

OPEN
MOBILITY.
FOR ALL.



FY 2019 RESULTS
2020, February 25th

LEGAL DISCLAIMER & CONTACTS

The document has been prepared by Europcar Mobility Group (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-mobility-group.com) and assumptions about Europcar Mobility Group and its subsidiaries and investments, trends in their business, future capital expenditures and acquisitions, developments in respect of contingent liabilities, changes in economic conditions globally or in Europcar Mobility Group's principal markets, competitive conditions in the market and regulatory factors. Those events are uncertain; their outcome may differ from current expectations which may in turn 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

Caroline Cohen
Investor Relations

caroline.cohen@europcar.com
investor.relations@europcar.com

For all financial or business information, please refer to our IR website at: <https://investors.europcar-group.com>

MEDIA RELATIONS

Valérie Sauteret
Vincent Vevaud

valerie.sauteret@europcar.com
vincent.vevaud@europcar.com

Presentation of financials and management accounts

Figures for 2019 are presented before IFRS 16 application in comments and tables unless it is explicitly indicated. Full accounting reconciliation with IFRS 16 are presented in Appendix

Application of IFRS 16 as from January 1, 2019 reads as follows:

- 1
 - Europcar mobility group is using the simplified retrospective method for 2019 financial accounts, according to which there is no restatement of comparative periods
 - *All lease contracts are accounted for in the balance sheet with a “right to use the asset” and a corresponding debt for the lease payment obligation*
 - *The impact of IFRS 16 are detailed in part III and appendix*

2 **Detailed reported figures for the fourth quarter are presented in Appendix**

Management Account presentation:

- 3 2019 figures are presented before and after Urban Mobility Corporate EBITDA performance
2020 and onwards: Group’s metrics are presented including Urban Mobility Business Unit performance

AGENDA

1

2019 KEY FACTS / CAROLINE PAROT, CEO

2

2019 FINANCIAL RESULTS / LUC PELIGRY, CFO

3

OUTLOOK / CAROLINE PAROT, CEO

4

CONCLUSION / CAROLINE PAROT, CEO

01

2019 KEY FACTS

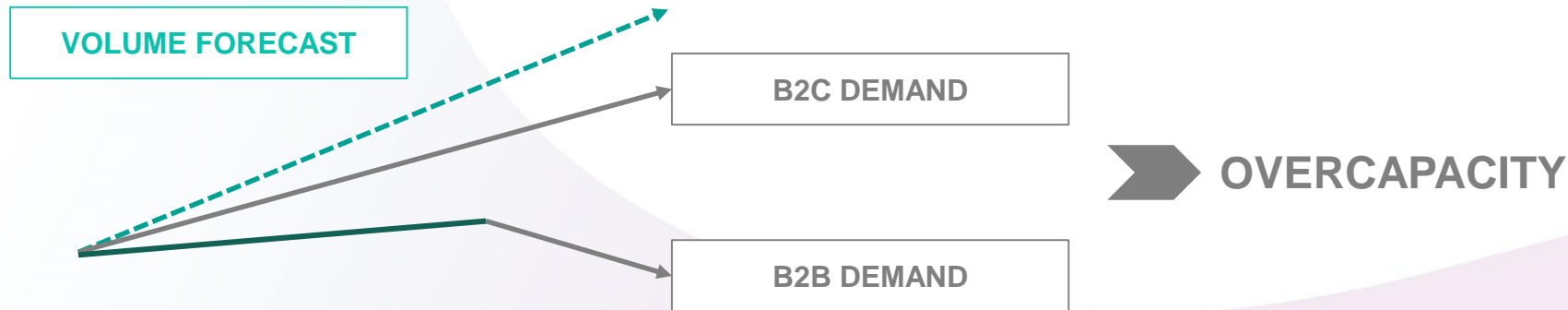


KEY HIGHLIGHTS IN 2019

- **CHALLENGING ENVIRONMENT AT THE END OF Q3 2019 AND IN Q4 2019**
- **REVENUE BUILD UP AND MARGIN UNDER PRESSURE, LEADING TO ACCELERATION OF EFFICIENCY PROGRAMS**
- **STRONG GROWTH MOMENTUM IN URBAN MOBILITY**
- **RAMP-UP OF SHIFT 2023 STRATEGIC ROADMAP**
- **LAST STEP OF OUR TRANSFORMATIONAL M&A PROGRAM: FOX-RENT-A-CAR**

A challenging environment at the end of Q3 & in Q4 impacting revenue build-up

SOFT EUROPEAN ECONOMY & BREXIT IMPACTED BOTH LEISURE AND CORPORATE RENTAL



OUR REACTION

- Boost volumes to optimize utilization rate in defleeting period
- Offset lack of corporate volume with transfer to leisure customer base

-
- ✓ Maintained fleet utilization rate
 - ✓ Increased cost of sale
 - ✓ RPD pressure

➔ **Progressive defleeting over a few months, to align with the market conditions, thanks to a flexible fleet buy-back model.**

2019 revised guidance achieved in a soft environment

SALES

2019 total revenue
~**€2,950m**

Revised
guidance

€3,022m
total revenue

Actual

€2,956m
revenue excluding acquisitions



PROFITABILITY

Corp. EBITDA excl. UM
€305-315m

Corp. EBITDA incl. UM
€275-285m

Corp. EBITDA excl. UM
€310m

Corp. EBITDA incl. UM
€278m



CORPORATE NET DEBT

~**3x** before Fox acquisition
0.3x impact of Fox

€880m Corp. Net debt

- **3.0x** before Fox acquisition
- **0.2x** impact of Fox
i.e. 3.2x in total



Our strategic framework: SHIFT 2023

In the context of fast evolution of the mobility ecosystem, we are transforming the group in a profound way to size the market opportunities and address our customers' needs:

- We are rationalizing the whole organization for greater agility
- We are investing in Digital at all stages:
 - Customer journey, digital stations, connected cars, product and services,
 - Platforms, IT infrastructure,
 - New teams, new talents

Legacy Cost Savings and Digital investments to build the near future

02

FY 2019 RESULTS



Key financials in 2019*

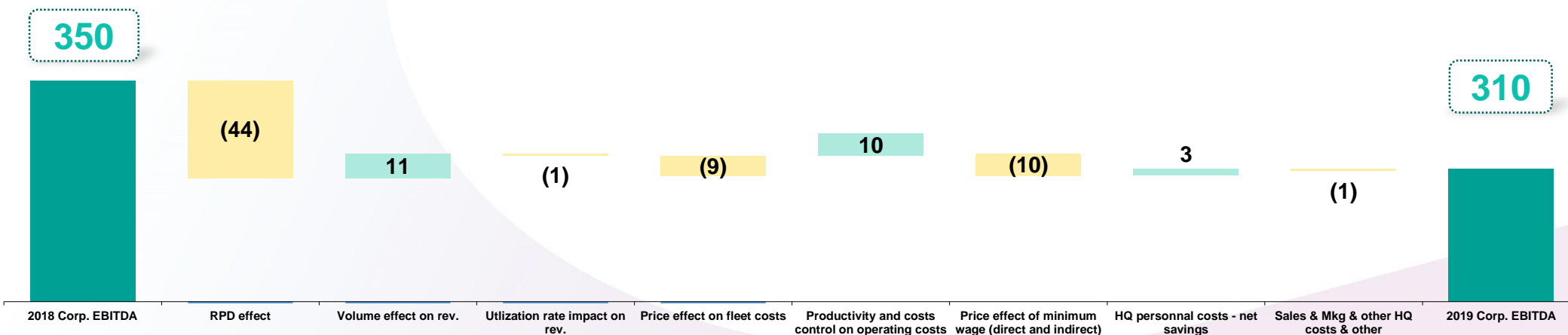
- **Revenue: €3,022m**
→ +0.9% on organic basis, +3.2% on reported basis
- **Adj. Corp. EBITDA** in line with guidance revision published in October 2019:
 - **€310m** excluding Urban Mobility
 - **€278m** including Urban Mobility
- **Group net income: €38m**, versus **€73m** in 2018**
- **Operating cash flow: €118m i.e. 42% of free cash flow conversion**
- **Corporate net DEBT €880m**
→ **3.0x** leverage before Fox acquisition, **3.2x** leverage after Fox acquisition
- **Proposed dividend: 34% payout (on group net result pre-IFRS 16)**

What has happened?

Impact on Adj. Corporate EBITDA from lower revenue in 2019

In €M

2019 actual
vs 2018



2019 actual
vs Initial guidance



Revenue in 2019: a contrasted picture across business units

REVENUE (€M AND % GROWTH)



