

# Q3 2021 RESULTS

OCTOBER 28<sup>th</sup>, 2021

• **Europcar**  
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•  ubeeqo



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# AGENDA

01 HIGHLIGHTS

02 Q3 2021 RESULTS

03 STATUS UPDATE ON CONSORTIUM'S OFFER & OUTLOOK

04 APPENDIX



01

## HIGHLIGHTS

# Leisure recovery driving improved performance in Q3 2021

## STRONG REVENUE GROWTH IN Q3 2021, REDUCING THE GAP MONTH BY MONTH VS Q3 2019 LEVELS



**+45%** Revenue growth

## ABOVE EXPECTATIONS PERFORMANCE IN CORPORATE EBITDA IN Q3 2021\*



**27.4%** Corporate EBITDA margin  
Vs 21.9% in Q3 2019

- Record margin, exceeding Corporate EBITDA margin in Q3 2019
- High Corporate operating free cash flow conversion

**40%** Corp. Op. FCF Conversion

## GROUP NET DEBT

- Reduction in corporate net debt due to cash flow conversion and seasonality effect
- A major and successful fleet refinancing with sustainable-linked targets: bond and SARF



**€211m** Corporate Net Debt  
**€2.2bn** fleet refinancing

\* Figures post-IFRS 16. Q3 2019 figures are Proforma

Pre-IFRS 16: Corporate EBITDA of €194m and Corp. EBITDA margin of 24.8% in Q3 2021 (respectively €205m and 19.2% in Q3 2019)

# Strong rebound in Q3 2021 revenue, solid performance in all businesses

## CARS

## VANS & TRUCKS

### LEISURE Service Line



Rental  
revenue

€347M  
+88%

### PROFESSIONAL Service Line



€209M  
+24%

### PROXIMITY Service Line



€108M  
+24%



€91m  
+14%

Rental revenue for CARS: **+51%** to **€664M** vs Q3 2020, driven by both volumes and prices. Leisure growth mainly coming from Low Cost segment

Performance driven by solid volume growth

## TOTAL RENTAL REVENUE IN Q3 2021: **€755M, +45%**



# Reasons for the performance above expectations in Q3 2021

## CONJUNCTURALLY

### High RPD, due to:

- High level of demand versus limited supply on rental markets (due to semiconductors shortage impact on OEMs' manufacturing capacities)
- Optimized yielding and pricing strategies, enhanced by strong customers' appetite for vacation in domestic markets (Southern Europe in particular), after several lockdowns
- Ongoing positive momentum with an acceleration of the recovery

### Favourable pricing on the used-car market

## STRUCTURALLY

- **Durable benefits** stemming from both our adaptation plan « Reboot » and strategic roadmap « Connect »
- **Positive impact of our financial restructuring**



Perfect conditions **to fully benefit from the Travel & leisure markets recovery**

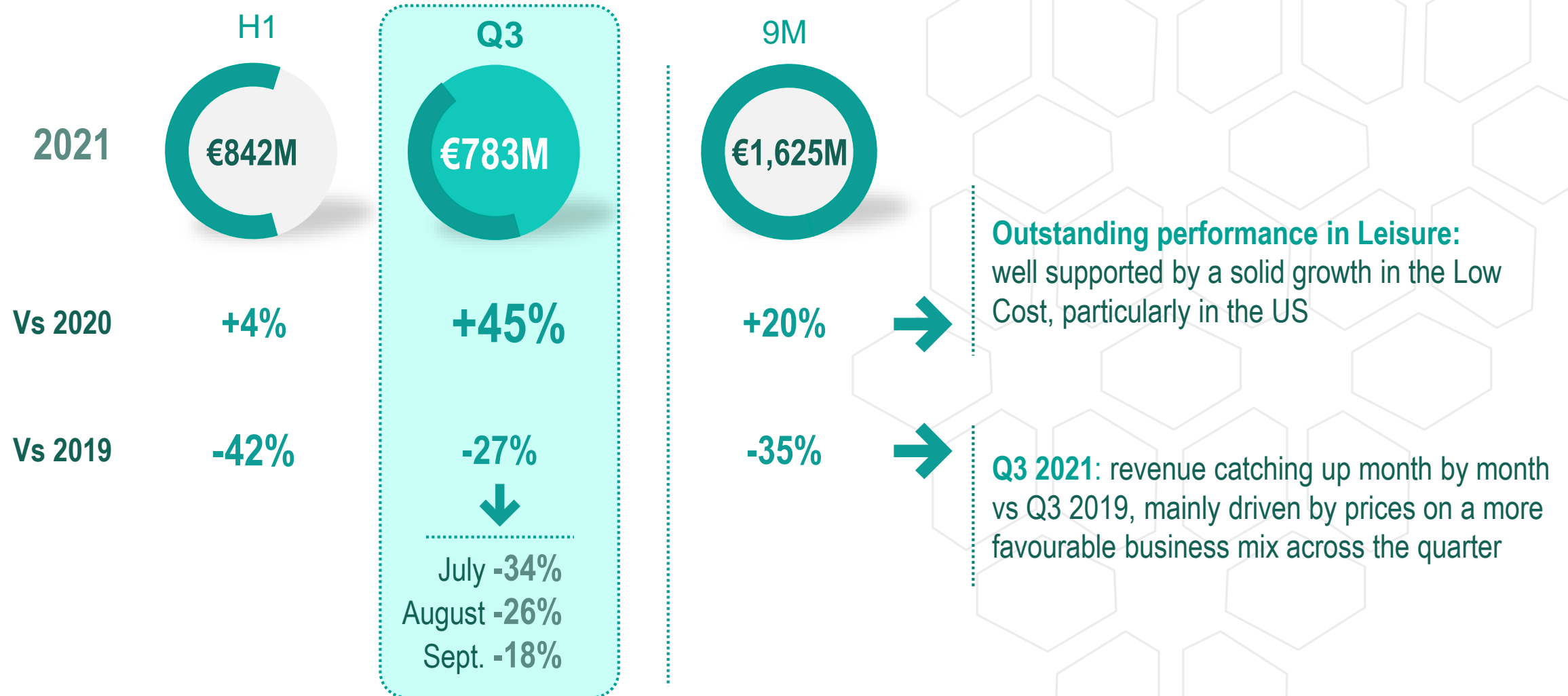


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## Q3 2021 RESULTS



# Business highlights: strong rebound in revenue in Q3 2021



2019 proforma basis i.e. at constant exchange rates and perimeter versus 2021: with acquisitions of Fox consolidated in November 2019 & franchisees in Finland and Norway in July 2019

