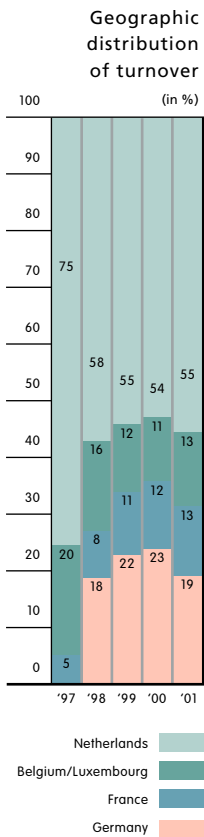




Annual Report 2001

Profile



Athlon is an international supplier of vehicle mobility solutions, primarily for the business market. The core activities are full service car leasing and other directly related activities, such as car rental and car body repair. The links between these activities offer considerable synergy benefits.

Athlon has a holding structure and is active in five countries: the Netherlands, Belgium, Luxembourg, France and Germany. The operating companies report directly to the Executive Board. The ordinary shares of Athlon Groep N.V. are listed on Euronext Amsterdam. A net turnover of € 1,261 million was realized in 2001, of which 45% abroad, with on average 2,375 employees.

Car leasing and rental

Primarily for business customers, cars are made available both for the longer term (leasing) and for the shorter term (rental). The car leasing activities are concerned with full service operational lease and fleet management. Thanks to its knowledge of the vehicle product, in combination with advanced information management, Athlon offers transparency and ease in mobility solutions, as well as cost control. Especially for the business customer, this is a distinguishing benefit. In car rental, too, Athlon is primarily concerned with the business market, offering flexible solutions for mobility.

Car body repairs

Under the name 'CARE Schadeservice', Athlon has a chain of 45 qualified universal repair businesses in the Netherlands. The chain occupies a leading position in the otherwise fragmented car body repair market. CARE Schadeservice is concerned mainly with larger market players, such as lease companies, insurance companies and other fleet owners. A similar chain has now been established in Belgium based on the same concept. Three outlets were operational at the end of the year under review.

Strategy

Growth objective

Athlon aims at profit growth and continuity of the business. In this connection, the company looks for a return of at least 13% on shareholders' equity and an annual average growth of the profit per share of approximately 10%. In order to realize these objectives, the major focus is on organic growth in international business markets of a limited cyclical nature. Acquisitions will also contribute to profit growth. Economy of scale confers benefits in areas such as financing, purchasing and ICT.

Reorientation

In the past financial year, Athlon Groep reviewed the core activities against the company's business objectives. With regard to the dealer activities, it was concluded that they have limited potential for growth, are difficult to expand internationally, are increasingly generating less synergy with the other core activities of the group and are cyclical in nature. On the basis of this reorientation, Athlon has decided to focus on further expansion of the full service lease activities and on internationalization of the CARE Schadeservice concept. Further to this strategic refocusing, Athlon Groep has decided that dealer activities are no longer regarded as core activities of the group. The dealer activities have therefore been sold to a company where they can be better developed as such.

European player

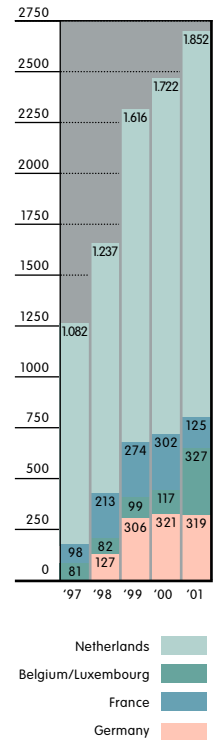
Athlon has the ambition of being one of the leading providers of full service lease in Europe and is currently ranked eighth in Europe. The focus for expansion is initially on Germany and France, where operational lease is still in the development phase. These two countries are potentially the two largest lease markets in Europe. At a later stage, activities in other countries of the Euromarket will also be possible. In this concept, car rental is regarded as a logical supplementation in order to be able to respond flexibly to the mobility requirement of the business market.

Car body repair slots in alongside car leasing and rental and is consistent with our strategy because this activity has growth potential plus an innovative and distinguishing character. The concept also has good potential for international expansion.

Organic growth in the Netherlands

Growth in turnover and market share for car leasing and rental is largely realized in the Netherlands by organic growth. Because of the concentration trend that has evolved in the market in recent years, takeover opportunities are rare. In view of the relatively strong market position that has been built up in the Netherlands, expansion by means of acquisition does not therefore have a high priority. The focus with regard to acquisition is on businesses abroad. Although the emphasis is on full service leasing, the Dutch lease companies are increasingly concentrating on off-balance contracts (fleet management and vehicle service contracts (repair, servicing and tyres)).

Geographic distribution of the number of employees (year-end)



In the case of car body repairs, management attention is concentrated on expansion of the chain, further professionalization of the conduct of the business and optimization of the marketing of the chain concept.

International expansion

In Belgium and Luxembourg, the car leasing and rental markets offer good growth opportunities. The focus in these countries is therefore on an increase in the volume of the leasing and rental portfolios, principally by organic growth.

In the French and German car leasing markets, operational leasing is continuing to develop, due in part by the ongoing trend in these countries to outsource non-core activities. Athlon consequently sees clear growth opportunities in these markets for professional services, backed up by ICT applications. For expansion the emphasis is therefore mainly on these countries, whereby the car rental activities are only offered in conjunction with leasing in the business market.

Internationalization of the car body repair chain concept is a major element in Athlon's strategy. In Belgium, the first moves towards controlled damage flow can be seen. Based on this trend, Athlon has made a start with the establishment of a car body repair chain in this market too. For the introduction of repair activities in Germany and France, the required market conditions were not yet present. Further investigation will be carried out in these countries to obtain a better understanding of developments in respect of the controlled damage flow.

Risk management

With its various operating companies in several countries, Athlon has a well-balanced portfolio with risks that can be distinguished per activity. In addition to the normal business risk, a number of specific risks may be mentioned, ensuing from the growth strategy

Financial risks

The financial risks are largely determined by restricted financing opportunities and interest risks. For Athlon, the main claim on financial resources is made by investments in the lease and rental fleet. Most of the lease cars have to be financed for a period of three to four years and rental cars for six to twelve months. For both financing categories, easy access to the capital and money markets is therefore essential. The use of alternative finance tools, such as commercial paper and syndicated loans, reduces the dependence on traditional credit facilities. In the near future, other finance instruments such as medium term notes and securitization of the lease portfolio will be employed. A clear strategic concept, good results, a sound capital position and, of course, timely compliance with redemption and interest obligations are important conditions in this regard. In order to control the financial risks, incoming and outgoing cash flows are matched as much as possible and the selected finance tools are coupled with the period in which these cash flows come in. In view of the relatively short period in which rental cars are operated, the evolution of the result is more liable to fluctuations than in the case of long-term lease contracts.

Operational risks

The operational risks differ per activity. The most important items for the lease fleet are the creditworthiness of the customer, the maintenance risk, the insurance risk and the risk with regard to the residual value of the car. The creditworthiness of a customer is carefully assessed on entering into an agreement with the aid of external information. The car provided to the customer also serves as security. For maintenance expenses, provisions are made per contract for repair, servicing and tyres. Given the size of the total lease portfolio, Athlon does not pass the insurance risk on to an insurer but bears the risk itself in order to generate a positive result. The risk with regard to the residual value of the cars coming from leasing and rental is limited by our company's know-how of the used car market. The proposed abolition of the Vehicle Purchase Tax in the Netherlands involves a specific risk, in that it could negatively affect the market value of used cars. However, it is customary in the sector to cover this risk in the lease contracts.

The rental activities involve several risks. Firstly, the purchasing risk, caused by inadequate matching of the purchase of cars, both in numbers and in model and price category, to market demand. In addition, rental activities involve the risk of suboptimal logistics planning, i.e. if the rental cars are not present at

the locations where they can be utilized. A general risk in connection with the cyclical character of the car rental market is underutilization over a longer period. As a result, the required degree of utilization is not achieved. The commissioning of automated car rental systems makes optimal fleet planning possible and limits both the logistics risks and the risk of underutilization.

Environmental risk

Environmental risks are involved in car body repair activities. These have been carefully assessed in the past years and a large number of clean-up operations have already been concluded. Athlon has reserved a sum of approximately € 2.0 million for current and future environmental sanitation and for future environment related investments. The operational risks in the environmental field are limited as much as possible by investments in preventive inspections, equipment and safety measures.

Shareholder information

Quotation

Athlon Groep N.V. is a public limited liability company with a two-tier structure under Netherlands law, whose ordinary shares with a par value of € 0.25 are listed and traded on Euronext Amsterdam. In that connection, use is made of the services of two liquidity providers, Rabo Securities and Dexia Nederland. Further to the Inclusion Agreement signed with Euronext, Athlon has been included in the Next Prime segment. By virtue of its market capitalization, Athlon is also one of the constituents of the Next 150 Index.

Capital and shares

The authorized capital of the company is € 20 million and consists of 25 million ordinary shares, 10 million cumulative preference shares, 40 million preference shares and 5 million convertible preference (financing) shares. All of these shares have a par value of € 0.25. The movements in the paid up and called share capital from 2000 are shown in the following table.

Movements in share capital	Number of ordinary shares	Number of cumulative preference shares	Par value €
Position at 1 January 2000	15,585,330	4,200,000	4,489,039
Number of options exercised	29,000		6,580
Position at 1 January 2001	15,614,330	4,200,000	4,495,619
Redenomination in euros			457,964
Number of options exercised	42,750		10,687
Position at 31 December 2001	15,657,080	4,200,000	4,964,270

At year-end 2001, the cumulative preference shares represented 21.2% of the total number of issued shares and are not listed on Euronext. In view of the fact that the acquisition price of these shares was below the stock exchange price of the ordinary shares, the voting right in proportion to the capital contribution has been restricted to 45% per share by means of a voting right agreement.

At the end of the past financial year on the 28th of December, an Extraordinary Meeting of Shareholders was convened and this resulted in an amendment to the Articles of Association of the company, which made the issue of financing convertible preference shares possible. After the balance sheet date, 1.3 million convertible preference (financing) shares were placed with Natexis subsidiary Bail Banque Populaire S.A. on 7 March 2002 as part of the cooperation between Natexis and Autop France in the field of full service lease. The acquisition price of these shares was € 17.50, more than 22% above the stock exchange price of the ordinary share on the acquisition date.

Options

The Stichting Continuïteit Athlon Groep N.V. (Continuity Foundation) has an option open, on the basis of an agreement for an unlimited period, for the issue to the Foundation of preference shares up to a maximum of 99.99% of the paid and called up capital (see page 76).

As a charge on the company, options for ordinary shares are issued to directors/managers and a limited group of senior staff. The object of this option scheme is to bring the interests of the company management and those of the shareholders into line with each other. This scheme makes it possible to give staff in key positions an additional merit award. This has a positive effect on the course of affairs at the company, also in the longer term, thereby enhancing the shareholder value. The award is made on 1 October, subject to the approval of the Supervisory Board, at a price that is equal to the closing price on 30 September. Each year, not more than 1.5% of the number of issued ordinary shares can be granted as options. The currency of the awarded options is five years. The options awarded since 1998 can in principle only be exercised after three years (see page 60 of the Financial Statements). The internal code of conduct 'Notification of and Rules for Transactions in Shares of Athlon Groep N.V.' applies to the option scheme.

The granted option rights outstanding at year-end 2001 are shown in the table below (see also page 60).

Year	Number awarded	Number outstanding	Price at which exercised (€)
1997	62,100	55,100	15.79
1998	92,450	84,200	22.28
1999	137,350	127,000	20.20
2000	142,350	131,200	13.65
2001	180,850	180,850	11.30

Principal shareholders

At 7 March 2002, the following holders of ordinary shares, cumulative preference shares and convertible preference (financing) shares (5% or more) were known to the company:

Delta Deelnemingen Fonds N.V.
 Delta Lloyd Levensverzekering N.V.
 Fortis N.V.
 Interfiducia Asset Management N.V.
 Interpolis N.V.
 Luplan Holding B.V.
 Bail Banque Populaire S.A.
 NPM Capital N.V.

Dividend policy

Athlon aims for a steady development of the dividend. Determination of the amount of dividend is based on the result on ordinary activities after tax. Taking this into account, the intention is to pay annually 35% of the profit available for ordinary shareholders in the form of a cash dividend. From 15 February 1999, the holders of cumulative preference shares (cps) will be paid a fixed cash dividend of 5.65% per annum for a period of 10 years. From 7 March 2002, holders of convertible preference (financing) shares will be paid a fixed cash dividend of 6.4664% for a period of five years.

Corporate governance

The management of Athlon is governed in the performance of its management duties by the interests of the company and its associated companies. This concerns many interested parties, both capital providers and employees, as well as, for example, customers and suppliers. In the longer term, these interests hardly differ at all. All stakeholders benefit from a policy directed at the longer term and continuity.

A good appreciation of the share is in the interest of all those involved. Increased attention for accountability on the part of the Supervisory Board and Executive Board, leading to better relations with the capital providers, can contribute to this. For Athlon, this is therefore one of the main items of policy.

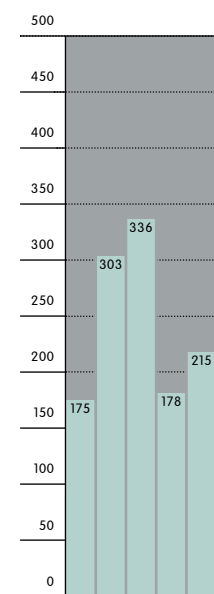
Investor relations

In the year under review, the Executive Board maintained intensive contacts with the capital market. Among other things, various analyst presentations were held in the Netherlands and abroad. In addition, numerous contacts were maintained with interested (institutional) investors on an individual basis.

