

# Q1 2021 RESULTS

MAY 6<sup>th</sup>, 2021

• **Europcar**  
moving your way

• **GOLDCAR**



•  **ubeeqo**



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# AGENDA

01 Q1 2021 HIGHLIGHTS

02 UPDATE ON TRAVEL & LEISURE CONTEXT

03 UPDATE ON “CONNECT” ROLLOUT

04 Q1 2021 RESULTS

05 OUTLOOK



01

**Q1 2021**

**HIGHLIGHTS**

# Key highlights of Q1 2021

## **BUSINESS: A CONTRASTED PICTURE**

- Lockdowns and travel restrictions still heavily impacting revenue **YET**
- Strong domestic rebound in the US, Australia & New Zealand
- Very good overall performance in “Vans & Trucks”
- Solid resilience in European domestic markets

## **LOWERED BREAK-EVEN POINT:**

- 2020 fixed cost base program paying-off, secured for 2021, with greatly increased agility
- Capacity to further adapt variable and network cost base to business level

## **CONNECT PLAN:**

- New go-to-market approaches implemented (new Top line reporting by Service Line reflecting Connect plan)
- Successful launch of new services & solutions, which meet customers' demand and expectations

## **CONTINUOUS IMPROVEMENT IN TERMS OF CASH MANAGEMENT**

# Reduced losses at Corp. EBITDA and limited cash consumption in **Q1 2021** in spite of the covid context: an outstanding performance

## REVENUE: €356M

- **-35.8%** on proforma basis\*, with strong decrease in international demand & more resilient domestic demand
- V&T record remarkable performance (+7.6%\* vs Q1 2020), thanks to solid appetite from Corporate / home delivery

## ADJUSTING THE COST BASE REMAINED ONE OF THE GROUP'S TOP FOCUS:

- Continued fleet adaptation to the business volumes
- Cost measures adaptation to face with the deteriorated environment

## LIMITED LOSSES AT CORPORATE EBITDA (IFRS 16): **-€44M IN Q1 2021**

(VS -€64M IN Q1 2020 & -€14M IN Q1 2019\*\*). First quarter usually cash-out quarter due to business seasonality

## CORPORATE OPERATING CASH FLOW: **-€100M in Q1 2021 versus -€136M in Q1 2020**





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## **UPDATE ON TRAVEL & LEISURE CONTEXT**

# Travel & Leisure: a contrasted picture

IN H1 2021, NO LONG-HAUL RESTART YET...

## EUROPE

Global sanitary situation progressively improving, vaccination campaigns slower than planned  
Lockdowns, travel restrictions and stringent sanitary constraints still in place

→ Domestic + Vans & Trucks revenue mainly

## US, AUSTRALIA & NEW ZEALAND

Impact of vaccination campaigns  
Bookings data improving daily, in line with the recovery of domestic airline traffic

→ Strong rebound at the end of Q1 2021

SOME UNCERTAINTIES STILL AHEAD  
BUT REASONS TO BE - REASONABLY – OPTIMISTIC





# 03

## UPDATE ON “CONNECT” ROLLOUT

# Continued impact of the pandemic on Q1 2021 revenue but also solid performance in domestic markets

## LEISURE Service Line



## PROFESSIONAL Service Line



## PROXIMITY Service Line



## VANS & TRUCKS



Rental  
revenue

€87m  
- 53%

€130m  
- 31%

€39m  
- 48%

€85m  
+ 8%

Q1 2021 REVENUE  
€356m, -36%

Jan. 2021 -44%  
Feb. 2021 -45%  
March 2021 -11%

vs Q1 2020 where the pandemic started mid-March

of w/h €341m rental revenue, -35%

# “CONNECT”: Acceleration of group’s transformation in Q1 2021

## Q1 2021

Implementation of new go-to-market approaches, by Service Line  
Launch of 3 new subscription solutions: “Flex”, “Superflex” and “Duo Flex”  
“One Connected Fleet”: strategic partnership with Free2Move - Stellantis Group  
Final steps before the launch of the Group’s new unified IT system in Portugal



## MID TO LONG-TERM

RE-BALANCING OF REVENUE STREAMS AND SEASONALITY

LEANER ORGANIZATION AND OPERATIONS,  
PAVING THE WAY FOR ENHANCED COST EFFICIENCY / PROFITABILITY &  
IMPROVED FCF GENERATION

DIGITIZATION OF CUSTOMER JOURNEY AND OPERATIONS, AT SCALE

# Successful launch of “FLEX”, Subscription solutions for professionals

A comprehensive portfolio of subscription solutions, for all business sizes, which combines the flexibility of vehicle rental with all the benefits of vehicle leasing & financing, without the hassle



## From 1 month

### Our most flexible proposition

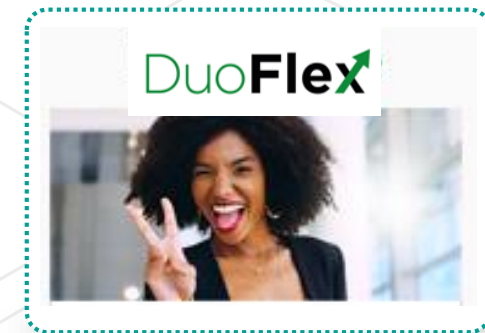
- 1 month commitment
- + pricing per day after that
- No max duration



## From 3 months

### Our core proposition

- Starting at 3 months, monthly rates
- Recalculation of the rate in case of early exit / or penalty



## From 1 month

### Innovative “dual” subscription model

- Monthly rental + 4 days in a different category
- Ideal for testing new green mobility solutions

Strong increase in leads in March 2021: **+76%** vs Feb. 2021 since global launch

New solutions leads: **70%** of the total leads



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## Q1 2021 RESULTS



# Reduced losses at Corporate EBITDA in Q1 2021: a strong performance

## Corp. EBITDA

All data in €m	Q1 2021	Q1 2020	% Change at constant perimeter and currency	Q1 2019	% Change at constant perimeter
<b>Total revenue</b>	<b>355.7</b>	<b>556.9</b>	<b>-35.8%</b>	<b>619.4</b>	<b>-42.6%</b>
Average fleet size ('000)	187.3	293.0	-36.1%	292.8	-36.0%
Rental days volume (in Million)	11.6	17.4	-33.3%	19.0	-39.0%
Utilization rate	69.9%	66.4%	+3.5pt	73.5%	(3.6)pt
Fleet holding costs	(114.3)	(184.2)	37.6%	(177.6)	35.6%
Variable costs	(131.6)	(211.6)	37.4%	(219.9)	40.2%
<b>Total fleet costs &amp; variable costs</b>	<b>(245.9)</b>	<b>(395.7)</b>	<b>37.5%</b>	<b>(397.5)</b>	<b>38.1%</b>
Sales and marketing expenses	(1.9)	(8.2)	76.1%	(9.5)	79.6%
Fleet financing costs	(22.6)	(30.5)	25.1%	(32.7)	30.9%
<b>Margin after Direct costs</b>	<b>85.3</b>	<b>122.5</b>	<b>-30.4%</b>	<b>179.7</b>	<b>-52.5%</b>
<b>In % of revenue</b>	<b>24.0%</b>	<b>22.0%</b>	<b>+1.9pt</b>	<b>29.0%</b>	<b>(5.0)pt</b>
Network	(60.0)	(101.4)	40.3%	(102.2)	41.3%
HQ Costs	(69.8)	(85.2)	17.9%	(92.0)	24.2%
<b>Fixed and semi-fixed costs</b>	<b>(129.7)</b>	<b>(186.6)</b>	<b>30.0%</b>	<b>(194.2)</b>	<b>33.2%</b>
<b>Adjusted Corporate EBITDA (IFRS 16)</b>	<b>(44.4)</b>	<b>(64.1)</b>		<b>(14.5)</b>	

