



### Preferences

Porsche Preferences is a flexible finance plan designed to provide an affordable way to drive a new Porsche every two or three years. At the end of your Preferences agreement you can choose one of three options which gives you the flexibility to select the one

which is most suitable for your business needs. Firstly, you can part exchange your current Porsche for a new one. Secondly, you can pay the final payment and option to purchase fee and take ownership of the car or as a third option, you can hand the car back for us to sell on your behalf provided the car is in good

condition and has not exceeded the maximum mileage. Preferences is of particular interest to non-VAT registered customers.

### A Checklist of the Main Benefits

- You can change your car for a new one every two or three years.
- Your initial capital outlay is

- reduced allowing your funds to be retained in the business.
- There is a minimum guaranteed future value on your car.
- The finance element of your agreement is not subject to VAT.
- The interest is allowable against tax.
- You can have the option to include both a service and

- maintenance package.
- You can claim writing down allowances.





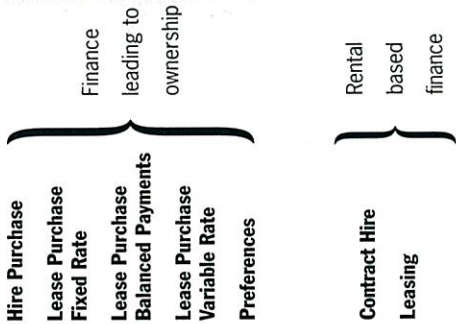


Porsche Finance is a dedicated finance company offering an extensive portfolio of quality finance products tailored to meet the needs of the business customer.

This brochure provides a brief description of all the plans available in the Porsche Finance product portfolio, summarising their principal features and benefits. There is a wide choice of options and a plan can be drawn up to meet your requirements taking into consideration working capital, gearing ratio, tax relief or the most suitable repayment pattern.

If you would like to discuss any of our products in more detail, every Official Porsche Centre has a fully trained finance specialist who can inform you of all the costs and tax implications of the various alternatives.

The following products are illustrated in this brochure:



### Hire Purchase

This is a simple but highly flexible option which allows you to spread payments over a specific period. The interest rate is fixed at the beginning of the agreement so you enjoy protection against interest rate rises during the period and consequently the benefits of easier budgeting. At the end of the agreement you will own the vehicle.



### A Checklist of the Main Benefits

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- The interest is allowable against tax.
- Monthly payments are fixed, so budgeting is easier.
- You can fund your car as an asset on your balance sheet.
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- You can claim writing down allowances.





