

VCL Master S.A.
Société Anonyme

**AUDITED ANNUAL ACCOUNTS
FOR THE FINANCIAL YEAR
ENDED 31 DECEMBER 2018**

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RCS Luxembourg : B 149.052

VCL Master S.A.

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VCL Master S.A.

1. DIRECTORS' REPORT

The Board of Directors of VCL Master S.A. (the "Company") herewith submits its report for the year ending 31 December 2018.

General

The Company is a securitisation Company within the meaning of the Luxembourg Law of 22 March 2004 on securitisation (the "Securitisation Law") and has as its corporate purpose the securitisation of car lease receivables.

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.

Summary of activities

During 2010 the Company has created two compartments named Compartment 1 ("C1") and Compartment 2 ("C2"). Compartment 1 has purchased a pool of monthly paid car lease receivables (the "Lease Receivables"), and Compartment 2 has acquired the expectancy rights ("Expectancy Rights"), (" together the "Permitted Assets") to the leased vehicles related to the lease contracts purchased by Compartment 1. Compartment 2 will automatically acquire full legal title to the related leased vehicles of a purchased expectancy right upon expiration of the related lease contract.

The Lease Receivables and the Expectancy Rights have been purchased as follows:

Portfolio	Compartment	Value at initial purchase (in EUR)	Purchase price (in EUR)
Lease Receivables	C1	398,861,797	388,375,720
Expectancy Rights	C2	431,057,042	404,862,403

The underlying car lease contracts are mainly for the leasing of vehicles originated by Volkswagen Leasing GmbH (the "Originator" and "Servicer") 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.

Compartment 2 may request Volkswagen Leasing GmbH to buy the Leased Vehicles relating to purchased Lease Receivables acquired by the Issuer under the Vehicles and Receivables Purchase Agreements (the "Put Option") in the amount of the Initial Residual Value or Additional Residual Value.

The purchase of the Lease Receivables and of the Expectancy Rights has been financed by the issue of Floating Rate Notes (the "Notes") and Subordinated Loans as follows:

Portfolio	Compartment	Notes (in EUR)	Initial maturity	Subordinated Loan (in EUR)
Lease Receivables	C1	345,000,000	2016	49,458,863
Expectancy Rights	C2	250,000,000	2016	168,112,247

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 Lease Receivables and in the title ownership of the leased vehicles which have been transferred to the Company.

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

The Company has entered into swap agreements 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 Loan 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.

On 25 September 2014, Compartment 2 exercised its Put Option and sold all its outstanding Expectancy Rights against payment of EUR 1,177,680,024 plus added tax and less any outstanding amount deferred in relation to value added tax.

Portfolio of Permitted Assets

During the year 2018, the Lease Receivables principal held by Compartment 1 was increased by EUR 610,241,614 (EUR 792,403,639 in 2017) by way of reinvestment of funds collected (Top-Up) and by EUR 2,210,229,231 (EUR 2,154,317,844 in 2017) by way of additional issuances (Tap-Up). The Lease Receivables principal was also decreased by EUR 595,015,005 (EUR 777,756,850 in 2017) by way of payments collected from Volkswagen Leasing GmbH.

On 23 April 2018, Compartment 1 sold to VCL Multi-Compartment S.A., Compartment VCL 26, a part of its portfolio with a discounted nominal value of EUR 1,595,753,439 for a price of EUR 1,567,544,013 (Term Take-Out).

On 21 November 2018, Compartment 1 sold to VCL Multi-Compartment S.A., Compartment VCL 27, a part of its portfolio with a discounted nominal value of EUR 957,449,751 for a price of EUR 938,077,751 (Term Take-Out).

Subordinated loan

During the year 2018, Compartment 1 has been granted an additional amount of EUR 149,526,257 (EUR 174,898,482 in 2017) and has redeemed an amount of EUR 151,985,911 (EUR 170,413,738 in 2017) on the Subordinated Loan principal.

Floating Rate Notes

During the year 2018, Compartment 1 has issued additional Notes for a total amount of EUR 2,061,700,000 (EUR 2,319,500,000 in 2017) and redeemed the amount of EUR 2,336,700,000 (EUR 1,751,700,000 in 2017) on the principal of the Notes. The Notes are listed in Luxembourg Stock Exchange.

VCL Master S.A.

1. DIRECTORS' REPORT

Corporate Governance

The Board duly notes that, based on Article 52 of the law of 23 July 2016 concerning the audit profession (the "Audit Law"), the Company is classified as a public-interest entity and is required to establish an audit committee.

However, the Company's sole business is to act as issuer of asset-backed securities as defined in point (5) of Article 2 of Commission regulation (EC) N° 809/2004. Therefore, it is exempted from the audit committee obligation based on Article 52 (5) c).