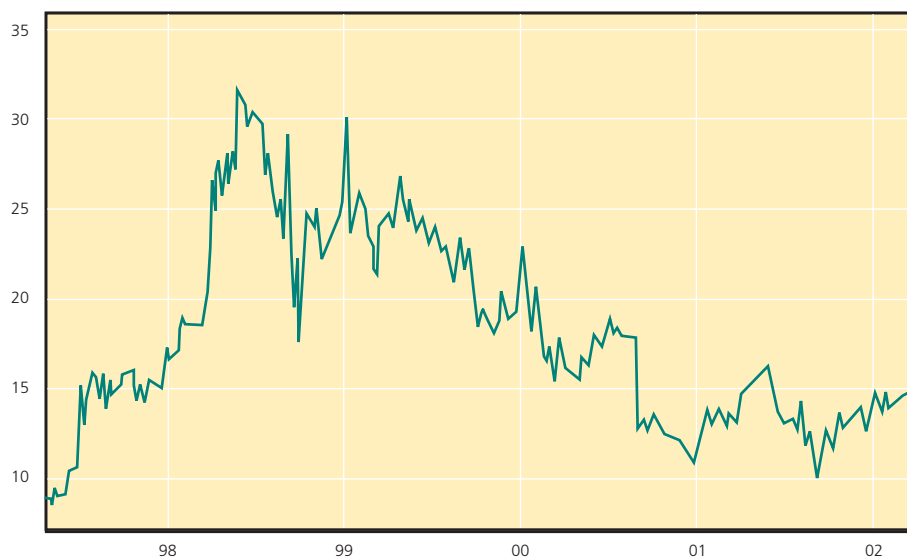
Athlon has obtained a rating from Standard & Poor's. With this rating the financing opportunities are expanded and the level of the capital costs reduced. For long-term arrangements the rating is BBB-minus and for the short term A-3. This makes Athlon the only Dutch local stock exchange fund with an investment grade S&P rating.

Price and turnover	2001 €	2000 €
Highest price	16.50	23.00
Lowest price	10.00	11.15
Price at year-end	13.75	11.40
Average daily turnover (double counting)	71,284 shares	57,955 shares
Average daily turnover (single counting)	39,393 shares	

Market value*
(x EUR million)



* Based on exchange quotation at year-end

Share price evolution of Athlon Groep N.V.**Financial agenda**

- 23 April 2002: General Meeting of Shareholders
- 25 April 2002: Ex-dividend quotation
- 2 May 2002: Declaration of dividend
- 27 August 2002: Publication of half-year figures for 2002
- 28 August 2002: Analysts' meeting for half-year figures for 2002

The agenda for the General Meeting of Shareholders can be found on the website (www.athlon.nl) and is also available at the head office of Athlon Groep N.V., Wieger Bruinlaan 98, Hoofddorp, the Netherlands, and will be sent on request (tel: (+31) 23 - 5615105). The meeting will be held at the Amstel Inter-Continental Hotel, Prof. Tulpplein 1, Amsterdam, beginning at 15.00 hours.

Graphic representation



Five-year review

(in €)

	2001	2000	1999	1998	1997
Consolidated balance sheet (x million)					
Cars for lease and rental	1,204.0	1,116.9	948.7	535.5	367.9
Other fixed assets	59.1	58.5	53.6	44.9	42.7
Current assets	217.1	166.2	162.8	104.3	56.5
	1,480.2	1,341.6	1,165.1	684.7	467.1
Shareholders' equity	136.0	108.5	109.5	62.0	56.5
Provisions	17.1	19.3	30.3	21.6	17.1
Long-term liabilities	461.9	403.6	349.0	196.7	170.1
Current liabilities 1)	865.2	810.2	676.3	404.4	223.4
	1,480.2	1,341.6	1,165.1	684.7	467.1
Liability capital:					
Shareholders' equity	136.0	108.5	109.5	62.0	56.5
Subordinated loan	31.8	31.8	20.4	27.2	13.6
	167.8	140.3	129.9	89.2	70.1
Consolidated profit and loss account (x million)					
Net turnover	1,260.8	1,146.7	916.8	604.0	407.2
Operating result	34.8	30.8	35.8	26.2	16.2
Income from investments	2.6	2.3	3.2	2.3	2.1
• Result before goodwill amortization and tax	37.4	33.1	39.0	28.5	18.3
Goodwill amortization	0.2	-	-	-	-
• Result on ordinary activities before tax	37.2	33.1	39.0	28.5	18.3
Tax	12.5	19.0	12.0	9.6	5.4
• Result on ordinary activities after tax	24.7	14.1	27.0	18.9	12.9
Extraordinary result after tax	8.4	2.4	-	-	-
• Net profit	33.1	16.5	27.0	18.9	12.9
Proposed profit appropriation (x million)					
Addition to reserves	19.9	4.1	15.0	12.3	8.0
Dividend					
* Preference	2.6	2.6	2.3	-	-
* Ordinary	10.6	9.8	9.7	6.6	4.9
Per cumulative preference share of € 0.25 nominal					
Number of issued shares	4,200,000	4,200,000	4,200,000	-	-
Preference dividend	0.62	0.62	0.54	-	-
Net asset value	6.85	5.48	5.53	-	-
Per ordinary share of € 0.25 nominal					
Number of issued shares	15,657,080	15,614,330	15,585,330	11,946,970	10,867,970
Earnings 2)	1.95	0.89	1.79	1.58	1.19
Dividend	0.68	0.63	0.63	0.55	0.42
Net asset value	6.85	5.48	5.53	5.19	5.20
Share price at year-end	13.75	11.40	21.55	25.37	16.08
Share price/earnings ratio at year-end	7.05	12.81	12.04	16.06	13.51
Employees (number at year-end)	2,623	2,462	2,295	1,659	1,261

1) Current liabilities include subordinated loans.

2) For 1999 to 2001, inclusive, calculated on the basis of the average number of shares.

Board

Supervisory Board

A.J. Kranendonk, chairman (1930)

Nationality: Dutch
 Supervisory Board memberships: S.C. Johnson Polymer Nederland B.V.,
 Lankhorst Touwfabrieken N.V.,
 Dokkumer Vlaggen Centrale B.V.,
 De Hooge Raedt Groep.
 First appointment: 1980.
 Current term: 2000 to 2002.
 Holding of shares of Athlon Groep N.V.: none.

A.W. Veenman (1947)

Nationality: Dutch.
 Present position: chairman of Management Board of Stork N.V.
 Supervisory Board memberships: Koninklijke Ten Cate N.V., DHV Beheer B.V.,
 Supervisory Council of TNO, Rabobank.
 First appointment; 1996.
 Current term: 2000 to 2004.
 Holding of shares of Athlon Groep N.V.: none.

O. Heijn (1949)

Nationality: Dutch.
 Present position: director of Plevier Beleggingen B.V.
 Other positions: supervisor of Japan Asia Venture Fund,
 member of Supervisory Council of
 Albert Heijn Vaste Klantenfonds.
 First appointment: 1994.
 Current term: 2001 to 2002.
 Holding of shares of Athlon Groep N.V.: 133,860.

C.D. van der Vijver (1947)

Nationality: Dutch.
 Present position: participation supervisor of NPM Capital N.V.
 Supervisory Board memberships
 include: Cebeco Groep B.V., Computer Services
 Solutions Holding N.V., Holland Railconsult B.V.,
 Koninklijke Frans Maas Groep N.V.,
 Westland Kaas Groep B.V.
 Other positions: chairman of the Board of Directors of Bloemen-
 bureau Holland (Flower Board Holland).
 First appointment: 2001.
 Current term: 2001 to 2003.
 Holding of shares of Athlon Groep N.V.: none.

The Supervisory Board members have no business relations with Athlon other than their Supervisory Board membership. None of the Supervisory Board members holds a management position with the company.

Executive Board

H. Bierstee, chairman (1946).

Employed by Athlon since August 1993.

Specific areas of attention: strategy, Investor Relations/communication, P&O, car body repair in the Netherlands.

M.J.M.R. Claus (1945)

Employed by Athlon since October 1991.

Specific areas of attention: car leasing, car rental and car body repair in Belgium, France and Luxembourg.

N.M.P. van den Eijnden (1959)

Employed by Athlon since May 1994.

Specific areas of attention: car leasing and car rental in Germany and the Netherlands.

J. Slootweg (1957)

Employed by Athlon since May 1992.

Specific areas of attention: finance, treasury and ICT.

J.W. Verouden (1942)

Employed by Athlon since November 1965 to 1 April 2002.

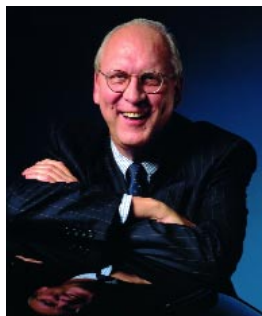
Specific areas of attention: dealerships, real estate and environmental matters.

Company secretary

J.E. Demper (1951)

Employed by Athlon since January 1988.

Chairman's statement



Rejuvenation

The expression 'To stand still is to fall behind' is one to which we give a very broad meaning and it is also applicable to Athlon. Constantly rejuvenating, growing and exploiting new opportunities are what every entrepreneur ought to do. In more than one respect, the past year was one in which there was certainly no question of standing still for Athlon. Reinforcement of the Executive Board, reorientation of our strategy, the sale of the dealerships and, notwithstanding a deteriorating economic climate, success for our lease companies and car body repair companies. They frequently scored appreciably better than the market average. In a word, achievements that give us every confidence in the future of Athlon.

Besides all these positive points there is also a 'but'. And that concerns car rental. 'Standing still' coupled with rising costs was unfortunately - due to circumstances - literally the case in 2001 for the entire car rental sector. We all suffered from it, not only Athlon but our competitors too. The reduced economic activity had already been felt for some time. On top of this, the tragic events of 11 September led to an even sharper downturn in passenger and tourist traffic for airlines, hotel accommodation and car rental at airports.

Although this is not specifically the market in which Athlon is active, it did have repercussions for our car rental activities. Our markets were inundated with rental cars that had become surplus to requirements at airports. In a market that was already suffering from falling demand with the corresponding pressure on prices, these unforeseen circumstances served to increase the capacity of car rental providers in the market where we are active. In conjunction with this, both the recovery process of CC Raule and the proposed sale of that company were delayed.

In 2001, Athlon said farewell to its dealers. This was an understandably emotional event because it meant saying goodbye to the roots of the group dating back to 1916. The sale marked the end of a period characterized by a long and proud heritage. In this financial year, the results of the dealerships are included for the last time.

Attention for the setbacks in the rental sector should not be allowed to detract attention from Athlon's positive attributes. Lease activities were already - in total assets, turnover and results - by far the most important cornerstone of the company. The sale of the dealerships has resulted in a further shift in the character of Athlon towards the much less cyclical core activity, car leasing. The strong growth in the volume of contracts at the various lease companies of Athlon and the excellent developments and prospects of CARE Schadeservice mean that Athlon can look to the future with every confidence.

At the beginning of the year under review, the Executive Board was reinforced with three members, each of whom has in-depth experience in our organization. Michel Claus was responsible for the lease and rental activities in Belgium and France; Norbert van den Eijnden was formerly director of Interleasing Nederland; and Jan Slootweg previously held the post of Group Controller. With these appointments, the operational know-how and competence is assured at the highest level.

Athlon's success is highly dependent on the efforts and achievements of its employees. I therefore take this opportunity, also on behalf of my colleagues on the Executive Board, to thank all the staff - and in view of the exceptional year that we have experienced, in particular those of the dealerships - for the contribution they have made in the past year.

H. Bierstee, chairman of the Executive Board

Report of the Supervisory Board

We herewith present the financial statements of Athlon Groep N.V. for 2001 for adoption as drawn up by the Executive Board and approved by us. These financial statements have been audited by KPMG Accountants at our request. The Auditor's Report can be found under 'Other information' on page 74.

We propose that you adopt the 2001 financial statements. We also propose that the members of the Executive Board be discharged of liability for their actions in the year under review according to the financial statements and the members of the Supervisory Board for their supervision. The profit appropriation in accordance with the Articles of Association is shown on page 75. We recommend that you to accept the dividend proposal of the Executive Board and set the dividend on the ordinary shares for 2001 at € 0.68 per ordinary share with a par value of € 0.25.

At the General Meeting of Shareholders on 21 May 2001, Mr O. Heijn retired according to the schedule and was reappointed for a period of one year. Mr G.J.M. Teeuwen also retired from the Board pursuant to the rules imposed by NPM Capital N.V. Mr C.D. van der Vijver was appointed as his successor for a period of two years. The different periods of appointment are designed to achieve an equable spread in the schedule of retirements and (re-)appointments of Supervisory Board members.

According to the schedule, Mr O. Heijn is again due to retire this year. He is available for reappointment.

Moreover, Mr Kranendonk will have to retire at the forthcoming General Meeting of Shareholders on reaching the official retirement age for Supervisory Board members. Mr Kranendonk has been a member of the Supervisory Board of the company since 1980, serving the last eight years in the position of chairman.

In the discharge of his duties as a member of our Board, Mr Kranendonk exerted a powerful influence as an experienced strategist and marketeer, professional abilities that he employed both in his advisory and supervisory roles for the benefit of the company. As chairman he was not only the mentor of our Board but at the same time an outstanding trait d'union to the Executive Board; his binding force and sense of humour were invariably found to be important tools in that regard. We would like to express our appreciation and gratitude to him, also on behalf of the company.

We intend to reappoint Mr O. Heijn for a period of four years at the General Meeting of Shareholders on 23 April next.

We consider ourselves fortunate that we have been able to fill the second vacancy on the Board in the person of Mr C.J. Brakel. We therefore intend to appoint Mr Brakel to the Supervisory Board of the company on 23 April next for a period of three years.

After an initial familiarization period, he will take up the position of chairman with effect from 1 January 2003. Until that date, Mr A.W. Veenman will officiate as chairman.

The personal details of the two persons proposed are shown on the back of the agenda for the forthcoming General Meeting of Shareholders. The works councils have meanwhile assented to the proposed (re-)appointments. The shareholders' meeting has the right to object and the right to recommend other candidates.

On 1 March 2001, the Executive Board was expanded by the appointment of Mr M.J.M.R. Claus, Mr N.M.P. van den Eijnden and Mr J. Sloomweg as members of the Board. This expansion to five members also anticipates the departure, on account of retirement, of Mr J.W. Verouden on 1 April 2002.

Mr Verouden was appointed to the Executive Board on 1 May 1986. Previously he had held various commercial and management posts for many years at several dealerships of the company.

