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Saint-Quentin en Yvelines – 16 octobre 2017

Communiqué
Informations supplémentaires désormais disponibles

En lien avec l'annonce aujourd'hui du lancement par Europcar Group S.A. (« **Europcar** ») d'une émission d'Obligations Senior d'un montant de 600 millions d'euros et d'Obligations Senior assorties de Sûretés d'un montant de 350 millions d'euros, Europcar fournit les informations supplémentaires suivantes :

- autres informations opérationnelles et financières sur Europcar (*résumé d'informations sur Europcar, résumé des états financiers consolidés d'Europcar et autres données et informations financières consolidées sélectionnées pour Europcar, rapport de la direction et analyse des résultats des opérations et de la situation financière*) ;

- autres informations financières (*résumé des états financiers consolidés de Goldcar, indicateurs clés de performance Goldcar et Buchbinder et autres données et informations financières consolidées sélectionnées pour Goldcar*) ;

- autres informations opérationnelles et financières sur Europcar et sur les acquisitions (*description de certains arrangements financiers d'Europcar et du financement des acquisitions, facteurs de risque relatifs aux acquisitions, utilisation du produit de l'émission et capitalisation d'Europcar, résumé des informations financières consolidées condensées Pro Forma non auditées et informations financières consolidées condensées Pro Forma non auditées*) ; et

- Index des résultats financiers et index des informations financières consolidées condensées Pro Forma non auditées.

Une copie de cette information (Annexe) est disponible ci-dessous.

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À propos du Groupe Europcar
Europcar Groupe est une société cotée sur Euronext Paris. Europcar est le leader de la location de véhicules en Europe et l'un des principaux acteurs du secteur de la mobilité. Présent dans plus de 130 pays et territoires, dont neuf filiales en propre en Europe et deux en Australie et Nouvelle Zélande, le groupe met à la disposition de ses clients l'un des plus grands réseaux de location de véhicules tant à travers son réseau en direct qu'à travers ses franchisés et ses partenairesLe groupe opère principalement sous les marques Europcar®, InterRent® et Ubeeqo®. La satisfaction des clients est au coeur de la mission du groupe et de l'ensemble de ses collaborateurs et cet engagement vient nourrir le développement permanent de nouveaux services. Le « Lab Europcar », basé à Paris, a ainsi été créé pour appréhender au mieux les enjeux de la mobilité de demain par l'innovation et par des investissements stratégiques comme ceux réalisés pour Ubeeqo, E-Car Club ou Brunel.

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Retrouvez plus d'informations sur le site :
europcar-group.com

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Summary

Introduction to the Group

Europcar Group is the European leader in rental vehicles and one of the main players in the mobility sector in Europe. With operations in over 130 countries and territories, Europcar offers its customers one of the largest vehicle rental networks, both directly and through its franchises and partners. Customer satisfaction is paramount for the Group and its employees: this commitment drives the continuous development of new services. Europcar Lab, for instance, was created to gain a better understanding of the future challenges of mobility through innovation and strategic investments such as Ubeeqo, E-Car Club and SnappCar.

The Group provides vehicles for short- and medium-term business and leisure rentals through its network of 3,754 stations (including stations operated by agents and franchisees) as of December 31, 2016. With an average fleet of 213,789 vehicles and a volume of 59.9 million rental days in its Corporate Countries in 2016 (compared to 205,353 vehicles and a volume of 57.1 million rental days in 2015), the Group uses its extensive knowledge of the vehicle rental industry to provide a wide range of mobility solutions.

For the year ended December 31, 2016 and the twelve months ended June 30, 2017, the Group generated consolidated revenues of €2,150.8 million and €2,230.6 million, respectively, and Adjusted Corporate EBITDA of €253.9 million and €255.5 million, respectively. The Group has set medium-term objectives as part of its Ambition 2020 plan (as defined below), including reaching €3 billion in revenues, through organic initiatives and acquisitions by 2020.

On June 16, 2017, the Group entered into a share purchase agreement with International Car Rentals III S.à.r.l. and Alcor Sociedad Estratégica, S.L. to acquire Car Rentals Topco, S.L. and its subsidiaries (“**Goldcar**”), which is primarily engaged in the provision of business-to-consumer car rental-related mobility services in Spain, Italy, Portugal, France, Croatia, Greece Turkey, Andorra, Cyprus, Malta, the Netherlands, Mexico, Morocco and Romania (the “**Goldcar Acquisition**”). The completion of the Goldcar Acquisition is subject to the satisfaction of customary conditions precedents, including a merger control clearance from the European Commission.

Upon completion, the Goldcar Acquisition is expected to strengthen the Group’s leadership in the European vehicle rental market and in the low-cost segment.

On September 20, 2017, the Group completed the acquisition of 100% of the shares of the following companies: Charterline Fuhrpark Service GmBH, Carpartner Nord GmbH, Terstappen Autovermietung GmbH, Car & Fly GmbH, CarPartner Leasing Gmb, A. Klees Slovakia, s.r.o., and ABC Autonoleggio s.r.l. (“**Buchbinder**”), which is engaged primarily in the provision of car rental-related mobility services in Germany and Austria (the “**Buchbinder Acquisition**,” and together with the Goldcar Acquisition, the “**Acquisitions**”).

The Buchbinder Acquisition is expected to enable the Group to become a leading player in the German and Austrian vehicle rental markets and reinforce the Group’s presence in the small and medium-sized enterprise business segment and the Low-Cost and Vans & Trucks businesses in both Germany and Austria. It is also expected to expand the Group’s presence in Eastern Europe and Southern Europe.

The Acquisitions are expected to further reinforce the Group’s ability to achieve its Ambition 2020 objectives.
On a Pro Forma basis, for the year ended December 31, 2016 and for the six months ended June 30, 2017, the Group’s consolidated revenues would have been €2,595.5 million and €1,228.6 million, respectively, and the Group’s Adjusted Corporate EBITDA would have been €318.1 million, representing an Adjusted Corporate EBITDA margin of 12.3% (compared to the Group’s historical Adjusted Corporate EBITDA margin of 11.8% and €59.7 million, representing an Adjusted Corporate EBITDA margin of 4.9% (compared to the Group’s Adjusted Corporate EBITDA margin of 5.5%), respectively.

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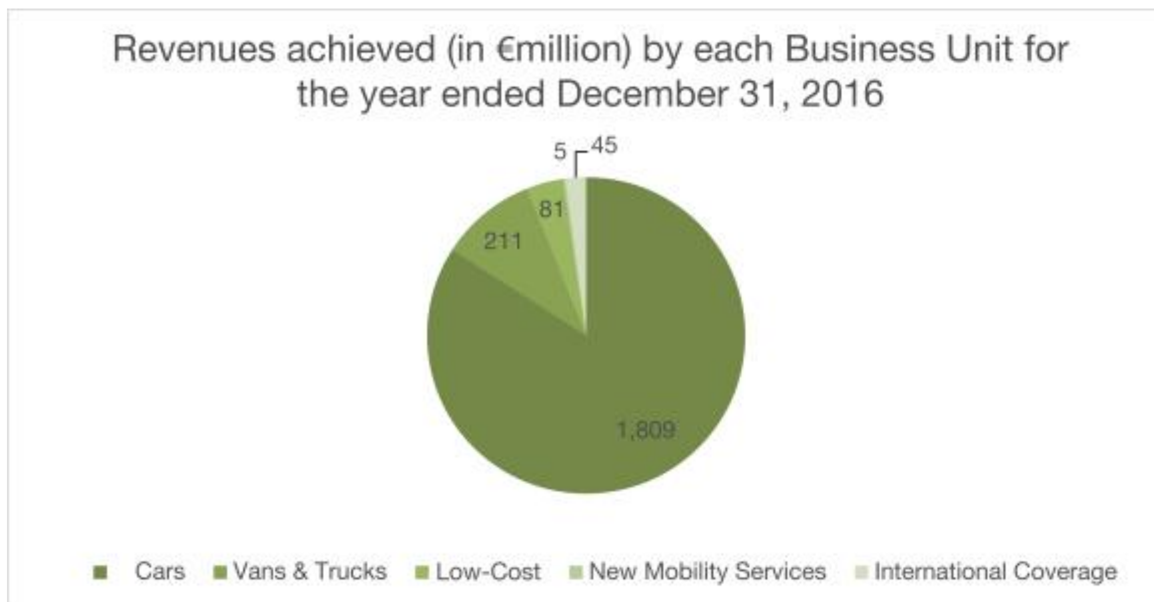
The Group's Business Prior to the Acquisitions

Information by Business Unit

In 2016, the Group decided to adopt a new Group organization by Business Unit, which has been in effect since January 2017. These five Business Units are Cars, Vans & Trucks, Low-cost, New Mobility Services and International Coverage.

The following chart sets out the revenues achieved for each of the five Business Units for the year ended December 31, 2016.



Europcar Customers

The Group's products and services are offered to a large range of business and leisure customers. Business customers include large corporates and small and medium-sized businesses, as well as companies that rent vehicles to provide vehicle replacement services to their customers. Leisure customers are mainly private individuals who rent a vehicle for the purpose of vacation travel or for everyday or occasional urban or long-distance travel. Business and leisure customers represented 41.9% and 58.1%, respectively, of total Group rental revenue in 2016.

Reservations can be made directly through the Europcar mobile site, Europcar websites or reservation centers, in stations or indirectly through travel agents, tour operators, brokers, or through the mobile and websites of Ubeeqo and E-Car. Revenue generated by each Corporate Country is either balanced across customer categories or more heavily influenced by one or more categories, depending in particular on the geographic location.

Europcar's Brands

Europcar's business has historically been operated through three main brands:

- Europcar® is the Group's core brand. It is used worldwide directly and through its franchisee network in order to serve a wide range of market segments, from high-end to cost-conscious, as well as a portfolio of diversified customers, from corporates (business) to individual leisure customers;

- InterRent® has been deployed by the Group since 2013 to target the low-cost leisure segment in order to expand its customer portfolio;

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- Ubeeqo®, a controlling interest of which was acquired by the Group in November 2014 in order to expand its mobility solutions offer. Ubeeqo® became a wholly-owned subsidiary of Europcar as a result of Europcar's acquisition on February 17, 2017 of the 24.3% minority interest held by Ubeeqo's founders. The acquisition of Ubeeqo® has enabled the Group to offer its customers access to a multi-mode reservation platform allowing customers to choose the means of motorized transport that best suits them: self-service, chauffeur-driven cars or car rental from an agency, as well as car-sharing services (general public or companies).

The purpose of this brand strategy is to offer the Group's customers a clearly differentiated and coherent portfolio of brands, to reinforce Europcar's position in its key markets.

For a description of the Group's strategy to implement a new three-tiered branding approach following the Acquisitions, see "—*The Group following the* Acquisitions."

Europcar Service Offerings

Europcar's goal is to provide the mobility solution that best meets its customers' needs in a market where expectations are constantly changing.

Europcar offers mobility solutions extending from short-term vehicle rental, *via* its three brands, Europcar®, Ubeeqo® and InterRent®, and chauffeur services to car-sharing and a platform offering mobility services. Ubeeqo, a specialist in car-sharing, and E-Car Club, a car-sharing start-up offering an entire fleet of electric vehicles in the United Kingdom, have broadened the Group's mobility offer though its subsidiary, Europcar Lab.

Europcar's Network

As of December 31, 2016, Europcar's network consists of 3,754 rental stations operated either directly or by agents and franchises. In order to strengthen its international operations, the Group has entered into partnerships (particularly in the United States, Canada and Japan) and commercial and general sales agency ("**GSA**") arrangements. As of December 31, 2016, Europcar had eight Corporate Countries in Europe and two in Australia and in New Zealand. Rental stations within these existing Corporate Countries are mainly directly operated by the Group and by agents. Through the acquisitions of Goldcar and Buchbinder and the acquisition of our Danish franchisee, the network will expand to include Austria, Croatia, Denmark, Greece, Hungary, Slovakia and Turkey. Franchise stations strengthen the network in certain Corporate Countries (particularly in France, the Group's birthplace). This network of franchisees makes it possible to offer customers a consistent and continuous offering worldwide, increase the Group's brand visibility and increase its revenue from royalties.

As of December 31, 2016, the Group had 2,495 rental stations in Europe, of which 1,027 were directly-operated by the Group, 602 were agent-operated and 866 were franchises. At the same date the Group had 1,259 rental stations in the Rest of the World, of which 76 were directly-operated by the Group, 15 were agent-operated and 1,168 were franchises.

Europcar Fleet

During the year ended December 31, 2016, the Group took delivery of approximately 293,300 vehicles and operated an average rental fleet of 213,789 leisure and light commercial vehicles in the Corporate Countries (representing a 4.1% increase over 2015). In 2016, Europcar's approximate average fleet holding period was 8.8 months (8.1 months for vehicles (cars and trucks) covered by Buy-Back Commitments). The Group purchases its vehicles from a range of manufacturers with whom it has longstanding relationships, including primarily Volkswagen, Fiat Group, General Motors, Renault-Nissan, PSA, Hyundai, Daimler and Ford.

The Group views fleet management as a key component of its expertise. The Group has significantly increased its fleet financial utilization rate in recent years through focused actions: it reached 76.5% in 2016 compared to 76.1% in 2015. Fleet management and the improvement of the fleet financial utilization rate are based on internal Group procedures, on the Revenue and Capacity Management teams that were established during 2012 at a centralized level and throughout all operating subsidiaries and on the centralized "GreenWay®" system and its various specialized modules.

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Europcar Lab

The Group created Europcar Lab in the second half of 2014 to study mobility market usages and search for new mobility solutions opportunities with mobility actors worldwide, whether such opportunities be with customers, partners or technology or mobility expert consultants. Europcar Lab is intended to be an ideas incubator for new products and services that provide mobility solutions for the Group. It aims to support internal projects and secure minority and majority stakes in innovative structures. Europcar Lab holds stakes in Ubeeqo (100% owned since February 17, 2017), E-Car Club (80% owned since July 9, 2015) and SnappCar (19.25% owned since May 24, 2017).

The Group's Competitive Strengths

We believe the Acquisitions will enhance the following historical competitive strengths that have been instrumental in the Group's success and will provide a solid foundation for its future growth.

Market Growth Supported by Structural Trends in Vehicle Rental and Mobility Solutions

Vehicle rental market growth in the Corporate Countries is expected to continue to rise in the short- and medium-term due to several positive structural factors: GDP growth, the increase in the number of leisure trips and in air traffic as well as new methods of use in terms of mobility.

Furthermore, the Group believes that changing perceptions of car ownership should foster increasing growth in the vehicle leasing market. These changing perceptions stem in particular from the increase in costs related to vehicle ownership and public policies towards car usage in urban centers.

These market dynamics contribute to a growing population of potential users of vehicle rental services and to the market trend towards mobility solutions and other innovative service offerings. This should provide the Group with new revenue opportunities, in particular given the high levels of urban density in Europe.