The Company has concluded that the establishment of a dedicated audit committee or an administrative or supervisory body entrusted to carry out the function of an audit committee is not appropriate for the nature and extent of the Company's business which consists merely of an interest in assets to which the limited recourse Notes issued are linked. Furthermore, the Company operates in a strictly defined regulatory environment (e.g. Securitisation Law, CSSF supervision, listing on EU-regulated market) and is subject to respective governance mechanisms.

Voting rights

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

Acquisition of own shares

The Company may, to the extent and under the terms permitted by law, purchase its own shares. During the year ended 31 December 2017 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 year ended 31 December 2017.

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.

As at 01 January 2017, Ms Z.H. Cammans, Ms P.J.S. Dunselman and Ms. C. Pirrie were appointed as Directors of the Company. On 27 April 2017, Mrs P.J.S. Dunselman has resigned from her position as Director of the Company. On 15 June 2017, Mr A. Nelke has been appointed as Director of the Company in replacement of Mrs P.J.S. Dunselman. Effective as of 7 June 2018, Mr. Nelke has resigned from his position as Director of the Company and has been replaced by Mrs. Meenakshi Mussai-Ramassur with effective date of 25 July 2018. Effective as of 30 August 2018, Mrs C. Pirrie has resigned from her position as Director of the Company and has been replaced by Mr. I.Valikoff with the effective date of 14 September 2018.

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 ensuring 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 of Directors monitors financial and operational performance and compliance controls on a continuing basis and identifies and responds to business risks as they arise.

VCL Master S.A.

1. DIRECTORS' REPORT

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:

The Receivables bear interest at fixed rates while the Notes and the Subordinated loan will bear 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

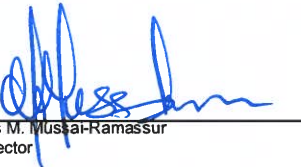
Effective as of 4 February 2019, Mr I. Valikoff has resigned from his position as Director of the Company and has been replaced by Mrs Sheena E. Gill (previously named Schmidt).

No other event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at 31 December 2018.


Luxembourg, 31 July 2019



Mrs Z.H. Garmans
Director



Mrs M. Mussai-Ramassur
Director



Mrs S.E. Gill
Director



Audit report

To the Board of Directors of
VCL Master S.A.

Report on the audit of the annual accounts

Our opinion

In our opinion, the accompanying annual accounts give a true and fair view of the financial position of VCL Master S.A. (the "Company") as at 31 December 2018, and of the results of its operations for the year then ended in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation of the annual accounts.

What we have audited

The Company's annual accounts comprise:

- the balance sheet as at 31 December 2018;
 - the profit and loss account for the year then ended; and
 - the notes to the annual accounts, which include a summary of significant accounting policies.
-

Basis for opinion

We conducted our audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 on the audit profession (Law of 23 July 2016) and with International Standards on Auditing (ISAs) as adopted for Luxembourg by the "Commission de Surveillance du Secteur Financier" (CSSF). Our responsibilities under the EU Regulation No 537/2014, the Law of 23 July 2016 and ISAs as adopted for Luxembourg by the CSSF are further described in the "Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the annual accounts" section of our report.

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

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) as adopted for Luxembourg by the CSSF together with the ethical requirements that are relevant to our audit of the annual accounts. We have fulfilled our other ethical responsibilities under those ethical requirements.

To the best of our knowledge and belief, we declare that we have not provided non-audit services that are prohibited under Article 5(1) of Regulation (EU) No 537/2014.

Key audit matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the annual accounts of the current period, and include the most significant assessed risks of material misstatement (whether or not due to fraud). These matters were addressed in the context of our audit of the annual accounts as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

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Key audit matter	How our audit addressed the Key audit matter
<p><i>Existence and Valuation of lease receivables</i></p>	<p>The lease receivables purchased by the Company are part of the full lease portfolio of the originator. Our audit procedures to cover the existence of the lease receivables included:</p>
<p>The purpose of the Company is to purchase a portfolio of car lease receivables of customers from Volkswagen Financial Services AG ("the originator" and the "asset servicer"). The acquisition of the lease receivables is financed by the issuances of granted listed notes. The leasing portfolio is purchased from the originator at a discounted value to cover potential losses of these receivables. There is a risk of non-payment if the customers fail to meet payment instalments. Refer to Note 2.2.2 for the accounting policy.</p>	<ul style="list-style-type: none">• We performed detailed procedures to gain an understanding of the controls in respect of the existence of the lease receivables adopted by the asset servicer;• We performed reconciliation of the information of lease receivables in the annual accounts from the source systems;• In order to check reliance of the asset servicer's information, we performed a sample testing of lease receivables and obtained supporting loan contracts.
<p>The selection and collection process of the lease receivables purchased from the originator is not conducted by the Company itself but by a third party, the asset servicer. Thus, reconciliation processes over lease receivables and accounting records implemented by the asset servicer are critical to ensure lease receivable balances are complete and accurate.</p>	<p>As the audit of the valuation of each individual lease receivables is not appropriate, we have reviewed and tested the internal control system of the originator with regards to the valuation of the lease receivables in which no issues were noted.</p>
<p>Taking into account that the total financial fixed assets as at 31 December 2018 amounted to EUR 1,445,136,771 (See Note 3), we have identified this as a key audit matter of our audit.</p>	<p>In order to test the Company's assessment on the valuation of the lease receivables, we performed detailed procedures to assess the recoverability of the lease receivables and we concluded that as at 31 December 2018 the Company's leasing receivables valuation disclosed in the annual accounts are in line with the accounting policies.</p> <p>As at 31 December 2018, the existence and the valuation of the Company's lease receivables are properly reviewed with no exceptions noted.</p>