FY 2018

FY 2019

UTILIZATION RATE



FY 2018

FY 2019

316,000 av. fleet size → +3.8% → 328,000 av. fleet size

TOTAL REVENUE

+1.7% reported
+0.5% organic*

€2,157m

+5.5% reported
-3.1% organic*

€411m

+6.2%
€366m

+37%
€49m



CARS



LOW COST

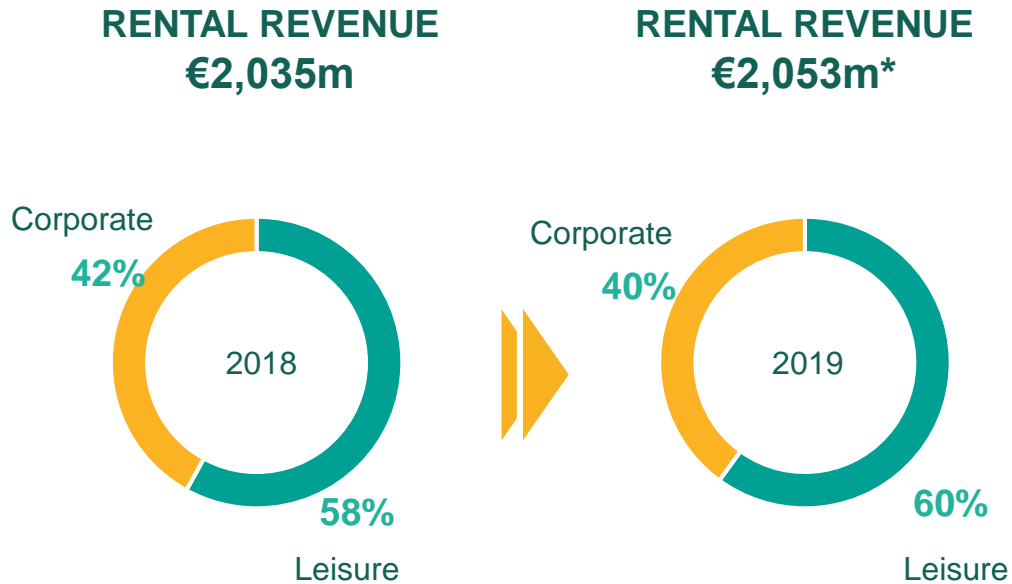


VANS & TRUCKS



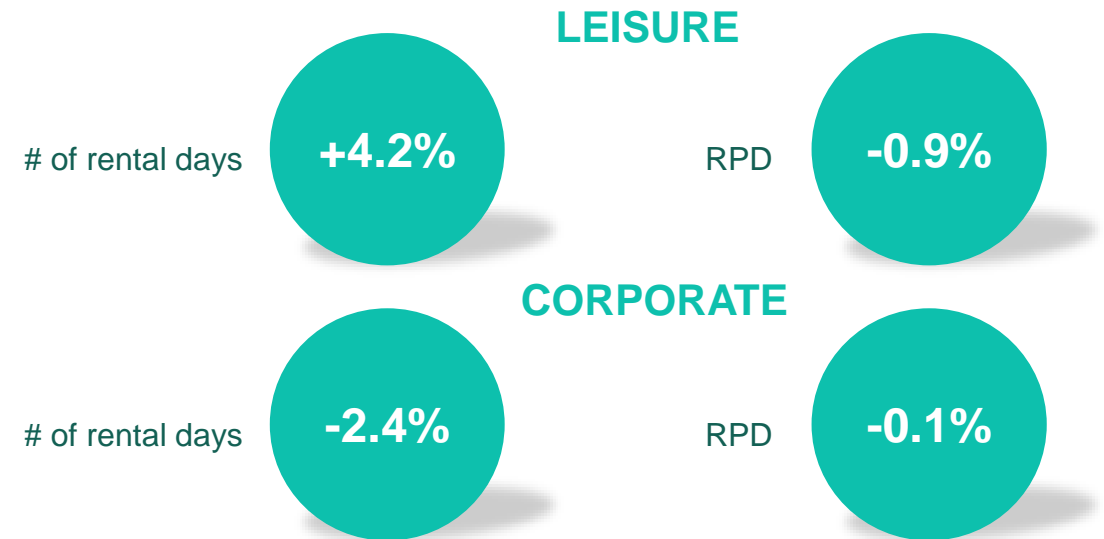
URBAN MOBILITY

BU CARS: hit by economic conditions in Corporate segment, growth in Leisure boosted by the necessary shift from Corporate in 2019



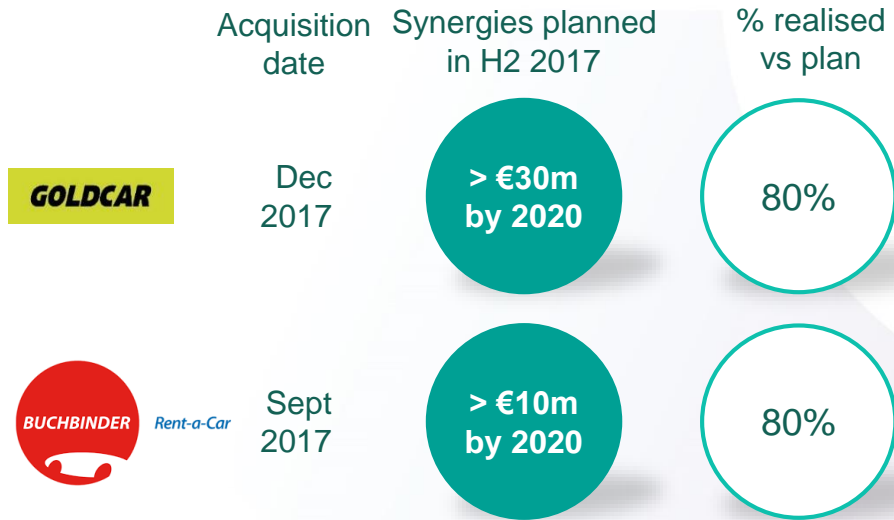
- Leisure: **+3.4%** rental revenue growth in 2019
- Corporate: **-2.5%** decline in rental revenue in 2019 on travel freeze of Large Corporate (double digit decline), offsetting the good growth of SMEs

RENTAL REVENUE* Evolution of RPD and # of days



- Leisure: Good volume growth particularly helped by indirect channels but at the detriment of RPD
- Corporate: impact of travel ban

Goldcar and Buchbinder: Solid progress on M&A integration



Goldcar and Buchbinder: €20m gross savings in 2019

- Improved purchasing & buyback conditions with manufacturers
- Reduction in fleet financing costs
- Pooling central functions and merger of administrative units
- Cost efficiency programs

Reminder of the rationale of Goldcar acquisition:

- Leading Low Cost Operator in Europe with strong know how in running a lean and efficient pure low-cost operating model
- Exposure to: the Mediterranean region, the Leisure segment and the low-cost market
- Ability to grow fast the business in other Leisure countries
- Compatible business models due to multiple similarities (fleet on buyback model, variable cost model, high fleet utilization rate, 90% online sales)



Volume growth offset by price pressure



Synergies & Savings achieved as expected



Reminder of the rationale of Buchbinder acquisition:

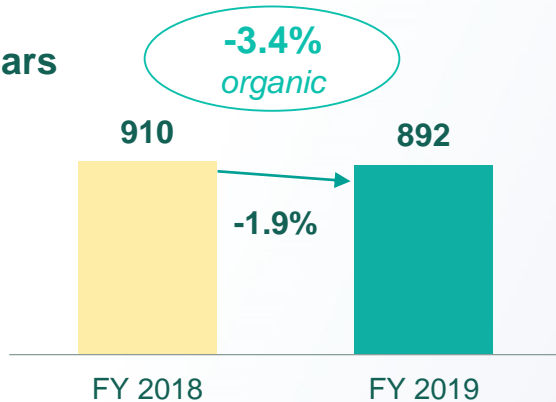
- Capitalise on Buchbinder brand positioning to boost sourcing of German and Austrian clients to accelerate Europcar's penetration of the low cost segment in Europe
- Achieve German and Austrian market leadership in Vans & Trucks
- Reinforce the Europcar Group's focus on SME in its largest corporate market
- Seize the right platform to expand further in Eastern Europe
- Develop know-how in in-house maintenance repair facilities and remarketing of fleet at risk



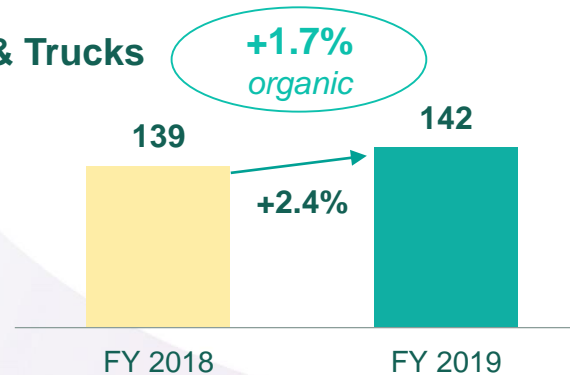
Margin after variable costs: impacted by lower revenue in spite of a tight control of FCPU

In €m

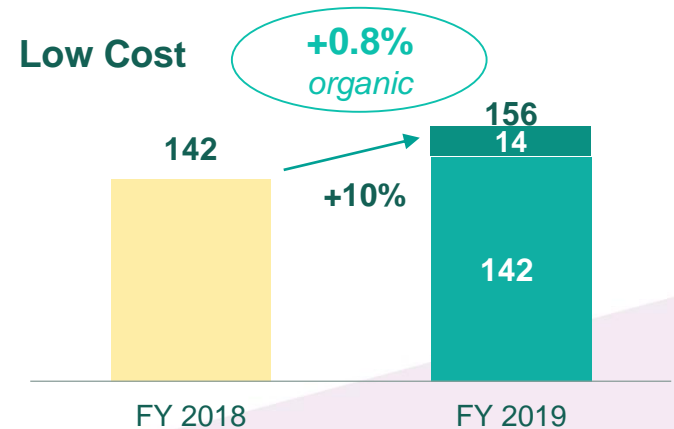
Cars



Vans & Trucks



Low Cost



- Low Corporate volumes (travel freeze) and weaker than expected Leisure demand in some markets
- Utilization rate & Rental days \uparrow ;
- RPD \downarrow , Fleet cost per unit \uparrow
- Higher cost of customer acquisition

- A good activity overall, revenue from Supersites up strongly
- Rental days \uparrow . RPD \downarrow on longer duration
- Fleet cost per unit \downarrow (damages)

- RPD \downarrow due to a fierce competitive environment with a moderate volume growth
- Synergies from Goldcar integration ++

MAVC* shows a limited 1% decline

Adj. corporate EBITDA down on lower revenue but actions plans already paying off

€m	FY 2019	FY 2018	% change	% change at constant perimeter
Revenue	3 022	2 929	3.2%	0.9%
% of volume growth			3.7%	2.2%
Margin after variable costs	1 224	1 231	-0.6%	-2.9%
<i>In % of revenue</i>	40.5%	42.0%		
Network	(464)	(428)	8.5%	5.1%
<i>In % of revenue</i>	15.4%	14.6%		
HQ Costs	(361)	(355)	1.7%	-0.4%
<i>In % of revenue</i>	11.9%	12.1%		
Fleet financing costs	(120)	(121)	-0.3%	-2.8%
<i>Financing CPU (In €)</i>	(30)	(32)	-5.1%	-6.0%
Adjusted Corporate EBITDA	278	327	-15.0%	-16.1%
<i>In % of revenue</i>	9.2%	11.2%		
Of w/h Urban Mobility Adj. Corporate EBITDA	-32	-23	38.5%	38.5%
Adjusted Corporate EBITDA excl. Urban Mobility	310	350	-11.4%	-12.5%
<i>In % of revenue</i>	10.4%	12.1%		

● Network costs reflect minimum wages increase and opening of supersites in Vans & Truck (+5% at constant perimeter)

● Slight decline in HQ costs at constant perimeter:

- €10m gross savings in HQ costs with HQ2020 program on track
- Offset by inflation and digital investment

● Full benefit from fleet financing costs renegotiation in 2018

● Urban Mobility: deployment in new city (Paris) and ramp-up in existing cities for Ubeeqo. Weak performance on ride-hailing