Lease Purchase – Fixed Rate

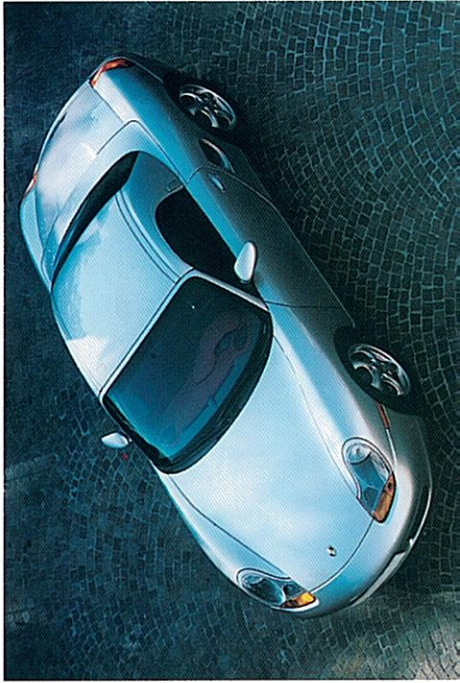
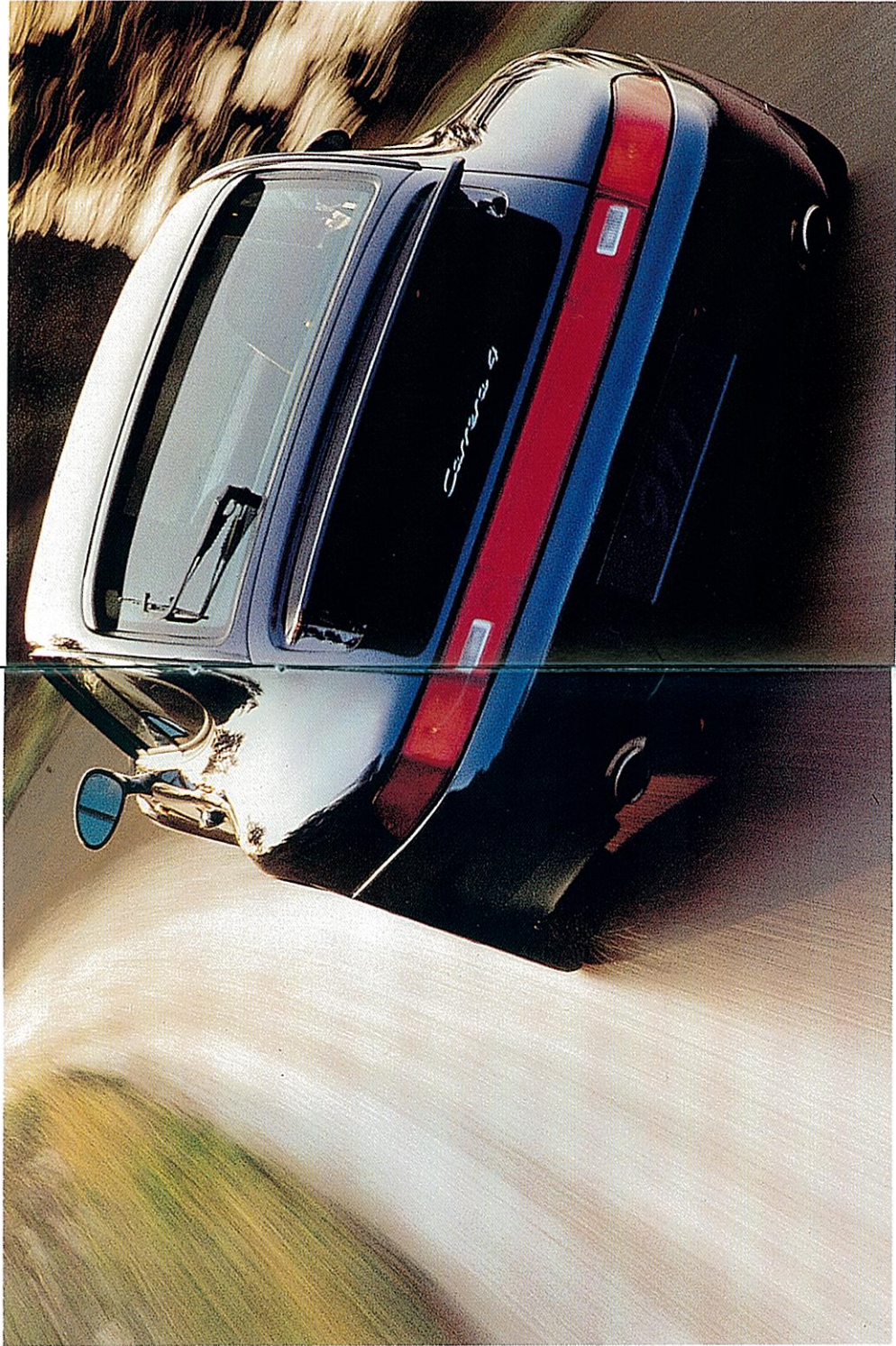
This is an enhanced form of Hire Purchase. The advantages for many companies include a low deposit and reduced monthly payments. This is possible because a balloon payment, which is a percentage of the anticipated value of the car, is deferred until the end of the agreement.

The interest rate is fixed at the start of the agreement and does not vary irrespective of how interest rates may change over the period.

Lease Purchase – Balanced Payments

Although this type of agreement is linked to Finance House Base Rate, repayments are calculated at a margin above Finance House Base Rate and the monthly payments are fixed for the duration of the

agreement. At the end of your agreement a balancing calculation, linked to Finance House Base Rate is made to check the way interest rates have moved. Balanced Payments agreements can be structured either with or without a balloon payment to help meet your monthly payment requirements.



Lease Purchase – Variable Rate

The capital and interest elements of the repayments are treated separately. A fixed amount of capital is repaid each month. Interest is charged on the reducing balance at a margin above Finance House Base Rate. This type of agreement can also be structured with or without a balloon payment.

A Checklist of the Main Benefits

- If you choose an agreement structured with a balloon payment your monthly payments will be reduced as a large percentage of the balance owed on the car is deferred until the end of your agreement, with obvious cash-flow advantages.
- Your initial capital outlay is reduced allowing your funds to be retained in the business.
- The interest is allowable against tax.
- You can fund your car as an asset on your balance sheet.
- You can claim writing down allowances.
- The finance element of your agreement is not subject to VAT.







**Preferences**

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Firstly, you can part exchange your current Porsche for a new one. Secondly, you can pay the final payment and option to purchase fee and take ownership of the car or as a third option, you can hand the car back for us to sell on your behalf provided the car is in good

condition and has not exceeded the maximum mileage.