Other information

The Board of Directors is responsible for the other information. The other information comprises the information stated in the annual report including the Corporate Governance Statement but does not include the annual accounts and our audit report thereon.

Our opinion on the annual accounts does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the annual accounts, our responsibility is to read the other information identified above and, in doing so, consider whether the other information is materially inconsistent with the annual accounts or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

Responsibilities of the Board of Directors for the annual accounts

The Board of Directors is responsible for the preparation and fair presentation of the annual accounts in accordance with Luxembourg legal and regulatory requirements relating to the preparation and presentation 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.

In preparing the annual accounts, the Board of Directors 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 unless the Board of Directors either intends to liquidate the Company or to cease operations, or has no realistic alternative but to do so.

Responsibilities of the "Réviseur d'entreprises agréé" for the audit of the annual accounts

The objectives of our audit are to obtain reasonable assurance about whether the annual accounts as a whole are free from material misstatement, whether due to fraud or error, and to issue an audit 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 the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF 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 annual accounts.

As part of an audit in accordance with the EU Regulation No 537/2014, the Law of 23 July 2016 and with ISAs as adopted for Luxembourg by the CSSF, we exercise professional judgment and maintain professional scepticism throughout the audit.



We also:

- identify and assess the risks of material misstatement of the annual accounts, 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 the Board of Directors;
- conclude on the appropriateness of the Board of Directors' use of the going concern basis of accounting 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 to draw attention in our audit report to the related disclosures in the annual accounts 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 audit report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- evaluate the overall presentation, structure and content of the annual accounts, including the disclosures, and whether the annual accounts represent the underlying transactions and events in a manner that achieves fair presentation.

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.

We also provide those charged with governance with a statement that we have complied with relevant ethical requirements regarding independence, and to communicate with them all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, related safeguards.

From the matters communicated with those charged with governance, we determine those matters that were of most significance in the audit of the annual accounts of the current period and are therefore the key audit matters. We describe these matters in our audit report unless law or regulation precludes public disclosure about the matter.



Report on other legal and regulatory requirements

The Corporate Governance Statement is included in the directors' report. The information required by Article 68ter Paragraph (1) Letters c) and d) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended, is consistent with the annual accounts and has been prepared in accordance with applicable legal requirements.

We have been appointed as "Réviseur d'Entreprises Agréé" of the Company by the Board of Directors on 15 June 2018 and the duration of our uninterrupted engagement, including previous renewals and reappointments, is 8 years.

Other matter

The Corporate Governance Statement includes, when applicable, the information required by Article 68ter Paragraph (1) Letters a), b), e), f) and g) of the Law of 19 December 2002 on the commercial and companies register and on the accounting records and annual accounts of undertakings, as amended.

PricewaterhouseCoopers, Société coopérative
Represented by

Luxembourg, 31 July 2019

A handwritten signature in black ink, appearing to read 'FB', with a long horizontal stroke extending to the right.

Frank Ballmann

Annual Accounts Helpdesk :

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RCSL Nr. : B149052

Matricule : 2009 2222 447

eCDF entry date :

BALANCE SHEET

Financial year from ₀₁ 01/01/2018 **to** ₀₂ 31/12/2018 (in ₀₃ EUR)

VCL Master S.A.

