



# Europocar

# Important Legal Disclaimer / Contacts

## DISCLAIMER

The document has been prepared by Europcar Groupe (the "Company"). Recipients should conduct and will be solely responsible for their own investigations and analysis of the Company. This presentation does not contain or constitute an offer of securities for sale or an invitation to invest in securities in France, the United States or any other jurisdiction.

None of the Company nor its respective employees or officers, makes any representation or warranty, express or implied, as to the accuracy, relevance and/or completeness of the document or any information, forward-looking statements contained herein and the Company shall not incur any liability for the information contained in, or any omissions from, the document.

Forward-looking statements are statements that are not historical facts. These statements may include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and expectations with respect to future financial results, events, operations, services, product development and potential, and statements regarding future performance or events. Forward looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans", "projects", "may", "would" "should" and similar expressions. Forward-looking statements are based on the Company management's current expectations or beliefs on or about the date of the document but are not guarantees of future performance and are subject to inherent risks, uncertainties (including without limitation, risks identified in the "Risk factors" section of the Annual Registration Document filed with the *Autorité des marchés financiers* and also available on the Company's website: [www.europcar-group.com](http://www.europcar-group.com)) 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. Other than as required by applicable law, the Company does not undertake to revise or update any forward-looking statements in light of new information or future events.

## INVESTOR RELATIONS

Olivier Gernandt	+33.1.30.44.91.44	<a href="mailto:olivier.gernandt@europcar.com">olivier.gernandt@europcar.com</a>
Investor Relations	+33.1.30.44.98.98	<a href="mailto:investor.relations@europcar.com">investor.relations@europcar.com</a>

For all financial or business information, please refer to our IR website at:

<https://investors.europcar-group.com/>



# EUROPCAR GROUP

2018 Investor Day

***Europcar***

17 January 2018





**Caroline Parot**  
CEO



**Ken Mc Call**  
Deputy CEO  
Countries & Operations



**Fabrizio Ruggiero**  
Deputy CEO Sales,  
Marketing,  
Customers & InterRent



**Sheila Struyck**  
Managing Director  
BU New Mobility



**Aurélia Cheval**  
Group Strategy  
Director



**Marcus Bernhardt**  
Managing Director  
BU International Coverage



**Xavier Corouge**  
Group Digital &  
Marketing Director



**Juan Carlos Azcona**  
Managing Director



**Yvonne Leuschner**  
Managing Director  
Vans & Trucks BU



**Jose Maria Gonzalez**  
Managing Director  
Low Cost BU



**Luc Peligry**  
Chief Financial Officer



**Denis Langlois**  
Group HR Director



**Stéphane Deux**  
Chief Information Officer



**Franck Rohard**  
Secretary General

# Speakers



**Caroline Parot**  
CEO



**Fabrizio Ruggiero**  
Deputy CEO Sales, Marketing,  
Customers & InterRent



**Sheila Struyck**  
Managing Director  
BU New Mobility



**Xavier Corouge**  
Group Digital &  
Marketing Director



**Yvonne Leuschner**  
Managing Director  
Vans & Trucks BU



**Laurent Cossé**  
Fleet Group Director



**François Repolt**  
Financing and Treasury  
Group Director



**Pierre Ruiz**  
RCM Group Director

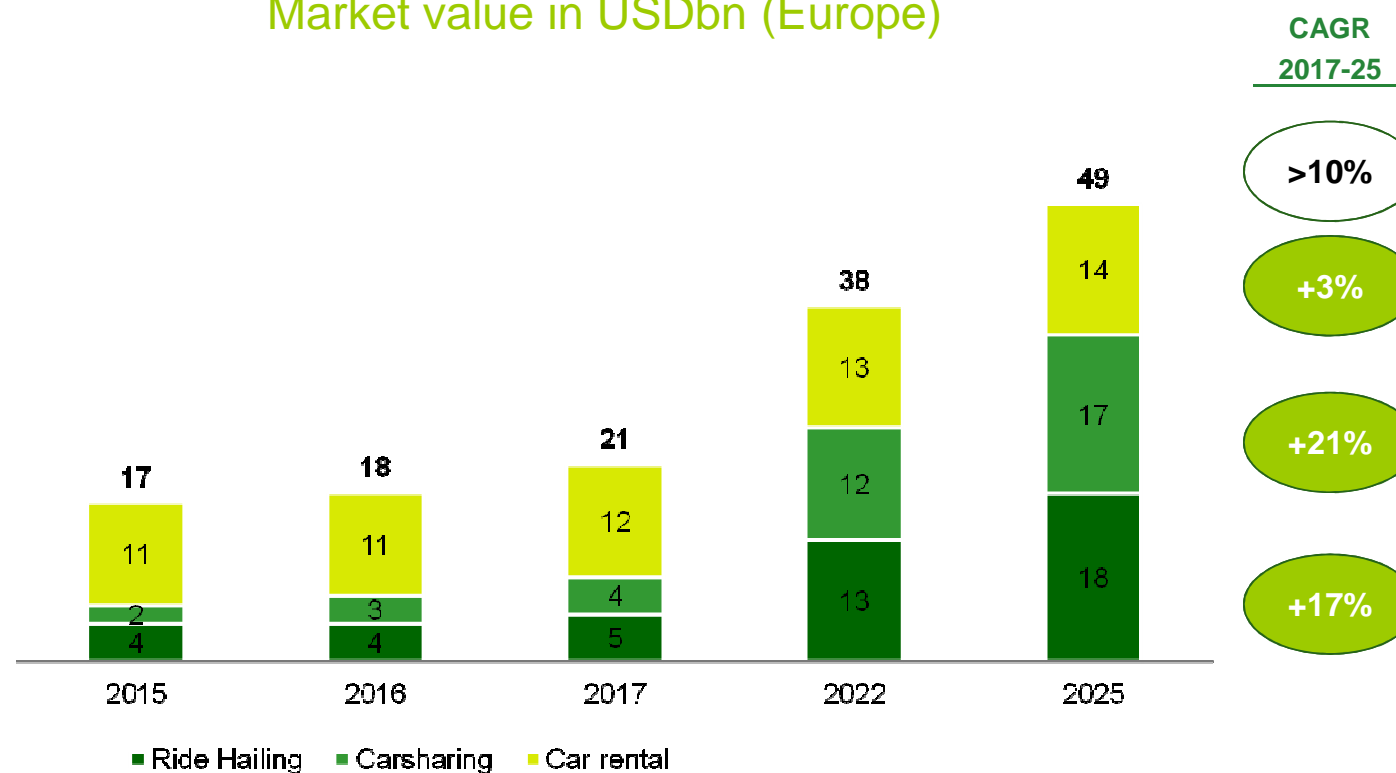
A stylized world map in a light green color, centered on the Atlantic Ocean, serving as a background for the slide.

# EUROPCAR GROUP – “Accelerating towards Ambition 2020”

Caroline Parot | CEO

# Addressable market for Europcar beyond traditional car rental

Market value in USDbn (Europe)

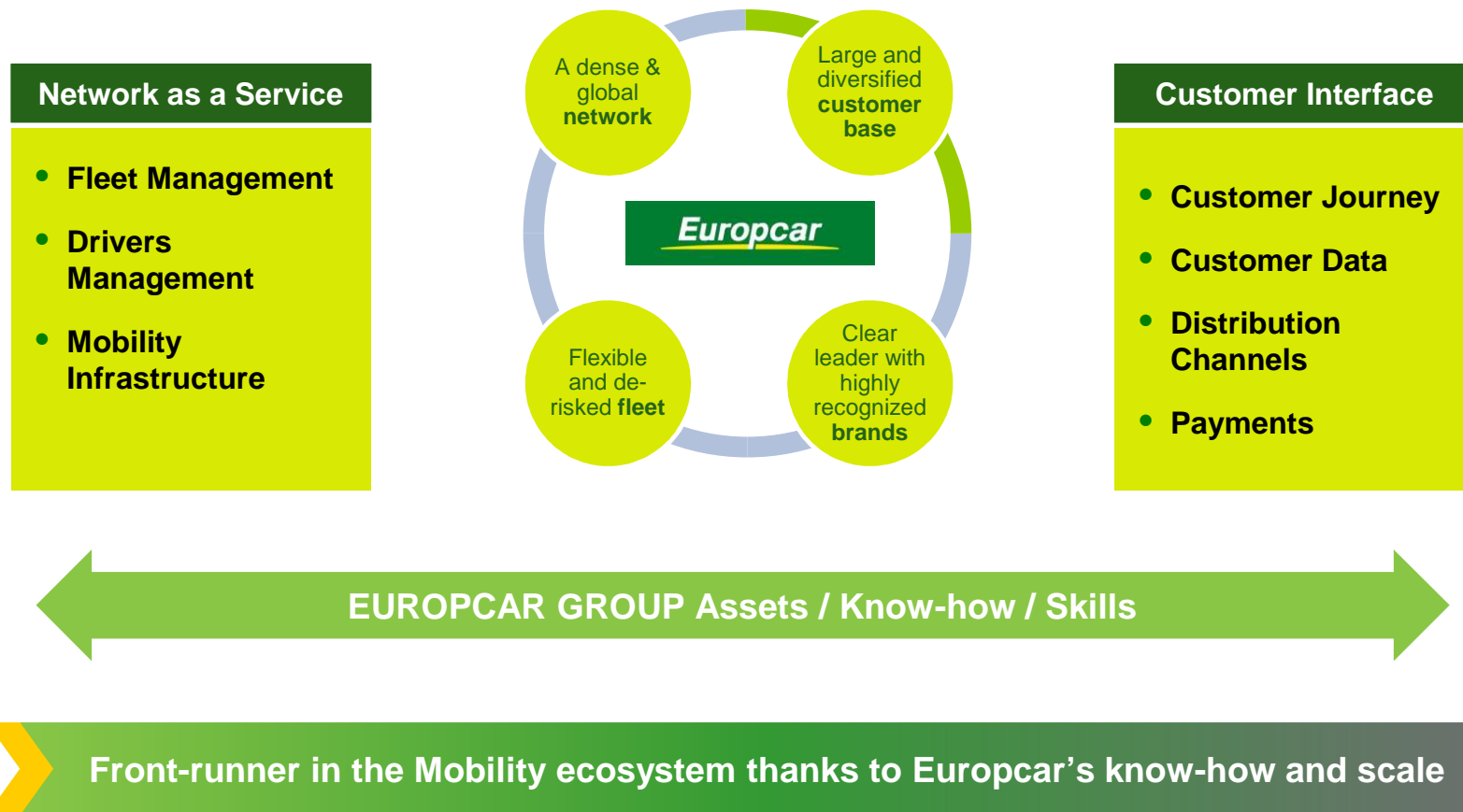


Mobility market is expected to grow double-digit by 2025, driven by New Mobility segments

Sources: Markets & Markets, BCG

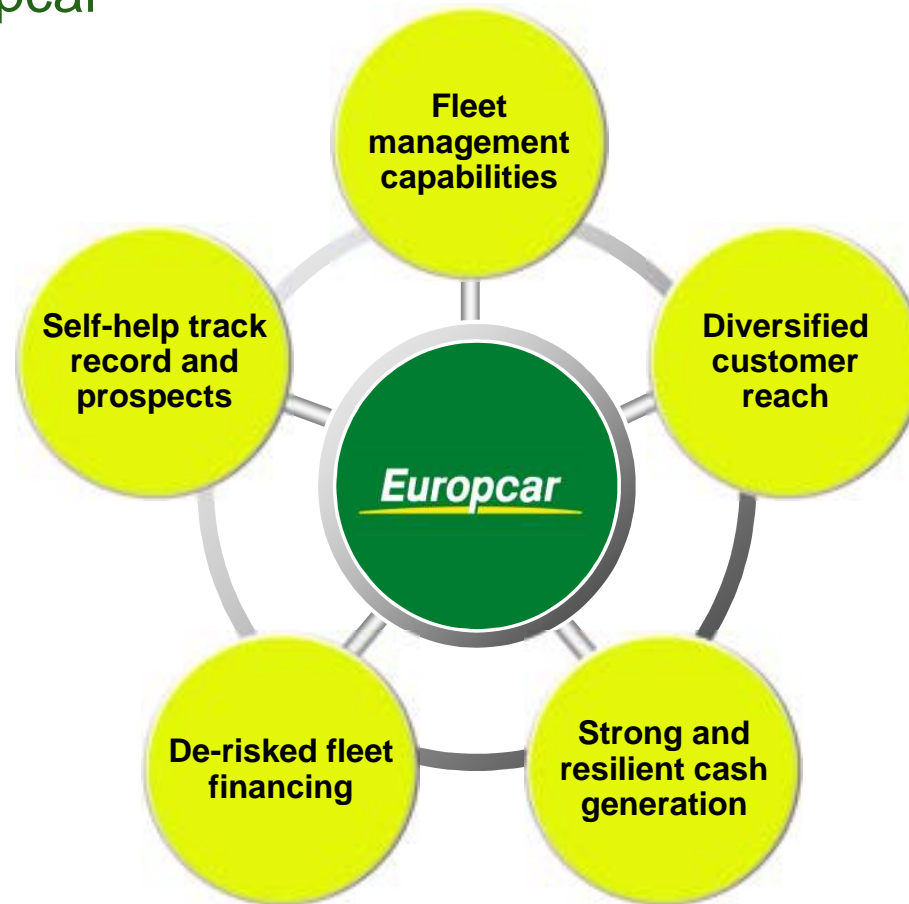


## Europcar most legitimate to address new customer needs in mobility



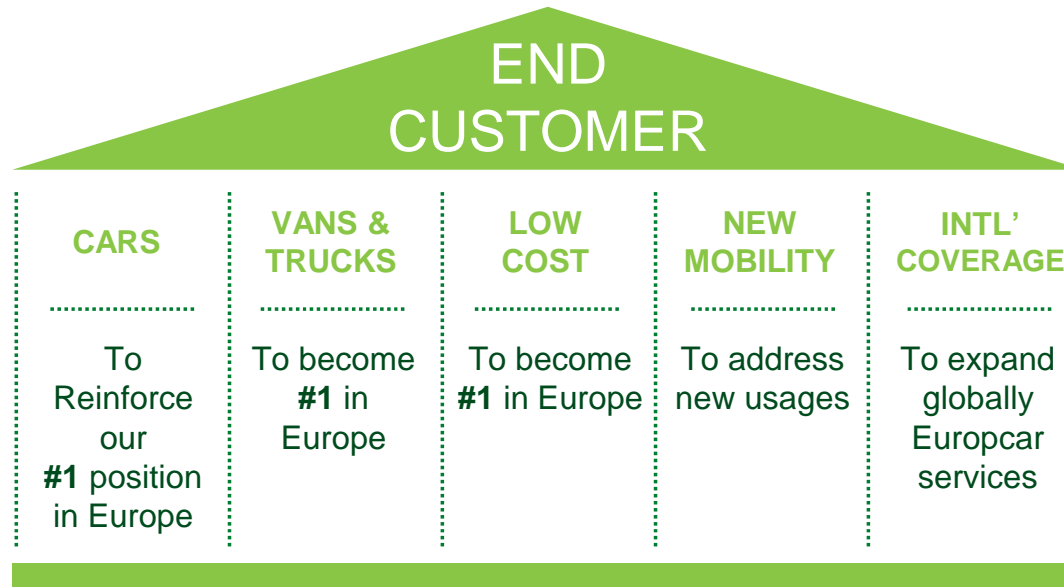


## Key strengths for Europcar



**Europcar has an efficient business model at current scale**

## Strategic repositioning accelerated through bolt-on and transforming M&A



## Significant cash generation track record with attractive prospects in 2018-2020

### SIGNIFICANT TRACK RECORD

**Cumulated Corp. operating FCF**  
(Q2 15 – Q3 17) **€354m**

**Average FCF conversion**  
(Q2 15 – Q3 17) **c.54%**

**Average Corporate leverage**  
(Q2 15 – Q3 17) **c.0.8x**

### KEY FINANCIAL STRENGTHS

- 1 *Flexible financing structure, persistently optimized*
- 2 *Sound corporate leverage and deleveraging track record*
- 3 *Strong cash generation prospects, with cash conversion to be kept above 50%*
- 4 *Embedded cost synergies from recent M&A, on track to improve margins*

**Europcar Group has the means for its ambition**



## Accelerating towards Ambition 2020



GROUP SALES OVER **€3BN**, THROUGH ORGANIC INITIATIVES AND ACQUISITIONS



UNDERLYING CORPORATE EBITDA MARGIN OVER **14%**, EXCLUDING NEW MOBILITY

KEY  
PERFORMANCE  
DRIVERS

**Operating leverage**

**Fleet optimization** (incl. financing)

**Other operational efficiencies**

**M&A synergies**

## Our agenda today

- 1 LOW COST & BRAND STRATEGY
- 2 VANS & TRUCKS
- 3 RCM & FLEET
- 4 DIGITAL / E-COMMERCE / CUSTOMER EXPERIENCE
- 5 NEW MOBILITY STRATEGY
- 6 STRATEGIC & FINANCIAL UPDATE
- 7 Q&A

A world map is visible in the background, rendered in a light green color against a darker green gradient. The map shows the continents of North America, South America, Europe, Africa, Asia, and Australia.

# #1

Low Cost & Brand Strategy -  
Reinforce leadership in Europe and deliver synergies

.....

Fabrizio Ruggiero | Deputy CEO

Juan Carlos Azcona | GoldCar CEO



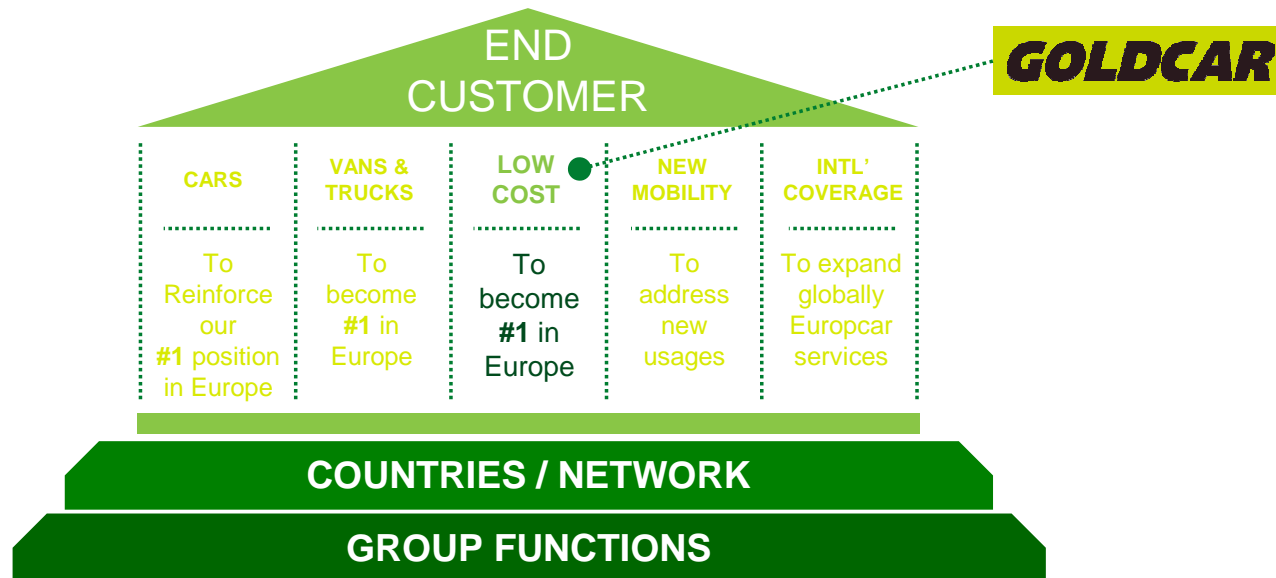
## A major step change in a fast growing segment

ATTRACTIVE TRACK RECORD  
FOR LOW-COST CAR RENTAL  
SEGMENT IN EUROPE

€1.5Bn market

**12% annual growth and expected to continue growing at a similar pace**, especially in France, Germany, UK and Italy

**Highly fragmented segment**



Positioning Europcar Group as the undisputed leader in the European low-cost segment

## Achieve leadership position and deliver financial performance in light of 2020 Ambition

- 1 *Strong know how in running a lean and efficient pure low-cost operating model*
- 2 *Impressive organic revenue growth track record*
- 3 *Exposure to 3 growth engines: the Mediterranean region, the Leisure segment and the low-cost market*
- 4 *Compatible business models due to multiple similarities (fleet on buyback model, variable cost model, high fleet utilization rate, 90% online sales)*
- 5 *Significant synergies and value creation expected: best-practice sharing, maintenance and repair, purchasing and financing synergies*

