

## Europcar Reports Results for the First Quarter of 2009

- ▶ Consolidated revenue of €385.3 million reflects tough market conditions
- ▶ Average Revenue Per Day improves by 1.4% at constant exchange rates despite strong competitive pressure
- ▶ €285 million free cash flow generated in the quarter
- ▶ Net debt at quarter end reduced by €370 million compared with end March 2008

Europcar, the European leader in passenger car and light utility vehicle rental, today announced its results for the first quarter of 2009.

<b>Key Figures</b> (in millions of € unless specified otherwise)	<b>Jan. 1 – Mar. 31 2009</b> Consolidated	<b>Jan. 1 – Mar. 31 2008</b> Pro forma <sup>1</sup> at const. exchange rates	<b>Jan. 1 – Mar. 31 2008</b> Pro forma <sup>1</sup> at hist. exchange rates
Revenue	<b>385.3</b>	<b>450.4</b>	<b>471.7</b>
Adjusted <sup>2</sup> operating income	<b>(12.1)</b>	18.3	19.8
Adjusted <sup>2</sup> operating margin	<b>-3.2%</b>	4.1%	4.2%
Net debt at March 31 <sup>3</sup>	<b>2,963</b>	3.258	3.333
Rental days (in millions)	<b>11.1</b>	13.1	13.1
Fleet at March 31 (in units)	<b>176,632</b>	215,582	215,582

The above mentioned adjusted measures (unaudited) exclude charges resulting from the accounting treatment of the acquisitions carried out in 2007 and 2008, as well as one-off expenses and reorganization charges incurred in connection with these acquisitions and in response to the current economic downturn. They are not meant to be considered in isolation or as a substitute for comparable IFRS measures. Europcar believes these adjusted financial measures are helpful in assessing its past financial performance and its future results.

<sup>1,2,3</sup> See footnotes at the end of the document

## **Performance in line with expectations in a tough quarter**

Europcar generated €385.3 million in consolidated revenue in the 1<sup>st</sup> quarter of 2009. This represents a 14.5% decline at constant exchange rates from €450.4 million in the 1<sup>st</sup> quarter of 2008. The decline is entirely attributable to low market demand for car rental services stemming from the global economic downturn.

The company posted a 1.4% improvement in average revenue per day (RPD) in the quarter on the back of strict pricing discipline and active management of its business segment mix. This is the second quarter in a row of RPD growth for Europcar and quite an achievement in an environment of lower demand and intense competitive pressure. Europcar is the only company among the main industry players to post an RPD increase in the last two quarters.

Fleet in units was 18.1% lower at the end of the first quarter compared with same date last year, which is attributable to both strong fleet downsizing actions over the last two quarters, and improved fleet acquisition flexibility that allows to increase fleet later in anticipation of the peak summer season.

## **Good cash generation, continued reduction in debt, focus on liquidity**

The company's efforts to size fleet to the lower demand and further reduce non-fleet working capital requirements helped it to generate €285 million in free cash flow in the quarter.

Europcar reduced its net debt excluding high-yield bonds by 12% in the 1<sup>st</sup> quarter of the year to €2,163 million.

## **Specific measures taken to address operating and financial risks arising from the current difficulties of the automotive industry**

Europcar's fleet suppliers are mainly European carmakers or the European subsidiaries of US or Asian carmakers. While the company does not source from the US directly, it took measures to reduce its exposure to US car manufacturers in the event that these should go into bankruptcy proceedings and that it would have adverse consequences on their European subsidiaries. Sourcing from entities related to US companies is expected to account for 18% of Europcar's fleet in 2009, compared with 22% in 2008 and 24% in 2007.

In addition, the company has undertaken discussions with the banks participating in its main fleet financing facility, in order to secure the financing of vehicles from manufacturers in difficult financial condition.

## Reorganization measures developed and launched

During the quarter, the company completed full reviews of its rental network and overhead in order to identify areas of improvement in terms of cost and operating efficiency. Reorganization plans were developed and are currently being implemented or considered in keeping with local regulations.

## Outlook

Salvatore Catania, Chief Executive Officer of Europcar Groupe, commented:

*"The current trading environment remains difficult and there is still no visibility about the timing of a recovery in demand for car rental services. We have therefore accelerated the adaptation of Europcar to this context. This means not only right-sizing our resources and improving our operating processes but also designing and implementing new service offerings which address the changing needs of our customers."*

*We continue to manage our revenue very actively, by focusing on the highest-margin activities. Looking at our pricing performance of recent quarters and our expectations for the current quarter, we believe we're on the right track."*

*We also continue to manage our fleet even more closely -- in terms of procurement, control over holding costs, and management of risks related to the deterioration of the financial condition of car manufacturers. Keeping our fleet adapted to demand in these volatile times is crucial."*

*As the figures reported today clearly reflect, we are keeping our strong focus on cash generation, liquidity and control over net debt."*

*In conclusion, I'm more convinced than ever that the long-term growth drivers for the car rental industry remain intact and that Europcar will emerge from the downturn as an even stronger company."*

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## About Europcar

Owned by the French investment company Eurazeo, Europcar is the European leader in passenger car and light utility vehicle rentals. The company serves business and leisure customers throughout Europe, Africa, the Middle East, Latin America and Asia-Pacific. Excluding franchise operations, in 2008 Europcar signed more than 10 million rental contracts, with 8,000 employees and a fleet exceeding 225,000 vehicles. In September 2008, Europcar and U.S. market leader Enterprise Rent-A-Car joined forces in a strategic alliance to form the world's largest car rental network, with more than 1.2 million vehicles and 13,000 locations around the world. For more information: [www.europcar.com](http://www.europcar.com)

The management of Europcar will hold a conference call for high-yield bond investors and financial analysts to present the Company's results for the first quarter of 2009. The supporting documents used for that conference call are available on a restricted basis. Qualified investors and analysts can request access to the supporting documents by contacting:

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#### **Financial Communications Calendar:**

1 <sup>st</sup> half 2009 revenue:	September 2009
3 <sup>rd</sup> quarter/9 months 2009 revenue:	November 2009
Full-year 2009 revenue:	April 2010

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#### **Media Contacts for More Information:**

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<sup>1</sup> Pro forma basis: i.e.: assumes that the acquisition of Europcar Australia - New Zealand, acquired on May 1, 2008 took place as of Jan. 1, 2008, to allow better comparability of the performance of Q1 2009 with that of the same period in 2008.

<sup>2</sup> Adjusted: excludes all charges resulting from the accounting treatment of the acquisitions carried out in 2007 and 2008, as well as one-off and restructuring expenses incurred in connection with these acquisitions; this measure also excludes the estimated interest expense included in fleet operating leases.

<sup>3</sup> Debt at March 31 includes the debt equivalent of the outstanding fleet operating leases which was €745.2 million in 2009 and €507.9 million in 2008, restated at constant exchange rates.