Q3 2021 RESULTS

# Corporate EBITDA: a strong rebound in Q3 2021

All data in €m	Q3 2021	Q3 2020	% Change at constant perimeter and currency	Q3 2019
<b>Total revenue</b>	<b>782.6</b>	<b>537.2</b>	<b>45.1%</b>	<b>1 069.4</b>
Average fleet size ('000)	268.1	248.7	7.8%	418.8
Rental days volume (in Million)	19.3	16.4	18.2%	30.6
Utilization rate	78.5%	71.6%		79.6%
Fleet holding costs	(148.4)	(150.4)	2.2%	(253.1)
Variable costs	(241.2)	(175.5)	-36.7%	(346.9)
Sales and marketing expenses	(4.8)	(1.9)	-146.7%	(7.3)
Fleet financing costs	(31.2)	(25.7)	-20.9%	(37.5)
<b>Direct &amp; variable costs</b>	<b>(425.6)</b>	<b>(353.6)</b>	<b>-19.6%</b>	<b>(644.8)</b>
<b>Margin after Direct costs</b>	<b>357.0</b>	<b>183.6</b>	<b>94.4%</b>	<b>424.6</b>
<b>In % of revenue</b>	<b>45.6%</b>	<b>34.2%</b>		<b>39.7%</b>
Network	(73.2)	(69.2)	-5.3%	(114.0)
HQ Costs	(69.1)	(59.9)	-13.8%	(76.0)
<b>Fixed &amp; semi-fixed costs</b>	<b>(142.3)</b>	<b>(129.2)</b>	<b>-9.3%</b>	<b>(190.0)</b>
<b>Adjusted Corporate EBITDA (post IFRS 16)</b>	<b>214.7</b>	<b>54.4</b>		<b>234.6</b>
<b>In % of revenue</b>	<b>27.4%</b>	<b>10.1%</b>		<b>21.9%</b>
<b>Adjusted Corporate EBITDA (pre IFRS 16)</b>	<b>193.8</b>	<b>26.2</b>		<b>204.9</b>
<b>In % of revenue</b>	<b>24.8%</b>	<b>4.9%</b>		<b>19.2%</b>

## Q3 2021 vs Q3 2019

### Direct and variable costs:

Favourable pricing on the used-car market  
Continued strong focus on adapting fleet holding and variable costs

### Fixed and semi-fixed costs:

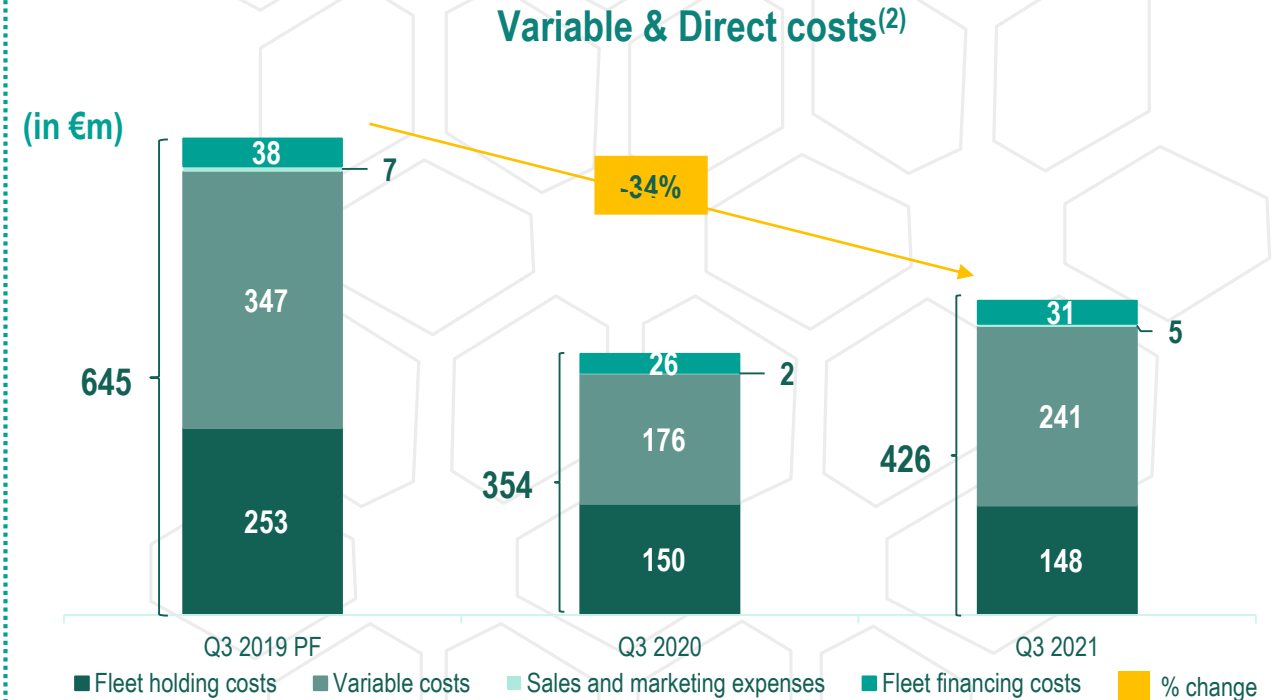
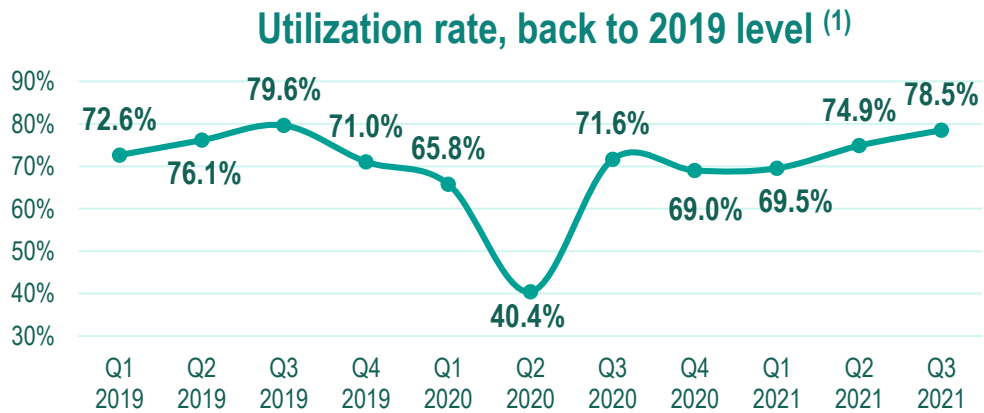
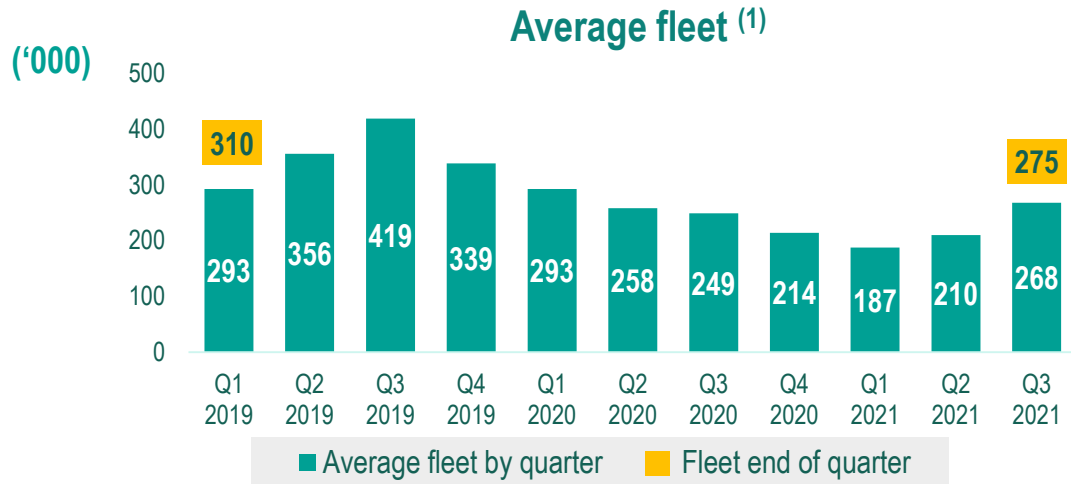
Well-managed with a -25% decline compared to Q3 2019 on revenue down -27%