**Value creative acquisition strategy in Low Cost supported by high synergy extraction potential**

## Goldcar success story





## Introducing Goldcar



**GOLDCAR**

01

**100% LEISURE-FOCUSED IN MAIN  
MEDITERRANEAN HOTSPOTS**

02

**AFFORDABILITY AND  
CHOICE**

03

**CUSTOMER EXPERIENCE  
THROUGH TECHNOLOGY**

04

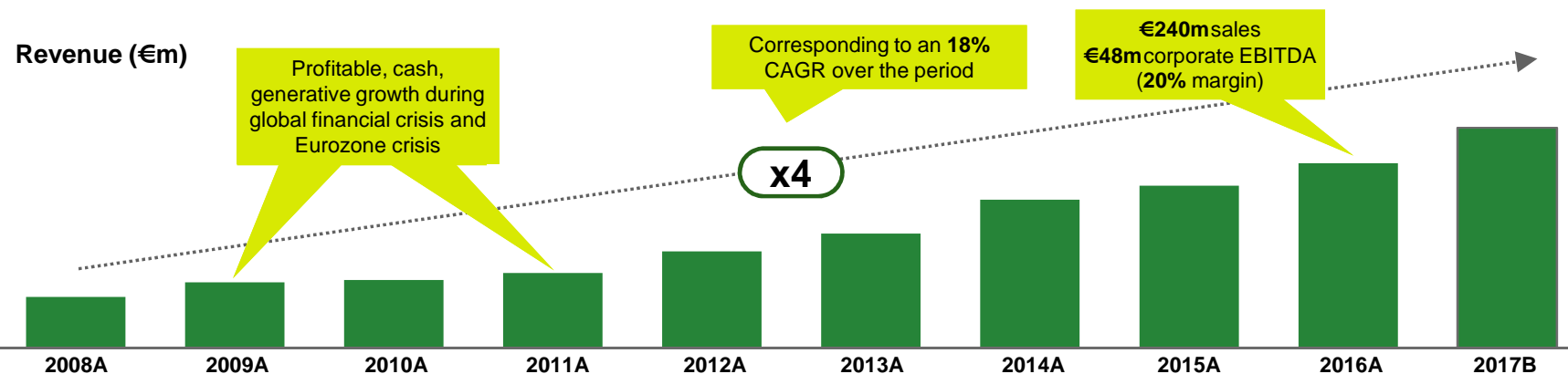
**DIRECT CHANNEL AS A KEY  
PRIORITY**

# Goldcar has a track record of profitable growth ...

...through market share gain and international expansion

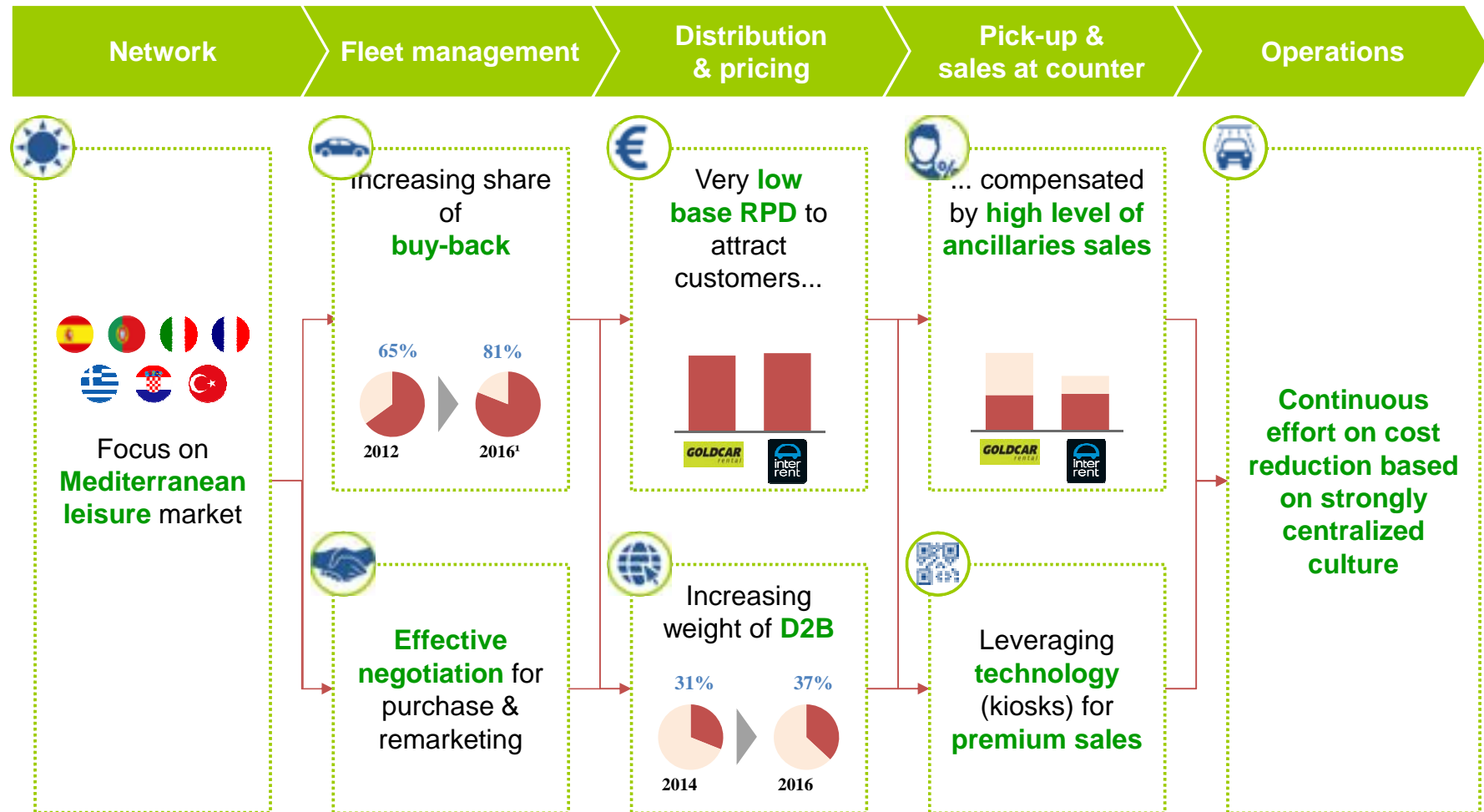
International own network expansion

Other



Goldcar's high growth has been funded through best-in-class profitability

# Key Goldcar differentiators along the value chain





## Goldcar integration process



## Goldcar's investments in technology would be a strong asset for EC Group



### BACK-END / OPERATIONS

- ✓ **Proprietary** flexible, reliable and scalable IT System
- ✓ **Revenue management systems** for easy pricing update and higher level of granularity in different pricing
- ✓ **Multi product offers** on the direct channels
- ✓ **CRM systems** just launched focus on repeat business and customer acquisition



### CUSTOMER JOURNEY

- ✓ **Key 'n Go** self-service checkout solution
- ✓ **Mobile app** integrated with **queue management** system
- ✓ **Ancillary products** integrated in the customer journey

Europcar Group will cover the 3 main tiers of the market, having Goldcar as the single Low-Cost brand and InterRent fully dedicated to the medium-price segment



**Maintain current strategy**, appealing to business segment and leisure customers with higher willingness to pay  
**Customer experience improvement** through products / contents / service differentiation













**InterRent** available in **all leisure distribution channels** (D2B, brokers, partnerships) previously covered by a product called “Keddy”  
**Grow in value segment** through higher awareness and dedicated brand



**Merge Goldcar and InterRent volumes as single Low-Cost brand**, achieving synergies in operations  
**Maintain Goldcar as a separate entity** to ensure low-cost mindset and entrepreneurial culture

- 
- Offering differentiation to best address diversity of clients' needs
  - Transition phase in definition to mitigate risks (volumes loss, ....)

## Integration of Goldcar in EC Group has **5** main implications in revenue and costs

- 1**  **Growth accelerator**  Top-line growth due to established presence in some countries and potential for expansion into new geographies
- 2**  **Leveraging capabilities of Goldcar**  Goldcar capabilities would be leveraged by EC Group to achieve top-line growth
- 3**  **Cost synergies**  Cost savings achieved in the integration of Goldcar and InterRent
- 4**  **Potential loss of volumes vs. sum of IR+Goldcar**  Reduction of D2B business because of walk-in business loss. B2B2C volumes could also be reduced due to:
  - single offering in broker websites
  - need of brokers in reducing our power as supplier
- 5**  **Loss of Goldcar ancillary sales**  At the counter: to increase customer satisfaction



## Run rate cost synergies to reach at least €30m per year by 2020

RUN-RATE COST SYNERGIES			VALUE CREATION LEVERS	
Fleet purchasing	Improved purchasing and buyback conditions with manufacturers	+++	1	Leverage Goldcar capabilities on ancillaries, direct channel and technology for Europcar Group
	Alignment of fleet costs per unit per month with Europcar's figures			
Fleet financing	Reduction in fleet financing costs following integration into EC's capital structure	++	2	Leverage Goldcar's footprint / Europcar worldwide presence and develop a 3-tier brand strategy to capture sales in all segments
Other	Structure cost efficiency savings	+		
	Network operating cost savings			
	Insurance cost savings		3	Deliver cost efficiency gains through synergies
TOTAL		>€30m		

 On track to deliver embedded synergies

A world map is visible in the background, rendered in a light green color against a darker green gradient. The map shows the continents of North America, South America, Europe, Africa, Asia, and Australia.

# #2

## Vans & Trucks- Gain leadership in Europe and deliver synergies

.....

Yvonne Leuschner | Vans & Trucks MD

# Why does the Vans & Trucks market matter to Europcar?

## MAIN ATTRACTIONS FOR EUROPCAR

Dynamically growing market

No obvious leader across Europe

Leverages EC strength in SME

Driven by retail supply chain dynamics

Delivering scale and size to non-airport network

Multiple opportunities to grow market share

## MARKET SIZE

Identified vans & trucks segment market size of c.€2.4bn in 5 corporate countries (rental and flexible leasing)



Sources: McKinsey (HIS Automotive, Kraftfahrt-Bundesamt, Local rental associations, project team, web research)

## Vision 2020

“

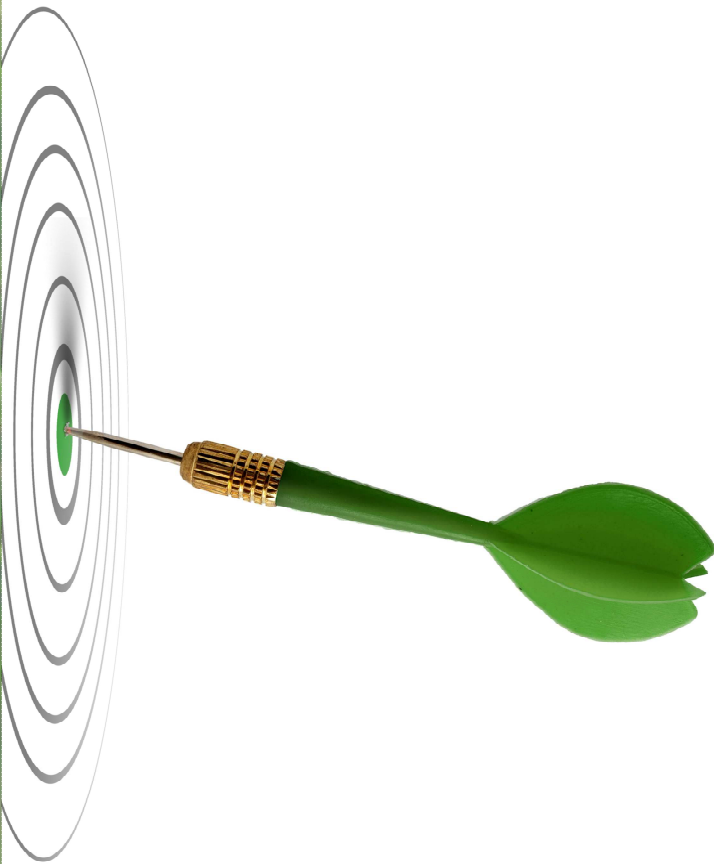
BECOME THE LEADER IN Light Commercial Vehicles (LCV) RENTAL ACROSS EUROPE

”





# Vision 2020 - Become a wide leader in LCV rental across Europe



## OUR AMBITIONS

International coverage in all Corporate countries and future expansion  
To grow YOY internally above market average and external growth through acquisitions

**BU Vans & Trucks to represent 10-15% of the Europcar Group Revenue by 2020**

## OUR BUSINESS MODEL

Short- and mid-term rental and remarketing  
Become a viable alternative to Long Term Leasing

## OUR CUSTOMERS

B2B short (1 to 28 days) to mid-term (1 to 18 months), sold through Group Sales Force plus local dedicated V&T Sales Experts  
On Top become first choice for B2C customers

## OUR DEDICATED TEAMS

A team of V&T experts in countries as well as centrally

## FLEET

Buyback and On Risk ↔ optimization of the cost and business model notably with dealers and OEMs

# Strategy aligned to Vision 2020

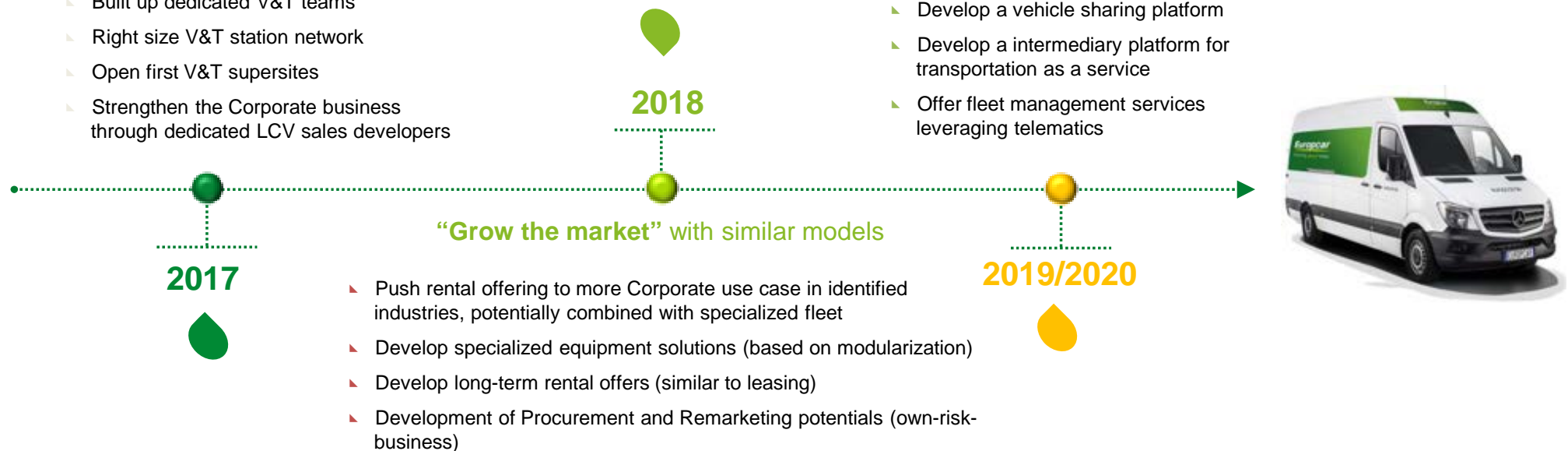
## “Improve existing V&T Business”

Run an efficient and effective Vans segment ‘as division’

- ▶ Built up dedicated V&T teams
- ▶ Right size V&T station network
- ▶ Open first V&T supersites
- ▶ Strengthen the Corporate business through dedicated LCV sales developers

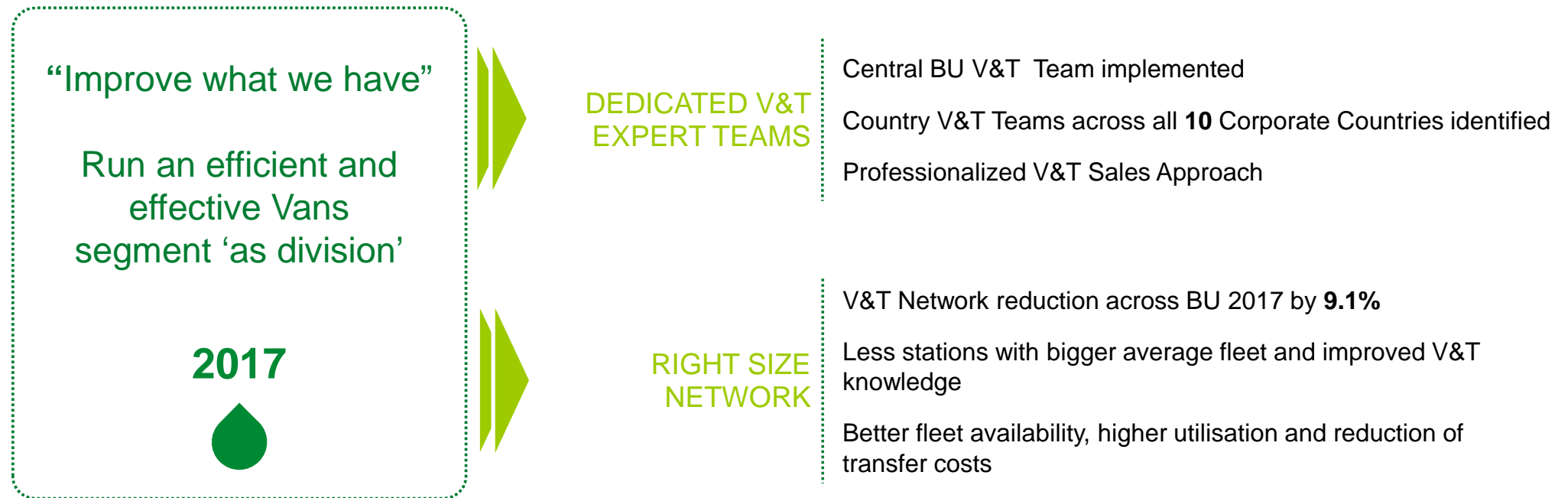
## “Enter new business models”

- ▶ Develop a vehicle sharing platform
- ▶ Develop a intermediary platform for transportation as a service
- ▶ Offer fleet management services leveraging telematics



▶ **“Become a wide leader in LCV rental across Europe.”**

## « Improve Existing V&T Business » Progress so far:



First success results from Right sized Station Network and V&T Teams

## « Improve Existing V&T Business » Progress so far:

“Improve what we have”

Run an efficient and  
effective Vans  
segment ‘as division’

2017



### SUPERSITES

First supersites opened /converted; additional sites to come in 2018  
Strong revenue performance → up to 50% increase vs. LY in case of existing stations converted  
Positive customer and market feedback  
Outstanding V&T Market Positioning in many countries  
No cannibalisation




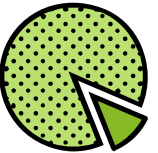
### LOCAL MARKET DEVELOPERS

First Local Market Developers recruited in 2017; additional in plan for 2018  
Up to 1 Mio. € new customer turnover p.a. by person  
Professionalized V&T Sales Approach  
Improved knowledge on corporate customers and different industries and their specific needs

First success results from Supersites and Local Market Developer



## How we measure the V&T Business – 4 V&T Key KPIs

CATEGORY	CORRELATION WITH OTHER KPIS
<p>Revenue per Unit / RPU</p> 	<p><i>Revenue per Unit to increase YOY while FCPU decline YOY</i></p> <p>=</p> <p><i>Positive Business Development</i></p>
<p>Fleet Costs per Unit</p> 	
<p>Van &amp; Truck Supersites</p> 	<p><i>Quality before quantity</i></p> <p>=</p> <p><i>Smaller network, with higher average fleet per station, a more dedicated V&amp;T professional corporate approach</i></p>
<p>Station Network Size</p> 	<p><u><i>Positive side effects:</i></u>  <i>Optimised utilisation</i>  <i>Better availability</i>  <i>Less transfer costs</i></p>

## First Strategic External Move - Buchbinder Acquisition



### KEY FACTS

- A market leader in the Van & Truck segment in Germany
- Market leader in Austria
- Attractive customer base focused on small and medium-sized enterprises ("SME")
- Strong competence on procurement, management and resale of V&T risk fleet
- Potential entry point for V&T Presence in Eastern Europe



LEADERSHIP IN LCV  
RENTAL IN GERMANY



## First Strategic External Move - Buchbinder Integration



### EUROPCAR

- Premium Offering
- Strong Global Corporate Brand
- Fleet **4,500**



### TOGETHER

- Full segment offering
- Total fleet **10,000**
- German Market Leadership



### BUCHBINDER

- Mid-Range Offering
- Strong German SME Brand
- Fleet **5,500**

### STARTING POINT OF BUCHBINDER INTEGRATION

Two different entities with focus on value creation on both sides

Current integration topics and focus areas:

- Synergies in V&T Fleet Procurement and Remarketing
- Future Network Strategy
- Brand Positioning

Our Focus for 2018



## NEXT STEPS

**ACCELERATE** GROWTH & EXPANSION

**EXPAND** SUPERSITE MODEL & LOCAL MARKET DEVELOPERS

**CONTINUE** NETWORK OPTIMISATION TO DRIVE EFFICIENCY GAINS

**INCREASE** REVENUE PER UNIT / FLEET COST PER UNIT DELTA

**DRIVE** BU MARGIN TO GROUP LEVEL



A faint world map is visible in the background of the slide, rendered in a light green color against the darker green background.

