2015 Interim Financial Report

Half-Year Endend June 30, 2015

Europcar

moving your way

Europcar Groupe

Limited Liability Corporation (*société anonyme*) with a share capital of 143,098,315 euros

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This document is a free translation of the interim financial report of Europcar Groupe for the first half-year ended 30 June 2015. This translation has been prepared solely for the information and convenience of English speaking users. In the event of any ambiguity or discrepancy between this translation and the original document, the French version shall prevail.

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Readers are strongly advised to read the Registration Document (Document de base) filed with the Autorité des Marchés Financiers (the French securities regulator), on May 20, 2015 under number I.15-041, and the Update of this document filed with the AMF on June 12, 2015.

HALF-YEAR MANAGEMENT REPORT

1. SIGNIFICANT EVENTS DURING THE FIRST HALF OF 2015

Europcar Groupe raised €475 million through the issuance of new shares in the context of its IPO. The proceeds were used to redeem in advance the €324 million Subordinated Notes bearing interest at 11.50% callable only in case of IPO. Then the Group redeemed in advance its second subordinated notes (€400 million bearing interest at 9.375%) through a new bond of €475 million bearing interest at 5.75%.

Following these transactions, the Group, with only one corporate bond left, has strongly simplified its capital structure and significantly reduced its interest expense.

This new headroom will enable to accelerate the implementation of the strategy initiated in 2012 through the Fast lane transformation program.

1.1 SUCCESS OF EUROPCAR'S INITIAL PUBLIC OFFERING

On June 25, 2015, Europcar Groupe, the leading European car rental company at the heart of new mobility solutions, announced the success of its initial public offering on the regulated market of Euronext Paris (Compartment A; ISIN Code: FR0012789949; ticker: EUCAR). The global offering was well received by French and international institutional investors and the offering price was set at €12.25 per share.

With this transaction, Europcar Groupe raised €475 million through the offering of new shares (the "New Shares") and €404 million through the sale of existing shares by Eurazeo (€349 million) and ECIP Europcar Sarl. The total amount of the global offering was €879 million before exercise of the over-allotment option. The main purpose of the offering of the New Shares was to enable the Group to reduce its indebtedness, strengthen its financial structure and increase its financial flexibility in order to accelerate its development and continue the deployment of its "Fast Lane" program.

Trading of Europcar Groupe's shares on Euronext Paris in the form of "promesses d'actions" (on a quotation line entitled "Europcar Prom") started on June 26, 2015. Settlement and delivery occurred on June 29, 2015. Trading of shares started on June 30, 2015. Following the global offering, Europcar Groupe's free float amounted to approximately 50.3% of its ordinary shares before exercise of the over-allotment option.

On July 24, 2015, Goldman Sachs International, the stabilizing agent, acting in the name and on behalf of the Underwriters, partially exercised the over-allotment option covering 1,522,829 additional existing shares. These shares were sold on July 28 by Eurazeo (1,327,795 shares) and ECIP Europcar Sarl (195,034 shares) at the offering price of €12.25 per share, corresponding to a total amount of approximately €19 million.

As a result, the total number of Europcar shares offered in connection with its initial public offering amounts to 73,298,339 ordinary shares, representing 51.3% of the company's share capital, thereby increasing the offering size to approximately €898 million.

Europcar Groupe's shares sold by Eurazeo in connection with the Company's initial public offering include 258,646 ordinary shares representing the ordinary shares resulting from the conversion of 76,255 class B preferred shares by certain current and former executives and employees of the Group pursuant to the liquidity mechanism put in place by Eurazeo in their benefit in connection with the initial public offering. Upon completion of the transaction, 171 152 class B preferred shares will be outstanding, which could be converted in ordinary shares pursuant to their terms.

Following the exercise of the over-allotment option, Europcar Groupe’s free float amounted to approximately 51.3% of its ordinary shares that compose the share capital:

Shareholders	**Shareholding**	
	Number of ordinary shares	% of ordinary shares and voting rights
Eurazeo(2)	60,545,838(1)	42.4%
ECIP Europcar Sarl(2)	9,036,469	6.3%
Other	73,336,770	51.3%
Total	**142,919,077**	**100%**

(1) Taking into account the effect of the sale to Eurazeo of 258,646 ordinary shares resulting from the conversion of class B preferred shares under the liquidity mechanism put in place by Eurazeo for the benefit of current and former executives and employees holders of class B preferred shares.

(2) Taking into account the shareholding rebalancing transactions between Eurazeo and ECIP Europcar Sarl under the liquidity mechanism put in place by Eurazeo in connection with the initial public offering for holders of class B preferred shares.

In addition to ordinary shares, the share capital includes 171,152 class B preferred shares, 4,045 class C preferred shares and 4,041 class D preferred shares. These preferred shares are deprived of voting right and are held by current and former executives and employees. Nominal value of each share being €1, the share capital amounts to 143,098,315 euros.

1.2 FURTHER STEPS IN AN IN-DEPTH REFINANCING COMMENCED IN JULY 2014

On May 27, 2015, Europcar Notes Limited €475 million senior notes due 2022 were successfully priced at an issue price of 99.289% and a coupon of 5.75% (the “New Notes”). Demand for the New Notes came from a large and diversified base of investors. The net proceeds from the issuance of the New Notes were available to Europcar once its IPO was completed. Europcar used such proceeds to redeem in full the Outstanding Subordinated Notes due 2018[1].

The New Notes issuance follows the successful recent refinancing of Europcar’s Senior Revolving Credit Facility (“RCF”) and the implementation of amendments to the Senior Asset Revolving Facility (“SARF”); together these initiatives allowed the Company to significantly reduce its financing costs ahead of its IPO.

The new €350million Senior Revolving Credit Facility matures in 5 years[2] and bears interest at a rate of Euribor + 250bps[3].

The SARF, which is a fleet asset-backed financing, has been increased from €1.0 billion to €1.1 billion to support operating growth and its maturity has been extended by 2 years to 2019. As from mid-June, the interest rate decreased from Euribor+220bps to Euribor+170bps. In addition, swap instruments covering the SARF structure have been extended to 2019.

1.3 USES AND PROCEEDS FROM THE IPO AND THE NEW REFINANCING

The net proceeds from the issuance of the New Shares, approximately €441 million, and from the 475 million senior notes[4] due 2022 were mainly used to redeem the €324 million Outstanding Subordinated Notes Due 2017 and to pay a redemption premium of €37 million, and to redeem the €400 million Outstanding Subordinated Notes Due 2018 and to pay a redemption premium of €19 million.

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[1] Including the redemption premium and transaction costs, with the remainder to be used for general corporate purposes
[2] RCF Maturity pre-IPO was 3 years; it was automatically extend to 5 years upon completion of the IPO
[3] Depending on the leverage ratio, and post-completion of the IPO
[4] Issue price of 99.289%.

The remainder of the net proceeds of the New Shares and the New Notes after the refinancing transactions (i.e. €112 million) will be used for the Group's general corporate purposes. Of this amount, up to €80 million is intended for financial investments in strategic initiatives over the 2015-2017 period, including up to €25 million for Europcar Lab-related activities.

On June 29, simultaneously:

- A portion of the IPO proceeds was directly deposited to an escrow account dedicated to the redemption of the €324 million of Outstanding Subordinated Notes Due 2017 and bearing interest at 11.5%. The remaining proceeds were transferred to Europcar Groupe

- A portion of the new bond proceeds was directly deposited to a second escrow account dedicated to the redemption of €400 million of Outstanding Subordinated Notes Due 2018 and bearing interest at 9.375%. The remaining proceeds were transferred to Europcar Groupe.

The redemption notices for the 324 million Subordinated Notes Due 2017 and the €400 million Subordinated Notes Due 2018 were released on June 26 and the full redemption price for each of such issues of notes was deposited with the trustee (The Bank of New York Mellon) on June 29, 2015. As of such deposit, Europcar Groupe had no further obligations under the indenture for these notes (or to the note holders) other than certain administrative obligations provided for in the indentures and consequently deconsolidated these bonds in its Statement of financial position as of June 30, 2015. The effective redemption in full of these notes took place on July 6, 2015.

The completion of these transactions brings important benefits to the Group, including significant reduction in its overall corporate leverage and a significant reduction in its interest expense:

- The corporate leverage[5] has significantly been reduced to 1.5x on a pro forma basis[6] at the end of June 2015 compared to 2.7x at the end of 2014. This allows the company to maintain enough financial flexibility to support its growth strategy.

- The interest costs on corporate notes will be reduced to €27 million from €75 million on a full year basis.

As a result of the deleveraging and based on the improved profitability of the company over recent years, the rating agencies, Moody's and S&P, revised the Group's ratings in July. Moody's has upgraded the corporate rating (stable outlook) by 2 notches to B1 from B3 (positive watch). S&P has assigned a B+ corporate rating (stable outlook) from B (positive watch).

1.4 FAST LANE IN MOTION: COMMERCIAL ACHIEVEMENTS

During the first semester, Europcar Groupe transformation plan, Fast Lane, which is half way, continues to be deployed and to bear fruits notably to grow the top line on a sustainable basis and to differentiate our offer.

On the business segment, Europcar Groupe has won several new key accounts and renewed several significant contracts. A strong focus has also enabled to progress significantly on the SME segment. In addition, Europcar and Ubeeqo signed their first joined agreement with a key account in Belgium.

On the leisure segment, Europcar Groupe has pursued different initiatives to sustain the development of our two brands Europcar and InterRent. In the framework of the Europcar brand, the Group has launched "Keddy by Europcar®", a dedicated service for tour-operators, travel agencies and brokers, rolled-out the ancillary program in all the corporate countries ahead of summer season, and signed new partnerships. In addition, the Group has continued to deploy InterRent, its low-cost rental brand, in its corporate countries (81 operating locations to date) but also through franchises (42 countries signed to date).

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[5] Defined as Corporate Net Debt to Adjusted Corporate EBITDA

[6] Based on the last twelve months EBITDA, this ratio is calculated considering the full cash out of the IPO related fees (approx. €23 million still to be paid at the end of June 2015) and of the remainder of the net proceeds of the New Shares and the New Notes after the refinancing transactions (i.e. €112 million).

2. SUBSEQUENT EVENTS

2.1 THE EUROPCAR LAB TAKES MAJORITY STAKE IN E-CAR CLUB

On July 9, the Europcar Lab, the Europcar Group unit dedicated to innovation, announces the acquisition of a majority stake in E-Car Club, the UK's first entirely electric pay-per-use car club. This new acquisition is fully in line with Europcar Lab's strategy to develop mobility market usages, search for new mobility solutions opportunities worldwide and make investments in strategic initiatives allowing the Group to strengthen its leadership in the mobility market.

2.2 EXERCISE OF THE OVER-ALLOTMENT OPTION

Please refer to section 1.1.

3. ANALYSIS OF RESULTS OF OPERATIONS

3.1 KEY INDICATORS

	First Semester		Change
At constant exchange rate	**2015**	**2014**	
Revenues (in millions of euros)	960.5	894.2	7.4%
Number of Invoiced Rental Days (in thousands)	25,971	23,701	9.6%
RPD year-on-year variation[(1)]	(0.9)%	(0.7)%	(0.2) pts
Average Fleet Size in units[(2)]	192,062	174,345	10.2%
Average Fleet Unit Costs/Month (in €)[(3)]	256	259	(1.4)%
Fleet Financial Utilization Rate[(4)]	75.1%	75.6%	(0.5) pts
Adjusted Corporate EBITDA (in millions of euros)	60.2	43.2	39.2%
Adjusted Corporate EBITDA margin	6.3%	4.8%	1.4 pts
Last twelve months Adjusted Corporate EBITDA (in millions of euros)	231.4	179.8	28.7%
Adjusted Corporate EBITDA margin	11.2%	9.4%	1.8 pts

(1) RPD (revenue per transaction day) corresponds to rental revenue for the period divided by the number of rental days for the period. The variation in RPD is calculated compared to the RPD of the prior year.

(2) Average fleet of the period is calculated by considering the number of days of the period when the fleet is available (period during which the Group holds or finances the vehicles), divided by the number of days of the same period, multiplied by the number of vehicles in the fleet for the period. At the end of June 30, 2015, the fleet amounted to 236,113 vehicles (+7.1% compared to June 30, 2014.

(3) The average fleet costs per unit per month is the total fleet costs (fleet holding costs and fleet operating cost) excluding Interest expense included in fleet operating lease rents, divided by the average fleet of the period, divided by the number of months of the period.

(4) The fleet financial utilization rate corresponds to the number of rental days as a percentage of the number of days in the fleet's financial availability period. The fleet's financial availability period corresponds to the period during which the Group holds vehicles.

3.2 COMPARISON OF RESULTS OF OPERATIONS

The analysis in this section is based on the Group's income statement prepared in accordance with IFRS as well as on management figures that are monitored to help inform strategic decisions. Management figures are prepared in order to improve understanding of the Group's economic performance.