### Limited fall-through between Q3 2019 and Q3 2021: 7%

€287m lost revenue, ~€20m lost Corporate EBITDA

## RECORD CORPORATE EBITDA MARGIN

# MADC: Outstanding fleet management



- Commissions to brokers and travel agencies renegotiated
- Fixed fees renegotiated with airports and railways
- Fleet holding costs: **-41%** in Q3 2021 vs Q3 2019

**Tight control of variable & flex costs => MADC margin well above Q3 2019 PF: 45.6% in Q3 2021 vs 39.7%**

# P&L in 9M 2021: from Corporate EBITDA to net profit (IFRS 16)

All data in €m	9M 2021	9M 2020
Adjusted Corporate EBITDA (post IFRS 16)	189.9	(154.2)
In % of revenue	11.7%	
Adjusted Corporate EBITDA (pre IFRS 16)	126.1	(235.2)
In % of revenue	7.8%	
Depreciation – excluding vehicle fleet:	(102.5)	(119.5)
Non-recurring income and expense	(38.6)	(30.0)
Other financing income and expense not related to the fleet	(54.2)	(90.1)
Net financial restructuring costs <sup>(1)</sup>	22.3	-
<b>Profit/loss before tax</b>	<b>16.8</b>	<b>(393.9)</b>
Income tax	1.9	98.0
Share of profit/(loss) of associates	-	-
<b>Net profit/(loss) incl. IFRS 16</b>	<b>18.7</b>	<b>(295.9)</b>

(1) Net financial restructuring costs: split into -€13.6m of non-recurring impact and +€35.9m of financial result impact (IFRIC 19 & Transaction costs)

(2) At constant exchange rate

**Depreciation:** down on the reduced Network stations

**Non-recurring charges:** expenses as part of the Reboot plan initiated in 2020 and in Q3 2021, part of the fees related to the contemplated tender offer and one-off items

**Financing income and expenses not related to the fleet:** down **-40%**<sup>(2)</sup> versus 9M 2020, mainly coming from the removal of Corporate bonds, as part of the financial restructuring, partially offset by new interest on state guaranteed loans and increased costs of the facilities (TLB and RCF)

**Net financial restructuring income:** **+€22m** of which **-€14M** 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)

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

# Strong Corporate FCF conversion in Q3 2021

All data in €m	Q3 2021	Q3 2020	Q3 2019	9M 2021	9M 2020	9M 2019
<b>Adjusted Corporate EBITDA</b>	<b>214.7</b>	<b>54.4</b>	<b>247.4</b>	<b>189.9</b>	<b>(154.2)</b>	<b>329.2</b>
Lease liability repayment (IFRS 16 Impact)	(20.9)	(28.2)	(29.7)	(63.9)	(81.0)	(80.1)
Non-recurring expenses	(6.5)	(9.6)	(11.6)	(24.8)	(30.9)	(37.2)
Non-fleet capex	(14.1)	(8.4)	(19.1)	(40.6)	(33.2)	(58.1)
Change in NFWC and Provisions	(81.6)	(41.0)	(100.3)	(40.5)	(32.8)	(14.3)
Income tax paid	(5.3)	(13.9)	(17.9)	(17.7)	(10.2)	(27.3)
<b>Corporate operating free cash flow</b>	<b>86.2</b>	<b>(46.7)</b>	<b>68.8</b>	<b>2.4</b>	<b>(342.3)</b>	<b>112.2</b>

**Strong increase in Corp. Op FCF driven by Corporate EBITDA and tight control of cash expenses:**

- Progressive ramp-up in IT capex
- Reduced non-recurring and lease expenses

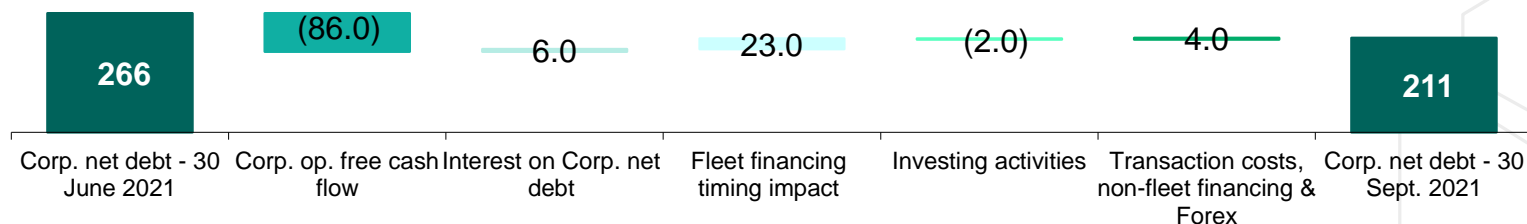
➔ **40% Corporate operating free cash flow conversion in Q3 2021**

➔ **Positive Corp Op FCF as at September 30<sup>th</sup>, 2021**

# Corporate net debt and fleet net debt as at September 30<sup>th</sup>, 2021

## CORPORATE NET DEBT

€m



**Q3 2021:** seasonal reduction in Corp. net debt (€55m) driven by the rebound in Corp. EBITDA

H1 2021: €173m cash consumption reflecting seasonality effect & Covid-19 impact

## LIQUIDITY

Decreased liquidity to €372m as at September 30<sup>th</sup>, 2021 from €447m at June 30, 2021 reflecting cash used for fleet financing

## FLEET NET DEBT

First player to finance with sustainability-linked criteria in the car rental sector<sup>(1)</sup> for €2.2bn (SARF and Senior Notes)

- Two Sustainable Performance Targets linked to fleet-related CO<sub>2</sub> emissions
- Proactively managing the debt profile: new maturity in Nov. 2026 for Senior notes and July 2024 for the SARF
- Use of fleet financing: €80m drawn out of €225m at the end of Q3 2021





