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Europcar
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Note: This press release contains unaudited consolidated financial figures established under IFRS

Saint-Quentin en Yvelines, May 21st, 2015

Europcar – 2015 First Quarter Results

- **Continued profitable growth in Q1 2015 with organic revenues growth of 6.2%[1] and Adjusted Corporate EBITDA[2] up €6 million**
- **Adjusted Corporate EBITDA for the last twelve month period reaching an all-time high level of €219 million with a further improvement of related margin at 10.9%**
- **Successful financing operations with respect to Revolving Credit Facility and the Group SARF to generate further decrease in interest costs**
- **Management expecting to continue to deliver profitable growth in full years 2015, 2016 and 2017 and to pay dividends in 2017 (subject to completion of the IPO)**

Key figures In million euros	**Q1 2015**	**Q1 2014**	**Change**
Rental day volume *(in million)*	11.4	10.3	+10.4 %
Average fleet size (*units)*	172,408	155,758	+10.7 %
Revenue	414	374	+10.6 %
Adjusted Recurring Operating Profit[3]	15	12	+ 24.8%
Adjusted Corporate EBITDA	(4)	(10)	+63.9%
Adjusted Corporate EBITDA Margin	*(0.9) %*	*(2.7) %*	*+1.8 pts*
Net Corporate Debt	607		
Corporate Debt Ratio based on LTM Adjusted corporate EBITDA	2.8x		

[1] Compared to Q1 2014 at constant FX rates and excluding the effect of the consolidation of the acquisition of Europ Hall (a French franchisee).
[2] Adjusted Corporate EBITDA is defined as Recurring Operating Income before depreciation and amortization not related to the fleet, and after deduction of the interest expense on certain liabilities related to rental fleet financing. This indicator includes in particular all the costs associated with the fleet.
[3] Recurring operating income excluding estimated interest expense in operating lease rents.

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Q1 Highlights

Thanks to the continuation of the Fast Lane transformation plan, Europcar Group delivered a significant increase in total revenue for the fourth quarter in a row, reflecting the revitalization of both leisure and business segments in every country, as well as an all-time high Adjusted Corporate EBITDA for the last twelve month period at €219 million with an improving margin of 10.9%. Q1 Adjusted Corporate EBITDA in a low season period was slightly negative at €4 million showing a continued increase (+€6 million year on year) after operating and marketing investments to prepare the summer season and to sustain future growth.

Revenues

Total revenue amounted to €414 million compared to €374 million in Q1 2014, representing an increase of +10.6 % on a reported basis. Excluding favourable exchange rate effects (mainly GBP appreciating against Euro), the revenue growth reached +7.4 %, including the effect of the consolidation of Europ Hall (a French franchisee) which had a positive effect[4] of +1.2ppt. Every corporate country contributed to the overall growth in group revenues.
Rental days volume increased by 10.4% compared to Q1 2014, with an especially good momentum in the UK, Italy and Spain.
The sustained favourable trend on price for the leisure segment was offset by the business segment notably due to an increasing share of vehicule replacement, with longer rental duration and thus lower RPD. As a result of this mix effect, revenue per day (RPD) declined by 1.9% at constant exchange rates.

Adjusted Corporate EBITDA

Seasonality strongly influences the level of Adjusted Corporate EBITDA, which was negative €4 million in the first quarter of 2015, as compared to negative €10 million for the first quarter of 2014. This improvement of €6 million mainly reflects the increase in revenues, continuous strict control of fixed and variable cost bases, and the decrease in fleet financing interest expenses following the refinancing which took place after the first quarter of 2014. These elements were partially offset by timing effects related both to expenses to prepare for the summer season incurred earlier than in the prior year and changes in IFRS standards.

Net Profit/Loss

Net profit/loss presented a loss of €69 million in the first quarter of 2015, compared to a loss of €58 million in the first quarter of 2014, both impacted by seasonality. The improvements in Adjusted Corporate EBITDA and non-fleet financial expenses were offset by some non-recurring expenses, including effect of terminated and on-going legal proceedings[5].

Refinancing

Further to the two major fleet-related refinancing transactions completed last year, Europcar signed on May 12, 2015:

- a New Senior Revolving Credit Facility[6] (€350 million) with extended maturity to 2020 and reduced margin to Euribor+250bps (in each case following the planned initial public offering, IPO); and
- the amendment of the Group's SARF[7] with an increased size to €1,100 million, extended maturity to 2019 and a lower margin of Euribor+170bps (vs. +220bps).