The strategy change in mid-2001 marks the end of an era in the history of the company, which was founded in 1916 as a car company under the name of Riva. In this period, which was characterized by development and growth, Mr Verouden played an important role for nearly 37 years. We would like to thank him for the untiring devotion he has given to the company, which has helped to make it what is today.

2001 was the year of the greatest strategic change in the history of the company; one that has drastically changed the character and profile of the company by making an emphatic choice for (international) car leasing and car body repair. The intensive exchange of views on this with the Executive Board, and the underpinning given to this decision by that Board, led us to accept this management choice. Arguments such as international growth potential and the less cyclical nature of these activities were decisive in that regard.

The financing of the company demanded considerable attention throughout the whole of the year under review. This led to a medium-term notes programme being set up and the acquisition of a second syndicated credit facility. The participation of the French bank Bail Banque Populaire in the share capital of Athlon may also be mentioned in this light.

After years of investments in the various activities of the company, proposals for the disposal of the dealerships and real estate were regular items on the agenda of our Board in the past year. In this connection, the members of the Supervisory Board are closely following the efforts that are being made to conclude a sale of the German car rental company CC Raule.

Altogether, we met seven times with the Executive Board in the year under review. Apart from the usual subjects, special consideration was given to the strategy and the long-term planning. At the discussion of the 2000 annual results in March and the 2001 half-year results at the beginning of September, the company auditor was present.

The state of affairs at the company in the past year evokes mixed feelings. On the one hand, notwithstanding the reduced economic activity, we have the extremely good performance of the car lease and car body repair activities; on the other hand, several items demand ongoing attention, such as the financing of the growth of the activities and the mediocre performance of the rental activities. Continuous analysis of risks and adequate functioning of the management processes and management systems remain an ongoing and undiminished necessity. Although the current requirements in these areas have been achieved through major efforts of the management and employees, further improvement is essential and still represents a great challenge.

Hoofddorp, 7 March 2002

Supervisory Board

A.J. Kranendonk

A.W. Veenman

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Report of the Executive Board

Financial results and capital

2001 was a special year for Athlon in more than one respect. It is the last year in which the dealerships, which have since been sold, are included in the result. The profit objectives were achieved but the negative development of the rental company CC Raule in Germany has not yet been reversed and the proposed sale of the company has not been realized due to the deteriorating market conditions. The Dutch and French car rental companies were likewise confronted with strong underutilization as a result of the reduced economic growth. However, a very positive impact was had by the results of the lease activities, the strong growth in the volume of lease contracts and the good results of the car body repair activities. This also establishes a strong foundation for the growth of the results in future years.

Athlon realized a consolidated net turnover of € 1,261 million in the year under review (2000: € 1,147 million). The increase of 10% was mainly organic. Of the consolidated net turnover, 45% was realized abroad (2000: 46%).

Increase in the results on balance

The sustained losses at CC Raule (operational loss € 8.1 million) depressed the profit development considerably. Nevertheless, the operating result rose by 13% to € 34.8 million (2000: € 30.8 million). The result on ordinary activities before tax and goodwill amortization likewise rose by 13% to € 37.4 million (2000: € 33.1 million).

The tax burden fell sharply from 57.4% to 33.6%. The high tax burden in 2000 was due to the non-recurring write-off of active deferred tax amounting to € 4.9 million in connection with the decision to sell CC Raule.

The net profit amounts to € 33.1 million (2000: € 16.5 million). This includes the positive balance of the extraordinary income and expenses after tax totalling € 8.4 million (including, on the positive side, the book profit on the sale of the Amstel III real estate complex of € 6.8 million and the dealerships of € 8.4 million and, on the negative side, writing down the value of the CC Raule car fleet of € 6.8 million).

Owing to the decision taken at the beginning of 2001 to sell CC Raule, a statement without CC Raule gives a better picture of the financial position of Athlon on the basis of the group's core activities (including, for 2001, the dealer activities). Excluding CC Raule, the result on ordinary activities before goodwill amortization and after tax is € 33.0 million (2000: excluding CC Raule, € 30.5 million). This increase of 8.0% was almost entirely organic.

Cash dividend of € 0.68

Holders of cumulative preference shares will be paid a fixed cash dividend of 5.65%, or € 0.62 per share. Taking account of these dividend entitlements, the available profit for ordinary shareholders is € 30.5 million (2000: € 13.9 million), bringing the profit for the year per ordinary share to € 1.95 (2000: € 0.89).

It is proposed that a cash dividend of € 0.68 per ordinary share with a par value of € 0.25 be paid. If this proposal is adopted unchanged, € 19.9 million will be added to the general reserves.

Increase in liability capital to € 168 million

Total assets at year-end 2001 were € 1,480 million, an increase of € 139 million compared with year-end 2000. The influence of acquisitions and disposals on the balance sheet amounted to a negative balance of € 16 million. The subordinated loan of € 31.8 million taken up in 2000 runs until April 2002. After adjustment of goodwill and before profit appropriation, shareholders' equity increased by € 27.5 million to € 136.0 million. The liability capital was therefore € 167.8 million at year-end 2001.

On 7 March 2002, shareholders' equity was reinforced by € 22.75 million following the issue of convertible preference (financing) shares to Bail Banque Populaire.

Increase in solvency

For the interpretation of the financial position of Athlon, it is essential to make a distinction between the capital-intensive activities (car leasing and rental) and the other activities (dealer activities and car body repair). Owing to their capital-intensive nature, the leasing and rental activities exert a considerable influence on the balance sheet and the solvency. These activities have a relatively predictable cash flow. A solvency ratio of 8% (liability capital/total equity) - as is customary in the banking sector - is therefore sufficient for car leasing and rental. The other activities (dealers and car body repair) make higher demands on the liability capital. The Dutch association of car dealers, BOVAG, quotes a standard of 25% for car leasing and rental. Athlon sets a solvency standard of 30% for these activities.

Since Athlon 'allocates' 30% of shareholders' equity as a fixed norm for the dealer and car body repair activities, an annually changing percentage is left for the leasing and rental activities. Owing to growth, this ratio can fluctuate but in the past years it has remained above the banking norm of 8%. In the following table it can be seen that at year-end 2001 the solvency ratio for the financial activities of Athlon was 10%.

31 December 2001 before profit appropriation	Total Group	Car leasing and rental activities	Other activities
Total assets (in € million)	1,480	1,388	92
Shareholders' equity (in € million)	136	108	28
Liability capital (in € million)	168	140	28
Solvency (%)	11	10	30

In line with the changed regulations for the treatment of goodwill in financial statements, Athlon shows goodwill as an asset on the balance sheet and then writes it off. Showing goodwill as an asset on the balance sheet makes invested economic capital more visible. However, on appraising the performance of a company the result before amortization of goodwill is usually looked at.

Liquidity

The item Cars for lease and rental has a major influence on the balance sheet. The turnover rate of these assets is high. The average remaining currency of the lease cars is about two years. For rental cars this is four months, based on a total currency of at most one year. The investments for these items are financed with loans. The period of these loans is coupled to the currency of the lease contracts and the duration of operation of rental cars, respectively, which therefore have a short-term character.

The distribution of the cash flow expected from lease and rental contracts outstanding at year-end 2001 is as follows:

0-12 months	€ 479 million
13-24 months	€ 316 million
25-36 months	€ 264 million
37 months and longer	€ 145 million

Taking account of the cash flows generated by lease and rental contracts in 2002, the operating capital is composed as follows:

Stocks	€ 13 million
Receivables and cash at bank and in hand after deduction of deferred tax assets	€ 204 million
Cash flow in 2002 from lease and rental contracts	€ 479 million +
	€ 696 million
Current liabilities	€ 865 million -/-
Operating capital	€ (169 million)

The negative operating capital is due to the introduction of a syndicated loan facility with a yield of € 155 million and a term of one year in October 2001. This loan will be refinanced in the course of 2002 with the revenue from the securitization programme.

Current liabilities increased in 2001 by € 55 to € 865 million. Bank overdrafts included in this figure were € 44 million. All the rental cars are short-term financed as they are sold within one year.

The payments made by customers for the depreciation in value of leased and rented cars, as well as the income generated by selling the cars on expiry of the lease contracts, set off against the investments in new lease and rental cars, are shown in the cash flow statement on page 51. The cash flow statement shows a negative balance as investments exceeded the incoming cash flow. This is mainly due to the growth of the number of lease contracts. The resources required for this were made available by our bankers with the proviso that Athlon's solvency standards are not exceeded. The solvency statement shows that these standards are met (see the solvency overview on page 22).

Treasury

As in past years, treasury policy focuses on acquiring attractively priced capital, covering risks and matching the periods of loans and contracts. Since Athlon only operates in countries within the Eurozone, the results are not affected by exchange rate fluctuations.

By selecting comparable loan periods, the interest charges on the loan capital are matched as closely as possible to the interest income generated by car leasing and rental. Caps and interest rate swaps are used in addition to these loans to achieve this match. These tools are only used to hedge against interest rate risks. Continuous matching is required owing to deviations in the expected term of the lease contracts that can arise because of premature contract cancellations or renewals.

The interest risks associated with the rental activities are caused by the short-term character of rental contracts and the fluctuations in the size of the rental fleet. Changes in the money market interest rates cannot be charged directly in the rental rates.

Derivatives	Year-end 2001	Year-end 2000
Interest Rate Swaps	€ 255 million	€ 171 million
CAPS	€ 33 million	€ 45 million

On account of the higher cost of credit facilities, Athlon is focusing on alternative forms of finance, such as commercial paper and syndicated loans. Following an initial syndicated loan in March 2000 (€ 230 million with a term of 3.5 years), a new facility with a yield of € 155 million and a term of one year plus a renewal option was taken up in October of the year under review. The commercial paper programme has a maximum capacity of € 250 million and terms ranging from two weeks to two years less one day. The amounts taken up fluctuate over the year. At year-end 2001, the amount taken up under the commercial paper programme was € 55 million.

The investigation into the possibility of reducing the finance burden by securitization of the finance charges is in an advanced stage.

Car leasing and rental

Lease markets are growth markets Although the car leasing markets in the Benelux are relatively mature, they are still clearly showing structural growth. The French market is still developing strongly and is showing higher growth figures, although the volume is still relatively low. In Germany, the operational lease volume is still limited and the market consists principally of financial lease. The growth of the operational lease segment is still lagging behind expectations to some extent.

The car rental markets were confronted with a greatly reduced economic growth in the past financial year. This was dramatically influenced by the

events of 11 September, resulting in a substantial decrease in demand for rental cars and a considerable fall in the degree of utilization. The resulting overcapacity at car rental companies led to huge pressure on prices. Shorter delivery times for many car makes and the consequent reduction in the need for replacement transport in the form of rental cars likewise had a negative impact on demand.

In comparison with the rest of the European continent, companies in the Netherlands lead in contracting out non-core activities. This also concerns contracting out fleet management and the conclusion of lease contracts. Over 90% of the lease contracts in the Netherlands relate to operational lease contracts. In Belgium, this figure is about 75%. In both Germany and France, a shift can be seen from financial lease to full service lease. Until recently, the trend towards contracting out fleet management in these countries was still in the starting blocks. Now, however, there is an increasing trend for companies in these countries to contract out non-core activities. Full service lease represents almost 45% in France and about 25% in Germany of all lease contracts. Partly for this reason, the situation in Germany and France offers growth opportunities for providers of flexible car mobility for business users.

Leasing and rental in figures The market share of Athlon in operational leasing and fleet management is approximately 10%, both in the Netherlands and Belgium/Luxembourg. In France and Germany, the market share is still modest. In France, the network of outlets now covers virtually the whole country in what is still a very fragmented market.

Altogether, Athlon has a portfolio of 100,800 (+15%) lease contracts and a fleet of 13,200 (-13%) cars for rental.

	Total fleet (x 1000)	Business use (x 1000)	Operational lease market (x 1000)	Rental market	Athlon lease*	Athlon rental*
Netherlands	6,900	1,215	550 (+9%)	57,000 (+5%)	55,500 (+16%)	3,900 (-1%)
Belgium/ Luxembourg	4,650	750	253 (+14%)	20,000 (-15%)	19,500 (+13%)	1,100 (-21%)
France	26,000	6,800	1,100 (+10%)	135,000 (+12%)	8,200 (+13%)	5,000 (-8%)
Germany	45,300	5,000	460 (+7%)	170,000 (0%)	17,600 (+14%)	3,200 (-26%)
Total	82,850	13,765	2,363 (+9%)	382,000 (+3%)	100,800 (+15%)	13,200 (-13%)

* incl. share of Unilease in the Netherlands and Belgium (50%)

The market figures shown in the table are based upon information from Datamonitor, sector organizations and estimates.

Market segmentation In order to compensate for the pressure on margins, lease companies are focusing on economy of scale, cost reductions, improved efficiency and a wider product range, among other things by the use of advanced informatics. Where this last point is concerned, in particular, Athlon has a head start on other lease companies.

In the Netherlands, Athlon has two large lease companies that focus on different customer target groups. Interleasing Nederland concentrates mainly on larger customers operating on a national scale. Hiltermann Groep has a nationwide network that serves large, medium-size and smaller companies in the various regions. The Dutch rental activities AXXI Autoverhuur and Hiltermann Rental Service were integrated in a single company (AT•RENT) in the course of the past financial year.

CC Raule At the beginning of the past financial year, the decision was taken to sell the German car rental company CC Raule for strategic and operational reasons. The objective of developing this car rental company after the takeover in 1998 into an activity integrated with car leasing has not been realized. After an initial growth period, the German rental market was then faced with a number of market restricting developments that put pressure on the results of CC Raule in further declining economic circumstances.

The developments were strongly influenced by the events of 11 September and had far-reaching consequences for CC Raule. The sales negotiations, which had reached an advanced stage, were broken off. The potential buyer - with whom Athlon was about to sign a Letter of Intent - decided not to go ahead as a result of the above-mentioned events. Contacts with other potential buyers likewise failed to result in an agreement. The further deterioration of the market at the end of 2001 resulted in a continuation of the loss-making situation. The operational loss of CC Raule amounted to € 8.1 million.

State of affairs regarding car leasing and rental

Car leasing and car rental reported sharply different results in the year under review. In these activities, a convincing 15% rise in turnover to € 956 million (2000: € 828 million) was jointly realized, despite the fact that the group's car rental companies were negatively affected by the poor market conditions, especially after 11 September. This growth was largely organic. The result before tax, including the 50% participation in Unilease, rose from € 24.9 million to € 28.4 million (+14%). If the results of CC Raule in 2000 and 2001 are left out of consideration, the result before tax is € 36.5 million (2000: € 36.4 million).