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## OUTLOOK

# Status update on consortium's proposed tender offer on Europcar Mobility Group\*

- As a reminder, proposed (*projet d'offre publique d'achat*) tender offer filed on September 20, 2021 by a special-purpose company called “Green Mobility Holding”, jointly held by the Consortium members\*:
- Irrevocable undertakings provided by a group of shareholders (Anchorage, CarVal, Attestor, Centerbridge, Diameter, Monarch and Marathon): representing together c. 68% of share capital
- Offer price of €0.50 per share, increased by a potential price supplement of €0.01 per share if the 90% squeeze-out threshold is reached at the completion of the Offer (dividend attached)
- On September 17, 2021, the Company's board of directors, in its reasoned opinion on the offer, unanimously determined that the offer is in the best interests of the Company, its shareholders, employees and other stakeholders and recommended that the Company's shareholders tender their shares to the offer
- The proposed tender offer is currently being reviewed by the AMF
- Assuming a clearance decision from the French *Autorité des marchés financiers* (AMF) relating to the Offer over the course of November 2021, the tender offer is expected to be opened in the course of Q4 2021 and completed (subject to certain antitrust clearances) in the course of Q1 2022

For more details: refer to the Appendix “Consortium's proposed tender offer on Europcar Mobility Group”



# Outlook for 2021

**Raised ambitions for Corporate EBITDA and Corporate net debt thanks to higher-than expected Q3 2021 performance and continued robust business trend, assuming stable sanitary situation:**

- The Group re-iterates its ambition to deliver significant revenue growth for 2021: continued good trend in Leisure and domestic markets with robust pricing in a context of an acceleration in fleet shortage
- Objective for Corporate EBITDA **pre-IFRS 16**: raised **above €150m versus above €110m previously communicated on September, 20<sup>th</sup>, 2021<sup>(1)</sup>** (-€276m in 2020 and €278m in 2019<sup>(2)</sup>)
- Objective for Corporate net debt in **the €250-300m range** versus €300m-€350m published at H1 2021 results (on July 28<sup>th</sup>, 2021)

(1) Current trading PR communicated on September 20th, 2021

(2) 2019 PF (pro-forma) Corp. EBITDA of €0.26bn refers to full year inclusion in 2019 of Fox Rent-a-Car and Finland and Norway franchisees

# Mid-term trajectory

## Revenue profile: profitability over volumes

- While pricing momentum is expected to remain positive, volumes will be constrained by continuing market fleet shortages
- Strong focus on profitability vs volumes, with continued optimized and yielding pricing strategies
- Gradual recovery in international traffic

## Fleet: alternative fleet model and higher costs than initially anticipated

- Acquisition costs expected to increase significantly, due to the impact of semiconductors shortage and vehicles mix
- For the exact same reason, balance between share of « buy-back » and « at risk » likely to evolve

## Costs & cash: expected substantial increase of the cost base

- Non-fleet costs: expected increases in a context of overall inflation and re-staffing where necessary
- Corporate Cash: fleet sourcing more cash-intensive vs 2021 due to more at-risk vehicles

## Transformation: well on track

- Sustained efforts and increased investments, to enable accelerated « Connect » implementation and Group's transformation into a mobility platform, with notably, a focus on digitization of Operations & Customer experience, as well as on subscription solutions





# Consortium's proposed tender on Europcar Mobility Group

*The draft offer document of Green Mobility Holding as well as the Company's draft response document to the Offer, containing in particular the reasoned opinion of the board of directors and the report of the independent expert, have been the subject of specific press releases and are available on the AMF's website (<https://www.amf-france.org/>) and on the websites of the Volkswagen Group and of the Company (<https://investors.europcargroup.com/tender-offer>), respectively*



# Key financial indicators in Q3 2021 and 9M 2021

All data in €m, except if noted	Q3 2021	Q3 2020	% Change	% Change at constant perimeter and currency	9M 2021	9M 2020	% Change	% Change at constant perimeter and currency
<b>Revenues</b>	<b>782.6</b>	<b>537.2</b>	<b>45.7%</b>	<b>45.1%</b>	<b>1 624.5</b>	<b>1 352.0</b>	<b>20.2%</b>	<b>20.1%</b>
<b>Rental Revenues (incl. Mobility)</b>	<b>754.9</b>	<b>518.8</b>	<b>45.5%</b>	<b>44.9%</b>	<b>1 563.1</b>	<b>1 297.2</b>	<b>20.5%</b>	<b>20.4%</b>
Rental Day Volume (million)	19.3	16.4	18.2%	18.2%	45.3	43.4	4.5%	4.5%
Average duration (day)	8.0	7.8	1.7%	1.7%	8.2	7.6	8.1%	8.1%
Average Fleet (thousand)	268.1	248.7	7.8%	7.8%	222.1	266.5	-16.7%	-16.7%
Average Per unit fleet costs per month (€)	(235.9)	(248.2)	4.9%	5.7%	(249.8)	(248.5)	-0.5%	-0.4%
Financial utilization rate	78.5%	71.6%			74.9%	59.4%		
<b>Adjusted Corporate EBITDA</b>	<b>214.7</b>	<b>54.4</b>			<b>189.9</b>	<b>(154.2)</b>		
<i>Adjusted Corporate EBITDA Margin</i>	27.4%	10.1%			11.7%			
<b>Corporate Free Cash Flow</b>	<b>86.2</b>	<b>(46.7)</b>			<b>2.4</b>	<b>(342.3)</b>		
Operating Income IFRS	183.0	18.8			93.0	(248.4)		
<b>Net Income IFRS</b>	<b>141.5</b>	<b>(9.7)</b>			<b>18.7</b>	<b>(295.9)</b>		
Corporate Net Debt at end of the period	211.2	1 322.1			211.2	1 322.1		

FCPU (fleet cost per unit per month): fleet holding costs + fleet operating costs (part of variable cost)

