

Note: This press release contains unaudited consolidated financial figures established under IFRS by Europcar Groupe's Management Board and reviewed by the Supervisory Board on November 7th, 2016.

Europcar Group: Q3 Revenue and Adjusted Corporate Ebitda increase driven by strong leisure momentum

- Q3 total revenue increased by 5.1% at constant currency¹ to €707 million
- Q3 Adjusted Corporate EBITDA increased by 4.5% at constant currency to €159 million
- Last Twelve Month Adjusted Corporate EBITDA reached €250 million
- Strong cash generation with corporate free cash flow at €166 million YTD
- A record Net Profit close to €100 million YTD
- Confirmation of Full year 2016 guidance

Saint-Quentin-en-Yvelines, 9 November, 2016 - Europcar (Euronext Paris: EUCAR) announces today its results for the third quarter and the first nine months of 2016.

Philippe Germond, Chairman of the Management Board stated:

"These solid results confirm the robustness of the Group business model and its capacity to deliver sustained profitable growth. The strong summer season was totally in line with our expectations, successfully supported by our brand strategy notably in Southern Europe and by operational excellence everywhere in the group. In addition, we have fully enjoyed the benefit of the reshape of the capital structure following the IPO allowing us to register a record Net Profit close to 100 million euros for the first nine months. As stated during our first investor day on Oct. 4, this positive growth trend of our revenues and profitability enables us to confirm our FY 2016 Guidance."

All data in €m, except if mentioned	Q3 2016	Q3 2015	Change	Change at constant currency
Number of rental days (million)	19.0	17.8	6.5%	
Average Fleet (thousand)	256.7	242.8	5.7%	
Fleet utilization rate	80.3%	79.7%	+0.6pt	
Total revenues	707	693	2.1%	5.1%
Rental revenues	665	650	2.4%	5.3%
Adjusted Corporate EBITDA	159	154	3.0%	4.5%
Adjusted Corporate EBITDA Margin	22.5%	22.3%	+0.2pt	
Last Twelve Months Adjusted Corporate EBITDA	250	247	1.1%	
LTM Adjusted Corporate EBITDA Margin	11.7%	11.7%	-	
Operating Income	169	163	3.2%	
Net profit/loss	96	99	-3.3%	
Corporate Free Cash Flow	84	92	-8.7%	
Corporate Net Debt at end of the period	155			

¹ Or 4.5% on an organic basis, ie at constant currency and excluding Locaraise fully consolidated since July 2016.

Revenues

Q3 2016 total revenue amounted to €707 million compared to €693 million in 2015, representing a 5.1% increase at constant currency. Excluding Locaraise, its third French Franchisee (fully consolidated since July 1st 2016), total revenues growth reached 4.5%. This increase is mainly driven by a +5.3% growth at constant currency in rental revenue (€665 million) partly off-set by the decrease in petrol prices. This performance was supported by a good leisure momentum across all our brands, and an improvement in the Business segments compared to H1 2016.

Rental days volume increased by 6.5% compared to Q3 2015, at 19.0 million, thanks to a positive evolution in leisure over Q3 on both Europcar® and InterRent® brands, notably in Spain, Italy and Portugal. The three Business Units of Cars, Vans & Trucks and Low cost all contributed to this performance. Compared to the third quarter 2015, all countries enjoyed growth except Belgium, which was flat despite consequences of the terrorist attacks.

RPD for the Cars business unit was up 0.8% at constant currency, despite the French terrorist attack in Nice in July, and thanks to strong yield management. On a consolidated basis, the Q3 RPD decreased by 1.1% at constant currency impacted by the success of InterRent and the development of the Vans & Trucks strategy.

For the first nine months of the year, total revenues amounted to €1,655 million, up 2.4% at constant currency compared to last year. Excluding petrol impact and the Locaraise acquisition, the increase was 2.4% at constant currency.

Adjusted Corporate EBITDA

Q3 Adjusted Corporate EBITDA reached €159 million versus €154 million in Q3 2015 reflecting the strong performance during the summer season despite the negative currency effect linked to the depreciation of the pound sterling. The growth amounted €7 million (+4.5%) at constant currency. Q3 Adjusted Corporate EBITDA margin reached a record level of 22.5%.

The last twelve months Adjusted Corporate EBITDA amounted to €250 million, up 1.1% year over year, despite a challenging environment since the beginning of 2016. This performance demonstrates the robustness and resilience of the Group's business model. The latter relies on a de-risked fleet asset base and a capacity to deliver sustained profitable growth by leveraging on the different pillars of its state of the art revenues and capacity management (namely volume, price and utilization rate), while optimizing its cost structure and building the future. Europcar Group pursues its investments in the deployment of InterRent brand and network, in its customer journey programs, IT and Europcar Lab's, etc.