### MADC:

A lower profitability in Q1 2021 vs Q1 2019 due to product mix resulting in downward pricing but

An improvement vs Q1 2020, reflecting the continued fleet adaptation to the business volumes (with an improved utilization rate), resulting in a good control of variable & flex costs: -38%

Fleet financing costs: slight increase of financing costs in addition to higher proportion of V&T vehicles

### Outstanding performance at Corporate EBITDA: removing 30% of fixed and semi-fixed costs

- Strong reduction in HQs fixed costs: lowered breakeven point
- Network: continued adaptation on activity levels incl. furlough measures (semi-fixed costs i.e. depending on activity level)

Q1 2019: Proforma basis i.e. at constant perimeter: includes in 2020 and 2019 acquisitions of Fox consolidated in November 2019 and franchisees in Norway & Finland consolidated in July 2019. Non-audited figures

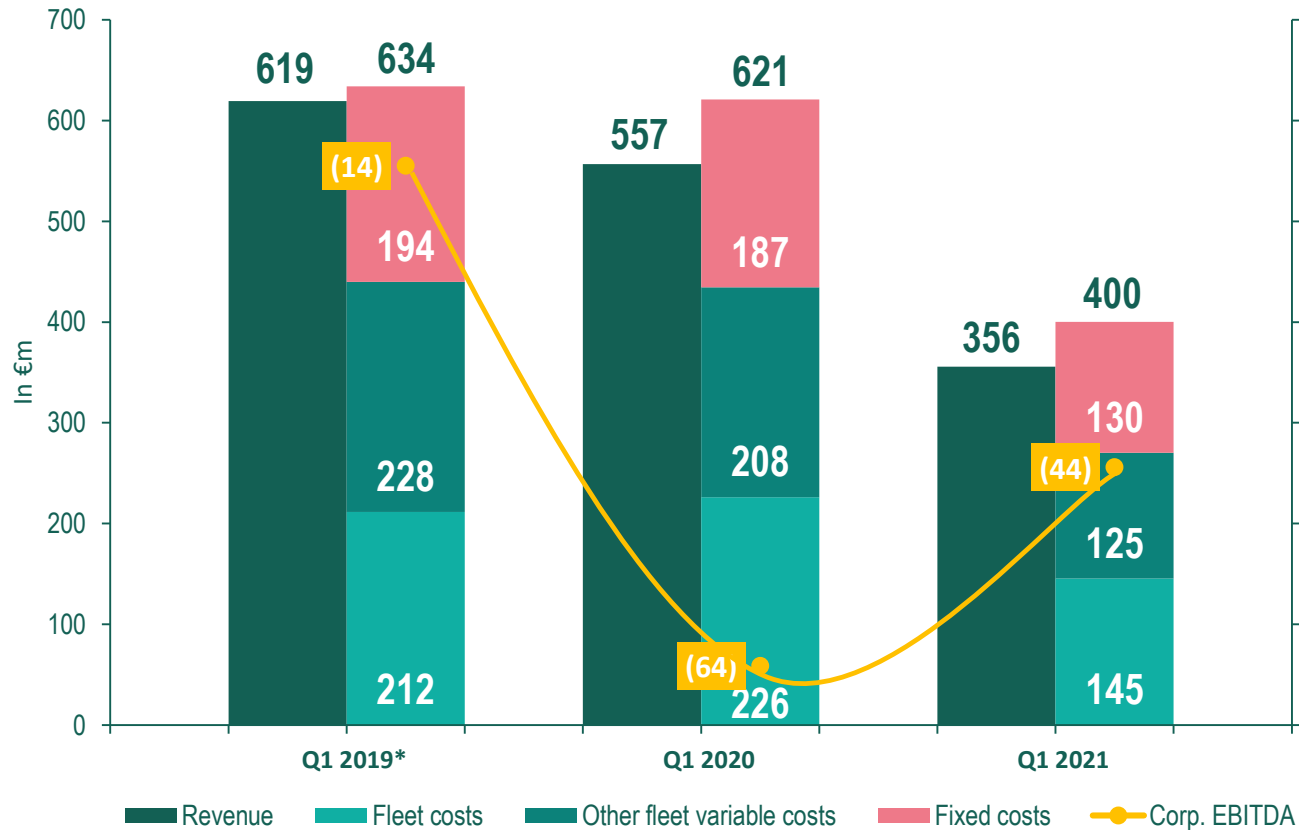
Variable costs: Revenue related costs, fleet operating costs and insurance

MADC (Margin after Direct costs): MAVC - Sales & Marketing - fleet financing costs



# Strict cost control has paid off: 11% fall-through in Q1 2021 versus Q1 2019

## Revenue Costs



## Corp. EBITDA

## A well-managed cost base in Q1 2021:

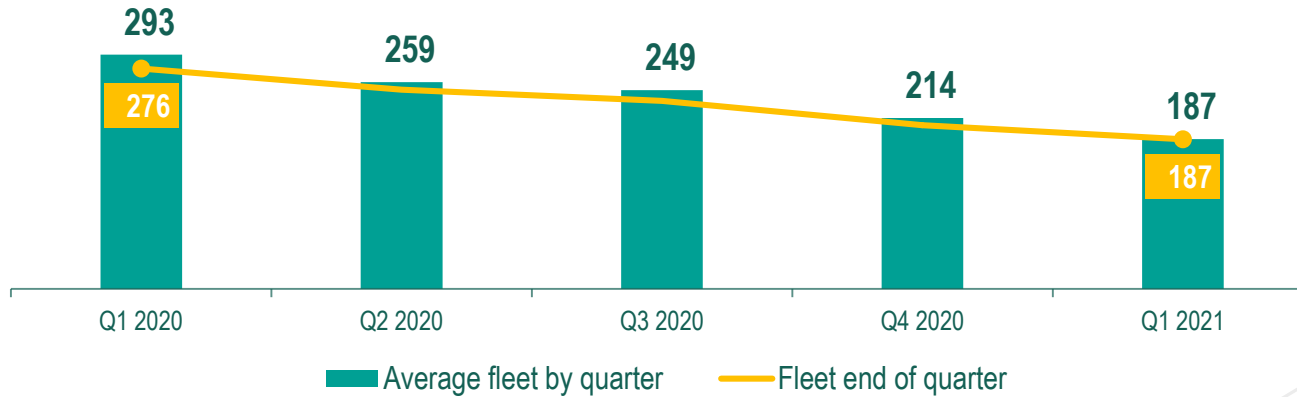
- Continuing sustained efforts to adapt the cost base to revenue level, reflecting the high level of operational flexibility, and in particular on fleet
- Hence, lower losses at Corp. EBITDA vs Q1 2020 despite significantly lower revenue
- Substantial fixed cost reduction (Network & HQs): -33% in Q1 2021 compared to Q1 2019