22-24, Boulevard Royal
L-2449 Luxembourg

ASSETS

	Reference(s)	Current year	Previous year
A. Subscribed capital unpaid	1101	101	102
I. Subscribed capital not called	1103	103	104
II. Subscribed capital called but unpaid	1105	105	106
B. Formation expenses	1107	107	108
C. Fixed assets	1109	1.445.136.771,00	1.772.884.120,00
I. Intangible assets	1111	111	112
1. Costs of development	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 assets under development	1123	123	124
II. Tangible 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

RCSL Nr.: B149052

Matricule : 2009 2222 447

	Reference(s)	Current year	Previous year
3. Other fixtures and fittings, tools and equipment	1131	131	132
4. Payments on account and tangible assets in the course of construction	1133	133	134
III. Financial assets	1135	1.445.136.771,00	1.772.884.120,00
1. Shares in affiliated undertakings	1137	137	138
2. Loans to affiliated undertakings	1139	139	140
3. Participating interests	1141	141	142
4. Loans to undertakings with which the undertaking is linked by virtue of participating interests	1143	143	144
5. Investments held as fixed assets	1145	1.445.136.771,00	1.772.884.120,00
6. Other loans	1147	147	148
D. Current assets	1151	61.315.776,00	79.725.773,00
I. Stocks	1153	153	154
1. Raw materials and consumables	1155	155	156
2. Work in progress	1157	157	158
3. Finished goods and goods for resale	1159	159	160
4. Payments on account	1161	161	162
II. Debtors	1163	44.116.010,00	61.974.104,00
1. Trade debtors	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
4. Other debtors	1183	44.116.010,00	61.974.104,00
a) becoming due and payable within one year	1185	44.116.010,00	61.974.104,00
b) becoming due and payable after more than one year	1187	187	188

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

RCSL Nr. : B149052

Matricule : 2009 2222 447

	Reference(s)	Current year	Previous year
III. Investments	1189 _____	189 _____	190 _____
1. Shares in affiliated undertakings	1191 _____	191 _____	192 _____
2. Own shares	1209 _____	209 _____	210 _____
3. Other investments	1195 _____	195 _____	196 _____
IV. Cash at bank and in hand	1197 _____ 5	197 _____ 17.199.766,00	198 _____ 17.751.669,00
E. Prepayments	1199 _____	199 _____	200 _____
TOTAL (ASSETS)		201 _____ 1.506.452.547,00	202 _____ 1.852.609.893,00

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

RCSL Nr.: B149052

Matricule : 2009 2222 447

CAPITAL, RESERVES AND LIABILITIES

	Reference(s)	Current year	Previous year
A. Capital and reserves	1301	31.000,00	31.000,00
I. Subscribed capital	1303 6	31.000,00	31.000,00
II. Share premium account	1305		
III. Revaluation reserve	1307		
IV. Reserves	1309		
1. Legal reserve	1311		
2. Reserve for own shares	1313		
3. Reserves provided for by the articles of association	1315		
4. Other reserves, including the fair value reserve	1429		
a) other available reserves	1431		
b) other non available reserves	1433		
V. Profit or loss brought forward	1319		
VI. Profit or loss for the financial year	1321		
VII. Interim dividends	1323		
VIII. Capital investment subsidies	1325		
B. Provisions	1331	165.584,00	104.958,00
1. Provisions for pensions and similar obligations	1333		
2. Provisions for taxation	1335		
3. Other provisions	1337 8	165.584,00	104.958,00
C. Creditors	1435	1.506.255.963,00	1.852.473.935,00
1. Debenture loans	1437	1.140.000.000,00	1.415.000.000,00
a) Convertible loans	1439		
i) becoming due and payable within one year	1441		
ii) becoming due and payable after more than one year	1443		
b) Non convertible loans	1445 9	1.140.000.000,00	1.415.000.000,00
i) becoming due and payable within one year	1447	143.189.700,00	223.696.337,00
ii) becoming due and payable after more than one year	1449	996.810.300,00	1.191.303.663,00
2. Amounts owed to credit institutions	1355		
a) becoming due and payable within one year	1357		
b) becoming due and payable after more than one year	1359		

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

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Matricule : 2009 2222 447

	Reference(s)	Current year	Previous year
3. Payments received on account of orders in so far as they are not shown separately as deductions from stocks	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	10 379 366.214.594,00	380 437.360.901,00
a) becoming due and payable within one year	1381	381 329.229.140,00	382 397.915.793,00
b) becoming due and payable after more than one year	1383	383 36.985.454,00	384 39.445.108,00
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. Other creditors	1451	451 41.369,00	452 113.034,00
a) Tax authorities	1393	19 393 21.287,00	394 21.289,00
b) Social security authorities	1395	395	396
c) Other creditors	1397	397 20.082,00	398 91.745,00
i) becoming due and payable within one year	1399	11 399 20.082,00	400 91.745,00
ii) becoming due and payable after more than one year	1401	401	402
D. Deferred income	1403	403	404
TOTAL (CAPITAL, RESERVES AND LIABILITIES)	405	1.506.452.547,00	406 1.852.609.893,00

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

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RCSL Nr.: B149052

Matricule : 2009 2222 447

eCDF entry date :

PROFIT AND LOSS ACCOUNT
Financial year from ⁰¹ 01/01/2018 **to** ⁰² 31/12/2018 (in ⁰³ EUR)

VCL Master S.A.