Established Leadership and Innovation Conferring Competitive Advantages

With over 65 years of experience, Europcar has a worldwide presence and is one of the key players in the mobility industry. The Group has a wide and international network serving a broad range of customer mobility needs based on sophisticated revenue and fleet capacity management. The Group leverages these strengths to deploy innovative solutions and services to better serve changing customer mobility usages.

In 2015, the Group was the leading European vehicle rental organization by market share. More specifically, it is number one in France, Belgium, Spain and Portugal, number two in Germany and the United Kingdom and number three in Italy (source: Euromonitor).

The following chart sets out the market share of the Group and its principal competitors in Corporate Countries in Europe in 2015:

Europcar's 2015 Market Shares in Corporate Countries in Europe

Source: Euromonitor

The Group believes that this leading position in Europe is sustainable due to, among other things, the scale of its operations (average fleet of 213,789 vehicles in its Corporate Countries in 2016), and the quality of its network, its triple brand strategy (Europcar®, Ubeeqo® and InterRent®) and its ability to manage complex operating systems and financing structures in a flexible and efficient manner. Over the 2009 to 2015 period, the Group's market share in Corporate Countries in Europe remained stable, between 24% and 26% (source: Euromonitor).The European vehicle rental market is one of the most difficult to penetrate due to the multiplicity and diversity of jurisdictions with different rules and regulations and with regional differences in consumer habits. The Group believes that its extensive local presence and professional expertise allow it to respond effectively to the complex and highly diverse nature of its markets.
Moreover, the Group's solid positioning across various countries in Europe allows it to track and anticipate changing levels of demand and market trends and therefore to better manage the size of its fleet. The Group is also consolidating its network through acquisitions of franchisees.

The Group has a global footprint, with approximately 3,754 stations (including franchises) in over 130 countries and territories in 2016 and numerous GSA arrangements and partnerships. Franchises enable the Group to extend its network and are a source of high-value growth with lower risk, while its partnerships and alliances provide additional market penetration in growing markets.

The Group's GSA strategy, with approximately 22 GSA arrangements at the end of 2016, compared to 19 at the end of 2015 and partnerships with major airlines and travel intermediaries allow the Group to be present at points of entry for inbound and outbound traffic. The Group relies on partners in addition to its franchisees, particularly in the United States, Canada and Japan, as well as on commercial and GSA arrangements. In the United States, the Group concluded a partnership with Advantage Opco ("**Advantage**"), through which the Group can service its customers in the United States under its Europcar brand, and *via* the Advantage network, and Advantage can serve its customers under its own Advantage- Rent-A-Car brand *via* the Europcar network in regions in which the Group operates. This alliance allows the Group to extend its proprietary network and improve its services for its customers in the United States. In February 2015, the Group also entered into a new agreement with a GSA in the United States ("Discover the World"), which improves outbound flows of United States customers to Corporate Countries. Moreover, in order to develop its activities in China, the Group entered into a two year GSA agreement (which came into force on April 21, 2014), which was recently renewed for a further two years, with AGP China, an online Chinese travel agency pursuant to which the agency has been appointed to act as a non-exclusive representative authorized to promote and offer Europcar's rental services. This agreement allows the Group to promote outbound flows of its customers from China into its Corporate Countries.

The Group's network, particularly in its Corporate Countries, is supported by its proprietary GreenWay® system, a powerful and effective reservation platform and revenue capacity and fleet management tool. The Group's network is also commercially supported by the use of forecasting models that help to determine pricing while also optimizing the distribution, planning, allocation and yield of the fleet according to demand.

The Group has a diversified customer base of approximately 5.5 million drivers in 2016 that it reaches through a wide variety of distribution channels.

The Group's efficient fleet management benefits from central coordination and local initiatives, leveraging strong, longstanding partnerships with vehicle manufacturers. In addition, the Group takes a pragmatic approach to fleet management, optimizing the mix between pan-regional and local contracts, maintaining short- and long-term flexibility in volume commitments and vehicle holding periods to meet fluctuations in demand, particularly seasonal, and adapt to changing economic conditions. This efficiency also relies on repurchase commitments the Group has obtained from manufacturers that give it the flexibility to react to changes in demand. Approximately 93% of the Group's fleet in units operated in 2016 (compared with 92% in 2015) was covered by Buy-Back Commitments, i.e., one of the highest rates among vehicle rental companies (source: publications by Avis, Hertz and Sixt).

The Group leverages this extensive experience and know-how in the vehicle rental industry to focus on innovation, enhance the customer experience and seize opportunities arising from new mobility trends. In response to targeted customer mobility needs, the Group has a "Lab" that is designed to draw on these technological innovations proposed by in- house and external innovators to design new products and services in the area of mobility solutions. This enables the Group to stay at the forefront of this rapidly evolving and expanding market. The Group has owned 100% of Ubeeqo since February 2017. In addition, the Group has held a majority stake in E-Car Club since June 2015 and a

minority stake of 19.25% in SnappCar since May 24, 2017. Europcar is a stakeholder in a joint venture with Daimler, Car2go Europe, which is also present in the consumer car-sharing market.

Diversified Business Model

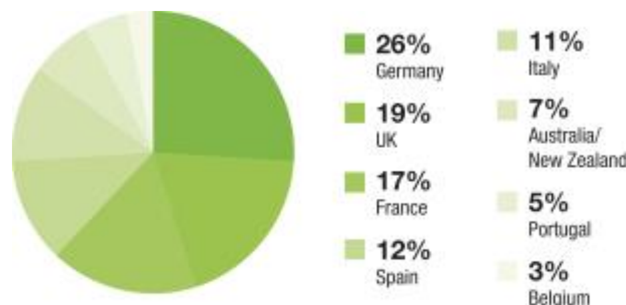
The Group's business model is based on a well-balanced and complementary revenue base, which optimizes fleet utilization and network and related costs and allows it to limit dependency on specific sectors or industries.

The Group has a broad customer base, well balanced between business and leisure customers (which generated 41.9% and 58.1%, respectively, of total Group rental revenue in 2016). This mix helps the Group manage seasonality over the year (with leisure peaks during the summer and business demand more stable throughout the year) and during the week (weekend for leisure and weekdays for business).

The Group's contractual relationships with numerous large corporate customers, as well as with small and medium-sized businesses across multiple industries, contribute to the stability of the Group's business rental revenue, in particular during periods outside of tourist seasons and during business days. The Group's leisure activity involves rentals that are longer in duration and generate more revenue per transaction day than business rentals. The Group also addresses the leisure segment through its portfolio of partnerships with recognized leaders in the travel industry, including major European airlines, tour operators and hotel groups, such as EasyJet, TUI, Accor and Aeroflot. Within the leisure segment, the Group benefits from its core brand Europcar® in the medium and upscale markets and is deploying its InterRent® brand in the low-cost market.

The Group's revenue base is also geographically diverse. The Group's rental revenue (excluding royalties received from its franchisees) in Corporate Countries for the year ended December 31, 2016 was as follows:

Breakdown of Group Rental Revenue in Corporate Countries in 2016



The Group's revenue base is optimized between airports, where customer traffic is relatively high, and non-airport locations. In 2016, the Group's network included directly- and agent- operated stations in 291 airports. These stations represented 17% of corporate and agent-operated stations in 2016, and yet generated 44.1% of the Group's rental revenue in the same year.

This diversification, along with the Group's operating expertise and effective management and information systems, allows it to reach a high fleet financial utilization rate, which was 76.5% in 2016.

The Group's diversified customer base and network are supported by a flexible fleet that has one of the highest proportions of Buy-Back Commitments (as defined below, see "—*Our Fleet*") in the industry, a diverse fleet supply and flexible fleet financing. Approximately 93% of Europcar's 2016 fleet vehicles delivered were covered by such Buy-Back Commitments. This high level of Buy-Back Commitments not only limits risk by providing greater fleet cost visibility, but it also increases flexibility, with the commitments generally allowing for a five to eight month buy-back period deliberately chosen by the Group in order to manage the seasonality inherent to the business. The sourcing of the Group's fleet is also diversified in terms of automobile manufacturers and brands: in 2016, approximately 30% of its fleet was acquired from Volkswagen, 14% from General Motors, 14% from Fiat, 11% from Renault, 10% from Peugeot Citroen, 7% from Daimler, 4% from Hyundai, 2% from Ford and the remaining 8% from other manufacturers. The Group can periodically and opportunistically enter into multiyear framework contracts (generally for a two-year term) with certain manufacturers to ensure fleet availability. In order to optimize its financing conditions, the Group

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uses diversified asset-backed financing represented by the fleet, including securitization, capital market financing (bond financing), revolving credit facilities and operating leases.

This wide diversification of sources of revenue, fleet and financing provide the Group with a business model tailored to limit risks and optimize revenue and costs.

Operational Excellence

The Group continued to pursue initiatives from the Fast Lane plan program in 2016 by continuing to focus on fleet utilization and cost per unit reduction. Following the success of the Fast Lane program between 2012 and 2016, Europcar intends to further strengthen its operational excellence to support profitable organic growth.

The following chart presents the changes in the Group's consolidated revenue and Adjusted Corporate EBITDA margin over the 2010 to 2016 period:

Source : Company

Growth is expected be sustained by strengthening the commercial strategy by Group segment and cost management including optimization of its network and extension of its shared services logic. Special attention continues to be given to enriching and improving the customer experience through the Group's digital transformation. The Group plans to be able to offer a dedicated customer experience entirely on mobile devices in the near future. In addition, the Group plans to allocate investments of approximately €10 million over the 2016-2018 period to rework its customer relations management system. Better knowledge of customers, differentiation of products and services through innovation, transparent and fluid customer relations, simplified procedures and customer help are the keywords of this focus on transformation. In this context, the Group also plans to strengthen its commercial strategy via its direct channels to offer services adapted to new customer expectations in terms of mobility and create a stronger link between its brands and customers to increase the loyalty rate.
Since January 2017, as part of its new organization, the set of initiatives designed to strengthen the Group's operational excellence are now monitored at the Business Unit and/or support function level or at the level of the Corporate Countries, with a view to delivering the Group's medium-term plan targets ("**Ambition 2020**") announced by the Group in October 2016, *i.e.,* targets of reaching €3 billion of revenue and 14% Corporate EBITDA margin by 2020. See Section 3.8 "*Information on mid-term trends and objectives*" in Exhibit A to this Offering Memorandum.

Strong Operational Cash Flow Generation

The Group's experience with respect to the management of its fleet and operating costs, together with its diversified fleet financing (including operating leases) and its ability to control non-fleet working capital requirements (in particular by harmonizing payment terms across the Group) have contributed to strong and increasing EBITDA margins since 2011. This has also allowed the Group to manage its total net debt recorded on the statement of financial position (consisting of both its fleet financing debt, which is asset-backed, and its corporate debt), giving the Group a sound financing foundation as well as financial flexibility. In 2016, the ratio of the Group's corporate free cash flow to Adjusted Corporate EBITDA increased sharply from 34% as of December 31, 2015 to 62% as of December 31, 2016.

Dynamic and Experienced Management Team

The success of the Group's strategy and growth depends on the experience and strength of its management team. The Group's senior management team has been renewed over the last four years and is now composed of complementary backgrounds at top-tier companies in various industries. Ms Caroline Parot has been Chairperson of the Management Board since November 2016, following the departure of Mr. Philippe Germond. She leads a team of managers with extensive business and operating expertise, as well as in-depth understanding of the vehicle rental services industry and new mobility solutions.

The Acquisitions

The Goldcar Acquisition

On June 16, 2017, EGSA, entered into a share purchase agreement (the "**Goldcar Share Purchase Agreement**") with International Car Rentals III S.à.r.l and Alcor Sociedad Estratégica, S.L. to acquire shares representing 100% of the share capital and voting rights of Goldcar, based on a corporate enterprise value of €550 million.

The closing of the Goldcar Acquisition is subject to the satisfaction of customary conditions precedent set forth in the Goldcar Share Purchase Agreement, including a merger control clearance from the European Commission.

Goldcar is primarily engaged in the provision of business-to-consumer car rental-related mobility services in Spain, Italy, Portugal, France, Croatia, Greece Andorra, Cyprus, Malta, the Netherlands, Mexico, Morocco and Romania. Goldcar is one of Europe's leading low-cost car rental groups with strong positions in Spain and Portugal and substantial know-how in running a lean and efficient pure low-cost operating model. Goldcar maintained profitable, cash-generative growth during the global financial crisis and the Eurozone crisis and has built a strong track record of organic growth. For the year ended December 31, 2016, and the twelve months ended June 30, 2017 Goldcar generated revenues of €309 million and €313 million, respectively.

Goldcar opened its headquarters in 2008 in San Juan, Alicante, Spain. Between 2011 and 2013, Goldcar entered the Portuguese and Italian markets and became the number one provider in the leisure sector in Spain by both revenue and market share. Between 2015 and 2017, Goldcar became the number one provider in the leisure sector in Portugal and entered the markets of Greece, France, Croatia and Turkey.

The main differentiating items of the Goldcar business model along the value chain are:

(1) A focus on the current most attractive region for car rental in Europe, i.e. the Mediterranean leisure market, which has consistently benefited from strong tourist inflows;

(2) Strong presence at airport locations, mostly through off-airport stations;

(3) Solid fleet management skills, with over 80% of its fleet purchased through Buy-Back Commitments with original equipment manufacturers;

(4) Efficient distribution and pricing, due to its ability to maintain a low base RPD and attract customers, while also gradually increasing direct-to-brand share of sales from 31% in 2014 to 37% in 2016;

(5) An ability to generate higher levels of ancillary sales compared to the competition, by offering a wide array of services and efficient selling at the counter; and

(6) A constant effort to reduce costs, which is at the core of a lean operating model.

For a description of our acquisition financing arrangements in connection with the Goldcar Acquisition, (see "—*The Acquisitions—Acquisition Financing")*.

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The Buchbinder Acquisition

On May 24, 2017, Europcar Participations SAS, a wholly-owned subsidiary of EGSA, entered into a share purchase agreement with M. Konrad Altenbuchner, KA Handels- und Management GmbH, Car and Rental GmbH and Charterline Autovermietung GmbH (the "**Buchbinder Sellers**") to acquire 100% of the shares of each of CharterLine Fuhrpark-Service GmbH, Carpartner Nord GmbH, Terstappen Autovermietung GmbH, Car & Fly GmbH, CarPartner Leasing GmbH, A. Klees Slovakia, s.r.o., and ABC Autonoleggio s.r.l., the foregoing companies comprising the Buchbinder group. The Buchbinder Acquisition closed on September 20, 2017.

Buchbinder is one of the largest vehicle rental groups in Germany based on revenue. Founded over 60 years ago, Buchbinder is a well-established German group with an extensive network of 151 stations in the world, of which 18 airport stations, and an average fleet in excess of 20,000 vehicles as of December 31, 2016. Buchbinder is the fifth largest car rental operator in the German market with a solid positioning as a low-cost car rental operator, as well as a leading position in the Vans & Trucks segment in Germany as of 2016. Buchbinder is also a market leader in Austria and is present in Hungary, Slovakia and Northern Italy. In 2016, Buchbinder generated revenues of approximately €200 million, 83.7% of which was achieved in Germany, 12.7% in Austria and the remaining 3.6% in other countries (Slovakia, Hungary and Italy).