IFRS Income Statement

In millions of euros	First Semester 2015	First Semester 2014	Change
Total revenue	**960.5**	**869.0**	**10.5%**
Fleet holding costs	(254.8)	(229.8)	10.9%
Fleet operating, rental and revenue related costs	(339.5)	(311.8)	8.9%
Personnel costs	(169.2)	(155.3)	8.9%
Network and head office overhead	(108.1)	(96.5)	12.1%
Depreciation – excluding vehicle fleet	(16.0)	(15.6)	-2.6%
Other income and expense	2.1	4.4	(51.2)%
Recurring operating income	**74.9**	**64.3**	**16.5%**
Other non-recurring income and expenses	(55.9)	(14.6)	
Operating income	**19.1**	**49.7**	**(61.6)%**
Net financing costs	(170.1)	(128.3)	32.6%
Profit/(loss) before tax	**(151.0)**	**(78.7)**	**92.0%**
Income tax	(1.7)	0.9	
Share of profit/(loss) of associates	(4.1)	(4.3)	(4.5)%
Net profit/(loss)	**(156.8)**	**(82.0)**	**91.2%**

Management Performance indicators

In millions of euros	First Semester 2015	First Semester 2014	Change
Total revenue	**960.5**	**869.0**	**10.5%**
Change at constant exchange rates			***7.4%***
Fleet holding costs, excluding estimated interest included in operating leases	(229.1)	(204.8)	11.9%
Fleet operating, rental and revenue related costs	(339.5)	(311.8)	8.9%
Personnel costs	*(169.2)*	*(155.3)*	*8.9%*
Network and head office overhead	*(108.1)*	*(96.5)*	*12.1%*
Other income and expense	*2.1*	*4.4*	*(51.2)%*
Personnel costs, network and head office overhead, IT and other	(275.2)	(247.4)	11.2%
Net fleet financing expense	*(30.8)*	*(38.4)*	*(19.7)%*
Estimated interest included in operating leases	*(25.7)*	*(25.1)*	*2.5%*
Fleet financing expenses, including estimated interest included in operating leases	(56.5)	(63.5)	(11.0)%
Adjusted Corporate EBITDA	**60.2**	**41.5**	**44.8%**
Margin	*6.3%*	*4.8%*	*1.4 pts*
Depreciation – excluding vehicle fleet	(16.0)	(15.6)	2.6%
Other non-recurring income and expenses	(55.9)	(14.6)	
Other financing income and expense not related to the fleet	(139.3)	(89.9)	54.9%
Profit/loss before tax	**(151.0)**	**(78.7)**	**92.0%**

The table below presents a reconciliation of adjusted recurring operating income, Adjusted Corporate EBITDA and Adjusted Consolidated EBITDA to recurring operating income. The Group presents adjusted recurring operating income, Adjusted Consolidated EBITDA and Adjusted Corporate EBITDA because the Group believes they provide investors with important additional information to evaluate the Group's performance. The Group believes these indicators are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the Group's industry. In addition, the Group believes that investors, analysts and rating agencies will consider adjusted recurring operating income, Adjusted Consolidated EBITDA and Adjusted Corporate EBITDA useful in measuring the Group's ability to meet its debt service obligations. None of adjusted recurring operating income, Adjusted Consolidated EBITDA or Adjusted Corporate EBITDA is a recognized measurement under IFRS and should not be considered as alternative to operating income or net profit as a measure of operating results or cash flows as a measure of liquidity.

Reconciliations

In millions of euros	First Semester 2015	First Semester 2014
Recurring operating income*	**74.9**	**64.3**
Reversal of interest expense related to fleet operating leases (estimated)(A)	25.7	25.1
Adjusted recurring operating income	**100.6**	**89.4**
Reversal of amortization, depreciation and impairment expense*	16.0	15.6
Net fleet financing expenses*	(30.8)	(38.4)
Interest expense related to fleet operating leases (estimated)(A)	(25.7)	(25.1)
Adjusted Corporate EBITDA	**60.2**	**41.5**
Reversal of fleet depreciation*	85.8	75.4
Reversal of fleet operating lease rents (A)*	124.0	114.3
Reversal of net fleet financing expenses*	30.8	38.4
Adjusted Consolidated EBITDA	**300.8**	**269.6**

*as set forth in the consolidated balance sheet and the notes to the financial statements

(A) Fleet operating lease rents consist of a fleet depreciation expense, an interest expense as well as, under several operating lease contracts, a small administration fee. For those fleet operating lease contracts entered into by the Group that do not provide the precise split of the rents amongst the depreciation expense, the interest expense and the administrative fee, the Group makes estimates of this split on the basis of information provided by the lessors. Furthermore, because the interest expense component of the lease rent is in substance a fleet financing cost, Europcar's management reviews fleet holding costs and the adjusted operating income of the Group excluding this expense.

3.2.1 Revenue

The following table shows the Group's consolidated revenue for the six months ended June 30, 2015 and 2014, as a total and by product type.

Breakdown of revenue (IFRS)

In millions of euros	First Semester 2015	First Semester 2014	Change
Vehicle rental income	893.0	799.4	11.7%
Other revenue associated with vehicle rental	43.4	45.7	(5.2)%
Franchising business	24.1	23.8	1.4%
Total revenue	**960.5**	**869.0**	**10.5%**

Revenue was €961 million for the six months ended June 30, 2015, up 10.5% as compared to the six months ended June 30, 2014. Based on constant exchange rates for the pound sterling and the Australian dollar, revenue for the six months ended June 30, 2015 increased by 7.4%, mainly supported by the increase in the Number of Rental Days. Excluding the consolidation of Europ Hall[7], the Group's consolidated revenue increased by 6.2% at constant exchange rates.

The Number of Rental Days significantly increased, with 26.0 million rental days in the first semester of 2015, as compared to 23.7 million rental days in the first semester of 2014, representing an increase of 9.6%. This trend was seen throughout all the Corporate Countries. Both the business and leisure segments benefited from this increase:

[7] Europcar France acquired Europ Hall, one of its French franchisees, in the fourth quarter of 2014 and fully consolidated it for two months. In 2014, Europ Hall generated standalone revenues of approximately €23 million.

- Increased volumes for the business segment, in particular for SME and vehicle replacement, in line with the sales efforts implemented by the Group;

- Increased demand on the leisure segment, supported by the brand Europcar on all distribution channels and by the accelerated deployment of the InterRent® brand throughout the Corporate Countries.

In the first half of 2015, RPD decreased by 0.9% at constant exchange rates, as compared to H1 of 2014, and by 0.2% at constant exchange rates in the second quarter (as compared to the second quarter of 2014). The change in the RPD was mainly driven by the mix of both customers segments and brands (Europcar and InterRent), while not impacting profitability. The Leisure segment benefited from a high RPD supported notably by the deployment of the ancillary program, while the deployment of InterRent, which provides a lower facial RPD, continues to grow significantly. The Business segment was impacted by the higher contribution of the Vehicle Replacement business that has a longer duration than the average for the segment and which drives a lower RPD. Other Revenue associated with vehicle rentals was down by €2.3 million mainly due the petrol price decrease with very limited impact on margin.

Income from franchisee business increased by 1.4% at reported exchange rates (or 0.4% at constant exchange rates) to reach €24.1 million for the first semester of 2015.

3.2.2 Fleet Holding Costs

Excluding the estimated financing expense included in the payments on operating leases (€25.7 million and €25.1 million in the first semester of 2015 and in the first semester of 2014, respectively), fleet holding costs totaled €229.1 million in the first semester of 2015 compared to €204.8 million in the first semester of 2014. This change in fleet holding costs was a result of increased activity, changes in the monthly fleet holding cost per unit and the fleet financial utilization rate:

- The fleet holding cost per vehicle at € 198.8 / month continued to decrease slightly, by 1.5%, at constant exchange rates (with an increase of 1.6% at reported exchange rates) thanks to better fleet mix;

- The fleet financial utilization rate was slightly down at 75.1% in the first semester of 2015, compared to 75.6% in the first semester of 2014 in order to provide better flexibility for the summer season.

3.2.3 Fleet Operating, Rental and Revenue Related Costs

Fleet operating, rental and revenue related costs increased by 8.9% at reported exchange rates and by 5.8% at constant exchange rates in the first semester of 2015 compared to the first semester of 2014, reaching €339.5 million. This change is consistent with trends observed for revenue.

3.2.4 Personnel Costs

Personnel costs increased by 6.4% at constant exchange rates in the first semester of 2015 as compared to the first semester of 2014 (+8.9% at reported exchange rate), mainly in the Group’s network of stations in connection with the increasing activity and to a lesser extent the application of minimum wages in Germany.

3.2.5 Network and Head Office Overhead

Network and head office overhead increased by 9.9% at constant exchange rates (up 12.1% at reported exchange rates) in the first semester of 2015 as compared to the first semester of 2014.

This increase was primarily the result of the increase in marketing expenses intended to support revenue growth in the first semester and the preparation for the summer season, notably with the deployment of InterRent as well as the launch of “Keddy by Europcar®”, a dedicated service for tour-operators, travel agencies and brokers. In addition, the Group continued to invest to strengthen its IT system to better address its customer needs.

3.2.6 Other Non-Recurring Income and Expenses

Other non-recurring income and expenses were a charge of €55.9 million for the first semester of 2015, primarily including:

- Reorganization charges of €19.6 million, including severance costs relating to the implementation of measures for the streamlining of the German network and of some local headquarters.

- Fees relating to the initial public offering for €8.6 million. The other part of the costs has been deducted from issuance premiums for €24.7 million.

- A provision recorded based on the best estimate of the financial risk (at the current stage of the procedure with the French Competition Authority), in the event that the French Competition Authority were to impose a fine, notwithstanding the Group's arguments in defense of its position. See Note 15 to the consolidated financial statements as of and for the six months ended June 30, 2015; and

- A net reversal of a provision related to the execution of a settlement agreement with Enterprise on April 29, 2015, putting an end to all legal proceedings with this company. See Note 15 to the consolidated financial statements as of and for the six months ended June 30, 2015.

Other non-recurring income and expenses totaled €14.6 million in the first semester of 2014, including €10.5 million of reorganization charges relating to supporting consultants on the Group's Shared Services Center project in Portugal as well as the streamlining of the network in Germany, and €2.7 million of amortization of rights to operate National and Alamo brands.

3.2.7 Adjusted Corporate EBITDA

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.

Seasonality strongly influences the level of Adjusted Corporate EBITDA, nevertheless, the Adjusted Corporate EBITDA for the first semester of 2015 has strongly improved to €60.2 million, as compared to €41.5 million for the first semester of 2014. This improvement of 44.8%, or 39.2% at constant exchange rates, mainly reflects the following items:

- The increase in revenue, which had an impact of €22 million on Adjusted Corporate EBITDA, net of the increase in costs directly related to the increase in revenue (such as fleet holding costs and fleet operating, rental and revenue related costs) at constant currency; and

- The decrease in fleet financing interest expenses (including both expenses relating to fleet financing on the balance sheet and the estimated interest under operating leases), from €63.5 million in the first semester of 2014 to €56.5 million in the first semester of 2015, following the refinancing which took place after the first semester of 2014, despite a 10.2% increase in the average fleet in units.

In addition, Adjusted Corporate EBITDA was impacted by the increase in personnel costs in the network of stations and marketing expenses, as described above.

Adjusted Corporate EBITDA over the last twelve months was €231.4 million with a margin of 11.2%, which continues to improve thanks to the Fast Lane transformation plan.

3.2.8 Net Financing Costs

Net financing costs amounted to €170.1 million in the first semester of 2015 compared to €128.3 in in the first semester of 2014. In 2015, they include mainly:

- €30.8 million in interest charges relating to the financing of the vehicle fleet recorded on the balance sheet compared to €38.4 last year (please refer to section 3.2.7 above);

- €40.0 million in interest charges relating to other borrowings (subordinated notes in corporate debt) compared to €37.4 million. This slight increase is linked to the non-recurring overlap during two weeks in June of the €475 million Notes refinancing contingent to the IPO, with outstanding Corporate Subordinated Notes that were repaid by Europcar Groupe end of June (please refer to section 1.3 above);

- €56 million redemption price linked to the repayment of both the €324 million of Outstanding Subordinated Notes Due 2017 and bearing interest at 11.5% and the €400 million of Outstanding Subordinated Notes Due 2018 and bearing interest at 9.375%; and

- €27 million linked to the write off of transactions costs of these Notes as a result of their redemption.

3.2.9 Income Tax

In the first semester of 2015, the Group recorded tax expense of €1.7 million, as compared to a tax income of €0.9 million in 2014. This difference is mainly explained by the relative weight from one period to another of profit before tax of different entities.

3.2.10 Share of Profit/Loss of Associates

The share of profit/loss of associates represented a loss of €4.1 million for the first semester of 2015 as compared with a loss of €4.3 million for the first semester of 2014, mainly linked to the deployment costs of Car2Go Europe.

3.2.11 Net Profit/Loss

Net profit/loss presented a loss of €156.8 million in the first semester of 2015, as compared with a loss of €82 million in the first semester of 2014. In the first semester of 2015, the net loss included non-recurring items which are notably the costs associated with the IPO and the reshape of the capital structure (approximately €92 million), the net negative impact of some proceedings (approximately €27 million) and reorganization charges linked to Fast lane transformation plan (€20 million).