Net profit impacted by non-recurring items

All data in €m	2019	2018	% change
Adj. Corporate EBITDA incl. Urban Mobility	278.3	327.3	-15.0%
Non-fleet D&A	(48.0)	(44.4)	8.2%
Other non-recurring operating income / expenses	(58.2)	(48.1)	
Proceed from the sale of Car2Go		68.5	
Non-fleet financial expenses	(101.2)	(110.6)	-8.4%
Profit Before Tax	70.8	192.7	-63.2%
Net tax expense	(32.9)	(52.0)	-36.7%
Associates	-	(1.3)	
Net profit	38.0	139.4	-72.8%
<i>of which proceed from the sale of Car2Go</i>		65.9	

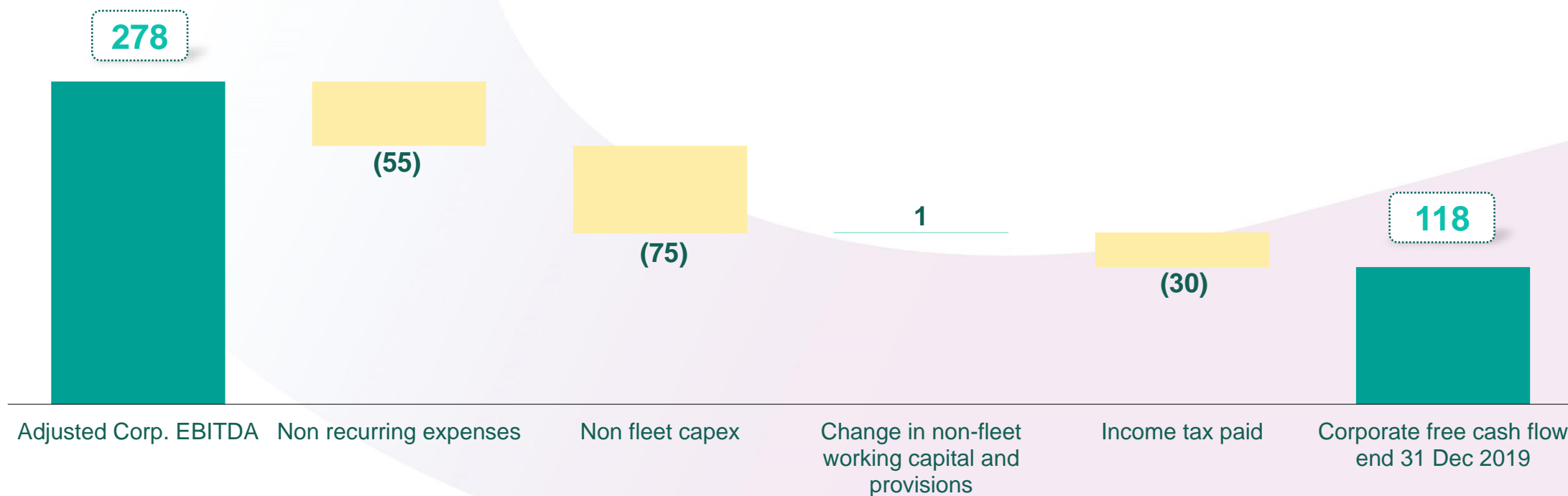
● Non recurring charges: **66%** of costs are related to re-organization and transformation charges

● Reduction in non-fleet financial expenses mainly due to lower Bond re-financing: **€3m** in 2019 (~€10m run-rate)

● Effective tax rate: **26%** in 2019 versus **30%** in 2018

2019 Corporate free cash flow

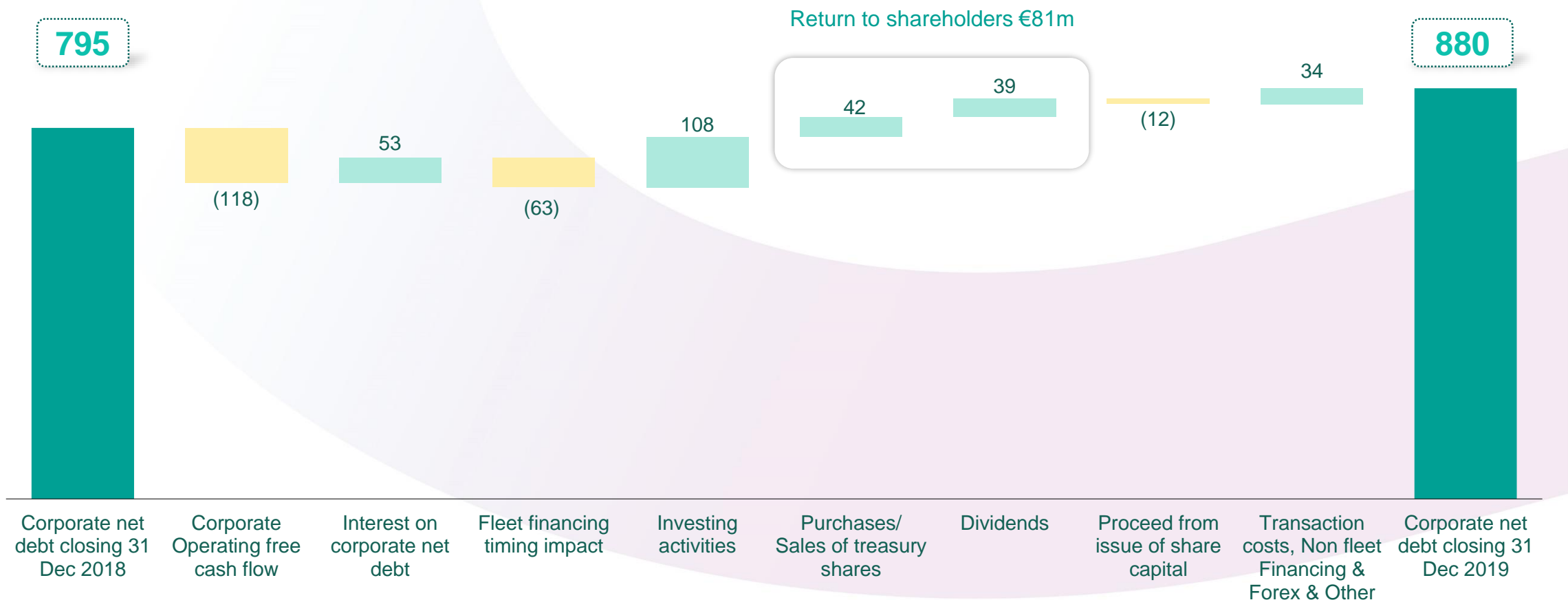
Figures in €M



STRONG DISCIPLINE IN WORKING CAPITAL REQUIREMENTS & CONTINUED INVESTMENT TO SUSTAIN DIGITIZATION

2019 Corporate net debt

Figures in €M



CORPORATE NET LEVERAGE AT 3.2x FOR DECEMBER 31, 2019
CORPORATE NET LEVERAGE EXCLUDING FOX AT 3.0x FOR DECEMBER, 2019

03 OUTLOOK



OUTLOOK

1

SOFT VIEW ON THE ENVIRONMENT

2

FOCUS ON MARGIN IMPROVEMENT, THROUGH EFFICIENCY MEASURES

3

CONTINUED INVESTMENT IN DIGITAL

4

URBAN MOBILITY: STRONG DOUBLE-DIGIT REVENUE GROWTH & SUBSTANTIAL IMPROVEMENT IN CORPORATE EBITDA

5

GUIDANCE 2020

2020: A limited visibility on the environment

● Macro uncertainties:

- Soft GDP growth expected in Europe,
- Brexit economical effects

● Our industry:

- Travel & leisure trends
- Environmental regulation: CO₂ emissions taxes, EV expansion

SHIFT 2023: our main business priorities for 2020



Brand portfolio deployment

Foster greater value creation for each brand

2020: on InterRent: repositioning and full digitization effective with very positive NPS



N°1 of car rental and light commercial vehicle rental in Europe, B2B and B2C



Mid-tier car rental, leisure-focused

GOLDCAR

N°1 of low-cost car rental in Europe



One of the european leaders of round-trip car sharing, B2B & B2C

Customer satisfaction

- NPS improving for all core brands
- Specific focus on Goldcar's CSAT rating
- Customer Care Centers implemented at Europcar brand level

Phygital customer journey

- Click & Go Roll out and enhanced features
- Digital stations program launch during 2020

Sales & Partnerships

- Mid-Term early launch business showing promising growth perspectives
- Gain of significant new corporate accounts in rental and vehicle sharing (cars and vans)

Efficiency programs

- HQ 2020 deployment on-going
- Connected Fleet ramp : One Full Country Launch
- Network optimization

Integration & Synergies

- Goldcar and Buchbinder costs synergies
- Fox Rent-a-Car integration:
 - business synergies with Fox already lived with first in bound / out bound customers served
 - Fleet financing on-going for Q1

Urban Mobility > path to profitability

- Network costs: increased productivity thanks to tech improvements and group synergies
- Ride-hailing and PHV businesses to be break even in 2020
- Increase B2B portfolio

Well on track to deliver gross cost savings and ongoing synergies, above cost inflation

● €40m gross savings & cost efficiency programs in 2020:

• HQ 2020 program

- All functions and countries HQ re-organized
- Center of Excellence logic
- Strict control of travel and general expenses



• Network optimization

- Focus on increased productivity
- Rationalisation of Network
- German perimeter integration



• Digital stations

- Deployment in 2020 in one full country, expected savings by year-end and full impact now expected in 2021

Gross savings (€m)	2019	2020	2021
HQ	10	20	-
Network	-	20	10
Total	10	40	10

● c.€8m synergies from Goldcar & Buchbinder

● Cost inflation: €30m in 2020:

- CO₂ emission taxes
- Minimum wage increases
- Operations: maintenance, car wash, repairs...