Corporate net debt: excluding non fleet liabilities related to leases

# 9M 2021 revenue

## CARS

## VANS & TRUCKS

### LEISURE Service Line



Rental  
revenue

€601M  
+49%

### PROFESSIONAL Service Line



€495M  
+5.8%

### PROXIMITY Service Line



€203M  
+1.4%



€264m  
+17%

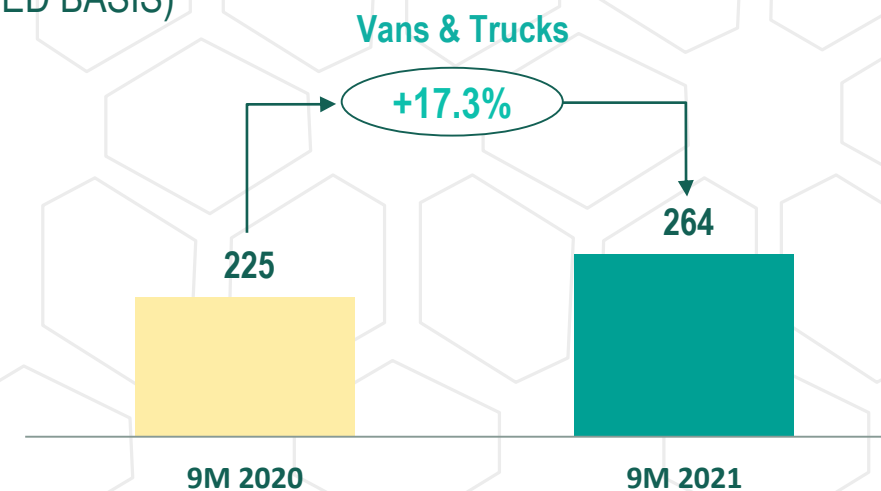
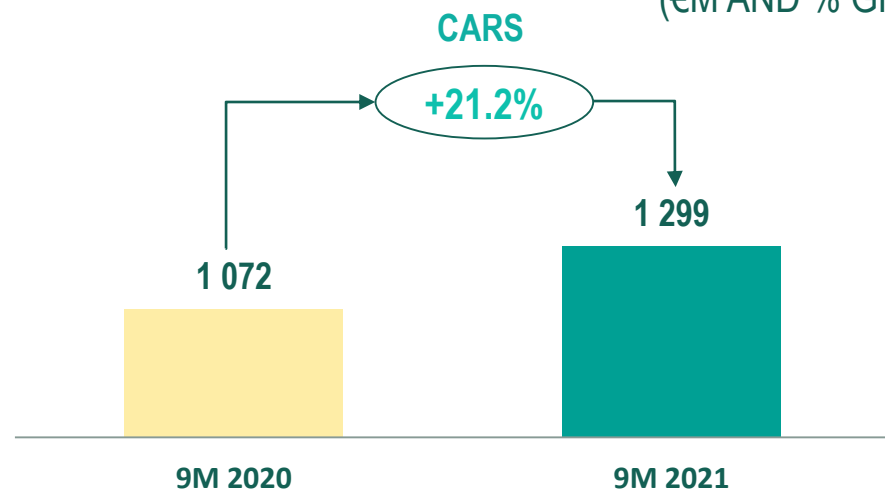
Rental revenue for CARS: €1,299M, up +21%

Rental revenue in 9M 2021: **€1,563M, +20%**

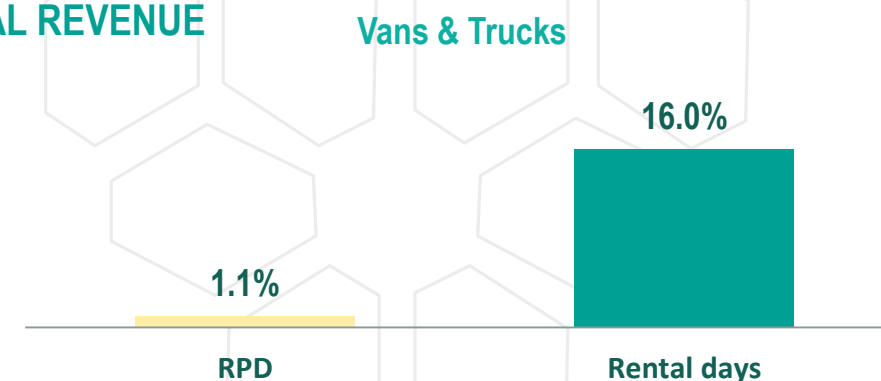
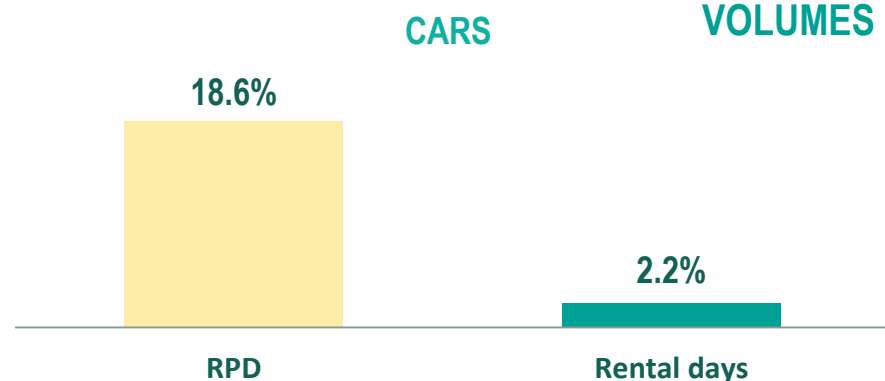
GROUP REVENUE IN 9M 2021: **€1,625M up +20% vs 9M 2020**

# 9M 2021 rental revenue: Cars and Vans & Trucks

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

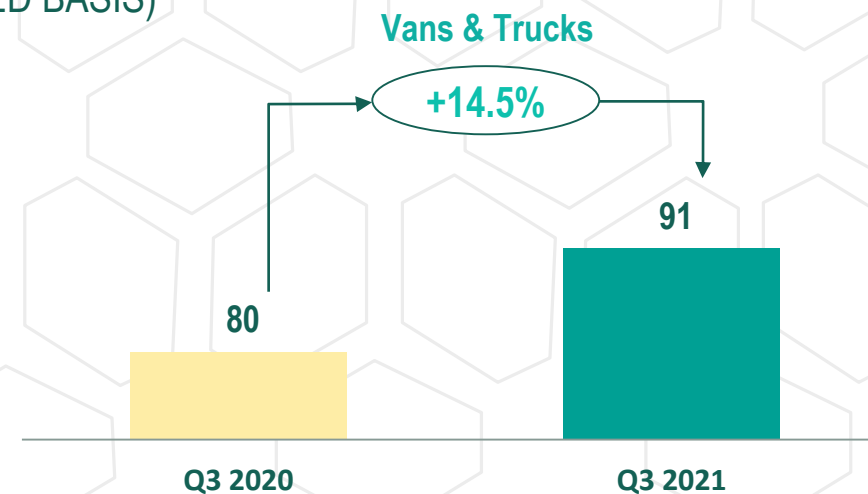
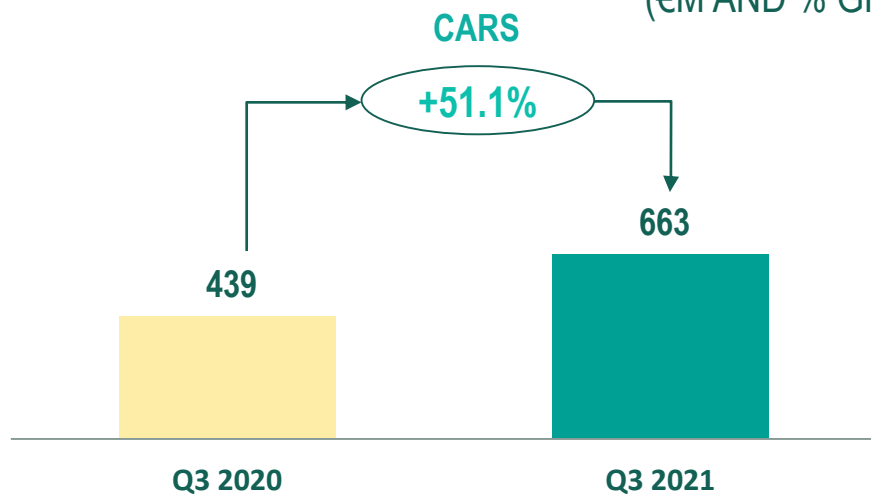