Corporate EBITDA decrease of ~€30M compared to a drop of ~€260M in revenue vs Q1 2019, i.e. **11% fall-through in Q1 2021 vs Q1 2019**

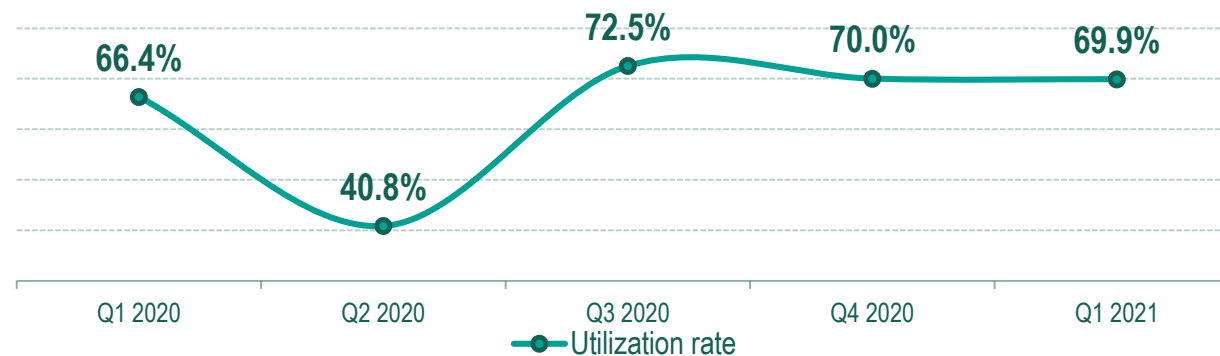
\* Proforma basis i.e. at constant perimeter: includes in 2020 and 2019 acquisitions of Fox consolidated in November 2019 and franchisees in Norway & Finland consolidated in July 2019.  
Non-audited figures  
Figures are under IFRS 16

# Alignment of variable costs: drastic reduction of the fleet size thanks to Group's flex buy-back model: an outstanding achievement

Quarterly evolution of the fleet – YoY



Utilization rate by quarter



Substantial reduction of fleet, quickly executed:

- -36% YoY on average vs Q1 2020
- -36% on average vs Q1 2019 proforma

Outstanding fleet management and flexible model led to a sharp improvement in utilization rate: well above Q1 2020 levels in Q1 2021: **69.9% vs 66.4%, close to Q1 2019 at 73.5%**

Monitoring closely the shortage of semiconductor components

# P&L in Q1 2021: from Corporate EBITDA to net profit (IFRS 16)

All data in €m	Q1 2021	Q1 2020	Q1 2019
<b>Adjusted Corporate EBITDA (IFRS 16)</b>	<b>(44.4)</b>	<b>(64.1)</b>	<b>(14.5)</b>
Depreciation – excluding vehicle fleet	(35.7)	(37.1)	(37.5)
Non-recurring income and expense	(8.8)	(7.0)	(12.1)
Other financing income and expense not related to the fleet	(16.7)	(26.8)	(30.0)
Net financial restructuring costs	23.6	-	-
of w/h non-recurring impact	(12.3)	-	-
of w/h financial result impact (IFRIC 19 & Transaction costs)	35.9	-	-
<b>Income before taxes</b>	<b>(82.1)</b>	<b>(135.1)</b>	<b>(94.1)</b>
Income tax	5.4	30.1	23.8
Share of profit/(loss) of associates	-	-	(0.1)
<b>Net profit/(loss) excl. IFRS 16</b>	<b>(78.0)</b>	<b>(103.2)</b>	<b>(66.7)</b>
<b>Net profit/(loss) incl. IFRS 16</b>	<b>(76.7)</b>	<b>(105.0)</b>	<b>(70.4)</b>

**Non-recurring charges:** continuation of Reboot plan initiated in 2020

**Financing income and expenses not related to the fleet:** down -37%\* versus Q1 2020, mainly coming from the removal of Corporate bonds, as part of the financial restructuring, partially offset by new interest on state guaranteed loan

**Net financial restructuring income:** +€24m of which -€12M restructuring fees (accounted in the P&L) and +€36M non-cash income (of w/h +€48m booked under IFRIC 19 accounting standards, related to the difference between the book value and value of the debt converted into equity instruments)

**Pretax:** sharp reduction in losses

**Tax:** lower activation of taxes losses carry-forward compared to the same period last year

# Well-managed Corporate FCF generation in Q1 2021

€m	Q1 2021	Q1 2020	Q1 2019
<b>Adj. Corp. EBITDA incl. IFRS 16</b>	<b>(44.4)</b>	<b>(64.1)</b>	<b>(13.7)</b>
Lease liability repayment (IFRS 16 Impact)	(26.3)	(27.0)	(24.8)
Non recurring expenses	(8.8)	(7.0)	(12.1)
Non-fleet capex	(12.3)	(13.9)	(18.5)
Change in NFWC	6.1	(2.7)	0.9
Change in provisions	(11.4)	(18.1)	(11.6)
Income tax paid	(2.9)	(3.2)	1.1
<b>Corporate Operating cash flow</b>	<b>(100.0)</b>	<b>(136.1)</b>	<b>(78.7)</b>

## Versus Q1 2020

### Significant improvement in Corporate Operating cash flow

- Non-recurring expenses limited to re-organization plan
- Selective capex spending
- WC: Strong focus on cash collection