Buchbinder has a well-diversified business model, a large customer base with a strong focus on small- and medium-sized enterprises and a renowned brand praised by local customers for the quality of its service. Buchbinder's top five customers in its corporate—key accounts segment represent less than 2% of total revenue for 2016. Buchbinder stations are mainly located in off-airport locations (88% of all locations).

For a description of our acquisition financing arrangements in connection with the Buchbinder Acquisition, see "—*Acquisition Financing*."

Acquisition Financing

Following the signature of the share purchase agreements to acquire Buchbinder and Goldcar, in order to bolster its share capital and enable it to maintain an efficient and robust capital structure in the context of financing its external growth strategy, EGSA launched and completed on June 21, 2017 a capital increase via a private placement, through the issuance of approximately 10% if its share capital for a total of €175,349,520 (the "**Capital Increase**").

To finance the Goldcar Acquisition by the Group and to cover Goldcar's corporate- and fleet-related refinancing needs, the Group entered into the Bridge Facilities Agreement on July 13, 2017 with an international banking syndicate of lenders. This unsecured €1,040 million bridge facility includes two tranches: a €440 million Bridge-to-Bond Facility dedicated to the financing of the Goldcar Acquisition and a €600 million Bridge-to-Asset-Backed Facility dedicated to the refinancing of Goldcar's existing fleet debt. The two tranches, which can be drawn until March 31, 2018, have a 12-month maturity and can be extended respectively for an additional six-month period and for two additional six-month periods. The Bridge Facilities Agreement has no financial covenants, and includes a step up margin grid.

To finance the Buchbinder Acquisition, the Group used a mix of cash and drawings under the new secured €500 million Senior Revolving Credit Facility entered into on July 13, 2017, with an international banking syndicate of lenders (see "—*The New Senior Revolving Credit Facility.*") At the closing of the Buchbinder Acquisition, Buchbinder's existing fleet financing arrangements were rolled over. See "*Description of Certain Europcar Financing Arrangements and Acquisition Financing—Certain Financing Arrangements*."

EGSA intends to use the proceeds of the New Parent Notes as follows:

- upon the Completion Date and release of the Escrow Amount to EGSA, to provide funds for the consummation of the Goldcar Acquisition and the corresponding cancellation of the €440 million Bridge-to-Bond Facility of the Bridge Facilities Agreement, and
- upon the issue date of the New Parent Notes, by means of the Proceeds Loan from the SPV Issuer through a financial intermediary to EGSA, to repay drawings that were made under the Senior Revolving Credit Facility in order to finance the Buchbinder Acquisition and to pay related transaction costs and expenses.

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The Group Following the Acquisitions

The Acquisitions are expected to strengthen the Group's position as the European market leader in the vehicle rental market. With the combination of InterRent, Buchbinder and Goldcar, we intend to build the platform and the scale we are aiming for in the low-cost segment. Hence, we expect our Low-Cost Business Unit to generate a significant portion of our Group revenues in the future and more importantly to anchor the development of the Group as a whole.

The Buchbinder Acquisition is expected to enable the Group to become a leading player in the German and Austrian vehicle rental markets and reinforce the Group's presence in the small and medium-sized enterprise business segment and the Low-Cost and Vans & Trucks businesses in both Germany and Austria. It is also expected to expand the Group's presence in Eastern Europe and Southern Europe.

As a result of the Acquisitions, we do not expect any material modification to the high level of Buy-Back Commitments within our fleet. We expect that our level of Buy-Back Commitments, which allows us to limit risk by providing greater fleet cost visibility and to increase flexibility to manage the seasonality inherent to the business, will remain at the top levels within the industry.

Following the Acquisitions, the Group intends to focus on integration and delivering the expected synergies, but also to continue to work on the digitalization of its customers' journey, the expansion of the Group's footprint and the pursuit of operational excellence.

Following completion of the Acquisitions, the Group intends to adopt a new three-tier branding strategy with the following brand positioning:

• Europcar, the Group's premium brand;

• Buchbinder and InterRent for the Group's mid-range or value-for-money brands; and

• Goldcar, the Group's low cost brand.

In light of the growth in size and complexity of operations that the Group has experienced in recent periods, as well as the further growth which is expected to come from the integration of Goldcar, the Group is considering reinforcing the management team, when and where appropriate, as opportunities arise.

The Acquisitions are expected to provide the Group with significant strategic benefits that we believe have the potential to generate substantial future growth for the Group, as described below.

Increased Exposure to Opportunities for Accelerating Future Growth

The Acquisitions are expected to enhance the Group's presence in, and exposure to, markets in Eastern Europe and Southern Europe in particular, and provide the Group with growth opportunities in the low-cost vehicle and vans & trucks rental segments.

With the Goldcar Acquisition the Group aims to pursue growth opportunities in Spain and Portugal and to accelerate access into markets where the low-cost segment is expected to develop the most by 2020 (France, Germany, the United Kingdom, Italy and Eastern Europe). In addition, we believe that the inclusion of the Goldcar® brand will further consolidate the Group's leadership position in Portugal, Spain and France. The Goldcar Acquisition is expected to create value for the Europcar Group by strengthening the Group's expertise and know-how in low cost operations, thereby significantly improving the revenue growth prospects of the Group's low-cost business unit.

With 124 stations in Germany covering the entire country and with an emphasis on the South East and Center West territories of Germany, the Buchbinder® brand is expected to significantly enhance the Group's footprint in Germany, making the Group a leading player in the German vehicle rental market and providing a platform to further expand into Eastern Europe. Germany is the largest country for the Europcar Group in terms of revenues and, through the Buchbinder Acquisition, the Group intends to significantly improve its penetration of the low-cost segment and become the market leader in the local Vans & Trucks segment of the German and Austrian markets, making it a core pillar to

drive the Vans and Trucks expansion strategy across the Group. The Buchbinder Acquisition is also expected to reinforce the Group's focus on small and medium-sized businesses in the German vehicle rental market.

The Acquisitions are in line with the Group's mid-term Ambition 2020 plan, which is built on the two pillars: organic growth and acquisitions. Through its Ambition 2020 plan, the Group has set objectives of achieving at least €3 billion in revenue through organic initiatives and acquisitions in addition to underlying corporate EBITDA margin over 14%, excluding mobility, by 2020. See Section 3.8 "Information on mid-term trends and objectives" in Exhibit A to this Offering Memorandum to this Offering Memorandum. On a Pro Forma basis, the Group's consolidated revenues for the year ended December 31, 2016 would have been €2,595.5 million, and the Group's Adjusted Corporate EBITDA would have been €318.1 million, representing an Adjusted Corporate EBITDA margin of 12.3%.

Potential to Generate Synergies

The Acquisitions are expected to provide the Group with the opportunity to implement a strong integration plan with the potential to generate significant synergies across the Group and allow us to build the path towards our Ambition 2020.

The integration of Goldcar and Buchbinder into the Group is expected to yield significant cost synergies by, among other things, improving fleet management at all levels (sourcing, financing, procurement, maintenance and utilization), capitalizing on the Group's insurance scheme, and implementing yield management tools and pricing model. The Goldcar Acquisition, which is based on a Corporate Enterprise Value of €550 million, is expected to generate close to €30 million of cost synergies per annum by 2020, resulting in an expected post-synergy Adjusted Corporate EBITDA multiple around 7x. The Group expects the Goldcar Acquisition to be materially accretive to its earnings per share from the first full year post closing onwards. The Buchbinder Acquisition is expected to generate significant synergies in the medium term, resulting in an expected post-synergy Adjusted Corporate EBITDA multiple slightly above 5x.

The Group and each of Goldcar and Buchbinder have compatible business models due to multiple similarities including, for one or both Acquisitions, fleet on buy-back models and variable cost models, high fleet utilization rates and a majority of bookings made online.

With the Acquisitions, the Group expects to gain additional dedicated and experienced management teams with consistent and solid track records, coupled with a highly skilled workforce. Buchbinder's expertise in fleet remarketing is expected to deliver further opportunities across the Group.

In addition, both Goldcar and Buchbinder represent strong brand names which the Group intends to leverage in order to strengthen its brand architecture and source market strategy.

The Group's Strategy

Prior to the Acquisitions, the key elements described below formed the basis of our business strategy. We believe the Acquisitions will further strengthen our ability to pursue our strategy successfully.

Europcar Group is the European leader in vehicle rental with a global reach through a strong network of franchisees, partnerships and general sales agents, and a major player in mobility markets. The Group operates in a growing market supported by structural trends in vehicle rental and mobility solutions. Its established leadership and innovation confer a competitive advantage in a changing environment and underpin the Group's ambition to become a global leader in mobility solutions. The Group's initial public offering and the associated optimization of its statement of financial position structure have been major steps in the Company's growth, providing the resources to accelerate its strategy.

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Europcar Group intends to reinforce this leadership in all of its countries and develop in both the vehicle rental segments and the emerging segment of new mobility solutions, highlighting the growth in its customer base, the improved quality of its services and the extension of its solutions portfolio. Even though the outlines of the new mobility solutions market are yet to be defined, it offers opportunities for Europcar to offer solutions to meet customers' constantly evolving needs. To that end, Europcar Group's ambitions are structured around two areas:

- **Consolidate its position as number one in Europe through four main pillars:**
  - **Reinforce its "customer oriented" approach to improve its service offers**: Europcar Group intends to pursue a strategy focused on its customers' current and future needs. The appointment of a Director of Customer Experience at the end of 2015 and the launch of its Customer First project, with ambitious goals, reflect this desire.
  - **Develop the Group's presence on the "Low-Cost" and "Vans & Trucks" segments**: the new organization by Business Unit will enable the Group to deploy its know-how and benefit from its assets, taking into account the specific characteristics of each business model in order to accelerate the creation of value.
  - **Pursue operational excellence:** since the end of 2011, in particular through its "Fast Lane" transformation program, the Group has laid down the foundation for sustainable, profitable growth. The Group intends to continue to increase efficiency at all levels of the organization.
  - **Increase its presence:** the financial headroom now enjoyed by the Group allows it to plan external growth transactions aimed at acquiring customer bases or accelerating certain "go-to-market" initiatives on the fragmented vehicle rental market.
- **Grow beyond the Company's current model, *via* three main levers:**
  - **Boost its international coverage for all the services provided by Europcar Group:** Supported by its network of franchisees, partners and sales representatives, the Group intends to continue to strengthen and expand internationally. In addition, the Group aims to extend its presence where opportunities present themselves.
  - **Invest in New Mobility Services:** Europcar Group aims to create an ecosystem of mobility services that complements its vehicle rental offering. The Group plans to leverage key competitive advantages such as customer diversity, fleet size, fleet management expertise and its network density to seize opportunities resulting from new mobility trends to better meet customer's needs.
  - **Leveraging its network:** The Group's network is the backbone of its business, organized throughout both its stations and back-office operations, enabling it to operate efficiently on a large scale. Europcar Group considers that its network makes a significant difference in a new mobility ecosystem. Accordingly, the Group plans to continue to optimize its network in a dynamic manner and leverage its know-how to develop its network as a service.

In light of the rapid changes in the mobility services segment, the Group believes that these ambitions, as stated in the Ambition 2020 plan, would be achieved by organic growth initiatives (approximately €300 to €500 million of additional revenues in terms of organic growth) and will also be accelerated by external growth through partnerships or acquisitions (approximately €500 million of additional revenues in terms of external growth). The recent acquisitions in new mobility solutions and the acquisitions of the Irish and Danish franchisees, and the completion of the Acquisitions, are expected to allow the Group to achieve the Ambition 2020 target of reaching €3 billion of revenue, all Business Units combined.

Key Enablers to Deliver Our Ambitions

1) Our people

The Group's ambitions are shared and supported by its 6,461 employees (on a full-time equivalent basis) as of December 31, 2016. The Group employs competent and highly committed employees across the ten Corporate Countries in which the Group is established. The success of the Group's strategy and growth depends on the

experience and strength of its management team. The Group's senior management team has been renewed over the last four years and is now composed of executives with complementary backgrounds from top-tier companies in various industries. The Group's top management is supported by an organizational structure consisting of highly complementary international and local teams that have the knowledge, passion and vision to lead the Group in the execution of its strategy.

2) Our assets and know how

The Group has a number of key assets that form the levers / foundations of its business model and are vital to its future development:

- A dense and global network with a majority of stations close to where its customers live and work;
- A large and diversified customer base, with a strong improvement in customer satisfaction (as measured in 2016 by our net promoter score) and customer relationship management system that should allow it to leverage close customer relationships implemented over the coming years;
- A flexible and low-risk fleet, together with strong skills in logistics, maintenance, and optimization of utilization rates; and
- A strong portfolio of brands.

Europcar considers that the assets and the know-how that have made the Company the European car rental industry leader it is today will enable it to capture attractive market trends while retaining its operational excellence and leadership.

3) Customer experience

The Group serves more than 5.5 million drivers every year. Combined with its operational excellence, the delivery of a different kind of experience can be a strong lever to create more value.

Over the last year, the Group has initiated a comprehensive program named "Customer First", aimed at analyzing the expectations and preferences of Europcar's best customers in order to increase their satisfaction through differentiated service levels. The Group's end goal is to increase customer loyalty and repurchase intentions. This approach is being implemented across all distribution channels and all countries to address the full range of customer contact points throughout the whole organization.

The Group intends to take advantage of the initial feedback to focus more closely on customers and their consumption habits to improve its service propositions in a constantly changing environment.

4) Group digitalization

Digitalization is a disruptive force in the mobility market, and the Group considers this to be an opportunity to improve customer experience. The Group is working on four main areas in which digitalization is used as a tool to accelerate our development, in a manner that is fully consistent with the Customer First program described above:

- Accelerate online revenue: the Group currently receives approximately 60% of its bookings online but believes this share will increase in the future, especially with respect to the direct-to-brand segment;
- Expand the digital experience to improve the conversion rate (*i.e.,* the percentage of website users who complete a transaction) and value per user;
- Enhance satisfaction through a personalized approach and customer experience, using preferences already set *via* the Internet; and
- Improve and enrich the Group platforms, offering more combined mobility services.

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5) A new organization by Business Unit in order to better meet customer expectations and anticipate industry challenges

As part of its ambition, the Group has decided to organize itself into five Business Units in order to better meet new customer expectations, to be better positioned to seize emerging business opportunities and to be more efficient in the face of competition. The roll-out of this new organization was implemented at the beginning of January 2017.

- Cars Business Unit, the objective of which is to reinforce the Group's number one position in Europe;
- Vans & Trucks Business Unit, which the Group intends to make the European leader;
- Low-Cost Business Unit, the objective of which is to become the leader in Europe;
- New Mobility Business Unit, with which the Group aims to address new usages;
- International Coverage Business Unit, for which the ambition is to expand the Europcar Group's services globally.