[4] Europcar acquired EuropHall, one of its French franchisees, in Q4 2014 and fully consolidated it for two months. On a standalone basis, EuropHall recorded revenue of c. €23 million for the full year 2014.
[5] Please refer to Europcar Registration Document.
[6] To enter into effect after the realization of certain conditions precedent.
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In the context of the IPO, Europcar should continue to improve its corporate structure subject to market conditions, including in particular:

(i) gross proceeds of approximately €475 million from a capital increase as part of the Company's proposed IPO;

(ii) repayment of the Outstanding Subordinated Notes Due 2017, with the proceeds of the capital increase related to the IPO;

(iii) potential refinancing of the Outstanding Subordinated Notes Due 2018 through the potential issuance (before or after the IPO) of new notes at a lower interest rate (depending on market conditions at the time of issuance).

Financial outlook

2015 guidance

Europcar expects to continue to deliver profitable growth through its Fast Lane transformation plan allowing a solid increase in both its Revenues and its Adjusted Corporate EBITDA:

- Revenues should increase 3% to 5% organically, essentially thanks to volume effect with relatively steady RPD year on year. In addition, the reported revenues should benefit from (i) the full impact of the EuropHall acquisition and (ii) favorable movements in currency exchange rates (British Pound and Australian dollar)[8].
- Adjusted Corporate EBITDA is expected to amount to approximately €245 million driven by both revenue and cost control initiatives.
- Net income excluding non-recurring items and the share of profit/(loss) of entities accounted for under the equity method[9], as adjusted to give retroactive effect to the proposed refinancing (see section Refinancing, above) as of January 1, 2015, of approximately €120 million.

Europcar Group should consequently continue to improve its corporate leverage ratio[10] to less than 1.5x by the end of 2015.

2016 and 2017 guidance

Europcar expects to continue to strongly improve its operational performance:

- Revenues should continue to increase 3% to 5% organically per year, essentially thanks to volume effect, with relatively steady RPD.
- Adjusted Corporate EBITDA margin should be in excess of 13% by full year 2017 thanks to further deployment of the Fast Lane transformation plan.

The Group expects to reduce its corporate leverage to below 1x by the end of 2017. The Group believes this reduction in its leverage (at constant scope of consolidation) may also enable it to take advantage of accretive external growth opportunities.

In addition, subject to completion of the IPO, the Company has an objective to distribute, subject to shareholder approval, an annual dividend starting in 2017 in an amount equal to at least 30% of its net profit of the prior fiscal year.

For further information, please refer to Europcar's Registration Document (Free Translation of the Document de base of Europcar Groupe, dated as of May 20, 2015 and available on the IPO dedicated website www.ipo.europcar-group.com and on AMF's website www.amf-france.org).

[8] Based on Europcar estimated annual average GBP/Euro exchange rate of 1.30, this should represent an incremental growth of c. 100 basis point compared to full year 2014.

[9] Defined as Adjusted Corporate EBITDA after non-fleet depreciation and amortization, non-fleet financial expenses and after net tax expenses

[10] Defined as Corporate Net Debt to Adjusted Corporate EBITDA.

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About Europcar

Europcar is one of the leading mobility players in Europe. Present in over 140 countries, the Group provides customers with one of the largest vehicle rental networks through its own operators, franchisees and partnerships. Europcar Group operates worldwide its own brands Europcar® and InterRent®, which is its low cost brand. The group puts customers at the heart of its mission whether it is innovation or service. All the employees of the group are committed to delivering customer satisfaction. Europcar is actively promoting Corporate and Environmental social responsibility. Europcar has been awarded again in 2014 for the 6th consecutive year, by the World Travel Awards (« World's Leading Green Transport Solution Company »). Europcar was also designed « Leading Car Rental Company » in Europe, Africa, Middle-East and Australia. Europcar is owned by Eurazeo, one of the leading listed investment companies in Europe.

Forward-looking statements

This press release includes forward-looking statements based on current beliefs and expectations about future events. Such forward-looking statements are not guarantees of future performance and the announced objectives are subject to inherent risks, uncertainties and assumptions about Europcar Group and its subsidiaries and investments, trends in their business, future capital expenditures and acquisitions, developments in respect of contingent liabilities, changes in economic conditions globally or in Europcar Group's principal markets, competitive conditions in the market and regulatory factors. Those events are uncertain; their outcome may differ from current expectations which may in turn affect announced objectives. Actual results may differ materially from those projected or implied in these forward-looking statements. Any forward-looking statement contained in this press release is made as of the date of this press release. Europcar Group undertakes no obligation to publicly revise or update any forward-looking statements in light of new information or future events.

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