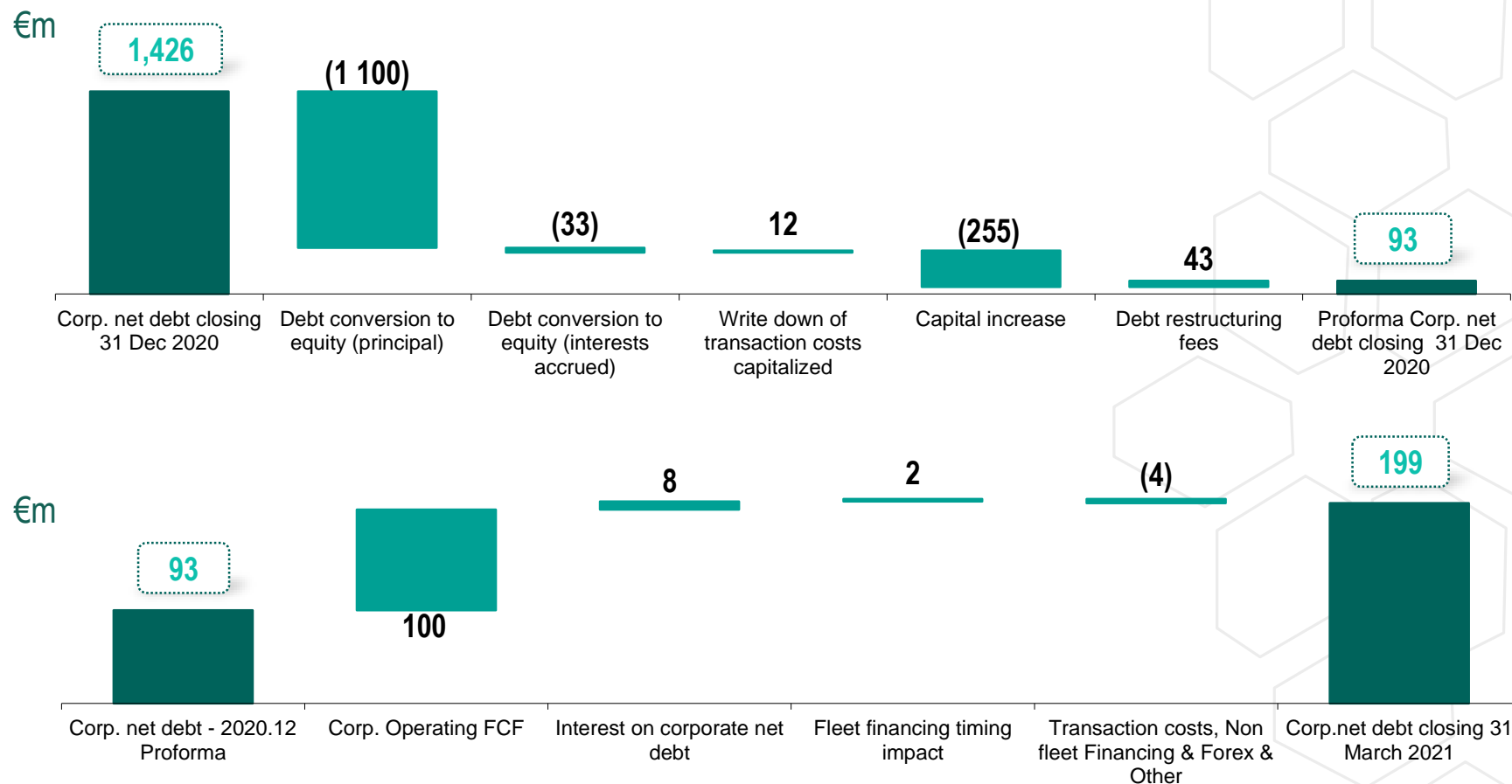
## Versus Q1 2019

### A limited decline in Corporate Operating cash flow to ~€20m in the context of:

- ~€260m lost revenue
- ~€30m lost Corporate EBITDA

**First quarter structurally cash consuming** given the seasonality of the business and Q1 2021 the peak of cash burn for 2021 forecast\*

# Corporate net debt as at 31 March 2021: €199M



Capital structure **fully reshaped** following financial restructuring

Robust liquidity\*: **€515M**

New liquidity fleet financing: **€225M**

Interest on Corporate net debt: includes States guaranteed Loans and RCF

Others includes investing activities, sell/purchase of treasury shares, transaction costs, non-fleet financing Forex & others

\* Reported short-term investments & cash in operating & holding entities & other



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## CONCLUSION



# OUTLOOK

| **Q2 2021** still impacted by the pandemic

| Cautious view on **H2 2021**:

- Speed of the vaccine campaign rollout and travel restrictions in Europe
- Limited long-haul flights

**Hence the Group is not yet in a position to provide guidance for the FY 2021**

| Nevertheless, **the Group confirms it is confident that 2021 revenues will increase compared to 2020:**

- The current rebound in the US, in Australia & New Zealand gives positive perspectives regarding the European restart
- Resilient domestic revenue generation driven by Vans & Trucks and first positive intake for new service solutions within Professional Services line

| Monitoring closely the shortage of semiconductor components at OEMs level

| Focus for **2021** is to deliver the first steps of Connect transformation with a selective capital allocation approach, while pursuing the adaptation of the cost structure

| Cash consumption in **2021** expected to be lower than in **2020**

# 2021: key takeaway from Q1 2021



Still limited visibility for  
Group's revenue in  
**2021...**



...but the Group is  
showing a great agility:  
outstanding work in  
controlling and lowering  
its fixed & variable costs



...looking at limited cash  
consumption in **2021**  
And ready to capture the  
recovery in Europe, as it has  
already happened in the US