The development of each of these business units will be strongly supported by:

- A granular network, representing 3,754 stations in more than 130 countries, in airports, railway stations and city and suburban centers; and
- The Group's key departments, namely Commercial, Customer Experience, Finance, Human resources, IT, Legal and Marketing & Innovation (through Europcar Lab).

6) Cash flow generation / financial headroom

The Group's initial public offering completed in June 2015 and the resulting optimization of the statement of financial position structure have been major steps in the Company's development, which significantly reduced the net corporate debt. This financial headroom, combined with the recent capital increase and the regular free cash flow generation linked to the Group's resilient and low risk business model, today enable the Group to accelerate the implementation of its strategy, through organic growth and acquisitions, in particular with Buchbinder and Goldcar.

Our Fleet

We believe that Europcar is one of the largest purchasers of vehicles in Europe and the largest in the European car rental industry. During the year ended December 31, 2016, Europcar operated an average rental fleet of approximately 213,789 passenger and light commercial vehicles (up 4.1% versus 2015), and took delivery of around 293,300 vehicles. Our fleet is sourced from a number of manufacturers, including Volkswagen (with the brands VW, Audi, Seat and Skoda) accounting for approximately 30% of Europcar's fleet deliveries, 14% from General Motors, 14% from Fiat, 11% Renault, 10% from Peugeot Citroën, 7% from Daimler, 4% from Hyundai-Kia, 2% from Ford and the remaining 8% from other manufacturers. The Group currently uses a wide variety of models provided by a number of car manufacturers.

The diversity of Europcar's fleet allows the Company to meet the rental demands of a broad range of customers. Our fleet consists of eleven main vehicle categories, based on general industry standards—mini, economy, compact, intermediate, standard, full-size, premium, luxury, mini-vans, trucks and convertibles. The fleet varies by brand, with the fleet offered under the Europcar® brand covering the full range of vehicles (from the mini category to the Selection category, comprising "prestige" and "fun" vehicles), and the fleet offered under the InterRent® brand corresponding to the most frequently requested types of vehicles in the low-cost segment. The InterRent® offer is limited to four categories: mini, economy, compact and intermediate. Some cars are used only for the InterRent® brand. These vehicles do not have the same equipment as those rented under the Europcar® brand and often have longer holding periods and higher mileage. For further information, see Section 1.3 "*Presentation of the Group's market and Competitive Environment*" in Exhibit A to this Offering Memorandum.

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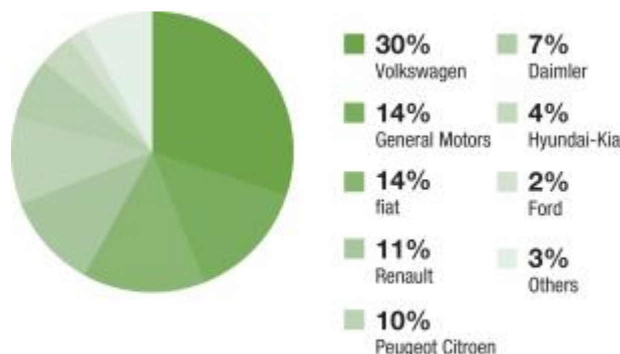
The following chart illustrates the diversity of the Group's fleet in terms of deliveries by manufacturer (expressed as a percentage of total acquisitions by the Group) for the year ended December 31, 2016:



Source: Company

For the year ended December 31, 2016, Europcar's approximate average holding period for a vehicle was 8.8 months. We believe that Europcar is among the leaders in fleet utilization among the major European car rental companies, having successfully increased its fleet utilization rate from 71.3% in 2005 to 76.5% for the year ended December 31, 2016 (up to 0.4 points in comparison with the year ended December 31, 2015). Fleet utilization rates reflect the number of rental days per available days for the period from first in-service date of a vehicle to the vehicle's sale date. Although we believe that our fleet utilization rate is close to the maximum obtainable rate for the industry, we nevertheless continue to explore ways to improve it.

Europcar acquires, subject to availability, a majority of its vehicles pursuant to various fleet purchase programs established by the manufacturers. Under these contractual programs, Europcar purchases from the vehicle manufacturers or dealers, and the vehicle manufacturers undertake, subject to certain terms and conditions, to grant Europcar the right to sell back to them, those vehicles at a pre-determined price observing a specified time window (after which the repurchase transaction is automatically triggered if it has not already occurred) (the "**Buy-Back Commitment**"). As of December 31, 2016, approximately 93% of Europcar's fleet in units was covered by repurchase programs with Buy-Back Commitments (compared with 92% in 2015). The proportion of the total fleet covered by Buy-Back Commitments at any given time may be less than the proportion of vehicles purchased with Buy-Back Commitments during the year given that "at risk" vehicles, or vehicles not subject to a Buy-Back Commitment, have a significantly longer holding period. Repurchase programs limit Europcar's potential residual risk with respect to vehicles purchased under the programs, allow Europcar to arrange financing on the basis of the agreed repurchase price and provide Europcar's fleet managers with flexibility to respond to changes in demand. These programs operate to the benefit of the car manufacturers as well, since the return of the vehicles to them within a short time period enables them to resell the vehicles more quickly through their dealership networks as newer models.

An average of 93% of Europcar's fleet purchase in units for the year ended December 31, 2016 were covered under Buy-Back Commitments, i.e. one of the highest rates of all vehicle rental companies.

Corporate History

Europcar Groupe S.A. was formed in connection with the acquisition by Eurazeo of ECI in 2006 and originally incorporated as a *société par actions simplifiée* on March 16, 2006. It was transformed on April 25, 2006 to a *société anonyme* incorporated under the laws of the Republic of France. EGSA's executive office is registered at 2, rue René Caudron—Bât. OP 78960, Voisin-le-Bretonneux, France and it is registered with the *Registre du commerce et des sociétés* of Versailles under number 489 099 903.

We trace our origins back to 1949, with the founding of the *L'Abonnement Automobile* car rental company in Paris by Raoul-Louis Mattei, and the combination of the *L'Abonnement Automobile* network with the network of another Paris-based rental car company, *Système Europcars*, in 1961. In 1965, the two groups formally merged to form *Compagnie Internationale Europcars*. After being purchased by the French automobile manufacturer Renault in 1970, *Compagnie Internationale Europcars* expanded throughout Europe through the establishment of subsidiaries in Belgium, the UK,

The Netherlands, Switzerland, Spain and Portugal, and the acquisition of existing operations in Italy and Germany. The company was rebranded as Europcar in 1974.

In 1988, Wagons-Lits purchased Europcar from Renault, and subsequently sold 50% of Europcar to Volkswagen AG. At the same time, Europcar merged with the German InterRent network, the sole shareholder of which was Volkswagen AG. Accor acquired Wagons-Lits in 1992 and became a 50% shareholder of Europcar while Volkswagen AG held the other 50%. Volkswagen AG subsequently acquired the remaining 50% of Europcar from Accor in December 1999. To this day, Accor remains one of Europcar's key strategic partners.

On May 31, 2006, Eurazeo acquired, through EGSA, its subsidiary formed for such purpose, 100% of the share capital of ECI from Volkswagen AG (the "**ECI Acquisition**"). The ECI Acquisition had a total value of approximately €3.1 billion.

In June 2006, the Europcar Group acquired all of the shares in Keddy N.V. and the remaining 50% shares in Ultramar Cars S.L. through its Germany subsidiary Europcar Autovermietung GmbH.

In 2007, the Group acquired the UK headquartered operations of National Car Rental and Alamo Rent A Car covering Europe, the Middle East and Africa (the "**EMEA Zone**") from Vanguard Car Rental Holdings LLC ("**Vanguard**"). Vanguard was subsequently acquired by Enterprise Holdings, Inc. ("**Enterprise**"). From 2008 to 2013, the Group had a commercial alliance with Enterprise relating to the National and Alamo brands operated by Europcar. This alliance ended in August 2013, although the Group continued to operate the brands National and Alamo in the EMEA Zone until March 2015.

In addition, in 2007, the Group acquired one of its Spanish franchisees, Betacar.

In 2008, we acquired ECA Car Rental, our master franchisee in Asia Pacific with corporate operations in Australia and New Zealand.

In March 2011, we also entered into a strategic joint venture with Daimler AG in Germany to create car2go Europe GmbH, a car-sharing service aimed at making rental vehicles available to subscriber customers on an immediate basis in cities throughout Europe, initially commencing in Hamburg in the first quarter of 2011.

In May 2011, we divested our corporate-run operations in Switzerland to our Swiss franchisee.

In 2013, Europcar unveiled "InterRent," its new low-cost brand**.** The InterRent offering provides car hire at market-leading prices without compromising customer service. As of December 31, 2014, InterRent had been primarily deployed in six Corporate Countries in Europe (France, Germany, Portugal, Spain, Italy and the United Kingdom), and 40 countries through the franchise network.

At the end of 2014, the Group acquired, through its French subsidiary, Europcar France, 100% of the shares of EuropHall, an important franchisee of Europcar France for the "East" region. The Group also acquired a stake of 70.64% in Ubeeqo, a French start-up created in 2008 that offers car-sharing solutions. As of June 9, 2016, Ubeeqo is 100%-owned by Europcar Lab SAS, a French subsidiary of the Group, and operates in France, Belgium, Germany, the United Kingdom, Spain (*via* BlueMove) and Italy (*via* GuidaMi).

On June 26, 2015, Europcar Group was successfully listed on the regulated market of Euronext Paris.

In July 2015, the Group acquired, *via* its English subsidiary Europcar Lab UK, a majority stake of 60.8% in E-Car Club, the United Kingdom's first entirely electric pay-per-use car club.

On December 18, 2015, Europcar Group joined the SBF 120 stock market index comprising the 120 top stocks in terms of liquidity and market capitalization, listed on Euronext Paris.

In 2016, the Group acquired its third-largest French franchisee, Locaroise, and its Irish franchisee, GoCar, the leading car-sharing company in Ireland. The latter acquisition brought Europcar's count of Corporate Countries to 10.

On February 17, 2017, the Group announced the exclusive takeover of Ubeeqo, through its subsidiary Europcar Lab SAS, which until then has been consolidated under the equity method in Europcar scope. Starting March 1st, 2017 Ubeeqo is fully consolidated.

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On March 9, 2017, Europcar Australia acquired assets from its franchisee in Queensland, Australia.

On April 27, 2017, the Group acquired its Danish franchisee, one of its biggest in terms of revenue. Europcar Denmark is the market leader with approximately 30% market share in Denmark. It operates an average rental fleet of 6,000 vehicles through 40 branches.

On May 24, 2017, pursuant to share purchase agreement, Europcar Lab acquired a minority stake of approximately 20% in SnappCar a peer-to-peer car sharing start-up. SnappCar is a Dutch scale-up and social enterprise created in 2011. It is the second largest international peer-to-peer car sharing player in Europe with more than 250,000 customers sharing over 30,000 cars available on its platform. Today SnappCar is available in the Netherlands, Denmark and Sweden with the intention to expand to new markets.

With this investment, Europcar joins the consortium of existing shareholders AutoBinck Group and the Danish Startup Studio Founders who have extended their commitment to SnappCar. These investors are now joining forces with a common ambition to help SnappCar expand geographically within Europe and further improve and innovate its platform usage and services for its members, by for example, introducing "keyless technology," making it possible to open a car through the SnappCar application.

On June 16, 2017, the Group entered into a share purchase agreement with International Car Rentals III S.à.r.l. and Alcor Sociedad Estratégica, S.L. to acquire Goldcar, which is primarily engaged in the provision of business-to-consumer car rental-related mobility services through its subsidiaries in Spain, Italy, Portugal, France, Croatia, Greece and Turkey, and through franchisees in Andorra, Cyprus, Malta, the Netherlands, Mexico, Morocco and Romania. The completion of the Goldcar Acquisition is subject to the satisfaction of customary conditions precedents, including a merger control clearance from the European Commission. The Goldcar Acquisition, once completed, would enhance the Group's corporate operations in France, Northern Italy and the Iberian Peninsula.

On September 12, 2017, Snappcar bought its German rival Tamyca, reinforcing its position as the second peer to peer car sharing platform operator in Europe.

On September 20, 2017, the Group acquired 100% of the share capital of seven companies comprising the Buchbinder group, thus enhancing its corporate operations in Germany and Eastern Europe.

Our Fleet and Corporate Financings

The acquisition of our fleet is financed in a number of ways, including by operating lease arrangements, the Senior Asset Revolving Facility (as amended in 2017, see "*—Amendments to the Senior Asset Revolving Facility in 2017*"), the Senior Revolving Credit Facility, the Existing EC Finance Notes and other banking facilities plus dedicated fleet financing arrangements in the UK, Portugal, Denmark, Australia and New Zealand. In France, Germany, Italy and Spain, Europcar finances its fleet both through operating leases and through the Securitifleet Companies. The Securitifleet Companies were set up to purchase and own vehicles and to lease them to the local Europcar Opcos. The financing of the Securitifleet Companies' fleet is provided through Securitifleet Holdings by drawings made under the Senior Asset Revolving Facility together with the proceeds of senior secured notes issued by EC Finance which were refinanced with the proceeds from the issuance of the Existing EC Finance Notes.

Financing of our corporate needs is mainly provided by the €600 million Existing Parent Notes outstanding as of June 30, 2017 and the new €500 million Senior Revolving Credit Facility signed on July 13, 2017 with a diversified pool of international banks. This facility, which replaced the existing €350 million Senior Revolving Credit Facility and included more favorable financial conditions, will mature on June 9, 2022 and contains habitual financial and general covenants (see "*The New Senior Revolving Credit Facility*"). The €150 million increase in the committed amount of the Senior Revolving Credit Facility is expected to allow the Group to support its Ambition 2020 and the related growing financing needs.

For a description of our financing arrangements in connection with the Acquisitions, see "*—The Acquisitions—Acquisition Financing*" and "*Description of Certain Europcar Financing Arrangements and Acquisition Financing*."

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Amendments to the Senior Asset Revolving Facility in 2017

On February 9, 2017, the Group entered into amendments to the Senior Asset Revolving Facility (SARF) to enable the securitization program to be compliant with the new methodology published by Standard & Poor's relating to sovereign risk (the "Rating above the sovereign" methodology) in order to maintain its single A rating. These amendments provide, in particular, for the inclusion of new concentration limits on rental fleets in Spain and Italy funded through the SARF. On August 31, 2017, additional amendments were entered into to adjust concentration limits on car manufacturers following the completion of the acquisition of Opel by PSA.

Existing Parent Notes

In June 2016, EGSA issued additional Existing Parent Notes for a total of €125 million. These additional Existing Parent Notes are fungible with the Existing Parent Notes bearing a fixed interest rate of 5.750% and maturing in 2022 (issued in June 2015) for a total principal amount of €475 million, bringing the total principal amount of outstanding Existing Parent Notes as of June 30, 2017 to €600 million. See "*Description of Certain Europcar Financing Arrangements and Acquisition Financing—Certain Corporate Financing Arrangements—The Existing Parent Notes*."

