into Class A and Class B Swap Agreements (the "Swaps"). Each swap agreement hedges the Company's interest rate risk derived from floating interest rate on the Notes issued (see also note 9). Settlement of the Swaps is performed on the 25th day of each month. The termination date of the Swap contracts is May 2024.

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5. NOTES TO THE ANNUAL ACCOUNTS

Note 20 - Off balance sheet commitments (continued)

The interest rate swaps can be detailed as follows:

<u>Swaps on Note A series</u>	<u>Curr</u>	<u>Nominal amount</u>	<u>Spread interest rate received</u>	<u>Interest rate Paid</u>
Compartment 1 - Class A swap - Nova Scotia	EUR	90,000,000	0.2000%	0.4100%
Compartment 1 - Class A swap - Nova Scotia	EUR	26,500,000	0.2000%	0.4100%
Compartment 1 - Class A swap - Nova Scotia	EUR	40,000,000	0.2000%	0.4100%
Compartment 1 - Class A swap - ING	EUR	200,000,000	0.2000%	0.4100%
Compartment 1 - Class A swap - Nova Scotia	EUR	91,800,000	0.2000%	0.4100%
Compartment 1 - Class A swap - Nova Scotia	EUR	91,800,000	0.2000%	0.4100%
Compartment 1 - Class A swap - Credit Agricole	EUR	91,800,000	0.2000%	0.4100%
Compartment 1 - Class A swap - Nova Scotia	EUR	91,800,000	0.2000%	0.4100%
Compartment 1 - Class A swap - DZ Bank	EUR	296,400,000	0.2000%	0.4100%
	EUR	<u>1,020,100,000</u>		
<u>Swaps on Note B series</u>				
Compartment 1 - Class B swap - DZ Bank	EUR	5,000,000	0.6000%	0.8000%
Compartment 1 - Class B swap - DZ Bank	EUR	8,500,000	0.6000%	0.8000%
Compartment 1 - Class B swap - DZ Bank	EUR	34,000,000	0.6000%	0.8000%
	EUR	<u>47,500,000</u>		
Total	EUR	<u><u>1,067,600,000</u></u>		

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5. NOTES TO THE ANNUAL ACCOUNTS

Note 21 - Balance sheet as at 31 December 2015 per compartment

	Compartment 1 2015	Compartment 2 2015	Compartment 3 2015	Compartment 4 2015
	EUR	EUR	EUR	EUR
<b>ASSETS</b>				
<b>A. Fixed assets</b>				
Financial fixed assets	<u>1,133,906,681</u>	<u>1,026,575,112</u>	<u>1,026,732,325</u>	<u>1,052,772,174</u>
Loans and claims held as fixed assets	1,133,906,681	1,026,575,112	1,026,732,325	1,052,772,174
<b>B. Current assets</b>	<u>74,193,030</u>	<u>69,778,106</u>	<u>68,644,305</u>	<u>116,358,681</u>
Debtors				
Other receivables				
- becoming due and payable within one year	30,607,536	29,479,273	29,284,539	27,655,548
Cash at bank, cash in postal cheque accounts, cheques and cash in hand	43,585,494	40,298,833	39,359,766	88,703,133
<b>TOTAL (ASSETS)</b>	<u><u>1,208,099,711</u></u>	<u><u>1,096,353,218</u></u>	<u><u>1,095,376,630</u></u>	<u><u>1,169,130,855</u></u>
<b>LIABILITIES</b>				
<b>A. Capital and reserves</b>	<u>31,000</u>	-	-	-
Subscribed capital	31,000	-	-	-
Profit or loss brought forward	-	-	-	-
Profit or loss for the financial year	-	-	-	-
<b>B. Subordinated debts</b>	<u>56,952,827</u>	<u>52,939,987</u>	<u>52,940,824</u>	<u>52,855,101</u>
Non convertible loans				
- becoming due and payable within one year	1,415,014	1,593,483	1,841,687	1,491,114
- becoming due and payable after more than one year	55,537,813	51,346,504	51,099,137	51,363,987
<b>C. Non subordinated debts</b>	<u>1,151,115,884</u>	<u>1,043,413,231</u>	<u>1,042,435,806</u>	<u>1,116,275,754</u>
Debenture loans				
Non convertible loans				
- becoming due and payable within one year	178,740,031	180,714,084	172,547,675	154,319,460
- becoming due and payable after more than one year	888,859,969	810,485,916	818,652,325	836,880,540
Amounts owed to affiliated undertakings				
- becoming due and payable within one year	83,456,018	52,127,529	51,137,452	125,025,313
Tax and social security				
Tax debts	4,148	3,259	3,409	3,298
Other creditors				
- becoming due and payable within one year	55,718	82,443	94,945	47,143
<b>TOTAL (LIABILITIES)</b>	<u><u>1,208,099,711</u></u>	<u><u>1,096,353,218</u></u>	<u><u>1,095,376,630</u></u>	<u><u>1,169,130,855</u></u>