3.3 REVENUE AND ADJUSTED CORPORATE EBITDA BY OPERATING SEGMENT

3.3.1 Europe

The table below shows (i) the allocation of revenue generated in Europe by Corporate Country and in the other European countries, and (ii) Adjusted Corporate EBITDA generated in Europe for the six months ended June 30, 2015 and 2014:

In millions of euros	**First semester 2015**	**First semester 2014**	**Change**
Revenue			
Germany	256.1	242.0	5.8%
United Kingdom	214.3	183.0	17.1%
France	160.0	142.5	12.3%
Other European countries	249.4	228.5	9.2%
Other European countries (franchises)	8.5	7.7	10.7%
Europe	888.4	803.6	10.5%
Adjusted Corporate EBITDA (Europe)	31.8	21.4	48.2%

Revenue

Between the first semesters of 2014 and 2015, revenue of the Europe operating segment increased by 10.5%, at reported exchange rates (and +6.7% at constant currency) to €888.4 million for the first semester of 2015. This increase was primarily the result of a significant increase in the Number of Rental throughout the Corporate Countries and on both the business and leisure segments. At constant exchange rates, RPD decreased slightly.

- Germany

The Group's revenue in Germany increased by 5.8% to €256.1 million for the first semester of 2015. This increase was due primarily to the increase in the Number of Rental Days with a favorable trend in RPD.

- United Kingdom

The Group's revenue in the United Kingdom increased by 5.2%, at constant exchange rates to €214.3 million for the first semester of 2015. This increase was due to a significant increase in the Number of Rental Days in the first semester of 2015, thanks notably to vehicle replacement activity growth and to a lesser extent to the deployment of InterRent.

- France

The Group's revenue in France increased by 12.3% to €160 million for the first semester of 2015. Excluding EuropHall (acquired in the fourth quarter of 2014), the growth was +4.9% supported by the increase in the Number of Rental Days, in both the business segment (notably for SME) and leisure segment, and a slight increase in RPD.

Adjusted Corporate EBITDA

Adjusted Corporate EBITDA in Europe increased by €10.3 million, or 48.2%, at reported exchange rates to €31.8 million for the first semester of 2015. The European Adjusted Corporate EBITDA margin improved by 0.9pts at 3.6% reflecting the revenue growth, the favorable impact of the fleet refinancing, despite the increase in personal costs and sales and marketing investments ahead of summer season. Please refer to section 3.2.7.

3.3.2 Rest of World

The table below shows the revenue and the Adjusted Corporate EBITDA generated in the Rest of World operating segment for the six months ended June 30, 2015 and 2014:

In millions of euros	First semester 2015	First semester 2014	Change
Revenue	74.9	68.8	8.8%
Adjusted Corporate EBITDA	12.2	9.2	31.4%

The Group's revenue generated in Australia and New Zealand increased by 4% at constant currency, driven by an increase in the Number of Rental Days with a slight decrease in RPD. The growth in revenue from franchising business in the other Rest of World countries in the first semester of 2015 was due to organic growth in the existing franchise network, which benefited from the initiatives taken in connection with the Fast Lane program over the entire network.

The Group's Adjusted Corporate EBITDA in the Rest of World operating segment increased by €2.9 million at reported exchange rates to €12.2 million for the first semester of 2015. The margin increased by 2.8 points to 16.2% driven by the top line growth.

3.3.3 Elimination and Holdings

The table below shows revenue recorded in Elimination and Holdings and Adjusted Corporate EBITDA of Elimination and Holdings for the six months ended June 30, 2015 and 2014:

In millions of euros	First semester 2015	First semester 2014	Change
Revenue	(2.8)	(3.5)	21.4%
Adjusted Corporate EBITDA	16.2	10.8	49.7%

Adjusted Corporate EBITDA of Elimination and Holdings increased by €5.4 million to €16.2 million for the first semester of 2015. This increase was primarily related to the increase in invoicing of IT costs in Corporate Countries following the redefinition of the allocation of such costs and the change to monthly invoicing in connection with the merger of the autonomous entity responsible for the Group's IT business with the Europcar International operating entity (both considered "holding" entities); this increase did not have an impact at the Group level.

4. LIQUIDITY AND CAPITAL RESOURCES

4.1 OVERVIEW

Following the settlement of the IPO on June 29, 2015, Europcar has reshaped its capital structure and enhanced its corporate credit profile as initially planned. Thanks to the implementation of its Fast Lane transformation plan, Europcar strengthened its business model leading to a strong improvement of its financial performance and credit profile. Europcar initiated in 2014 an in-depth reshaping of its financing structure to take advantage of its operational transformation and to benefit from supportive market conditions.

As a result, its 11.5% senior subordinated notes due 2017 in an aggregate principal amount of €324 million and its 9.375% senior subordinated notes due 2018 in an aggregate principal amount of €400 million have been fully redeemed (including a payment of redemption premium for a total amount of €56 million), with a portion of the proceeds of the €475 million capital increase from the IPO (€441 million net proceeds) and the issuance of new 5.75% senior notes due 2022 on June 10, 2015[8] in an aggregate amount of €475 million, the proceeds of which were in escrow until the completion of the IPO and the obligations of which have been transferred to the company from Europcar Notes Limited after the completion of the IPO.

During the first semester of 2015, Europcar also implemented the New Senior Revolving Credit Facility (signed on May 12, 2015 and entered into effect on May 28, 2015) and used the proceeds thereof to repay the Existing Senior Revolving Credit Facility (€300 million as of December 31, 2014). This new €350 million Senior Revolving Credit Facility matures in 5 years[9] and bears interest at a rate of Euribor + 250bps[10].

Finally the Group amended its Senior Asset Revolving Facility ("SARF"). The amendments signed on May 12, 2015, entered into effect on June 17, 2015. The amount of FCT Senior Notes that may be issued by the FCT Issuer under the SARF, which is a fleet asset-backed financing, has been increased from €1.0 billion to €1.1 billion to support operating growth and the SARF's maturity has been extended by 2 years to 2019. The interest rate on the FCT Senior Notes (before the amortization period) decreased from Euribor+220bps to Euribor+170bps. In addition, swap instruments covering the SARF structure have been extended to 2019.

The terms and conditions of these financings are described in the Update of the Registration Document filed with the AMF on June 12, 2015 under number D.15-0099-A01.

The completion of these transactions brings important benefits to the Group, including:

- a significant reduction in its overall corporate leverage;
- a significant reduction in its interest expense;
- an extension of the maturities on most of its indebtedness;
- the establishment of a simpler and more flexible long-term capital structure; and
- the extension and increase of the hedging of the exposure to interest rate fluctuations.

The corporate leverage[11] has significantly been reduced at 1.5x on a pro forma basis[12] at the end of June 2015 compared to 2.7x at the end of 2014. This allows the company to maintain enough financial flexibility to

[8] Issue price of 99.289%.
[9] RCF Maturity pre-IPO was 3 years ; it was automatically extend to 5 years upon completion of the IPO
[10] Depending on the leverage ratio, and post-completion of the IPO.
[11] Corporate Net debt / Adjusted corporate EBITDA
[12] Based on the last twelve months EBITDA, this ratio is calculated considering the full cash out of the IPO related fees (approx. €23 million still to be paid at the end of June 2015) and of the remainder of the net proceeds of the New Shares and the New Notes after the refinancing transactions (i.e., €112 million).

support its growth strategy. As a result of the deleveraging and based on the improved profitability of the company over recent years, the rating agencies, Moody's and S&P, revised the Group ratings.

4.2 RATINGS UPGRADE

Standard & Poor's Ratings

On July 8, 2015, Standard & Poor's Ratings Services raised its long-term corporate credit ratings on Europcar Groupe and wholly owned financing subsidiary Europcar International to 'B+' from 'B'. They removed the ratings from CreditWatch, where they had placed them with positive implications on May 26, 2015. The outlook is stable.

They raised the issue rating on Europcar Groupe's €350 million senior secured revolving credit facility (RCF) to 'BB-' from 'B+'.

They raised the issue rating on EC Finance's €350 million senior secured notes due 2021 to 'B+' from 'B'.

They raised the issue rating on the €475 million senior notes due 2022 to 'B-' from 'CCC+'.

The issue ratings on the RCF, the senior secured notes, and the senior notes have also been removed from CreditWatch with positive implications.

Moody's Ratings

On July 7, Moody's Investors Service upgraded Europcar Groupe's corporate family rating (CFR) to B1 from B3.

Concurrently, Moody's changed the instrument rating on the €475 million Senior Notes due 2022, the obligations of which have been transferred to the company from Europcar Notes Limited after the completion of the IPO, to definitive B3 from provisional (P)B3 and upgraded EC Finance Plc's instrument rating on the €350 million Senior Secured Notes due 2021 to B2 from B3.

The outlook on the ratings is stable.

4.3 TOTAL NET DEBT

As of June 30, 2015, the total amount of the Group's consolidated net corporate net debt was €209 million compared to €581 million at the end of December 31, 2014.

As of June 30, 2015, the total Net Fleet Debt, which is asset backed, amounted to €3,460 million compared to €3,042 million at the end of June 30, 2014 (€2,567 million at the end of December 31, 2014). Out of this amount, €1,726 million was recorded in the balance sheet, with the reminder of, €1,734 million corresponding to operating leases. The estimated debt equivalent of fleet operating leases, which is recorded off-balance sheet, corresponds to the net book value of the applicable vehicles, which is calculated on the basis of purchase price and depreciation rates of corresponding vehicles (based on contracts with manufacturers). In accordance with IFRS, this amount is not recorded on the balance sheet. In addition, the loan to value ratio (LTV) for Q2 2015 was 93.5% [13] (vs. 93.6% for Q2 2014).

[13] Corresponds to the indebtedness of Securitifleet Holding, the Securitifleet Companies and EC Finance Plc (aggregate amount of €1,132m at the testing date) divided by the total value of the net assets on the balance sheets of these companies (€1,212m as of June 30, 2015).

The table below presents a breakdown of Net Corporate Debt and Total Net Debt (including the estimated outstanding value of the fleet financed through operating leases):

In millions of euros	**June 30 2015**	**Dec. 31 2014**
Senior Subordinated Secured 11.50% Notes due in 2017	-	324
Senior Subordinated Unsecured 9.375% Notes due in 2018	-	400
Senior Unsecured 5.75% Notes due in 2022	475	-
Senior Revolving Credit Facility	100	201
FCT Junior Notes (A), accrued interest not yet due, capitalized costs of financing contracts and other (B)(G)	(185)	(152)
Gross Corporate Debt	**390**	**773**
Short-term Investments (C)	(69)	(63)
Cash in operating and holding entities (C)	(112)	(129)
Net Corporate Debt	**209**	**581**
Outstanding EC Finance 5.125% Notes due in 2021 (D)	350	350
Senior Asset Revolving Facility	689	418
FCT Junior Notes (A), capitalized costs of financing contracts and other	166	128
UK, Australia and other fleet financing facilities	620	501
Gross Fleet Debt recorded on the balance sheet	**1,825**	**1,396**
Short-term fleet investments (C)	(16)	(16)
Cash held in fleet financing entities (C)	(82)	(97)
Fleet Net Debt recorded on the balance sheet	**1,726**	**1,283**
Estimated debt equivalent of fleet operating leases off balance sheet (E)	1,734	1,284
Net Fleet Debt including fleet-related off balance sheet commitments (F)	**3,460**	**2,567**
Total Net Debt including fleet-related off balance sheet commitments (F)	**3,669**	**3,148**

(A) The subscription proceeds of the FCT Junior Notes subscribed by Europcar International provide the overall credit enhancement and, when applicable, an additional liquidity requirement. The FCT Junior Notes are used only to finance the fleet debt requirement. FCT Junior Notes are subscribed by Europcar International using available cash or drawings on the Senior Revolving Credit Facility.

(B) For countries where fleet costs are not financed through dedicated entities (i.e. Securitifleet entities), the cash used to finance the fleet, which could have been financed by fleet debt, is restated from the net fleet debt with a de-risk ratio.

(C) Other than fleet items, other items included in short-term investments and the Group's cash are those related to the Group's recurring business, including its insurance program (see Section 4.6 "Insurance and Risk Management" of the Registration Document).

(D) The EC Finance Notes were refinanced in July 2014. These new notes are due in 2021 and bear interest at a rate of 5.125% (as compared to previously being due in 2017 and bearing interest at a rate of 9.75%).

(E) The estimated debt equivalent of fleet operating leases corresponds to the net book value of applicable vehicles, which is calculated on the basis of the purchase price and depreciation rates of corresponding vehicles (based on contracts with manufacturers). The Company's financial management verifies the consistency of the external information that is provided.

(F) Net fleet debt (including estimated debt equivalent of fleet operating leases) encompasses all debt and cash financing the fleet.

(G) Including non-accrued interest on held-to-maturity investments (Euroguard).

4.4 ANALYSIS OF CORPORATE FREE CASH FLOW

4.4.1 Overview

In analyzing its liquidity, the Group uses the indicator of corporate free cash flow.

The Group believes that corporate free cash flow is a useful indicator because it measures the Group's liquidity based on its ordinary activities, including net financing costs on borrowings dedicated to fleet financing, without taking into account (i) past disbursements in connection with debt refinancing, (ii) costs which due to their exceptional nature are not representative of the trends in the Group's results of operations and (iii) cash flows in relation to the fleet analyzed in a separate manner as the Group makes acquisitions through asset-backed financing.

The table below shows the calculation of corporate free cash flows, as well as the regrouping of certain items deemed significant in analyzing the Group's cash flow, including cash flow relating to changes in the rental fleet, in fleet-related trade receivables and trade payables, and in fleet-related financing and other working capital facilities, principally used for fleet-related needs. This presentation differs from the IFRS statement of cash flows primarily due to the analytic regrouping carried out and the items that do not affect cash flow, which vary based on the financial indicator used as the starting point (in this case, Adjusted Corporate EBITDA, as presented below, as compared with the pre-tax profit in the IFRS statement of cash flows).