# #3

## Group Key Fleet Management skills Revenue & Capacity Management (RCM) & Fleet purchasing and financing

---

Pierre Ruiz | RCM group director

Laurent Cossé | Fleet group director

François Repolt | Financing and Treasury director



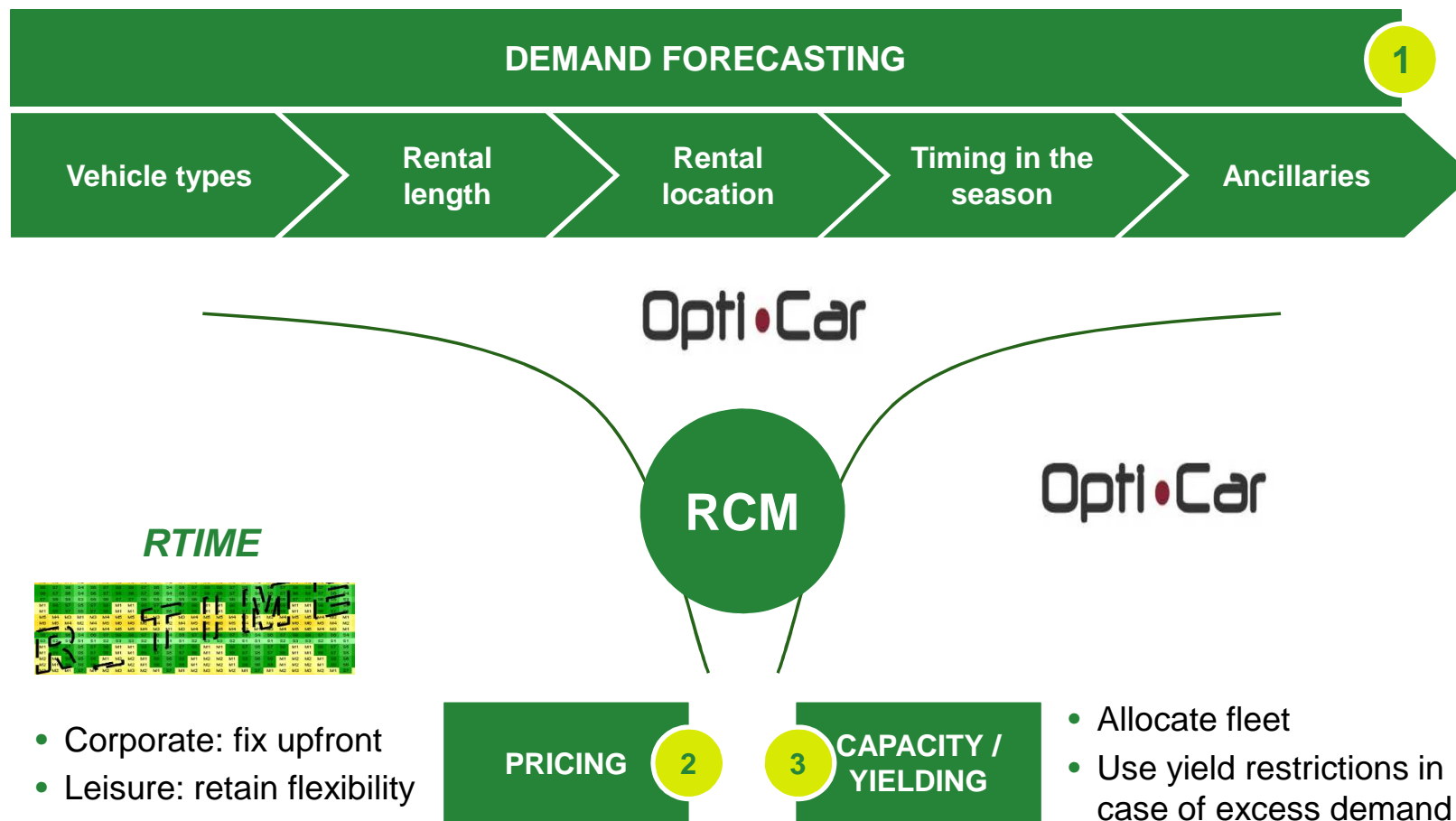
“

## REVENUE & CAPACITY MANAGEMENT (RCM)

”

Pierre Ruiz | RCM Group Director

## Revenue & Capacity Management is at the heart of our processes



## State-of-the-art tools to support efficient RCM process

**Opti•Car**

Revenue & Capacity management Solution, implemented and fully functioning in nine corporate countries

Capable of simulating utilization with accurate actuals and planned fleet additions

**OPTICAR**

Forecast of expected on-rent demand

And including calculation of expected revenue results



**RTIME**

Time to Market pricing, instant Price adjustments for Public rates at any time; live within seconds

A public rate planning is defined for a group of stations

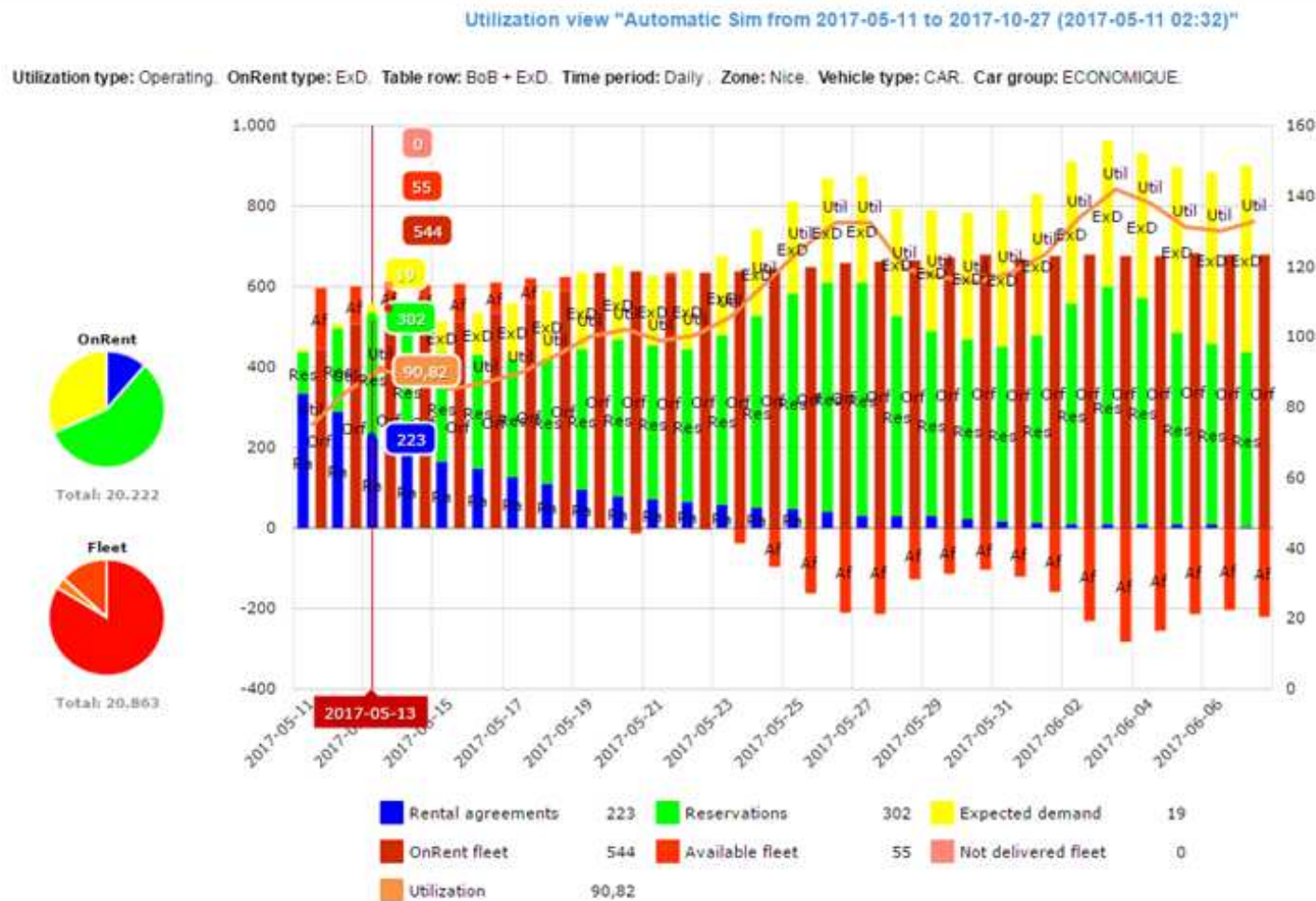
A price level is defined by category for each day of each month

The price level can be updated in real time as all products are “live” at any given time

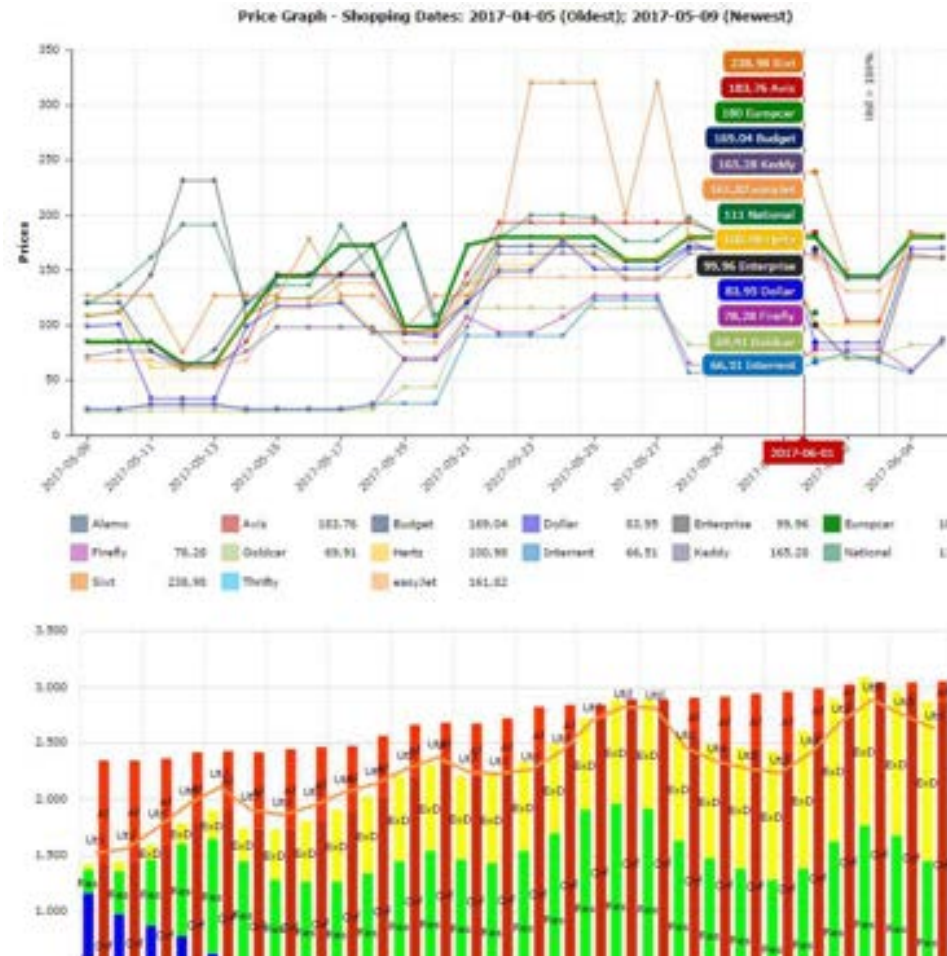
User can change prices by pick up day, vehicle and duration (granularity)

**Price optimisation is driven by management decisions made by our people**

# OPTICAR - Chart example 1



## OPTICAR – Chart example 2





## RTIME - Chart example

Form Id: RTRATES

## STATION PUBLIC RATE PLANNING

05.09.2017

Planning Id : 56

Planning Label : **AEROPORT DE LYON**

Public price scale : **FR SCALE**

Export

Save

Cancel

Min : 1 days - Max : 1 days - Duration : 1 /13

Price level :  ▼

Decrease price level (-)

1

Increase price level (+)

Price detail

[< Back to plannings list](#)

		September 2017																														
		Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su	Mo	Tu	We	Th	Fr	Sa	Su
Des	Vcat	1	2	3	4	5	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28	29	30	31
1	MINI MBMR	L3	L3	L3	L1	L1	L1	L1	L1	L1	L1	L1	L1	L3	L3	L1	L1	L1	L3	L3	L3	L1	L1	L1	L3	L3	L3	L3	L2	L2	L2	
2	MINI NTMR	L3	L3	L3	L1	L1	L1	L1	L1	L1	L1	L1	L1	L3	L3	L1	L1	L1	L3	L3	L3	L1	L1	L1	L3	L3	L3	L3	L2	L2	L2	
3	ECONO ECMR	L3	L3	L3	L2	L2	L2	L1	L1	L1	L1	L2	L2	L3	L3	L1	L1	L1	L3	L3	L3	L1	L1	L1	L3	L3	L3	L3	L2	L2	L2	
4	ECONO EDM1	L3	L3	L3	L2	L2	L2	L1	L1	L1	L1	L2	L2	L4	L4	L1	L1	L1	L3	L3	L3	L1	L1	L1	L3	L3	L3	L3	L2	L2	L2	
5	ECONO EDMR	L3	L3	L3	L2	L2	L2	L1	L1	L1	L1	L2	L2	L2	L4	L4	L1	L1	L1	L3	L3	L3	L1	L1	L1	L3	L3	L3	L2	L2	L2	
6	ECONO EXMR	L3	L3	L3	L2	L2	L2	L1	L1	L1	L1	L2	L2	L2	L4	L4	L1	L1	L1	L3	L3	L3	L1	L1	L1	L3	L3	L3	L2	L2	L2	
7	COMPA CBAF	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
8	COMPA CBAR	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
9	COMPA CBMF	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
10	COMPA CCMM	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
11	COMPA CDMD	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
12	COMPA CDMI	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
13	COMPA CDMR	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
14	COMPA CTAf	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
15	COMPA CTAR	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
16	COMPA CXMR	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
17	COMPA DTAf	L3	L3	L3	L1	L1	L1	L3	M9	M9	M9	L1	L1	L1	L3	L3	M9	M9	M9	L3	L3	L3	M9	M9	M9	L3	L3	L3	L2	L2	L2	
		Sep-17 / Oct-17 / Nov-17 / Dec-17 / Jan-18 / Feb-18 / Mar-18 / Apr-18 / May																														

## Spain Summer season 2017 case study



HIGHER FLEET IN THE MARKET AND MOSTLY ENFORCING THE LOW  
COST SECTOR AND BALEARIC ISLAND  
AGGRESSIVE PRICE COMPETITION, STRONGER THAN EXPECTED

### ADAPT STRATEGY IN BALEARIC ISLAND

Same fleet units than 2016 but with a mix enriched  
Allocate more fleet to the city centres and less to airports + Price differently

### GAIN MARKET SHARE IN ALICANTE

Increase Fleet capacity  
Increase the early bookings volumes in order to win market share in Q3 results

### BOOST INSURANCE REPLACEMENT BUSINESS

Switch leisure volumes from Brokers to Corporates volumes as Insurance and Assistance company offering better pricing

### SEPTEMBER CAPACITY ADJUSTMENTS

Defleeting plan delayed in the second fortnight to enhance both volumes and revenues  
Some utilization drop at the beginning of the month have adequately compensated by high Revenue increase

### RESULTS

**Good revenue result showing our ability to mitigate the negative RPD market environment**

“

FLEET PURCHASING – CRITICAL SKILLS TO  
WARRANT A DE-RISKED BUSINESS MODEL

”

Laurent Cossé | Fleet Group Director

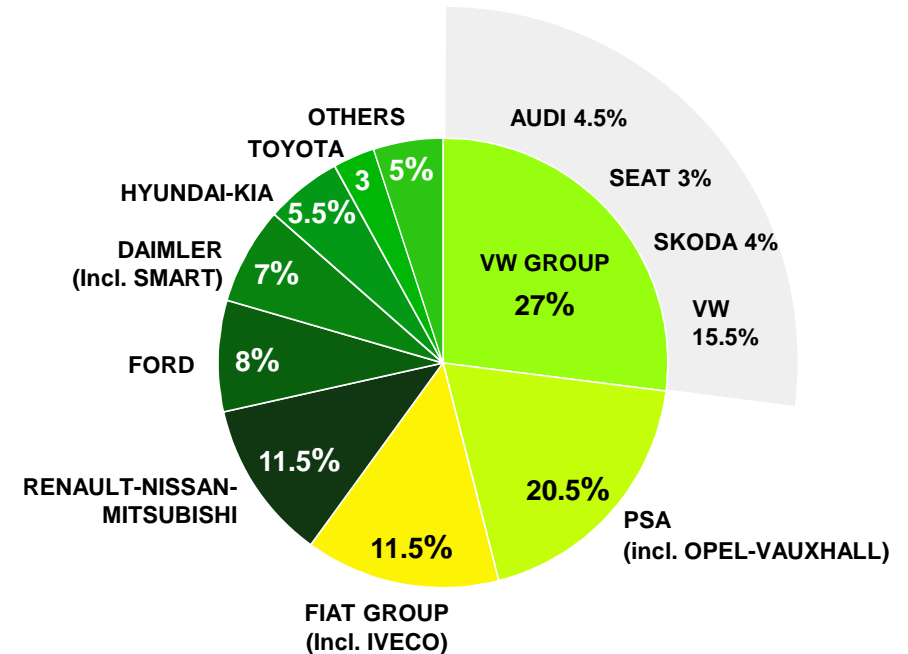
# Europcar group fleet profile 2017

## AVERAGE FLEET\*

- Average fleet retention period: **9.4** months  
(cars: 8.7 months; vans: 20.8 months)
- Average fleet: **251.000** vehicles
- **87.5%** passenger cars, **12.5%** vans



**Fleet acquisitions: 344.000** vehicles acquired



**88%** buyback (or Lease), **12%** Risk

\* Europcar Corporate entities 2017 (incl. Ireland, Denmark, Buchbinder. Excl. Goldcar)  
Goldcar 2017: average fleet 39.000 units, acquisitions 45.000 (83% Buyback)

## Europcar sourcing fleet basics

### ACQUISITION TYPOLOGY

Maximize **4-9 month buy-back**;

Remain **flexible** in **volume commitments** and look for **flexible holding periods** in order to accommodate peaks, changing needs and economics;

Jointly **manage** buy-back **remarketing volumes** in order to support car makers in stock management and protect residual values;

**Purchase at risk** considered when opportunities at market price.

### RELATIONSHIP WITH CAR MAKERS

Maintain & develop **premium long-term partnerships** providing additional reciprocal added values to both partners;

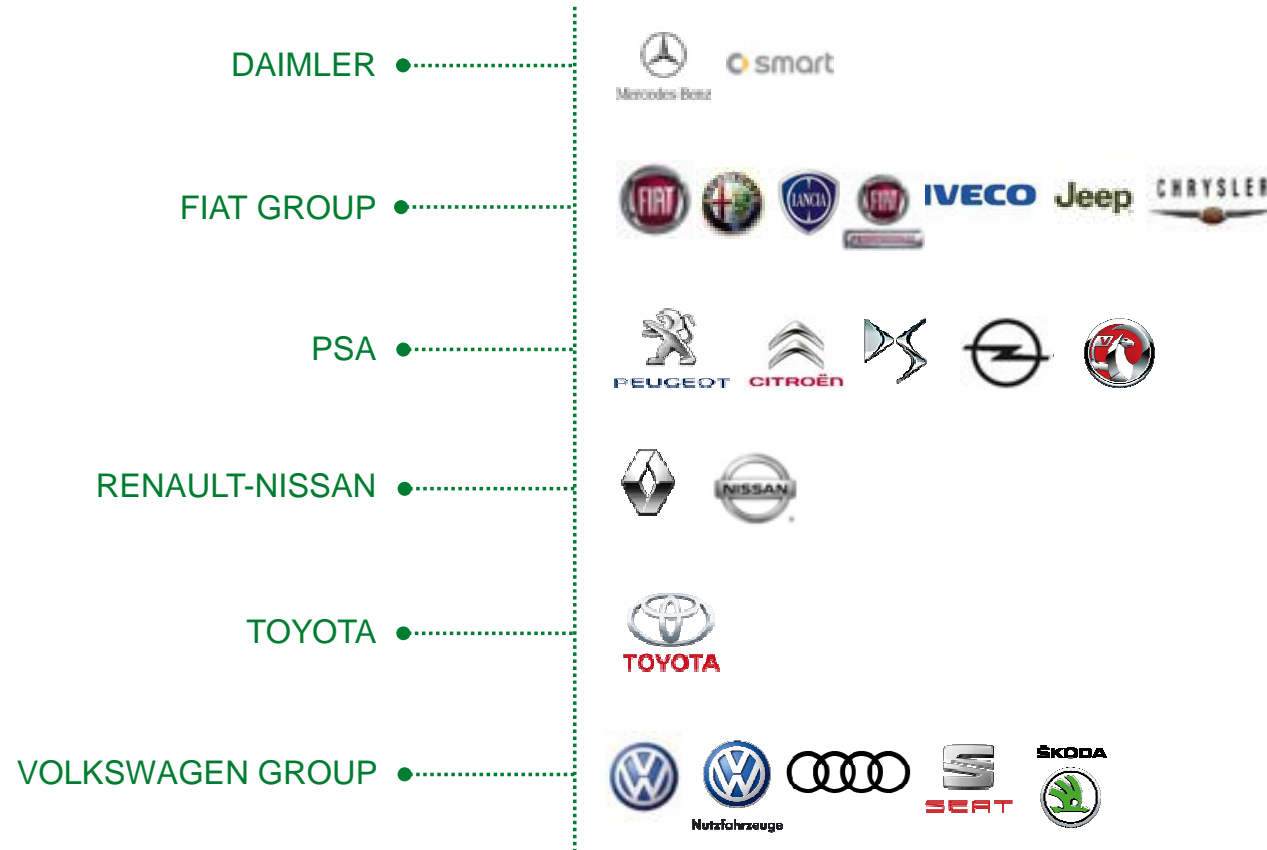
Develop **co-marketing** activities for reciprocal brands' benefits;

Be a natural partner sharing common values and taking care of **environment, health and safety**.