## 5. NOTES TO THE ANNUAL ACCOUNTS

## Note 21 - Balance sheet as at 31 December 2015 per compartment (continued)

	Compartment 5 2015	Compartment 6 2015	Compartment 7 2015
	EUR	EUR	EUR
<b>ASSETS</b>			
<b>A. Fixed assets</b>			
Financial fixed assets	<u>1,052,794,861</u>	<u>1,006,890,000</u>	<u>1,007,712,746</u>
Loans and claims held as fixed assets	1,052,794,861	1,006,890,000	1,007,712,746
<b>B. Current assets</b>	<u>117,462,699</u>	<u>58,288,135</u>	<u>57,454,984</u>
Debtors			
Other receivables			
- becoming due and payable within one year	27,908,639	25,016,750	24,620,815
Cash at bank, cash in postal cheque accounts, cheques and cash in hand	89,554,060	33,271,385	32,834,169
<b>TOTAL (ASSETS)</b>	<u><u>1,170,257,560</u></u>	<u><u>1,065,178,135</u></u>	<u><u>1,065,167,730</u></u>
<b>LIABILITIES</b>			
<b>A. Capital and reserves</b>	-	-	-
Subscribed capital	-	-	-
Profit or loss brought forward	-	-	-
Profit or loss for the financial year	-	-	-
<b>B. Subordinated debts</b>	<u>52,857,762</u>	<u>52,654,835</u>	<u>52,650,652</u>
Non convertible loans			
- becoming due and payable within one year	1,489,845	1,193,313	914,019
- becoming due and payable after more than one year	51,367,917	51,461,522	51,736,633
<b>C. Non subordinated debts</b>	<u>1,117,399,798</u>	<u>1,012,523,300</u>	<u>1,012,517,078</u>
Debenture loans			
Non convertible loans			
- becoming due and payable within one year	155,059,883	179,850,223	180,920,720
- becoming due and payable after more than one year	836,140,117	811,349,777	810,279,280
Amounts owed to affiliated undertakings			
- becoming due and payable within one year	126,114,058	21,144,504	21,138,281
Tax and social security			
Tax debts	3,297	569	570
Other creditors			
- becoming due and payable within one year	82,443	178,227	178,227
<b>TOTAL (LIABILITIES)</b>	<u><u>1,170,257,560</u></u>	<u><u>1,065,178,135</u></u>	<u><u>1,065,167,730</u></u>

Driver Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 22 - Profit and loss account for the period from 05 June to 31 December 2015 per compartment

	<u>Compartment 1 2015</u>	<u>Compartment 2 2015</u>	<u>Compartment 3 2015</u>	<u>Compartment 4 2015</u>
	EUR	EUR	EUR	EUR
<b>A. CHARGES</b>				
Other external charges	11,974	12,544	12,594	12,594
Other operating charges	13,881,175	16,119,996	16,102,709	13,489,656
Interest and other financial charges				
- concerning affiliated undertakings	320,354	453,034	453,042	361,504
- other interest and similar financial charges	1,415,766	1,812,028	1,812,028	1,447,269
Income tax	459	459	459	459
<b>TOTAL CHARGES</b>	<b><u>15,629,728</u></b>	<b><u>18,398,061</u></b>	<b><u>18,380,832</u></b>	<b><u>15,311,482</u></b>
<b>B. INCOME</b>				
Income from financial fixed assets				
- derived from affiliated undertakings	15,629,728	18,398,061	18,380,832	15,311,482
Loss for the financial year	-	-	-	-
<b>TOTAL INCOME</b>	<b><u>15,629,728</u></b>	<b><u>18,398,061</u></b>	<b><u>18,380,832</u></b>	<b><u>15,311,482</u></b>