## VOLUMES & PRICES FOR RENTAL REVENUE (% YOY CHANGE)

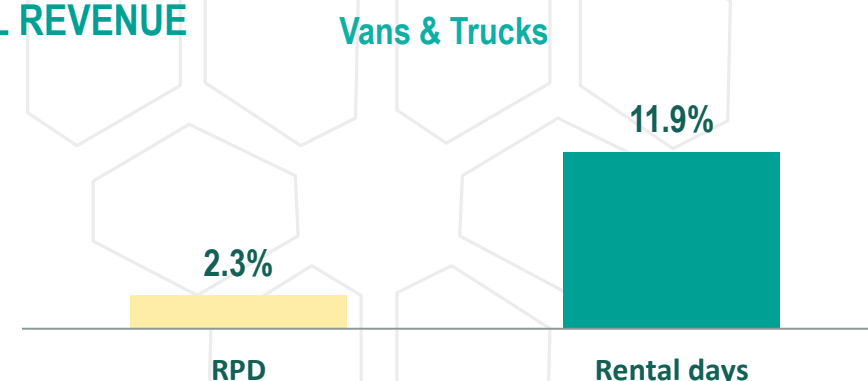
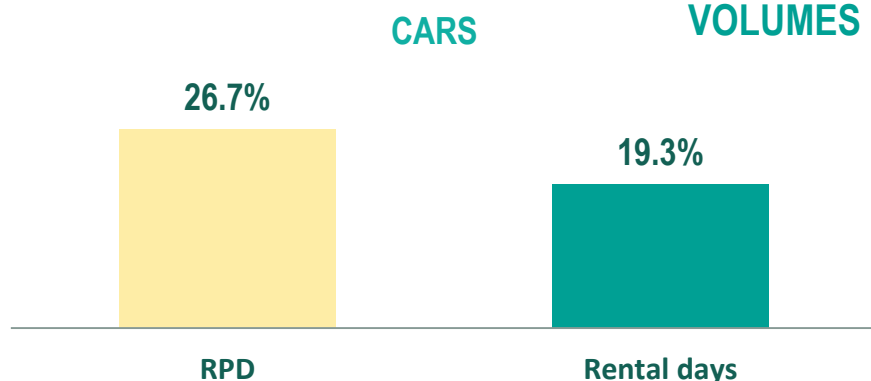


# Q3 2021 rental revenue: Cars and Vans & Trucks

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



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



# Management P&L in Q3 2021 and 9M 2021 (incl. IFRS 16)

All data in €m	Q3 2021	Q3 2020	% Change	% Change at constant perimeter and currency	9M 2021	9M 2020	% Change	% Change at constant perimeter and currency
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Average fleet size ('000)	268.1	248.7	7.8%	7.8%	222.1	266.5	-16.7%	-16.7%
Rental days volume (in Million)	19.3	16.4	18.2%	18.2%	45.3	43.4	4.5%	4.5%
Utilization rate	78.5%	71.6%			74.9%	59.4%		
Fleet holding costs	(148.4)	(150.4)	1.3%	2.2%	(386.6)	(484.0)	20.1%	20.2%
Variable costs	(241.2)	(175.5)	-37.4%	-36.7%	(550.7)	(497.9)	-10.6%	-10.7%
Sales and marketing expenses	(4.8)	(1.9)	-148.0%	-146.7%	(11.4)	(12.3)	6.9%	6.8%
Fleet financing costs	(31.2)	(25.7)	-21.1%	-20.9%	(77.7)	(83.8)	7.3%	6.9%
<b>Direct &amp; variable costs</b>	<b>(425.6)</b>	<b>(353.6)</b>	<b>-20.4%</b>	<b>-19.6%</b>	<b>(1 026.5)</b>	<b>(1 078.0)</b>	<b>4.8%</b>	<b>4.7%</b>
<b>Margin after Direct costs</b>	<b>357.0</b>	<b>183.6</b>	<b>94.5%</b>	<b>94.4%</b>	<b>598.0</b>	<b>274.0</b>	<b>118.3%</b>	<b>117.7%</b>
<b>In % of revenue</b>	<b>45.6%</b>	<b>34.2%</b>			<b>36.8%</b>	<b>20.3%</b>		
Network	(73.2)	(69.2)	-5.7%	-5.3%	(198.5)	(222.1)	10.6%	10.2%
HQ Costs	(69.1)	(59.9)	-15.4%	-13.8%	(209.6)	(206.1)	-1.7%	-1.4%
<b>Fixed &amp; semi-fixed costs</b>	<b>(142.3)</b>	<b>(129.2)</b>	<b>-10.2%</b>	<b>-9.3%</b>	<b>(408.1)</b>	<b>(428.2)</b>	<b>4.7%</b>	<b>4.6%</b>
<b>Adjusted Corporate EBITDA (IFRS 16)</b>	<b>214.7</b>	<b>54.4</b>			<b>189.9</b>	<b>(154.2)</b>		
<b>In % of revenue</b>	<b>27.4%</b>	<b>10.1%</b>			<b>11.7%</b>			
Depreciation – excluding vehicle fleet:	(34.2)	(42.4)	19.4%	19.8%	(102.5)	(119.5)	14.2%	14.6%
Non-recurring income and expense	(20.2)	(9.6)			(38.6)	(30.0)		
Other financing income and expense not related to the fleet	(12.0)	(32.8)	63.5%	63.6%	(54.2)	(90.1)	39.8%	39.6%
Net financial restructuring costs	-	-			22.3	-		
of w/h non-recurring impact	-	-			(13.6)	-		
of w/h financial result impact (IFRIC 19 & Transaction costs)	-	-			35.9	-		
<b>Profit/loss before tax</b>	<b>148.4</b>	<b>(30.5)</b>			<b>16.8</b>	<b>(393.9)</b>		
Income tax	(6.9)	20.7			1.9	98.0		
Share of profit/(loss) of associates	-	-			-	-		
<b>Net profit/(loss) incl. IFRS 16</b>	<b>141.5</b>	<b>(9.7)</b>			<b>18.7</b>	<b>(295.9)</b>		

# IFRS P&L in Q3 2021 and 9M 2021

In €m	Q3 2021 After IFRS 16	Q3 2020 After IFRS 16	9M 2021 After IFRS 16	9M 2020 After IFRS 16
<b>Revenue</b>	<b>782.6</b>	<b>537.2</b>	<b>1 624.5</b>	<b>1 352.0</b>
Fleet holding costs	(156.9)	(159.8)	(406.5)	(512.5)
Fleet operating, rental and revenue related costs	(241.2)	(175.6)	(550.7)	(497.9)
Personnel costs	(112.5)	(86.3)	(296.8)	(291.0)
Network and head office overhead costs	(43.4)	(44.9)	(133.4)	(150.3)
Non-fleet depreciation, amortization and impairment expense	(34.2)	(42.4)	(102.5)	(119.5)
Other income	8.8	0.2	10.7	0.9
<b>Current operating income</b>	<b>203.2</b>	<b>28.5</b>	<b>145.2</b>	<b>(218.3)</b>
Other non-recurring income and expense <sup>(1)</sup>	(20.1)	(9.6)	(52.2)	(30.0)
<b>Operating income</b>	<b>183.0</b>	<b>18.9</b>	<b>93.0</b>	<b>(248.3)</b>
Net fleet financing expenses	(22.6)	(16.4)	(57.8)	(55.4)
Net non-fleet financing expenses	(8.9)	(20.3)	(35.5)	(56.6)
Net other financial expenses <sup>(2)</sup>	(3.0)	(12.6)	17.2	(33.6)
<b>Net financing costs</b>	<b>(34.6)</b>	<b>(49.2)</b>	<b>(76.1)</b>	<b>(145.5)</b>
<b>Profit/(loss) before tax</b>	<b>148.3</b>	<b>(30.5)</b>	<b>16.8</b>	<b>(393.9)</b>
Income tax benefit/(expense) <sup>(3)</sup>	(6.9)	20.8	1.9	98.0
<b>Net profit/(loss) for the period</b>	<b>141.4</b>	<b>(9.7)</b>	<b>18.7</b>	<b>(295.9)</b>