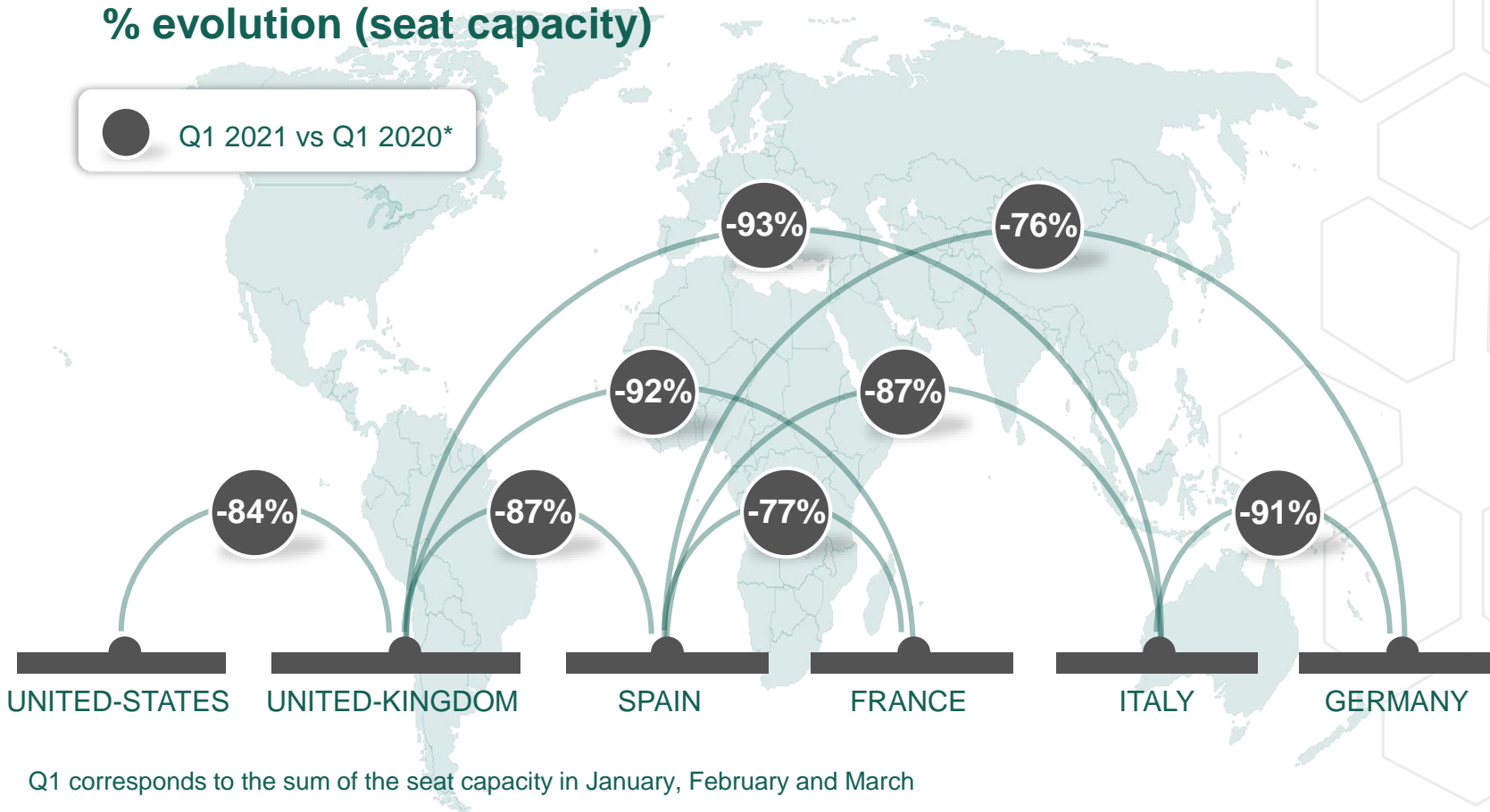
# 06

## APPENDIX

# Travel & Leisure: a mixed picture of the global situation since the beginning of the year 2021

## % evolution (seat capacity)

● Q1 2021 vs Q1 2020\*



Strict international travel ban continues. U.S. states are easing coronavirus restrictions while vaccination campaigns develop quicker than planned



Australian and New Zealand residents will be able to travel between the two nations without having to quarantine from 19 April

Q1 corresponds to the sum of the seat capacity in January, February and March

# “Connect” is all about reshaping the Group around customers’ needs & expectations, at a fast pace

## LEISURE



**PLANNED, OCCASIONAL.  
DRIVEN BY PRICE.  
LOW STICKINESS, HIGH CHURN**

### **Mainstream**

Price, hassle free experience.  
Brand reliability.  
Service and recognition.

### **Low cost**

Pay for what you want only.  
Frugal.

## PROFESSIONAL



**PLANNED, CONTRACTED.  
PRICE AND RELIABILITY DRIVEN.  
LONG CYCLES, HIGH STICKINESS**

### **Business travel**

Price, hassle free, fast, standardized  
Brand reliability.  
Network coverage & admin services.

### **Fleet services**

Wide range of fleet, wide country reach.  
Flexible durations and solutions.

## PROXIMITY



**ON DEMAND, PAY PER USE.  
ACCESSIBILITY AND FLEXIBILITY.  
HIGH FREQUENCY, MID STICKINESS**

### **Metropolitan / Urban**

Proximity and availability.  
Environmental & 100% digital.  
Mix of individuals and professionals.

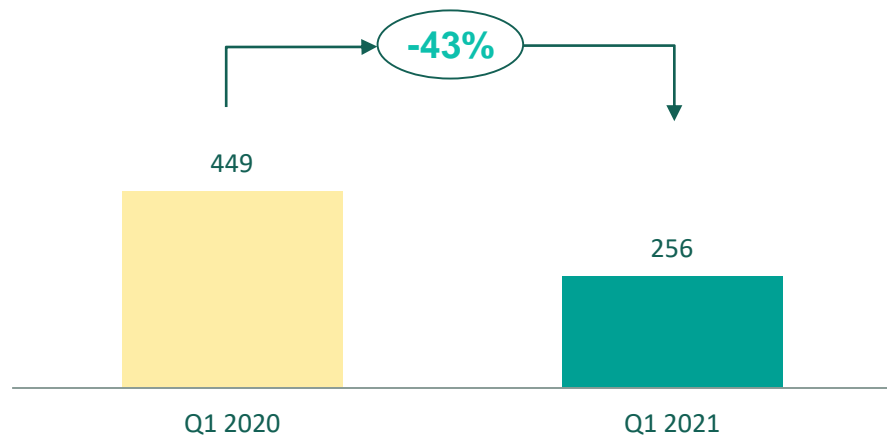
### **Regional**

Occasional.  
Accessibility is key but challenging.

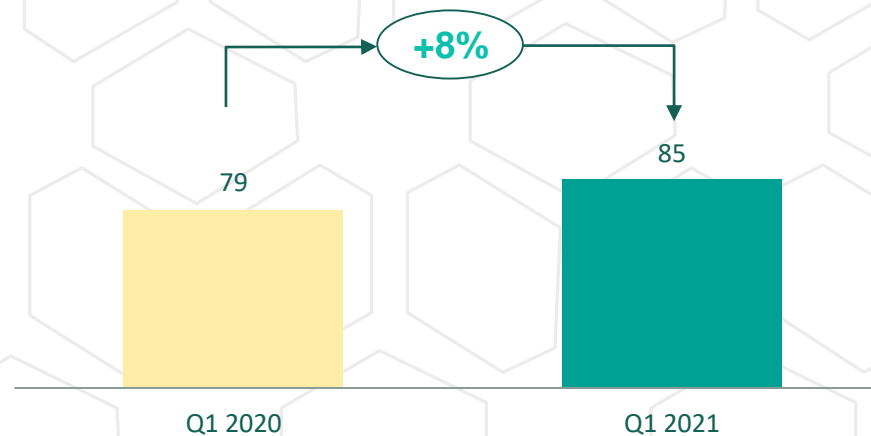
# Q1 2021 rental revenue: Cars and Vans & Trucks

## TOTAL RENTAL REVENUE (€M AND % GROWTH ON A REPORTED BASIS)

### CARS



### Vans & Trucks



## VOLUMES & PRICES FOR RENTAL REVENUE (% YOY CHANGE)

### CARS



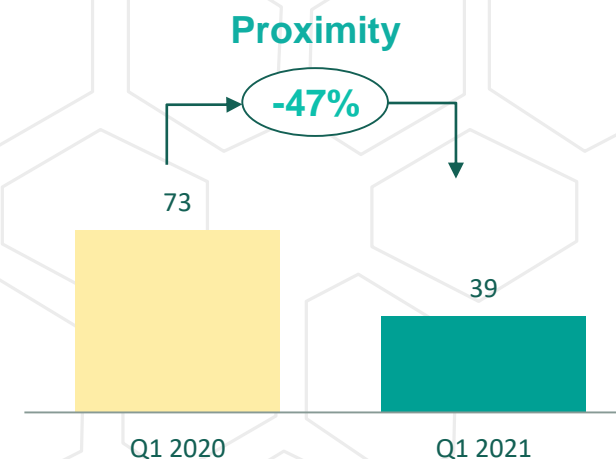
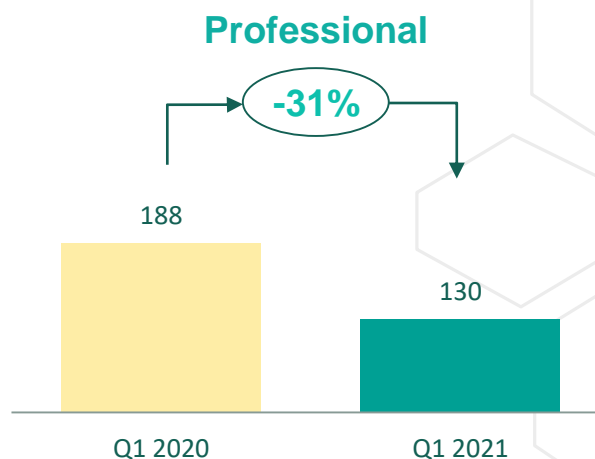
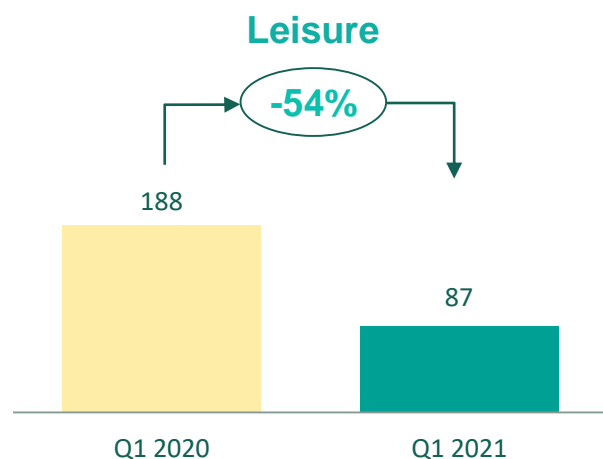
### Vans & Trucks