Driver Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 22 - Profit and loss account for the period from 05 June to 31 December 2015 per compartment (continued)

	<u>Compartment 5</u> <u>2015</u>	<u>Compartment 6</u> <u>2015</u>	<u>Compartment 7</u> <u>2015</u>
	EUR	EUR	EUR
<b>A. CHARGES</b>			
Other external charges	12,594	11,894	11,894
Other operating charges	13,448,686	5,018,412	5,012,187
Interest and other financial charges			
- concerning affiliated undertakings	370,376	168,646	168,633
- other interest and similar financial charges	1,482,569	998,298	998,298
Income tax	459	459	459
<b>TOTAL CHARGES</b>	<b><u>15,314,684</u></b>	<b><u>6,197,709</u></b>	<b><u>6,191,471</u></b>
<b>B. INCOME</b>			
Income from financial fixed assets			
- derived from affiliated undertakings	15,314,684	6,197,709	6,191,471
Loss for the financial year	-	-	-
<b>TOTAL INCOME</b>	<b><u>15,314,684</u></b>	<b><u>6,197,709</u></b>	<b><u>6,191,471</u></b>

Driver Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 23 - Notes to the annual accounts per compartment

Financial fixed assets	Compartment 1 2015	Compartment 2 2015	Compartment 3 2015	Compartment 4 2015	Compartment 5 2015
<u>Loans and claims held as fixed assets</u>	EUR	EUR	EUR	EUR	EUR
<i>Movements during the period</i>					
Initial purchases	750,026,299	1,050,004,687	1,050,005,518	1,050,002,450	1,050,005,093
Additions for the period	511,331,991	132,646,438	129,044,571	123,847,060	124,349,050
Disposals for the period	-	-	-	-	-
Reimbursements for the period	(127,451,609)	(156,076,013)	(152,317,764)	(121,077,336)	(121,559,282)
Closing balance	<u>1,133,906,681</u>	<u>1,026,575,112</u>	<u>1,026,732,325</u>	<u>1,052,772,174</u>	<u>1,052,794,861</u>

	Compartment 6 2015	Compartment 7 2015
<u>Loans and claims held as fixed assets</u>	EUR	EUR
<i>Movements during the year</i>		
Initial purchases	1,050,014,359	1,050,010,188
Additions for the period	-	-
Disposals for the period	-	-
Reimbursements for the period	(43,124,359)	(42,297,442)
Closing balance	<u>1,006,890,000</u>	<u>1,007,712,746</u>

Cash at bank and in hand	Compartment 1 2015	Compartment 2 2015	Compartment 3 2015	Compartment 4 2015	Compartment 5 2015
<u>Cash at bank</u>	EUR	EUR	EUR	EUR	EUR
Current account	30,919	-	-	-	-
Disbursement account	16,883,861	15,957,021	14,837,465	14,989,943	15,116,386
Cash collateral account	13,370,809	12,482,879	12,502,463	12,431,860	12,405,678
Accumulation account	-	-	-	49,204,586	49,976,545
Monthly collateral account	13,299,905	11,858,933	12,019,838	12,076,744	12,055,451
Total	<u>43,585,494</u>	<u>40,298,833</u>	<u>39,359,766</u>	<u>88,703,133</u>	<u>89,554,060</u>

	Compartment 6 2015	Compartment 7 2015
<u>Cash at bank</u>	EUR	EUR
Current account	-	-
Disbursement account	2,450	2,450
Cash collateral account	11,894,400	11,894,400
Accumulation account	21,374,535	20,937,319
Monthly collateral account	-	-
Total	<u>33,271,385</u>	<u>32,834,169</u>



Driver Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 23 - Notes to the annual accounts per compartment (continued)