Substantial improvement of the car leasing result In the Netherlands, the Athlon lease companies managed to increase the contract portfolio by over 16% to 55,500. As a result, a considerably higher turnover and considerably higher results were realized. The 50/50 joint venture "Wagenplan" of Interleasing Nederland and Centraal Beheer Achmea became operational in the past financial year.

In Belgium and Luxembourg, the leasing activities showed a growth in the number of contracts by 13% to 19,500. A substantial part of this growth was achieved in contracts with both local and national authorities. Thanks in part to a further improvement in productivity per employee, the lease companies in the Benelux together achieved a substantially better result in the past financial year than in 2000.

The growth of the French leasing activities was 13%, thereby increasing the total number of lease contracts to 8,200. The development of the result was in line with this volume increase. In December of the year under review, Autop France concluded a joint venture agreement with the Natexis subsidiary Bail Banque Populaire for the purpose of cooperating in the field of full service car leasing. The new company will look after the back office activities for the lease companies of the two partners.

In Germany, the lease companies AV Leasing and Autop Deutschland showed positive development. The number of contracts increased by 14% to 17,600. There was a substantial increase in the result, mainly due to the contribution of AV Leasing.

The used car market - important for the amount of the residual value of ex-lease cars - was fairly stable. Interleasing Nederland has become a member of the Dutch association of car dealers, BOVAG, thereby becoming the first lease company in the Netherlands that can offer used cars under the BOVAG warranty.

Unilease Nederland, in which Athlon has a 50% interest, realized an increase of 9% in the contract volume to 9,455. Unilease Belgium, a subsidiary of Unilease Nederland, grew by 22% to 2,047 contracts. The Unilease companies achieved an appreciably higher result in the past financial year than in 2000.

E-business The most important application of e-business at the lease companies is offering access to their own internal systems via an external 'layer' for the customer - drivers and fleet managers. With this system, customers can follow and interactively control practically the entire leasing process online. This includes the ability to consult detailed car and contract information, to make costings, prepare quotes and place orders. The customer himself can initiate and complete information flows and transactions (including costings, invoices and the purchase and servicing of the car). The customer can obtain up-to-date management information at any time, such as a detailed overview of the car fleet, cost developments and orders for new lease cars.

These facilities not only generate cost savings, both for the customer and the lease company, but also enhance the service potential; this is borne out in practice, which shows that a substantial proportion (30%) of online consultations take place outside office hours.

With the advanced Autopnet system, Autop Germany has a leading role and has won several prizes with the system in Germany. Autopnet is regarded as the benchmark in the lease market.

Car rental under pressure In the operation of the car rental companies, Athlon's prime focus is on rental activities that are coupled with and are a natural extension of leasing. This concerns applications such as pre-delivery cars in lease contracts, short-term lease or replacement transport for business customers of the lease companies.

The deteriorating economy in the Western European countries had a very negative effect on the car rental markets. Declining car sales contributed to shorter delivery times for many car makes. This resulted in less frequent and shorter-term market demand for pre-delivery (rental) cars in lease contracts. The terrorist attacks of 11 September and the subsequent unprecedented decrease in passenger traffic led to a huge overcapacity of rental cars, especially at airports. These cars were subsequently offered for rental on local markets at greatly reduced rates. In the first two quarters of the year under review some evidence of a downturn could already be seen. This continued in the last quarter and was dramatically influenced by the events of 11 September.

The decision taken earlier to integrate the Dutch rental companies AXXI Autoverhuur and Hiltermann Rental Service in a new company, AT•RENT, was effected in the year under review. Following the integration of the two companies, a car rental business was created with nine outlets and a fleet of 3,900 cars.

In the Netherlands, a sharp fall was noted in the rental market in the second six months of the year under review. Partly because of the delayed introduction of the new information system, plus the management attention required by the integration of the two companies, there was a tardy response to the changed market conditions. Consequently, the results were slightly negative. Suitable measures have since been taken, including a reduction of the car fleet (3,400 cars at the end of February 2002).

However, it may be noted that the companies in Belgium responded alertly to developments in the market. The rental fleet was promptly reduced to 1,100 cars. The results were positive, in line with expectations.

As in the Netherlands, the French rental company was confronted with difficulties in the introduction of the information system and negative market developments, especially after 11 September. The result was similar, i.e. underutilization of the rental fleet. The problems with the information system were particularly felt in the first half of the year under review. The measures that were subsequently taken proved effective and as from July the system was functioning in accordance with the requirements set by Autop. As a result of the developments outlined above, the rental activities in France likewise ended the year with a slightly negative result. Thanks to the ongoing integration, the rental companies in France are operating more and more as a single rental company. The rental fleet was reduced to 5,000 cars.

Car body repair

Market developments in the Netherlands The volume of the car body repair market in the Netherlands is relatively stable and, measured in euros, it increased slightly in 2001 to approximately € 1.2 billion. The stability of the damage volume is caused by two counterbalancing developments. The national vehicle parc, and hence the traffic intensity, too, is continuing to grow. This growth is causing an increase in the damage volume. On the other hand, there are the traffic reducing and safety promoting measures being taken by the authorities, such as the construction of speed bumps and roundabouts plus more stringent speed checks. Naturally, these measures tend to diminish the volume and frequency of road traffic accidents.

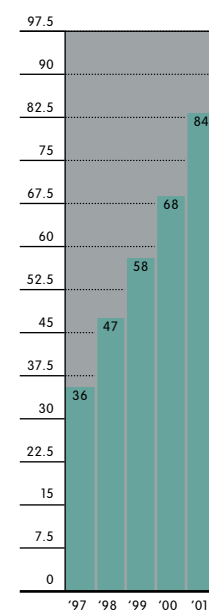
The slight growth of the car body repair market, measured in euros, from € 1.1 billion to € 1.2 billion in the past financial year, was mainly caused by price increases due to higher inflation, the introduction of an ecotax and an increase in the average cost of body repairs owing to the increasing technical complexity of vehicles.

Controlled flow of body repairs CARE Schadeservice, Athlon's car body repair chain, focuses mainly on the controlled flow of body repairs in the business market. This refers to repair work offered directly by insurance companies, lease companies and fleet owners to selected car body repairers. This controlled flow of body repairs showed strong growth from € 500 million in 2000 to € 580 million in the year under review. There are various reasons for this strong growth. Insurance companies have had positive experience in recent years with controlled car body repairs. On the basis of these favourable experiences, the insurers have also started with the controlled flow of damage for cars with Third Party Plus insurance. In addition, the volume of controlled car body repairs from lease companies increased following the growth of the lease fleets.

Strong market position Owing to the growth of the controlled flow of body repairs within the overall car body repair market, the number of providers focusing on this business segment of the market has increased in recent years. There are now a few national networks in this sector, mostly operating through a franchise or cooperative structure. Owing to a lack of support services and central control, however, most of the franchise chains have so far not been successful.

To get a better grip on the costs and quality of the car body repair process, a number of insurance companies have made a start with the development of control concepts in recent years. Under these concepts they select a number of universal car body repair shops and dealer related companies and send their damaged vehicles to them. Furthermore, a number of car importers have started their own car body repair concepts in the past period. These car body repair companies are promoting their services more intensively and focusing on their own dealer networks more and more intensively. As a result, competition

Turnover of car body repair (x EUR million)



in this sector has increased. However, these damage repair concepts likewise fail to meet all the requirements of the business market because they are tied to a single brand and offer inadequate national coverage.

State of affairs at car body repair companies

The car body repair companies in Belgium and the Netherlands ended the year with favourable results. The turnover amounted to € 84 million, while the result before tax and goodwill amortization was € 5.6 million.

After the disappointing results in 2000, the year under review was a good year for the CARE Schadeservice chain in the Netherlands. The turnover grew by 20% from € 68.0 million to € 81.4 million. Of this growth in turnover, 13% was organic and 7% came from acquisitions. The average turnover per outlet showed an increase from € 1.67 million in 2000 to € 1.81 million in the year under review. The result before tax and goodwill amortization increased substantially and the organization finished the year 62% higher at € 5.2 million (2000: € 3.2 million). The increase in profit at CARE was due to improvements in the internal organization, higher margins through selling more workshop hours, and relatively less parts replacement. The costs related to the environmental investments that have been made over the past several years could not be included in the prices charged by the group in previous years. With the introduction of the ecotax in 2001, however, CARE was able to recuperate part of these investments. Apart from the ecotax, other contributions to the improvement of the result were made by organic growth, the increase in the repair rates implemented in 2001 and higher efficiency.

In the past financial year, CARE Schadeservice further expanded the chain with the opening of outlets in Wieringen and Roosendaal. The CAREXPRESS concept, which focuses on one-day repair of minor damage, has resulted internally in the organizational separation of one-day repairs from more extensive damage. At the outlets in Amsterdam, The Hague and Utrecht, departments for short-term repairs have now been set up.

E-business CARE finalized the multi-year ICT project 'TUNE' in the year under review. This system focuses on making management information accessible to clients and the CARE management and on controlling repair costs. TUNE combines an intranet, an extranet and the Internet, thereby making information in CARE's central database accessible to business customers, drivers and the organization's own staff. The system offers many possibilities, for instance round the clock access to lead times and damage repair schedules, damage dossiers and a survey of customer satisfaction. Clients also have access to their invoices, (historical) costings and the average amount of damage repair for their fleet. In its ultimate form, TUNE offers the possibility of making cost agreements for damage repair at fleet level, without the intervention of damage assessors. Thanks to the total overview of damage management of an entire fleet, CARE can now progress from single object to multiple object damage management of car fleets.

Development of the car body repair chain in Belgium In the past period a start was also made with the controlled flow of body repairs in Belgium. The background to this is that, in the first place, owners of commercial vehicle fleets and lease fleets are increasingly doing their own repairs instead of insuring them with insurance companies. Secondly, insurance companies want to have more influence on the amount of damage and the quality of the car body repairs. These were important signals for Athlon to start with the development of a car body repair chain in Belgium in the year under review. In 2001, majority interests were acquired in three car body repair companies. A turnover of € 2.5 million and a result of € 0.4 million before tax and goodwill amortization were realized on these activities. Our objective is to add three or four car body repair companies to the Belgian chain in the current financial year.

Dealerships

Further to its strategic reorientation, Athlon Groep has decided that dealer activities (including dealer lease) are no longer regarded as core activities of the group. The background to this decision is the limited potential for growth and internationalization. Moreover, the dealer activities are increasingly generating less synergy with the other core activities of the group and they are cyclical in nature. On the basis of this reorientation, the decision was taken to sell the dealer activities. The contract of sale was signed with Stern Groep on 12 November 2001 and the dealerships were transferred to their new owner on 2 January 2002.

State of affairs at dealerships

Sales of new passenger cars decreased in most countries of Western Europe. In the Netherlands, this decrease continued particularly strongly in the fourth quarter, resulting in an overall downturn of 12% over the year. The turnover of the Athlon dealerships (inclusive of dealer lease) fell in the past financial year by 9% to € 260 million (2000: € 285 million). The result before tax decreased by 18% to € 4.2 million. The Athlon dealers sold a total of 5,500 new cars (-17%) and 4,900 used cars (-18%). For new cars, 10% of this decrease was organic (16% for used cars).

The margins on sales of new and used cars, as well as the margin on the after-sales activities (as a percentage of the turnover) remained practically unchanged. The indirect costs, however, decreased less than the turnover. In the year under review, the dealers again realized a slight increase in labour productivity. The dealers' joint lease and rental portfolios amounted to approximately 2,200 contracts.

At the start of the past financial year, the acquisition was finalized of the VW/Audi dealer Joh. De Vries, with branches in Purmerend and Volendam, and the associated lease company Purmer Lease. In April 2001, Athlon sold the Opel dealer Aura in Amstelveen.

ICT

For both of Athlon's core activities, car leasing and rental and car body repairs, ICT is a strategic factor in the further expansion of the services provided by group companies. To support the operating companies, the use of new tools and techniques is being coordinated at group level.

Further progress was made at the lease companies with the automation of business processes. The Athlon Groep's policy is that all the lease companies in the Benelux are to use the Atlas lease system as standard.

In the past year, the back office system developed by Athlon Groep was installed at Hilterman. Interleasing Belgium also made a start in 2001 with the transition to Atlas. Atlas is scheduled to be fully operational at Interleasing Belgium in 2002. A start will also be made during the current financial year with the implementation of Atlas at Interleasing Luxembourg.

E-commerce and e-business

In the more developed leasing and rental markets, there is growing demand for supplementary services such as driver support and the supply of detailed management information on the use of cars. Only advanced information technology makes it possible for lease companies to respond to this demand. Athlon has this technology. Linking these information systems to the Internet also makes various forms of e-business possible. This concerns, for example, the ability of managers and drivers to consult detailed car and contract information and the preparation of on-line costings and quotes, but also the placing of orders by customers up to and including the sale of used cars.

Interleasing On Line (ILO), is the system which is linked to the Atlas system at Interleasing Nederland and already makes this kind of application possible. At Interleasing Belgium a start was made in 2001 with the installation and testing of ILO, which is scheduled to be operational in 2002. A variant of this system will also be installed at Hilterman in the current financial year.

In Germany, use is made of Autopnet. With this system the lease product is moved step by step from the traditional environment to the virtual world. Autopnet is an advanced e-business system that is considered the benchmark for the sector.

The TUNE system has now been commissioned at CARE Schadeservice. With this system, CARE offers accessible management information to clients and the possibility of better control of repair costs.

Euro

The requisite time and effort had to be devoted to the transition to the euro in the last few months of the past financial year, but no major problems were encountered.

Personnel and organization

Despite the decreasing economic growth in the year under review, demand for qualified personnel on the Dutch labour market remained high. As in previous years, extra recruitment efforts were necessary in 2001 to fill vacancies for personnel with specific technical skills and staff with higher and secondary commercial and administrative education. Owing to the shortage on the labour market, vacancies frequently remained unfilled for a longer period, putting extra pressure on the existing workforce. Given the anticipated lower economic growth, it is assumed that the situation on the labour market will normalize in the coming year.