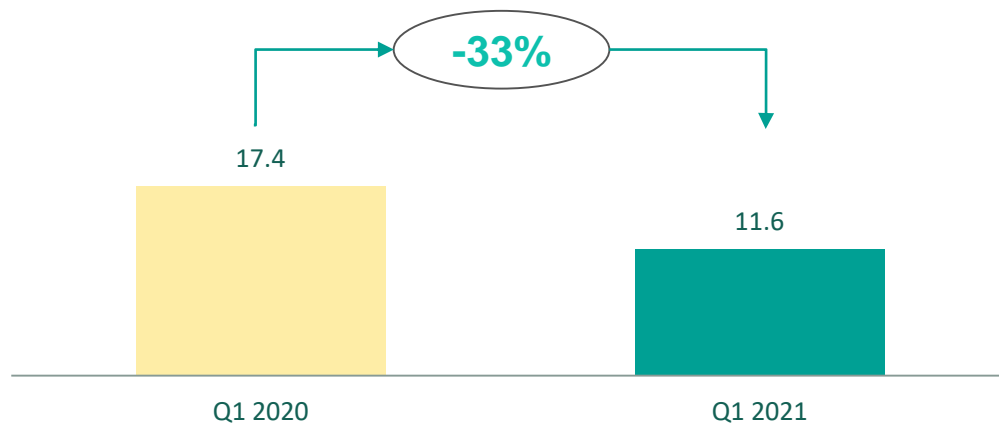
# Q1 2021 rental revenue by Service Line: Cars

TOTAL RENTAL REVENUE (€M AND % GROWTH ON A REPORTED BASIS)

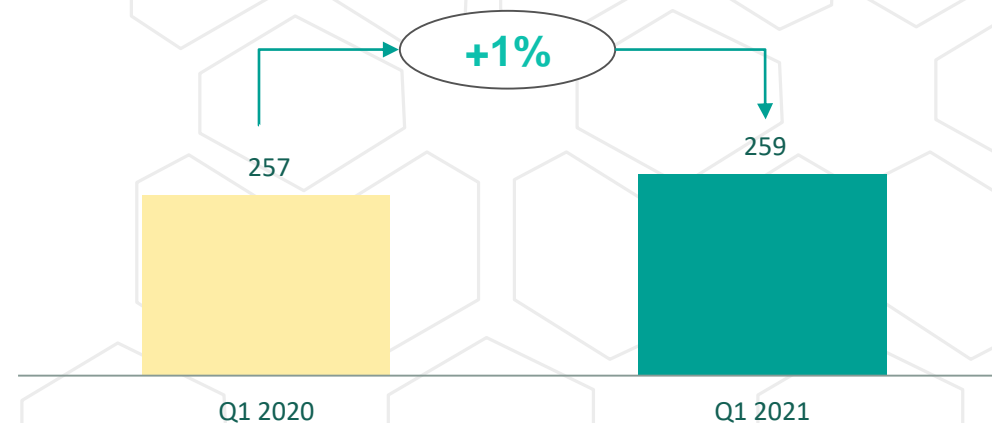


# Q1 2021 Operational indicators

RENTAL DAY VOLUME (MILLION AND % GROWTH)



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



UTILIZATION RATE (%)



# Key financial indicators in Q1 2021

All data in €m, except if noted	Q1 2021	Q1 2020	% Change	% Change at constant perimeter and currency
<b>Revenues</b>	<b>355.7</b>	<b>556.9</b>	<b>-36.1%</b>	<b>-35.8%</b>
Rental Day Volume (million)	11.6	17.4	-33.3%	-33.3%
Average duration (day)	9.3	7.0	32.8%	32.8%
Average Fleet (thousand)	187.3	293.0	-36.1%	-36.1%
Average Per unit fleet costs per month (€)	(258.8)	(257.4)	-0.6%	-1.0%
<b>Adjusted Corporate EBITDA</b>	<b>(44.4)</b>	<b>(64.1)</b>		
<b>Corporate Free Cash Flow</b>	<b>(100.0)</b>	<b>(136.1)</b>		
Operating Income IFRS	(84.4)	(88.3)		
<b>Net Income IFRS</b>	<b>(76.7)</b>	<b>(105.0)</b>		
Corporate Net Debt at end of the period	198.7	1 068.1		

CORPORATE NET DEBT: EXCLUDING NON FLEET LIABILITIES RELATED TO LEASES

# Management P&L in Q1 2021 (incl. IFRS 16)

All data in €m	Q1 2021	Q1 2020	% Change	% Change at constant perimeter and currency
<b>Total revenue</b>	<b>355.7</b>	<b>556.9</b>	<b>-36.1%</b>	<b>-35.8%</b>
Average fleet size ('000)	187.3	293.0	-36.1%	-36.1%
Rental days volume (in Million)	11.6	17.4	-33.3%	-33.3%
Utilization rate	69.9%	66.4%	+3.5pt	+3.5pt
Fleet holding costs*	(114.3)	(184.2)	37.9%	37.6%
Variable costs	(131.6)	(211.6)	37.8%	37.4%
<b>Total fleet costs &amp; variable costs</b>	<b>(245.9)</b>	<b>(395.7)</b>	<b>37.9%</b>	<b>37.5%</b>
Sales and marketing expenses	(1.9)	(8.2)	76.1%	76.1%
Fleet financing costs	(22.6)	(30.5)	25.9%	25.1%
<b>Margin after Direct costs</b>	<b>85.3</b>	<b>122.5</b>	<b>-30.4%</b>	<b>-30.4%</b>
<b>In % of revenue</b>	<b>24.0%</b>	<b>22.0%</b>	<b>+2.0pt</b>	<b>+1.9pt</b>
Network	(60.0)	(101.4)	40.9%	40.3%
HQ Costs	(69.8)	(85.2)	18.2%	17.9%
<b>Fixed and semi-fixed costs</b>	<b>(129.7)</b>	<b>(186.6)</b>	<b>30.5%</b>	<b>30.0%</b>
<b>Adjusted Corporate EBITDA (IFRS 16)</b>	<b>(44.4)</b>	<b>(64.1)</b>		
IFRS 16 impact on premises and parking	(20.9)	(20.3)		
IFRS 16 impact on the fleet and financing costs & variable costs	(5.3)	(6.6)		
<b>Adjusted Corporate EBITDA excl. IFRS-16</b>	<b>(70.7)</b>	<b>(91.1)</b>		
Depreciation – excluding vehicle fleet	(35.7)	(37.1)	3.9%	4.6%
Non-recurring income and expense	(8.8)	(7.0)		
Other financing income and expense not related to the fleet	(16.7)	(26.8)	37.6%	37.2%
Net financial restructuring costs	23.6	-		
<b>Income before taxes</b>	<b>(82.1)</b>	<b>(135.1)</b>		
Income tax	5.4	30.1		
<b>Net profit/(loss) excl. IFRS 16</b>	<b>(78.0)</b>	<b>(103.2)</b>		
<b>Net profit/(loss) incl. IFRS 16</b>	<b>(76.7)</b>	<b>(105.0)</b>		