<b>Subordinated debts</b>	<b>Compartment 1</b>	<b>Compartment 2</b>	<b>Compartment 3</b>	<b>Compartment 4</b>	<b>Compartment 5</b>
	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
<u>Subordinated Loan</u>	<u>EUR</u>	<u>EUR</u>	<u>EUR</u>	<u>EUR</u>	<u>EUR</u>
Initial issuance	37,526,299	52,504,687	52,505,518	52,502,450	52,505,093
Additions for the period	19,114,000	-	-	-	-
Capitalised interest for the period	312,528	435,300	435,306	352,651	352,669
Reimbursements for the period	-	-	-	-	-
Closing balance	<u>56,952,827</u>	<u>52,939,987</u>	<u>52,940,824</u>	<u>52,855,101</u>	<u>52,857,762</u>
Thereof scheduled for redemption within one year	1,415,014	1,593,483.00	1,841,687	1,491,114	1,489,845
Amount due and payable after more than one year	<u>55,537,813</u>	<u>51,346,504</u>	<u>51,099,137</u>	<u>51,363,987</u>	<u>51,367,917</u>
	<b>Compartment 6</b>	<b>Compartment 7</b>			
	<b>2015</b>	<b>2015</b>			
<u>Subordinated Loan</u>	<u>EUR</u>	<u>EUR</u>			
Initial issuance	52,514,359	52,510,188			
Additions for the period	-	-			
Capitalised interest for the period	140,476	140,464			
Reimbursements for the period	-	-			
Closing balance	<u>52,654,835</u>	<u>52,650,652</u>			
Thereof scheduled for redemption within one year	1,193,313	914,019			
Amount due and payable after more than one year	<u>51,461,522</u>	<u>51,736,633</u>			
	<b>Compartment 1</b>	<b>Compartment 2</b>	<b>Compartment 3</b>	<b>Compartment 4</b>	<b>Compartment 5</b>
	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
<u>Class A Asset Backed Floating Rate Notes</u>	<u>EUR</u>	<u>EUR</u>	<u>EUR</u>	<u>EUR</u>	<u>EUR</u>
Initial issuance	676,500,000	947,100,000	947,100,000	947,100,000	947,100,000
Additions for the period	343,600,000	-	-	-	-
Reimbursements for the period	-	-	-	-	-
Closing balance	<u>1,020,100,000</u>	<u>947,100,000</u>	<u>947,100,000</u>	<u>947,100,000</u>	<u>947,100,000</u>
Thereof scheduled for redemption within one year	178,740,031	180,714,084	172,547,675	154,319,460	155,059,883
Amount due and payable after more than one year	<u>841,359,969</u>	<u>766,385,916</u>	<u>774,552,325</u>	<u>792,780,540</u>	<u>792,040,117</u>
	<b>Compartment 6</b>	<b>Compartment 7</b>			
	<b>2015</b>	<b>2015</b>			
<u>Class A Asset Backed Floating Rate Notes</u>	<u>EUR</u>	<u>EUR</u>			
Initial issuance	947,100,000	947,100,000			
Additions for the period	-	-			
Reimbursements for the period	-	-			
Closing balance	<u>947,100,000</u>	<u>947,100,000</u>			
Thereof scheduled for redemption within one year	179,850,223	180,920,720			
Amount due and payable after more than one year	<u>767,249,777</u>	<u>766,179,280</u>			

Driver Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 23 - Notes to the annual accounts per compartment (continued)