The New Senior Revolving Credit Facility

A new Senior Revolving Credit Facility was signed on July 13, 2017 and entered into effect on July 19, 2017, at which time the existing senior revolving credit facility dated May 12, 2015 was refinanced in full. The Senior Revolving Credit Facility consists of a senior secured revolving credit facility providing for loan advances or issuance of letters of credit, denominated, in both cases, in euros, pounds sterling, U.S. dollars or such other currencies as may be agreed upon with the lenders, in a total aggregate principal amount committed of €500 million outstanding at any one time and available from time to time under certain conditions to EGSA and ECI and certain operating companies of the Group. The maximum aggregate amount of the letters of credit may not exceed €150 million. Under certain circumstances, the amount available pursuant to the Senior Revolving Credit Facility may be increased to €600 million. The purpose of the facility is to provide funding mainly for working capital needs and general corporate purposes of the Group (including permitted acquisitions).

The new Senior Revolving Credit Facility will mature on June 9, 2022.

Current Trading

We expect our total revenues for the third quarter of 2017, as compared to the third quarter of 2016, to demonstrate a positive trend. We expect this trend to continue to be driven by growth from the leisure segments, including our low-cost offers in almost all countries in which we operate, while corporate segments continue to face steady competition across Europe.

Recent Developments

Acquisition of LOR'RENT

On July 18, 2017 the Europcar Group announced the acquisition of LOR'RENT, which has been a significant franchisee of Europcar France since 1980. LOR'RENT is a well-established company in the Lorraine region, based in Lunéville with eight branches located in the Vosges, Moselle and the Meurthe and Moselle regions of France.

Acquisition of Buchbinder

On September 20, 2017, Europcar Group completed the Buchbinder Acquisition.

Sale of shares by Eurazeo and ECIP Europcar Sarl

On October 3, 2017, Eurazeo and ECIP Europcar Sarl announced the sale of 16,103,088 of their ordinary shares in EGSA, representing 10.00% and 10.04% of EGSA's share capital and voting rights, respectively. The transaction comprised 14,084,332 ordinary shares (i.e. 8.75% of EGSA's capital and 8.78% EGSA's voting rights) sold by

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Eurazeo and 2,018,756 EGSA shares (i.e. 1.25% of EGSA's capital and 1.26% of EGSA's voting rights) sold by ECIP Europcar Sarl. As of the settlement date on October 5, 2017, Eurazeo and ECIP Europcar Sarl's shareholdings represent respectively 30.40% and 4.36% of EGSA's share capital and 30.54% and 4.36% of EGSA's voting rights.

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Summary Europcar Consolidated Financial Information and Other Data

Summary EGSA Financial Information

The following tables set forth summary consolidated financial information and other data. The summary historical consolidated financial information for EGSA has been derived from the EGSA Consolidated Financial Statements as of and for the six months ended June 30, 2017 (with June 30, 2016 as a comparative period) and from the EGSA Consolidated Financial Statements as of and for the years ended December 31, 2016, 2015 and 2014. The EGSA Consolidated Financial Statements as of and for the years ended December 31, 2016, 2015 and have been audited by PricewaterhouseCoopers Audit and Mazars, and were prepared in accordance with IFRS. The EGSA Consolidated Financial Statements as of and for the six months ended June 30, 2017 are unaudited and have been subject to limited review by PricewaterhouseCoopers Audit and Mazars.

The summary financial data presented below for the twelve months ended June 30, 2017 have been derived by taking the results of the year ended December 31, 2016 and subtracting the results for the six months ended June 30, 2016, and then adding the results for the six months ended June 30, 2017.

You should read the following summary consolidated financial and other data in conjunction with the EGSA Consolidated Financial Statements and the notes thereto, and other financial information appearing elsewhere in this Offering Memorandum, including under the captions "*Capitalization of Europcar Group*," "*Management's Discussion and Analysis of Results of Operations and Financial Conditions*," "*Unaudited Pro Forma Condensed Consolidated Financial Information* " in the P-pages to this Offering Memorandum and in Section 3 "*Accounting and Financial Information*" in Exhibit A to this Offering Memorandum and in Exhibit B to this Offering Memorandum.

Summary Consolidated Income Statement Data

	For the twelve months ended June 30,	For the six months ended June 30,		For the year ended December 31,		
(in millions of €)	**2017**	**2017**	**2016**	**2016[1]**	**2015**	**2014**
	(unaudited)	**(unaudited)**	**(unaudited)**			
Revenue	**2,230.6**	**1,027.8**	**947.9**	**2,150.8**	**2,141.9**	**1,978.9**
Expenses						
Fleet holding costs[2]	(551.9)	(264.0)	(248.5)	(536.3)	(547.2)	(496.3)
Fleet operating, rental and revenue related costs[2]	(787.7)	(371.3)	(336.9)	(753.3)	(727.0)	(686.3)
Personnel costs	(360.8)	(191.2)	(169.6)	(339.2)	(347.4)	(318.2)
Network and headquarters overhead costs	(225.5)	(120.6)	(111.0)	(215.9)	(218.5)	(199.3)
Other income	11.1	3.9	2.5	9.7	14.2	6.9
Depreciation, amortization and impairment expense	(30.7)	(14.2)	(15.9)	(32.3)	(32.8)	(31.8)
Current operating income	**285.2**	**70.3**	**68.6**	**283.5**	**283.3**	**253.9**
Other non-recurring expenses and income[3]	(62.5)	(38.5)	3.3	(20.7)	(61.8)	(115.7)
Operating income	**222.7**	**31.8**	**71.9**	**262.7**	**221.5**	**138.2**
Net financing costs	**(124.0)**	**(58.0)**	**(55.1)**	**(121.1)**	**(227.6)**	**(232.7)**
Profit/(loss) before tax	**98.7**	**(26.2)**	**16.8**	**141.7**	**(6.0)**	**(94.5)**
Income tax	9.4	5.0	(11.0)	(6.6)	(37.6)	(10.7)
Share of profit/(loss) in associates	(18.6)	(5.8)	(2.9)	(15.8)	(12.1)	(6.5)
Net profit/(loss) for the period	**89.5**	**(27.0)**	**2.8**	**119.3**	**(55.8)**	**(111.7)**
Net profit/(loss), share attributable to Europcar Groupe shareholders	**89.7**	**(26.8)**	**2.9**	**119.5**	**(55.6)**	**(112.3)**

Summary Consolidated Statement of Financial Position Data

Europcar

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(in millions of €)	As of June 30,		As of December 31,		
	2017	**2016**	**2016**	**2015**	**2014**
	(unaudited)	**(unaudited)**			
Non-current assets	1,511.0	1,379.6	1,399.5	1,394.3	1,363.0
Current assets	3,962.3	3,533.9	3,115.3	2,926.3	2,583.5
of which rental fleet recorded on the balance sheet	*2,384.3*	*2,072.6*	*1,640.3*	*1,664.9*	*1,402.7*
of which rental fleet and related receivables[(4)]	*746.6*	*716.6*	*720.6*	*574.7*	*530.1*
of which current financial assets[(5)]	*48.0*	*41.5*	*77.0*	*37.5*	*49.5*
of which cash and cash equivalents	*213.5*	*167.0*	*154.6*	*146.1*	*144.0*
Total assets	**5,473.3**	**4,913.6**	**4,514.8**	**4,320.6**	**3,946.4**
Non-current liabilities	1,293.2	1,273.1	1,276.1	1,129.2	1,351.2
of which financial liabilities	*959.9*	*932.1*	*953.2*	*801.2*	*1,043.1*
Current liabilities	3,426.9	3,123.6	2,607.4	2,629.0	2,437.1
of which current portion of financial liabilities	*1,557.4*	*1,375.9*	*1,224.4*	*1,263.8*	*1,127.5*
Total liabilities	**4,720.1**	**4,396.7**	**3,883.5**	**3,758.2**	**3,788.3**
Total equity	**753.3**	**516.9**	**631.3**	**562.4**	**158.1**

Summary Consolidated Statement of Cash Flow Data

(in millions of €)	For the six months ended June 30,		For the year ended December 31,		
	2017	**2016**	**2016**	**2015**	**2014**
	(unaudited)	**(unaudited)**			
Operating income/(loss) before changes in working capital	**54.7**	**52.8**	**257.1**	**266.2**	**224.0**
Changes in rental fleet recorded on the balance sheet	(612.2)	(478.1)	(20.6)	(232.9)	(91.5)
Changes in fleet working capital	290.8	158.2	(126.2)	34.9	(74.0)
Change in non-fleet working capital	101.9	73.3	4.0	(57.2)	50.0
Cash generated from operations	**(164.8)**	**(193.7)**	**114.3**	**10.9**	**108.6**
Income taxes received/(paid)	(17.1)	0.1	(22.7)	(39.7)	(31.4)
Net interest paid	(49.4)	(46.8)	(98.7)	(137.3)	(166.8)
Net cash generated from (used by) operations	**(231.3)**	**(240.4)**	**(7.2)**	**(166.1)**	**(89.7)**
Net cash generated from (used by) investing activities	**(98.5)**	**(10.2)**	**(104.1)**	**(55.2)**	**(76.6)**
Net cash generated from (used by) financing activities	**395.6**	**297.0**	**130.6**	**243.3**	**103.3**
Net increase/(decrease) in cash and cash equivalents after effect of foreign exchange differences	**65.8**	**46.4**	**19.3**	**22.0**	**(63.0)**

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Key Performance Indicators and Other Data

Performance Indicators—Cash Flow

(in millions of €)	For the twelve months ended June 30,	For the six months ended June 30,		For the year ended December 31,		
	2017	2017	2016	2016	2015	2014
	(unaudited)	(unaudited)	(unaudited)			
Adjusted Corporate EBITDA	**256**	**56**	**55**	**254**	**251**	**213**
Other non-recurring income and expenses[(A)]	(70)	(39)	3	(28)	(73)	(28)
Acquisitions of intangible assets and property, plant and equipment, net of disposals	(39)	(21)	(13)	(31)	(24)	(22)
Changes in provisions and in non-fleet working capital requirements[(B)]	58	111	37	(16)	(28)	27
Income tax paid	(40)	(17)	–	(23)	(40)	(31)
Corporate Free Cash Flow	**165**	**90**	**82**	**157**	**86**	**158**
Net interest paid on high-yield borrowings	(34)	(17)	(13)	(31)	(65)	(74)
Cash flow after payment of interest on bonds	**131**	**73**	**68**	**126**	**21**	**84**
Change in vehicle fleet, working capital requirements, fleet financing and working capital facilities	(67)	(64)	(150)	(152)	(87)	(56)
Acquisitions and proceeds from disposal of financial assets	(29)	1	3	(28)	(8)	(10)
Acquisition of subsidiaries, net of cash acquired and other investment transactions	(123)	(77)	–	(46)	(24)	(46)
Increase in share capital	192	192	–	–	448	–
Dividends	(59)	(59)	–	–	–	–
(Purchases)/Sales of treasury shares	(3)	(1)	(3)	(5)	–	–
High-yield notes	–	–	131	131	(308)	(17)
Payment of financing and other costs	(5)	–	(2)	(7)	(20)	(19)
Increase/(Decrease) in cash before effect of foreign exchange differences	**38**	**66**	**46**	**19**	**22**	**(63)**
Cash and cash equivalents at beginning of period	249	249	229	229	206	267
Effect of foreign exchange differences	3	2	(1)	–	1	2
Cash and cash equivalents at end of period	**290**	**317**	**275**	**248**	**229**	**206**

(A) The other non-recurring income and expenses line item as presented in this table differs from the line item with the same name in the income statement because the line item in this table excludes all non-recurring items that do not have an impact on cash.

For the six months ended June 30, 2017, non–recurring income and expenses includes an expense of €39 million, compared with income of €3 million for the first half of 2016, which specifically includes reorganization costs, Group transformation costs and costs related to acquisitions, in particular franchisees in Ireland and Denmark, Ubeeqo mobility company, Goldcar and Buchbinder.

For the year ended December 31, 2016, the non-recurring income and expenses line item included €(18) million related to reorganization costs and consulting fees linked to external growth transactions.

For the year ended December 31, 2015, the non-recurring income and expenses line item included the payment of €12.5 million to Enterprise following the signing of a settlement agreement putting an end to all legal proceedings with that company (see Note 8 to the EGSA Consolidated Financial Statements for the year ended December 31, 2015 included in Exhibit B to this Offering Memorandum), and bonus payments relating to the multi-year compensation program arising from the success of the Fast Lane plan over the period 2012-2014 (approximately €23.9 million).

For the year ended December 31, 2014, the non-recurring income and expenses line item mainly included reorganization costs to streamline the network and back-office activities and exceptional bonuses paid out to the employees of the Group.

(B) For the six months ended June 30, 2017, changes in non-fleet working capital and provisions reached €111 million due to strong performance on the acceleration of cash collection and higher brokers prepayments.

For the year ended December 31, 2016, negative change in provisions was primarily linked to insurance provisions, litigation & lawsuits provisions and restructuring provisions.

For the year ended December 31, 2015, changes in non-fleet working capital represent a cash outflow of €28 million, due in particular to the significant increase in the Group's activity. This item is also affected by the settlement of tax payables relating to previous years.

