Europcar

Saint Quentin en Yvelines, September 17, 2010

PRESS RELEASE

Europcar Reports Results for the 1st Half of 2010

- **2nd quarter revenue rises 5.9%* year-on-year to €505 million, driven by a continued strong pricing performance and volume improvement**
- **1st half 2010 revenue rises 3.9%* year-on-year to €904 million, on further strong Revenue Per Day increase and volume gains since March**
- **1st half adjusted[1] operating margin advances to 6.9% on revenue growth, leaner cost structure and tight fleet management**
- **Average net operating debt[2] reduced a further 1.7% from 1st half 2009 level**

Europcar, the European leader in passenger car and light utility vehicle rental, today announced its financial results for the second quarter and first half of 2010.

Key Figures (*in millions of € unless specified otherwise)*	**Jan. 1 – June 30 2010** Consolidated	**Jan. 1 – June 30 2009** Consolidated at const. exchange rates	**Jan. 1 – June 30 2009** Consolidated at hist. exchange rates
Revenue	**904**	870	854
Adjusted[2] operating income	**62.2**	43.8	42.6
Adjusted[2] operating margin	**6.9%**	5.0%	5.0%
Net debt at June 30[2]	**3,3357.6**	3,281.3	3,246.4
Rental days *(in millions)*	**24.3**	24.1	24.1
Fleet at June 30 *(in units)*	**220,290**	211,904	211,904

The adjusted operating income and margin measures above (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 also exclude goodwill impairment charges. 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.

**at constant exchange rates*

[1,2] See footnotes at the end of the document

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2nd Quarter 2010: Revenue Growth Confirmed

Europcar's consolidated revenue for the second quarter rose by 5.9% to €505 million, from €477 million in the second quarter of 2009, restated at constant exchange rates. The gain confirmed the positive trend initiated in the first quarter of the year, when Europcar generated year-on-year revenue growth for the first time since the second quarter of 2008.

Growth in the second quarter of 2010 was mainly driven by another good performance in the Company's average Revenue Per Day (RPD), which rose by 4.4% compared with the second quarter 2009 level. The 8th consecutive year-on-year increase in RPD for Europcar, it reflects the Company's discipline in pricing and its strategy of enhancing the customer segment mix.

Revenue growth was also fuelled by a 2.2% increase in rental day volumes in the period, despite the volcanic ash events in April. Starting in March and on a regular basis throughout the second quarter, volume was up across the Company's main business segments. The quarter marks the first time since the second quarter of 2008 that rental day volume is back in positive territory on a year-on-year basis.

1st Half 2010: Continued Momentum in Operating and Financial Performance Improvement

For the six months ending June 30, 2010, Europcar's consolidated revenue rose by 3.9% to €904 million, from €870 million in the first half of 2009, restated at constant exchange rates. This marks the first half-year revenue increase since the first half of 2008.

Average RPD rose by 3.5% in the first half, in line with the 3.4% increase reported for the full year 2009. Overall for the first half, rental day volume increased by 0.7% from the first half 2009 level.

The ash cloud in mid-April this year had a slightly negative effect on volume, a positive effect on average RPD, and was neutral at the operating income level.

Along with the revenue growth, the leaner cost structure resulting from the measures taken in 2009 to adapt the company's fleet size and organization to lower demand accounts for the improvement in operating profitability in the period. The Company's adjusted operating margin advanced by nearly two points to reach 6.9%, from 5% in the first half of 2009.

While the Company added more vehicles to its fleet in the second quarter this year to prepare for the peak summer season, average fleet in the first half of 2010 was 0.2% lower than the first-half 2009 level.

The increase in per-unit fleet holding cost was contained to 0.7% in the second quarter and to 1.9% in the first half, compared with the same periods last year.

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This excellent performance was a key factor in the Company's operating margin improvement in the first half.

Improvements in EBITDA and Debt Reduction; Cash Flow in Line with Seasonal Trends

In the first half, Europcar's adjusted consolidated EBITDA improved by €18 million at constant exchange rates to €261 million while the corresponding margin improved by 1 percentage point to 28.9%. Thanks to a significant reduction in fleet depreciation and financing costs, adjusted corporate EBITDA returned to positive territory at €17 million -- a €26-million improvement compared with the first-half 2009 level.