Management Cash Flows

In millions of euros	**First semester 2015**	**First semester 2014**
Adjusted Corporate EBITDA	**60**	**42**
Other non-recurring operating income and expenses	(25)	(12)
Acquisition of intangible assets and property, plant and equipment, net of disposals	(12)	(10)
Changes in provisions and employee benefits	(12)	(3)
Changes in non-fleet working capital	34	38
Income taxes received/paid	(21)	(17)
Corporate Free Cash Flow	**25**	**37**
Net interest paid on High Yield borrowings	(51)	(37)
Cash flow after payment of High Yield interest	**(26)**	**(0)**
Changes in vehicle fleet, in fleet working capital and in fleet financing and working capital	(142)	(66)
Acquisition of subsidiaries, net of cash acquired and other investment transactions	(9)	(9)
Increase in capital	464	-
Issuance of High Yield Notes	472	-
Reimbursement of High Yield Notes	(724)	-
Payment of financing transaction costs and redemption premium	(69)	(4)
Increase / (decrease) in cash and cash equivalents before effect of foreign exchange conversions	**(34)**	**(79)**
Cash and cash equivalents at beginning of period	*206*	*267*
Effect of foreign exchange conversions	*2*	*1*
Cash and cash equivalents at end of period	*174*	*189*

4.4.2 Corporate Free Cash Flow

Corporate free cash flow is defined as free cash flow before the impacts of the fleet and acquisitions of subsidiaries. Free cash flow represented an outflow of €25 million in the first semester of 2015 compared €37 million in the first semester of 2014 mainly:

- *Adjusted Corporate EBITDA.* Adjusted Corporate EBITDA increased €18 million over the period due primarily to the increase in revenue in connection with the Fast Lane program and the decrease of interest for fleet financing

- *Other non-recurring operating income and expenses.* This item included the cash out related to the reorganization programs initiated in the context of Fast Lane. In 2015, it also included the payment of €12.5 million to Enterprise following the signing of a settlement agreement putting an end to all legal proceedings with this company (see note 15 to the interim condensed consolidated financial statements for the six months ended June 30, 2015)

- *Changes in non-fleet working capital and provisions*. In 2015, changes in non-fleet working capital included the IPO fees, which are reclassified, when paid, in deduction of capital increase. Excluding these fees (approximately €23 million still to be paid as of June 30, 2015), the changes in non-fleet working capital and provisions were neutral

- *Acquisition of Intangible Assets and Property, Plant and Equipment and Income Taxes Received/Paid.* These two items represented a slightly higher amount of cash outflow for the first semester of 2015, compared to the first semester of 2014.

4.4.3 Other Components of Cash Flow

Net interest paid on High Yield borrowings was impacted by the timing effect linked to the repayment of the €324 million Notes and the €400 million notes. The interest of these two notes used to be paid twice a year, respectively in April / May, and October/ November. The interest accrued as of June 29, 2015 was paid together with the reimbursement of the principal on that date.

The net impact of changes in the fleet recorded on the balance sheet, rental fleet related receivables, rental fleet related payables, and borrowings dedicated to fleet financing is primarily the result of temporary lags between the delivery of a vehicle order, payment for this delivery, and entry into securitization and financing of these vehicles. This net impact represented a €142 million outflow in the first semester of 2015, as compared with a €66 million outflow in the first semester of 2014. This change is notably linked to the repayment of RCF with the cash available from the IPO and the New Notes.

In addition to the usual financing transactions primarily related to the rental fleet over these two periods, the IPO and the reshaping of the Group's capital structure have strongly impacted the cash generation. In particular:

- The IPO gross proceeds amounted to €475 million. As of June 30, 2015, the related fees already paid amounted to €11 million out of the €34 million of total costs expensed (of which approximately €25 million has been deducted from issuance premiums).

- The new €475 million senior notes due 2022 were issued at 99.289% resulting in a cash inflow of €471.6 million. They bear interest at 5.75%.

- The proceeds from both the IPO and these new notes were mainly used to redeem both the €324 million Outstanding Subordinated Notes Due 2017 and the €400 million Outstanding Subordinated Notes Due 2018 and to pay the associated redemption premiums for an aggregate amount of €56 million.

4.5 ANALYSIS OF CASH FLOWS ACCORDING TO IFRS

The Group's principal cash flow drivers are its operating performance as reflected in its operating profit before changes in working capital, cash related to financing transactions, interest on its corporate debt, cash flow relating to acquisitions and disposals of the fleet and cash from (used by) investments.

In millions of euros	**Six months ended June 30,**	
	2015	**2014**
Net cash generated from (used by) operating activities	(401.9)	(286.2)
Net cash used by investing activities	(24.1)	(18.5)
Net cash generated from (used by) financing activities	392.4	225.1
Net increase (decrease) in cash and cash equivalents after effect of foreign exchange differences	(33.6)	(79.6)

4.5.1 Net Cash Generated From (Used By) Operations

The table below summarizes the Group's net cash generated from operating activities for the first semesters of 2014 and 2015.

	Six months ended June 30,	
In millions of euros	**2015**	**2014**
Operating profit before changes in working capital	**52.8**	**43.2**
Changes in rental fleet and in fleet working capital	(394.7)	(271.8)
Changes in non-fleet working capital	47.5	41.7
Cash generated from operations	**(294.4)**	**(186.9)**
Income taxes received (paid)	(20.9)	(17.1)
Net interest paid	(86.7)	(82.2)
Net cash generated from (used by) operations	**(401.9)**	**(286.2)**

Cash Generated From Operations

Net cash generated from operations represented a cash outflow of €294.4 million in the first semester of 2015, as compared with a cash outflow of €186.9 million in the first semester of 2014. Operating profit before changes in working capital generated an additional resource of €9.6 million as a result of an improvement in the Group's operating profitability between the two periods. In addition, non-fleet working capital had a favorable impact of €5.8 million. These changes were largely offset by the significant increase (€122.9 million) in resources necessary for additional fleet acquisition as compared to the same period last year. This change reflects increased activity in the first semester of 2015, with a 9.6% increase in the Number of Rental Days as compared with the first semester of 2014 and an increase of 10.2 % in the number of vehicles with slightly lower fleet financial utilization rate for the preparation for the summer season. At June 30, 2015, the total net fleet debt recognized in the balance sheet was €1,732 million representing an increase of +13.9% compared to June 30, 2014.

Income Taxes Received/Paid

Income taxes paid represented a cash outflow of €20.9 million in the first semester of 2015, a slight increase as compared with the same period in 2014.

Net Interest Paid

Net interest paid represented a cash outflow of €86.7 million in the first semester of 2015, as compared with a cash outflow of €82.2 million in the first semester of 2014. The favorable impact of the refinancing of senior notes dedicated to the fleet carried out in mid-2014, which resulted in a reduction of the interest rate from 9.75% to 5.125% was offset by timing effect of interest payment linked to the repayment of the €324 million Notes and the €400 million notes. The interest of these two notes used to be paid twice a year, respectively in April / May, and October/ November. The interest accrued as of June 29, 2015 was paid together with the reimbursement of the principal on that date.

4.5.2 Net Cash Used by Investing Activities

The table below summarizes the Group's net cash used by investing activities for the six months ended June 30, 2015 and June 30, 2014.

	Six months ended June 30,	
In millions of euros	**2015**	**2014**
Other investments and loans	-	-
Acquisitions of intangible assets and property, plant and equipment	(12.1)	(11.7)
Proceeds from disposal of fixed assets	0.6	2.6
Acquisitions and proceeds from disposal of financial assets	(6.7)	(7.0)
Acquisition of subsidiaries, net of cash acquired	(6.0)	(2.3)
Disposal of subsidiaries, net of cash sold	-	-
Dividends received from associates	-	-
Net cash used by investing activities	**(24.1)**	**(18.4)**

Net cash used by investment activities remained relatively stable between the two periods. In the first semester 2015, it includes the subscription in the capital increase of Car2Go Europe for €6.0 million (versus €2.3 million in the first half of 2014).

4.5.3 Net Cash Generated From (Used By) Financing Activities

The table below summarizes the Group's net cash generated from (used by) financing activities for the six months ended June 30, 2015, and June 30, 2014.

	Six months ended June 30,	
In millions of euros	**2015**	**2014**
Increase in share capital	464.0	-
New Notes	471.6	-
Redemption of senior subordinated secured notes	(780.0)	-
Change in senior fleet financing liability [(1)]	170.9	111.3
Change in other fleet financing liabilities	58.9	100.5
Payment of transaction costs	(12.5)	(3.8)
Other new borrowings	19.4	17.0
Net cash generated from (used by) financing activities	**392.4**	**225.1**

(1) Changes in borrowings dedicated to fleet financing are reported on a net basis since they relate to buyback agreements with short-term maturities.

Net cash generated from (used by) financing activities represented a cash inflow of €392.4 million in the first semester of 2015, as compared with a cash inflow of €225.1 million in the first semester of 2014. In addition to the usual financing transactions primarily related to the rental fleet over these two periods (€ 229.8 million cash inflow in half-year 2015 versus €211.8 million year on year), the IPO and the reshape of the capital structure have strongly impacted the cash generated from financing activities. For a description of the impacts from the IPO and the reshape of the capital structure, please refer to section 4.4.3.

5. RELATED PARTY TRANSACTIONS

Please refer to Note 18 to the Interim Condensed Financial Statements for the six months period ended June 30, 2015.

6. MAIN RISKS AND UNCERTAINTIES FOR THE SECOND HALF OF 2015

Europcar Groupe operates in a context of risk and uncertainty as a result of the general economic environment as well as the specific nature of its own business activities. A detailed description of risk factors and uncertainties is provided in Chapter 4 “Risk Factors” of (i) the Registration Document (Document de base) filed with the AMF on May 20, 2015 under number I.15-041, (ii) the Update of the Registration Document filed with the AMF on June 12, 2015, under number D.15-0099-A01, and the Chapter 2 of the Note d’Opération filed with the AMF on June 12, 2015, all of which composed the prospectus which obtained the visa n°15-270. .

Europcar Groupe does not consider that the main risks identified in these documents have changed significantly. If these risks were to materialize they could have a significant adverse effect on the Group’s operations, financial position, earnings and outlook.

Europcar Groupe may be exposed to other risks that were not identified at the date of this report, or which are not currently considered material.

7. OUTLOOK 2015

The Group confirms its 2015 guidance: we expect to continue to generate profitable growth through our Fast Lane transformation program for the year ended December 31, 2015.

7.1 ASSUMPTIONS

The Group’s forecasts are based on its consolidated financial statements as of and for the year ended December 31, 2014.

These forecasts are based on the following main assumptions:

- no material changes in the accounting principles or scope of consolidation as compared to the Group’s consolidated financial statements as of and for the year ended December 31, 2014;

- estimated annual average GBP/Euro exchange rate of 1.30 and Australian dollar / Euro exchange rate of 0.71;

- non-fleet depreciation and amortization remaining in line with previous years (i.e., €34 million in 2013 and €32 million in 2014);

- completion of the Refinancing, resulting in lower interest expenses and cash outflows (see Section 4 for more information), including in particular:

    (i) gross proceeds of approximately €475 million from a capital increase as part of the Company’s initial public offering and costs relating to such initial public offering of approximately €34 million (of which approximately €25 million has been deducted from issuance premiums);

(ii) prepayment, with the proceeds of the capital increase related to the Company's initial public offering, of the Outstanding Subordinated Notes Due 2017 with a redemption premium of €37 million and the write-off of previously capitalized transaction costs relating to the Outstanding Subordinated Notes Due 2017;

(iii) refinancing of the Outstanding Subordinated Notes Due 2018 through the issuance on June 10, 2015 of 5.75% new senior notes at an issue price of 99.289%, with a redemption premium of €19 million, the write-off of previously capitalized transaction costs relating to the Outstanding Subordinated Notes Due 2018 (in a total amount, together with such costs relating to the Outstanding Subordinated Notes Due 2017 noted above, of €32 million) and approximately €10 million of issuance costs relating to the New Notes that will be capitalized and amortized over their term; the proceeds from the issuance of the New Notes have been placed in escrow until the Company's initial public offering; and

(iv) signature of the New Senior Revolving Credit Facility and the amendment of the SARF, with total capitalized issuance costs of approximately €8 million paid in 2015;

- cash outflow related to other financial expenses, including total costs related to the Company's initial public offering and Refinancing, of approximately €110 million in 2015 (including the approximately €34 million related to the initial public offering mentioned above);

- other non-fleet financing expenses (including interest on the non-fleet portion of the New Senior Revolving Credit Facility, commitment fees under the New Senior Revolving Credit Facility, pension costs and other miscellaneous costs) remaining stable at around €20 million in 2015;

- a tax rate in 2015 of between 20% and 25% of "profit before tax and non-recurring items" (which amounted to €85 million in 2014 and is calculated as Adjusted Corporate EBITDA after non-fleet depreciation and amortization and after non-fleet financial expenses, including interest paid on corporate high yield bonds and other financial expenses, see "Selected Financial Information and Other Data" of the Registration Document for the calculation of "*profit before tax and non-recurring items*");

- non-recurring operating expenses and associated cash outflows related to the continued deployment of the Fast Lane program of approximately €50 million in total over the 2015-2017 period;

- in terms of other non-recurring financial expenses:

    - no new swap amortization costs; and

    - amortization of capitalized transaction costs and the write-off of previously capitalized transaction costs (in relation to the New Senior Revolving Credit Facility, the amended SARF and the issuance of the New Notes) of less than €15 million in 2015;

- payment in 2015 of €24 million of exceptional compensation benefits (see Note 9 to the consolidated financial statements set forth in Section 20.1 "Financial Information" of the Registration Document);

- payment in the second quarter of 2015 of €12.5 million to Enterprise pursuant to the Settlement Agreement (see Note 15 to the interim condensed consolidated financial statements as of and for the six months ended June 30, 2015);

- non-fleet capital expenditure (other than acquisitions of subsidiaries) of approximately €30 million in 2015, relating mainly to information technology;

- stability in 2015 in non-fleet working capital, excluding non-recurring items, as compared to the level in 2014, as the initiatives of the Fast Lane program to reduce working capital consumption continue to offset the impact of revenue growth;

- on-balance sheet fleet assets are expected to evolve, driven by the growth in the Number of Rental Days. The Group will continue to arbitrage between on- and off-balance sheet funding depending on available financing options and changes in the loan to value ratio of on-balance sheet vehicles financing. In addition, timing differences with respect to assets on the balance sheet may result from vehicle delivery dates, payment dates and debt drawdowns; and

- up to €80 million of financial investments (acquisitions, partnerships) over the 2015-2017 period for strategic initiatives, including up to €25 million for Lab-related activities.