Preferences is of particular interest to non-VAT registered customers.

**A Checklist of the Main Benefits**

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reduced allowing your funds to be retained in the business.

- There is a minimum guaranteed future value on your car.
- The finance element of your agreement is not subject to VAT.
- The interest is allowable against tax.
- You can have the option to include both a service and

maintenance package.

- You can claim writing down allowances.

**PAYMENT STRUCTURE AT A GLANCE**

Deposit.	Agreed Number of Monthly Payments.	Customer has Three Options.
Start of Agreement		End of Agreement

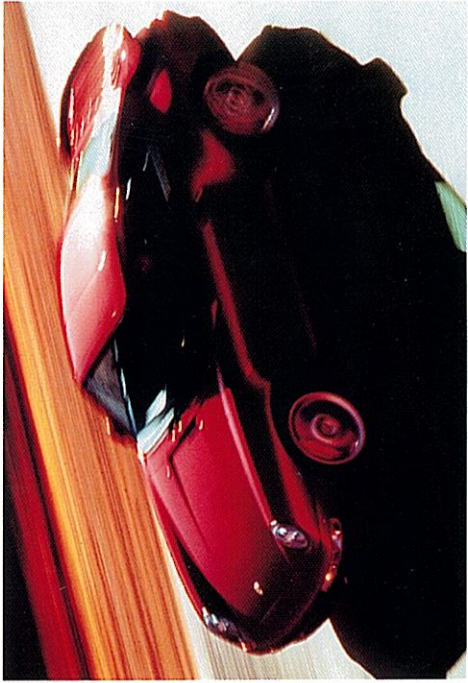
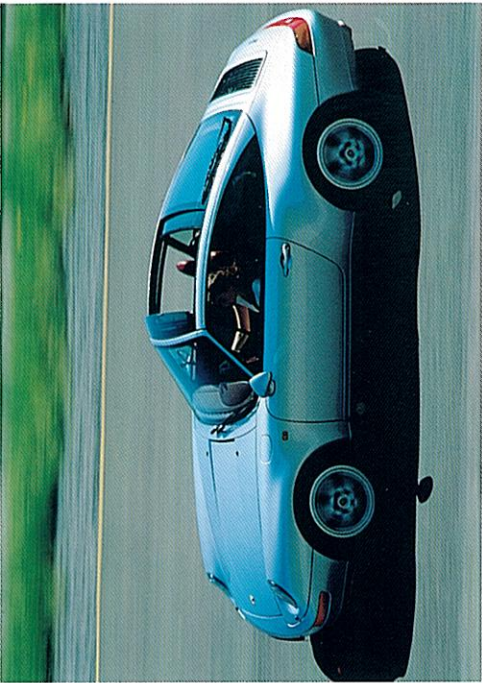


Contract Hire

This option offers a trouble free way to run business vehicles. The principal benefit is that Porsche Finance can reclaim the VAT on the purchase price of the vehicle and this benefit can be passed onto you in lower monthly rentals. The monthly rentals are subject to VAT but up to 50%\* of this can be reclaimed.

Porsche Contract Hire looks after all of the administration, right down to disposing of the car when the contract finishes. A maintenance option (excluding tyres) is also available and covers routine maintenance, emergency service, road fund licence renewal and provision of a relief vehicle in the unlikely event of a mechanical breakdown. Where maintenance is chosen, up to 100% of the VAT is recoverable on the maintenance payments. Fixed monthly costs allow you to budget cashflow more accurately.

\* 100% of the VAT on rentals can be reclaimed on cars used exclusively for business. If any private use of a car occurs (e.g. taking it home at night), up to 50% of the VAT is reclaimable. It should also be noted that this could be lower depending on the individual VAT recovery position of the business.



A Checklist of the Main Benefits

- Lower monthly rentals as the finance company reclaims the VAT on the car purchase which will benefit your cashflow.
- Monthly rentals are fixed, making budgeting easier.
- You have no responsibility for the disposal of the car.
- A proportion of the rentals are allowable against tax, reducing your tax liability. The percentage of rentals that can be claimed is dependent on the cash price of the car.
- You can have the option of a maintenance package for your

- car, avoiding any unexpected bills.
- Up to 100% of the VAT is reclaimable on the optional car maintenance payment, which is allowed in full against tax.
- You can reclaim up to 50%\* of the VAT on the monthly finance rentals.
- You are not exposed to any depreciation risk on your car.
- Contract Hire is an off-balance sheet facility.
- Your initial capital outlay is reduced allowing your funds to be retained in the business.

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PAYMENT STRUCTURE AT A GLANCE		
Rentals in Advance.	Agreed Number of Monthly Rentals. Optional Monthly Maintenance Payments.	Car Returned to Porsche Finance.