Capitalize on best in class fleet purchasing capabilities to create value in light of recent acquisitions



## Europcar Group main partners (alphabetical order)

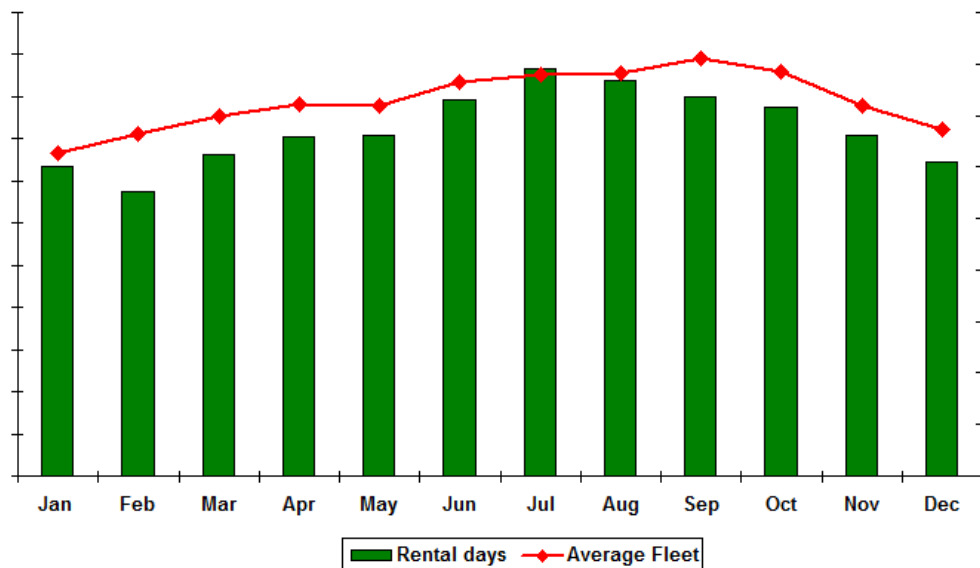


Partnerships based on steadiness and level of the supply  
as well as high-level relationship with or without a central contract

## Managing a fleet with a highly diversified portfolio

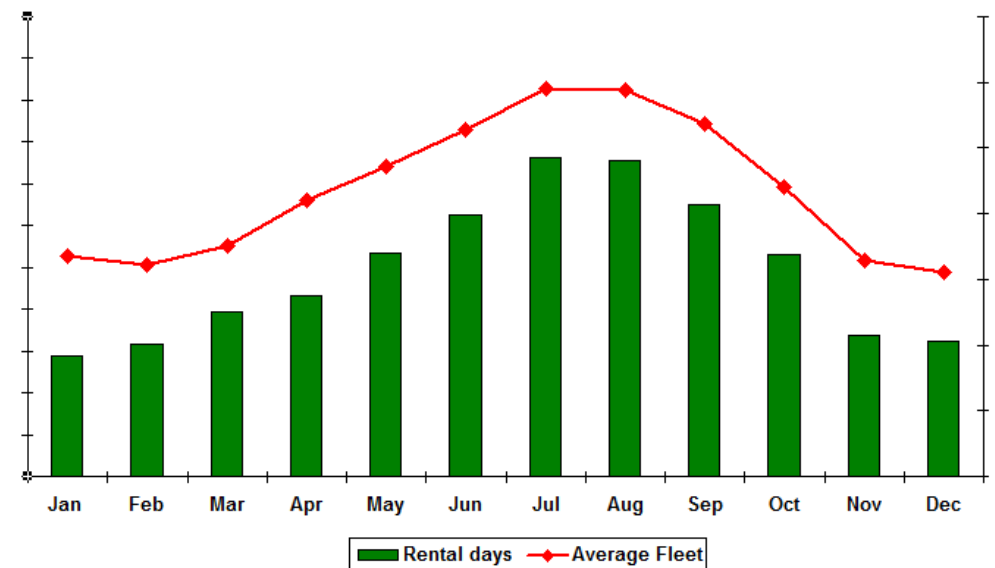
### COUNTRIES WITH LOW SEASONALITY

e.g. Germany, UK, Belgium



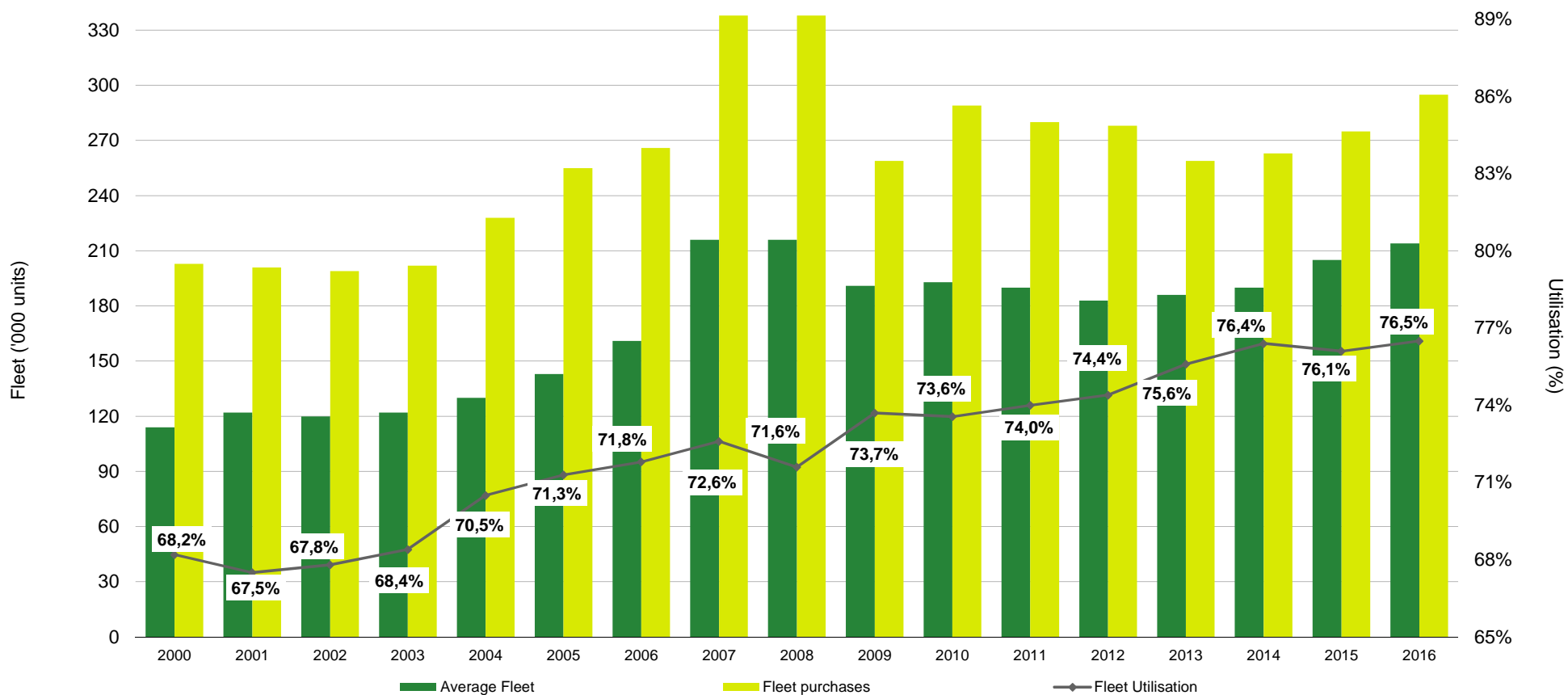
### COUNTRIES WITH HIGH SEASONALITY

e.g. France, Spain, Italy, Portugal



Different profiles of countries which directly impact the fleet purchasing policy and fleet management

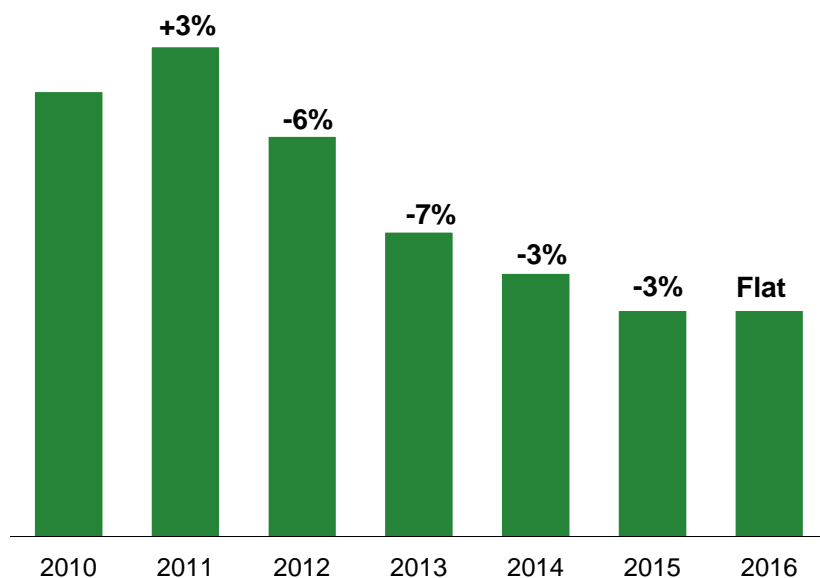
## Fleet teams know how: buyback allowing high flexibility and reactivity



**Rental days 2016 vs. 2006 = +40%**  
**Average Fleet 2016 vs 2006 = +33%**

Fleet mission: Maintain a de-risked and flexible fleet purchasing model at the lowest possible unitary cost

#### UNITARY FLEET COSTS EVOLUTION SINCE 2010



#### EFFICIENCY DRIVERS

Follow powertrain market evolution

Holding period optimization

Damages repairs

Multi-country presence

A saving of 1€ per unit-month  $\approx$  €2.7m saving for the Group  
(1€ \* 290.000 units \* 9.4 months)

“

FLEET FINANCING  
SECURITY, FLEXIBILITY, COST EFFICIENCY ”

François Repolt | Financing and Treasury director



## Fleet is not considered as capital employed and has a dedicated and efficient asset backed financing model

	Rental Fleet Assets	Fleet Financings	
		Type of facility	Advance rate
On-balance sheet	On-balance sheet fleet asset base	€ 1.3bn Senior Asset Revolving Facility(SARF)	Up to 95%
		€ 350m Fleet Bond	
	Fleet working capital related to buyback agreements	£ 400m UK Fleet Financing Facility	~ 90 %
		Other fleet financings (Portugal, Australia/NZ, Ireland, Danemark)	~ 90 %
Off-balance sheet	Fleet asset base financed under operating lease	€ 500m Revolving Credit Facility (RCF)	Cash adjustment
		Operating lease agreements signed with banks and OEMs	~ 100 %

Securitization program

### Key considerations

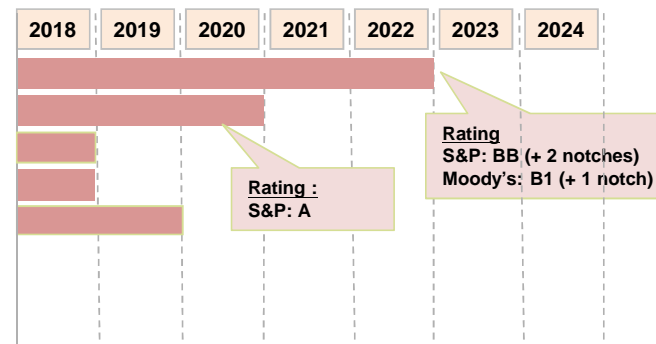
- **Balanced model** between on and off balance sheet fleet financings (50/50)
- **Diversification** of instruments :  
Operating leases = **flexibility** ↔ Securitization = **visibility**
- **No cash advance** by the group through high advance rate
- **Fleet debt in euro fully hedged** in average (before impact of the recent acquisitions)

## Fleet Financing structure as of September 30, 2017 (including main Q4 new financings: HY Fleet bond issuance and Goldcar Asset-backed facility)

Pro forma Fleet Financing structure as of Sept. 30<sup>th</sup> 2017

	€m	Pricing	Q3 2017
On Balance Sheet	High Yield EC Finance Notes	2.375%	350
	Senior Asset Revolving Facility (€1.3bn)	E+150bps	976
	Asset-backed Bridge Goldcar <sup>1</sup>	E+225bps	234
	FCT Junior Notes and others <sup>2</sup>		335
	UK, Australia and other fleet financing	Various	938
	<b>Gross financial fleet debt</b>		<b>2,833</b>
	Cash & ST investments <sup>3</sup>		(133)
	<b>Net fleet debt in Balance Sheet</b>		<b>2,700</b>
Off	Debt equivalent of fleet operating leases		2,082
	<b>Total net fleet debt</b>		<b>4,782</b>

Current maturity profile



Average maturity ~ 18 months

### Notes

- 1 Drawing amount as of December 31, 2017
- 2 FCT Junior Notes, accrued interest not yet due, capitalized financing costs and other
- 3 Cash & ST investments held in fleet financing entities

### Main 2017 achievements

- Refinancing of the €350m Senior Secured Notes issuance (fleet bond) priced at 2,375% :  
~ **€10m annual savings on fleet financing costs**
- New €450m Asset-Backed Bridge dedicated to Goldcar fleet priced at Eur + 225 bps :  
~ **delivery of 100% of the expected synergies on financings at closing date**
- continuing **optimization of the financings costs on operating leases**

## Europcar fleet financings : main opportunities for 2018

### *Goldcar Asset-backed bridge refinancing*

- **Extension of the securitization perimeter** to include Goldcar's fleet  
→ SARF and Fleet bond to be resized or other financing tools to be put in place
- Implementation of **new bilateral / operating lease facilities**

### *Hedging plan rollover*

- With the acquisitions of Goldcar and Buchbinder, **increase of the notional and extension of the maturity**

### *Other considerations*

- **UK fleet financing:** extension / refinancing of the existing agreements maturing Oct 2019
- Continuing **optimization of the terms and conditions** of fleet financings
- **Diversification** of funding sources



# Europocar

A world map is visible in the background, rendered in a lighter shade of green against the darker green background.

# #4

## Digital transformation & Customer Experience

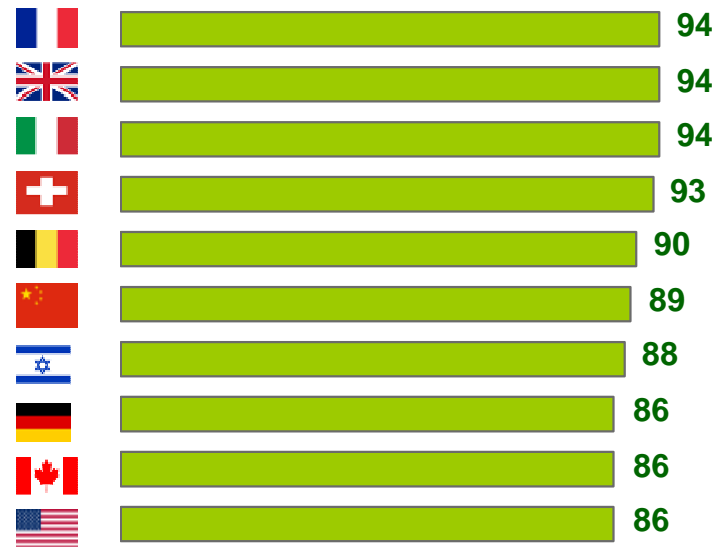
.....

Xavier Corouge | Digital & Marketing Group Director



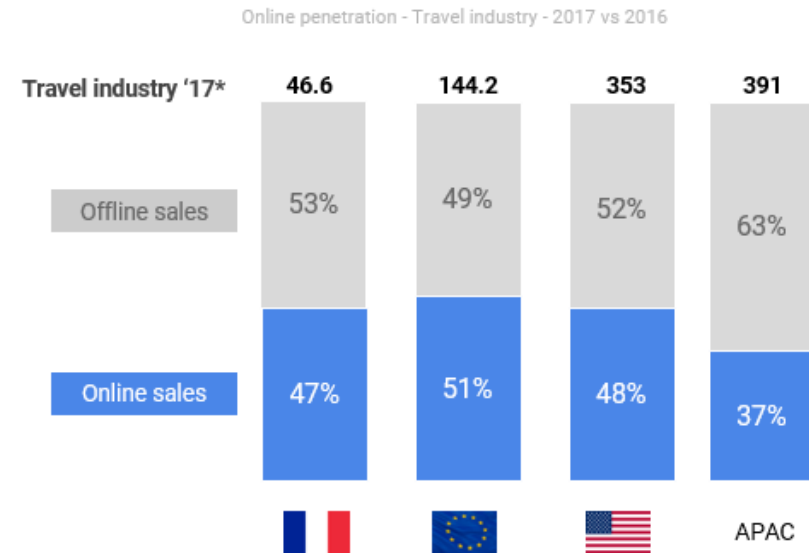
## Digital is the name of the game

### Digital is key in the travel journey ...



Share of leisure travelers who used internet prior to a research or purchase

### ... weighting increasingly in travel distribution



Source: Phocuswright, 2016/2017. \*Total travel market gross Bookings (US\$B)

**WITH MORE THAN 75% ONLINE BUSINESS SHARE, WE ARE A DIGITAL COMPANY**

Source: Google

... And mobile is getting at the center

Share of mobile queries on Google over 50%  
of total car rental searches



Messaging Apps becoming the new  
home screen

Evolving from social conversation to  
business-related conversation



Source: Google

**Europcar**

## Driving major disruptions at pace

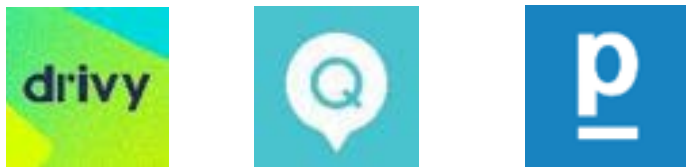
### Emerging customer behaviors



### Increased expectations



### New competitors are moving fast developing innovative business models



### Technology infrastructure is key



## Ready to accelerate our digital shift

### Main targets

Revamp Europcar  
customer experience

Accelerate direct online  
distribution growth

Make customer satisfaction  
a competitive advantage

Getting or tech ready  
for tomorrow



### KPIs for next 24 months

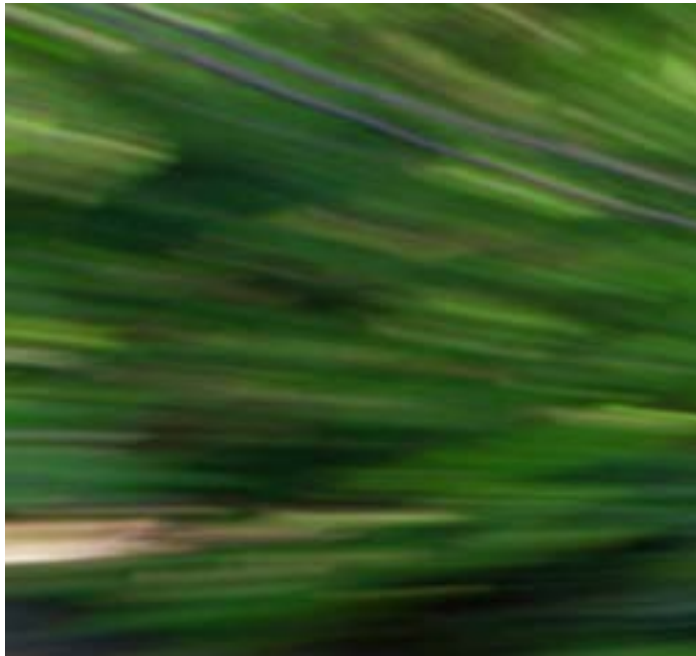
**100%** digital & mobile customer journey

**50%** of business direct to brand online

Accelerate Group NPS growth

Open and scalable technology platform

We have already embarked on our digital journey...

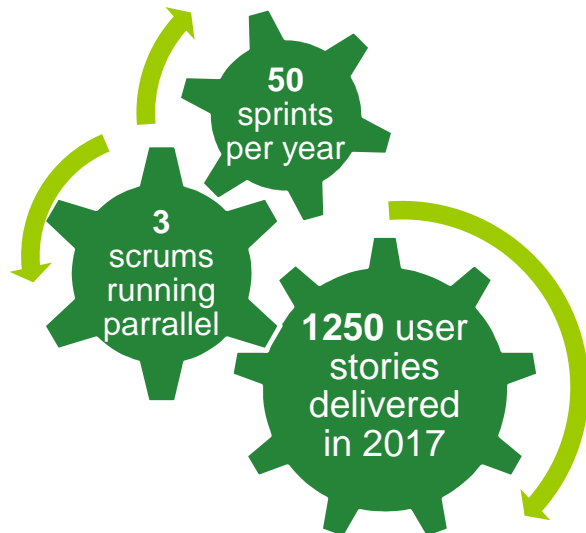




## Setting up the foundations...

### Global digital organization and agile processes in place...

- From several country teams to one single Group digital center of excellence
- A fully agile development methodology



### ...serving each business unit and segment on a global scale

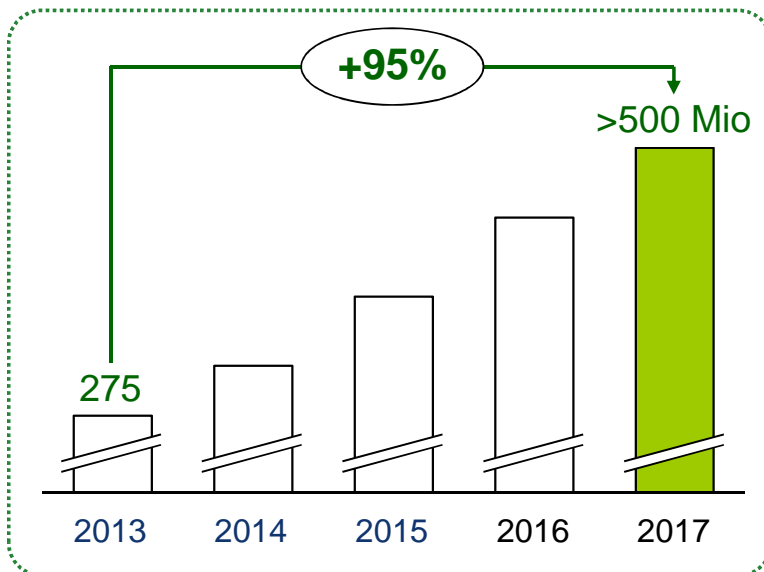
- One single booking platform
- Corporate, Franchise, leisure, B2B...
- **37** languages
- **+ 300** partners



## Unleashing Ecommerce growth...

### Ecommerce leisure revenue growth sharp acceleration

- Europcar leisure Direct to brand online gross revenue doubled in **4** years to reach **36%** of leisure rentals



### ... now also predominant in B2B segments

- New B2B portal launched in 2016 already delivering **40%** of EC group B2B leads
- Europcar business self service launched in July 17. 2000 accounts created since launch



## New CRM platform to ensure end-to-end brand experience and improved customer satisfaction

### Build a customer centric logic and CRM capacity

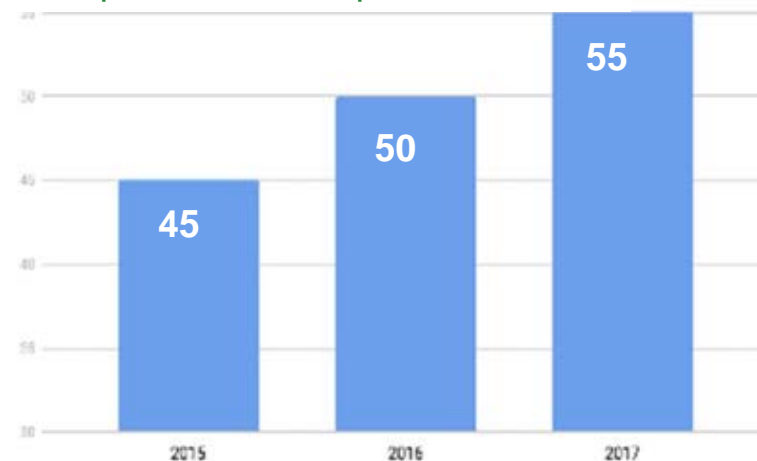
- Customer first program deployed
- **360** view for staff and customers
- Multichannel contact management
- Reduce # of claims
- Developed selfcare capacity
- Customer lifecycle



### ...resulting in increased customer satisfaction

- NPS steady growth over the last 3 years
- Every Europcar employee incentivized on NPS evolution