**MADC (Margin after Direct costs):** Total revenue – Total fleet & variable costs – Sales & Marketing – fleet financing costs

\* Fleet holding costs do not include the estimated interests included in operating lease. They are disclosed within the fleet financing expenses in the Management Accounts

# IFRS P&L in Q1 2021

In €m	Q1 2021 After IFRS 16	Q1 2020 After IFRS 16
<b>Revenue</b>	<b>355.7</b>	<b>556.9</b>
Fleet holding costs	(120.1)	(194.7)
Fleet operating, rental and revenue related costs	(131.6)	(211.6)
Personnel costs	(88.4)	(132.0)
Network and head office overhead costs	(43.0)	(64.5)
Non-fleet depreciation, amortization and impairment expense	(35.7)	(37.1)
Other income	(0.2)	1.7
<b>Current operating income</b>	<b>(63.2)</b>	<b>(81.3)</b>
Other non-recurring income and expense	(21.1)	(7.0)
<b>Operating income</b>	<b>(84.3)</b>	<b>(88.3)</b>
Net fleet financing expenses	(16.9)	(20.0)
Net non-fleet financing expenses	(15.3)	(18.2)
Net other financial expenses	34.4	(8.5)
<b>Net financing costs</b>	<b>2.3</b>	<b>(46.7)</b>
<b>Profit/(loss) before tax</b>	<b>(82.0)</b>	<b>(135.1)</b>
Income tax benefit/(expense)	5.4	30.1
<b>Net profit/(loss) for the period</b>	<b>(76.7)</b>	<b>(105.0)</b>

# Reconciliation Q1 2021

All data in €m	Q1 2021	Q1 2020
<b>Adjusted Consolidated EBITDA</b>	<b>68.1</b>	<b>118.8</b>
Fleet depreciation	(55.8)	(100.6)
Fleet depreciation (IFRS16)	(34.2)	(51.8)
<b>Total Fleet depreciation</b>	<b>(90.0)</b>	<b>(152.4)</b>
Interest expense related to fleet operating leases (estimated)	(5.7)	(10.5)
Net fleet financing expenses	(16.9)	(20.0)
<b>Total Fleet financing</b>	<b>(22.6)</b>	<b>(30.5)</b>
<b>Adjusted Corporate EBITDA</b>	<b>(44.4)</b>	<b>(64.1)</b>
Amortization, depreciation and impairment expense	(35.7)	(37.1)
Reversal of Net fleet financing expenses	16.9	20.0
Reversal of Interest expense related to fleet operating leases (estimated)	5.7	10.5
<b>Adjusted recurring operating income</b>	<b>(57.5)</b>	<b>(70.8)</b>
Impairment expense on non-current assets	0.0	-
Interest expense related to fleet operating leases (estimated)	(5.7)	(10.5)
<b>Recurring operating income</b>	<b>(63.2)</b>	<b>(81.3)</b>



# Management cash flow – Q1 2021

All data in €m	Q1 2021	Q1 2020
<b>Adjusted Corporate EBITDA</b>	<b>(44.4)</b>	<b>(64.1)</b>
Non-recurring expenses	(8.8)	(7.0)
Non-fleet capital expenditure (net of proceeds from disposals)	(12.3)	(13.9)
Changes in non-fleet working capital and provisions	(5.3)	(20.9)
Income tax paid	(2.9)	(3.2)
Lease Liability Repayment (under IFRS 16)	(26.3)	(27.0)
<b>Corporate free cash flow</b>	<b>(100.0)</b>	<b>(136.1)</b>
Cash interest paid on Corporate debts*	(7.9)	(0.0)
<b>Cash flow before change in fleet asset base, financing and other investing activities</b>	<b>(107.8)</b>	<b>(136.1)</b>
Change in fleet asset base, net of drawings on fleet financing and others working capital facilities	(125.0)	(149.6)
Other investing activities	3.4	3.6
Capital increase and Share buy-back	247.4	1.1
Dividends	-	-
Change in Corporate High Yield	0.0	0.1
Transaction cost cash out and swap impact	(32.7)	(7.3)
<b>Net change in cash before FX effect</b>	<b>(14.8)</b>	<b>(288.2)</b>
Cash and cash equivalents at beginning of period	444.6	628.2
Scope variation	-	-
Effect of foreign exchange conversions	2.9	(4.4)
<b>Cash and cash equivalents at end of period</b>	<b>431.6</b>	<b>336.4</b>

\* In Q1 2021, includes interests paid on States guaranteed Loans and RCF. In Q1 2020, interests paid on RCF amounted to €2 millions euros and were reported in the line Change in fleet asset base, net of drawings on fleet financing and other working capital facilities

# Financing structure as at March 31, 2021

€million	Maturity	Dec. 31, 2020	Mar. 31, 2020	Mar. 31, 2021
High Yield Senior Notes	2024	600	600	0
High Yield Senior Notes	2026	450	450	0
State guaranteed Loans		281	0	280
Crédit Suisse Facility		50	0	0
New Term Loan (€500m) & RCF	2023	624	611	500
FCT Junior Notes, accrued interest not yet due, capitalized financing costs and other		(204)	(302)	(195)
<b>Gross Corporate debt</b>		<b>1 801</b>	<b>1 359</b>	<b>585</b>
Short-term Investments and Cash in operating and holding entities		(375)	(291)	(386)
<b>CORPORATE NET DEBT</b>		<b>1 426</b>	<b>1 068</b>	<b>199</b>

€million	Maturity	Dec. 31, 2020	Mar. 31, 2020	Mar. 31, 2021
High Yield EC Finance Notes	2022	500	500	500
Senior asset revolving facility (€1.7bn SARF)	2022	445	747	414
FCT Junior Notes, accrued interest, financing capitalized costs and other		243	309	228
UK, Australia and other fleet financing facilities		969	1 326	920
<b>Gross financial fleet debt</b>		<b>2 157</b>	<b>2 882</b>	<b>2 061</b>
Cash held in fleet financing entities and Short-term fleet investments		(118)	(97)	(90)
<b>Fleet net debt in Balance sheet</b>		<b>2 039</b>	<b>2 785</b>	<b>1 971</b>
<b>Fleet liabilities related to leases</b>		<b>75</b>	<b>115</b>	<b>66</b>
<b>TOTAL FLEET NET DEBT (incl. op leases)</b>		<b>2 114</b>	<b>2 899</b>	<b>2 037</b>