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Selected Key Operating Indicators

	For the twelve months ended June 30,	For the six months ended June 30,		For the year ended December 31,		
	2017	**2017**	**2016**	**2016**	**2015**	**2014**
	(unaudited)	**(unaudited)**	**(unaudited)**			
Total revenue (in millions of €)	2,230.6	1,027.8	947.9	2,150.8	2,141.9	1,978.9
Rental revenue (in millions of €)	2,073.6	956.3	885.1	2,002.4	1,991.9	1,822.8
Rental Day Volume (in millions)	63.2	30.0	26.7	59.9	57.1	52.8
RPD (in €)(6)	32.9	31.9	33.0	33.4	34.9	34.5
RPD year-on-year variation	(1.7)%	(3.5)%	(3.8)%	(4.2)%	1.1%	1.2%
Average rental contract duration (day)	6.0	5.8	5.7	6.0	6.0	5.7
Average fleet size in units(7) (in thousands)	226.3	217.1	194.7	213.8	205.4	189.3
Average fleet unit costs/month (in €)(8)	(241)	(241)	(250)	(245)	(253)	(248)
Fleet financial utilization rate(9)	76.9%	76.3%	75.5%	76.5%	76.1%	76.4%

Other Financial Data

(in millions of €)	As of and for the twelve months ended June 30,	As of and for the six months ended June 30,		As of and for the year ended December 31,		
	2017	**2017**	**2016**	**2016**	**2015**	**2014**
	(unaudited)	**(unaudited)**	**(unaudited)**			
Securitifleet Total Asset Value	1,461.6	1,461.6	1,450.8	1,117.4	1,084.0	834.3
Adjusted recurring operating income/(loss)(10)	331.7	91.8	91.1	331.0	338.4	307.5
Adjusted Consolidated EBITDA(10)	766.2	298.7	287.0	754.5	766.0	695.0
Adjusted Consolidated EBITDA margin	34.3%	29.1%	30.3%	35.1%	35.8%	35.1%
Adjusted Corporate EBITDA(10)	255.5	56.4	54.7	253.9	250.6	212.8
Adjusted Corporate EBITDA margin	11.5%	5.5%	5.8%	11.8%	11.7%	10.8%
Net Total Debt (including fleet-related off-balance sheet commitments)(11)	4,140	4,140	3,755	3,265	3,057	3,148
Net Fleet Debt (including fleet related off-balance sheet commitments)	4,037	4,037	3,555	3,045	2,822	2,567
Net Fleet Debt	2,009	2,009	1,744	1,584	1,498	1,283
Net Corporate Debt	104	104	200	221	235	581
Net Financing Costs (including interest expense included in fleet operating lease rents (estimated), excluding amortization of financing arrangement costs and excluding interest expense from interest rate swaps)	(147.6)	(69.0)	(64.3)	(142.9)	(224.2)	(230.0)
Net Corporate financing costs	(34.9)	(17.6)	(14.5)	(31.8)	(54.9)	(78.1)
Net Total financing costs	(124.0)	(58.0)	(55.1)	(121.1)	(227.6)	(232.7)
Net Fleet Debt / Adjusted Consolidated EBITDA	2.6x	N/A	N/A	2.1x	2.0x	1.9x
Net Corporate Debt / Adjusted Corporate EBITDA	0.4x	N/A	N/A	0.9x	0.9x	2.7x
Net Total Debt (including fleet-related off-balance sheet commitments) / Adjusted Consolidated EBITDA	5.4x	N/A	N/A	4.3x	4.0x	4.5x
Adjusted Corporate EBITDA / Net Corporate financing costs	7.3x	N/A	N/A	8.0x	4.6x	2.7x
Adjusted Consolidated EBITDA / Net Total financing costs	6.2x	N/A	N/A	6.2x	3.4x	3.0x

(1) EGSA holds 100% of the shares of ECI, which is guaranteeing the EC Finance Notes, and is the holding company for the Europcar Operating Companies. EGSA will also guarantee the Notes. The annual financial statements of ECI for the years ended December 31, 2016, 2015 and 2014 are incorporated by reference herein. The result of operations of ECI and its subsidiaries are consolidated into the EGSA Consolidated Financial Statements, an English translation of which is included elsewhere herein.

The following table shows EGSA consolidated income statement data (column a), the consolidation entries related to purchase accounting and to the elimination of the intercompany transactions (unaudited) (column b), the stand-alone separate financial statements of EGSA as a parent company (unaudited) (column c), and the special purpose financial statements of ECI on a consolidated basis (unaudited) (column d):

	Year ended December 31, 2016				
(in millions of €)	EGSA consolidated (a)	Consolidation entries (b)	EGSA stand-alone separate financial statements (c)	ECPSA stand-alone separate financial statements (d)	ECI consolidated special purpose (unaudited) (e)=(a)-(b)-(c)-(d)
Revenue	**2,150.8**	**–**	**1.4**	**–**	**2,149.4**
Expenses					
Fleet holding costs	(536.3)	–	–	–	(536.3)
Fleet operating, rental and revenue related costs	(753.3)	–	–	–	(753.3)
Personnel costs	(339.2)	0.4	(5.0)	–	(334.6)
Network and headquarters overhead costs	(215.9)	–	(4.2)	–	(211.7)
Depreciation, amortization and impairment expense	(32.3)	–	–	–	(32.3)
Other income	9.7	(0.1)	1.8	–	8.0
Current operating income	**283.5**	**0.3**	**(6.0)**	**–**	**289.2**
Other non-recurring income and expenses	(20.7)	–	1.3	–	(22.0)
Operating income	**262.7**	**0.3**	**(4.7)**	**–**	**267.2**
Net financing costs	**(121.1)**	**–**	**(25.0)**	**–**	**(96.1)**
Profit(loss) before tax	**141.7**	**0.3**	**(29.7)**	**–**	**171.0**
Income tax	(6.6)	8.4	15.5	–	(30.5)
Share of profit/(loss) in associates	(15.8)	–	–	–	(15.8)
Net Profit/(loss) for the period	**119.3**	**8.7**	**(14.2)**	**–**	**124.8**
Net Profit/(loss), share attributable to Europcar Groupe shareholders	**119.5**	**8.7**	**(14.2)**	**–**	**125.0**

Column (b) mainly represents the consolidated entries related to purchase accounting and to the elimination of the intercompany transactions.

Column (c) reflects the principal operations at the EGSA parent company level, the most significant of which are:

- €(5.0) million in personnel costs related to the top management of Europcar;
- €(4.2) million in Network and headquarter overhead costs, principally relating to consultant fees;
- €1.8 million in other income related to contractual income recognized as part of partnership agreements; and
- €(25.0) million in net financing costs primarily relating to the outstanding Parent Notes issued by EGSA.

The following table shows EGSA consolidated statement of financial position data (column a), the consolidated entries related to purchase accounting and to the elimination of the intercompany transactions (unaudited) (column b), the stand-alone separate financial statements of EGSA as a parent company (unaudited) (column c), the stand-alone separate financial statements of EC Participation S.A.S.U which is out of ECI Scope (unaudited) (column d), and the special purpose financial statements of ECI on a consolidated basis (unaudited) (column e).

	At December 31, 2016				
(in millions of €)	EGSA consolidated (a)	Consolidation entries (b)	EGSA stand-alone separate financial statements (c)	ECPSA stand-alone separate financial statements (d)	ECI consolidated special purpose (unaudited) (e)=(a)-(b)-(c)(d)
Statement of Financial Position Data					
Non-current assets	1,399.5	(278.7)	1,348.6	23.6	306.0
Current assets	3,115.3	(271.4)	186.6	22.5	3,177.6
of which rental fleet	2,360.9	–	4.4	–	2,356.5
of which cash and cash equivalents and restricted cash	259.8	0.1	–	–	259.8
Total assets	**4,514.8**	**(550.2)**	**1,535.2**	**46.1**	**3,483.6**
Non-current Liabilities	1,276.1	108.1	594.7	–	573.3
of which financial liabilities	953.2	0.1	594.5	–	358.8
Current liabilities	2,607.4	(271.4)	61.9	46.1	2,770.8
of which financial liabilities	1,224.4	(219.2)	28.6	46.1	1,369.3
Total liabilities	**3,883.5**	**(163.3)**	**656.6**	**46.1**	**3,344.1**
Total equity	**631.3**	**(386.9)**	**878.6**	**–**	**139.5**

Column (c) in the table above reflects the principal statement of financial position items at the EGSA parent company level, the most significant of which are:

- €622.8 million representing the Parent Notes (€594.7 million when reported net of discount and transaction costs); and

- €1,348.6 million, of which €1,241.2 million corresponding to 100% of the investment held in ECI.

(2) The components of “fleet holding costs” and “fleet operating, rental and revenue related costs” are discussed in Section 3.1 “*Analysis of the Group Results*” in Exhibit A to this Offering Memorandum.

(3) Other non-recurring income and expenses, in 2016, amounting to €(21.2) million mainly included the following: (a) restructuring costs of €17.6 million including severance costs relating to the implementation of measures to streamline the network and Back-office activities and €3.6 million for other items (see Note 12 to the EGSA Consolidated Financial Statements for year ended December 2016 included in Exhibit A to this Offering Memorandum).

Other non-recurring income and expenses, in 2015, amounting to €(61.8) million, included the following: (a) restructuring costs of €24 million including severance costs relating to the implementation of measures to streamline the German network and some local headquarters; (b) fees relating to our initial public offering and offering of Existing Parent Notes of €11.5 million; (c) a provision of €45 million based on the best estimate of the financial risk (at that stage of the procedure with the French Competition Authority) in the event that the French Competition Authority were to impose a fine notwithstanding the Group’s arguments in defense of its position (see Note 32 to the EGSA Consolidated Financial Statements for the fiscal year ended December 31, 2015 included in Exhibit B to this Offering Memorandum); and (d) a net positive reversal of €23 million relating to the execution of a settlement agreement with Enterprise on April 29, 2015 putting an end to all legal proceedings with that company (see Note 32 to the EGSA Consolidated Financial Statements for the year ended December 31, 2015 included in Exhibit B to this Offering Memorandum).

In 2014, other non-recurring income and expenses amounting to €(115.7) million included the following: (a) restructuring costs of €22.8 million resulting in part from the measures implemented by several of the Group’s entities or announced before the end of the year to lower the head offices’ cost structure; (b) €9.8 million in costs of use of outside service providers in connection with the restructuring of the head offices and the network; (c) a net charge of €59.4 million in connection with the litigation and arbitration with Enterprise including attorneys’ fees, the cost of removing the logo from certain stations, the one-off impairment of the remaining value of the right to use the National and Alamo brands, and a provision in an amount equal to the risk of certain of the damages that the Group was reasonably able to estimate as of the closing date (see Note 10 to the EGSA Consolidated Financial Statements for the year ended December 31, 2015 included in Exhibit B to this Offering Memorandum); and (d) a charge of €23.9 million relating to a multi-year compensation program whose objectives were achieved in 2014.

Other non-recurring income and expenses of €3.3 million for the six months ended June 30, 2016 include mainly reorganization expenses of €(5.2) million (see Note 6 to the EGSA Consolidated Financial Statements for the six months ended June 30, 2016 included elsewhere in this Offering Memorandum).

For the six months ended June 30, 2017, the non-recurring income and expenses of €(38.5) million included mainly the following: €45 million reversal of the provision related to the proceedings with Authority Of French Competition and €(44) million due to the accrual of provision related to the Trading Standard investigation in the UK (see Note 9 to the EGSA Consolidated Financial Statements for the six months ended June 30, 2017 included elsewhere in this Offering Memorandum).

(4) The amount recorded under “Rental fleet recorded on the balance sheet” in the statement of financial position represents the acquisition cost of the vehicles (net of volume rebates) and is mainly the sum of two amounts representing distinct current assets:

- the “Vehicle buy-back agreement receivable,” representing the agreed buy-back price (the obligation of the manufacturer or dealer); and
- the “Deferred depreciation expense on vehicles,” representing the difference between the acquisition cost of the vehicle and the agreed buy-back price. This asset is depreciated in the income statement on a straight-line basis over the contractual holding period of the vehicle.

(5) These investments are earmarked to cover the liabilities of the Group’s captive insurance company. See Note 16 to the EGSA Consolidated Financial Statements for the years ended December 31, 2016 and 2015 included in Exhibit A and Exhibit B to this Offering Memorandum.

(6) RPD (revenue per rental day) corresponds to rental revenue for the period divided by the number of rental days for the period. The variation in RPD is calculated compared to the RPD of the prior year.

(7) Average fleet of the period is calculated by considering the number of days of the period when the fleet is available (period during which the Group holds the vehicles), divided by the number of days of the same period, multiplied by the number of vehicles in the fleet for the period.

(8) The average fleet costs per unit per month is the total fleet costs (fleet holding costs and fleet operating cost) excluding Interest expense included in fleet operating lease rents, divided by the average fleet of the period, divided by the number of months of the period.

(9) The fleet financial utilization rate corresponds to the number of rental days as a percentage of the number of days in the fleet’s financial availability period. The fleet’s financial availability period corresponds to the period during which the Group holds vehicles.

(10) The table below presents a reconciliation of adjusted recurring operating income, Adjusted Corporate EBITDA and Adjusted Consolidated EBITDA to current operating income.

The Group presents adjusted recurring operating income, Adjusted Consolidated EBITDA and Adjusted Corporate EBITDA because the Group believes they provide investors with important additional information to evaluate the Group’s performance. The Group believes these indicators are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the Group’s industry. In addition, the Group believes that investors, analysts and rating agencies will consider adjusted recurring operating income, Adjusted Consolidated EBITDA and Adjusted Corporate EBITDA useful in measuring the Group’s ability to meet its debt service obligations. None of adjusted recurring operating income, Adjusted Consolidated EBITDA or Adjusted Corporate EBITDA is a recognized measurement under IFRS and should not be considered as alternative to operating income or net profit as a measure of operating results or cash flows as a measure of liquidity.

	For the twelve months ended June 30,	For the six months ended June 30,		For the year ended December 31,		
(in millions of €)	2017	2017	2016	2016	2015	2014
	(unaudited)	(unaudited)	(unaudited)			
Current operating income	**285.2**	**70.3**	**68.6**	**283.5**	**283.3**	**253.9**
Reversal of estimated interest included in operating lease rents[(A)]	46.5	21.4	22.4	47.5	55.3	53.6
Adjusted recurring operating income	**331.7**	**91.8**	**91.1**	**331.0**	**338.6**	**307.5**
Reversal of amortization, depreciation and impairment expense	30.6	14.2	15.9	32.3	32.8	31.8
Fleet financial costs	(60.4)	(28.2)	(29.8)	(62.0)	(65.5)	(72.9)
Estimated interest included in operating lease rents[(A)]	(46.5)	(21.4)	(22.4)	(47.5)	(55.3)	(53.6)

(in millions of €)	For the twelve months ended June 30, 2017	For the six months ended June 30, 2017	2016	For the year ended December 31, 2016	2015	2014
Adjusted Corporate EBITDA	**255.5**	**56.4**	**54.7**	**253.9**	**250.6**	**212.8**
Reversal of fleet depreciation	187.1	92.5	87.3	181.9	184.4	164.2
Reversal of fleet operating lease rents[(A)]	263.2	121.6	115.2	256.8	265.5	245.0
Reversal of fleet financial costs	60.4	28.2	29.8	62.0	65.5	72.9
Adjusted Consolidated EBITDA	**766.2**	**298.7**	**287.0**	**754.5**	**766.0**	**695.0**

(A) Fleet operating lease rents consist of a fleet depreciation expense, an interest expense as well as, under several operating lease contracts, a small administration fee. For those fleet operating lease contracts entered into by the Group that do not provide the precise split of the rents amongst the depreciation expense, the interest expense and the administrative fee, the Group makes estimates of this split on the basis of information provided by the lessors. Furthermore, because the interest expense component of the lease rent is in substance a fleet financing cost, Europcar's management reviews fleet holding costs and the adjusted operating income of the Group excluding this expense.