Non convertible loans - continued	Compartment 1 2015	Compartment 2 2015	Compartment 3 2015	Compartment 4 2015	Compartment 5 2015
<u>Class B Asset Backed Floating Rate Notes</u>	EUR	EUR	EUR	EUR	EUR
Initial issuance	31,500,000	44,100,000	44,100,000	44,100,000	44,100,000
Additions for the period	16,000,000	-	-	-	-
Reimbursements for the period	-	-	-	-	-
Closing balance	47,500,000	44,100,000	44,100,000	44,100,000	44,100,000
Thereof scheduled for redemption within one year	-	-	-	-	-
Amount due and payable after more than one year	47,500,000	44,100,000	44,100,000	44,100,000	44,100,000
	Compartment 6 2015	Compartment 7 2015			
<u>Class B Asset Backed Floating Rate Notes</u>	EUR	EUR			
Initial issuance	44,100,000	44,100,000			
Additions for the period	-	-			
Reimbursements for the period	-	-			
Closing balance	44,100,000	44,100,000			
Thereof scheduled for redemption within one year	-	-			
Amount due and payable after more than one year	44,100,000	44,100,000			
	Compartment 1 2015	Compartment 2 2015	Compartment 3 2015	Compartment 4 2015	Compartment 5 2015
<b>Amounts owed to affiliated undertakings</b>	EUR	EUR	EUR	EUR	EUR
Overcollateralisation payable	22,496,878	21,074,931	23,153,909	20,910,871	20,887,074
Servicer fees	944,416	877,469	877,441	835,121	834,509
Advance payments	30,183,764	28,404,434	25,335,534	27,601,697	27,680,665
Accrued interest Subordinated Loan	7,826	17,734	17,735	8,853	17,707
Other amounts payable	29,263,525	1,752,961	1,752,833	75,668,771	76,694,103
Loan administration fee reserve	559,609	-	-	-	-
Total	83,456,018	52,127,529	51,137,452	125,025,313	126,114,058
	Compartment 6 2015	Compartment 7 2015			
	EUR	EUR			
Overcollateralisation payable	19,068,741	19,061,847			
Servicer fees	857,375	857,728			
Advance payments	-	-			
Accrued interest Subordinated Loan	28,170	28,168			
Other amounts payable	1,190,218	1,190,538			
Loan administration fee reserve	-	-			
Total	21,144,504	21,138,281			

Driver Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 23 - Notes to the annual accounts per compartment (continued)

	<b>Compartment 1</b>	<b>Compartment 2</b>	<b>Compartment 3</b>	<b>Compartment 4</b>	<b>Compartment 5</b>
	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
<b>Other creditors</b>	EUR	EUR	EUR	EUR	EUR
Interest on Class A Notes	-	64,719	64,719	32,359	64,719
Interest on Class B Notes	1,579	5,880	5,880	2,940	5,880
Swap on Class A Notes	38,726	-	-	-	-
Swap on Class B Notes	3,519	-	-	-	-
Audit fees	11,700	11,700	11,700	11,700	11,700
Tax advisory fees	144	144	144	144	144
Other accruals	50	-	12,502	-	-
<b>Total</b>	<b>55,718</b>	<b>82,443</b>	<b>94,945</b>	<b>47,143</b>	<b>82,443</b>

	<b>Compartment 6</b>	<b>Compartment 7</b>
	<b>2015</b>	<b>2015</b>
	EUR	EUR
Interest on Class A Notes	151,536	151,536
Interest on Class B Notes	14,847	14,847
Swap on Class A Notes	-	-
Swap on Class B Notes	-	-
Audit fees	11,700	11,700
Tax advisory fees	144	144
Other accruals	-	-
<b>Total</b>	<b>178,227</b>	<b>178,227</b>

	<b>Compartment 1</b>	<b>Compartment 2</b>	<b>Compartment 3</b>	<b>Compartment 4</b>	<b>Compartment 5</b>
	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
<b>Other external charges</b>	EUR	EUR	EUR	EUR	EUR
Audit fees	11,700	11,700	11,700	11,700	11,700
Tax advisory fees	144	144	144	144	144
Bank charges	130	700	750	750	750
<b>Total</b>	<b>11,974</b>	<b>12,544</b>	<b>12,594</b>	<b>12,594</b>	<b>12,594</b>

	<b>Compartment 6</b>	<b>Compartment 7</b>
	<b>2015</b>	<b>2015</b>
	EUR	EUR
Audit fees	11,700	11,700
Tax advisory fees	144	144
Bank charges	50	50
<b>Total</b>	<b>11,894</b>	<b>11,894</b>

Driver Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 23 - Notes to the annual accounts per compartment (continued)