Urban mobility: Acceleration leveraging on the group capabilities

2019

2020



Active customers **250 K**



% of repeaters **74%**



RPU **Up**



Rides **273 K**



GMV per ride **Stable**



Drivers **2,700**



Utilization **65%**

Strong double digit growth of revenue:

Focus on Vehicule Sharing growth

- Acceleration of customer acquisition through centralization of online and performance marketing
- Increased pricing in most cities to drive higher value per booking and higher RPU
- Corporate car sharing growth acceleration leveraging Europcar Mobility Group corporate customer and SME database

Ride Hailing growth supported by leveraging Group customer base and International deployment in France, Spain & Germany

PHV growth driven by France fleet increase and launch in Spain Brunel international expansion expansion for B2B customers

Better costs absorption leading to a reduction of ~€10m of Corporate EBITDA losses:

- Increased productivity of network driven by tech and automation enhancements
- Fleet and Insurance cost reduction as part of Group synergies
- Ride-Hailing Business to reach breakeven end of Q1 2020

FOX acquisition creates growth opportunities

A compelling move for Europcar Mobility Group:

- Leading independent player in the US car rental market, present in **15** of the top **25** US airports, with a network of **21** corporate stations and affiliates at over **100** destinations
- Attractive value for money positioning, an average fleet of **18,100** cars
- A direct footprint in the US, the largest car rental market in the world
- Unique opportunity to acquire a US platform to progressively serve all the mobility needs of customers, and leverage our international network
- Will optimize group's direct sales channels, serve B2B customers (see comment) and help increase recurring revenue
- Significant growth opportunities and synergies through optimized fleet financing, renewed fleet and a greater ability to capture transatlantic business

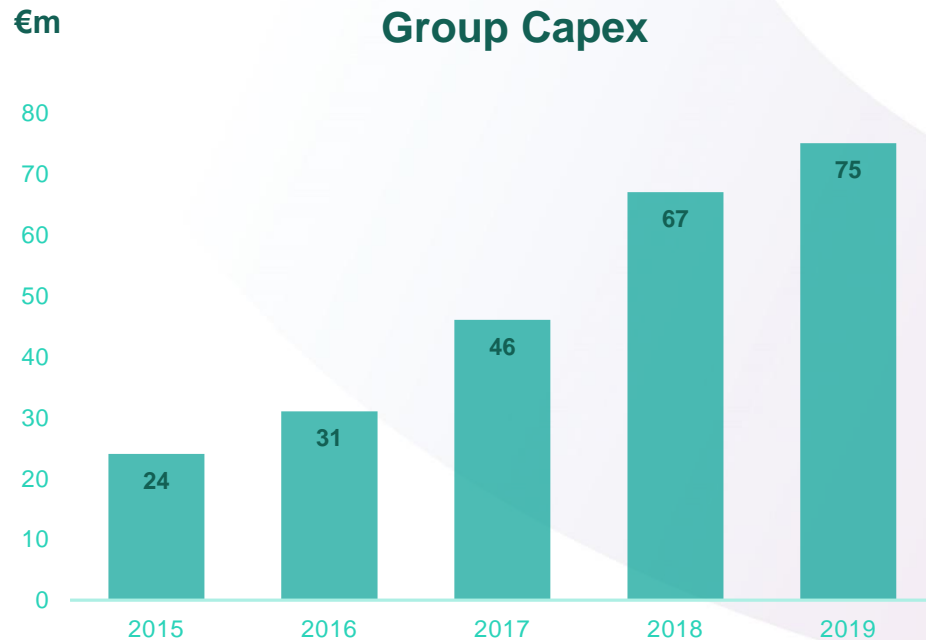
Financials:

- Total equity value of the transaction: **\$54.5m**
- Upfront equity consideration and net debt assumed totally **\$99m** by corporate debt & **1.5m** treasury shares
- **c.\$250m** revenue in 2019
- Impact on EPS: slightly dilutive in 2019, neutral in 2020, accretive as of 2021
- Limited **+0.2x** Net debt / Corporate EBITDA in 2019
- Deal completed 31 October 2019, 2 month consolidation in 2019

Invest in digital - core focus of capital allocation

In 2019 & 2020

- Change in the organization with two dedicated units: Tech & Product to accelerate digital development while managing core historical system
- Center of Excellence in Paris and Barcelona
- **70% to 80%** of capex dedicated to IT & Digitalization



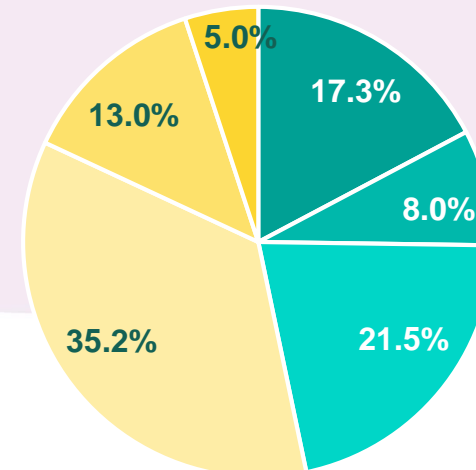
- Technology / Infra Enhancement
- Back office productivity
- Country productivity
- Digital Journey (customers & fleet)
- Business Customers initiatives
- EV & Others

Digitization

53%

Infrastructure / Productivity enhancement

47%



Guidance 2020

SALES

- **Quality revenue is our Top priority**
- Limited organic growth
- Strong double-digit growth of Urban Mobility
- Integration of Fox on 12 months

SOLID EARNINGS GROWTH

Increase in Corporate EBITDA including Urban Mobility and acquisitions in the range of €300-310m Including acquisitions realised in 2019 and Urban Mobility

- A positive but limited contribution of Fox consolidated on 12 months

Strong increase in net income

- Non-recurring expenses of c.€50m

FCF GENERATION

Corporate Operating Cash flow generation leading to a reduction in net debt; and a debt deleveraging by 0.4x

Capital allocation

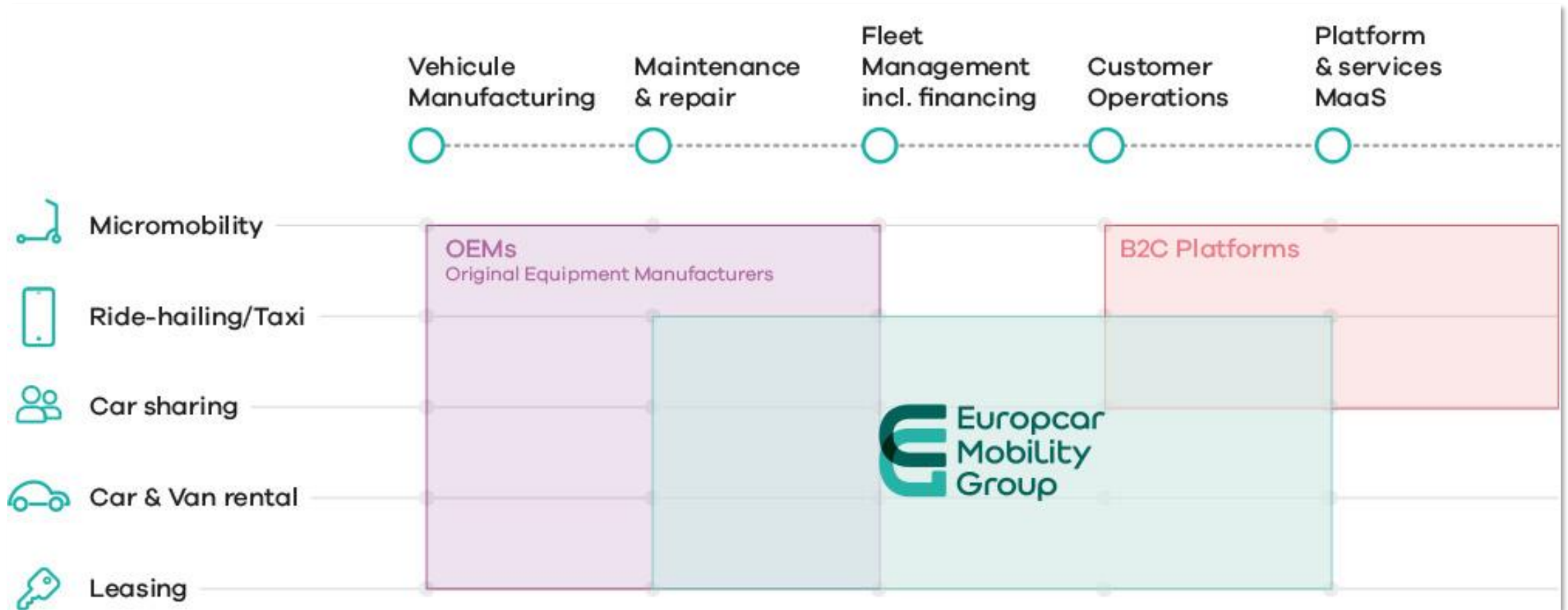
- **Dividend policy confirmed and no further share buy-back**
- **Further deleveraging with reduction in Corporate net debt**
- **No M&A**

04

CONCLUSION



We have a unique, central position in the mobility ecosystem



Our strategy towards our shift 2023 plan

Strategy based on offering alternative, attractive solutions to vehicle ownership

1

HOW?

By enlarging a broader range of our service mobility solutions

By digitizing our services, infrastructure & process
=> Profound Digital transformation

2

PAYBACK

Enhance value of our three critical assets: clients, fleet and employees

Increase recurring revenue with a re-balance between Leisure & Corporate

Scalability effect leading to a better cost structure absorption

Greater and recurring free cash flow generation

REDUCE EARNINGS VOLATILITY => INCREASE RETURN

05

APPENDIX



Net income impacted by lower revenues, higher investments in urban mobility and non-recurring items

	Incl. IFRS16	IFRS 16 impact	Excl. IFRS16		
All data in €m	2019	2019	2019	2018	Change
Total revenue	3 022.4	-	3 022.4	2 929.3	3.2%
Fleet holding costs, excluding estimated interest included in operating leases	(755.6)	(1.8)	(753.8)	(707.8)	6.5%
Fleet operating, rental and revenue related costs	(1 006.5)	38.3	(1 044.8)	(990.3)	5.5%
Margin after Variable costs	1 260.3	36.5	1 223.8	1 231.1	(0.6%)
Margin	41.7%		40.5%	42.0%	
Personnel costs	(522.3)	-	(522.3)	(500.3)	4.4%
Network and head office overhead	(240.9)	74.1	(315.0)	(294.3)	7.0%
Other income and expense	12.0	0.0	12.0	11.8	1.9%
Personnel costs, network and head office overhead, IT and other	(751.2)	74.1	(825.3)	(782.9)	5.4%
Net fleet financing expense	(67.9)	-	(67.9)	(65.8)	3.2%
Estimated interest included in operating leases	(52.4)	-	(52.4)	(55.2)	(5.1%)
Fleet financing expenses, including estimated interest included in operating leases	(120.2)	-	(120.2)	(121.0)	(0.6%)
Adjusted Corporate EBITDA including Urban Mobility	388.9	110.6	278.3	327.3	(15.0%)
Margin	12.9%		9.2%	11.2%	
Urban Mobility			(32.0)	(22.5)	
Adjusted Corporate EBITDA excluding Urban Mobility			310.3	349.8	(11.4%)
Margin			10.4%	12.1%	
Depreciation – excluding vehicle fleet	(151.5)	(103.6)	(48.0)	(44.4)	8.2%
Other operating income and expenses	(58.2)	-	(58.2)	20.4	
Other financing income and expense not related to the fleet	(116.4)	(15.2)	(101.2)	(110.6)	(8.4%)
Profit/loss before tax	62.7	(8.2)	70.8	192.7	(63.2%)
Income tax	(32.9)	-	(32.9)	(52.0)	(36.7%)
Share of profit/(loss) of associates	-	-	-	(1.3)	
Net profit/(loss)	29.8	(8.2)	38.0	139.4	(72.8%)