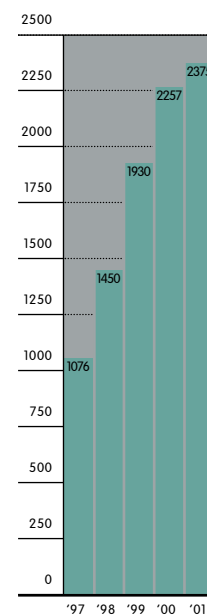
After an initial fall in the first half of the year, the negative development of the economic climate in Belgium resulted in increased unemployment in the second half of the year under review. This is particularly noticeable in the commercial services sector and especially services to business and industry. This trend has not yet had any direct consequences for the availability of higher educated commercial and administrative staff. As in previous years, in 2001 much effort was required to find a proper balance between supply and demand.

In France, unemployment remained at a high level. After an initial fall, the number of unemployed increased again in the second half of 2001 owing to the stagnating economic growth and the resultant collective redundancies. This counteracted the effects of the 35-hour working week introduced in 2000 and raises questions about the future funding of this government measure.

The stagnating economic growth that also affected Germany in the past year had direct consequences for the labour market. Unemployment remains at an alarmingly high level and there are no signs yet of a downward trend. Little progress has so been made in the proposed liberalization of the labour market. For the German companies of Athlon Groep, these developments had no direct consequences since there was no direct increase in the workforce in the year under review, partly as a result of a reorganization at the car rental company CC Raule.

Strengthening of the P&O function In the service industry and the advanced technical production sector, the quality of the employees and management codetermines the discriminative power of the companies. In this connection, personnel management remains a key area of attention for the Athlon management in order to have the ability to respond adequately to the increasingly higher demands made on companies by the market. Concern for the retention of personnel and the recruitment of new employees again called for much effort in the year under review. The policy is matched at each individual group company to the conditions prevailing in the local market.

Number of employees
(FTE average)



At CARE Schadeservice, for example, which is a company with high staffing levels, a P&O officer was released from other duties to act as a recruitment specialist and to look after the recruitment of new employees and the positioning of the company on the labour market. At Autop France, a new staff appraisal system was developed, and at Interleasing Belgium much attention was devoted to the internal organization. At Autop Germany, the organization was adjusted to fit changing circumstances and meet the requirements set by the online lease system Autopnet for the organizational structure.

The sale of the dealerships and dealer lease companies and a car body repair outlet demanded considerable attention from the management of the companies and the staff of the Holding who were directly involved. The disposal of the companies had no personnel consequences at the dealerships concerned.

Cooperation between group companies is stimulated in various ways, such as the exchange of know-how and experiences. The emphasis in this endeavour is to achieve synergy benefits through knowledge exchange and to capitalize on experiences in the use of uniform systems, the development of new services and marketing. Knowledge exchange between the various group companies in the field of P&O is impeded by the great differences between the various countries in respect of the legislation and regulatory framework. We have opted for consultative structures in each individual country.

Terms of employment Developments on the labour markets in the various countries largely determine the policy which is followed in respect of terms of employment. In the Netherlands, for example, where it is difficult to find suitable personnel, the introduction of flexible terms of employment is stimulated. This approach facilitates a better response to the demand that has been created by individualization and the increase in the number of dual-income couples. Flexible working hours, day nurseries for young children, time saving and flexible pension schemes are increasingly forming part of the terms of employment package. At Autop in France, the emphasis is on cost control by means of a wage freeze in 2001 and 2002 in order to offset the cost impact of the 35-hour week. The bonus system based on results, which has been implemented at branch level, is fully consistent with this measure. Wage movements in Belgium are largely determined by government measures. For the German rental activities, a conservative policy is conducted in respect of wage increases owing to the poor state of affairs. Generally speaking, the economic circumstances in Germany have likewise led to moderate wage movements.

Training Training forms an important part of the personnel policy. As a consequence, the group invests considerable time and money in management training and specialist training. In the year under review, for example, all the employees of Interleasing Nederland took training courses in the use of different software packages. The courses organized at Hilterman are mainly focused on the use of the newly installed Atlas automated lease system. CARE Schadeservice, which maintains a close working relationship with the sector's training institute for its training courses, organized several technical and specific CARE courses in the past period. At the car rental companies, both in the Netherlands and abroad, the training focus in the year under review was principally on courses in connection with the introduction of the new automated system, RentPro.

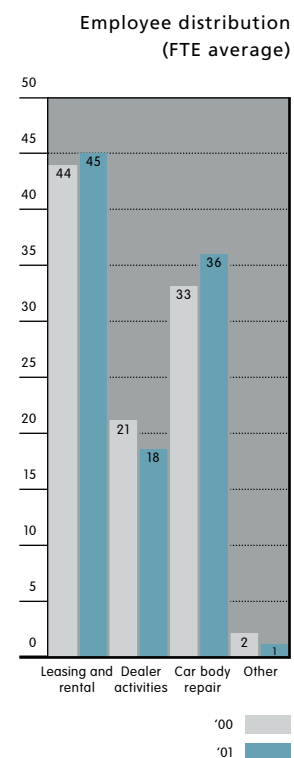
At Interleasing Belgium, the emphasis in the year under review was on customer oriented training courses for the rental staff, and introduction courses for new commercial staff. In addition, much attention was devoted to internal knowledge exchange at departmental level and between departments. At Autop France, too, staff training courses are an important part of the corporate policy. In the year under review, apart from induction courses for new employees, the prime focus was on commercial, financial and computer courses. At Autop Germany, the training courses are specifically focused on the use of Autopnet, including a special section devoted to effective communication with the customer.

The existing policy on care for safety and good working conditions was pursued in the year under review and where necessary tightened and adjusted to conform to changed legislation.

Sickness absence at Athlon in the year under review did not increase further and stabilized at the 2000 level of 5.2%.

As a result of acquisitions and disposals, the number of employees increased on balance by 37 and through organic growth by 124. The total number of employees of Athlon thus grew by 6.5% to 2,623 at year-end 2001. Expressed in terms of full-time equivalents, the average number of employees was 2,375 in 2001 (2000: 2,257). Owing to the sale of the dealerships and the dealer lease companies, the number of employees decreased by 465 (414 FTEs).

Joint consultation with the Dutch works councils again made a constructive contribution in 2001 to the further development of the company. The positive manner in which they discharge their responsibilities is greatly appreciated.



Environment

Management of the environmental risks is an integral part of the conduct of business for Athlon. The company conducts a prevention oriented environmental policy. In the year under review, the potential environmental risks were considerably reduced by the sale of the dealerships. Car dealerships are particularly vulnerable for environmental risks through soil pollution. In connection with the sale of these companies to Stern Groep, a risk evaluation was performed and agreements were made on the known environmental risks. For the car body repair chain, emission problems are the main concern. CARe Schadeservice has largely eliminated this risk in recent years by switching to waterbased paints and low solvent products.

At group level, audit systems have been developed to facilitate periodic evaluation of the environmental performance at branch level and to allow any necessary adjustments to be made. The envisaged risk management is realized by implementing procedures and work methods at branch level.

Studies of the environmental risks are made regularly at Athlon companies in the Netherlands and abroad. The aim here is not only to comply with the requirements of the environmental legislation but also, where possible, to keep ahead of developments. The identified environmental risks are translated into concrete action plans that are carried out per branch in phases. The programme aims at quick intervention when risks are identified. In that way, for example, the environmental risks were reduced in France in the year under review by disposing of a number of high-risk locations.

When new companies are acquired, specific environmental studies are conducted. Any risks are covered as well as possible by contract. After acquisition, procedures with regard to the environment are adapted to conform to the Athlon standards.

Sanitation At a number of locations there is still soil pollution from the more distant past. Depending in part upon the urgency established by the authorities, the decontamination of these locations is prepared and carried out. In the year under review, an investigation was again conducted into the current status of the existing polluted locations. The situation was found to be unchanged. Accordingly, there is no need to increase the existing financial provision. Owing to the sale of real estate and the agreements made in this regard concerning the settlement of the associated environmental problems, the existing financial provision has been further reduced from € 2.7 million to € 2.0 million. Several sanitation projects are planned for the current financial year.

In recent years, government policy on soil and ground water decontamination has become less stringent. Increasingly, when weighing up the pros and cons of sanitation, consideration is given to the practical use of the land in question. This has made it possible to use less expensive solutions and it is anticipated that this will reduce the ultimate sanitation costs.

Environmental impact In addition to prevention, Athlon's environmental policy also focuses on reduction of the overall environmental impact. Especially in the case of the car body repair companies, this is given considerable attention and the environmental aspect is incorporated in the integral quality system. In the year under review, the KAM system - related to quality, working conditions and the environment - of CARE Schadeservice was reassessed and approved during the ISO audit. In addition, CARE recently appointed a risk manager whose duties include the further limitation of environmental risks.

Environmental legislation In October 2000, a new Order in Council came into force in the Netherlands. One of the stipulations in this new legislation concerns the installation of liquid-tight floors at high-risk enterprises. This Order chiefly affects Athlon's car body repair and car rental activities. In the year under review, CARE Schadeservice made an inventory to evaluate the floors at several branches. This was used as the basis for a cost inventory to estimate the necessary modifications. Floors that were constructed prior to 1999 must be inspected and approved not later than the end of 2003. New floors are required to be inspected and approved by a certified inspection agency not later than the end of 2006.

Prospects

The economic activity is expected to recover by the end of 2002. Partly as a result of this, it is anticipated that the lease markets where Athlon is active will only grow by approximately 5% this year. There will be sustained pressure on the Western European rental markets, while the car body repair market in the Netherlands will remain stable at the 2001 level.

The result on ordinary activities after tax and before goodwill amortization, exclusive of the net result on dealer activities (€ 3.1 million) and CC Raule (-€ 8.1 million), amounted to € 29.9 million in the year under review.

Based on the above-mentioned developments, the Executive Board expects the result on ordinary activities after tax and before goodwill amortization, exclusive of the net result on dealer activities and CC Raule, to be at least the same (€ 29.9 million) in 2002. Owing to the great uncertainty prevailing on the German car rental market, no forecast or projection of the result including CC Raule is given.

Hoofddorp, 7 March 2002

Executive Board

H. Bierstee, chairman

M.J.M.R. Claus

N.M.P. van den Eijnden

J. Sloomweg

J.W. Verouden

2001 *Financial statements*

Consolidated balance sheet

(in € million before profit appropriation)

ASSETS	31 December 2001	31 December 2000
Fixed assets		
Intangible fixed assets		
Goodwill	1.5	-
Tangible fixed assets		
Land and buildings	16.8	21.0
Other fixed assets	22.8	21.2
Prepayments	4.8	3.6
	44.4	45.8
Financial fixed assets		
Participations and amounts owed by participations	12.3	11.3
Financing investments	0.9	1.4
	13.2	12.7
Cars for lease and rental	1,204.0	1,116.9
Current assets		
Stock		
Cars	11.1	29.2
Other stock	2.0	4.5
	13.1	33.7
Receivables		
Trade debtors	81.2	87.9
Deferred tax assets	1.2	1.5
Other receivables, prepayments and accrued income	121.3	42.7
	203.7	132.1
Cash at bank and in hand	0.3	0.4
	1,480.2	1,341.6

LIABILITIES	31 December 2001	31 December 2000*
Shareholders' equity	136.0	108.5
Provisions		
Deferred tax liabilities	8.3	5.8
Other provisions	8.8	13.5
	17.1	19.3
Long-term liabilities		
Credit institutions	409.4	361.8
Other liabilities	20.7	16.6
Leased cars equalization account	31.8	25.2
	461.9	403.6
Current liabilities		
Credit institutions	700.7	656.5
Trade creditors	53.5	61.4
Other liabilities, accruals and deferred income	97.6	77.4
Leased cars equalization account	13.4	14.9
	865.2	810.2
	1,480.2	1,341.6
Liability capital:		
• Shareholders' equity	136.0	108.5
• Subordinated loan**	31.8	31.8
	167.8	140.3

* Adjusted for the purpose of comparison.

** The subordinated loan is shown under Current liabilities to credit institutions.

Consolidated profit and loss account (in € million)

	2001	2000
Net turnover	1,260.8*	1,146.7
Cost of sales	1,159.9	1,054.0
• Gross margin	100.9	92.7
Selling, general and administrative expenses	67.5	64.1
• Net margin	33.4	28.6
Other operating income	1.4	2.2
• Operating result	34.8	30.8
Income from investments	2.6	2.3
• Operating result before goodwill amortization and tax	37.4	33.1
Goodwill amortization	0.2	-
• Result on ordinary activities before tax	37.2	33.1
Tax on ordinary activities	12.5	19.0
• Result on ordinary activities after tax	24.7	14.1
Extraordinary income	15.7	2.4
Extraordinary expense	6.8	-
Extraordinary result before tax	8.9	2.4
Tax on extraordinary result	0.5	-
• Extraordinary result after tax	8.4	2.4
• Net profit	33.1	16.5
Earnings per ordinary share (€)	1.95	0.89
Diluted earnings per ordinary share (€)	1.95	0.89

* In contrast to the previous year, the invoiced Third Party insurance premium amounting to € 29.1 million has not been eliminated from the net turnover (2000: € 23.5 million)

Cash flow statement

(in € million)

	2001	2000
Cash flow from operating activities		
Income from customers	1,258.8	1,133.4
Payments to suppliers and personnel	(1,204.9)	(1,096.9)
Cash flow from operations	53.9	36.5
Dividend received	-	2.4
Dividend paid	(12.4)	(12.0)
Paid corporate income tax	(12.0)	(16.8)
• Cash flow from operating activities	29.5	10.1
Cash flow from investing activities		
Acquisition group companies	(5.3)*	(5.9)*
Additions to tangible fixed assets	(19.5)	(17.9)
Disposals of tangible fixed assets	7.7	3.5
Cars for lease and rental (on balance)	(112.4)	(162.9)
Participations and amounts owed by participations	2.2	(0.5)
• Cash flow from investing activities	(127.3)	(183.7)
Cash flow from financing activities		
Income from subordinated loans	-	11.4
Income from long-term liabilities	242.4	252.6
Increase in shareholders' equity by option exercise	0.3	0.2
Repayments of long-term debts	(190.0)	(203.7)
Change in current liabilities	45.0	113.1
• Cash flow from financing activities	97.7	173.6
• Change in cash at bank and in hand	(0.1)	0.0

*This includes the tangible fixed assets of € 1.9 million (2000: € 0.6 million) and cars for lease and rental amounting to € 9.4 million (2000: € 5.3 million) minus the bank loans of € 13.6 million (2000: € 4.1 million).