(1) Composed mainly by additional restructuring costs, provisions for risk and litigations and oneoff costs related to the take-over process launched by the Group during the third quarter of 2021.

(2) Includes an income of 48 millions euros in relation with the application of IFRIC 19.

(3) Computed at the country level and determined on the basis of the forecasted profit before tax on full year basis and in compliance with the rules for accounting for deferred taxes in each jurisdiction. The effective tax rate at the end of September is not representative of the end-of-year landing due to the strong seasonality of activity and the diversity of countries.



# Reconciliation Q3 2021 and 9M 2021

All data in €m	Q3 2021	Q3 2020	9M 2021	9M 2020
<b>Adjusted Consolidated EBITDA</b>	<b>366.5</b>	<b>201.6</b>	<b>573.4</b>	<b>328.1</b>
Fleet depreciation	(65.7)	(74.3)	(173.6)	(263.4)
Fleet depreciation (IFRS16)	(54.9)	(47.2)	(132.1)	(135.1)
<b>Total Fleet depreciation</b>	<b>(120.6)</b>	<b>(121.5)</b>	<b>(305.7)</b>	<b>(398.5)</b>
Fleet financing expenses	(31.2)	(25.7)	(77.7)	(83.8)
<b>Adjusted Corporate EBITDA</b>	<b>214.7</b>	<b>54.4</b>	<b>189.9</b>	<b>(154.2)</b>
Amortization, depreciation and impairment expense	(34.2)	(42.4)	(102.5)	(119.5)
Reversal of net fleet financing expenses	22.6	16.4	57.8	55.4
<b>Current operating income</b>	<b>203.2</b>	<b>28.5</b>	<b>145.2</b>	<b>(218.3)</b>

# From Corporate EBITDA to Operating FCF and change in net debt

All data in €m	9M 2021	9M 2020	9M 2019
<b>Adjusted Corporate EBITDA</b>	<b>189.9</b>	<b>(154.2)</b>	<b>329.2</b>
Lease liability repayment (IFRS 16 Impact)	(63.9)	(81.0)	(80.1)
Non-recurring expenses	(24.8)	(30.9)	(37.2)
Non-fleet capex	(40.6)	(33.2)	(58.1)
Change in NFWC and Provisions	(40.5)	(32.8)	(14.3)
Income tax paid	(17.7)	(10.2)	(27.3)
<b>Corporate operating free cash flow</b>	<b>2.4</b>	<b>(342.3)</b>	<b>112.2</b>
Interest on corporate net debt	(26.8)	(43.4)	(42.2)
Fleet financing timing impact	(81.7)	(40.7)	24.7
Investing activities	-	1.4	(58.8)
Purchases/ Sales of treasury shares	0.9	0.7	(41.0)
Dividends	-	-	(39.5)
Proceed from issue of share capital	-	-	14.7
Transaction costs, Non fleet Financing & Forex & Other	(12.6)	(18.5)	(22.0)
<b>Change in net cash / (net debt)</b>	<b>(117.7)</b>	<b>(442.8)</b>	<b>(52.0)</b>

# Management & IFRS cash flow – 9M 2021

All data in €m	9M 2021	9M 2020
<b>Adjusted Corporate EBITDA</b>	<b>189.9</b>	<b>(154.2)</b>
Non-recurring expenses	(24.8)	(30.9)
Non-fleet capital expenditure (net of proceeds from disposals)	(40.6)	(33.2)
Changes in non-fleet working capital and provisions	(40.5)	(32.8)
Income tax paid	(17.7)	(10.2)
Lease Liability Repayment (under IFRS 16)	(63.9)	(81.0)
<b>Corporate free cash flow</b>	<b>2.4</b>	<b>(342.3)</b>
Cash interests paid on Corporate debts	(22.1)	(30.9)
<b>Cash flow before change in fleet asset base, financing and other investing activities</b>	<b>(19.7)</b>	<b>(373.2)</b>
Change in fleet asset base, net of drawings on fleet financing and others working capital facilities	(257.8)	239.5
Other investing activities	15.7	1.4
Capital increase and Share buy-back	248.4	(0.0)
Dividends	-	-
Change in Corporate High Yield	-	0.0
Transaction cost cash out and swap impact	(50.9)	(14.8)
<b>Net change in cash before FX effect</b>	<b>(63.4)</b>	<b>(146.4)</b>
Cash and cash equivalents at beginning of period	444.6	628.2
Scope variation	-	-
Effect of foreign exchange conversions	0.9	(4.6)
<b>Cash and cash equivalents at end of period</b>	<b>380.0</b>	<b>476.5</b>

# Main impacts of IFRS 16 on 9M 2021

P&L (in €m)	9M 2021 Excl. IFRS 16	IFRS 16 Impact	9M 2021 Incl. IFRS 16
<b>Revenue</b>	<b>1 625</b>	<b>-</b>	<b>1 625</b>
Fleet, rental and revenue related costs	(967)	10	(957)
Personnel Costs	(297)	-	(297)
Network & HQ Costs	(189)	55	(133)
D&A and Impairment	(42)	(60)	(103)
Other Income	11	-	11
<b>Current operating Income</b>	<b>140</b>	<b>5</b>	<b>145</b>
<b>Operating Income</b>	<b>88</b>	<b>5</b>	<b>93</b>
Financial result	(66)	(10)	(76)
Profit before tax	22	(5)	17
<b>Net income</b>	<b>23</b>	<b>(5)</b>	<b>19</b>

## Management P&L (in €m)

Restatement of Adj Corporate EBITDA (in M€)	9M 2021 Excl. IFRS 16	IFRS 16 Impact	9M 2021 Incl. IFRS 16
<b>Current operating Income</b>	<b>140</b>	<b>5</b>	<b>145</b>
D&A and Impairment	42	60	103
Net Fleet Financing expenses	(57)	(1)	(58)
<b>Adj Corporate EBITDA calculated</b>	<b>126</b>	<b>64</b>	<b>190</b>