Impact of IFRS 16 on P&L:

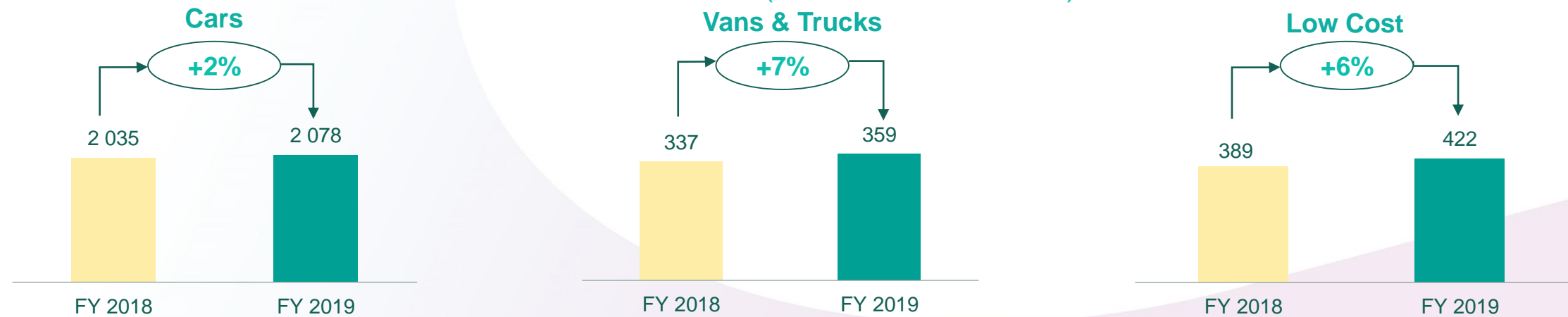
Impact on Corporate rents, reclassified below Adj. Corporate EBITDA in Depreciation and financing costs

Impact on Adj. Corp. EBITDA: **+€111m**

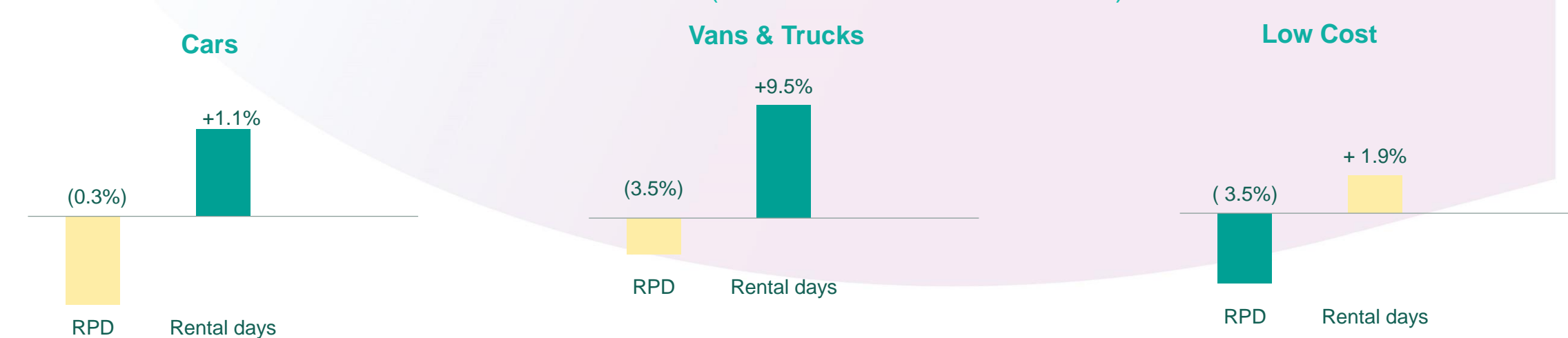
Impact on net profit: **-€8m**

2019 revenue by business unit

TOTAL REVENUE (€M AND % GROWTH)

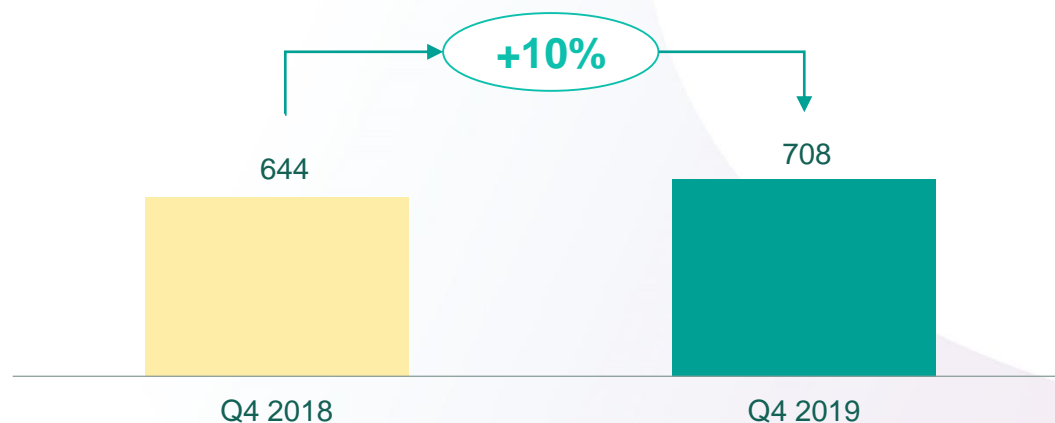


VOLUMES & PRICES (% YoY PROFORMA CHANGE)

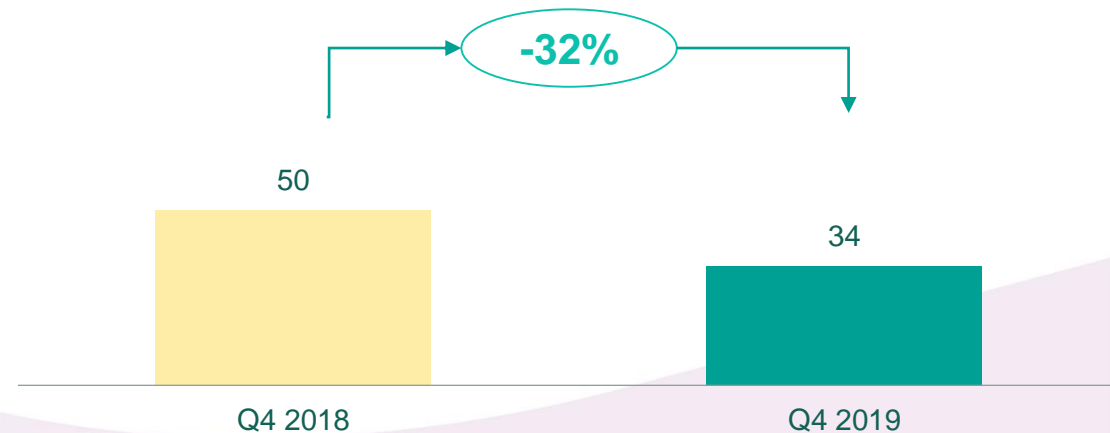


Q4 2019 key financials

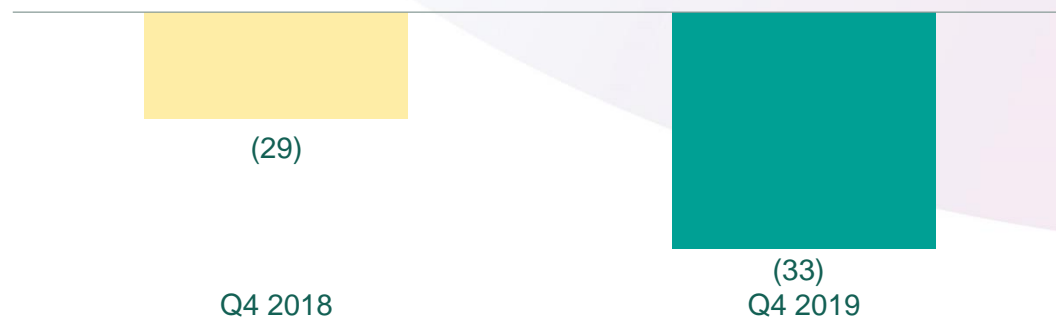
REVENUE (€M AND % GROWTH)



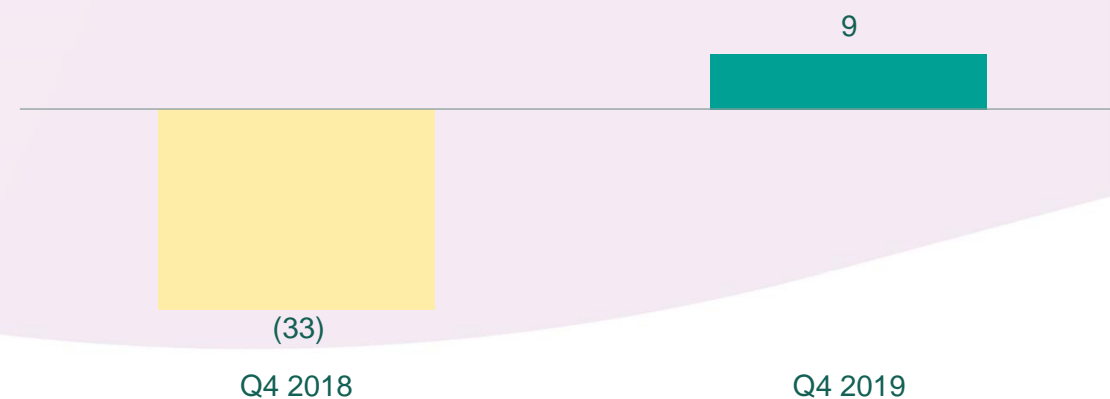
ADJUSTED CORPORATE EBITDA Excl. URBAN MOBILITY (€M)



NET INCOME (€M)