Europcar Brand net promoter score



## Digital station development...

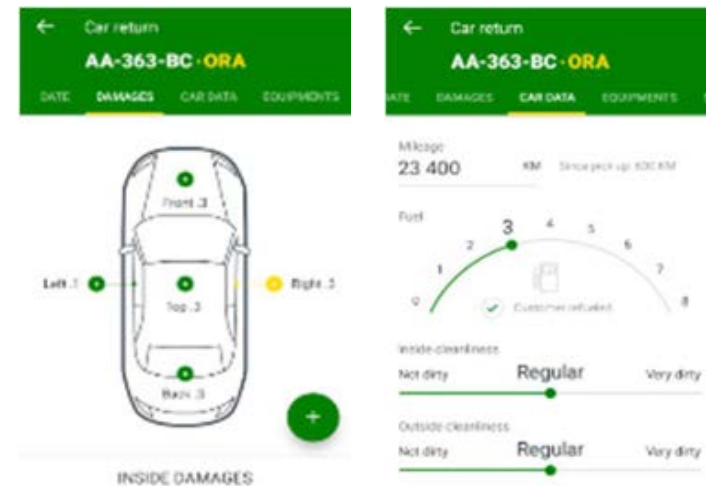
### Direct access to car

- Solution for B2B customers to skip the desk and go directly to their car

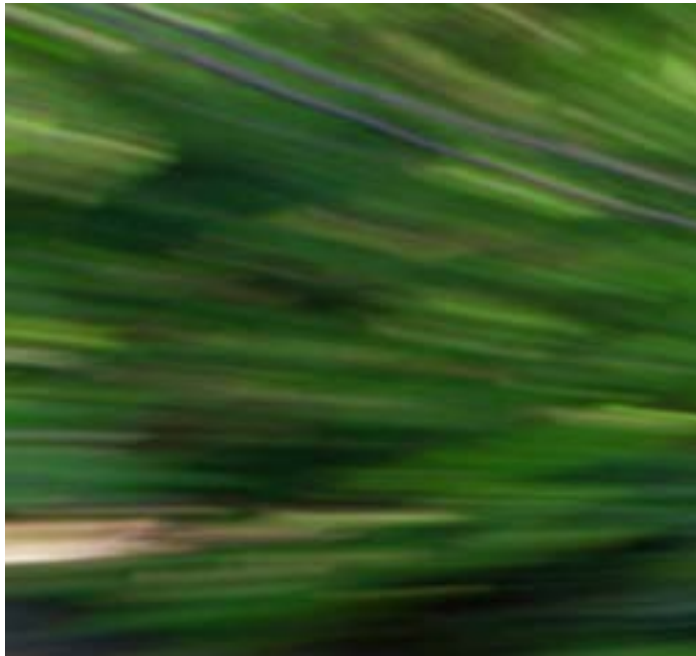


### New App for staff and customers

- Mobile car return : App already available for agents covering return process: damages, car data (mileage, fuel, cleanliness), statement of return signed and sent via email to customers



## How to go faster? Acceleration initiatives





## Tech acceleration plan will foster growth for next 5 years

### Build a fully responsive front end to deliver a comprehensive mobile experience

- From multiple sites & mobile sites to one single site fitting all screens and geographies
- Context responsive customer experience
- Accelerate digital revenue growth
- **50%** mobile share end of 2018

### Enhance core booking engine and open tech platform and data infrastructure

- Reshape booking logic : Enable content search and basket approach
- Open APIs to third party inventory (driver, carsharing etc...)
- Move to cloud infrastructure
- Reduce front end loading time to 4s max

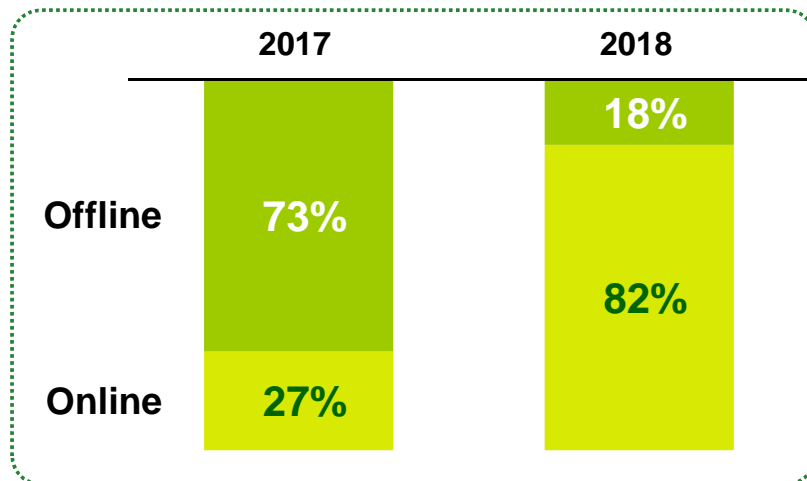
### One Site Project



## Disrupting our branding strategy

From a top down traditional approach to a fully digital & brand storytelling marketing strategy...

- Shaping brand's narrative across all points of the marketing funnel, from customer services, social media and content marketing.
- Reallocate massively brand marketing spend from Offline to Online media




... key to reach new customers and engage with millennials

- Social media platforms are #1 touch point to engage with millennials
- Europcar brand exposure on social media is already above 10 Mio contacts per month

	% of Centers Reporting Most Popular Contact Channels by Generation				
	Internet / Web Chat	Social Media	Electronic Messaging (e.g. email, SMS)	Smartphone Application	Telephone
<b>Generation Y</b> (born 1981-1999)	24% (1 <sup>st</sup> choice)	24% (1 <sup>st</sup> choice)	21% (3 <sup>rd</sup> choice)	19% (4 <sup>th</sup> choice)	12% (5 <sup>th</sup> choice)
<b>Generation X</b> (born 1961-1980)	21% (3 <sup>rd</sup> choice)	12% (4 <sup>th</sup> choice)	28% (2 <sup>nd</sup> choice)	11% (5 <sup>th</sup> choice)	29% (1 <sup>st</sup> choice)
<b>Baby Boomers</b> (born 1946-1980)	7% (3 <sup>rd</sup> choice)	2% (5 <sup>th</sup> choice)	24% (2 <sup>nd</sup> choice)	3% (4 <sup>th</sup> choice)	64% (1 <sup>st</sup> choice)
<b>Silent Generation</b> (born before 1944)	2% (3 <sup>rd</sup> choice)	1% (4 <sup>th</sup> choice)	6% (2 <sup>nd</sup> choice)	1% (5 <sup>th</sup> choice)	90% (1 <sup>st</sup> choice)

## NPS110 Strategic Program :

Putting customer satisfaction at the core of our strategy...

Main objectives		Key actions
<ul style="list-style-type: none"><li>• Fix the main customer pain points near-term and mid-term</li><li>• Engage all employees and customers in the transformation</li><li>• Truly be customer-centric by diffusing Voice of Customer from the frontline to the back-office</li><li>• Develop a continuous improvement process</li></ul>	 A circular diagram representing the NPS110 process. It features a central smiley face icon with 'NPS110' written below it. Surrounding the center are four icons connected by arrows in a clockwise cycle: a microphone for 'LISTEN' at the top, a magnifying glass for 'ANALYZE' on the right, a wrench and screwdriver for 'FIX' at the bottom, and a speech bubble for 'SHARE' on the left.	<ol style="list-style-type: none"><li>1. A dedicated team of multidisciplinary talents to deliver end-to-end resolution of pain points</li><li>2. New tools to collect and analyze customer feedbacks</li><li>3. New KPIs to measure satisfaction on the whole journey</li><li>4. A new community to involve customers and engage employees</li></ol>

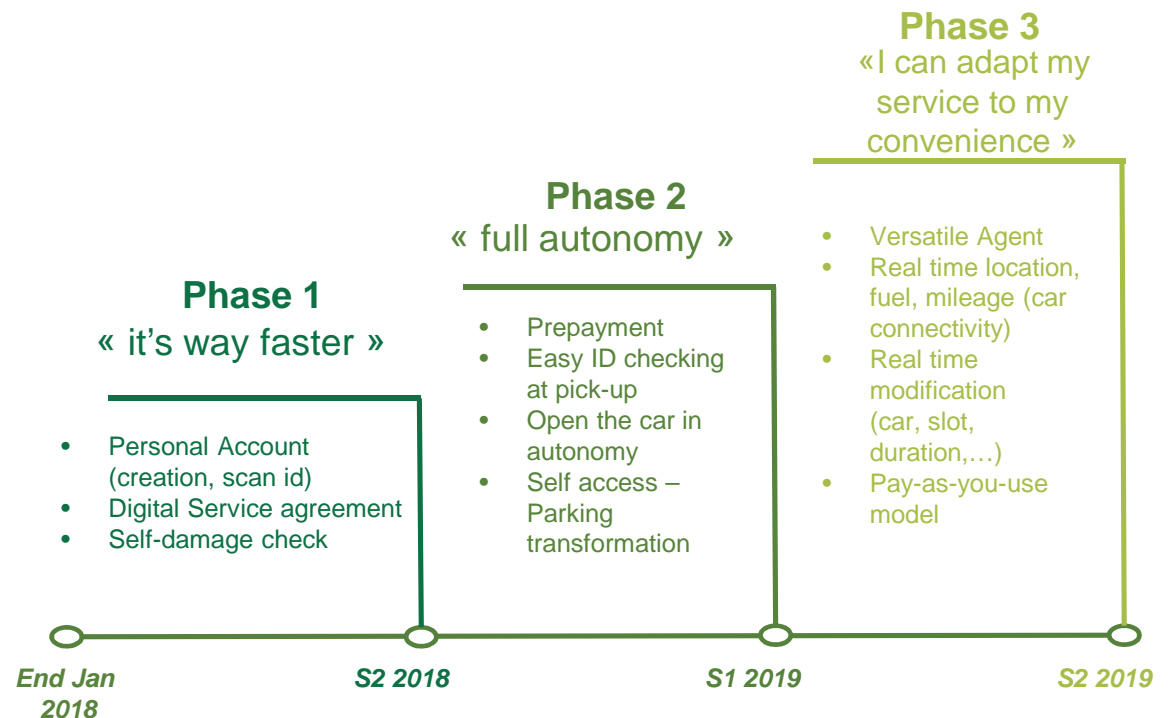
**Changing brand experience and perception from a customer stand point.**

# Click & Go Strategic Program: re-invent our customer journey to build a compelling customer experience

## Main objectives

1. Define a new customer journey for Europcar Group customers, making it easier, simpler and faster to use our services
2. Leverage CRM & digital technology
3. Strengthen company focus and accelerate execution to deliver in 24 month with quarterly releases.

## Joining the dots between Car Rental and New mobility Customer journey



*Illustrative roadmap*

A world map is visible in the background, rendered in a light green color against a darker green gradient. The map shows the continents of North America, South America, Europe, Africa, Asia, and Australia.

# #5

## New Mobility Strategy

.....

Sheila Struyck | New Mobility MD and LabLord



# Agenda

## AGENDA

**INTRODUCTION – FROM LAB TO BU NEW MOBILITY**

VEHICLE SHARING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

RIDEHAILING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

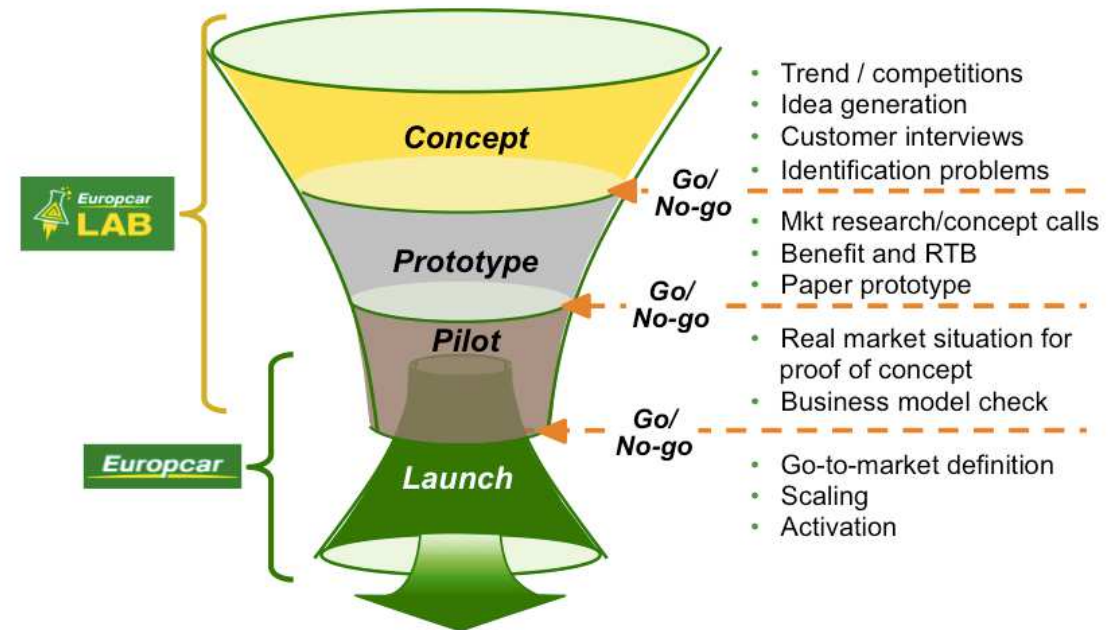
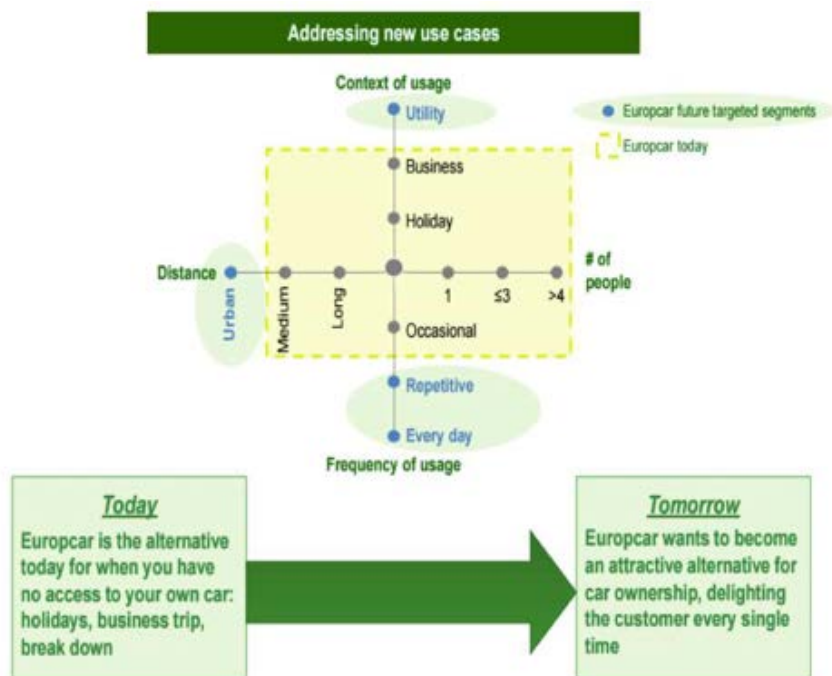
MULTIMODAL – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

CARPOOLING – MARKET MAPPING, PROJECTS

SCALE AND SPENDING

## Mobility vision Europcar and role of the Lab

- We wish to become part of the **daily** mobility ecosystem
- Lab is engine for concept development, the BU is the vehicle to scale and monetize



# Daily mobility-ecosystem changes, driven by ride-hailing, sharing and connected cars

## RIDE-HAILING BOOM !



**x8 in 2030**

Driver = 50 % cost  
120% yoy in 2016

## CITY CONGESTION



By 2030, 60% of the global population will live in urban areas

Impacts: Congestion,  
Pollution, New mobility solutions

## CAR OWNERSHIP DECREASE



Today : - 53% for Parisians  
- 59% for Londoners

67% of European consider ride-hailing as an actual alternative of car ownership

25% Lyft users US sold 2nd car.  
58% of GoCar users has no car

## TECHNOLOGY DEVELOPMENT



- Connected Cars
- Public & Private investments to accelerating the development of the technology and start pilots

The new business models address existing needs in a different way, their growth is fueled by the opportunities of a digital platform and predictive algorithms

### Existing market

Traditional ownership/rent of vehicles.



Taxi for specific destinations



Fixed Public transport lines for daily trips in urban/suburban areas



Traditional Hitchhiking / Carpooling



### New assetlight models

UBEEQO



Digital ownership/rent of vehicles.

BLACKLANE  
YOUR PROFESSIONAL DRIVER  
UBER

Private driver service from SaaS platform

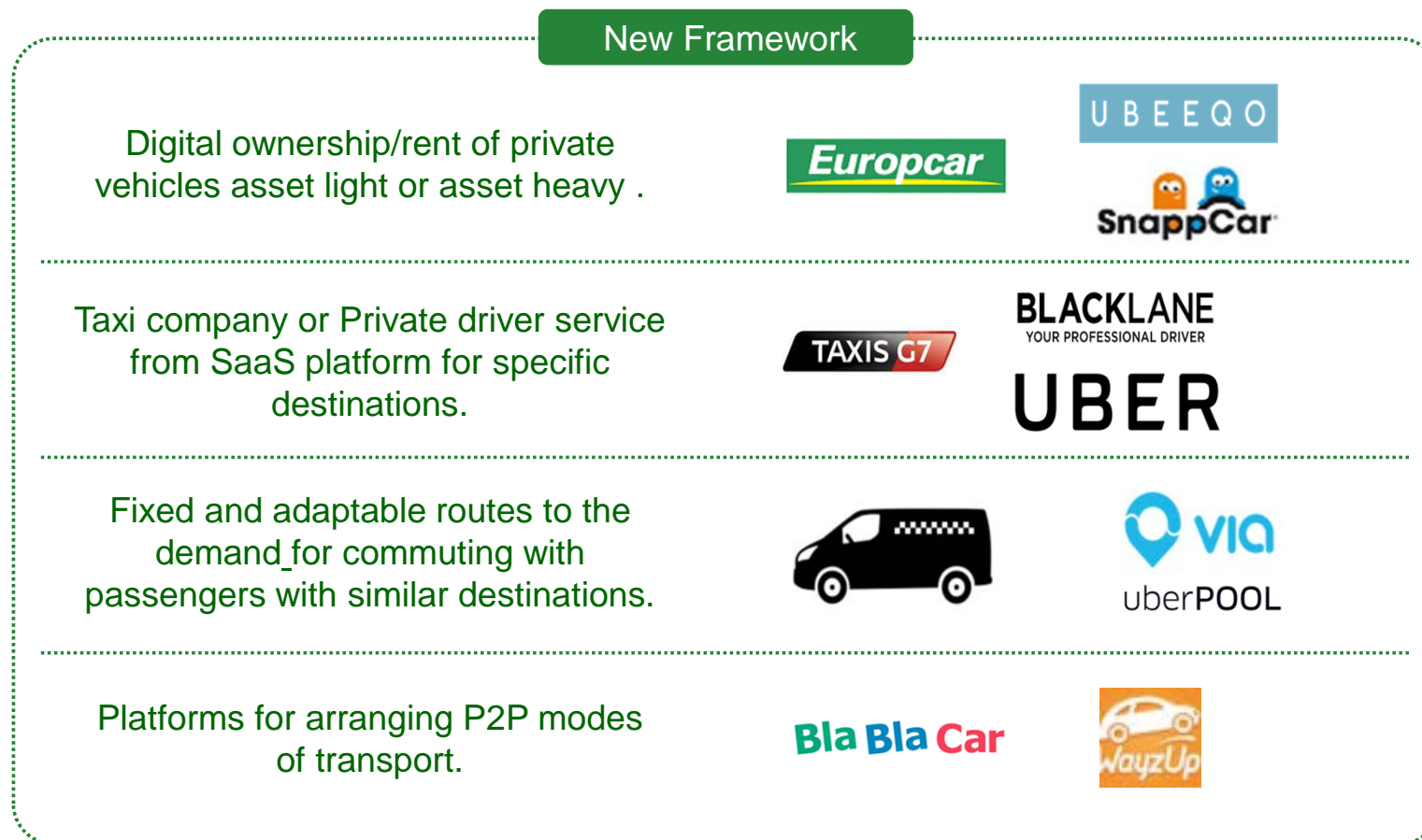
VIA  
uberPOOL

Adaptable routes to the demand.

karos  
Bla Bla Car

Platforms for arranging carpool

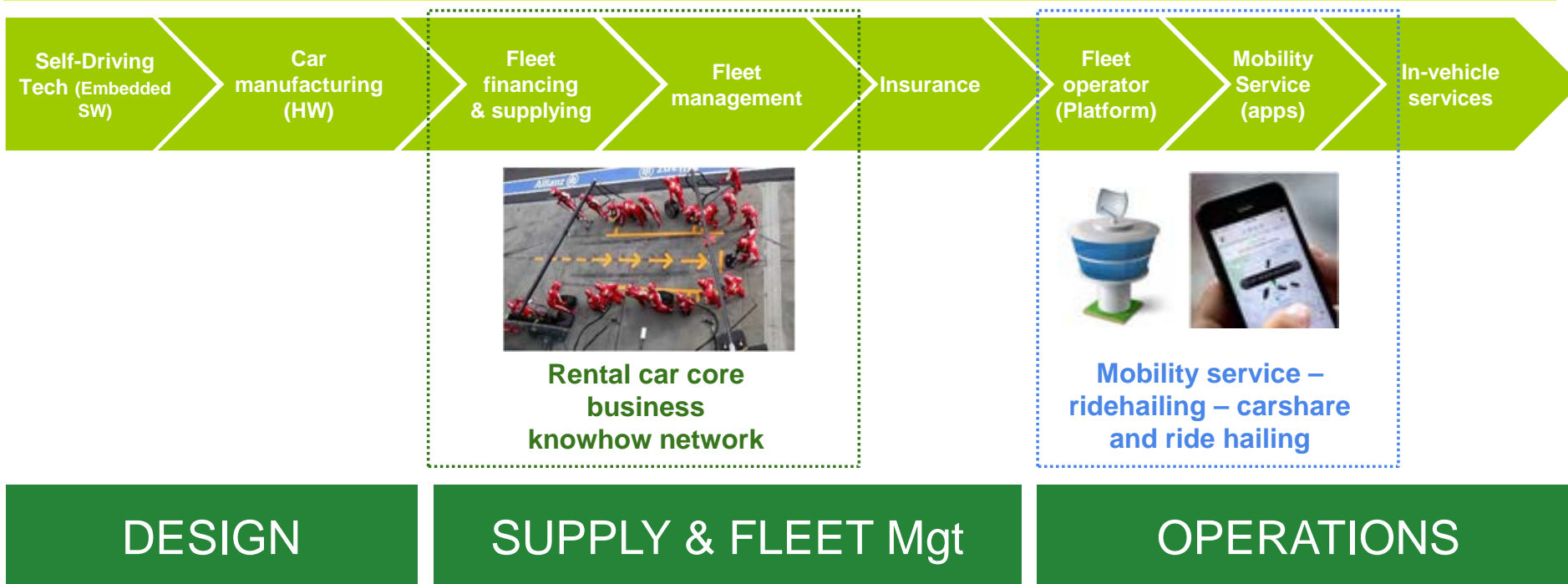
Future: car usage per minute, hour or year, alone or in company, with or without driver