The table below presents the calculation of Total Net Debt (including fleet-related off-balance sheet commitments):

(in millions of €)	As of June 30, 2017	As of December 31, 2016	2015	2014
	(unaudited)			
Non-current borrowings and financial debt and current loans and borrowings	2,517	2,178	2,065	2,171
Cash and cash equivalents and restricted cash	(324)	(260)	(244)	(226)
Held-to-maturity investments and other current financial assets	(81)	(113)	(88)	(81)
Net debt on the statement of financial position	**2,112**	**1,804**	**1,733**	**1,864**
Estimated outstanding value of the vehicles financed through operating leases[(A)]	2,028	1,461	1,323	1,284
Total Net Debt including fleet-related off-balance sheet commitments[(B)]	**4,140**	**3,265**	**3,057**	**3,148**

(A) Estimated debt equivalent of fleet operating leases off-balance sheet corresponds to the net book value of applicable vehicles, which is calculated on the basis of the purchase price and depreciation rates of corresponding vehicles (based on contracts with the manufacturers). EGSA's financial management verifies the consistency of the external information that is provided.

(B) Net fleet debt (including estimated debt equivalent of fleet operating leases) encompasses all debt and cash financing the fleet.

The table below presents a breakdown of Net Corporate Debt and Total Net Debt (including fleet-related off balance sheet commitments):

(in millions of €)	As of June 30, 2017	As of December 31, 2016	2015	2014
	(unaudited)			
Parent Secured Notes	–	–	–	324
Parent Unsecured Notes	–	–	–	400
Existing Parent Notes	600	600	475	–
Senior Revolving Credit Facility	–	13	81	201
FCT Junior Notes(A), accrued interest, capitalized costs of financing agreements and other costs[(B)(F)]	(222)	(204)	(150)	(150)
Corporate Gross Debt recognized on balance-sheet	**378**	**409**	**406**	**774**
Cash held by operating and holding entities and short-term investments[(C)]	(275)	(188)	(171)	(193)
Corporate Net Debt recognized on balance-sheet	**104**	**221**	**235**	**581**
Existing EC Finance Notes	350	350	350	350
Senior Asset Revolving Facility	878	693	658	418
FCT Junior Notes(A) accrued interest, capitalized costs of financing agreements and other	218	200	142	132
Fleet financing in the UK, Australia and other fleet financing facilities	693	491	509	497
Fleet Gross Debt recognized on the balance sheet	**2,139**	**1,734**	**1,659**	**1,396**
Cash held by fleet-owning entities and short-term fleet investments[(C)]	(130)	(150)	(161)	(113)
Fleet Net Debt recognized on the balance sheet	**2,009**	**1,584**	**1,498**	**1,283**
Estimated outstanding value of the vehicles financed through operating leases[(D)]	2,028	1,461	1,323	1,284
Net Fleet Debt including fleet-related off balance sheet commitments[(E)]	**4,037**	**3,045**	**2,822**	**2,567**
Total Net Debt including fleet-related off balance sheet commitments[(E)]	**4,140**	**3,265**	**3,057**	**3,148**

(A) The proceeds of the FCT Junior Notes subscribed for by ECI provide the overall credit enhancement and, when applicable, an additional liquidity source. The FCT Junior Notes are used only to finance the fleet debt requirement. FCT Junior Notes are subscribed by ECI using available cash or drawings on the Senior Revolving Credit Facility.

(B) For countries where fleet costs are not financed through dedicated entities (i.e. Securitifleet entities), the cash used to finance the fleet, which could have been financed by fleet debt, is restated from the net fleet debt with a de-risk ratio.

(C) Other than fleet items, other items included in short-term investments and the Group's cash are those related to the Group's recurring business, including its insurance program (see Section 2.7.1 "*Insurance*" in Exhibit A to this Offering Memorandum).

(D) The estimated debt equivalent of fleet operating leases off-balance sheet corresponds to the net book value of applicable vehicles, which is calculated on the basis of the purchase price and depreciation rates of corresponding vehicles (based on agreements signed with the manufacturers). The Company's financial management verifies the consistency of the external information that is provided.

(E) Net fleet debt (including fleet-related off balance sheet commitments) encompasses all debt and cash financing the fleet.

(F) Including non-accrued interest on held-to-maturity investments (Euroguard).

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Summary Goldcar Consolidated Financial Information and Goldcar and Buchbinder Key Performance Indicators and Other Data

The following summary consolidated financial information as of and for the years ended December 31, 2015 and 2016 has been derived from the Goldcar consolidated financial statements as of and for the year ended December 31, 2016, which were audited by KPMG. The audited consolidated financial statements as of and for the year ended December 31, 2016 are included elsewhere in this Offering Memorandum, together with the audit report thereon from KPMG. Goldcar's consolidated financial statements were prepared in accordance with IFRS as adopted by the European Union. Goldcar's interim condensed consolidated financial statements for the six months ended June 30, 2017 are unaudited, have been subject to a limited review by KPMG and were prepared in accordance with IAS 34, Interim Financial Reporting. However, their separate report included in Goldcar's interim financial statements for the six months ended June 30, 2017 included herein states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

The summary consolidated financial information included below is not necessarily indicative of Goldcar's future results of operations and should be read in conjunction with, and is qualified in its entirety by reference to, Goldcar's consolidated financial statements, including the notes thereto, which are included elsewhere in this Offering Memorandum.

The historical financial information for Buchbinder presented in this Offering Memorandum (the "**Buchbinder Consolidated Financial Information**") is derived from (a) the audited consolidated financial information for Charterline Fuhrpark Service GmBH, Carpartner Nord GmBH, Terstappen Autovermietung GmBH, CarPartner Leasing Gmb, A. Klees Slovakia, s.r.o. and ABC Autonoleggio s.r.l., (i) from the consolidated financial statements for such entities as of and for the year ended December 31, 2016, prepared in accordance with generally accepted auditing standards in Germany and (ii) from the accounting books and records for such entities as of and for the six months ended June 30, 2017, prepared in accordance with generally accepted accounting standards in Germany, which were not subject to limited review, combined with (b) financial information for Car & Fly GmbH, which, in the case of each of (a) and (b), have been adjusted to reflect application of certain IFRS accounting standards, as applied by EGSA.

You should read the following summary consolidated financial and other data in conjunction with the Goldcar Consolidated Financial Statements and the notes thereto included elsewhere in this Offering Memorandum, and other financial information appearing elsewhere in this Offering Memorandum, including under the "*Capitalization of Europcar Group*" and "*Unaudited Pro Forma Condensed Consolidated Financial Information*."

Goldcar Income Statement Data

	For the twelve months ended June 30,[1]	For the six months ended June 30,		For the year ended December 31,	
(in millions of €)	**2017**	**2017**	**2016**	**2016**	**2015**
Revenue	313.5	127.2	123.1	309.4	288.9
Other operational income	5.7	2.7	1.9	4.9	3.7
Cost of vehicles sales	(48.9)	(20.2)	(25.6)	(54.3)	(51.5)
Other consumables used	(9.4)	(3.3)	(5.8)	(11.9)	(22.0)
Personnel expenses	(32.1)	(16.7)	(12.7)	(28.1)	(23.0)
Other operating expenses	(100.9)	(50.7)	(40.7)	(90.9)	(71.5)
Adjusted EBITDA	**127.9**	**39.0**	**40.2**	**129.1**	**124.6**
Fixed asset depreciation and buy back renting costs	(73.5)	(34.5)	(32.6)	(71.6)	(65.1)
Stolen and accidental cars	(0.9)	(1.3)	(0.4)	—	—
Profit/(impairment and loss) on disposal of fixed assets	(1.3)	0.0	1.2	(0.1)	(0.4)
Other	—	0.0	—	—	—
Adjusted EBIT[2]	**52.2**	**3.2**	**8.4**	**57.4**	**59.1**
Other non-recurring income and expenses	(26.3)	(23.4)	(0.6)	(3.5)	(2.2)
Profit/(loss) From Continuing Operations (EBIT)	**25.9**	**(20.2)**	**7.8**	**53.9**	**56.9**

Europcar

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(in millions of €)	For the twelve months ended June 30,[1] 2017	For the six months ended June 30, 2017	For the six months ended June 30, 2016	For the year ended December 31, 2016	For the year ended December 31, 2015
Financial loss	**(25.2)**	**(12.4)**	**(12.6)**	**(25.4)**	**(26.1)**
Profit/(loss) before income tax	**0.7**	**(32.6)**	**(4.8)**	**28.5**	**30.8**
Income tax	(3.6)	0.7	0.3	(4.0)	(8.6)
Consolidated Profit/(loss) for the period	**(2.8)**	**(31.9)**	**(4.6)**	**24.5**	**22.2**

(1) The financial information for the twelve months ended June 30, 2017 is derived by adding the consolidated financial information for the year ended December 31, 2016 to the consolidated financial information for the six months ended June 30, 2017 and subtracting the consolidated financial information for the six months ended June 30, 2016.

(2) For further details of the changes in operating income, operating expenses, fixed asset depreciation and buyback costs and stolen and accidental cars that contributed to the €5 million decrease in Adjusted EBIT between the six months ended June 30, 2016 and June 30, 2017, see note 11 to the Goldcar Financial Statements as of and for the six months ended June 30, 2017 included elsewhere in this Offering Memorandum.

Goldcar Statement of Financial Position Data

(in millions of €)	As of June 30, 2017	As of December 31, 2016	As of December 31, 2015
Total Non-current assets	368	314	289
Goodwill	*188*	*188*	*188*
Intangible assets	*25*	*25*	*23*
Property, plant and equipment	*153*	*99*	*76*
Financial investments	*2*	*2*	*1*
Deferred tax assets	*1*	*1*	*1*
Total Current assets	443	297	297
Inventories	*3*	*1*	*1*
Trade and other receivables	*13*	*12*	*17*
Current tax assets	*43*	*6*	*4*
Financial investments	*330*	*82*	*87*
Prepayments	*29*	*11*	*13*
Cash and cash equivalents	*25*	*184*	*174*
Total assets	**811**	**611**	**585**
Total Equity	228	260	235
Share capital and share premium	*215*	*215*	*215*
Consolidated reserves	*45*	*20*	*(2)*
Parent Company reserves	*–*	*(0.07)*	*–*
Consolidated profit/(loss) for the period	*(32)*	*25*	*22*
Total Non-current liabilities	304	303	305
Total Current liabilities	279	49	45
Provisions	*1*	*1*	*1*
Financial debt	*97*	*6*	*4*
Trade and other payables	*20*	*26*	*23*
Personnel	*6*	*2*	*2*
Current tax liabilities and other balances with Public Administrations	*2*	*7*	*5*
Customer advances	*10*	*2*	*3*
Accruals	*5*	*3*	*2*
Other current liabilities	*138*	*2*	*4*
Total equity and liabilities	**811**	**611**	**585**

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Goldcar Cash Flow Data

(in millions of €)	For the six months ended June 30, 2017	For the six months ended June 30, 2016	For the year ended December 31, 2016
Cash flow from operating activities	**38**	**39**	**126**
Cash flows from operations	**0.2**	**23**	**137**
Net cash flows from/(used in) operating activities	**(6)**	**12**	**107**
Net cash flows used in investing activities	**(239)**	**(235)**	**(92)**
Net cash flows from/(used in) financing activities	**86**	**79**	**(4)**
Net cash flows for the period/year	**(159)**	**(144)**	**10**
Cash and cash equivalents at the end of the period/year	**25**	**30**	**184**
Cash and cash equivalents at the beginning of the period/year	**184**	**174**	**174**

Goldcar Key Performance Indicators and Other Data

	For the six months ended June 30, 2017	For the six months ended June 30, 2016	For the year ended December 31, 2016
Revenue (in €million)(1)	100.9	92.9	244.1
Rental revenue (in €million)(1)	96.0	85.5	228.5
Rental day volume (in millions)	5	4	10
RPD (€)(2)	19.8	20.0	23.4
Average fleet size in units (in thousands)	33.1	30.2	33.8
Average fleet unit costs / month (in **€**)	(233)	(229)	(229)
Fleet financial utilization rate	80.6%	77.9%	79.1%

(1) Figures presented are as derived from the Goldcar consolidated financial statements and as adjusted to reflect application of certain IFRS accounting standards, as such standards are applied by EGSA.
(2) Rental revenues divided by rental days, as adjusted to reflect the standards of presentation as applied by EGSA.

Buchbinder Key Performance Indicators and Other Data

	For the six months ended June 30, 2017	For the year ended December 31, 2016
Revenue (in €million)(1)	99.9	200.6
Rental revenue (in €million)(1)	97.6	198.1
Rental day volume (in millions)	3	5
RPD (€)(2)	38.0	38.0
Average fleet size in units (in thousands)	23.7	23.5
Average fleet unit costs / month (in **€**)	(193)	(189)
Fleet financial utilization rate	59.8%	60.7%

(1) Figures presented are as derived from the Buchbinder consolidated financial statements and as adjusted to reflect application of certain IFRS accounting standards, as such standards are applied by EGSA.
(2) Rental revenues divided by rental days, as adjusted to reflect the standards of presentation as applied by EGSA.

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Other Information on a Pro Forma Basis As Adjusted

The Pro Forma statement of financial position figures set forth in the table below, which are presented as of June 30, 2017, have been adjusted to reflect both the Pro Forma Transactions as well as the Existing EC Finance Notes Refinancing as if they had occurred on June 30, 2017.

The Pro Forma income statement figures set forth in the table below, which are presented for the year ended December 31, 2016, have been adjusted to reflect the Pro Forma Transactions as if they have occurred on January 1, 2016. Such figures have not been adjusted to reflect the Existing EC Finance Notes Refinancing.

Pro Forma Adjusted Corporate EBITDA	318.1
Pro Forma Adjusted Consolidated EBITDA	964.7
Pro Forma Corporate Financing Costs(1)	
Pro Forma Net Corporate Debt(2)	766
Pro Forma Net Total Debt (including fleet-related off-balance sheet commitments)(3)	5,741.4
Pro Forma Net Corporate Debt / Pro Forma Adjusted Corporate EBITDA	2.41x
Pro Forma Net Total Debt (including fleet-related off-balance sheet commitments) / Pro Forma Adjusted Consolidated EBITDA	5.95x
Pro Forma Adjusted Corporate EBITDA / Pro Forma Corporate Financing Costs	x

(1) Reflects the Net Corporate Financing costs for Europcar for the year ended December 31, 2016, adjusted for the additional interest expense associated with the issuance of the New Parent Notes as if this had occurred on January 1, 2016.

(2) Reflects the Existing Parent Notes and the New Parent Notes, net of (i) the outstanding principal amount of FCT Junior Notes, accrued interest, financing capitalized cost and other debt of €222 million of Europcar as of June 30, 2017, and (ii) capitalization of new transaction costs for €18 million minus the write-off of the remaining €4.3 million financing arrangement costs of the Existing EC Finance Notes, minus €275 million of cash and cash equivalents at the corporate level for Europcar as of June 30, 2017, adjusted to reflect the €(76.2) million impact of the Pro Forma Transactions as well as the Existing EC Finance Notes Refinancing on corporate cash (see footnote (1) of the table under "*Capitalization*" for more details).