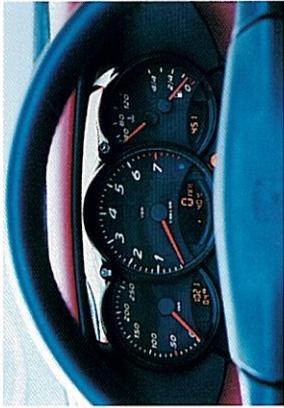
Leasing

Leasing is an option traditionally used by VAT registered businesses as the monthly rentals are subject to VAT. With a Finance Lease (unlike Contract Hire) the lessee shares in the profit or loss on the sale at the end of the agreement. Finance Leasing has the same tax position as Contract Hire.

There are two types of Finance Lease – Fixed Period and Full Payout.

Fixed Period Finance Leasing enables monthly rentals to be reduced over a fixed period by agreeing a large final payment, which is a percentage of the anticipated value of the vehicle. This final payment will be paid at the end of the agreement, normally out of the proceeds of selling the vehicle.

With a Full Payout Finance Lease there is no final payment however, you have two options at the end of the agreement. Firstly, if you sell the car to a third party then up to 95% of the VAT exclusive sale proceeds are rebated to you. Alternatively, you may continue to use the car and enter into a secondary rental period. The secondary rental is calculated as 1% of the original car cash price plus VAT per annum.



PAYMENT STRUCTURE AT A GLANCE		
Rentals in Advance.	Agreed Number of Monthly Rentals.	Car Sold to a Third Party or if Full Payout Leasing the Option to Begin a Secondary Rental.
Start of Agreement		End of Agreement

A Checklist of the Main Benefits

- Lower monthly rentals as the finance company reclaims VAT on the car purchase – benefiting your cashflow.
- A proportion of the rentals are allowable against tax, reducing your tax liability. The percentage of rentals that can be claimed is dependent on the cash price of the car.
- Your initial capital outlay is reduced allowing your funds to be retained in the business.
- Monthly rentals are fixed, so budgeting is easy.

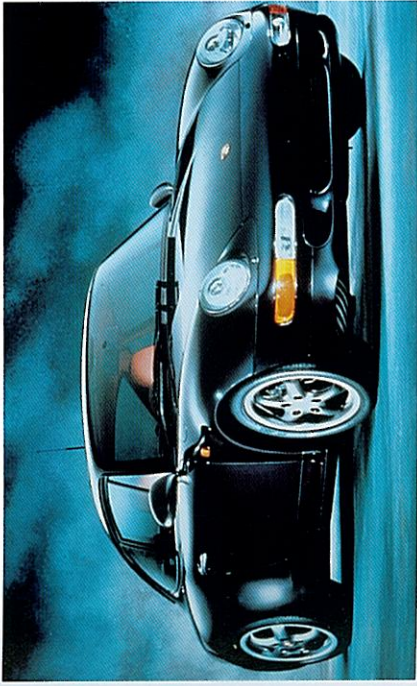
A Summary of the Benefits Product by Product

	Hire Purchase	Lease Purchase Fixed Rate	Lease Purchase Balanced Payments	Lease Purchase Variable Rate	Preferences	Contract Hire	Leasing
Reduced Capital Outlay	•	•	•	•	•	•	•
Fixed Repayments	•	•	•	•	•	•	•
Simple Budgeting	•	•	•	•	•	•	•
Extra Credit Line	•	•	•	•	•	•	•
Cashflow Benefits	•	•	•	•	•	•	•
Off Balance Sheet Borrowing						•	
No Car Disposal Problems					Optional	•	
No Depreciation Risk					Optional	•	
Fixed Maintenance Costs					Optional	Optional	
Emergency Service Cover					Optional	Optional	
Relief Vehicle					Optional	Optional	

Tax Benefits at a Glance

Interest on Payments Allowable Against Tax	•	•	•	•	•		
Writing Down Allowances Claimable*	•	•	•	•	•		
% of Rentals Allowable Against Tax**						•	•
Finance Element not subject to VAT	•	•	•	•	•		
Rentals VAT Reclaimable***						Up to 50%	Up to 50%
Maintenance VAT Reclaimable					Up to 100%	Up to 100%	

- Subject to £12,000 expensive car rules.
- Calculated using 1/2 the excess rule.
- Up to 100% can be reclaimed on cars used exclusively for business.



How to Protect your Payments

Porsche Finance offers business customers a choice of two Guaranteed Payments Plans to cover a range of unforeseen circumstances which may affect car drivers and your business. Please ask your Official Porsche Centre for further details about the available plans.