Notes to the consolidated balance sheet and the consolidated profit and loss account

Accounting principles

General

Valuation of the assets and liabilities and the determination of the result are based on historical cost. Unless specified otherwise, assets and liabilities are booked at nominal value. Income is allocated to the period in which the result was accounted for following the sale and delivery of goods and services; costs are allocated to the period in which they are related on grounds of causal effect.

Consolidation

As a rule, the consolidated accounts incorporate all enterprises in which the company can exercise more than 50% of the voting rights during the General Meeting of Shareholders. In the year in which such a participation is acquired, the results are taken to the consolidated financial statements from the moment from which such influence can be exercised on the enterprise, or the date from which the company bears an economic risk.

The names and registered offices of the key enterprises in which Athlon Groep N.V. has a direct or indirect participation are listed on page 77. The enterprises are all wholly owned subsidiaries, unless stated otherwise. Not included are the names of companies whose size is of minor significance. A full list of the companies included in the consolidation is available for perusal at the Trade Register.

With respect to the financial statements of the group companies for which Athlon Groep N.V. has accepted several liabilities, as evidenced by statements filed with the Chamber of Commerce, recourse is taken to the exemption granted by Section 403.1f, Book 2 of the Dutch Civil Code. The following German subsidiaries are included in the consolidated financial statements of Athlon Groep N.V. (this list is not exhaustive): Athlon Deutschland GmbH, Athlon Lease Holding GmbH, CC Raule Holding GmbH, Autop Deutschland GmbH & Co. KG, AV Automobil-Vertriebs-Leasing GmbH & Co. KG, CC Raule GmbH & Co. KG and Autohaus Taunus GmbH & Co. KG. As a result, pursuant to section 264b of the German Commercial Code these subsidiaries are exempted from publication and mandatory audit of their financial statements in accordance with the regulations applicable to companies.

Since the financial statements of the company are included in the consolidated financial statements, only the result from participating interests after tax is shown as a separate item in the company profit and loss account, pursuant to Section 402, Book 2 of the Dutch Civil Code.

The dealerships and associated dealer lease companies were deconsolidated at year-end 2001. The results for 2001 are included in the consolidated profit and loss account for the whole of the year.

Changes in the accounting principles

The following changes in the accounting principles have been implemented further to both national and international developments with regard to the reporting requirements.

Financial accounting treatment of goodwill Until 2001, upon acquisition of interests in companies the net goodwill paid was charged directly to shareholders' equity in the year of acquisition. Following changes in the Netherlands Guideline with regard to mergers and takeovers, a change has been made to the accounting principles with effect from 2001 with regard to the financial treatment of the net goodwill paid.

Goodwill due to acquisition of participations is shown as an asset on the balance sheet and then depreciated using the straight-line method and charged to the result on ordinary activities. The depreciation is based on the economic life with a maximum of 20 years. Owing to this change in

the accounting principles, € 3.4 million is shown as an asset on the balance sheet, which, under the former accounting principles would have been charged directly to shareholders' equity. The change in the accounting principles has not been introduced retrospectively. This change in the accounting principles has had a negative impact of € 0.2 million on the result on ordinary activities.

Presentation of proposed profit appropriation In anticipation of the introduction of the Netherlands Guideline with respect to events after the balance sheet date, with effect from 2001 the proposed dividend is no longer shown under Current liabilities but, until adoption by the General Meeting of Shareholders, will continue to be included in the financial statements as part of shareholders' equity. The application of this new principle had a positive effect of € 10.6 million on shareholders' equity at year-end 2001. The comparative figures for 2000 have been adjusted by € 9.8 million

Leased cars equalization account The item Leased cars equalization account relates to the correct matching of income from lease contracts and directly ensuing costs thereon. With effect from 2001, it is no longer possible to present this item under provisions in the financial statements since there is actually mention of so-called pre-received income.

With effect from the 2001 financial statements, the leased cars equalization account is shown under liabilities, divided into long-term and current liabilities.

The comparative figures have been adjusted accordingly and this has resulted in € 40.1 million being transferred from the provisions to liabilities.

CC Raule

In connection with the proposed disposal of CC Raule, the figures of this company are presented separately in the segmentation overview by key activities.

Accounting policies for the valuation of assets and liabilities

Intangible fixed assets

The intangible fixed assets are valued at acquisition price, and straight-line depreciation is calculated on the basis of the estimated economic life. The economic life depends on the type of activity and varies from five to twenty years.

Tangible fixed assets

The tangible fixed assets are valued at acquisition price, and straight-line depreciation is calculated on the basis of the estimated economic life, taking residual values into consideration. The generally applied depreciation percentages are:

Land and buildings	2 - 6
Other fixed assets	10 - 33

Financial fixed assets

This item includes the interests in non-consolidated participations, being the stake in enterprises in which the company can exercise its influence during the General Meeting of Shareholders by virtue of holding 50% or less of the voting rights. The valuation is based on net asset value.

The financing investments are included in the total of the instalments due, after a deduction for a provision for uncollectable debts.

Cars for lease and rental

The leased cars are valued at acquisition price after deduction of annuity based depreciation, which is generally determined on the basis of the lease term and the calculated residual values, as established in the relevant lease agreements. Most of the contracts have a term of 24 to 48 months.

The rental cars are valued at purchase price after deduction of straight-line depreciation, taking estimated residual values into consideration. If the estimated direct realized price is lower, this is taken as the valuation of the rental cars.

Stock

Stock is valued at purchase price or the market value, if lower. A deduction for obsolescence is taken into consideration.

Receivables

Receivables are booked at the nominal value with a deduction of a provision for bad debts.

Provisions

The company forms provisions for commitments and losses existing on the balance sheet date, the amounts of which are uncertain but can be reasonably estimated. The company also forms provisions for losses that will probably be sustained in the future but ensue from risks already existing on the balance sheet date.

The provision for self-insurance was formed up to and including 1998 for the material risk on lease cars. This provision is being credited with effect from 1999 to the operating result in five equal annual instalments.

The provision for contract risks was formed up to and including 1999 for losses ensuing from premature termination of contracts and residual value risks. This provision is being credited with effect from 2000 to the operating result in five equal annual instalments.

The back-service commitments for pensions included under Other provisions are determined statically in accordance with an actuarial calculation based on an interest rate of 4% (2000: 4%).

Use of estimates

In the preparation of the financial statements, it is necessary for the management of the company to make estimates and certain presumptions that can affect the valuation of the assets and liabilities and the outcomes of the profit and loss account. The actual outcomes may differ from these estimates and presumptions.

Accounting policies for determining the result

Net turnover

Net turnover consists of all amounts invoiced to third parties, by virtue of goods and services delivered, less invoiced amounts stated on notes of disbursements, discounts and value added tax.

Cost of sales

Cost of sales comprises all costs directly related to the delivery of goods and services, including the interest expense ensuing from the financing of lease and rental cars.

Selling, general and administrative expenses

These are costs of a general nature, which cannot be attributed directly to the cost of sales.

Income from investments

This item concerns the results of non-consolidated participations valued on the basis of the net asset value.

Taxes

In the profit and loss account, tax is determined on the basis of the result before tax. Deferred tax assets and liabilities are entered for the expected tax consequences of temporary differences between the value of the assets and liabilities established in accordance with tax regulations, on the one hand, and the accounting principles applied, on the other hand. The amounts of this deferred taxation are calculated by applying the expected tax rates in the periods in which it is most likely that these temporary differences will end. Deferred tax assets, including those ensuing from future loss compensation, are valued if and in so far that it is likely that they will be realized. Deferred tax assets and liabilities are valued at nominal value.

Extraordinary result

This concerns income and expenses related to the disposal of activities, reorganizations and incidental results which do not come directly from ordinary business activities.

Notes to the consolidated balance sheet

Intangible fixed assets (in € million)

Balance at 1 January 2001:	
Actual cost	-
Depreciation	-
• Book value	-
Actual cost:	
Acquisitions	3.4
Disposal of dealerships	(1.7)
• Total	1.7
Depreciation:	
Depreciation	0.2
Disposal of dealerships	-
• Total	0.2
Balance at 31 December 2001:	
Actual cost	1.7
Depreciation	0.2
• Book value	1.5

Tangible fixed assets (in € million)

	Land and buildings	Other fixed assets	Prepayments	Total
Balance at 1 January 2001:				
Actual cost	33.5	50.2	4.6	88.3
Depreciation	12.5	29.0	1.0	42.5
• Book value	21.0	21.2	3.6	45.8
Actual cost:				
Acquisitions*	1.2	2.1	-	3.3
Investments	3.1	13.4	2.2	18.7
Disposal of dealerships	(1.7)	(9.0)	(0.3)	(11.0)
Reclassifications	0.7	0.0	(0.7)	0.0
Disposals	(9.9)	(3.6)	-	(13.5)
• Total	(6.6)	2.9	1.2	(2.5)
Depreciation:				
Acquisitions*	0.2	0.7	-	0.9
Depreciation	1.9	8.7	-	10.6
Disposal of dealerships	(0.6)	(6.0)	-	(6.6)
Disposals	(3.9)	(2.1)	-	(6.0)
• Total	(2.4)	1.3	-	(1.1)
Balance at 31 December 2001:				
Actual cost	26.9	53.1	5.8	85.8
Depreciation	10.1	30.3	1.0	41.4
• Book value	16.8	22.8	4.8	44.4

*On the date of acquisition

Fully written down assets are no longer included in the actual cost.

None of the buildings (2000: 40%) is on leasehold land.

Financial fixed assets (in € million)

	2001	2000
Balance at 1 January	12.7	12.5
Acquisitions*	0.1	0.2
Loans provided	-	0.4
Repayments	(1.9)	(0.3)
Results	2.6	2.3
Dividend	(0.0)	(2.4)
Other movements	(0.3)	-
• Balance at 31 December	13.2	12.7

*On the date of acquisition

Cars for lease and rental (in € million)

	Cars for lease	Cars for rental	Total
Balance at 1 January 2001:			
Actual cost	1,251.1	232.2	1,483.3
Depreciation	333.0	33.4	366.4
• Book value	918.1	198.8	1,116.9
Actual cost:			
Acquisitions*	13.1	-	13.1
Investments	589.2	172.7	761.9
Disposal of dealerships	(44.9)	(4.6)	(49.5)
Disposals	(362.6)	(229.9)	(592.5)
• Total	194.8	(61.8)	133.0
Depreciation:			
Acquisitions*	3.7	-	3.7
Depreciation	240.2	45.6	285.8
Disposal of dealerships	(13.3)	(1.4)	(14.7)
Extraordinary decrease in value	-	6.8	6.8
Disposals	(182.9)	(52.8)	(235.7)
• Total	47.7	(1.8)	45.9
Balance at 31 December 2001:			
Actual cost	1,445.9	170.4	1,616.3
Depreciation	380.7	31.6	412.3
• Book value	1,065.2	138.8	1,204.0

*On the date of acquisition

Of the investments in lease cars, approximately € 344 million (2000: € 395 million) expires within one year; this is 32% of the book value (2000: 32%). The investment in rental cars expires almost completely within one year. Of this, € 32 million (2000: € 83 million) refers to CC Raule.

Receivables (in € million)

Deferred tax assets

The movement can be stated as follows:

	2001	2000
Balance at 1 January	1.5	7.0
Transfer to profit and loss account	-	(4.9)
Other transfers	(0.3)	(0.6)
• Balance at 31 December	1.2	1.5

Other receivables, prepayments and accrued income

The increase in other receivables, prepayments and accrued income is associated almost entirely with the disposal of the dealerships and the dealer lease companies.

Shareholders' equity (in € million)

	Paid-up and called share capital	Premium reserve	Statutory reserve participations	Other reserves	Undistributed result	Total
Balance at 1 January 2000	4.5	155.4	12.6	(87.7)	24.7	109.5
Profit appropriation 1999	-	-	-	15.0	(24.7)	(9.7)
Net profit 2000	-	-	-	-	16.5	16.5
Cumulative preference shares dividend	-	-	-	-	(2.6)	(2.6)
Goodwill	-	-	-	(5.4)	-	(5.4)
Other movements	0.0	0.2	3.8	(3.8)	-	0.2
• Balance at 1 January 2001	4.5	155.6	16.4	(81.9)	13.9	108.5
Profit appropriation 2000	-	-	-	4.1	(13.9)	(9.8)
Net profit 2001	-	-	-	-	33.1	33.1
Cumulative preference shares dividend	-	-	-	-	(2.6)	(2.6)
Goodwill	-	-	-	6.6	-	6.6
Redenomination	0.5	-	-	(0.5)	-	0.0
Other movements	0.0	0.3	-	(0.1)	-	0.2
• Balance at 31 December 2001	5.0	155.9	16.4	(71.8)	30.5	136.0

The paid-up and called share capital consists of 15,657,080 ordinary shares and 4,200,000 cumulative preference shares with a nominal value of € 0.25.

On 15 February 1999, 4.2 million cumulative preference shares with a nominal value of NLG 0.50 were issued at a price of € 11. A fixed annual dividend of 5.65% will be paid on these shares for 10 years. After ten years the percentage will be reviewed.

Redenomination relates to the change in the par value of the NLG 0.50 shares to € 0.25 which was effected in 2001. The amount booked under 'premium reserve' has been recognized for tax purposes. The capital increase resulting from the exercise of 42,750 employee share options (2000: 29,000) has been accounted for under Other movements in respect of the premium reserve.

As a charge on the company, directors and a limited group of senior staff are given options on ordinary shares. The object of this option scheme is to bring the interests of the company management and those of the shareholders into line with each other and to grant staff in key positions a supplementary merit payment in order to promote the state of affairs at the company in the long term, thereby increasing the value to the shareholders. The options are granted annually on 1 October, subject to the approval of the Supervisory Board, at a price that is equal to the stock exchange price on 30 September. Annually at most 1.5% of the issued ordinary shares can be given as options. The term of the options granted is five years. The options granted since 1998 can in principle only be exercised after three years. The option scheme is subject to the internal code of conduct 'Notification of and Rules for Transactions in Shares of Athlon Groep N.V.'.

