Europcar

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Europcar First Half 2011 Results

- **Revenue inched up to €910 million, with stronger segment mix vs H1 2010**
- **Revenue Per Day +1.5% at constant exchange rates**
- **Adjusted operating income stable* at €61 million, despite significant investments in the brand and marketing**
- **Execution of strategic 3-Year Plan proceeding apace**

Saint Quentin en Yvelines, September 7, 2011 - Europcar, the leader in car rental services in Europe, today announced its financial results for the first half of 2011.

Philippe Guillemot, Chief Executive Officer of Europcar Groupe, commented: *"Our performance in the first half was in line with our strategy. While stable, revenue was of better quality in the period because the business mix was stronger. We also generated productivity gains to invest in the future while maintaining our profitability. With our 3-Year Plan initiatives already starting to deliver the expected results, and with our relentless focus on optimizing our fleet and keeping our costs under control, we are confident that we can continue to execute our strategy in today's fast-changing and challenging markets."*

Key Figures (*in millions of € unless specified otherwise)*	**1st Half**		**% Change**
	2010*	**2011 Consolidated**	
Revenue	908	**910**	*+0.1%*
Adjusted[1] operating income	63	**61**	*-1.9%*
Adjusted[1] operating margin	6.9%	**6.7%**	--
Average net debt[2]	3,024	**3,110**	*+2.8%*
Rental days *(in millions)*	24.3	**23.8**	*-1.8%*
Average fleet *(in units)*	184,543	**180,319**	*-2.3%*

[1]The adjusted operating income and margin measures above (unaudited) exclude the estimated interest expense in fleet operating leases which by nature is fleet financing cost, and charges resulting from the accounting treatment of the acquisitions carried out in 2007 and 2008. They also exclude goodwill impairment charges and non-recurring expenses. 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.

[2] Average net debt includes the average debt equivalent of the outstanding fleet operating leases, estimated on the basis of the average value of fleet under operating leases in each period.

***** *Restated at constant first-half 2011 exchange rates.*

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Revenue up slightly despite lower volume

For the first-half period to June 30, 2011, Europcar's consolidated revenue amounted to €910 million, a 0.1% increase from the €908 million reported for the first half of 2010 restated at constant exchange rates. At reported exchange rates, revenue increased by 0.7% from €904 million in the year-earlier period.

In the first half, Europcar pursued its strategy of reducing low-margin activities and exiting unprofitable contracts, which might boost rental volume but are detrimental from a margin perspective. These moves, along with soft demand in Spain and Portugal due to the weak local economies, and in Australia and New Zealand, due to the floods and earthquake in the first quarter, had a negative impact on volumes in the period. Thanks to solid volume gains in Germany, Belgium and Italy, the overall decrease in volume compared with the first half of 2010 was contained to 1.6%.

While competitive pressure on pricing remained strong in the first half, rigorous management of the segment mix and pricing discipline allowed the company to post a 1.5% rise in average Revenue Per Day (RPD) at constant exchange rates, offsetting the impact of the lower volume. As a consequence, revenue was stable and of better quality in the first half this year compared with the same period last year.

Fleet utilization and operating performance

In the first half, average fleet was lower by 2.3% compared with the year-earlier period, as Europcar closely aligned its fleet to its business mix strategy.

The utilization rate remained high at 73%, compared with 72.7% in the first half last year.

Adjusted operating income was roughly stable at constant exchange rates, at €61 million. Improved underlying profitability, reflecting the better business mix, productivity gains and cost savings, allowed the company to invest more than €8 million in new brand positioning and marketing initiatives without eroding its operating margin, which amounted to 6.7% in the first half of 2011.

Three-Year Plan update

In January 2011, Europcar launched its strategic 3-Year Plan. The plan focuses on sustaining revenue growth while managing the cost base in a highly disciplined manner to generate margin improvements. A number of initiatives taken in the first half have already started to deliver results. These include:

- <u>Measures to turn customers into "promoters" of Europcar's services</u>, to their friends, family, etc. Thanks to quality enhancement measures, as well as personalized follow-up of customer satisfaction surveys -- after each rental -- by Europcar employees, including the top management, Europcar's "customer promoter score" advanced from 49% to 61% in the first half. The goal is to reach 80% by the end of 2013. All Europcar personnel are engaged and the variable part of their compensation is indexed on the promoter score so there is strong motivation to identify and implement improvements across all operations.

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- Advertising and sponsorship campaigns to raise Europcar's brand profile, the company launched TV, billboard and online advertising campaigns in a number of countries in the first half. It also initiated a three-year cycling sponsorship which has already paid for itself: to date, Team Europcar has generated – in particular thanks to an outstanding Tour de France performance – brand awareness with an "advertising value equivalent" that exceeds the company's three-year financial commitment for the sponsorship.

- Development of the franchise network, to enhance Europcar's global footprint and revenue. The company notably opened operations in Indonesia, Iran, Israel, Jamaica, Panama and Sri Lanka. In all, franchise fee revenue rose by 7.8% in the first half at constant exchange rates, and all franchisees are enrolled in the customer satisfaction initiatives and benefit from the investment in the Europcar brand.

- New service offerings, such as the launch on April 6 of car2go service in Hamburg, Germany. As of July, the service had more than 5000 registered users; of those, nearly 60% use it on a frequent or regular basis. Europcar's partner card has attracted rental business from car2go customers and Europcar''s revenue per rental is 10% higher than average for short-term rentals in Germany. Based on the promising initial results in Hamburg, Europcar is contemplating deploying the service in other cities in Europe.

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About Europcar:

Europcar is the leader in car rental services in Europe. Present in 150 countries, the company provides customers with access to the world's largest vehicle rental network through its own operations, franchisees and partnerships. Through Europcar's portfolio of brands, the company and its franchisees generated more than €3 billion in revenue in 2010, including nearly €2 billion in consolidated revenue. With 6,500 employees committed to delivering customer satisfaction and an average fleet of close to 200,000 vehicles, Europcar is conscious of its corporate citizenship responsibilities. Winner of the first World Travel Award recognizing the World's Leading Green Transport Solutions Company, Europcar also was honored with the Award in 2010, the second time it was presented. Europcar is owned by French investment company, Eurazeo. For more information: www.europcar.com/corporate

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The management of Europcar held a conference call for high-yield bond investors and financial analysts to present the Company's results for the first half of 2011. 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: investor.relations@europcar.com

Europcar Financial Communications Calendar:

3rd quarter / First nine months 2011 results	November 2011

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