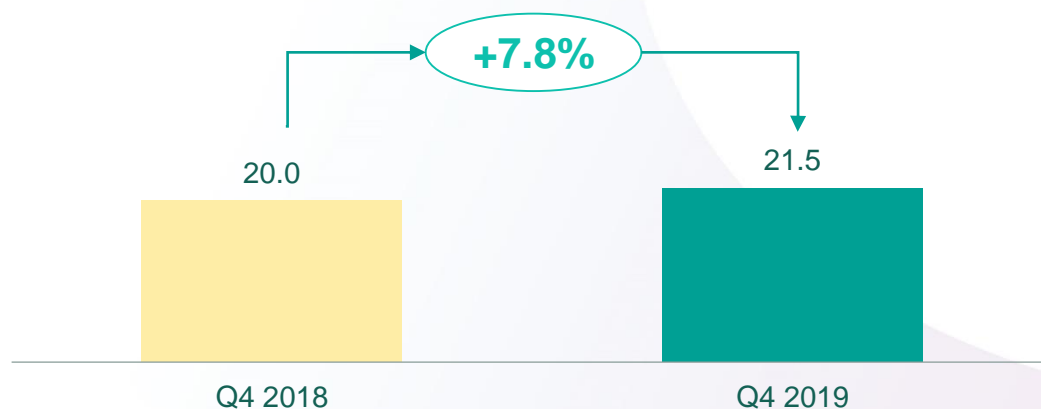
CORP OPERATING FREE CASH FLOW (€M)



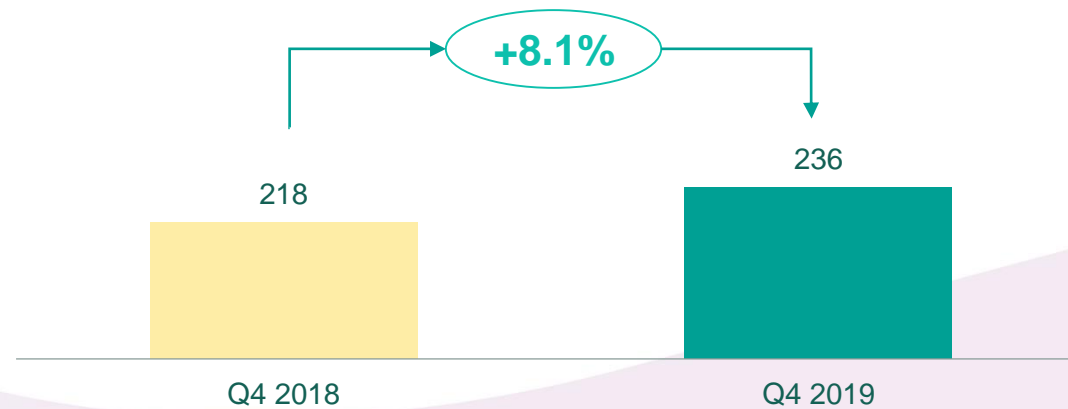
NOTES: REVENUE, ADJUSTED CORPORATE EBITDA ARE AT CONSTANT EXCHANGE RATE; NET INCOME AND CORPORATE OPERATING FREE CASH FLOW ARE REPORTED FIGURES.

Q4 2019 Operational KPIs

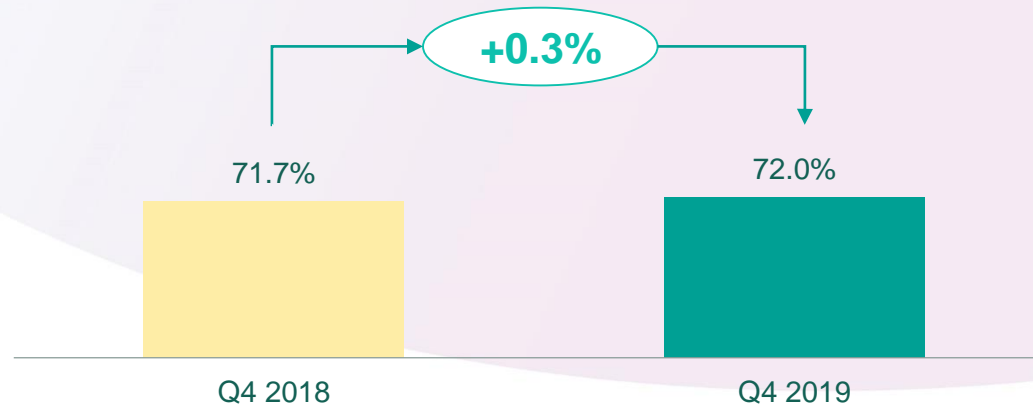
RENTAL DAY VOLUME (MILLION AND % GROWTH)



FLEET COSTS PER UNIT PER MONTH (€ AND % CHANGE)

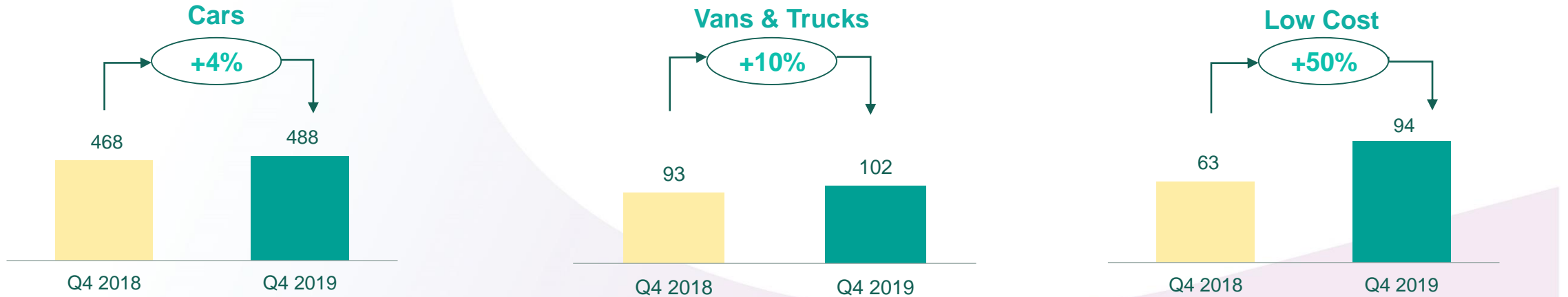


UTILIZATION RATE (% AND CHANGE IN BPS)

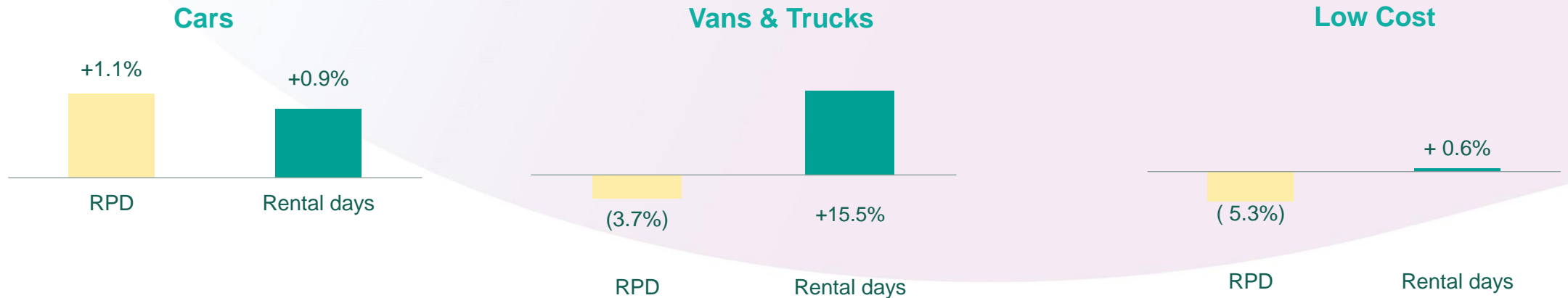


Q4 2019 Revenue by business unit

TOTAL REVENUE (€M AND % GROWTH)



Evolution of prices (RPD) & number of rental days (% YoY PRO-FORMA GROWTH)



Management P&L for 2019 (incl. and excl. IFRS 16)

	Incl. IFRS16	Excl. IFRS16	Excl. IFRS16	
All data in €m	2019		2018	Change
Revenues	3 022.4	3 022.4	2 929.3	3.2%
Fleet holding costs excluding estimated interest included in operating leases	(755.6)	(753.8)	(707.8)	6.5%
Fleet operating, rental, revenues and insurance-related costs	(1 006.5)	(1 044.8)	(990.3)	5.5%
Margin after variable costs	1 260.3	1 223.8	1 231.1	-0.6%
<i>in % of Revenue</i>	<i>41.7%</i>	<i>40.5%</i>	<i>42.0%</i>	
Personnel, network, IT and other HQ costs	(751.2)	(825.3)	(782.9)	5.4%
Fleet financing costs	(120.2)	(120.2)	(121.0)	-0.6%
Adjusted Corporate EBITDA	388.9	278.3	327.3	-15.0%
<i>Adjusted Corporate EBITDA Margin</i>	<i>12.9%</i>	<i>9.2%</i>	<i>11.2%</i>	

Management P&L for Q4 2019 (incl. and excl. IFRS 16)

	INCL. IFRS16	EXCL. IFRS16	EXCL. IFRS16	
All data in €m	Q4 2019	Q4 2019	Q4 2018	Change
Revenues	708	708	644	10.0%
Fleet holding costs excluding estimated interest included in operating leases	(184)	(188)	(166)	13.4%
Fleet operating, rental, revenues and insurance-related costs	(244)	(258)	(227)	13.6%
Margin after variable costs	279	262	251	4.4%
<i>in % of Revenue</i>	<i>39.4%</i>	<i>37.0%</i>	<i>39.0%</i>	<i>(2.0)pt</i>
Personnel, network, IT and other HQ costs	(189)	(202)	(181)	11.8%
Fleet financing costs	(30)	(30)	(30)	-0.6%
Adjusted Corporate EBITDA	60	29	39	-26.0%
<i>Adjusted Corporate EBITDA Margin</i>	<i>8.4%</i>	<i>4.1%</i>	<i>6.1%</i>	<i>(2.0)pt</i>

Key financial metrics for 2019

All data in €m, except if noted	2019	2018	Change
Revenues	3 022	2 929	3.2%
Rental Day Volume (million)	91.0	87.7	3.7%
Average duration (day)	6.7	6.5	3.3%
Average Fleet size* (thousand)	328.0	315.9	3.8%
Average Per unit fleet costs per month (€)	(229)	(226)	1.6%
Fleet utilization rate	76.0%	76.1%	
Adjusted Corporate EBITDA	278	327	-15.0%
<i>Adjusted Corporate EBITDA Margin</i>	9.2%	11.2%	
Adjusted Corporate EBITDA Excl. Urban Mobility	310	350	-11.4%
<i>Adjusted Corporate EBITDA Margin excl. Urban Mobility</i>	10.4%	12.1%	
Corporate Free Cash Flow	118	135	-12.2%
Operating Income IFRS	240	369	-34.9%
<i>of w/h proceed from the sale of Car2Go</i>		68	
Net Income IFRS	38	139	n.m
Corporate Net Debt at end of the period	880	795	