Connected cars and autonomous vehicles have complex ecosystem,  
clear role for Europcar

**INFRASTRUCTURE** *(Connected road, New architecture for roads, Robust data / IoT network, ...)*



















**LEGISLATION & REGULATION** *(Cities/Government authorizations, Legal framework, ...)*





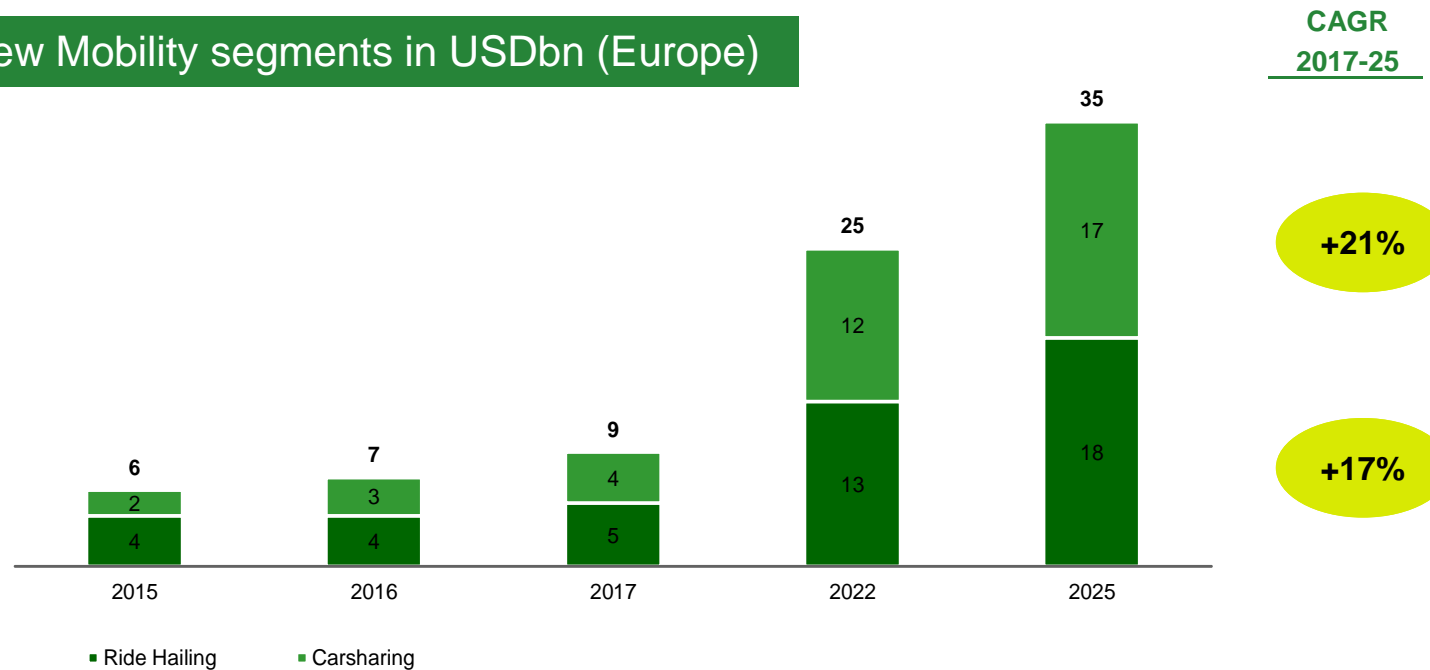
# We have three approaches: collaborate, buy or build

Definitions per businessline in addendum

	Collaborate	Buy	Build
VEHICLE SHARING	 	     	
CAR POOLING			
RIDE HAILING	 		
MULTI MODAL PLATFORM	  		

## Addressable market for Europcar healthy CAGR, (100% on demand, mobile)

Market value for New Mobility segments in USDbn (Europe)



Owning a car in 2030 will be as unusual as owning a horse today

Source: Markets & Markets

# Agenda

## AGENDA

INTRODUCTION – FROM LAB TO BU NEW MOBILITY

**VEHICLE SHARING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL**

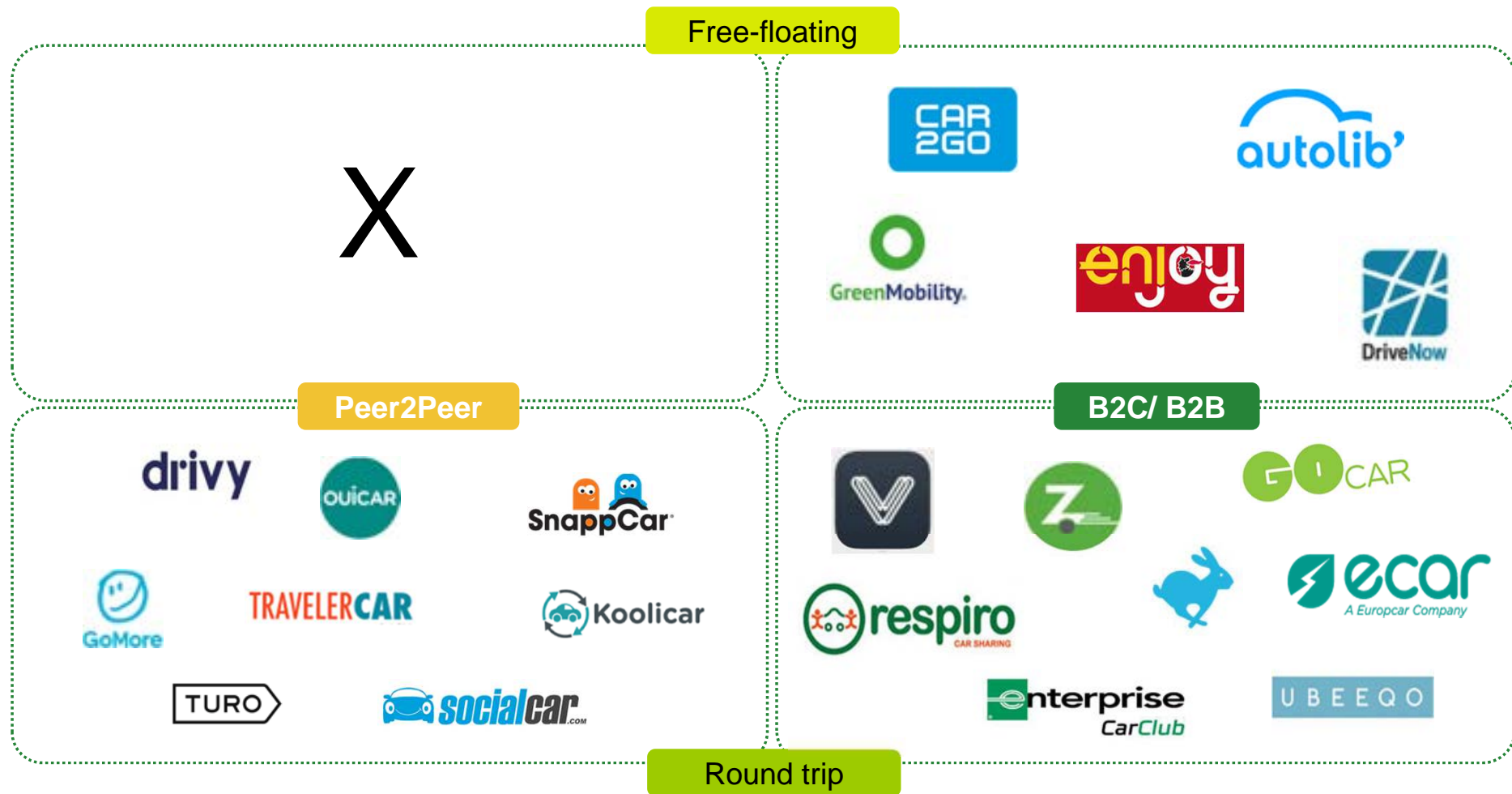
RIDEHAILING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

MULTIMODAL – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

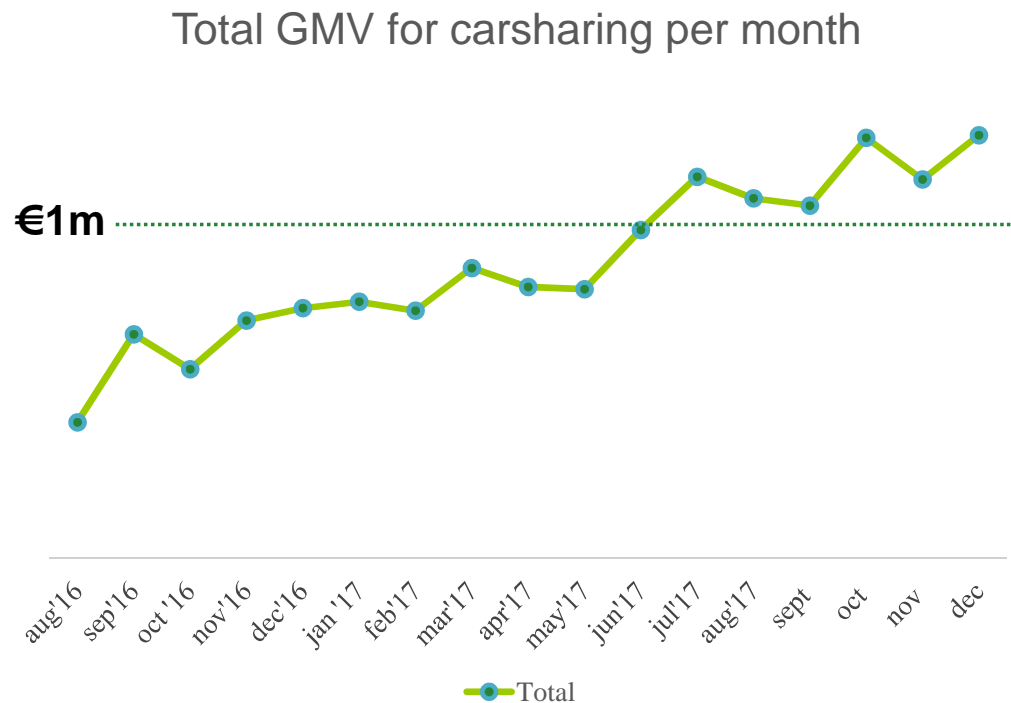
CARPOOLING – MARKET MAPPING, PROJECTS

SCALE AND SPENDING

## Vehicle sharing: Freefloat or round trip and P2P or B2C/B2B



## Ubeeqo, Bluemove, e-car and GoCar on a clear month on month growth track

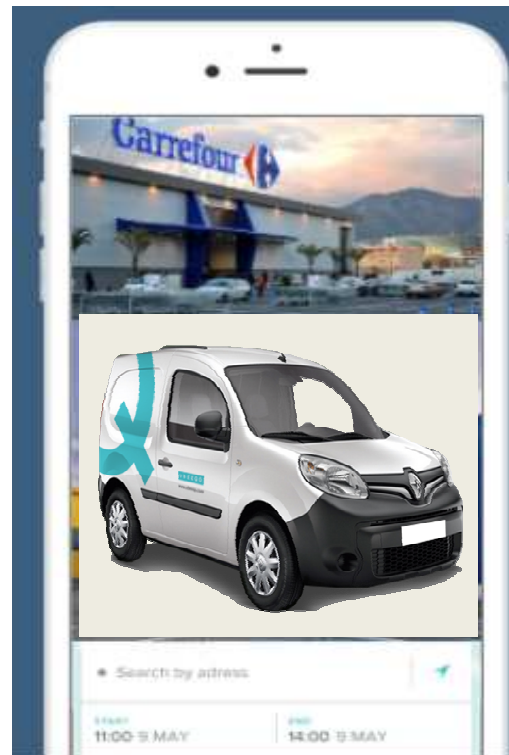
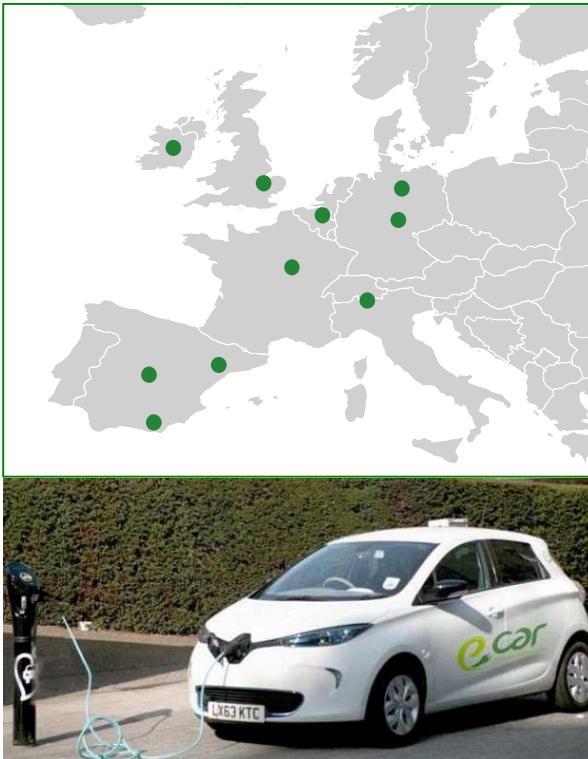


### KEY FACTS:

- Growth **5-10% MoM**
- Market slower than predicted:
  - Reluctance to change transport habits
  - Moved out of the crisis sooner than expected
- Car at **500m** from home target group: positive contributing in **9** months
- Typical use **5-20** hours
- Key to margin is price of car and parking
- Business is **40%** corporate and **60%** street sharing,

## New Products and use cases

- **100%** owning carsharing: Ubeeqo, GoCar, e-car, Bluemove and Guidami.
- We are now present in **11** cities, with a fleet of over **2 500** cars
- Move to one brand and platform Q2 2018



### New SME products: lower risk

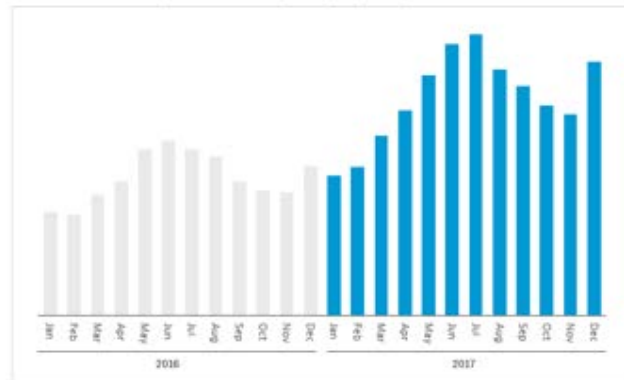
- hourly rental for Carrefour customers
- hourly rental for homeowners.



# SnappCar delivers and “Drive & Share” launched together

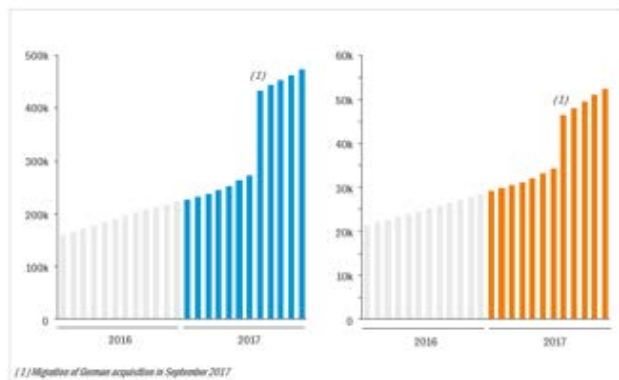
## GMV growth has accelerated over the past 12 months

Gross Merchandise Value (total turnover flowing through the platform)



## Community now reaching 500k members, 50k cars

Total community size, members (left) and cars (right)



Drive and Share live in four cities (De, Fr, Ge), 4 months after SnappCar investment

## Financed cars with sharing included perform significantly better than regular cars

Average annual transactions per car



## Business model specifics - summary

	Carsharing	“Drive n’share”
MAIN BUSINESS MODEL	Book and pay a car for <b>5-22</b> hours. Roundtrip. Self-pick up	Rent <b>4-12</b> month for private use, reduce costs by sharing it when you don’t use it
REVENUE SOURCE	Fee per hour (av. <b>2-6</b> euro)	Monthly rent (RpD) and P2P share commission
UTILIZATION DYNAMICS	Between <b>15</b> and <b>20%</b> , to ensure people dare to rely on car-sharing instead of own car	<b>95%</b> utilised (except when damage)
TARGET GROUP AND USERS	Urban <b>25-40</b> for out of town trips (like family, concert, Ikea)	Urban <b>25-40</b> looking to buy car, but liking P2P car-sharing
WHERE	<b>11</b> cities Europe and <b>20</b> corporates	Paris, Berlin and Hamburg, Copenhagen
FIT WITH KNOW-HOW AND SCALE EUROPCAR	Use of stations, car-sourcing, userbase, and replacing for instance one day rentals	Based on existing mid term rental product. Operations, stations, network

# Agenda

## AGENDA

INTRODUCTION – FROM LAB TO BU NEW MOBILITY

VEHICLE SHARING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

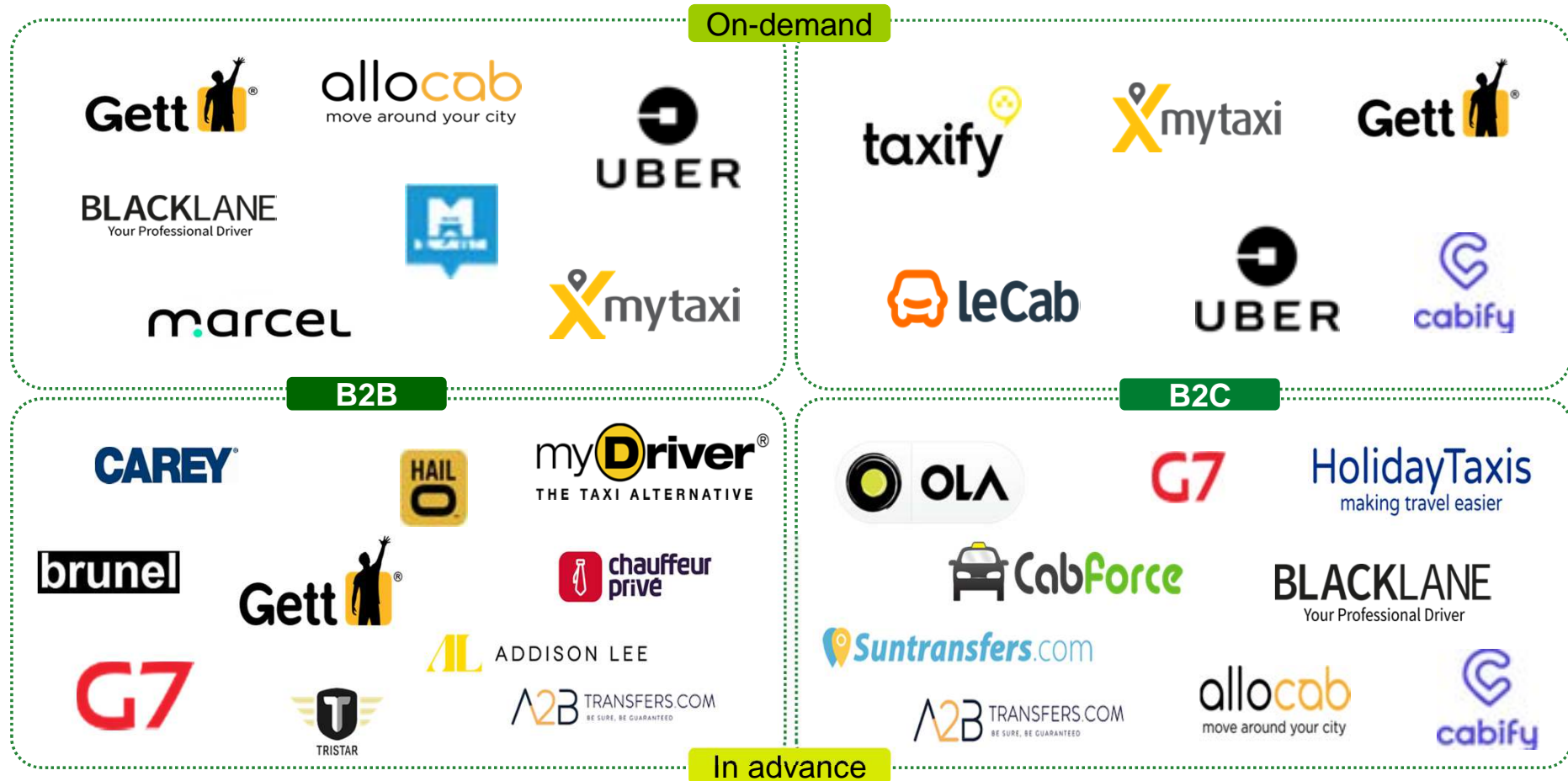
**RIDEHAILING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL**

MULTIMODAL – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

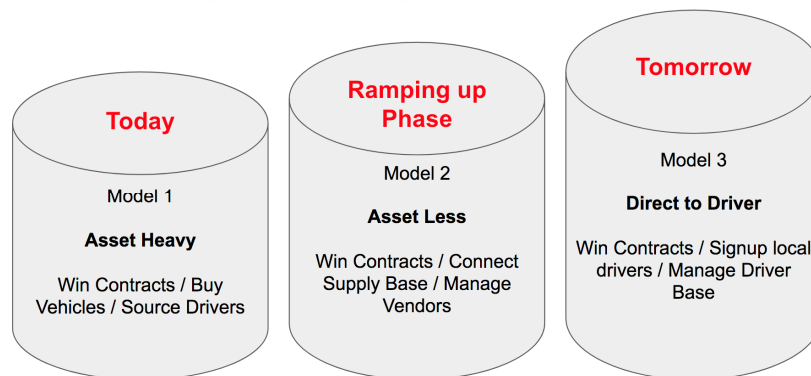
CARPOOLING – MARKET MAPPING, PROJECTS

SCALE AND SPENDING

## Ridehailing market: on demand vs pre-booked and B2B (contract) vs B2C (open)



## Brunel – Ridehailing: firing on all cylinders



### KEY FACTS:

- Brunel delivering MoM growth
- Ridehailing on demand exploding.
- B2B high end, dependent on economy (Brexit, terrorism)
- Brunel now moving to all three business models:
  - Owns assets
  - Commission on other companies
  - Direct to driver
- Typical ticket price 60 GBP
- B2B peakhours, more amplified with changing habits

## Innovative pilots



## Same backoffice, platform and knowledge – now launched in four countries

brunel  
A Europcar Company

+44 (0)207 068 5000  
www.brunel.com

Home Book car Reports Traffic Alerts My Profile Sign out

New Booking 1 Passenger 2 Journey 3 Payment 4 Review Europcar BU New Mobility

Are you the lead passenger? ☐ No

**Recent Passengers**

Shella Struyck  
+3207289628  
shella.struyck@europcar.com

**Lead Passenger Details**

Name \* Passenger Name

Telephone Passenger Telephone

Mobile Passenger Mobile

Email Passenger Email

**Booker**

Name \* Shella Struyck

Telephone Booker Telephone

Europcar GLOBAL  
Driver services

Login/Register

Select Your Language

English  
Français  
Nederlands  
Deutsch  
Dansk

**BOOK YOUR DRIVER**  
Enjoy a redefined mobility experience

ONE WAY **HOURLY**

**Pickup Address**  
Search for an address

**Destination Address**  
Search for an address

**Date and Time**  
DD/MM/YYYY HH:MM

Need a Business Account?