These forecasts are based on information, assumptions and estimates that Group management considers to be reasonable as at the date of the Update to the Registration Document (June 12, 2015). These may evolve or change as a result of uncertainties related in particular to the economic, financial, competitive, tax or regulatory environment or as a result of other factors that are unforeseeable as of the date of the Update to the Registration Document. The occurrence of one or more of the risks described in “Risk Factors” of the Update to the Registration Document could also affect the business, financial condition, results of operations and prospects of the Group and thus affect its ability to achieve these forecasts. No assurance can be given that the Group’s actual results will be in line with the forecasts below.

7.2 GROUP FORECASTS FOR THE 2015 FINANCIAL YEAR

On the basis of the assumptions set forth above, the Group expects, for the year ended December 31, 2015 to continue to generate profitable growth through its Fast Lane transformation program and, in particular:

- Consolidated revenues to increase between 3% and 5% at constant scope and exchange rates, compared to consolidated revenues of €1,978.9 million in 2014. This increase does not take into account the full year effect of its November 2014 acquisition of Europ Hall (which, on a stand-alone basis, generated revenue of approximately €23 million in 2014 and was consolidated by the Group for only two months) and the impact of favorable exchange rate movements in relation to the British pound and the Australian dollar (which, based on an estimated annual average pound sterling/euro exchange rate of 1.30 and an Australian dollar/euro exchange rate of 0.71 should generate 100 basis points of additional growth in consolidated revenues as compared to full year 2014);

- Adjusted Corporate EBITDA of approximately €245 million, compared to €212.8 million in 2014, driven by growth in revenues and cost-control initiatives under the ongoing Fast Lane program;

- Net income excluding non-recurring items and the share of profit/(loss) of entities accounted for under the equity method (defined as Adjusted Corporate EBITDA after non-fleet depreciation and amortization, non-fleet financial expenses and after net tax expenses), as adjusted to give retroactive effect to the Refinancing as of January 1, 2015, of approximately €125 million. It is noted that net income for 2015 as set forth in the IFRS income statement will be significantly lower than the aforementioned adjusted net income due to the implementation date of different Refinancing transactions as well as related expenses and other non-recurring items that have already been recorded (see the interim condensed consolidated financial statements for the six months ended June 30,) or that are expected (see above), income from entities accounted for under the equity method and the impact of related taxes; and

- A corporate leverage ratio (defined as the ratio of Corporate Net Debt to Adjusted Corporate EBITDA) of less than 1.5x by the end of 2015. This objective is based on the Group’s expectations as to improved profitability (see the Adjusted Corporate EBITDA forecast above) and cash flow generation (see the discussion of the underlying assumptions above), as well as (and related to) the Refinancing undertaken in connection with the Company’s initial public offering.

8. FORWARD-LOOKING STATEMENTS

This interim report contains statements regarding the prospects and growth strategies of the Group. These statements are sometimes identified by the use of the future or conditional tense, or by the use of forward-looking statements such as “considers”, “envisages”, “believes”, “aims”, “expects”, “intends”, “should”, “anticipates”, “estimates”, “thinks”, “wishes” and “might”, or, if applicable, the negative form of such terms and similar expressions or similar terminology. Such information is not historical in nature and should not be interpreted as a guarantee of future performance. Such information is based on data, assumptions, and estimates that the Group considers reasonable. Such information is subject to change or modification based on uncertainties in the economic, financial, competitive or regulatory environments. This information is contained in several sections of this Document and includes statements relating to the Group’s intentions, estimates and targets with respect to its markets, strategies, growth, results of operations, financial situation and liquidity. The Group's forward looking statements speak only as of the date of this Document. Absent any applicable legal or regulatory requirements, the Group expressly disclaims any obligation to release any updates to any forward looking statements contained in this Document to reflect any change in its expectations or any change in events, conditions or circumstances, on which any forward looking statement contained in this Document. The Group operates in a competitive and rapidly evolving environment; it may therefore be unable to anticipate all risks, uncertainties or other factors that may affect its business, their potential impact on its business or the extent to which the occurrence of a risk or combination of risks could have significantly different results from those set out in any forward-looking statements, it being noted that such forward-looking statements do not constitute a guarantee of actual results.

Europcar Groupe SA

Interim condensed consolidated financial statements

for the 6 months period ended June 30, 2015

In € thousands	Notes	6 months 2015	6 months 2014
Revenue		**960,505**	**868,970**
Fleet holding costs	*2*	(254,815)	(229,847)
Fleet operating, rental and revenue related costs	*3*	(339,544)	(311,792)
Personnel costs	*4*	(169,182)	(155,308)
Network and head office overhead costs		(108,135)	(96,474)
Depreciation, amortization and impairment expense	*5*	(16,038)	(15,624)
Other income		2,126	4,357
Recurring operating income		**74,917**	**64,282**
Goodwill impairment expense			
Other non-recurring income	*6*	24,600	2,039
Other non-recurring expense	*6*	(80,463)	(16,652)
Operating income		**19,054**	**49,669**
Gross financing costs		(73,647)	(77,093)
Other financial expenses		(104,407)	(54,710)
Other financial income		7,963	3,484
Net financing costs	*7*	**(170,091)**	**(128,319)**
Profit/(loss) before tax		**(151,037)**	**(78,650)**
Income tax benefit/(expense)	*8*	(1,703)	895
Share of profit/(loss) in companies accounted for under the equity method		(4,080)	(4,274)
Net profit/(loss) for the period		**(156,820)**	**(82,029)**
Attributable to:			
Owners of ECG		(156,821)	(83,499)
Non-controlling interests		1	1,470
Basic loss per share attributable to owners of ECG (in €)	*13*	*(1.503)*	*(0.807)*
Diluted loss per share attributable to owners of ECG (in €)	*13*	*(1.503)*	*(0.807)*

In € thousands	6 months 2015			6 months 2014		
	Before tax	Tax income/ (expense)	After tax	Before tax	Tax income/ (expense)	After tax
Net profit/(loss) for the period	**(155,117)**	**(1,703)**	**(156,820)**	**(82,924)**	**895**	**(82,029)**
Items that will not be reclassified to profit or loss						
Actuarial gains/(losses) on defined benefit pension schemes	5,152	(1,700)	3,452	(10,390)		(10,390)
Items that may be reclassified subsequently to profit or loss						
Foreign currency differences	17,958		17,958	9,297		9,297
Effective portion of changes in fair value of hedging instruments	(120)		(120)	(15,988)	(2,954)	(18,942)
Other comprehensive income for the period	**22,990**	**(1,700)**	**21,290**	**(17,081)**	**(2,954)**	**(20,035)**
Total comprehensive income/(loss) for the period	**(132,127)**	**(3,403)**	**(135,530)**	**(100,005)**	**(2,059)**	**(102,064)**
Attributable to:						
Owners of ECG			(135,531)			(103,534)
Non-controlling interests			1			1,470

In € thousands		June 30, 2015	Dec. 31, 2014
ASSETS	***Notes***		
Goodwill	***9***	455,396	449,389
Intangible assets		718,381	721,732
Property, plant and equipment		88,376	88,204
Equity-accounted investments		19,321	17,323
Other non-current financial assets	***10***	52,510	38,934
Deferred tax assets		41,866	47,395
Total non-current assets		**1,375,850**	**1,362,977**
Inventories		20,284	16,141
Rental fleet related receivables	***11***	2,635,663	1,932,758
Trade and other receivables		396,939	325,912
Current financial assets	***10***	42,650	49,477
Current tax assets		29,594	33,347
Restricted cash	***12***	95,727	81,795
Cash and cash equivalents	***12***	101,756	144,037
Total current assets		**3,322,613**	**2,583,467**
Total assets		**4,698,463**	**3,946,444**
Equity			
Share capital	***13***	143,090	446,383
Share premium	***13***	766,632	452,978
Reserves		(60,088)	(77,926)
Retained earnings (losses)		(376,136)	(664,250)
Total equity attributable to the owners of ECG		**473,498**	**157,185**
Non-controlling interests		951	950
Total equity		**474,449**	**158,135**
LIABILITIES			
Financial liabilities	***14***	799,013	1,043,069
Non-current financial instruments		42,645	41,928
Employee benefit liabilities		119,659	124,759
Non-current provisions	***15***	54,994	10,114
Deferred tax liabilities		121,898	131,005
Other non-current liabilities		336	365
Total non-current liabilities		**1,138,545**	**1,351,240**
Current portion of financial liabilities	***14***	1,420,117	1,127,545
Employee benefits		2,744	2,744
Current tax liabilities		17,624	34,560
Rental fleet related payables		844,598	581,957
Trade payables and other liabilities		584,486	449,866
Current provisions	***15***	215,900	240,397
Total current liabilities		**3,085,469**	**2,437,069**
Total liabilities		**4,224,014**	**3,788,309**
Total equity and liabilities		**4,698,463**	**3,946,444**

In € thousands	Share capital	Share premium	Hedging reserve	Translation reserve	Retained earnings	Total	Non-controlling interests	Total equity
	Attributable to owners of ECG							
Balance at January 1, 2014	**446,383**	**452,978**	**(18,136)**	**(54,753)**	**(539,278)**	**287,194**	**3,451**	**290,645**
Net profit/(loss) for the period					**(83,499)**	**(83,499)**	**1,470**	**(82,029)**
Foreign exchange difference				9,297		9,297		9,297
Effective portion of changes in fair value of hedging instruments			(18,942)			(18,942)		(18,942)
Actuarial gains/(losses) on defined benefit pension schemes					(10,390)	(10,390)		(10,390)
Other comprehensive income/(loss)	**-**	**-**	**(18,942)**	**9,297**	**(10,390)**	**(20,035)**	**-**	**(20,035)**
						-		-
Balance at June 30, 2014	**446,383**	**452,978**	**(37,078)**	**(45,456)**	**(633,167)**	**183,660**	**4,921**	**188,581**
Balance at January 1, 2015	**446,383**	**452,978**	**(36,771)**	**(41,155)**	**(664,250)**	**157,185**	**950**	**158,135**
Net profit/(loss) for the period					**(156,821)**	**(156,821)**	**1**	**(156,820)**
Foreign exchange difference				17,958		17,958		17,958
Effective portion of changes in fair value of hedging instruments			(120)			(120)		(120)
Actuarial gains/(losses) on defined benefit pension schemes					3,452	3,452		3,452
Other comprehensive income/(loss)	**-**	**-**	**(120)**	**17,958**	**3,452**	**21,290**		**21,290**
Capital increase preferred shares	8	1,502				1,510		1,510
Capital increase by “incorporation de primes”	99,406	(99,406)						
Capital decrease	(441,483)	-			441,483			
Capital increase IPO	38,776	436,224				475,000		475,000
IPO fees		(24,666)				(24,666)		(24,666)
Transactions with owners	**(303,293)**	**313,654**	**-**	**-**	**441,483**	**451,844**	**-**	**451,844**
Balance at June 30, 2015	**143,090**	**766,632**	**(36,891)**	**(23,197)**	**(376,136)**	**473,498**	**951**	**474,449**