 22-24, Boulevard Royal
 L-2449 Luxembourg
PROFIT AND LOSS ACCOUNT

	Reference(s)	Current year	Previous year
1. Net turnover	1701 _____	701 _____	702 _____
2. Variation in stocks of finished goods and in work in progress	1703 _____	703 _____	704 _____
3. Work performed by the undertaking for its own purposes and capitalised	1705 _____	705 _____	706 _____
4. Other operating income	1713 _____ 12	713 _____	714 _____ 3.182,00
5. Raw materials and consumables and other external expenses	1671 _____	671 _____ -14.551.556,00	672 _____ -19.420.477,00
a) Raw materials and consumables	1601 _____	601 _____	602 _____
b) Other external expenses	1603 _____ 13	603 _____ -14.551.556,00	604 _____ -19.420.477,00
6. Staff costs	1605 _____	605 _____	606 _____
a) Wages and salaries	1607 _____	607 _____	608 _____
b) Social security costs	1609 _____	609 _____	610 _____
i) relating to pensions	1653 _____	653 _____	654 _____
ii) other social security costs	1655 _____	655 _____	656 _____
c) Other staff costs	1613 _____	613 _____	614 _____
7. Value adjustments	1657 _____	657 _____	658 _____
a) in respect of formation expenses and of tangible and intangible fixed assets	1659 _____	659 _____	660 _____
b) in respect of current assets	1661 _____	661 _____	662 _____
8. Other operating expenses	1621 _____ 14	621 _____ -64.699.093,00	622 _____ -78.278.070,00

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

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	Reference(s)	Current year	Previous year
9. Income from participating interests	1715	715	716
a) derived from affiliated undertakings	1717	717	718
b) other income from participating interests	1719	719	720
10. Income from other investments and loans forming part of the fixed assets	1721	721	722
a) derived from affiliated undertakings	1723	723	724
b) other income not included under a)	1725	725	726
11. Other interest receivable and similar income	1727	727	728
a) derived from affiliated undertakings	1729	729	730
b) other interest and similar income	1731	731	732
12. Share of profit or loss of undertakings accounted for under the equity method	1663	663	664
13. Value adjustments in respect of financial assets and of investments held as current assets	1665	665	666
14. Interest payable and similar expenses	1627	627	628
a) concerning affiliated undertakings	1629	629	630
b) other interest and similar expenses	1631	631	632
15. Tax on profit or loss	1635	635	636
16. Profit or loss after taxation	1667	667	668
17. Other taxes not shown under items 1 to 16	1637	637	638
18. Profit or loss for the financial year	1669	669	670

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

VCL 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 27 October 2009 for an unlimited period of time under the legal form of "Société Anonyme" and having its registered office at 22-24 Boulevard Royal, L-2449 Luxembourg, Grand Duchy of Luxembourg. The Company is registered at the Registre du Commerce et Sociétés of Luxembourg City under number B 149.052.

The accounting period of the Company begins on the 1st of January and terminates on the 31st of December each year.

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 Lease 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 Volkswagen AG 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 Volkswagen Financial Services AG 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 19 December 2002 (as amended), determined and applied by the Board of Directors.

The preparation of annual accounts required 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:

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 assets

Permitted Assets included in financial fixed assets are recorded at their discounted nominal value (acquisition price). 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

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. In case of hedging of an asset or liability which is not recorded at fair value, unrealised gains or losses are deferred until the realised gains or losses on the hedged item are realised. 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 22).

5. NOTES TO THE ANNUAL ACCOUNTS

Note 2 - Summary of significant accounting principles (continued)

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 unrealised 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 year 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 Creditors

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.

2.2.10 Provisions

Provisions are intended to cover charges which at the balance sheet date are either likely to incur 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 year 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 Originator 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 "Other operating income".

Similarly, in case of profit made during the year, the Equalisation provision booked in the profit and loss as "Other operating expenses" would result into an additional liability towards the Originator.

Note 3 - Financial assets

Permitted Assets

	31-12-18	31-12-17
	EUR	Combined EUR
Opening balance	1,772,884,121	1,199,669,615
Acquisition via reinvestment of funds collected (Top-Up)	610,241,614	792,403,639
Acquisition via additional issuances of Notes (Tap-Up)	2,210,229,231	2,154,317,844
Repayment during the year	(595,015,005)	(777,756,850)
Term Take-Out	(2,553,203,190)	(1,595,750,127)
Closing balance	<u>1,445,136,771</u>	<u>1,772,884,121</u>

During the year 2018, the Lease Receivables principal held by Compartment 1 was increased by EUR 610,241,614 (EUR 792,403,639 in 2017) by way of reinvestment of funds collected (Top Up) and by EUR 2,210,229,231 (EUR 2,154,317,844 in 2017) by way of additional issuances of Notes (Tap Up). The Lease Receivables principal was also decreased by EUR 595,015,005 (EUR 777,756,850 in 2017) by way of payments collected from Volkswagen Leasing GmbH.