**Book now**



## Business model specifics – summary

Ride Hailing	
MAIN BUSINESS MODEL	Book a driver in advance everywhere in the world
REVENUE SOURCE	Commission based ( <b>10-15%</b> )
UTILIZATION DYNAMICS	Flexible supply, to scale up and down in peak hours
TARGET GROUP AND USERS	Business travelers going from airport to downtown or hotel where no need / wish for car
WHERE	<b>240</b> cities worldwide
FIT WITH KNOW-HOW AND SCALE EUROPCAR	Carsourcing, corporate business leads, network worldwide, tech.platform BU

# Agenda

## AGENDA

INTRODUCTION – FROM LAB TO BU NEW MOBILITY

VEHICLE SHARING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

RIDEHAILING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

**MULTIMODAL – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL**

CARPOOLING – MARKET MAPPING, PROJECTS

SCALE AND SPENDING

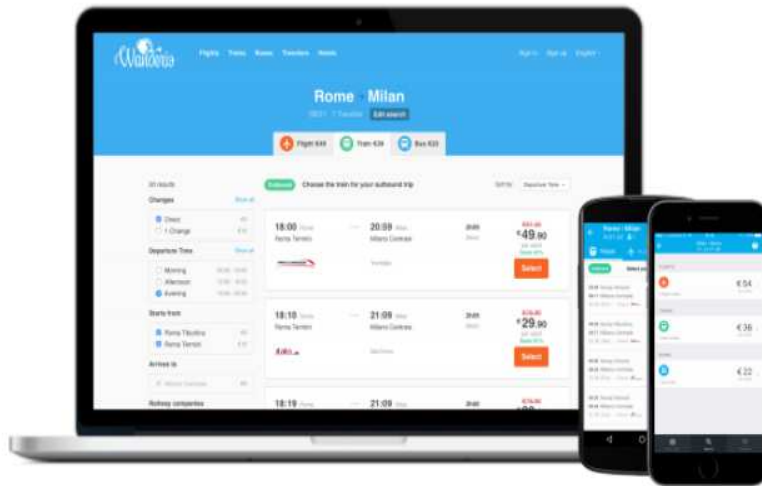
## Multi modal competition mapping



# Wanderio

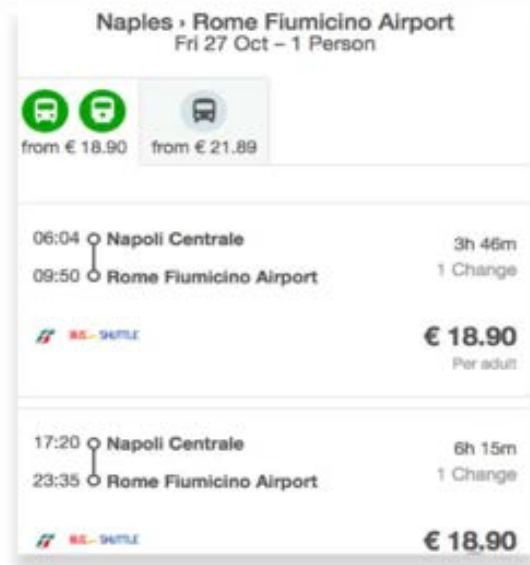
## Wanderio is Amazon for Travel

We make booking travel journeys **fast** and seriously **easy**



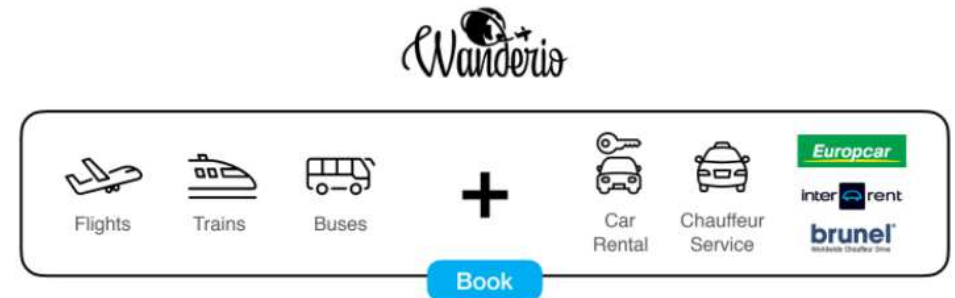
- 2015 Europcar took minority stake in Wanderio
- Allowing to learn and create dedicated product for Europcar
- Key driver for Wanderio business is SEO and SEA
- Launch in four countries in 2018: It, Sp, Ge, UK
- Great growth record:  
Revenue YoY:
  - 2015 - **163%**
  - 2016 - **168%**
  - 2017 - **125%**Session / bookings 174% vs '16

## Europcar Groundtrip



## Wanderio & Europcar - The Opportunity

Expand Wanderio B2C business



## EUROPCAR GROUNDTRIP LAUNCHED ITALY:

- to allow SME customers to book mid - long term distance
- with us instead of a GDS / OTA / broker
- learn how to run commission based business model

## Mobility platforms - business model summary

### Multimodal platform

#### MAIN BUSINESS MODEL

Search, compare. Book, pay and / or invoice a trip from A to B.

#### REVENUE SOURCE

Commission based

#### UTILIZATION DYNAMICS

Not existing, key in this model is SEO SEA

#### TARGET GROUP AND USERS

Travellers looking for information in unknown territory for mid – long trips

#### WHERE

Test in Italy and in tenders

#### FIT WITH KNOW-HOW AND SCALE EUROPCAR

Joined with OTA and airlines this is an interesting lead generator



# Agenda

## AGENDA

INTRODUCTION – FROM LAB TO BU NEW MOBILITY

VEHICLE SHARING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

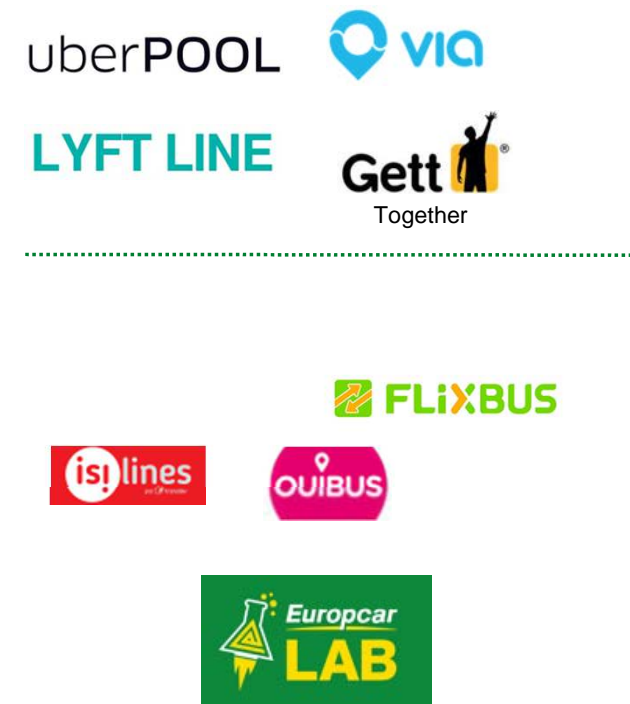
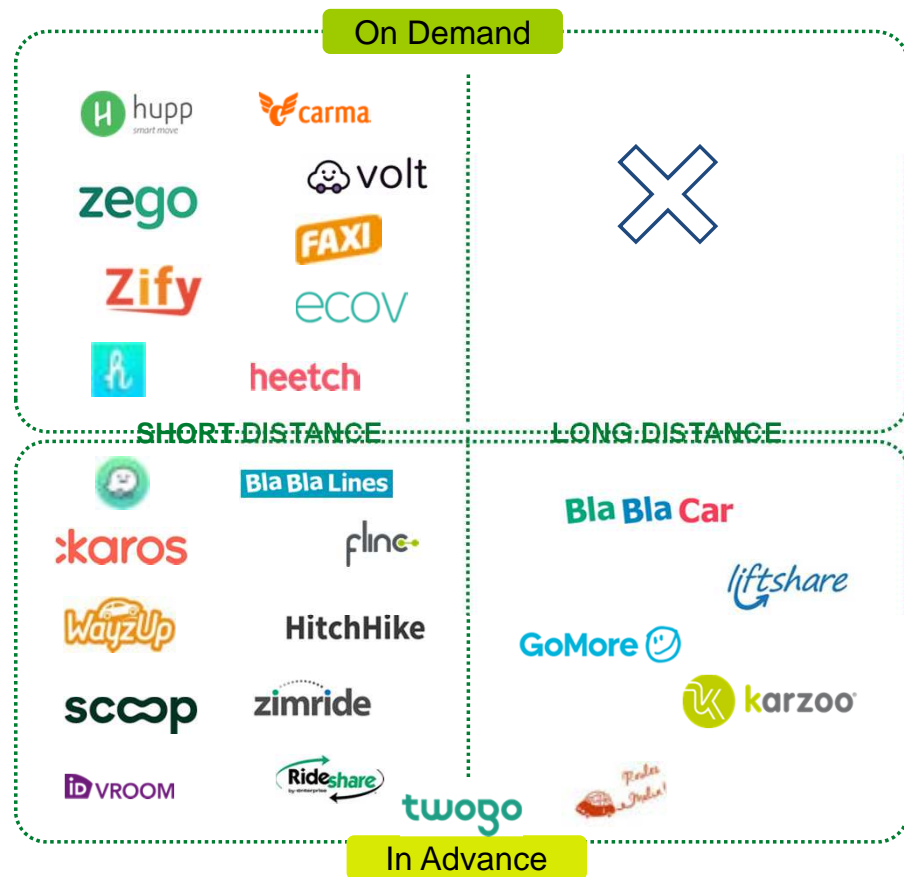
RIDEHAILING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

MULTIMODAL – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

**CARPOOLING – MARKET MAPPING, PROJECTS**

SCALE AND SPENDING

## Carpooling market - disrupted by AI and long distance buses



# Agenda

## AGENDA

INTRODUCTION – FROM LAB TO BU NEW MOBILITY

VEHICLE SHARING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

RIDEHAILING – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

MULTIMODAL – MARKET MAPPING, RESULTS, PROJECTS AND BUSINESSMODEL

CAPOOLING – MARKET MAPPING, PROJECTS

**SCALE AND SPENDING**

## Financial track record improvement

Growth is YoY

GMV

€100m

2015 2016 2017 2018 2019 2020

— GMV

Road to break - even

	2017	2018	2019	2020
Carsharing				
Ridehailing				
BU level				

GMV. Definition: Gross merchandise value is the total value of merchandise sold over a given period of time through a [customer to customer](#) exchange site. It is a measure of the growth of the business, or use of the site to sell merchandise owned by others. It basically is gross revenue.

A world map is visible in the background, rendered in a lighter shade of green against the darker green gradient. The map shows the continents of North America, South America, Europe, Africa, Asia, and Australia.

# #6

## Strategic and Financial Update

.....

Caroline Parot | CEO

A stylized world map in a light green color, centered on the Atlantic Ocean, serving as a background for the slide.

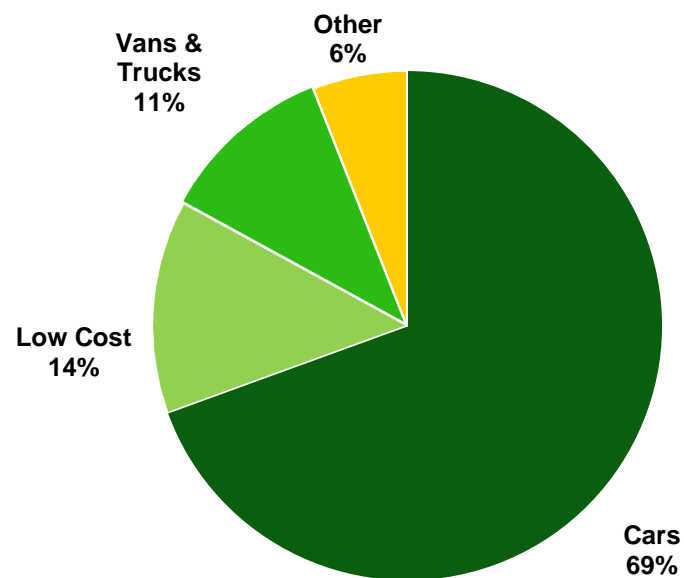
# Financial prospects



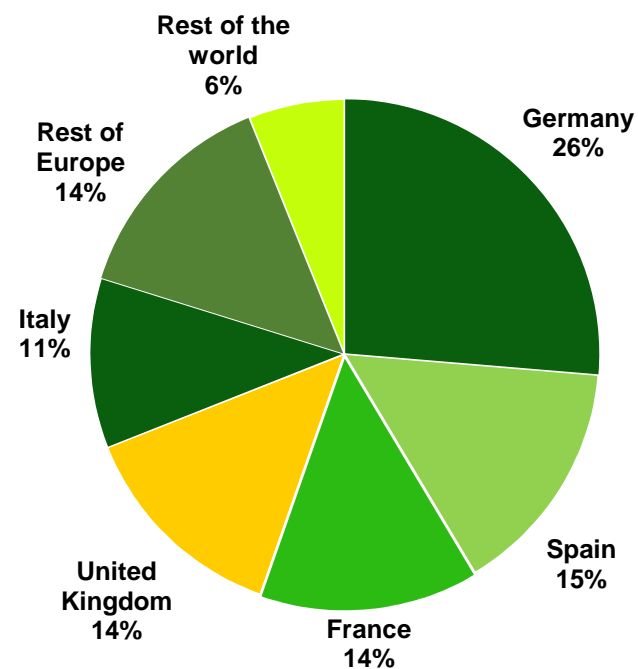
## Group profile pro forma 2017

FY2017 Pro forma revenue by business unit

(1)



FY2017 Pro forma revenue by geography

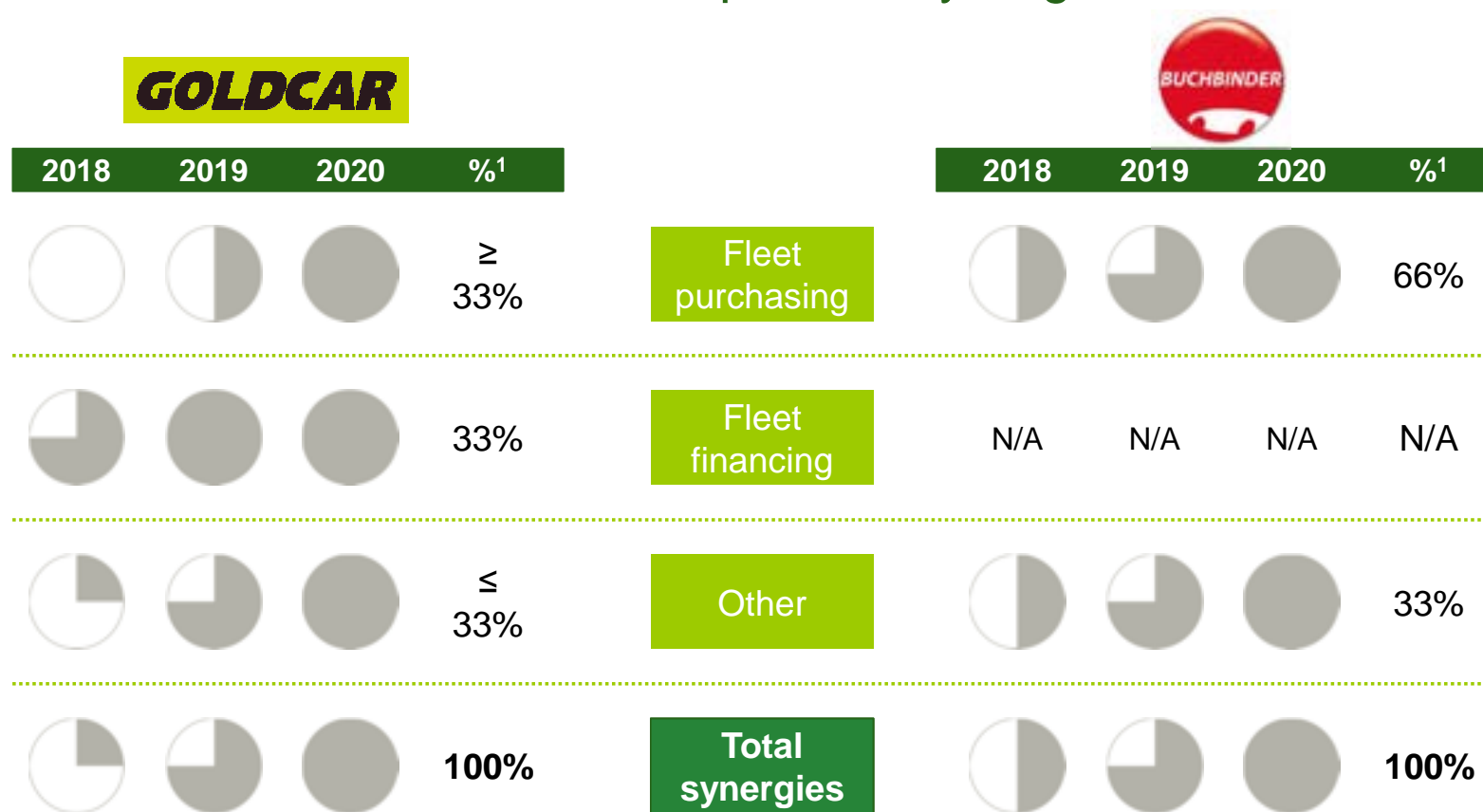


**FY2017 Pro forma group sales of €2.8bn**

Notes:

(1) Other = New Mobility + International Coverage + Petrol-related revenue

## Focus on Goldcar and Buchbinder acquisition synergies

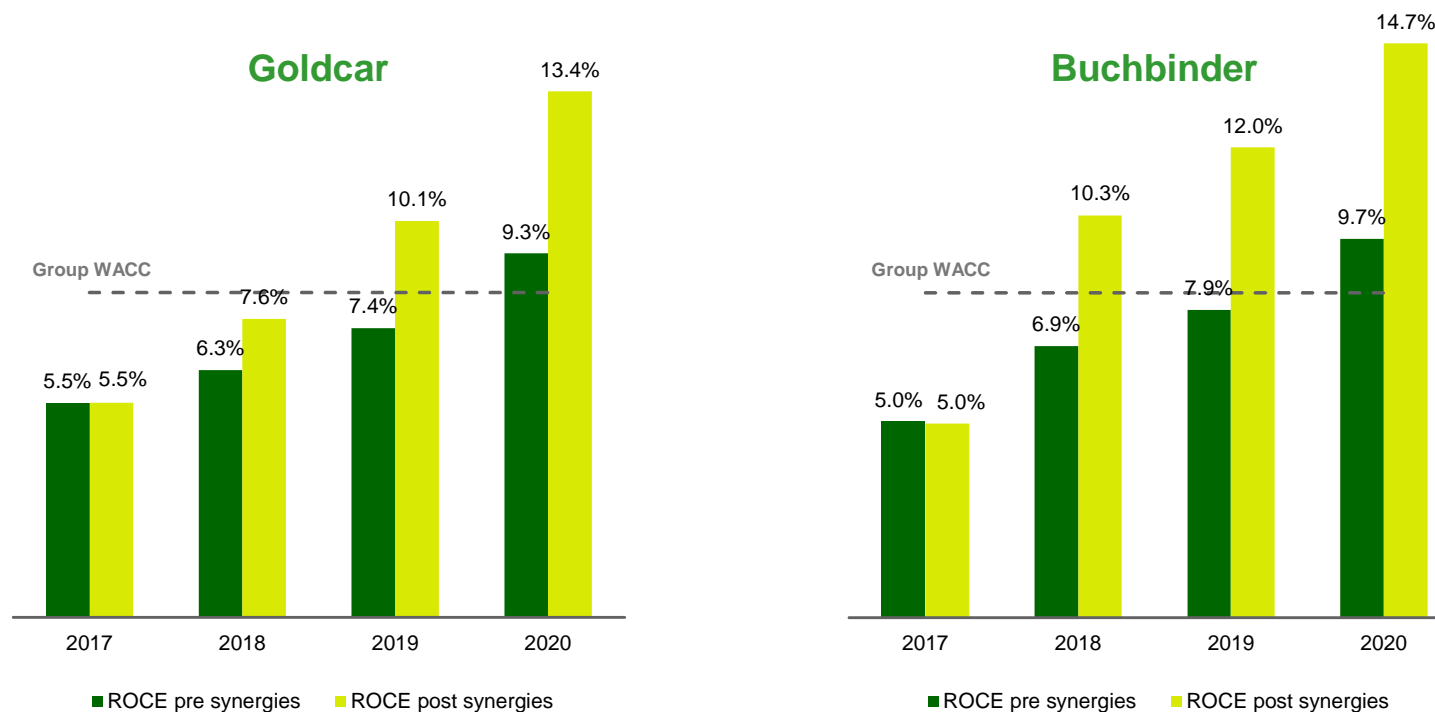


Note:  
(1)Percentage of total  
estimated synergies

**>75% of run-rate synergies targets of >€30m for Goldcar and >€10m for Buchbinder achieved within the next 24 months**

## Focus on M&A returns

### Transaction ROCE evolution in 2017-2020



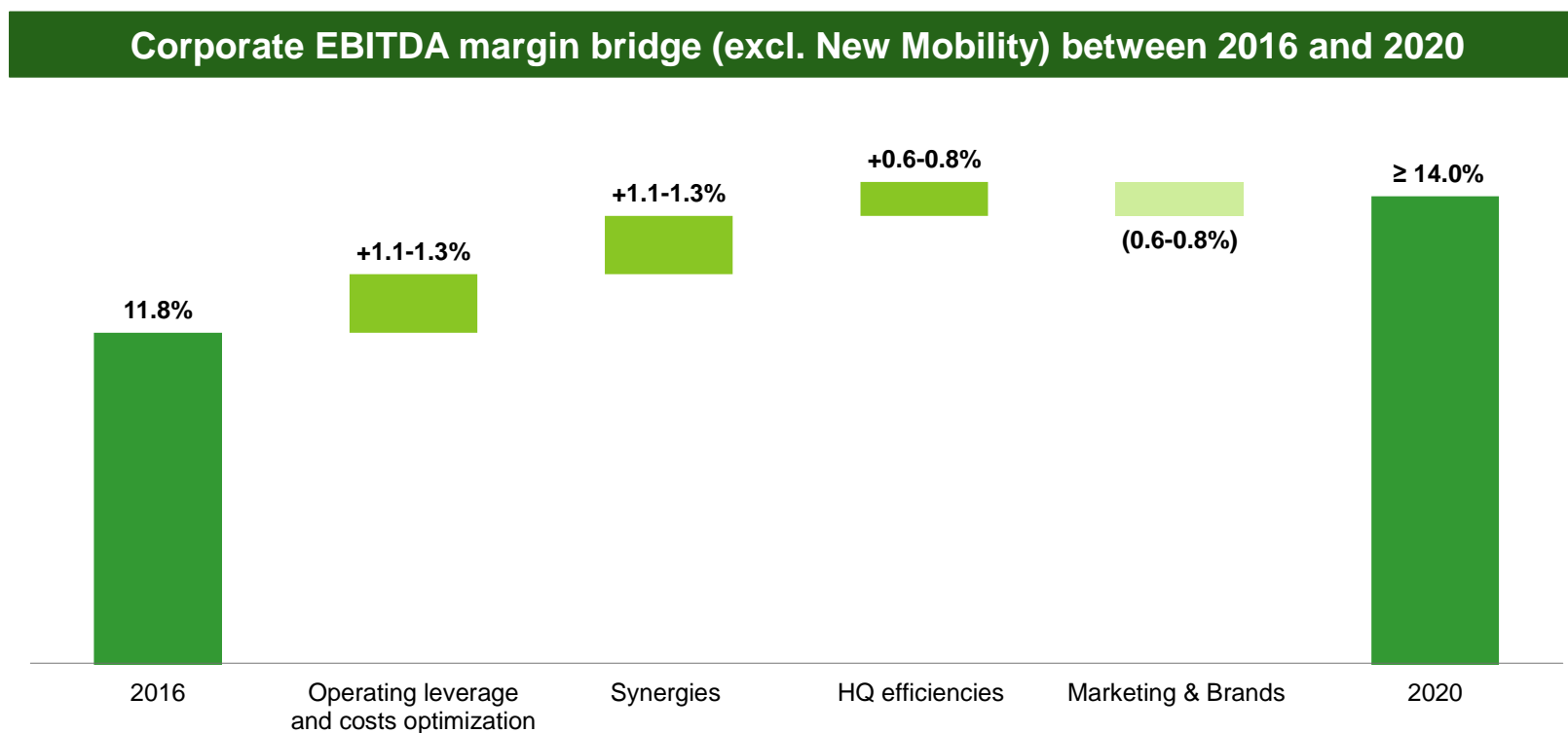
**ROCE pre synergies > group WACC by 2020 for both Goldcar and Buchbinder**  
**ROCE post synergies > group WACC by 2019 for Goldcar and by 2018 for Buchbinder**

Notes:

(1) Transaction ROCE defined as [corporate EBITDA – non fleet D&A – theoretical tax] / Purchase price, with theoretical tax rate at 34.43% in 2017-2019 and 28.92% in 2020

(2) Group WACC market estimate, based on recent sell-side consensus, ranging from 7.0% to 9.0%

## Focus on mid-term profitability target



**On track to reach Corporate EBITDA margin (excl. New Mobility) of at least 14% by 2020**

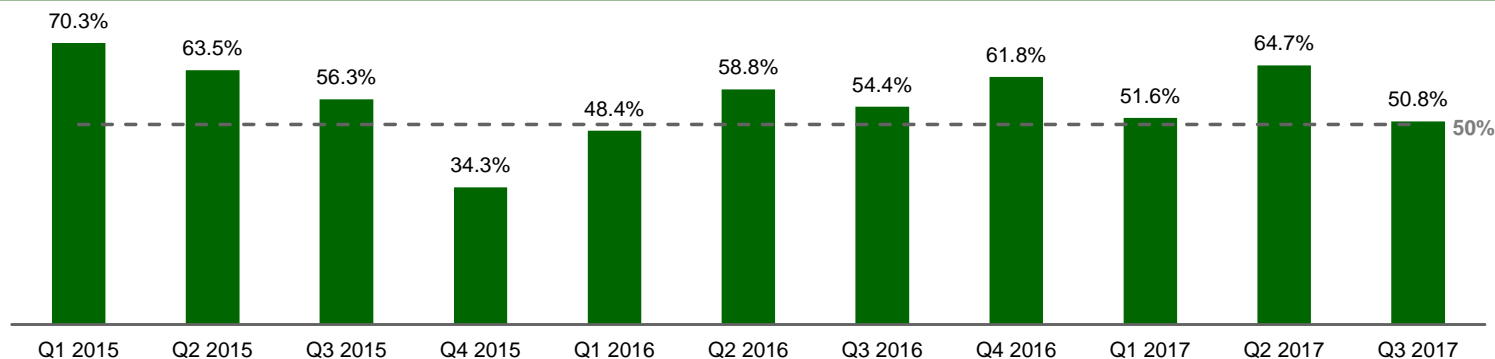
Reminder: Fleet is not capital employed

	Rental fleet	Fleet financing
ON-BALANCE SHEET	On-balance sheet fleet asset base	On-balance sheet fleet financing debt (banking facilities, secured notes)
	Fleet working capital due to buyback effect	
OFF-BALANCE SHEET	Fleet asset base financed under operating leases	Debt equivalent of fleet operating leases

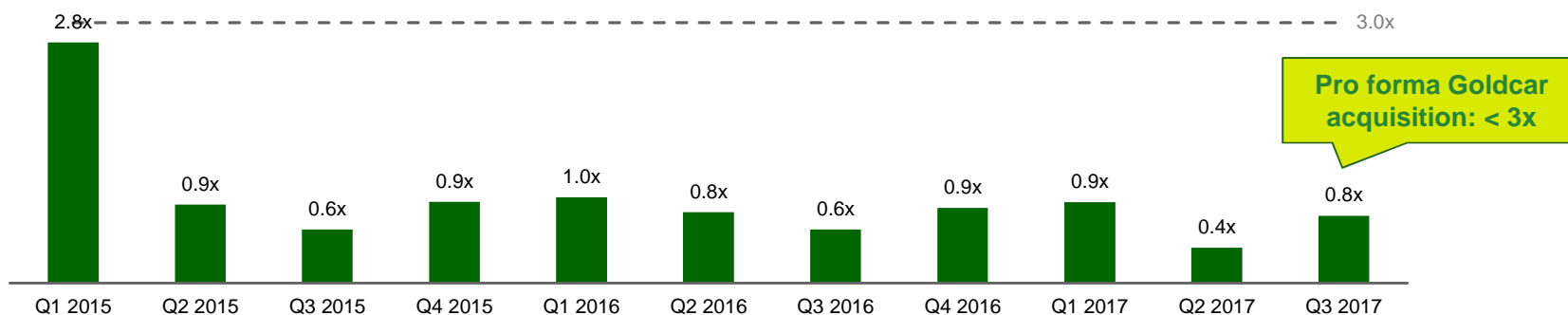
**Secured and flexible asset-backed financing model**

## Strong cash profile and capital structure

**LTM Corporate Operating FCF / LTM Corporate EBITDA (quarterly evolution between Q1 15 and Q3 17)**



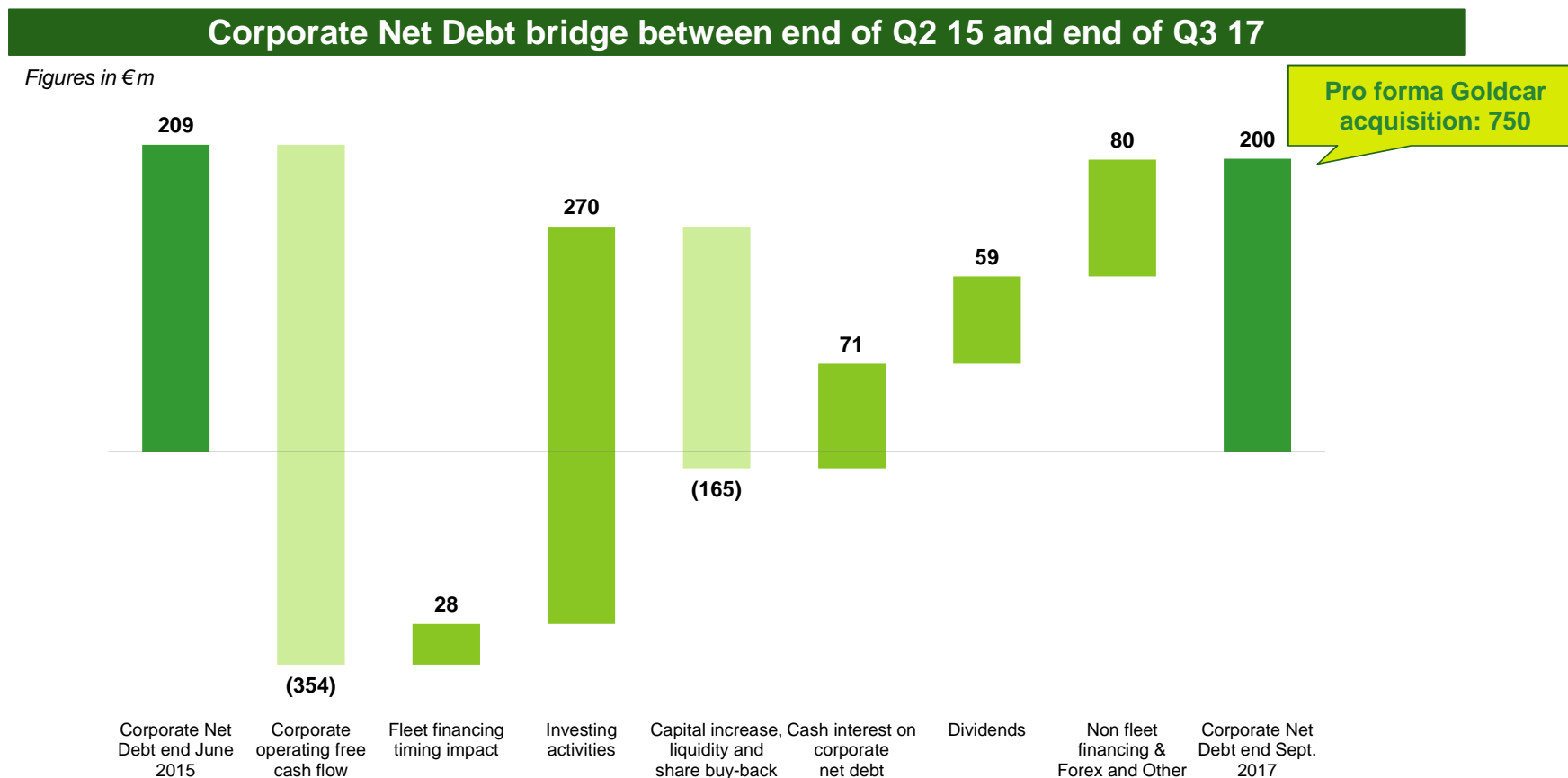
**Corporate Net Debt / LTM Corporate EBITDA (quarterly evolution between Q1 15 and Q3 17)**



**Targeting FCF conversion > 50% and corporate leverage < 3x**



## Cash allocation track record



**Cash allocation geared towards growth uses since early 2015**

## Cash allocation prospects

### Growth acceleration

BOLT-ON M&A	Maximum <b>€150m</b> by end 2018 Focused mainly on franchisees and Vans & Trucks
NEW MOBILITY CAPEX AND M&A	<b>€150-250m</b> envelope in 2018-2020 Including partnerships
NON-FLEET CAPEX (EX NEW MOBILITY)	c. <b>€50m</b> per year in 2018-2020

### Shareholder returns

DIVIDEND POLICY	Maintain the current dividend policy with a payout > <b>30%</b>
TACTICAL SBB	Funded by excess cash when appropriate

Rebalancing cash allocation between  
growth acceleration and shareholder returns

A stylized world map in a light green color, centered on the Atlantic Ocean, set against a darker green background. The map shows the outlines of the continents.

## Strategy Update & Conclusion

## The Digital Evolution is at the Heart of Europcar Group Strategy

### Digital Products and Services

Car becoming **autonomous, electric and connected**  
Large-scale emergence of **mobility and digital services for different end customers**

### Digital Customer Experience

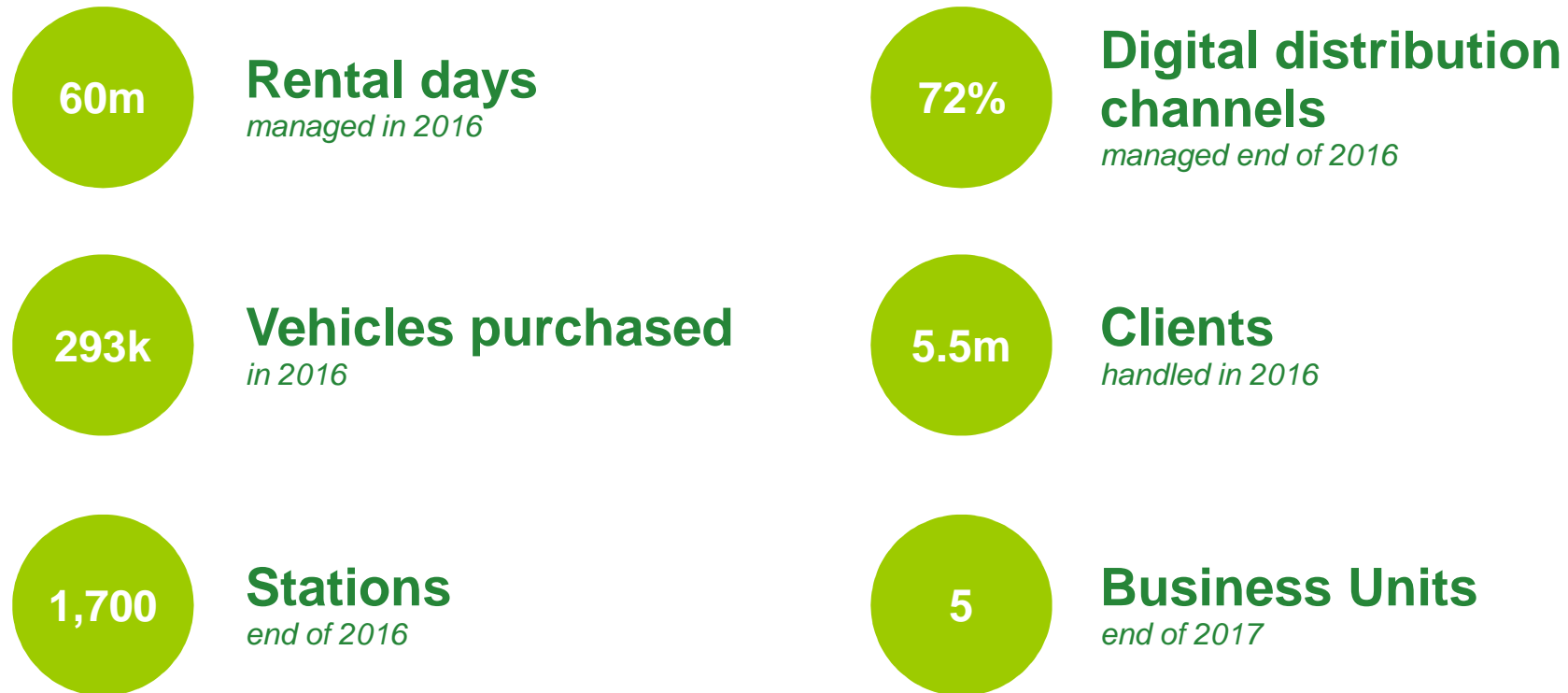
Omnichannel, digital commerce and personalization  
Customer insight / data analytics, predictive services  
Marketplaces  
Always-on service relationship

### Digital Company

Business transformation  
ID, cybersecurity, payments  
Horizontal and vertical integration between suppliers and partners

**Moving fast towards a full digital business**

## Europcar Group Today – Know how to manage SERVICES operation at scale



We know how to manage a large business' profitability and have the means to accelerate our digital transformation for the future

## Our Journey





# People and CSR Commitment to sustain Europcar vision and Ambition new mobility

## Our HR Program & Culture

- Design and implementation of global Human Resources policies to embark all stakeholders
- 2018 program to ensure new group values federate all group businesses
- Integration of each and every acquisition through a specific process, to ensure DNA is kept whilst synergies are delivered
- An enlarged Executive Committee



## Europcar CSR



### Promoting mobility for all

*...to be a major player of the sustainable development by building confidence with its customers and by offering them convenient and transparent products.*

### Being a responsible employer

*...to be a responsible employer by promoting employees development and diversity which are essential to the success and growth of the company and by developing a strong employer brand*

### Fighting against climate change

*...to improve its environmental footprint and participate to the fight against climate change through a dynamic environmental management.*

### Creating shared value

*...to promote ethics in business by giving value to a responsible procurement policy and by conducting business with integrity.*

## Investor Day 2018: key take aways

ADDRESSABLE MARKET FOR EUROPCAR BEYOND TRADITIONAL CAR RENTAL

---

CUSTOMER-CENTRIC FOCUS AND GROUP DIGITAL TRANSFORMATION

---

PIVOTAL YEAR IN 2017 TO ACCELERATE M&A-LED TRANSFORMATION

---

STRONG KNOW-HOW AND ORGANIC PROFITABLE GROWTH MOMENTUM

---

ON TRACK TO DELIVER EMBEDDED SYNERGIES FROM GOLDCAR AND BUCHBINDER

---

DEPLOYING SIGNIFICANT CAPITAL TO NEW MOBILITY IN 2018-2020

A stylized world map in a light blue color, centered on the Atlantic Ocean, set against a dark blue background. The map shows the outlines of the continents.

Q&A session

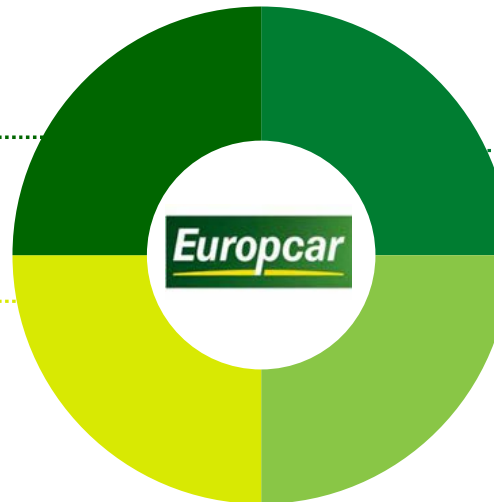
# EUROPCAR GROUP

## 1 OUR VISION

- ▶ Become a global mobility solutions leader delivering huge value creation

## 2 OUR MISSION

- ▶ Become an attractive alternative to car ownership for end customers



## 4 OUR AMBITIONS IN 2020

- ▶ Revenues above €3bn, Adjusted Corporate EBITDA margin above 14% (excl. new mobility)

## 3 OUR INTERNAL MOTTO

- ▶ Bigger, Stronger, Faster

**Our Strategy: Enhance and expand #1 position in Europe while growing beyond our current model both geographically and along value chain through organic initiatives, partnerships, M&A ...**



# Appendix

***Europcar***

## The BU New Mobility represents the four pillars of new mobility offering

### VEHICLE SHARING

Membership based service. No separate written agreement required each time a member reserves and uses a vehicle. Members have access to a dispersed network of shared vehicles 24-hours.

### CARPOOLING

A service or company that allows passengers to share the ride with other individuals. Could be a stranger or a colleague.

### RIDEHAILING

Any service where a car with a driver is provided, either pre-booked or on-demand. It can cover PHV (private hire vehicle) or licensed taxi's.

### MULTIMODAL PLATFORM

Platform that offers various modules of transportation which it does not necessarily deliver or service themselves. It can be only collecting invoices for the modules, but it can also be comparing, routeplanning etc.





# Europocar