Operating income

Q3 operating income came in at €169 million in 2016, compared to €163 million in 2015. For the first nine months, operating income was €241 million versus €182 million in 2015. Last year's figure included IPO costs and non-recurring items (notably the net negative impact of certain proceedings and reorganization charges linked to the Fast Lane transformation plan roll out).

Net Profit

Q3 net profit amounted to €96 million in 2016, compared to €99 million in Q3 2015. This slight decrease was notably linked to the pound sterling currency effect and the further investments in Ubeeqo and Car2Go Europe (both equity accounted investments).

For the first nine months, net income was a profit of €99 million in 2016 compared to a loss of €57 million in 2015. This improvement reflects the full benefit of the reshape of the capital structure following the IPO at the end of Q2 2015, while last year was also impacted by other non-recurring items.

Corporate free cash flow and Corporate Net Debt

Corporate free cash flow amounted to €84 million in Q3 compared to €92 million last year. For the first nine months Corporate free cash flow was €166 million compared to €116 million for the same period in 2015. This Corporate free cash flow encompassed Adjusted Corporate EBITDA, flat on a reported basis year over year at €214 million, and a good management of non-fleet working capital over the period. As a reminder, 2015 free cash flow was also impacted by one-off cash items.

Corporate net debt amounted to €155 million as of September 30, 2016 (vs. €235 million as of December 31, 2015). The corporate net debt leverage is at 0.6x².

Acquisition plan

The Group pursued its dynamic acquisition plan, reaching recently a further step in its path to be a key mobility provider with the acquisition of Brunel. As a ride-hailing company, Brunel allows the Group to give its customers even greater choice for their travel needs, providing Europcar with a strong competitive advantage.

As a reminder, since the beginning of 2016 the Group has acquired Locaraise, its third French Franchisee (fully consolidated since July 1st), Bluemove a mobility tech start-up and car sharing leader in Spain, through Ubeeqo, as well as a minority investment in Wanderio, a multi modal search and comparison platform. Over the first nine months of 2016, Europcar has cashed out about €27 million in its acquisition plan.

Confirmation of 2016 full year guidance

As a result of the strong performance over the summer season, the Group reiterates the 2016 guidance, announced on July 25, 2016, showing the resilience of its business model while facing a number of headwinds, including an increasingly unfavorable currency from the depreciation of the pound sterling. As a reminder, the group is committed to the following guidance for the full year:

- Slight increase of revenue on an organic basis³
- Adjusted Corporate EBITDA above last year €251million
- Adjusted Corporate EBITDA conversion to Corporate free cash flow above 50%.

In addition, considering acquisition achievements for this year 2016, the Group will deliver to its shareholders a dividend pay-out to an exceptional level of at least 50% based on 2016 Net Income⁴.

About Europcar Groupe

Europcar shares (EUCAR) are listed on the Euronext Paris stock exchange. Europcar is the European leader in vehicle rental service and is also a major player in mobility markets. Active in more than 140 countries, Europcar serves customers through an extensive vehicle rental network comprised of its wholly-owned subsidiaries as well as sites operated by franchisees and partners. In addition to the Europcar® brand, the company offers low-cost vehicle rentals under the InterRent® brand. A commitment to customer satisfaction drives the company and its 6,000 people forward and provides the impetus for continuous development of new services. The Europcar Lab was created to respond to tomorrow's mobility challenges through innovation and strategic investments, such as Ubeeqo and E-Car Club.

²Based on last twelve months Adjusted Corporate EBITDA

³ At constant currency and perimeter, excluding petrol impact

⁴ Subject to the approval of the General Assembly

Forward-looking statements

This press release includes forward-looking statements based on current beliefs and expectations about future events. Such forward-looking statements may include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and/or expectations with respect to future financial results, events, operations and services and product development, as well as statements, regarding performance or events. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans", "projects", "may", "would", "should" or the negative of these terms and similar expressions. Forward looking statements are not guarantees of future performance and are subject to inherent risks, uncertainties and assumptions about Europcar Groupe and its subsidiaries and investments, trends in their business, future capital expenditures and acquisitions, developments in respect of contingent liabilities, changes in economic conditions globally or in Europcar Groupe's principal markets, competitive conditions in the market and regulatory factors. Those events are uncertain; their outcome may differ from current expectations which may in turn materially affect expected results. Actual results may differ materially from those projected or implied in these forward-looking statements. Any forward-looking statement contained in this press release is made as of the date of this press release. Other than as required by applicable law, Europcar Groupe does not undertake to revise or update any forward-looking statements in light of new information or future events.