In € thousands	Notes	6 months 2015	Full-year 2014	6 months 2014
Profit/(loss) before tax		**(151,037)**	**(94,520)**	**(78,650)**
Depreciation and impairment charge on property, plant and equipment		7,041	12,834	6,295
Amortization and impairment charge on intangible assets		8,875	36,183	11,975
Changes in provisions and employee benefits		15,252	46,865	(1,530)
Profit/(loss) on disposal of assets		(21)	(1,311)	(1,165)
Total net interest costs		*77,449*	*160,011*	*82,477*
Redemption premium		*56,010*	*17,063*	
Amortization of transaction costs		*34,965*	*29,237*	*16,233*
Amortization of bond issue premiums			*1,415*	
Other non-cash items		*4,252*	*16,258*	*7,599*
Financing costs		**172,676**	**223,984**	**106,309**
Net cash from operation before changes in working capital		**52,786**	**224,035**	**43,234**
Changes in rental fleet		(553,410)	(91,466)	(448,096)
Changes in fleet working capital		158,663	(74,025)	176,279
Changes in non-fleet working capital		47,507	50,018	41,651
Cash generated from operations		**(294,454)**	**108,562**	**(186,932)**
Income taxes received/paid		(20,875)	(31,447)	(17,100)
Net interest paid		(86,556)	(166,798)	(82,211)
Net cash generated from (used by) operating activities		**(401,885)**	**(89,683)**	**(286,243)**
Other investments and loans			(1,158)	
Acquisition of intangible assets and property, plant and equipment		(12,088)	(23,578)	(11,709)
Proceeds from disposal of intangible assets and property, plant and equipment		612	3,491	2,557
Acquisition of financial assets		(6,664)	(9,614)	(7,043)
Acquisition of subsidiaries, net of cash acquired(1)		(6,000)	(45,778)	(2,250)
Disposal of subsidiaries, net of cash sold			-	
Dividends received from associates			-	
Net cash used by investing activities		**(24,140)**	**(76,637)**	**(18,445)**
Increase in share capital net of fees paid		464,014		
New senior subordinated notes		471,623	350,000	
Redemption of senior subordinated notes(3)		(780,016)	(367,063)	
Change in senior fleet financing liability(2)		170,894	84,445	111,255
Change in other fleet financing liabilities		58,927	56,185	100,546
Payment of transaction costs		(12,450)	(17,336)	(3,783)
Cash payment for swap amendment			(2,000)	
Other new borrowings		19,392		17,037
Repayment of other borrowings			(931)	
Net cash generated from (used by) financing activities		**392,390**	**103,300**	**225,055**
Cash and cash equivalents at end of period	***12***	173,996	206,317	188,891
Cash and cash equivalent at beginning of period	***12***	206,317	267,038	267,038
Effect of foreign exchange differences		1,313	2,299	1,486
Net increase/(decrease) in cash and cash equivalents after effect of foreign exchange differences		**(33,635)**	**(63,020)**	**(79,633)**

(1) Over the 6 months period ended respectively in June 2015 and June 2014, this item Includes the subscription to the increase in the capital of Car2Go (€6.0 million and €2.3 million), and in full-year 2014, the acquisition cost, net of cash acquired, of Ubeeqo (€17.3 million) and Europhall (€22.5 million), as well as the subscription to the increase in the capital of Car2Go (€5.7 million).

(2) Changes in borrowings dedicated to fleet financing are reported on a net basis since they relate to buy-back agreements with short-term maturities.

(3) Repayment of HY €324 million and HY €400 million, and payment of their relating redemption price (€56 million)

Europcar Groupe SA ("ECG") was incorporated on March 9, 2006 with an initial share capital of €235,000 and was converted into a French *société anonyme* (joint-stock corporation) on April 25, 2006. ECG's registered offices are located at 2 rue René Caudron, 78960 Voisins le Bretonneux, France.

The Europcar Group leverages all of its experience in the car rental sector to provide vehicles for short- and medium-term corporate and leisure rentals under the Europcar and InterRent trademarks for a wide range of private and business customers. Its offering ranges from low cost to luxury rentals.

Europcar Group announces the success of its initial public offering on the regulated market of Euronext Paris (Compartment A; ISIN Code: FR0012789949; ticker: EUCAR). Trading in Europcar Group shares begun on June 26, 2015 and settlement and delivery of the shares in the global offering occured on June 29, 2015. The offering price has been set at 12.25 € per share.

The main purpose of the Global Offering and the listing of the Company's shares on Euronext Paris is to enable the Group to reduce its indebtedness, strengthen its financial structure and increase its financial flexibility in order to accelerate its development and continue the deployment of its "Fast Lane" program.

The global offering generated gross proceeds of a total of approximately 879 million euros, consisting of a capital increase of approximately 475 million euros and the sale of approximately 404 million euros of existing shares by the Selling Shareholders.

The gross proceeds received by the Company in the Global Offering from the issuance of the New Shares is approximately €475 million when the net proceeds received by the Company in the Global Offering from the issuance of the New Shares is at approximately €441 million (after deduction of estimated commissions and fees payable to the Managers (excluding any discretionary fees) and estimated legal and administrative costs payable by the Company of €34 million).

A portion of the net proceeds was used to redeem the €324 million of Outstanding Subordinated Notes Due 2017 and to pay a redemption premium of €37 million.

New €475 million senior notes due 2022 were priced at an issue price of 99.289% and a coupon of 5.75% on May 27, 2015,through the entity Europcar Notes Limited. Proceeds would be available to Europcar once the Global offering completed.

Consequently, at the time of the settlement of the Global Offering, a portion of those held in escrow till this time was used to redeem the €400 million of Outstanding Subordinated Notes Due 2018 and to pay a redemption premium of €19 million.

The remainder of the net proceeds of the New Shares and the New Notes after these refinancing transactions (i.e., €112 million) will be used for the Group's general corporate purposes. Of this amount, up to €80 million is intended for financial investments over the 2015-2017 period, including up to €25 million for Lab-related activities. Indeed, the Group recently created a "Lab", designed as an incubator of ideas for research into new products and services in mobility solutions. The Lab seeks to support internal projects as well as the acquisition of minority or majority stakes in innovative structures.

Disputes and proceedings including proceedings with the French anti-trust authorities are described in Note 15 to the interim condensed consolidated financial statements.

During the period ended June 30, 2015, Europcar strengthened its governance arrangements by putting in place a Supervisory Board and a Management Board. The Management Board members are Philippe Germond, Chairman of the Board and Chief Executive Officer of Europcar Groupe; Caroline Parot, Deputy CEO Finance of Europcar Groupe; Ken McCall, Chief Operating Officer and Managing Director of Europcar Group UK; and Fabrizio Ruggiero, Managing Director of Europcar Italia and Head of Mobility Solutions of Europcar Groupe.

Basis of preparation

The interim condensed consolidated financial statements for the six-month period ended June 30, 2015 were prepared in accordance with IAS 34 – Interim Financial Reporting, as adopted by the European Union. They do not contain all of the disclosures required for a complete set of financial statements in accordance with IFRS, and should therefore be read in conjunction with the consolidated financial statements for the year ended December 31, 2014.

They were reviewed by the Audit Committee on July 21, 2015 and authorized for issue by the Management Board of Europcar Group on July 28, 2015, and by the Supervisory Board of Europcar Group on July 28, 2015.

The interim condensed consolidated financial statements are presented in thousands of euros, unless otherwise indicated.

Accounting policies

The accounting policies used to prepare the Group's interim condensed consolidated financial statements are the same as those applied in the preparation of the consolidated financial statements for the year ended December 31, 2014 and set out in the notes thereto, with the exception of the specific disclosures required in interim financial information and in respect of new standards and interpretations, as described hereafter.

New standards and interpretations applicable as from January 1, 2015

IFRIC 21 – Levies, is mandatorily applicable with effect from January 1, 2015. IFRIC 21 identifies the obligating event for the recognition of a liability as the activity that triggers the payment of the levy in accordance with the relevant legislation. The liability may only be recognized progressively if the obligating event occurs over a period of time.
The same recognition principles are applied in annual and interim financial reports. At the end of the period, the expense may not be recognized if there is no obligation to pay, or deferred if the entity has a present obligation to pay.

Application of this interpretation did not have a material impact on Europcar Group's interim condensed consolidated financial statements.

Seasonality of operations

Revenue, recurring operating income and all operating performance indicators are subject to seasonal fluctuations, due mainly to the summer holiday season when activity for the leisure segment surges. The impact of seasonality varies depending on the country in which the Group operates. Accordingly, the interim results for the six months ended June 30, 2015 may not reflect the results that are expected for full-year 2015.

Use of estimates and judgments

The preparation of interim financial information requires management to use judgment in making estimates and applying assumptions that may impact the amounts of certain assets and liabilities and income and expenses recognized in the interim condensed consolidated financial statements, as well as the information disclosed in certain explanatory notes. Actual values recognized in future periods may differ from these estimates due to changes in conditions that affect the underlying assumptions.

For the preparation of these interim condensed consolidated financial statements, the judgments exercised by management in applying the Group's accounting policies and the main estimates were identical to those used to prepare the consolidated financial statements for the year ended December 31, 2014, with the following exceptions:
- the estimate used to recognize the interim tax charge: for interim financial information, the current and deferred tax charge is determined based on the income tax rate expected to apply to full-year taxable income, i.e., by applying the expected average effective tax rate for 2015 to pre-tax income and share in profit of companies accounted for by the equity method for the interim period.
- the French business contribution on added value (CVAE), for which a provision has been set aside for 50% of the estimated annual charge.

In view of the significant increase in the yield on AA-rated bonds (2.1% at June 30, 2015 versus 1.80% at December 31, 2014), the Group's main pension obligations (Germany) were remeasured as part of the preparation of the interim condensed consolidated financial statements.
The pension expense for the period amounted to 50% of the estimated expense for 2015 based on the data and assumptions used at December 31, 2014.

With respect to the vehicle rental business, estimates specifically cover:

- the residual value of “at risk” vehicles;
- the value of vehicles purchased with manufacturer or dealer buy-back commitment when badly damaged or stolen;
- the evaluation of the ultimate cost of claims made against the Group for self-funded insured accidents using actuarial techniques generally accepted and used in the insurance industry.

Estimates also cover provisions for disputes and litigation and the measurement of contingent liabilities. The Group sets aside provisions when the related damages can reasonably be estimated at the reporting date. A provision is recognized in the statement of financial position when the Group has a present legal or constructive obligation as a result of a past event, it is probable that an outflow of economic benefits will be required to settle the obligation, and the amount can be reliably estimated. If the effect is material, provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and, where appropriate, the risks specific to the liability.

Note 1 - Segment reporting

Europcar operates a car rental activity:
- using its own fleet of vehicles based in nine countries; and
- through a franchisee network present in the countries in which Europcar operates directly ("domestic franchises"), but particularly in other countries ("international franchises").

In total, Europcar is present in more than 140 countries.

The chief operating decision maker within the meaning of IFRS 8 – Operating Segments, is the Management Board. The Group is monitored and managed on a day to day basis using reporting data provided by the individual countries. The Group presents two segments: Europe and Rest of World. The nature of the services provided and the category of customers are identical for these two segments. The distinction between the two segments is mainly based on criteria related to the dynamics of the economic zones, the organization of customers, interdependencies between the countries as regards the management of customer contracts and the fleet, as well as daily operational management.

- Europe: European countries in which the Group operates its fleet directly (Belgium, France, Germany, Italy, Portugal, Spain and the United Kingdom), organized on shared service, customer and distribution criteria, as well as franchised European countries (Austria, Denmark, Finland, Greece, Ireland, Luxembourg, Netherlands, Norway, Sweden, Switzerland and Turkey) which have similar economic characteristics and offer synergies in terms of fleet negotiation and customer management.
- Rest of World: all countries other than those cited above, including Australia and New Zealand, in which the Group operates the fleet directly.

The Management Board members regularly review the operating and financial performance of the segments, which are measured as follows:

- Revenue, which includes vehicle rental income, territorial fees, other commissions related to the Group's trademarks and billed to franchisees, and fuel sales.

- Adjusted corporate EBITDA, defined as recurring operating income before depreciation and amortization, and after deduction of the interest expense on certain borrowings related to rental fleet financing.

Consequently, and as required by IFRS 8, the Group discloses a global reconciliation of its segment reporting information to its IFRS consolidated financial statements.

Segment reporting information

	6 months 2015				
In € thousands	Note	Europe	Rest of World	Eliminations & Holding companies	Segment total
Segment revenue		**888,363**	**74,898**	**(2,756)**	**960,505**
Recurring operating income		52,993	13,722	8,201	74,916
Amortization and depreciation expense		5,439	531	10,068	16,038
Net fleet financing expenses	7	(26,671)	(2,099)	(2,034)	(30,804)
Adjusted corporate EBITDA		**31,761**	**12,154**	**16,235**	**60,150**
Total assets		1,998,257	90,706	2,609,500	4,698,463
Total liabilities		2,145,097	83,730	1,996,138	4,224,965

In € thousands	6 months 2014				
	Note	Europe	Rest of World	Eliminations & Holding companies	Segment total
Segment revenue		**803,645**	**68,832**	**(3,508)**	**868,970**
Recurring operating income		50,033	11,375	2,873	64,281
Amortization and depreciation expense		5,269	507	9,848	15,624
Net fleet financing expenses	7	(33,867)	(2,635)	(1,875)	(38,377)
Adjusted corporate EBITDA		**21,435**	**9,247**	**10,846**	**41,528**

(a) Information about revenue and services

Revenue and services can be analyzed as follows:

In € thousands	6 months 2015			
	Europe	Rest of World	Eliminations & Holding companies	Segment total
Vehicle rental income	828,632	64,386		893,018
Other revenue associated with car rental	44,429	1,699	(2,756)	43,372
Franchising business	15,302	8,813		24,115
Segment revenue	**888,363**	**74,898**	**(2,756)**	**960,505**

In € thousands	6 months 2014			
	Europe	Rest of World	Eliminations & Holding companies	Segment total
Vehicle rental income	740,760	58,667	7	799,434
Other revenue associated with car rental	47,571	1,689	(3,515)	45,745
Franchising business	15,314	8,476		23,790
Segment revenue	**803,645**	**68,832**	**(3,508)**	**868,970**

(b) Customer segment information

In € thousands	6 months 2015	6 months 2014
Vehicle rental income	893,018	799,434
Breakdown of customers by segment		
Leisure broker	51.3%	51.6%
Business	48.7%	48.4%

(c) Information about geographical areas

The Group operates in five main markets: France, Germany, the United Kingdom, other European countries and the rest of the world. Revenue has been identified based on where the rental service is provided. Non-current assets are allocated based on their physical location.