On 23 April 2018, Compartment 1 sold to VCL Multi-Compartment S.A., Compartment VCL 26, a part of its portfolio with a discounted nominal value of EUR 1,595,753,439 for a price of EUR 1,567,544,013 (Term Take-Out).

On 21 November 2018, Compartment 1 sold to VCL Multi-Compartment S.A., Compartment VCL 27, a part of its portfolio with a discounted nominal value of EUR 957,449,751 for a price of EUR 938,077,751 (Term Take-Out).

Interest income for the year ended 31 December 2018 amounted to EUR 81,311,760 (EUR 103,241,865 in 2017) for Compartment 1 (see note 15).

VCL Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 3 - Financial assets (continued)

Acquisition of the Permitted Assets was financed by the issue of Permanent Global Floating Rate Notes and through receipt of a Subordinated Loan (see also note 9 and note 10).

As at 31 December 2018, no value adjustment is recorded in the annual accounts in respect of financial fixed assets given the absence of durable depreciation.

Note 4 - Debtors

This amount mainly stands for the receivables due from Volkswagen Leasing GmbH for the December 2018 collection of the Permitted Assets, which is due in January 2019 for Compartment 1.

Note 5 - Cash at bank and in hand

	31-12-2018	31-12-2017
	Combined	
Cash at bank	EUR	EUR
Current account	63,939	24,802
Disbursement account	150,939	190,710
Cash collateral account	16,984,888	17,535,636
Accumulation account	-	521
Total	<u>17,199,766</u>	<u>17,751,669</u>

Note 6 - Subscribed capital

As at 31 December 2018, 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 - Provisions

	31-12-2018	31-12-2017
	Combined	
Other provisions	EUR	EUR
Audit fees	13,000	17,550
Tax advisory fees	1,024	936
Other provisions	-	86,472
Creditors	151,560	-
Total	<u>165,584</u>	<u>104,958</u>

Note 9 - Non convertible loans

	31-12-18	31-12-17
	Combined	
Changes during the year	EUR	EUR
Opening balance	1,415,000,000	847,200,000
Additional issuance for the year	2,061,700,000	2,319,500,000
Redemption for the year	(2,336,700,000)	(1,751,700,000)
Closing balance	<u>1,140,000,000</u>	<u>1,415,000,000</u>
Thereof scheduled for redemption within one year	143,189,700	223,696,337
Amount due and payable after more than one year	<u>996,810,300</u>	<u>1,191,303,663</u>

The redemption of EUR 1,469,900,000 on 25 April 2018 and of EUR 866,800,000 on 25 November 2018 of Compartment 1 took place following the successful sales of Permitted Assets (Term Take-Out) to VCL Multi-Compartment S.A. acting for and on behalf of its Compartment 26 and Compartment 27.

Since 25 September 2018, the floating rate interest on the Notes has been swapped to a fixed rate interest between 0.11% and 0.44% (between 0.11% and 0.34% previously) for Compartment 1 (see also note 23).

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 Lease Receivables and in the title ownership of the leased vehicles which have been transferred to the Company. All series of Notes are listed on the Luxembourg Stock Exchange. Series B rank junior to A series.

VCL Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 10 - Amounts owed to affiliated undertakings

Becoming due and payable within one year

	31-12-18	31-12-17
	EUR	EUR
Overcollateralisation payable	93,992,380	126,185,059
Reserve bond issue expenses (*)	97,253	126,438
Servicer fees	1,043,664	1,298,930
Advanced payments	945,000	945,000
Other amounts payable	233,146,045	269,353,622
Interest payable on subordinated loan	4,798	6,744
Total	<u>329,229,140</u>	<u>397,915,793</u>

The other amounts payable correspond to the amount to be paid to VW for the next waterfall as tap-up price.

(*) In 2017 the Reserve bond issue expenses amount contains 29,187 EUR related to Compartment 2.

The advanced payments relate to the amounts paid in advance by Volkswagen Leasing GmbH to cover the future purchase of Permitted Assets.

Overcollateralisation payable represents an excess of the Permitted Assets' nominal value over the nominal value of the Notes, the equalisation provision and period-end payable towards Volkswagen Leasing GmbH.

	31-12-18	31-12-17
	EUR	EUR
<u>Overcollateralisation payable</u>		
Opening balance	126,185,059	98,902,275
Addition made for the year	43,223,124	60,955,768
Release made for the year	(140,114,896)	(111,951,054)
Allocation of equalisation made for the year	64,699,093	78,278,070
Closing balance	<u>93,992,380</u>	<u>126,185,059</u>

The addition made during the year under review corresponds to the overcollateralisation reserve on additional portfolio purchases including Tap-up and Top-up.