The results and the Group's performance may also be affected by various risks and uncertainties, including without limitation, risks identified in the "Risk factors" of the Annual Registration Document registered by the Autorité des marchés financiers on April 14, 2016 under the number R. 16-021 and also available on the Group's website: www.europcar-group.com.

This press release does not contain or constitute an offer or invitation to purchase any securities in France, the United States or any other jurisdiction.

**Further details on our website:
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Appendix 1 – Management Profit and Loss

Q3 2016	Q3 2015	All data in €m	9M 2016	9M 2015
707.2	692.6	Total revenue	1,655.1	1,653.1
(144.0)	(142.9)	Fleet holding costs, excluding estimated interest included in operating leases	(370.1)	(372.0)
(235.6)	(221.9)	Fleet operating, rental and revenue related costs	(572.4)	(561.5)
(84.1)	(89.4)	Personnel costs	(253.7)	(258.6)
(55.3)	(55.5)	Network and head office overhead	(166.4)	(163.7)
1.4	6.2	Other income and expense	4.0	8.3
(138.0)	(138.7)	Personnel costs, network and head office overhead, IT and other	(416.1)	(413.9)
(17.1)	(18.0)	Net fleet financing expense	(46.8)	(48.8)
(13.7)	(16.8)	Estimated interest included in operating leases	(36.1)	(42.5)
(30.8)	(34.8)	Fleet financing expenses, including estimated interest included in operating leases	(83.0)	(91.3)
158.8	154.2	Adjusted Corporate EBITDA	213.6	214.4
22.5%	22.3%	Margin	12.9%	13.0%
(6.5)	(8.1)	Depreciation – excluding vehicle fleet	(22.3)	(24.1)
(0.8)	(0.8)	Other operating income and expenses	2.5	(56.6)
(15.3)	(10.7)	Other financing income and expense not related to the fleet	(40.6)	(150.0)
136.3	134.6	Profit/loss before tax	153.1	(16.3)
(34.1)	(33.3)	Income tax	(45.1)	(35.1)
(6.1)	(1.9)	Share of profit/(loss) of associates	(9.0)	(6.0)
96.1	99.4	Net profit/(loss)	98.9	(57.4)

Appendix 2 – IFRS Income statement

Q3 2016	Q3 2015	All data in €m	9M 2016	9M 2015
707.2	692.6	Total revenue	1,655.1	1,653.1
(157.7)	(159.7)	Fleet holding costs	(406.2)	(414.5)
(235.6)	(221.9)	Fleet operating, rental and revenue related costs	(572.4)	(561.5)
(84.1)	(89.4)	Personnel costs	(253.7)	(258.6)
(55.3)	(55.5)	Network and head office overhead	(166.4)	(163.7)
1.4	6.2	Other income and expense	4.0	8.3
(6.5)	(8.1)	Depreciation – excluding vehicle fleet	(22.3)	(24.1)
169.5	164.2	Recurring operating income	238.1	239.1
(0.8)	(0.8)	Other non-recurring income and expenses	2.5	(56.6)
168.7	163.4	Operating income	240.6	182.4
(32.4)	(28.7)	Net financing costs	(87.5)	(198.8)
136.3	134.6	Profit/(loss) before tax	153.1	(16.3)
(34.1)	(33.3)	Income tax	(45.1)	(35.1)
(6.1)	(1.9)	Share of profit/(loss) of associates	(9.0)	(6.0)
96.1	99.4	Net profit/(loss)	98.9	(57.4)
96.3	99.5	Net profit/(loss) attributable to Europcar owners	99.2	(57.3)

Q3 IFRS P&L presented for conveniences purposes, not prepared on a standalone basis but obtained by difference between 9M YTD P&L and H1 P&L

Appendix 3 – Reconciliation

Q3 2016	Q3 2015	All data in €m	9M 2016	9M 2015
306.4	305.8	Adjusted Consolidated EBITDA	593.4	606.5
(53.1)	(53.9)	Fleet depreciation IFRS	(140.4)	(139.7)
(63.7)	(62.9)	Fleet depreciation included in operating lease rents	(156.5)	(161.2)
(116.7)	(116.7)	Total Fleet depreciation	(296.9)	(300.8)
(13.7)	(16.8)	Interest expense related to fleet operating leases (estimated)	(36.1)	(42.5)
(17.1)	(18.0)	Net fleet financing expenses	(46.8)	(48.8)
(30.8)	(34.8)	Total Fleet financing	(83.0)	(91.3)
158.8	154.2	Adjusted Corporate EBITDA	213.6	214.4
(6.5)	(8.1)	Amortization, depreciation and impairment expense	(22.3)	(24.1)
17.1	18.0	Reversal of Net fleet financing expenses	46.8	48.8
13.7	16.8	Reversal of Interest expense related to fleet operating leases (estimated)	36.1	42.5
183.2	180.9	Adjusted recurring operating income	274.2	281.6
(13.7)	(16.8)	Interest expense related to fleet operating leases (estimated)	(36.1)	(42.5)
169.5	164.2	Recurring operating income	238.1	239.1