In the first half of 2010, the Group's free cash flow was negative at €261 million, which is in line with the usual seasonal pattern for a first-half period. Fleet acquisition and disposal activities used €228 million in cash in the period, reflecting the normal pattern of a large increase in fleet in the course of the second quarter, essentially to prepare the peak summer season.

Following the strong reduction achieved in the last 18 months – including €67 million in the first half of 2009 -- non-fleet working capital was reduced by a further €6 million in the first half of this year. The performance reflects the measures taken by Europcar over the past two years to lower its working capital requirements while adapting to the economic crisis and the changing market demand.

Better sizing of fleet to demand and lower non-fleet working capital account for a further reduction in debt in the first half of 2010. Average net operating debt (IFRS - excluding high-yield notes but including the debt equivalent of fleet operating leases) declined by 1.7% at constant exchange rates to €2.2 billion, from €2.3 billion in the first half of 2009.

Recent developments

On August 30, 2010, Europcar announced that it had completed the refinancing of its €1.8 billion Senior Asset Financing Loan, which was scheduled to mature at the end of May 2011. The loan finances a major portion of Europcar's rental fleet in France, Germany, Italy and Spain.

The new financing package was implemented on August 27, 2010 through an innovative, two-pronged structure:

- Issuance of €250 million 7-year Senior Secured Notes in June 2010, the proceeds of which were released from escrow on August 27, 2010, and

- implementation of a new four-year Senior Asset Revolving Facility (SARF) of €1.3 billion subscribed by Credit Agricole Corporate and Investment Bank, Deutsche Bank AG, Societe Generale, BNP Paribas and The Royal Bank of Scotland.

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In its utilization, the new facility is identical to the previous one. The current documentation makes it possible to increase the SARF to up to €1.7 billion and other lenders may be joining the pool of participating banks.

Outlook

Philippe Guillemot, Chief Executive Officer of Europcar Groupe, commented: *"Our first-half results are in line with the strong improvement trend reported for the second half of 2009 and the return to revenue growth provides additional motivation for our teams. While our activity in the peak summer season shows the robustness of the recovery in demand is still to be confirmed, we expect our Revenue Per Day in the current quarter to continue in the favorable and encouraging momentum of the last 18 months.*

With our new fleet financing structure and our existing liquidity lines, we have proper and diversified financing for our fleet and business with no near-term refinancing deadline. We can therefore fully focus on developing our Group in the coming years.

To further improve our financial performance in the coming months, we will continue to keep strict control over the size, cost and distribution of our fleet, as well as over non-fleet costs. To maintain the quality of our revenue growth, we will keep working to develop the highest-margin segments and remain disciplined on pricing.

After five months at Europcar, I have completed my observation and diagnostic phase, and I am working with the country and headquarters management teams to define a vision for Europcar and the business plan to achieve it. We are also working with other leading partners to develop innovative new mobility services."

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About Europcar:

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 2009 Europcar signed 9.5 million rental contracts, with 7,000 employees and a fleet exceeding 190,000 vehicles. In September 2008, Europcar and U.S. market leader Enterprise Holdings joined forces in a strategic commercial alliance to form the world's largest car rental network, with more than 1.2 million vehicles and 13,000 locations around the world. Europcar is owned by the French investment company Eurazeo.

Europcar is the European market leader and is also leading in its environmental approach to car rental. It opened its first "environmental agency" in Paris in 1999, and in 2008 it was the first company in Europe to have its "Environmental Charter" – which formalizes its commitments in favor of sustainable development -- certified by Bureau Veritas.

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 1st half of 2010. 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 for 2010:

3rd quarter/1st nine months results November 2010

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[1] *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 and in response to the downturn. This measure also excludes the estimated interest expense included in fleet operating leases and goodwill impairment charges.*

[2] *Debt at June 30 includes the debt equivalent of the outstanding fleet operating leases, which was €1,103 million in the first half of 2010 and €1,080 million in the first half of 2009, restated at constant exchange rates.*