With the exception of the options granted to the members of the Executive Board for 1999, there has been no prefunding of the income tax payable on the options granted.

The overview below reflects the option rights to shares allotted to employees at a 1:1 ratio.

Options allotted to (former) members of the Executive Board(*):

Year	No. allotted	No. exercised	No. expired	No. outstanding	Exercise price in €
1996	76,500	76,500	0	0	7.36
1997	45,650	2,000	0	43,650	15.79
1998	61,500	0	0	61,500	22.28
1999	77,800	0	0	77,800	20.20
2000	65,000	0	0	65,000	13.65
2001	116,100	0	0	116,100	11.30
	442,550	78,500	0	364,050	

Options allotted to other personnel (*):

Year	No. allotted	No. exercised	No. expired	No. outstanding	Exercise price in €
1996	21,500	21,500	0	0	7.36
1997	16,450	3,875	1,125	11,450	15.79
1998	30,950	1,000	7,250	22,700	22.28
1999	59,550	0	10,350	49,200	20.20
2000	77,350	0	11,150	66,200	13.65
2001	64,750	0	0	64,750	11.30
	270,550	26,375	29,875	214,300	

(*) The number of options allotted has been adjusted in connection with the change in the composition of the Executive Board.

On 31 December 2001, the members of the Executive Board held 4,050 shares of Athlon Groep N.V. (2000: none).

The expired options include options that have been withdrawn.

Provisions (in € million)

Deferred tax liabilities

About 56% of the deferred tax liabilities will lapse within one year and about 44% will lapse between one and five years, assuming that the lease portfolio at 31 December 2001 will expire in the coming years and will not be replaced. The relatively high transfer within one year is caused by the fact that in the Netherlands the fiscal provision for self-insurance must be released more quickly with effect from 2000 owing to changes in fiscal legislation.

The movement can be stated as follows:

	2001	2000
Balance at 1 January	5.8	9.9
Additions	2.5	-
Withdrawals	-	(4.1)
• Balance at 31 December	8.3	5.8

The additions to the provision for deferred tax liabilities are caused in part by the degressive depreciation for tax purposes which is permitted on lease cars with effect from 2001.

Other provisions

The movement can be stated as follows:

	Contract risks	Reorgani- zation	Self- insurance	Back-service commitments	Other	Total
Balance at 31 December 2000	7.1	4.1	1.9	0.4	7.7	21.2
Reclassifications	-	-	-	-	(7.7)	(7.7)
	7.1	4.1	1.9	0.4	-	13.5
Additions	-	-	-	0.6	-	0.6
Withdrawals	-	(2.5)	-	-	-	(2.5)
Transfer to profit and loss account	(2.1)	-	(0.7)	-	-	(2.8)
• Balance at 31 December 2001	5.0	1.6	1.2	1.0	-	8.8

Long-term liabilities

Credit Facility Agreement

In March 2000, the company concluded a Credit Facility Agreement (syndicated loan) with 12 banks amounting to € 230 million. Ratios were agreed with the syndicate with which the company must comply. € 17 million was repaid in 2001. The balance outstanding at year-end 2001 was € 213 million.

Debt Issuance Programme

In April 2001, the company launched an € 750 million Debt Issuance Programme. Issues under this programme will be quoted on the Amsterdam and Luxembourg stock exchanges. This facility had not been utilized at the end of 2001.

The debts to credit institutions primarily have a term of between one and three years with an average fixed interest rate of 4.7% (2000: 5.2%). There are no debts with a term longer than five years.

The item Leased cars equalization account relates to pre-received income by virtue of lease contracts, which it is assumed will be settled financially after at least 12 months. Income that will be settled financially within 12 months is shown under Current liabilities.

Current liabilities

Subordinated loan

Athlon Groep has a facility to raise up to € 31.8 million in subordinated loans. The facility was extended in January 2001 to 31 March 2002. The facility offers the possibility of taking up or repaying loans daily. At year-end 2001, € 31.8 million had been withdrawn (2000: € 31.8 million). This loan is subordinated to all the liabilities of Athlon Groep and its group companies whose figures are included in these financial statements.

Credit Facility Agreement

In October 2001, the company concluded a Credit Facility Agreement (Syndicated Loan) with 8 banks amounting to € 155 million. Ratios were agreed with the syndicate with which the company must comply. The whole of this facility had been utilized at the end of 2001.

Commercial Paper Programme

Of the commercial paper programme amounting to € 250 million, which became effective in September 2000, € 55 million had been taken up at 31 December 2001 (2000: € 26.3 million).

The debts to credit institutions have an average interest rate of 4.6% (2000: 5.2%).

An amount of € 12.6 million (2000: € 5.3 million) for the payment of taxes and social security charges is included in the item 'Other liabilities, accruals and deferred income'.

Foreign exchange position

Athlon Groep is not subject to currency risks in participations abroad as these participations are established in countries in which the euro was introduced as of 1 January 1999.

Financial instruments

The credit risk that Athlon Groep N.V. runs consists of the loss that would be accounted for if the counter parties were completely at default in meeting their contractual obligations on the balance sheet date. The company does not run any major credit risk with regard to any individual customer or counter party. The company runs a risk by virtue of the granting of credit in the case of derived financial instruments if the opposite party does not meet its obligations. The management does not expect that any other party will fail to meet its obligations.

The Athlon Groep policy is aimed at reducing the interest rate risk to a minimum. Therefore, the interest included in the lease and rental instalments due is matched to the interest due on original long-term and short-term liabilities. In this connection, Athlon has concluded interest rate swaps for an amount of € 255.4 million (2000: € 171.3 million) in order to convert the variable interest rate on original long-term debts into a fixed rate of interest.

The interest rate swaps expire between 8 February 2002 and 22 September 2003 and have an interest rate varying between 4.2% and 5.6%. In addition, Caps have been concluded for an amount of € 33.1 million (2000: € 45.1 million). The term varies from 3 May 2002 to 23 September 2002; the interest (strike price) in these agreements varies between 3.4% and 4.3%.

Rental cars are completely short-term financed. This means that a change of 100 base points (1%) has an effect of about € 1.4 million on the result before tax, assuming that there is no adjustment to the rental rates.

Off-balance sheet commitments

Financiers of Athlon have been informed that assets will not be encumbered, with the exception of securities of € 24.5 million (2000: € 103.7 million) already given by acquired companies. These securities relate to lease and rental cars, for which an undisclosed pledge has been given to the credit institutions which finance the group companies in question.

New cars parked by importers at dealerships are not shown on the balance sheet as stock. Owing to the disposal of the dealerships, the acceptance commitment at year-end 2001 was zero (2000: estimated at € 10 million).

As security for the receivables associated with the disposal of the dealerships, Athlon Groep has been given an undisclosed pledge on the shares of the disposed dealerships and dealer lease companies.

Notes to the consolidated profit and loss account

Segmentation overview 2001 by key activities (in € million)

	Lease Rental	Dealer Dealer lease	Car Body repair	Other	Elimi- nation	Total	Lease Rental excl.CCR	Total excl.CCR
Total assets according to balance sheet	1,386.1	34.7	31.1	28.3	-	1,480.2		
Total participations	12.3	-	-	-		12.3		
Total commitments according to balance sheet	1,269.8	30.2	21.8	23.6	-	1,345.4		
Total invested in tangible and financial fixed assets (excl. acquisitions)	9.7	2.8	5.1	1.1	-	18.7		
Total depreciation	5.8	1.5	2.9	0.4	-	10.6		
Net turnover	949.9	240.2	70.7	-	-	1,260.8	836.8	1,147.7
Turnover to segments	5.8	19.7	13.2	-	(38.7)	-	5.8	-
Turnover	955.7	259.9	83.9	-	(38.7)	1,260.8	842.6	1,147.7
Net margin	25.8	4.1	5.6	(2.1)	-	33.4	33.9	41.5
Other operating income	-	0.1	-	1.3	-	1.4	-	1.4
Operating result	25.8	4.2	5.6	(0.8)	-	34.8	33.9	42.9
Income from investments	2.6	-	-	-	-	2.6	2.6	2.6
Result before goodwill amortization and tax	28.4	4.2	5.6	(0.8)	-	37.4	36.5	45.5
Goodwill amortization	-	-	0.2	-	-	0.2	-	0.2
Result on ordinary activities before tax	28.4	4.2	5.4	(0.8)	-	37.2	36.5	45.3
Taxes						12.5		12.5
Result on ordinary activities after tax						24.7		32.8
Extraordinary result after tax						8.4		15.2
Net profit						33.1		48.0
Distribution of net turnover (%)	75.3	19.1	5.6	-	-	100.0		
Operating result as % of turnover	2.7	1.6	6.7	-	-	2.8	4.0	3.7

Segmentation overview 2000 by key activities (in € million)

	Lease Rental	Dealer Dealer lease	Car Body repair	Other	Elimi- nation	Total	Lease Rental excl.CCR	Total excl.CCR
Total assets according to balance sheet	1,239.2	72.9	26.0	3.5	-	1,341.6		
Total participations	9.7	-	-	-	-	9.7		
Total commitments according to balance sheet	1,135.6	58.7	18.2	30.4	-	1,242.9		
Total invested in tangible and financial fixed assets (excl. acquisitions)	9.5	1.7	4.9	2.0	-	18.1		
Total depreciation	6.1	1.5	2.3	0.3	-	10.2		
Net turnover	821.8	264.6	60.3	-	-	1,146.7	665.8	990.7
Turnover to segments	5.8	20.3	7.4	-	(33.5)	-	5.8	-
Turnover	827.6	284.9	67.7	-	(33.5)	1,146.7	671.6	990.7
Net margin	22.6	5.1	3.2	(2.3)	-	28.6	34.1	40.1
Other operating income	-	-	-	2.2	-	2.2	-	2.2
Operating result	22.6	5.1	3.2	(0.1)	-	30.8	34.1	42.3
Income from investments	2.3	-	-	-	-	2.3	2.3	2.3
Result before goodwill amortization and tax	24.9	5.1	3.2	(0.1)	-	33.1	36.4	44.6
Goodwill amortization	-	-	-	-	-	-	-	-
Result on ordinary activities before tax	24.9	5.1	3.2	(0.1)	-	33.1	36.4	44.6
Taxes						19.0		14.1
Result on ordinary activities after tax						14.1		30.5
Extraordinary result after tax						2.4		2.4
Net profit						16.5		32.9
Distribution of net turnover (%)	71.7	23.1	5.2			100.0		
Operating result as % of turnover	2.7	1.8	4.7			2.7	5.1	4.3

Segmentation overview 2001 by geographical distribution (in € million)

	Netherlands	Belgium		Germany	France	Total
		Luxembourg				
Total assets according to balance sheet	785.9	241.1		296.0	157.2	1,480.2
Total invested in tangible and financial fixed assets	11.3	2.2		3.7	1.5	18.7
Net turnover	697.0	163.9		242.5	157.4	1,260.8
Distribution of net turnover (%)	55.3	13.0		19.2	12.5	100.0

Segmentation overview 2000 by geographical distribution (in € million)

	Netherlands	Belgium		Germany	France	Total
		Luxembourg				
Total assets according to balance sheet	675.9	204.5		305.8	155.4	1,341.6
Total invested in tangible and financial fixed assets	10.9	3.1		3.1	1.0	18.1
Net turnover	623.8	127.8		257.2	137.9	1,146.7
Distribution of net turnover (%)	54.4	11.1		22.5	12.0	100.0

In the above overviews the assets according to the balance sheet have been determined excluding receivables from group companies. Since the results of the core activities have been calculated on the basis of normative financing, the commitments per core activity have also been determined on this basis.

Normative financing is based upon 8% of shareholders' equity for the car leasing and rental activities (including dealer leasing) and 30% of shareholders' equity for the other activities (including participations). The dealer leasing activities are shown under the dealer activities since both activities are carried out by the same organizations.

The turnover to segments is determined on the basis of invoiced turnover, taking account of discounts given.

Cost of sales

Cost of sales includes an amount of € 54.8 million (2000: € 43.3 million) in interest expenses.

Other operating income

This includes the income from the rental of real estate, as well as revenue from the sale of real estate.

Taxes

The tax charge on the result on ordinary activities was 33.6% (2000: 57.4%). The difference between the tax charge and the nominal tax rate of 35% in the Netherlands is explained as follows:

	2001	2000
Result on ordinary activities before tax according to consolidated profit and loss account	37.2	33.1
Add: result CC Raule	8.1	11.5
• Result excluding CC Raule	45.3	44.6
Less: income from investments	(2.6)	(2.3)
	42.7	42.3
Tax 35%	14.9	14.8
Add: writing-off of deferred tax asset of CC Raule	-	4.9
	14.9	19.7
Difference with tax burden abroad	(2.4)	(0.7)
• Taxes according to consolidated profit and loss account	12.5	19.0

The difference mainly comes from profitable activities in Germany, on which there is no taxation. This more than offsets the higher tax burden in Belgium.

The claim in respect of tax losses not valued on the balance sheet, which can be offset in the future, plus tax facilities (excluding CC Raule) amounts to € 11.5 million (2000: € 10.2 million).

Extraordinary income and expense

On 12 November 2001, Athlon reached agreement on the sale of all the shares of the dealerships and the associated dealer lease companies. The transaction comprises nine dealerships (turnover approximately € 250 million) and five dealer lease companies (approximately 2,000 contracts) plus one car body repair outlet. The book profit of € 7.5 million is calculated as follows: the realized price less the net asset value of these participating interests less the goodwill paid in the past for these interests, assuming that the goodwill would have been depreciated over a period of five years using the straight-line method.

Apart from the foregoing, revenue of € 7.3 million is included in connection with the disposal of real estate, as well as revenue from the sale of shares of the dealership Aura B.V. (€ 0.8 million) in Amstelveen.

The extraordinary expense is related to the writing down of assets at CC Raule.