Appendix 4 – Balance sheet

<i>In € thousands</i>	Sept. 30, 2016	Dec. 31, 2015
Assets		
Goodwill	456.892	457.072
Intangible assets	714.091	713.136
Property, plant and equipment	85.436	89.236
Equity-accounted investments	17.913	22.035
Other non-current financial assets	49.363	57.062
Deferred tax assets	65.879	55.730
Total non-current assets	1,389,574	1,394,271
Inventories	19.204	15.092
Rental fleet recorded on the balance sheet	2,009,642	1,664,930
Rental fleet related receivables	867.584	574.652
Trade and other receivables	396.534	357.200
Current financial assets	47.082	37.523
Current tax assets	37.412	33.441
Restricted cash	108.264	97.366
Cash and cash equivalents	202.756	146.075
Total current assets	3,688,478	2,926,280
Total assets	5,078,052	4,320,551
Equity		
Share capital	143.409	143.155
Share premium	641.166	767.402
Reserves	-87.974	-74.341
Retained earnings (losses)	-92.424	-274.821
Total equity attributable to the owners of ECG	604.177	561.395
Non-controlling interests	653	962
Total equity	604.830	562.356
Liabilities		
Financial liabilities	946.295	801.183
Non-current financial instruments	59.212	52.090
Employee benefit liabilities	123.724	119.295
Non-current provisions	25.003	25.168
Deferred tax liabilities	129.866	131.132
Other non-current liabilities	261	306
Total non-current liabilities	1,284,361	1,129,174
Current portion of financial liabilities	1,624,911	1,263,783
Employee benefits	23.520	2.944
Current provisions	231.160	250.087
Current tax liabilities	65.297	24.511
Rental fleet related payables	774.675	662.722
Trade payables and other liabilities	469.298	424.974
Total current liabilities	3,188,861	2,629,021
Total liabilities	4,473,222	3,758,195
Total equity and liabilities	5,078,052	4,320,551

Appendix 5 – IFRS Cash Flow

In € thousands

	9 months 2016	9 months 2015
Profit/(loss) before tax	153.106	-16.381
Reversal of the following items		
Depreciation and impairment charge on property, plant and equipment	10.925	10.694
Amortization and impairment charge on intangible assets	11.39	13.236
Changes in provisions and employee benefits	-15.575	22.546
Profit/(loss) on disposal of assets	-144	-397
Recognition of share-based payments		
Costs related to the IPO		
<i>Total net interest costs</i>	<i>73.806</i>	<i>103.47</i>
<i>Redemption premium</i>		<i>56.01</i>
<i>Amortization of transaction costs</i>	<i>5.54</i>	<i>36.894</i>
<i>Other non-cash items</i>	<i>1.051</i>	<i>617</i>
Financing costs	80.397	196.991
Net cash from operation before changes in working capital	240.099	226.689
Changes in rental fleet recorded on the balance sheet	-404.206	-529.034
Changes in fleet working capital	-187.184	-88.046
Changes in non-fleet working capital	11.568	-5.412
Cash generated from operations	-579.822	-622.492
Income taxes received/paid	-15.793	-30.245
Net interest paid	-68.002	-108.35
Net cash generated from (used by) operating activities	-423.518	-534.398
Acquisition of intangible assets and property, plant and equipment	-24.892	-20.866
Proceeds from disposal of intangible assets and property, plant and equipment	2.628	6.079
Other investments and loans	-	
Acquisition of financial assets	-3.249	-5.917
Acquisition of subsidiaries, net of cash acquired	-14.965	-9.163
Net cash used by investing activities	-40.478	-29.867
Capital increase (net of related expenses)	-	460.655
Issuance of bonds	130.542	474.517
Redemption of bonds	-	-780.010
(Purchases) / Sales of treasury shares net	-6.382	
Changes in other borrowings	417.243	434.646
Payment of transaction costs	-2.507	-14.357
Net cash generated from (used by) financing activities	538.896	575.451
Cash and cash equivalent at beginning of period	229.368	206.317
Net increase/(decrease) in cash and cash equivalents after effect of foreign exchange differences	74.900	11.186
Effect of foreign exchange differences	-1.184	-621
Cash and cash equivalents at end of period	303.084	216.882