* Excluding urban mobility fleet

Key financial metrics for Q4 2019

All data in €m, except if noted	Q4 2019	Q4 2018	Change
Revenues	708	644	9.9%
Rental Day Volume (million)	21.5	20.0	7.8%
Average duration (day)	6.6	6.4	1.9%
Average Fleet (thousand)*	325.1	302.7	7.4%
Average Per unit fleet costs per month (€)	(236)	(218)	7.9%
Financial utilization rate	72.0%	71.7%	
Adjusted Corporate EBITDA	29	39	-25.9%
<i>Adjusted Corporate EBITDA Margin</i>	4.1%	6.1%	
Adjusted Corporate EBITDA Excl. Urban Mobility	34	50	-31.8%
<i>Adjusted Corporate EBITDA Margin Excl. Urban Mobility</i>	4.9%	7.9%	
Corporate Free Cash Flow	9	(33)	-128.8%
Operating Income IFRS	15	23	-33.1%
Net Income IFRS	(33)	(29)	n.m
Corporate Net Debt at end of the period	880	795	

* Excluding urban mobility fleet

IFRS P&L Q4 & FY 2019

Q4 2019	Q4 2018	All data in €m	2019	2018
707.7	643.6	Total revenue	3 022.4	2 929.3
(199.6)	(179.7)	Fleet holding costs	(806.2)	(763.0)
(258.0)	(227.1)	Fleet operating, rental and revenue related costs	(1 044.8)	(990.3)
(127.5)	(113.8)	Personnel costs	(522.3)	(500.3)
(80.8)	(69.1)	Network and head office overhead	(315.0)	(294.3)
6.0	2.0	Other income and expense	12.0	11.8
(14.9)	(12.7)	Depreciation – excluding vehicle fleet	(48.0)	(44.4)
32.9	43.4	Recurring operating income	298.2	348.7
(17.7)	(20.5)	Other non-recurring income and expenses	(58.2)	20.4
15.3	22.8	Operating income	240.0	369.1
(35.9)	(56.0)	Net financing costs	(169.1)	(176.4)
(20.7)	(33.2)	Profit/(loss) before tax	70.8	192.7
(12.8)	4.5	Income tax	(32.9)	(52.0)
0.2	(0.1)	Share of profit/(loss) of associates	-	(1.3)
(33.3)	(28.8)	Net profit/(loss)	38.0	139.4
-	(28.4)	Net profit/(loss) attributable to Europcar owners	-	139.5

Reconciliation Q4 & FY 2019

Incl. IFRS16	Excl. IFRS16	Excl. IFRS16		Incl. IFRS16	Excl. IFRS16	Excl. IFRS16
Q4 2019	Q4 2019	Q4 2018	All data in €m	2019	2019	2018
236.7	209.8	201.2	Adjusted Consolidated EBITDA	1 128.5	1 016.1	1 027.8
(140.7)	(79.5)	(61.4)	Fleet depreciation IFRS	(617.2)	(329.8)	(295.4)
(6.1)	(70.8)	(70.0)	Fleet depreciation included in operating lease rents	(2.3)	(287.8)	(284.2)
(146.8)	(150.4)	(131.4)	Total Fleet depreciation	(619.4)	(617.6)	(579.6)
(11.6)	(11.6)	(13.9)	Interest expense related to fleet operating leases (estimated)	(52.4)	(52.4)	(55.2)
(18.6)	(18.6)	(16.5)	Net fleet financing expenses	(67.9)	(67.9)	(65.8)
(30.2)	(30.2)	(30.4)	Total Fleet financing	(120.2)	(120.2)	(121.0)
59.7	29.2	39.4	Adjusted Corporate EBITDA	388.9	278.3	327.3
(38.7)	(14.9)	(12.7)	Amortization, depreciation and impairment expense	(151.5)	(48.0)	(44.4)
18.6	18.6	16.5	Reversal of Net fleet financing expenses	67.9	67.9	65.8
11.6	11.6	13.9	Reversal of Interest expense related to fleet operating leases (estimated)	52.4	52.4	55.2
51.1	44.5	57.1	Adjusted recurring operating income	357.6	350.5	403.9
(11.6)	(11.6)	(13.9)	Interest expense related to fleet operating leases (estimated)	(52.4)	(52.4)	(55.2)
39.5	32.8	43.3	Recurring operating income	305.2	298.2	348.7

Management cash flow in 2019

All data in €m	2019	2018
Adjusted Corporate EBITDA	278	328
Non-recurring expenses	(55)	(49)
Non-fleet capital expenditure (net of proceeds from disposals)	(75)	(67)
Changes in non-fleet working capital and provisions	1	(32)
Income tax paid	(30)	(46)
Corporate free cash flow	118	135
Cash interest paid on corporate High Yield bonds	(51)	(60)
Cash flow before change in fleet asset base, financing and other investing activities	67	75
Change in fleet asset base, net of drawings on fleet financing and others working capital facilities	497	76
Other investing activities	(104)	50
Capital increase and Share buy-back	(30)	(27)
Dividends	(39)	(24)
Change in Corporate High Yield	(150)	-
Transaction cost cash out and swap impact	(38)	(36)
Net change in cash before FX effect	202	113
Cash and cash equivalents at beginning of period	425	313
Scope variation	-	-
Effect of foreign exchange conversions	2	(1)
Cash and cash equivalents at end of period	628	425

Main impacts of IFRS 16 on FY 2019

P&L (in M€)	At December 31, 2018 as reported	At December 31, 2019 before New Standards	Application of IFRS 16	At December 31, 2019 as reported
Revenue	2 929	3 022		3 022
<i>Fleet, rental and revenue related costs</i>	(1 753)	(1 851)	39	(1 812)
<i>Personnel Costs</i>	(500)	(522)		(522)
<i>Network & HQ Costs</i>	(294)	(315)	74	(241)
<i>D&A and impairment</i>	(44)	(48)	(104)	(152)
<i>Other Income</i>	12	12		12
Current operating Income	349	298	9	308
Operating Income	369	240	9	249
Financial result	(176)	(169)	(18)	(187)
Profit before tax	193	71	(8)	63
Net income	139	38	(8)	30

Restatement of Adj Corporate EBITDA (in M€)	At December 31, 2018 as reported	At December 31, 2019 before New Standards	Application of IFRS 16	At December 31, 2019 as reported
Current operating Income	349	298	9	308
<i>D&A and Impairment</i>	44	48	104	152
<i>Net Fleet Financing expenses</i>	(66)	(68)	(3)	(70)
Adj. Corp. EBITDA calculated	327	278	110.6	389

Balance sheet in M€	December 30, 2019
Assets :	476
-Property, Plant & Equipment	347
- Rental Fleet in balance sheet	129
Liabilities :	485
- Liabilities linked to non-fleet leases	353
- Liabilities linked to fleet leases	132

IFRS 16 is the new standard on leases, with first application on January 1, 2019. All leases contracts are accounted in the balance sheet through an asset representing the “Right of Use” of the leased asset along the contract duration, and the corresponding liability, representing the lease payments obligation.

Europcar Mobility Group is using the simplified retrospective method, according to which there is no restatement of comparative periods.

Financing structure as of December 31, 2019

In € million	Pricing	Maturity	Dec. 31, 2018	Dec. 31, 2019
High Yield Senior Notes	4.125%	2024	600	600
High Yield Senior Notes	5.75%	2019	600	
High Yield Senior Notes	4.00%	2026		450
Senior Revolving Facility (€650m) & NEU CP (€450m)		2023	230	518
FCT Junior Notes, accrued interest not yet due, capitalized financing costs and other			(257)	(227)
Gross Corporate debt			1 173	1 341
Short-term Investments and Cash in operating and holding entities			(377)	(461)
Corporate Net Debt			795	880
In € million	Pricing	Maturity	Dec. 31, 2018	Dec. 31, 2019
High Yield EC Finance Notes	2.375%	2022	500	500
Senior asset revolving facility (€1.7bn SARF)	E+130bps	2022	557	1 134
FCT Junior Notes, accrued interest, financing capitalized costs and other			252	253
UK, Australia, GC ABB & other fleet financing facilities			1 265	1 572
Gross financial fleet debt			2 574	3 459
Cash held in fleet financing entities and ST fleet investments			(127)	(235)
Fleet net debt in Balance sheet			2 447	3 224
Debt equivalent of fleet operating leases			129	132
FLEET NET DEBT (incl. op leases)			2 576	3 356

IFRS balance sheet end of December 31, 2019

<i>In € thousands</i>	At Dec. 31, 2019 (*)	At Dec. 31, 2019 before IFRS 16	At Dec. 31, 2018
Assets			
Goodwill	1 169 740	1 169 740	1 029 845
Intangible assets	1 016 084	1 016 084	986 016
Property, plant and equipment	518 346	171 544	159 247
Other non-current financial assets	73 905	73 905	66 012
Financial instruments non-current	0	0	1 544
Deferred tax assets	119 740	119 740	58 209
Total non-current assets	2 897 815	2 551 013	2 300 873
Inventory	29 563	29 563	26 536
Rental fleet recorded on the balance sheet	3 210 147	3 080 646	2 434 448
Rental fleet and related receivables	966 423	966 423	753 370
Trade and other receivables	487 618	487 618	481 264
Current financial assets	14 844	14 844	11 970
Current tax assets	34 023	34 023	37 547
Restricted cash	116 518	116 518	90 490
Cash and cash equivalents	527 019	527 019	358 138
Total current assets	5 386 155	5 256 654	4 193 763
Total assets	8 283 970	7 807 667	6 494 636

Equity

Share capital	163 884	163 884	161 031
Share premium	701 229	701 229	692 255
Reserves	(199 924)	(199 924)	(165 487)
Retained earnings (losses)	171 992	180 338	201 417
Total equity attributable to the owners of Europcar Mobility Group	837 181	845 527	889 216
Non-controlling interests	643	643	651
Total equity	837 824	846 170	889 867
Liabilities			
Financial liabilities	1 812 604	1 812 604	1 740 667
Non-current liabilities related to leases	292 174	0	0
Non-current financial instruments	64 161	64 161	60 415
Employee benefit liabilities	161 565	161 565	142 358
Non-current provisions	5 132	5 132	2 925
Deferred tax liabilities	212 046	212 046	173 799
Other non-current liabilities	159	159	220
Total non-current liabilities	2 547 841	2 255 667	2 120 384
Current portion of financial liabilities	2 994 090	2 994 090	2 006 533
Current liabilities related to leases	192 475	0	0
Employee benefits	3 275	3 275	3 192
Current provisions	219 950	219 950	220 893
Current tax liabilities	46 494	46 494	23 025
Rental fleet related payables	813 128	813 128	644 169
Trade payables and other liabilities	628 893	628 893	586 573
Total current liabilities	4 898 305	4 705 830	3 484 385
Total liabilities	7 446 146	6 961 497	5 604 769
Total equity and liabilities	8 283 970	7 807 667	6 494 636