Car rental customers comprise both individuals and corporate customers. No single external customer accounts for 10% or more of the Group's revenue.

In € thousands	France	United Kingdom	Germany	Other European countries	Rest of World[2]	Eliminations & Holding companies	Total
6 months 2015							
Revenue from external customers	160,009	214,335	256,079	257,940	74,898	(2,756)	**960,505**
Non-current assets[1]	96,374	117,606	210,532	114,597	38,766	797,975	**1,375,850**

In € thousands	France	United Kingdom	Germany	Other European countries	Rest of World[2]	Eliminations & Holding companies	Total
6 months 2014							
Revenue from external customers	142,533	182,958	242,005	236,149	68,832	(3,508)	**868,969**

(1) Non-current assets reported under "Eliminations & holding companies" include trademarks.

(2) "Rest of World" mainly corresponds to Australia and New Zealand.

Note 2 – Fleet holding costs

In € thousands	6 months 2015	6 months 2014
Costs related to rental fleet agreements	(213,844)	(194,457)
Purchase and sales related costs	(25,306)	(22,901)
Taxes on vehicles	(15,665)	(12,489)
	(254,815)	**(229,847)**

Note 3 – Fleet operating, rental and revenue related costs

In € thousands	6 months 2015	6 months 2014
Fleet operating costs	(111,277)	(105,773)
Revenue-related commissions and fees	(123,060)	(107,871)
Of which, trade receivables allowances and write-offs	*(4,162)*	*(3,557)*
Rental related costs	(105,207)	(98,148)
	(339,544)	**(311,792)**

Note 4 – Personnel costs

In € thousands	6 months 2015	6 months 2014
Wages and salaries	(126,585)	(115,247)
Social security contributions	(31,738)	(31,391)
Post-employment benefits	(3,603)	(3,459)
Other items	(7,256)	(5,211)
	(169,182)	**(155,308)**

Note 5 – Amortization, depreciation and impairment expense

In € thousands	6 months 2015	6 months 2014
Amortization of intangible assets	(8,875)	(9,198)
Depreciation of property, plant and equipment	(7,163)	(6,426)
	(16,038)	**(15,624)**

Note 6 – Other non-recurring income and expenses

In € thousands	6 months 2015	6 months 2014
Other non-recurring income[(1)]	24,600	2,039
Total other non-recurring income	**24,600**	**2,039**
Amortization of rights to operate National and Alamo trademarks		(2,777)
Reorganization charges[(2)]	(19,597)	(10,535)
O/w: Reorganization – redundancy expenses	*(16,207)*	*(4,903)*
Reorganization – fees	*(3,390)*	*(5,632)*
IPO fees	(8,621)	
Other non-recurring expense[(3)]	(52,245)	(3,340)
Total other non-recurring expense	**(80,463)**	**(16,652)**
Total other non-recurring income and expenses	**(55,863)**	**(14,613)**

(1) Reversal of the provision for an intellectual property related dispute (see Note 15).

(2) Reorganization expenses in the amount of €19.6 million in 2015 relate to measures implemented in several countries, or announced before the end of June, to streamline operating networks.

(3) See Note 15.

Note 7 – Net financing costs

In € thousands	6 months 2015	6 months 2014
Net fleet financing expenses	(30,797)	(38,377)
Net other financing expenses	(42,850)	(38,716)
Gross financing costs	**(73,647)**	**(77,093)**
Charges arising on the trading of derivatives	(617)	(7,599)
Amortization of transaction costs [(2)]	(34,965)	(16,233)
Foreign exchange losses	(4,990)	(3,909)
Actuarial differences on employee benefits	(1,035)	(1,420)
Other [(1)]	(62,800)	(25,549)
Other financial expenses	**(104,407)**	**(54,710)**
Foreign exchange gains	7,963	3,484
Other financial income	**7,963**	**3,484**
Net financing costs	**(170,091)**	**(128,319)**

(1) Of which €56 million redemption price paid to bond holders of €324 and €400 million high yield notes in 2015, and €17.1 million redemption price paid to bond holders €350 million in 2014.
Please refer to note 14.

(2) Of which €26.9 million transaction costs written-off following the repayment of the corporate bonds €400 and €324 million for the period ended June 30, 2015 and €4 million transaction costs written-off following the repayment of the fleet bond €350 million for the period ended June 30, 2014.

Note 8 – Income tax

The Group recognizes the tax expense for the period based on its best estimate of the expected annual average weighted tax rate for full-year 2015, determined separately for each country.

At Group level, the tax rate for the six-month period ended June 30, 2015 breaks down as follows:

In € thousands	6 months 2015	6 months 2014
Current tax	(5,316)	(3,689)
Deferred tax	3,613	4,584
Total income tax expense	**(1,703)**	**895**

Note 9 – Goodwill

In accordance with IAS 36, the Europcar Group uses internal and external data to assess whether there is any indication that an asset may be impaired.

External data sources essentially consist in reviewing the weighted average cost of capital (WACC).

Internal data sources are based on performance indicators: a material decrease in revenue and/or profitability, or the inability to achieve the budget, are indications of impairment.

After reviewing the general trend in the performance of the countries comprising the cash-generating units, management did not identify any indications of impairment and therefore no impairment tests were carried out on assets at June 30, 2015, including on goodwill and the Europcar trademark.

In € thousands	Gross value	Impairment loss	Carrying amount
Balance at January 1, 2015	**638,912**	**(189,523)**	**449,389**
Acquisitions	84	-	84
Effect of movements in foreign exchange rates	8,710	(2,787)	5,923
Balance at June 30, 2015	**647,706**	**(192,310)**	**455,396**

Note 10 – Financial assets

In € thousands	June 30, 2015	Dec. 31, 2014
Other non-current financial assets		
Available-for-sale financial assets	690	670
Held-to-maturity investments(1)	44,367	31,225
Deposits and prepayments	6,040	5,747
Other long-term investments	1,413	1,292
Total non-current financial assets	**52,510**	**38,934**
Current financial assets		
Loans	118	118
Other current financial assets(1)	42,532	49,359
Total current financial assets	**42,650**	**49,477**

[(1)] Including €69.6 million to cover liabilities arising from our captive insurance structure (€62.9 million at December 31, 2014), mainly consisting of bonds recognized at amortized cost.

Note 11 – Rental fleet related receivables and other receivables

In € thousands	June 30, 2015	Dec. 31, 2014
Deferred depreciation expense on vehicles	262,819	158,247
Vehicle buy-back agreement receivables	1,341,042	897,011
Receivables and current assets related to buy-back agreements	**1,603,861**	**1,055,258**
Vehicles purchased without manufacturer or dealer buy-back commitment ("at risk" vehicles)	343,727	289,088
Vehicles acquired through rental agreements qualifying as finance leases without buy-back arrangements	62,041	58,314
Total rental fleet	**2,009,629**	**1,402,660**
Fleet receivables	483,562	460,038
VAT receivables	142,472	70,060
Rental fleet related receivables	**2,635,663**	**1,932,758**

Note 12 – Cash and cash equivalents and restricted cash

In € thousands	June 30, 2015	Dec. 31, 2014	June 30, 2014
Cash-in-hand and at bank[(1)]	101,600	143,721	130,188
Accrued interest	156	316	142
Cash and cash equivalents	**101,756**	**144,037**	**130,330**
Restricted cash	95,727	81,795	80,921
Cash and cash equivalents and restricted cash	**197,483**	**225,832**	**211,251**

[(1)] Including €15.0 million at June 30, 2015 (€52.5 million at December 31, 2014) in Securitifleet entities for the financing of the fleet in France, Germany, Italy and Spain.

Cash and cash equivalents are considered as restricted when they are (i) used to cover the future settlement of insurance claims or (ii) not immediately available for financing the activity of the subsidiaries. Therefore, cash located in the following fleet and insurance SPEs is considered restricted:

- Securitifleet Holding and Securitifleet Holding Bis;
- FCT Sinople (securitization mutual fund);
- EC Finance Plc; and
- Euroguard, a captive insurance structure.

Restricted cash and restricted cash equivalents are presented separately from cash and cash equivalents.

The following table reconciles cash and cash equivalents in the statement of financial position to cash and cash equivalents in the cash flow statement:

In € thousands	June 30, 2015	Dec. 31, 2014	June 30, 2014
Cash and cash equivalents	101,756	144,037	130,330
Restricted cash	95,727	81,795	80,921
Bank overdrafts(1)	(23,487)	(19,515)	(22,359)
Cash and cash equivalents reported in the cash flow statement	**173,996**	**206,317**	**188,892**

(1) Included in current loans and borrowings (see Note 14).

Note 13 – Capital and reserves and earnings per share

Date	Operation	Share capital (in €)	Share premium (in €)	Number of shares	Nominal value (in €)
31/12/2014		**446,383,193.50**	**452,977,636.00**	**103,810,045**	**4,300**
24/02/2015 (i)	Capital decrease	(336,844,642.72)	-	103,810,045	1,055
15/05/2015 (ii)	Capital increase	8,532.21	1,501,568.74	103,818,131	1,055
08/06/2015 (iii)	Capital increase	98,909,577.00	(98,909,577.00)	103,818,131	2,008
08/06/2015 (iii)	Capital decrease	(104,638,529.00)	-	103,818,131	1,000
26/06/2015 (iv)	Capital increase	495,845	(495.845)	495,845	1,000
26/06/2015 (v)	Capital increase	38,775,510.00	411,558,934.45	38,775,510	1,000
30/06/2015		**143,089,486.00**	**766,632,717.19**	**143,089,486**	**1,000**

As part of ECG's IPO on Euronext Paris, the following corporate actions were approved by the Shareholders' Meeting:

(i) of February 24, 2015: capital decrease to cover accumulated losses amounting to €336,844,642.72, by reducing the par value of the shares. The share capital was reduced from €446,383,193.50 to €109,538,550.78 and the par value of the share from €4.30 to €1.055 per share.

(ii) of May 15, 2015: capital increases for the issuance of the C and D preference shares, reserved for ECG's Management and Eurazeo

(iii) of June 8, 2015: capital increase by incorporation of premium and capital decrease to absorb 2014 net losses of ECG SA.

(iv) of June 26, 2015: capital increase due to the conversion, of 207,119 B preference shares into 702,964 ordinary shares by incorporation of share premium .

(v) of June 26, 2015: capital increase net of IPO fees after the issuance of 38,775,510 new shares

The following table shows the Company's shareholders before the Global Offering:

Shareholders	Number of ordinary shares and voting rights	Number of Class B Preferred Shares(4)	Number of Class C Preferred Shares(4)	Number of Class D Preferred Shares(4)	Total number of shares	Percentage of ordinary shares and voting rights	Percentage of share capital
Eurazeo......................................	89,947,696(1)	150,810(2)	–	4,041	90,102,547	86.97%	86.79%
ECIP Europcar Sarl...............	13,480,307	–	–	–	13,480,307	13.03%	12.98%
Executives and employees.................................	–	231,232(3)	4,045	–	235,277	-	0.23%
Total.......................................	103,428,003	382,042	4,045	4,041	103,818,131	100%	100%

(1) Including 346,607 shares issued by the Company on October 16, 2007 and later transferred to Eurazeo by Eureka Participations SAS in connection with a complete transfer of assets and liabilities.

(2) Of these shares, 41,025 Class B Preferred Shares acquired from Mr. Philippe Guillemot were placed in escrow pursuant to an order dated June 14, 2012 in a legal proceeding relating to the exercise of the promise to purchase and its terms and conditions.

(3) Including 122,783 Class B Preferred Shares still held by former employees.

(4) The Class B, Class C and Class D Preferred Shares do not have voting rights.

The following table sets forth the shareholders of Europcar Groupe following the Global Offering, based on the offering price.

Shareholders	Number of ordinary shares and voting rights	Number of Class B Preferred Shares	Number of Class C Preferred Shares	Number of Class D Preferred Shares	Total number of shares	Percentage of ordinary shares and voting rights	Percentage of share capital
Eurazeo............................	61,859,208		–	4,041	61,863,249	43.29%	43.23%
ECIP Europcar Sarl.......	9,232,494		–	–	9,232,494	6.46%	6.45%
Executives and employees, and floating	71,814,775	174,923	4,045	–	71,993,743	50.25%	50.32%
Total..............................	142,906,477	174,923	4,045	4,041	143,089,486	100%	100%

The Group did not distribute any dividends during the 6 month period ended in June 2015.

The extraordinary general meeting of the Company's shareholders held on 8 June 2015 authorized the Company's Management Board to award free shares in the Company. The management Board at its meeting held on 25 June 2015 pursuant to said delegation of authority finalized these Scheme rules and the principle of an award of free shares in the Company to members of the Group's Executive Committee. Vesting of these free shares, following vesting periods of two to three years, would be conditioned on the achievement of:

- with respect to the years ended December 31, 2015 and 2016, performance conditions related to Adjusted Corporate EBITDA; and
- with respect to the year ended December 31, 2017, performance conditions related to (i) Adjusted Corporate EBITDA and (ii) movements in the Company's stock price as compared with movements in the SBF 120.