Wages, salaries and social security charges (in € million)

	2001	2000
Wages and salaries	76.1	67.7
Social security charges	13.6	13.5
Pensions	2.9	2.7
	92.6	83.9

Workforce (average number of FTEs)

	2001	2000
Car leasing and rental	1,081	995
Dealerships	417	471
Car body repair	846	757
Holding company	31	34
	2,375	2,257

Remuneration of (former) directors and Supervisory Board members of Athlon Groep N.V.

The amount of remuneration, including pension contributions for directors and former directors, totalled € 1,634,000 (2000: € 1,545,000). For Supervisory Board members this amounted to € 105,000 (2000: € 107,000). In 2001, directors were granted 116,100 options (2000: 48,000).

Diluted earnings per share

For the calculation of the diluted earnings per share, the net result - after deduction of the cumulative preference dividend - is divided by the total average number of issued ordinary shares during the financial year and the number of shares to be issued by virtue of the options which, on 31 December 2001, have a lower exercise price than the average stock exchange price of the Athlon share, calculated over the year 2001.

Athlon Groep N.V. balance sheet

(in € million before profit appropriation)

ASSETS	31 December 2001	31 December 2000*
Fixed assets		
Tangible fixed assets	0.7	1.1
Financial fixed assets	162.2	122.8
	162.9	123.9
Current assets		
Receivables		
Deferred tax assets	0.9	0.4
Other receivables and cash at bank and in hand	13.5	7.4
	14.4	7.8
	177.3	131.7
LIABILITIES		
Shareholders' equity		
Paid-up and called share capital	5.0	4.5
Premium reserve	155.9	155.6
Statutory reserve participating interests	16.4	16.4
Other reserves	(71.8)	(81.9)
Undistributed result	30.5	13.9
	136.0	108.5
Provisions	19.7	17.4
Current liabilities	21.6	5.8
	177.3	131.7

* Adjusted for the purpose of comparison

Athlon Groep N.V. profit and loss account

(in € million)

	2001	2000
Income from participating interests after tax	33.1	16.5

Notes to the balance sheet and profit and loss account of Athlon Groep N.V.

General

Please refer to the notes to the consolidated balance sheet and the consolidated profit and loss account for the general policies pertaining to the format of the financial statements, the principles for the valuation of the assets and liabilities, and for the profit and loss account. The participations are valued at net asset value.

The names and registered offices of the principal companies in which Athlon Groep N.V. participates directly or indirectly are shown on page 77. Where not stated otherwise, the participation is 100%. Not included are the names of companies whose size is of minor significance.

The income and expense resulting from the activities carried out by Athlon Groep N.V. for the participations are regarded as income from participating interests in order to emphasize the function of Athlon Groep N.V. within the group.

Notes to the balance sheet of Athlon Groep N.V.

Tangible fixed assets (in € million)

	Land and buildings	Other fixed assets	Total
Balance at 1 January 2001:			
Actual cost	3.8	1.0	4.8
Depreciation	3.0	0.7	3.7
• Book value	0.8	0.3	1.1
Actual cost:			
Investments	0.0	0.3	0.3
Disposals	(2.8)	(0.2)	(3.0)
• Total	(2.8)	0.1	(2.7)
Depreciation:			
Depreciation	0.0	0.2	0.2
Disposals	(2.2)	(0.3)	(2.5)
• Total	(2.2)	(0.1)	(2.3)
Balance at 31 December 2001:			
Actual cost	1.0	1.1	2.1
Depreciation	0.8	0.6	1.4
• Book value	0.2	0.5	0.7

Completely written down assets are not included in the actual cost.

None of the buildings (2000: 40%) are on leasehold land.

Financial fixed assets (in € million)

	Participations in group companies	Amounts owed by group companies	Other participations	Other financial fixed assets	Total
Balance at 1 January 2001	112.5	0.0	9.5	0.8	122.8
Loans provided	-	5.2	-	-	5.2
Repayments	-	-	-	(0.2)	(0.2)
Goodwill (disposal of dealerships)	6.3	-	-	-	6.3
Income from participations	23.8	-	2.7	-	26.5
Disposal of participations	(0.9)	-	-	-	(0.9)
Transferred to provision for participations	7.6	(5.2)	-	-	2.4
Other movements	-	-	0.1	-	0.1
• Balance at 31 December 2001	149.3	0.0	12.3	0.6	162.2

The negative net asset value of participations in group companies has been deducted from receivables from group companies. In so far as these receivables are insufficient, the remaining amount is included on the balance sheet as a provision for participations.

Shareholders' equity

For a specification, please refer to the notes to the consolidated financial statements.

Provisions (in € million)

The movement can be stated as follows:

	Provision for participations	Back-service commitments	Other	Total
Balance at 1 January 2001	17.0	0.4	2.4	19.8
Reclassifications	-	-	(2.4)	(2.4)
	17.0	0.4	-	17.4
Additions	2.4	-	-	2.4
Withdrawals	-	(0.1)	-	(0.1)
• Balance at 31 December 2001	19.4	0.3	-	19.7

Current liabilities

An amount of € 13.4 million is included in current liabilities in respect of debts to group companies (2000: € 3.3 million).

Off-balance sheet commitments

The company has issued a declaration of liability for practically all group companies in the Netherlands, pursuant to Section 403.1f, Book 2, of the Dutch Civil Code. The liabilities of these companies total € 1,024 million (2000: € 766 million).

The company also stands surety for debts of foreign group companies to credit institutions amounting to € 283 million (2000: € 328 million). In addition, the company has issued statements to credit institutions in which it undertakes to keep the shareholders' equity of group companies which are financed by those credit institutions at a certain level; at year-end these credit institutions had a receivable of € 38 million (2000: € 78 million) on these group companies.

Notes to the profit and loss account of Athlon Groep N.V.

The financial data of Athlon Groep N.V. have been incorporated in the consolidated financial statements. The profit and loss account of Athlon Groep N.V., therefore, only reflects the income from participating interests after tax.

Hoofddorp, 7 March 2002

Supervisory Board:

A.J. Kranendonk

O. Heijn

C.D. van der Vijver

A.W. Veenman

Executive Board:

H. Bierstee

M.J.M.R. Claus

N.M.P. van den Eijnden

J. Sloopweg

J.W. Verouden

Other information

Auditor's Report

Task

We have audited the 2001 financial statements of Athlon Groep N.V. of Hoofddorp. These financial statements are the responsibility of the company's management. Our responsibility is to express an opinion on these financial statements based on our audit.

Scope

We conducted our audit in accordance with auditing standards generally accepted in the Netherlands. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by the management, as well as evaluating the overall financial statement presentation. We believe that our audit provides a reasonable basis for our opinion.

Opinion

In our opinion, the financial statements give a true and fair view of the financial position of the company as at 31 December 2001 and of the result for the year then ended in accordance with accounting principles generally accepted in the Netherlands and comply with the financial reporting requirements included in Part 9, Book 2 of the Netherlands Civil Code.

Amstelveen, 7 March 2002

KPMG Accountants N.V.

Appropriation of profits

The profit is distributed in accordance with Article 32 of the Articles of Association of Athlon Groep N.V and is as follows:

(in € million)

Net profit	33.1
Cumulative preference shares dividend	2.6
	<hr/>
	30.5
Addition to reserves	19.9
	<hr/>
Remaining profit at the disposal of the General Meeting of Shareholders	10.6
	<hr/>

Events after balance sheet date

Amendment to the Articles of Association On 18 January 2002, the Articles of Association of Athlon Groep N.V. were amended. The most important change concerns the amendment of Article 3 in which capital and shares are set forth. Apart from ordinary shares, preference shares and cumulative preference shares, the distribution of the authorized capital has been supplemented by financing convertible preference shares. All shares have a par value of € 0.25.

The addition of financing convertible preference shares is related to the proposed lease cooperation with the Natexis subsidiary Bail Banque Populaire in France. Bail Banque Populaire has taken up 1.3 million financing convertible preference shares by subscription. The shares are not listed on a stock exchange and were issued on 7 March 2002 at a price of € 17.50 per share.

Addendum to the 2001 Annual Report of Athlon Groep N.V., Hoofddorp

Events after balance sheet date

On 27 March 2002, after consultation with the Supervisory Board, the Executive Board decided to close down the rental activities of the German company CC Raule. A press release was issued on this subject on 28 March. The expenses of the social plan, the loss on the sale of assets and the lower operational results during the phase-out period are expected to have a negative impact of € 15 million on the net result of Athlon Groep for 2002. Consequently, the net profit of Athlon Groep N.V. for 2002 is expected to be at least € 15 million.

In the consolidated balance sheet, the negative impact on the assets amounts to € 50 million while the liabilities are reduced by € 35 million. The turnover of CC Raule will amount to approximately € 61 million in 2002 (2001: € 113 million).

Report of the Stichting Continuïteit Athlon Groep N.V.

The objective of the Stichting Continuïteit Athlon Groep N.V. is to promote and assure the continuity and autonomy of Athlon Groep N.V. and affiliated companies and to look after the interests of the company and all those involved in it.

The Stichting (Foundation) aims to achieve this objective through the acquisition and/or holding of preference shares in the capital of the company (either temporarily or not) for its own account and by exercising the voting rights vested in these shares.

An agreement covering the issue of preference shares (option agreement) has been concluded to allow the immediate issue of the aforementioned shares by Athlon Groep N.V. to the Stichting.

To date no preference shares have been issued to the Stichting.

The Stichting did not perform any tasks during the period under review other than those to which it is bound by the Articles of Association.

Prof. L.A. Ankum retired in accordance with the roster; he has been reappointed for a period of four years.

In the joint opinion of the company and the Stichting, the Stichting is independent of the company in the sense of Appendix X to the Listing and Issuing Rules.

Hoofddorp, 7 March 2002

The Board

J.R. Glasz, chairman

L.A. Ankum

O. Heijn

R.B. Lenterman

J.C. de Mos

Companies and management

(as at 1 April 2002)

Executive Board

H. Bierstee (chairman)
M.J.M.R. Claus
N.M.P. van den Eijnden
J. Slootweg

Planning Office
P. Mikmak

Personnel and Organisation
L.J. Hartog

IT
W.J.G. Nijssen

Treasury
M.E. van Suylichem

**Company Secretary/
Legal Affairs**
J.E. Demper

Secretary to the Executive Board
Mrs. S. Christiaan

Holding companies

Athlon Beheer Nederland B.V., Hoofddorp
Athlon Beheer International B.V., Hoofddorp
Dolder Holding B.V., Hoofddorp
Athlon France SA, St. Denis (Paris)
Autop Deutschland GmbH, Eppstein
Athlon Lease Holding GmbH, Amberg
CC Raule Holding GmbH, Eppstein

Not included in consolidation:

Universele Lease Maatschappij Unilease B.V.
(50%), The Hague
Board of directors: A. Baltus, R. Sikkel

Netherlands	Car leasing Interleasing Nederland P.P.M. Wortelboer J.R. Rutgers A.W. van der Lugt G.B. van Rossem Hiltermann Groep H.J. Blink D. van der Vis	Car rental AT•RENT J.W.A. Groenhuijsen <i>ad interim</i>	Car body repair CARe Schadeservice (45 outlets) H. Pietersz A.L. van Dalen
Belgium	Car leasing Interleasing Belgium M.J.M.R. Claus Mrs A.M. Jorissen P. Dewit A. Vercammen	Car rental Interleasing Rent M.J.M.R. Claus Mrs A.M. Jorissen	Car body repair Carrosserie DeNutte (3 outlets) M.J.M.R. Claus
Luxembourg	Car leasing Interleasing Luxembourg J. Kerschen		
France	Car leasing Autop Lease J. Bongrand W. Janssens	Car rental Autop Rent J. Bongrand W. Janssens SDL J. Bongrand W. Janssens	
Germany	Car leasing Autop Deutschland H.J. Blink <i>ad interim</i> AV Leasing K. Götze	Car rental CC Raule N.M.P. van den Eijnden J. Jüchner	

Terminology

Cap

A financial instrument for hedging interest risks (annuity insurance).

Commercial paper

A negotiable, interest-earning instrument (securities) issued by a non-banking institution for a term not longer than 2 years.

Controlled damage flow

The flow of damage directly sent to selected car body repair companies by insurance companies, lease companies and fleet owners.

Driver assistance

A form of co-operation in which the lease company maintains direct contact with the drivers and assumes full responsibility for the management of the client's company car schemes.

E-business

Commercial activities via the Internet focusing on companies.

Environmental audit

A systematic, independent audit used to determine whether an organisation meets pre-determined environmental requirements.

Financial lease

A type of lease in which the client maintains economic ownership of the vehicle and bears the corresponding economic risk (depreciation). Legal ownership is transferred to the client after payment of the final instalment.

Fleet management

The sum total of all of the activities carried out by a lease company, with the objective of assuming responsibility for the operational and financial/administrative management of the fleet on the client's behalf.

Fleet owners

Companies or institutions that make commercial use of a fleet of vehicles.

Interest rate swaps

Financial instruments (derivatives) with which short-term interest payables, based on loans with a variable interest rate, are exchanged with a bank for long-term interest payables and vice-versa, thereby hedging against variable interest rate risks.

ISO accreditation

A certificate issued by the 'International Organisation for Standardisation' stating that a given process within an organisation has been compared to pre-determined quality requirements (the standard) and that the organisation can be trusted to meet this standard.

Medium-term notes

A negotiable, interest-earning instrument (securities) issued by both banking and non-banking institutions for a term longer than 2 years.

Net turnover

The turnover after deduction of the turnover between core activities (segments).

Operational lease

A type of lease in which the lease company maintains both the economic and legal ownership of the vehicle and bears the corresponding economic risk (depreciation).

Organic development

The development of, for example, turnover or other results as they were in (any period of) the year under review at companies which also formed part of the group in the comparable period of the previous year under review.

Residual value

An estimate of a vehicle's value upon conclusion of the operational period.

Syndicated loan

Loan to a company made by group (syndicate) of banks, for which a single agreement is concluded.

Universal car body repair companies

Car body repair companies capable of carrying out all necessary repair work on all makes and types of cars.

Predelivery car

A rental car provided to the driver of a new lease car while waiting for delivery of the ordered car and/or during the driver's probationary period.

Working Conditions and the Environmental Protection System

A co-ordinated set of procedures, improvement processes, training courses and inspections. These activities are aimed at the realisation of optimum performance in the areas of working conditions and the environment with the objective of risk minimisation and control.