# IFRS balance sheet end of March 31, 2021

In €m	March 2021 After IFRS 16	Dec 2020 After IFRS 16
<b>Assets</b>		
Goodwill	1 005.2	998.1
Intangible assets	1 059.2	1 055.8
Property, plant and equipment	404.4	413.2
Other non-current financial assets	52.4	54.1
Deferred tax assets	181.1	176.9
<b>Total non-current assets</b>	<b>2 702.3</b>	<b>2 698.1</b>
Inventory	16.9	16.1
Rental fleet recorded on the balance sheet	2 054.3	2 197.2
Rental fleet and related receivables	463.9	504.0
Trade and other receivables	361.2	382.0
Current financial assets	23.4	23.2
Current tax assets	32.2	29.0
Restricted cash	85.6	82.0
Cash and cash equivalents	348.0	364.6
<b>Total current assets</b>	<b>3 385.5</b>	<b>3 598.2</b>
<b>Total assets</b>	<b>6 087.8</b>	<b>6 296.3</b>

In €m	March 2021 After IFRS 16	Dec 2020 After IFRS 16
<b>Equity</b>		
<b>Total equity attributable to the owners of Europcar Mobility Group</b>	<b>1 475.3</b>	<b>189.7</b>
Non-controlling interests	0.5	0.5
<b>Total equity</b>	<b>1 457.8</b>	<b>190.3</b>
<b>Liabilities</b>		
Financial liabilities	1 472.5	2 105.2
Non-current financial instruments	53.9	60.1
Employee benefit liabilities	161.0	167.2
Non-current provisions	10.4	10.8
Deferred tax liabilities	217.4	214.8
Other non-current liabilities	0.1	0.1
<b>Total non-current liabilities</b>	<b>1 915.3</b>	<b>2 558.3</b>
Current portion of financial liabilities	1 515.7	2 209.2
Employee benefits	2.6	2.6
Current provisions	208.2	214.2
Current tax liabilities	44.2	46.1
Rental fleet related payables	447.6	555.1
Trade payables and other liabilities	496.6	520.5
<b>Total current liabilities</b>	<b>2 714.8</b>	<b>3 547.8</b>
<b>Total liabilities</b>	<b>4 630.1</b>	<b>6 106.0</b>
<b>Total equity and liabilities</b>	<b>6 087.8</b>	<b>6 296.3</b>

# IFRS Cash Flow in Q1 2021

In €m	Q1 2021 After IFRS 16	Q1 2020 After IFRS 16
<b>Profit/(loss) before tax</b>	<b>(82.0)</b>	<b>(135.1)</b>
<b>Reversal of the following items</b>		
Depreciation and impairment expenses on property, plant and	27.1	27.5
Amortization and impairment expenses on intangible assets	8.6	6.9
Impairment of assets	-	2.7
Changes in provisions and employee benefits (1)	(11.2)	(17.9)
Recognition of share-based payments	0.1	0.1
Profit/(loss) on disposal of assets	0.1	0.0
IFRIC 19 impact (2)	(48.4)	-
Other non-cash items	(5.2)	0.7
<i>Total net interest costs</i>	<i>35.3</i>	<i>40.1</i>
<i>Amortization of transaction costs (3)</i>	<i>14.1</i>	<i>2.9</i>
<b>Net financing costs</b>	<b>49.3</b>	<b>43.0</b>
<b>Net cash from operations before changes in working capital</b>	<b>(61.7)</b>	<b>(71.9)</b>
Changes to the rental fleet recorded on the balance sheet (4)	180.5	352.5
Changes in fleet working capital	(69.8)	57.6
Changes in non-fleet working capital	(4.6)	(2.7)
<b>Cash generated from operations</b>	<b>44.4</b>	<b>335.5</b>
Income taxes received/paid	(2.9)	(3.2)
Net interest paid	(22.7)	(20.4)
<b>Net cash generated from (used by) operating activities</b>	<b>18.8</b>	<b>311.9</b>

In €m	Q1 2021 After IFRS 16	Q1 2020 After IFRS 16
<b>Net cash generated from (used by) operating activities</b>	<b>18.8</b>	<b>311.9</b>
Acquisition of intangible assets and property, plant and equipment (5)	(13.0)	(14.6)
Proceeds from disposal of intangible assets and property, plant and	0.7	0.7
Acquisition of subsidiaries, net of cash acquired and other financial	3.1	3.3
<b>Net cash used by investing activities</b>	<b>(9.2)</b>	<b>(10.6)</b>
Capital increase (net of fees paid) (6)	247.4	-
(Purchases) / Sales of treasury shares net	(0.1)	0.9
Change in other borrowings (7)	(233.3)	(545.1)
Change in rental debts	(34.7)	(42.8)
Payment of transaction costs (8)	(4.8)	(1.6)
<b>Net cash generated from (used by) financing activities</b>	<b>(25.4)</b>	<b>(588.6)</b>
<b>Cash and cash equivalent at beginning of period</b>	<b>444.6</b>	<b>628.2</b>
Net increase/(decrease) in cash and cash equivalents after effect of	(15.8)	(287.2)
Changes in scope	-	-
Effect of foreign exchange differences	2.8	(4.5)
<b>Cash and cash equivalents at end of period</b>	<b>431.6</b>	<b>336.4</b>

# IFRS Cash Flow in Q1 2021

- 1 In 2021, the variation is mainly explained by the change in the provision for reconditioning of vehicles in Buy-Back for €(5)m as well as some lawsuits and restructuring provisions. In 2020, the variation is mainly explained by the change in the insurance provision for €(5)m and the provision for reconditioning of vehicles in Buy-Back for €(11)m.
- 2 With the application of IFRIC 19, the difference between the book value of the debt converted into equity instruments and the fair value of these instruments at the transaction date revealed a non-monetary financial gain of €48 million, which has been recognized on the income statement.
- 3 In 2021, includes the recycling of capitalized refinancing costs for an amount of €12 million, related to the debt restructuring and converted into equity.
- 4 Given the average holding period for the fleet, the Group reports vehicles as current assets at the beginning of the contract. Their variations from one period to another is therefore similar to operating flows generated by the activity.
- 5 In 2021, limited to IT developments for Group's digital transformation.
- 6 In 2021, capital increase via a capital injection and the issue of new ordinary shares, maintaining shareholders' preferential subscription rights, for an amount of €250 million, cash injection related to the exercise of the Guarantee Warrants, the Participation Warrants and the Coordination Warrants, distributed mainly to Bondholders for an amount of €6 million. The amount of the capital increase is net of the fees paid for €9 million.
- 7 In 2021, mainly related to the reimbursement of the Revolving Credit Facility for (124)m€ and other borrowings dedicated to fleet financing for €(108) million. In 2020, mainly related to drawing variation under Senior Notes (SARF) for €(387) million, Revolving Credit Facility and Commercial Papers for €63 million and other borrowings dedicated to fleet financing for €(221) million.
- 8 In 2021, payment of Transaction Costs in the context of the debt restructuring.

# 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 VARIABLE 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