The Company also implement a free share grant plan for the Group's top 100 executives. The shares would vest following a two-year vesting period, subject to the beneficiary's continued employment with the Company and subject to the achievement of performance conditions relating to (i) Adjusted Corporate EBITDA and (ii) movements in the Company's stock price as compared with movements in the SBF 120.

	June 30, 2015	June 30, 2014
Loss attributable to ordinary shareholders (in €k)	**(156,821)**	**(83,499)**
Average number of shares outstanding	104,310,204	103,428,003
Loss per share in €	(1.503)	(0.807)
Diluted loss per share in €	(1.503)	(0.807)

The number of potential additional shares is 980,976 as of June 2015 and 1,296,651 as of June 2014.

Note 14 – Loans and borrowings

In € thousands	June 30, 2015	Dec. 31, 2014
Notes issued (a)	825,000	1,074,000
Other bank loans	303	303
Transaction costs/Premiums/Discounts	(26,290)	(31,234)
Non-current liabilities	**799,013**	**1,043,069**
Senior Revolving Credit Facility (b)	100,000	201,000
Senior Asset Revolving Facility dedicated to fleet financing (c)	689,494	417,600
Other borrowings dedicated to fleet financing	572,824	475,305
Finance lease liabilities	318	419
Bank overdrafts	23,487	19,515
Current bank loans and other borrowings	29,353	9,361
Transaction costs/Premium/Discount – current portion	(7,179)	(16,916)
Accrued interest	11,820	21,261
Current liabilities	**1,420,117**	**1,127,545**

(a) On May 27, 2015, €475 million senior notes due 2022 were issued at an issue price of 99.289% and a coupon of 5.75%. On June 29, a portion of the HY bond proceed was directly transferred to an escrow account dedicated to the redemption of €400 million of Outstanding Subordinated Notes Due 2018 and bearing interest at 9.375%. The remaining proceed was transferred to Europcar Group. On June 29, a portion of the IPO proceed was directly transferred to an escrow account dedicated to the redemption of the €324 million of Outstanding Subordinated Notes Due 2017 and bearing interest at 11.5%. The remaining proceed was transferred to Europcar Group.
Both repayment of HY were considered as of June 30, 2015 since the redemption notices were released on June 25 and the trustee (Bank of New-York Mellon) received the redemption price for the bonds on both escrow accounts on June 29, Europcar Group had no further obligations under the indenture of these Notes and then vis-a-vis the bondholders.

(b) The New Senior Revolving Credit Facility was signed on May 12, 2015 and entered into effect on May 28, 2015. The €350m Senior Revolving Credit Facility matures in 5 years and bears interest at a rate of Euribor + 275bps and below if covenant threshold achieved.

(c) SARF was amended (signed on May 12, 2015 and effective as of June 17, 2015) primarily to extend the maturity of the facility to January 2019 thereof and to lower the overall interest cost (1.70%) , increase the amount from €1.0 billion to €1.1 billion and permit the participation of two new banks, Lloyds Bank and HSBC France

Net debt reconciliation:

In € thousands	June 30, 2015	Dec. 31, 2014
Non-current loans and borrowings	799,013	1,043,069
Current loans and borrowings	1,420,117	1,127,545
Held-to-maturity investments	(44,367)	(31,225)
Other current financial assets	(42,532)	(49,359)
Cash and cash equivalents and restricted cash	(197,483)	(225,832)
Net debt on the statement of financial position	**1,934,748**	**1,864,198**
Estimated outstanding value of the fleet financed through operating leases[1]	1,734,032	1,284,052
Total net debt	**3,668,780**	**3,148,250**

[1] The estimated debt on operating leases represents the carrying amount of the vehicles concerned and is calculated based on the purchase prices and depreciation rates of corresponding vehicles (statistics provided by the manufacturers).

Note 15 – Provisions

In € thousands	Insurance claim provisions	Reconditioning provisions	Other provisions (1)	Total
Balance at January 1, 2015	**138,183**	**31,774**	**80,554**	**250,510**
Provisions recognized during the period	32,219	34,927	54,104	121,250
Provisions utilized during the period	(35,325)	(31,089)	(26,019)	(92,434)
Provisions reversed during the period	(537)	(190)	(12,938)	(13,664)
Changes in scope of consolidation	-	-	-	-
Transfers	-	-	300	300
Actuarial (gains)/losses	-	-	-	-
Effect of foreign exchange differences	3,493	674	767	4,934
Balance at June 30, 2015	**138,033**	**36,096**	**96,765**	**270,894**
Non-current	-	-	54,994	54,994
Current	138,033	36,096	41,771	215,900
	138,033	**36,096**	**96,765**	**270,894**

(1) The main disputes and proceedings currently in progress or that have evolved during the period are as follows:

Procedure of the French anti-trust authorities

The French Competition Authority (*Autorité de la concurrence* – ADLC) has initiated a procedure in the vehicle rental sector. On February 17, 2015, the ADLC addressed a statement of objections to Europcar France, as well as to other stakeholders, relating to certain practices that are alleged not to be compliant with French anti-trust regulations.

Europcar France lodged its statement of defense brief on May 20, 2015. The Company strongly contest the complaints and the underlying arguments, further to which the case-handler is expected to submit a report to the ADLC College during the second half of 2015. Europcar France will then have two months to respond to this report. The ADLC's decision would then be expected to be issued several months later, following a closed hearing before its College.

Any decision imposing a fine may be appealed. This would not in principle suspend the obligation to pay the penalty, unless there is an exceptional procedure to suspend the payment pending appeal. An unfavorable decision could be followed by damages claims brought by third parties.

The Group recorded a provision for €45 million in its interim condensed consolidated financial statements for the six months ended June 30, 2015, reflecting the Company's best estimate of the financial risks at this stage of the procedure in the event that the ADLC were to impose a fine, notwithstanding the Group's arguments in defense of its position.

Dispute with Enterprise Holdings Inc.

Various entities of the ECI Group were parties to a number of legal disputes and an arbitration proceeding with Enterprise Holdings Inc. ("Enterprise"). On April 29, 2015, the parties signed a settlement agreement (the "Settlement Agreement"), which put an end to all of these proceedings, in consideration of the payment of €12.5 million by the Group (paid on May 4, 2015) as well as the phased discontinuation of the use of the e-moving logo by Europcar.

Note 16 – Other disclosures relating to financial assets and liabilities

The fair values of financial assets and liabilities, together with their carrying amount in the statement of financial position, are as follows:

In € thousands		Carrying amount	Fair value	*Fair value through the income statement*	*Fair value through equity*	*Financial instruments at amortized cost*
Fair value as at June 30, 2015	***Notes***					
Trade receivables		308,292	308,292			*308,292*
Deposits and current loans		6,158	6,158			*6,158*
Vehicle buy-back agreement receivables		1,341,042	1,341,042			*1,341,042*
Fleet receivables		483,562	483,562			*483,562*
Deposits, other receivables and loans		19,186	19,186			*19,186*
Total of loans and receivables		**2,158,240**	**2,158,240**	**-**	**-**	***2,158,240***
Investments in non-consolidated entities		690			*690*	
Other financial assets		86,891				*86,891*
Restricted cash		95,727	95,727	*95,727*		
Cash and cash equivalents		101,600	101,600	*101,600*		
Derivative assets						
Total financial assets		**2,438,623**	**2,355,567**	***197,327***	***690***	***2,245,131***
Notes and borrowings		799,013	829,764			829,764
Trade payables		505,309	505,309			*505,309*
Fleet payables		782,418	782,418			*782,418*
Bank overdrafts and portion of loans due in less than one year		1,420,117	1,420,117			*1,420,117*
Derivative liabilities		42,645	42,645		*42,645*	
Total financial liabilities		**3,549,502**	**3,580,253**	**-**	***42,645***	***3,537,638***

Note 17 – Off-balance sheet commitments

(i) Operating leases

At June 30, 2015, the Group's minimum future payments for non-cancelable operating lease commitments were as follows:

In € thousands	June 30, 2015		Dec. 31, 2014	
		of which related to rental fleet		*of which related to rental fleet*
Payable:				
Within 1 year	217,036	160,605	314,276	267,735
From 1 to 5 years	120,626	10,195	115,527	23,607
More than 5 years	41,064	-	33,179	-
	378,726	**170,800**	**462,982**	**291,342**

(ii) Capital commitments

The Group has entered into contracts to purchase vehicles. At June 30, 2015, capital commitments to purchase vehicles amounted to €700.9 million versus €496.1 million at December 31, 2014.

(iii) Garanties

As at June 30, 2015, ECG had given guarantees worth €68.9 million to suppliers. At that date, contingent assets amounted to €5.3 million (€3.6 million at end-2014).

Note 18 – Related parties

(a) Transactions with Eurazeo S.A

The Group has negotiated a management services agreement with Eurazeo. These services are provided by Eurazeo and billed directly to Europcar Groupe SA.

As of June 2015,

	In € thousands
Services to Eurazeo	1,695
Services from Eurazeo	1,894
Trade balances owed by Eurazeo	2,040
Trade balances owed to Eurazeo	2,273

(b) Transactions with entities over which Europcar Groupe exercises significant influence

The Group has subscribed to the capital increase of Car2Go Europe in line with its 25% stake for € 6 million end of June 2015.

Note 19 – Subsequent events

♦In July 9, the Europcar Lab, the Europcar Group unit dedicated to innovation, announced the acquisition of a majority stake in E-Car Club, the UK's first entirely electric pay per use car club. This new acquisition is fully in line with Europcar Lab's strategy to develop mobility market usages, search for new mobility solutions opportunities worldwide and make investments in strategic initiatives allowing the Group to strengthen its leadership in the mobility market.

♦Europcar Groupe announces that Goldman Sachs International, the stabilizing agent in connection with its initial public offering, acting in the name and on behalf of the Underwriters, partially exercised on July 24, 2015 the over-allotment option covering 1,522,829 additional existing shares. These shares will be sold by Eurazeo (1,327,795 shares) and ECIP Europcar Sarl (195,034 shares) at the offering price of €12.25 per share, corresponding to a total amount of approximately €19 million. As a result, the total number of Europcar shares offered in connection with its initial public offering amounts to 73,298,339 ordinary shares, representing 51.3% of the company's share capital, thereby increasing the offering size to approximately €898 million.

Europcar Groupe's shares sold by Eurazeo in connection with the Company's initial public offering include 258,646 ordinary shares representing the ordinary shares resulting from the conversion of 76,255 class B preferred shares by certain current and former executives and employees of the Group pursuant to the liquidity mechanism put in place by Eurazeo in their benefit in connection with the initial public offering Upon completion of the transaction, 171 152 class B preferred shares will be outstanding, which could be converted in ordinary shares pursuant to their terms.

STATUTORY AUDITORS' REVIEW REPORT ON THE HALF-YEAR FINANCIAL INFORMATION (HALF-YEAR ENDED JUNE 30, 2015)

This is a free translation into English of the Statutory Auditors' review report issued in French and is provided solely for the convenience of English speaking readers. This report should be read in conjunction with, and construed in accordance with, French law and professional auditing standards applicable in France.

To the Shareholders,
EUROPCAR GROUPE
2 rue René Caudron
Bâtiment Op
78960 Voisins le Bretonneux

In compliance with the assignment entrusted to us by your Shareholder meeting and in accordance with the requirements of article L. 451-1-2 III of the French Monetary and Financial Code (*Code monétaire et financier*), we hereby report to you on:

- the review of the accompanying condensed half-year consolidated financial statements for the period from January 1, 2015 to June 30, 2015;
- the verification of the information contained in the half-year management report.

These condensed half-year consolidated financial statements are the responsibility of the Executive Board. Our role is to express a conclusion on these financial statements based on our review.

1. Conclusion on the financial statements

We conducted our review in accordance with professional standards applicable in France. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with professional standards applicable in France and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Based on our review, nothing has come to our attention that causes us to believe that the accompanying condensed half-year consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34 - the standard of IFRSs as adopted by the European Union applicable to interim financial information.

2. Specific verification

We have also verified the information given in the half-year management report on the condensed half-year consolidated financial statements subject to our review. We have no matters to report as to its fair presentation and consistency with the condensed half-year consolidated financial statements.

Neuilly-sur-Seine and Courbevoie, July 28th, 2015

The Statutory Auditors
French original signed by

PricewaterhouseCoopers Audit	Mazars
François Jaumain	Isabelle Massa

STATEMENT BY THE PERSON RESPONSIBLE FOR THE INTERIM FINANCIAL REPORT

To the best of my knowledge, I hereby certify that the Interim condensed consolidated financial statements for the 6 months period ended June 30, 2015 have been prepared in accordance with applicable accounting standards and give a true and fair view of the assets, financial position and results of Europcar Groupe and all consolidated companies, and that the half-year financial report attached presents a true and fair view of the significant events that occurred during the first six months of the financial year and of their impact on the half-year financial statements, the main transactions between related parties and a description of the main risks and uncertainties for the remaining six months of the financial year.

Voisins-le-Bretonneux,
July 28, 2015

Philippe Germond
Chairman of the Management Board

Europcar

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