The release made during the year under review relates to Term Take-Outs of the Lease Receivable of the period EUR 77,362,325 (EUR 28,822,000 in 2017) and to the buffer release EUR 62,752,571 (EUR 83,129,053 in 2017) (see also note 3).

The allocation made during the period under review relates to the equalisation provision.

Becoming due and payable after one year

	31-12-2018	31-12-2017
	EUR	EUR
<u>Subordinated Loan, changes during the year</u>		
Opening balance	39,445,108	34,960,364
Increase for the year	149,526,257	174,898,482
Redemption for the year	(151,985,911)	(170,413,738)
Closing balance	<u>36,985,454</u>	<u>39,445,108</u>
Thereof scheduled for redemption/payment within one year	-	-
Due and payable after more than one year	<u>36,985,454</u>	<u>39,445,108</u>

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

VCL Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 11 - Other creditors

	31-12-18	31-12-17
	Combined	
	EUR	EUR
Interest on Floating Rate Notes	570	1,229
Interest on Swaps	19,339	23,630
Other payable	172	66,886
Total	<u>20,081</u>	<u>91,745</u>

Note 12 - Other operating income

	31-12-18	31-12-17
	Combined	
	EUR	EUR
Equalisation provision	-	3,182

Note 13 - Other external expenses

	31-12-18	31-12-17
	Combined	
	EUR	EUR
Audit fees	10,858	17,964
Service fees	14,009,878	18,880,284
Tax advisory fees	1,112	866
Rating agency fees	247,399	194,812
Trustee services	30,327	13,023
Corporate service fees	34,963	5,665
Other miscellaneous operating charges	20,512	28,232
Bank charges	196,507	279,631
Total	<u>14,551,556</u>	<u>19,420,477</u>

Note 14 - Other operating expenses

	31-12-18	31-12-17
	Combined	
	EUR	EUR
Equalisation provision	64,699,093	78,278,070

Equalisation provision represents payments obligations towards Volkswagen Leasing GmbH out of any surplus of cash-flows in accordance with the Order of Priority as defined in the Trust agreement.

Note 15 - Income from other investments and loans forming part of fixed assets

Derived from affiliated undertakings

	31-12-18	31-12-17
	Combined	
	EUR	EUR
Interest income from Permitted Assets	81,311,760	103,241,865

Note 16 - Interest payable and similar expenses

Concerning affiliated undertakings

	31-12-18	31-12-17
	Combined	
	EUR	EUR
Interest payable on Subordinated Loan	519,009	2,228,247

Other interest and similar expenses

	31-12-18	31-12-17
	Combined	
	EUR	EUR
Interest charges on Floating Rate Notes	71,804	2,473,105
Net interest payable on Swaps	1,452,678	833,344
Total	<u>1,524,482</u>	<u>3,306,449</u>

VCL Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 17 - Balance sheet as at 31 December 2018 per compartment

ASSETS	Notes	31-12-2018		31-12-2017	
		Compartment 1		Compartment 2	
		EUR	EUR	EUR	EUR
A. Fixed assets					
Financial assets					
Investment held as fixed assets	3	1,445,136,771	1,772,884,120	-	-
		<u>1,445,136,771</u>	<u>1,772,884,120</u>	<u>-</u>	<u>-</u>
B. Current assets					
Debtors					
Other debtors	4				
- becoming due and payable within one year		44,116,010	61,911,794	-	62,310
Cash at bank and in hand	5	17,199,595	17,711,543	171	40,126
		<u>61,315,605</u>	<u>79,623,337</u>	<u>171</u>	<u>102,436</u>
Total Assets		<u><u>1,506,452,375</u></u>	<u><u>1,852,507,457</u></u>	<u><u>171</u></u>	<u><u>102,436</u></u>
LIABILITIES					
A. Capital and reserves					
Subscribed capital					
	6	31,000	31,000	-	-
		<u>31,000</u>	<u>31,000</u>	<u>-</u>	<u>-</u>
B. Provisions					
Other provisions					
	8	165,584	104,958	-	-
		<u>165,584</u>	<u>104,958</u>	<u>-</u>	<u>-</u>
C. Creditors					
Debtenture loans					
Non convertibles loans					
- becoming due and payable after more than one year	9	996,810,300	1,191,303,663	-	-
- becoming due and payable within one year		143,189,700	223,696,337	-	-
Amounts owed to affiliated undertakings	10				
- becoming due and payable after more than one year		36,985,454	39,445,108	-	-
- becoming due and payable within one year		329,229,141	397,886,606	-	29,187
Other creditors					
Tax authorities	19	21,287	14,926	-	6,363
Other creditors	11				
- becoming due and payable within one year		119,909	24,859	171	66,866
		<u>1,506,255,791</u>	<u>1,852,371,499</u>	<u>171</u>	<u>102,436</u>
Total Liabilities		<u><u>1,506,452,375</u></u>	<u><u>1,852,507,457</u></u>	<u><u>171</u></u>	<u><u>102,436</u></u>

The accompanying notes form an integral part of these annual accounts.