## Balance sheet (in €m)

### Assets :

- Property, Plant & Equipment
- Rental Fleet in balance sheet

### Liabilities :

- Liabilities linked to non-fleet leases
- Liabilities linked to fleet leases

→ 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 September 30, 2021

€million	Maturity	Dec. 31, 2020	Jun. 30, 2021	Sep. 30, 2021
High Yield Senior Notes	2024	600	0	0
High Yield Senior Notes	2026	450	0	0
State guaranteed Loans		281	282	282
Crédit Suisse Facility		50	0	0
Term Loan B (€500m) & RCF	2023	624	500	560
FCT Junior Notes, accrued interest not yet due, capitalized financing costs and other		(204)	(198)	(328)
<b>Gross Corporate debt</b>		<b>1 801</b>	<b>584</b>	<b>514</b>
Short-term Investments and Cash in operating and holding entities		(375)	(318)	(303)
<b>CORPORATE NET DEBT</b>		<b>1 426</b>	<b>266</b>	<b>211</b>

€million	Maturity	Dec. 31, 2020	Jun. 30, 2021	Sep. 30, 2021
High Yield EC Finance Notes	2022	500	500	500
New Fleet Financing €225m	2024	0	50	80
Senior asset revolving facility (€1.7bn SARF)	2022	445	770	1 051
FCT Junior Notes, accrued interest, financing capitalized costs and other		243	223	353
UK, Australia and other fleet financing facilities		969	997	1 006
<b>Gross financial fleet debt</b>		<b>2 157</b>	<b>2 540</b>	<b>2 990</b>
Cash held in fleet financing entities and Short-term fleet investments		(118)	(98)	(109)
<b>Fleet net debt in Balance sheet</b>		<b>2 039</b>	<b>2 442</b>	<b>2 881</b>

# IFRS balance sheet end of September 30, 2021

In €m	Sep 2021 After IFRS 16	Dec 2020 After IFRS 16
<b>Assets</b>		
Goodwill	1 004.4	998.1
Intangible assets	1 061.6	1 055.8
Property, plant and equipment	401.3	413.2
Other non-current financial assets	43.0	54.1
Deferred tax assets	172.0	176.9
<b>Total non-current assets</b>	<b>2 682.2</b>	<b>2 698.1</b>
Inventory	21.8	16.1
Rental fleet recorded on the balance sheet	3 053.6	2 197.2
Rental fleet and related receivables	637.5	504.0
Trade and other receivables	463.4	382.0
Current financial assets	20.5	23.2
Current tax assets	46.6	29.0
Restricted cash	120.2	82.0
Cash and cash equivalents	264.1	364.6
<b>Total current assets</b>	<b>4 627.8</b>	<b>3 598.2</b>
<b>Total assets</b>	<b>7 310.0</b>	<b>6 296.3</b>

In €m	Sep 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>1 568.3</b>	<b>189.7</b>
Non-controlling interests	0.4	0.5
<b>Total equity</b>	<b>1 568.7</b>	<b>190.3</b>
<b>Liabilities</b>		
Financial liabilities	1 372.6	1 890.6
Non-current liabilities related to leases	207.7	214.6
Non-current financial instruments	41.5	60.1
Employee benefit liabilities	156.3	167.2
Non-current provisions	11.9	10.8
Deferred tax liabilities	216.0	214.8
Other non-current liabilities	0.1	0.1
<b>Total non-current liabilities</b>	<b>2 006.1</b>	<b>2 558.3</b>
Current portion of financial liabilities	2 136.0	2 069.7
Current liabilities related to leases	171.9	139.5
Employee benefits	2.6	2.6
Current provisions	236.0	214.2
Current tax liabilities	40.6	46.1
Rental fleet related payables	582.6	555.1
Trade payables and other liabilities	565.3	520.5
<b>Total current liabilities</b>	<b>3 735.1</b>	<b>3 547.8</b>
<b>Total liabilities</b>	<b>5 741.2</b>	<b>6 106.0</b>
<b>Total equity and liabilities</b>	<b>7 310.0</b>	<b>6 296.3</b>



# IFRS Cash Flow in 9M 2021

In €m	9M 2021 After IFRS 16	9M 2020 After IFRS 16
<b>Profit/(loss) before tax</b>	<b>16.8</b>	<b>(393.9)</b>
<b>Reversal of the following items</b>		
Depreciation and impairment expenses on property, plant and equipment	75.7	92.5
Amortization and impairment expenses on intangible assets	26.8	27.0
Impairment of assets	-	1.5
Changes in provisions and employee benefits (1)	10.2	(23.9)
Recognition of share-based payments	0.7	(0.7)
Profit/(loss) on disposal of assets	0.2	0.0
IFRIC 19 impact (2)	(48.4)	-
Other non-cash items	2.9	6.7
<i>Total net interest costs</i>	<i>104.7</i>	<i>117.6</i>
<i>Amortization of transaction costs (3)</i>	<i>17.8</i>	<i>7.4</i>
<b>Net financing costs</b>	<b>122.5</b>	<b>125.0</b>
<b>Net cash from operations before changes in working capital</b>	<b>207.5</b>	<b>(165.7)</b>
Changes to the rental fleet recorded on the balance sheet (4)	(825.0)	840.2
Changes in fleet working capital	(92.6)	108.4
Changes in non-fleet working capital	(53.2)	(8.1)
<b>Cash generated from operations</b>	<b>(763.4)</b>	<b>774.8</b>
Income taxes received/paid	(17.7)	(10.2)
Net interest paid	(84.8)	(91.6)
<b>Net cash generated from (used by) operating activities</b>	<b>(866.0)</b>	<b>673.0</b>

In €m	9M 2021 After IFRS 16	9M 2020 After IFRS 16
<b>Net cash generated from (used by) operating activities</b>	<b>(866.0)</b>	<b>673.0</b>
Acquisition of intangible assets and property, plant and equipment (5)	(41.7)	(35.3)
Proceeds from disposal of intangible assets and property, plant and equipment	1.1	1.1
Acquisition of subsidiaries, net of cash acquired and other financial investments	15.4	1.4
<b>Net cash used by investing activities</b>	<b>(25.2)</b>	<b>(32.7)</b>
Capital increase (net of fees paid) (6)	246.7	-
(Purchases) / Sales of treasury shares net	0.9	0.7
Change in other borrowings (7)	627.6	(658.3)
Change in rental debts	(40.3)	(125.9)
Payment of transaction costs (8)	(10.7)	(4.9)
<b>Net cash generated from (used by) financing activities</b>	<b>824.2</b>	<b>(788.4)</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 foreign exchange differences	(67.0)	(148.1)
Changes in scope	-	-
Effect of foreign exchange differences	2.3	(3.5)
<b>Cash and cash equivalents at end of period</b>	<b>380.0</b>	<b>476.5</b>

# IFRS Cash Flow in 9M 2021

- 1 In 2021, the variation is mainly explained by the change in the insurance provision and the provision for reconditioning of vehicles in Buy-Back.
- 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 and 2020, primarily related to the changes in SARF.
- 8 In 2021, payment of Transaction Costs in the context of the debt restructuring for €5m and to the SARF extension for €4 million.

# 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, i.e. 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