	<b>Compartment 1</b>	<b>Compartment 2</b>	<b>Compartment 3</b>	<b>Compartment 4</b>	<b>Compartment 5</b>
	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
<b>Other operating charges</b>	EUR	EUR	EUR	EUR	EUR
Servicer fees	4,389,468	5,169,439	5,170,811	4,296,563	4,296,718
Rating agency fees	52,656	10,921	8,421	8,421	8,421
Trustee services	4,400	4,148	4,297	3,528	3,528
Maintenance fees	12,493	11,329	11,329	9,819	9,819
Other operating charges	18,779	17,546	17,552	17,356	17,345
Net overcollateralisation expense	9,403,379	10,906,613	10,890,299	9,153,969	9,112,855
<b>Total</b>	<b>13,881,175</b>	<b>16,119,996</b>	<b>16,102,709</b>	<b>13,489,656</b>	<b>13,448,686</b>

	<b>Compartment 6</b>	<b>Compartment 7</b>
	<b>2015</b>	<b>2015</b>
	EUR	EUR
Servicer fees	1,732,387	1,732,737
Rating agency fees	-	-
Trustee services	771	771
Maintenance fees	5,030	2,030
Other operating charges	300	3,294
Net overcollateralisation expense	3,279,924	3,273,355
<b>Total</b>	<b>5,018,412</b>	<b>5,012,187</b>

**Interest and other financial charges**

	<b>Compartment 1</b>	<b>Compartment 2</b>	<b>Compartment 3</b>	<b>Compartment 4</b>	<b>Compartment 5</b>
	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>	<b>2015</b>
<b>Concerning affiliated undertakings</b>	EUR	EUR	EUR	EUR	EUR
Interest expense on Subordinated loan	320,354	453,034	453,042	361,504	370,376

	<b>Compartment 6</b>	<b>Compartment 7</b>
	<b>2015</b>	<b>2015</b>
	EUR	EUR
Interest expense on Subordinated loan	168,646	168,633

Driver Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 23 - Notes to the annual accounts per compartment (continued)

<u>Other interest and similar financial charges</u>	Compartment 1	Compartment 2	Compartment 3	Compartment 4	Compartment 5
	2015	2015	2015	2015	2015
	EUR	EUR	EUR	EUR	EUR
Interest charges on Class A Notes	275.882	1.661.108	1.661.108	1.326.729	1.359.089
Interest charges on Class B Notes	74.720	150.920	150.920	120.540	123.480
Net interest expense Class A Notes swap	1.020.519	-	-	-	-
Net interest expense Class B Notes swap	44.645	-	-	-	-
<b>Total</b>	<b>1.415.766</b>	<b>1.812.028</b>	<b>1.812.028</b>	<b>1.447.269</b>	<b>1.482.569</b>

	Compartment 6	Compartment 7
	2015	2015
	EUR	EUR
Interest charges on Class A Notes	909.216	909.216
Interest charges on Class B Notes	89.082	89.082
Net interest expense Class A Notes swap	-	-
Net interest expense Class B Notes swap	-	-
<b>Total</b>	<b>998.298</b>	<b>998.298</b>

<u>Income from financial fixed assets</u>	Compartment 1	Compartment 2	Compartment 3	Compartment 4	Compartment 5
	2015	2015	2015	2015	2015
<u>Derived from affiliated undertakings</u>	EUR	EUR	EUR	EUR	EUR
Interest income from Permitted Assets	15.629.728	18.398.061	18.380.832	15.311.482	15.314.684
<b>Total</b>	<b>15.629.728</b>	<b>18.398.061</b>	<b>18.380.832</b>	<b>15.311.482</b>	<b>15.314.684</b>

	Compartment 6	Compartment 7
	2015	2015
	EUR	EUR
Interest income from Permitted Assets	6.197.709	6.191.471
<b>Total</b>	<b>6.197.709</b>	<b>6.191.471</b>

Note 25 - Subsequent events

Regarding the Emission Issue, there are no indications that recent developments will have a negative impact on payments under the affected Financing Contracts comprised in the pool of Receivables purchased, but any such negative impact cannot be ruled out.

No other event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at December 31, 2015.

Luxembourg, 7 July 2016

Mrs Z.H. Cernians  
Director

Mrs P.J.S. Dunselmann  
Director

Mrs C. Pirrie  
Director