IFRS Cash Flow 2019

<i>In € thousands</i>	<i>FY 2019 (*)</i>	<i>FY 2019 before IFRS 16</i>	<i>FY 2018</i>
Profit/(loss) before tax	62 500	70 845	192 705
Reversal of the following items			
Depreciation and impairment expenses on property, plant and equipment (1)	125 747	22 192	20 424
Amortization and impairment expenses on intangible assets	25 198	25 198	23 939
Impairment of assets	593	593	9 981
Changes in provisions and employee benefits (2)	(7 183)	(7 183)	(13 233)
Recognition of share-based payments	688	688	2 495
Profit/(loss) on disposal of assets (3)	(1 214)	(1 214)	(68 806)
Other non-cash items	4 592	4 592	5 809
Total net interest costs(4)	154 909	137 128	137 492
Amortization of transaction costs	16 448	16 448	16 577
Net financing costs	171 357	153 576	154 069
Net cash from operations before changes in working capital	382 278	269 287	327 383
Changes to the rental fleet recorded on the balance sheet (5)	(331 373)	(379 895)	(104 020)
Changes in fleet working capital	(27 953)	(27 953)	(51 156)
Changes in non-fleet working capital	10 137	10 137	(15 835)
Cash generated from operations	33 089	(128 424)	156 372
Income taxes received/paid	(29 919)	(29 919)	(46 109)
Net interest paid	(135 485)	(135 485)	(138 283)
Net cash generated from (used by) operating activities	(132 315)	(293 828)	(29 029)
Acquisition of intangible assets and property, plant and equipment (6)	(84 454)	(84 454)	(73 132)
Proceeds from disposal of intangible assets and property, plant and equipment	9 030	9 030	6 529
Proceeds from disposal of subsidiaries (7)	1 499	1 499	70 000
Acquisition of subsidiaries, net of cash acquired and other financial investments (8)	(106 968)	(106 968)	(20 740)
Net cash used by investing activities	(180 893)	(180 893)	(17 343)
Capital increase (net of related expenses) (9)	11 827	11 827	-
Special distribution and dividends paid	(39 479)	(39 479)	(24 229)
(Purchases) / Sales of treasury shares net	(42 402)	(42 402)	(29 883)
Derivative instruments	-	-	(6 083)
Issuance of bonds (10)	(150 000)	(150 000)	148 500
Change in other borrowings (11)	905 170	905 170	85 322
Change in rental debts (12)	(161 511)	-	-
Payment of transaction costs (13)	(8 909)	(8 909)	(15 084)
Net cash generated from (used by) financing activities	514 696	676 207	158 543
Cash and cash equivalent at beginning of period	424 986	424 986	313 251
Net increase/(decrease) in cash and cash equivalents after effect of foreign exchange differences	201 488	201 488	113 181
Changes in scope	-	-	-
Effect of foreign exchange differences	1 681	1 681	(1 446)
Cash and cash equivalents at end of period	628 155	628 155	424 986

(1) In 2019, the variation includes €103.6 million for the depreciation of the right of use of property assets within the scope of IFRS 16.

(2) In 2019, the variation is mainly explained by the change in the insurance provision for €(2.4) million, in the "buy-back" provision for €(2.6) million and benefit employee provision for €(1) million. In 2018, the variation mainly includes payments related to some litigations in France for €10 million.

(3) In 2018 mainly related to the profit on the sale of Car2Go.

(4) In 2019, the variation includes €17.8 million for the depreciation of the right of use of leased assets within the scope of IFRS 16.

(5) Given the average holding period for the fleet, the Group reports vehicles as current assets at the beginning of the contract. Their change from period to period is therefore similar to operating flows generated by the activity. In 2019, the variation includes the change in right of use of the fleet within the scope of IFRS 16 for an amount of €48.5 million.

(6) Mainly related to IT developments for €(39) million and equipment renewal for €(28.8) million.

(7) The variation relates to the sale of the investment in SnappCar in 2019 and the sale of Car2Go in 2018.

(8) In 2019, the change is mainly related to the acquisition by the Group of its Finnish and Norwegian franchisees for €37.8 million and Fox Rent A Car for €49 million.

(9) In 2019, the variation includes the impact of the capital increase reserved for employees of the group ("we Share 2019" Plan). Refer to Note 1.2.3.

(10) In 2019, the change is mainly related to the issuance of €450 million of Senior Notes at a rate of 4%, which mature in 2026 and the early reimbursement of €600 million of existing Senior Notes, at a rate of 5.750% that mature in 2022. In 2018, the change is mainly due to the launch of a Senior Secured Notes at a rate of 2.375% of an amount of 150 million euros maturing in 2022.

(11) In 2019, primarily related to changes in the Senior Credit Facility, Revolving Credit Facility and Commercial Papers. Refer to Note 8 for more detail.

(12) In 2019 and following the implementation of IFRS 16, the variation includes €49 million due to change in liability under the fleet lease agreements and €112.5 million due to change in liability under non-fleet lease agreements.

(13) In 2019, the variation is primarily due to transaction costs, of which €(4.7) million relate to the new issuance of Senior Notes for €450 million and the renewal of the Revolving Credit Facility for €(2.4) million. In 2018, payment of transaction costs including €(4.2) million related to SARF, €(0.2) million of initial costs related to the revolving credit facility, €(1.3) million related to the bridging loan, €(0.6) million related to the new €150 million bond issue and €(2.6) million related to other loans.

(*) *The financial statements as of December 31, 2019 are established by applying IFRS 16 (using the modified retrospective approach without restatement of the previous year).*

GLOSSARY (1/3)

Business customers: include corporations, small and medium-sized businesses, government agencies and other organizations which rent cars as well as entities renting cars to provide vehicle replacement services

Corporate countries: countries where Europcar owns and operates its own network, where corporate-operated stations are located (Germany, UK, France, Italy, Spain, Portugal, Belgium and Australia/New Zealand)

Adjusted Corporate EBITDA: EBITDA less fleet depreciation, fleet operating lease rents and fleet financing costs

Fleet: all vehicles operated by the car rental company available or not for rent which includes cars and vans

Fleet Cost per Unit per month: defined as total monthly fleet costs (including fleet holding and fleet operating costs but excluding financial interests) divided by the average fleet over the period

Fleet holding costs: include (A) Costs related to rental fleet agreements, which consist of (i) “depreciation” expense relating both to vehicles purchased with manufacturer or dealer buy-back commitments and to “at risk” vehicles (based, with respect to vehicles purchased with a buy-back commitment, on monthly depreciation rates negotiated under the buy-back agreements, net of volume rebates, and with respect to “at risk” vehicles, to the difference between the acquisition cost of the vehicles and the estimated residual value, the value of “at risk” vehicles being adjusted monthly on the basis of the vehicles’ market values) and (ii) charges under operating leases; (B) Acquisition and sale-related costs, which include principally (i) the cost of vehicle accessories; (ii) costs relating to the conditioning of new vehicles; and (iii) costs relating to disposal of used vehicles and of vehicles purchased in connection with buy-back programs; and (C) Taxes on vehicles.

GLOSSARY (2/3)

Fleet operating, rental and revenue related costs: include (A) Fleet operating costs, which include repairs and maintenance costs and costs incurred for damaged and stolen cars, as well as the costs of reconditioning vehicles for repurchase by the car manufacturer or dealer; (B) insurance (the costs of car insurance covering civil liability and damage to vehicles, as well as self-insurance costs); (C) Revenue-related commissions and fees, which include commissions paid to agents, such as personnel costs and station overhead (excluding vehicle fleet), as well as commissions paid to travel agents, brokers and other commercial partners and fees and taxes paid for airport and train station concessions; and (D) Rental related costs, which include the cost of transferring vehicles from one site to another, vehicle washing costs and fuel costs.

Fleet financial utilization rate: number of actual rental days as a percentage of the theoretical total potential number of days of the fleet. The theoretical total potential number of days of the fleet is equal to the number of vehicles held over the period, multiplied by the total number of days in the period

Franchising: arrangement where the franchiser grants the franchisee the right to use its trademark or trade-name as well as certain business systems and processes, to produce and market a good or services according to certain specifications. In exchange, the franchisee usually pays the franchiser an entry fee plus a percentage of sales revenues as royalty

GDS (Global Distribution System): computerized reservations systems operated by third parties and used by intermediaries such as travel agents and travel operators to make reservations with the Europcar Network

GSA (General Sales Agent): general sales representative that promotes and sells the services offered by Europcar in a specific country or region in consideration of a commission

GreenWay® system: software application, owned by Europcar, offering a comprehensive business solution mainly in the areas of fleet management, e-commerce, reservations and global distribution systems and rental operations

Leisure customers: include not only individual travelers booking vacation car rentals but also people renting to meet other personal needs

GLOSSARY (3/3)

- **Loan to value:** corresponds to the indebtedness of Securitifleet Holding, the Securitifleet Companies and EC Finance Plc divided by the total value of the net assets on the balance sheets of these companies.
- **Margin after variable costs (MAVC):** corresponds to the total revenues less Fleet holding costs and Fleet operating, rental and revenue related costs
- **Net rates:** brokers selling at any price, ie brokers revenue is the gap between Europcar's selling price and their selling price (usually offered to TOs for package, brokers with Keddy and destinations where brokers are more present than Europcar)
- **Operating lease vehicle:** agreement by which a vehicle is leased to a car rental company, which pays periodically on a relatively short-term basis; at the end of the operating lease, title does not pass to the car rental company
- **Rental Day Volume:** number of vehicles rented over a period of time
- **RCM:** Revenue Capacity Management
- **Retail rates:** Europcar setting the price and paying a commission to brokers preventing them from selling at a lower price than Europcar's
- **RPD (Revenue Per Day):** rental revenue divided by the Rental Day Volume
- **Vehicle replacement:** business involving principally the rental of cars to individuals whose rental charges are wholly or partially paid or reimbursed, by insurance companies, vehicle leasing companies and vehicle dealers and other entities offering vehicle replacement services, with whom Europcar has a direct contractual relationship