VCL Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 18 - Profit and loss account for the year ended 31 December 2018 per compartment

	Notes	31-12-18		31/12/2017	
		Compartment 1		Compartment 2	
		EUR	EUR	EUR	EUR
Other operating income	12	-	-	-	3,182
Other external expenses	13	(14,551,556)	(19,417,295)	-	(3,182)
Other operating expenses	14	(64,699,093)	(78,278,070)	-	-
Income from other investments and loans forming part of the fixed assets	15	81,311,760	103,241,865	-	-
- derived from affiliated undertakings		81,311,760	103,241,865	-	-
Interest payable and similar expenses	16	-	-	-	-
- concerning affiliated undertakings		(519,009)	(2,228,247)	-	-
- other interest and similar expenses		(1,524,482)	(3,306,449)	-	-
		(2,043,491)	(5,534,696)	-	-
Tax on profit or loss	19	(1,263)	(4,582)	-	-
Other taxes not shown under items 1 to 16	19	(16,357)	(7,222)	-	-
Profit or loss for the financial year		-	-	-	-

VCL Master S.A.

5. NOTES TO THE ANNUAL ACCOUNTS

Note 19 - Taxes

The Company is subject to the tax regulations applicable to the securitisation companies in Luxembourg.

Note 20 - Staff

The Company did not employ any staff during the year under review (2017: nil).

Note 21 - 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 22 - 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 23 - Off balance sheet commitments

The Company has entered into Swap Agreements to hedge 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. As from 20 September 2018, all swap contracts have been renewed.

The termination dates of the swap contracts are in 2025.

The interest rate swaps can be detailed as follows:

	Curr	Nominal amount	Spread interest rate received	Interest rate Paid
<u>Swaps on Note A series</u>				
Compartment 1 - ING	EUR	121,200,000	0.200%	0.110%
Compartment 1 - ING	EUR	16,800,000	0.200%	0.110%
Compartment 1 - ING	EUR	46,300,000	0.200%	0.110%
Compartment 1 - ING	EUR	66,800,000	0.200%	0.110%
Compartment 1 - ING	EUR	66,800,000	0.200%	0.110%
Compartment 1 - ING	EUR	44,000,000	0.200%	0.110%
Compartment 1 - ING	EUR	132,500,000	0.200%	0.110%
Compartment 1 - ING	EUR	44,000,000	0.200%	0.110%
Compartment 1 - ING	EUR	325,200,000	0.200%	0.110%
Compartment 1 - ING	EUR	33,200,000	0.200%	0.110%
Compartment 1 - ING	EUR	44,100,000	0.200%	0.110%
Compartment 1 - ING	EUR	133,500,000	0.200%	0.110%
Compartment 1 - ING	EUR	35,000,000	0.200%	0.140%
	EUR	<u>1,109,400,000</u>		
<u>Swaps on Note B series</u>				
Compartment 1 - ING	EUR	14,300,000	0.500%	0.370%
Compartment 1 - ING	EUR	12,500,000	0.500%	0.370%
Compartment 1 - ING	EUR	1,000,000	0.500%	0.370%
Compartment 1 - ING	EUR	2,800,000	0.500%	0.440%
	EUR	<u>30,600,000</u>		
Total	EUR	<u><u>1,140,000,000</u></u>		

The interest rate received for each swap consists of 1 month Euribor plus the spread as mentioned above.

As at 31 December 2018, the Swaps have a nominal value of EUR 1,140,000,000 (EUR 1,415,000,000 in 2017) for Compartment 1.

During 2018, the total Swaps interest amounted to EUR 1,452,678 (EUR 833,344 in 2017) (see note 16).

Note 24 - Related parties

There are no other related parties transactions other than the ones disclosed in Notes 3, 4, 10, 13, 14, 15 and 16 of these annual accounts.

Note 25 - Subsequent events

Effective as of 4 February 2019, Mr I. Valikoff has resigned from his position as Director of the Company and has been replaced by Mrs Sheena E. Gill (previously named Schmidt).

No other event has occurred subsequent to the year-end which would have a material impact on the annual accounts as at 31 December 2018.

Luxembourg, 31 July 2019


Mrs Z. N. Ramassur
Director


Mrs M. Mussai-Ramassur
Director


Mrs S. E. Gill
Director