(3) Reflects the Pro Forma As Adjusted total consolidated third-party debt as reported in the table under "Capitalization" and €2,289 million of fleet-related off-balance sheet commitments, comprising debt equivalent of fleet operating leases of €2,028 million for Europcar as of June 30, 2017, €96 million for Goldcar as of June 30, 2017 and an estimated €165 million for Buchbinder, such estimate being based on total number of cars and total number of cars under operating leases, in each case as of December 31, 2016), minus Pro Forma as Adjusted cash and cash equivalents and short term investments as they appear in the table under "*Capitalization.*"

For a reconciliation of Pro Forma Adjusted Corporate EBITDA and Pro Forma Adjusted Consolidated EBITDA to Pro Forma current operating income, see "Summary Unaudited Pro Forma Condensed Consolidated Financial Information—Unaudited Other Information on a Pro Forma Basis."

In the event that the Goldcar Acquisition fails to close and a Special Mandatory Redemption occurs, then only €200 million principal amount of the New Parent Notes will be outstanding immediately following the completion of such redemption. As of June 30, 2017 on a pro forma basis, after giving effect to the Buchbinder Acquisition, the issuance of the New Parent Notes and the occurrence of the Special Mandatory Redemption, the ratios of Pro Forma Net Corporate Debt to Pro Forma Adjusted Corporate EBITDA and Pro Forma Net Total Debt (including fleet-related off-balance sheet commitment) to Pro Forma Adjusted Consolidated EBITDA would have been lower than 1.0 to 1.0 and 5.75 to 1.0, respectively.

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Summary Unaudited Pro Forma Condensed Consolidated Financial Information

The following tables set forth Unaudited Pro Forma Condensed Consolidated Financial Information, prepared to give effect the Pro Forma Transactions as if they had occurred on January 1, 2016 (for income statement purposes) and June 30, 2017 (for the statement of financial position purposes).

The Unaudited Pro Forma Condensed Consolidated Financial Information has been prepared for illustrative purposes only and does not purport to represent what our actual results of operations would have been if the Pro Forma Transactions had occurred on those dates, nor does it purport to be indicative of our future results of operations or financial condition. The Unaudited Pro Forma Condensed Consolidated Financial Information set forth in this Offering Memorandum is based on available information and certain assumptions and estimates that we believe are reasonable and may differ materially from the actual amounts that would have been achieved had the events above occurred on January 1, 2016 (for income statement purposes) and July 1, 2017 (for statement of financial position purposes). See "*Unaudited Pro Forma Condensed Consolidated Financial Information*.

The allocation of purchase price has not been carried out and, accordingly, the Unaudited Pro Forma Condensed Consolidated Financial Information does not give effect to any purchase price adjustments. The excess of the purchase price over the net assets acquired is reflected as goodwill. We expect our financial statements in future periods to reflect such purchase price adjustments and the related depreciation and amortization.

Unaudited Summary Consolidated Income Statement Data on a Pro Forma Basis

	For the six months ended June 30, 2017				
(in millions of €)	**EGSA**	**Goldcar & Buchbinder**	**Combination of Europcar Group, Goldcar & Buchbinder**	**Combined Adjustments**	**Pro Forma Total**
Revenue	**1,027.8**	**200.9**	**1,228.6**	**—**	**1,228.6**
Expenses					
Fleet holding costs	(264.0)	(73.5)	(337.5)	—	(337.5)
Fleet operating, rental and revenue related costs	(371.3)	(64.9)	(436.2)	(0.6)	(436.8)
Personnel costs	(191.2)	(41.9)	(233.1)	—	(233.1)
Network and head office overheads	(120.6)	(12.6)	(133.2)	—	(133.2)
Other income	3.9	2.9	6.8	—	6.8
Amortization, depreciation, and impairment expense	(14.2)	(2.0)	(16.3)	—	(16.3)
Recurring operating income	**70.3**	**8.7**	**79.1**	**(0.6)**	**78.5**
Other non-recurring expenses	(38.5)	(23.4)	(61.9)	4.3	(57.6)
Operating income	**31.8**	**(14.7)**	**17.1**	**3.7**	**20.9**
Net financing costs	**(58.0)**	**(28.3)**	**(86.3)**	**(7.0)**	**(93.3)**
Profit/(loss) before tax	**(26.2)**	**(43.0)**	**(69.2)**	**(3.2)**	**(72.4)**
Income tax	5.0	(1.4)	3.6	2.4	6.0
Share of profit/(loss) in associates	(5.8)	—	(5.8)	—	(5.8)
Net profit/(loss)	**(27.0)**	**(44.3)**	**(71.3)**	**(0.8)**	**(72.2)**
Net profit/(loss), share attributable to EGSA shareholders	**(26.8)**	**(44.3)**	**(71.1)**	**(0.8)**	**(72.0)**

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(in millions of €)	EGSA	Goldcar & Buchbinder	Combination of Europcar Group, Goldcar & Buchbinder	Combined Adjustments	Pro Forma Total
	For the year ended December 31, 2016				
Revenue	**2,150.8**	**444.7**	**2,595.5**	**—**	**2,595.5**
Expenses					
Fleet holding costs	(536.3)	(150.1)	(686.4)	—	(686.4)
Fleet operating, rental and revenue related costs	(753.3)	(122.0)	(875.3)	—	(875.3)
Personnel costs	(339.2)	(74.9)	(414.0)	—	(414.0)
Network and head office overheads	(215.9)	(22.2)	(238.1)	—	(238.1)
Other income	9.7	3.4	13.1	—	13.1
Amortization, depreciation, and impairment expense	(32.3)	(3.2)	(35.5)	—	(35.5)
Recurring operating income	**283.5**	**75.7**	**359.2**	**—**	**359.2**
Other non-recurring expenses	(20.7)	(3.4)	(24.2)	—	(24.2)
Operating income	**262.8**	**72.3**	**335.0**	**—**	**335.0**
Net financing costs	**(121.1)**	**(33.4)**	**(154.5)**	**(13.0)**	**(167.5)**
Profit/(loss) before tax	**141.7**	**38.9**	**180.5**	**(13.0)**	**167.5**
Income tax	(6.6)	(8.3)	(14.9)	7.3	(7.5)
Share of profit/(loss) in associates	(15.8)	—	(15.8)	—	(15.8)
Net profit/(loss)	**119.3**	**30.6**	**149.9**	**(5.7)**	**144.2**
Net profit/(loss), share attributable to EGSA shareholders	**119.5**	**30.6**	**150.1**	**(5.7)**	**144.4**

Unaudited Summary Consolidated Statement of financial position Data on a Pro Forma Basis

(in millions of €)	EGSA	Goldcar & Buchbinder	Combination of Europcar Group, Goldcar & Buchbinder	Combined Adjustments	Pro Forma Total
	As of June 30, 2017				
Non-current assets	**1,511.0**	**242.8**	**1,753.8**	**478.6**	**2,232.4**
Current assets	**3,962.3**	**915.6**	**4,877.9**	**(106.9)**	**4,771.0**
of which rental fleet recorded on the balance sheet	2,384.3	755.3	3,139.6	—	3,139.6
of which rental fleet related receivables	746.6	41.5	788.0	—	788.0
of which current financial assets	48.0	3.6	51.5	—	51.5
of which cash and cash equivalents	213.5	48.4	261.9	(112.6)	149.4
Total assets	**5,473.3**	**1,158.4**	**6,631.7**	**371.7**	**7,003.4**
Non-current liabilities	1,293.2	4.1	1,297.3	617.7	1,915.0
of which financial liabilities	959.9	(0.7)	959.2	614.4	1,573.6
Current liabilities	3,426.9	898.0	4,324.9	23.9	4,348.7
of which current portion of financial liabilities	1,557.4	677.8	2,235.2	23.3	2,258.5
Total liabilities	**4,720.1**	**902.1**	**5,622.1**	**641.6**	**6,263.8**
Total equity and subordinated loan	**753.3**	**256.3**	**1,009.6**	**(269.9)**	**739.7**

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Unaudited Other Information on a Pro Forma Basis

(in millions of €)	EGSA	Goldcar & Buchbinder	Combination of Europcar Group, Goldcar & Buchbinder	Combined Adjustments	Pro Forma Total
	For the six months ended June 30, 2017				
Current operating income	**70.3**	**8.7**	**79.1**	**(0.6)**	**78.5**
Reversal of estimated interest included in operating lease rents	21.4	0.6	22.0	—	22.0
Adjusted recurring operating income	**91.8**	**9.3**	**101.1**	**(0.6)**	**100.5**
Reversal of amortization, depreciation and impairment expense	14.2	2.0	16.3	—	16.3
Fleet financial costs	(28.2)	(9.0)	(37.3)	2.2	(35.0)
Estimated interest included in operating lease rents	(21.4)	(0.6)	(22.0)	—	(22.0)
Adjusted Corporate EBITDA	**56.4**	**1.7**	**58.1**	**1.7**	**59.7**
Reversal of fleet depreciation	92.5	45.1	137.5	—	137.5
Reversal of fleet operating lease rents	121.7	23.8	145.5	—	145.5
Reversal of fleet financial costs	28.2	9.0	37.3	(5.4)	31.9
Adjusted Consolidated EBITDA	**298.7**	**79.7**	**378.4**	**(3.8)**	**374.6**

(in millions of €)	EGSA	Goldcar & Buchbinder	Combination of Europcar Group, Goldcar & Buchbinder	Combined Adjustments	Pro Forma Total
	For the year ended December 31, 2016				
Current operating income	**283.5**	**75.7**	**359.2**	**—**	**359.2**
Reversal of estimated interest included in operating lease rents	47.5	1.3	48.8	—	48.8
Adjusted recurring operating income	**331.0**	**77.0**	**408.0**	**—**	**408.0**
Reversal of amortization, depreciation and impairment expense	32.3	3.2	35.5	—	35.5
Fleet financial costs	(62.0)	(19.4)	(81.4)	4.7	(76.6)
Estimated interest included in operating lease rents	(47.5)	(1.3)	(48.8)	—	(48.8)
Adjusted Corporate EBITDA	**253.9**	**59.5**	**313.4**	**4,7**	**318.1**
Reversal of fleet depreciation	181.9	82.0	263.9	—	263.9
Reversal of fleet operating lease rents	256.8	57.6	314.4	—	314.4
Reversal of fleet financial costs	62.0	19.4	81.4	(13.1)	68.3
Adjusted Consolidated EBITDA	**754.5**	**218.5**	**973.0**	**(8.3)**	**964.7**

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Risk Factors

Risks Related to the Acquisitions and the Group's Acquisition Strategy

We may fail to integrate Goldcar and Buchbinder into our business, incur unexpected integration costs or may be unable to realize the synergies from such acquisitions once completed.

The success of the Goldcar Acquisition and the Buchbinder Acquisition (together, the "**Acquisitions**") will depend on our ability to effectively and timely integrate Goldcar and Buchbinder into our business, to maintain their growth and operational performance and to establish effective partnerships with our Group. The success of the integration will depend, among other things, on our ability to retain the Goldcar and Buchbinder operating and management teams and their customers, and to effectively capitalize on their expertise to deliver the expected benefits of the combined businesses, in particular in the areas of operations and sales. In addition, the Acquisitions may generate higher than expected integration costs as a result of delays, or other financial and operational difficulties. Any difficulties encountered in the integration of Goldcar and Buchbinder could result in higher implementation costs and/or lower benefits or revenue than anticipated, which could have a material adverse effect on our business, financial condition and result of operations.

Further, we aim to achieve significant synergies from the Acquisitions, notably by enhancing certain corporate functions, improving the fleet management and achieving structural efficiency savings in the countries where Goldcar or Buchbinder, on the one hand, and Europcar, on the other hand, are already present, as further described under "*Summary—The Acquisitions*." For example, in the case of the Goldcar Acquisition, we expect to generate close to €30 million of cost synergies per annum by 2020. We anticipate improving purchasing and buy-back conditions with manufacturers and aligning fleet costs per unit per month with Europcar figures. We also expect a reduction of fleet financing costs following the integration of Goldcar into the Group's capital structure. The success of those efforts depends on a range of factors including the ability to coordinate our operations, our fleet management, technical and informational systems efficiently and in a timely manner. The estimated synergies from the Acquisitions are subject to a number of assumptions, including in relation to timing, execution and costs. Such assumptions are inherently uncertain and are subject to a wide variety of significant business, economic risks and uncertainties. There can be no assurance that such assumptions will prove to be correct. As a result, we may achieve a lower level of synergies than planned, and may not achieve those synergies in the expected timeframe. Failure to timely achieve the expected synergies could have a material adverse effect on our business, financial condition and results of operations, and may result in our impairing all or part of the goodwill that we will recorded in connection with the Acquisitions.

Certain of Goldcar's contracts contain change of control provisions, which may allow their counterparties to terminate the contract under circumstances such as the Goldcar Acquisition.

Certain of Goldcar's contracts contain "change of control" provisions that require Goldcar to notify the counterparty of any change of control prior to the completion of the Goldcar Acquisition. In some cases, such contracts allow the counterparty to terminate the contract in the event of a change of control. Goldcar may not be able to notify all of the counterparties that are contractually required to be notified prior to the completion date of the Goldcar Acquisition, and Goldcar may not be able to seek a formal consent from every counterparty that might have a termination right under a change of control provision. In particular, as Goldcar is party to certain existing finance agreements containing change of control provisions, completion of the Goldcar Acquisition will or may enable the relevant lenders to accelerate certain existing finance agreements and request immediate repayment of the outstanding amounts thereunder. Since the Goldcar Acquisition was announced, Goldcar has not received any formal notice or inquiry from any counterparty regarding a termination right arising from a change of control. Nevertheless, there can be no assurance that counterparties will not seek to exercise termination rights at a future date.

In the event that counterparties seek to terminate their contracts following the Goldcar Acquisition, the Group may be required to enter into new contracts. There is no assurance that the Group would be able to secure replacement contracts, or that the Group may be able to secure replacement contracts on favorable terms. Any of these events could have a material adverse effect on Goldcar's business, financial condition and results of operations.

Completion of the Acquisitions could result in the termination of directorship positions or employment contracts of certain key executives or key employees of Goldcar and Buchbinder.

Certain key executives and other key employees of Goldcar and Buchbinder and their respective subsidiaries may unilaterally terminate their directorship positions or their employment contracts as a result of the Acquisitions. If members of Goldcar or Buchbinder's senior management depart, the Group may not be able to find suitable replacements in a timely manner, or at all, and their business may be disrupted. If any key executives depart to join competitors, we may lose know how and customers. Further, such departures could give rise to the payment of indemnities, severance payments and other claims, which could have a material adverse effect on the Group's business, financial condition and results of operations.

The Pro Forma financial information may not be representative of Goldcar's and Buchbinder's future performance as part of the Group.

In preparing the Pro Forma financial information included in this Offering Memorandum, we made adjustments to historical financial information based upon currently available information and upon assumptions that our management believes are reasonable in order to reflect, on a Pro Forma basis, the impact of the Pro Forma Transactions. Certain Goldcar and Buchbinder data presented in this Offering Memorandum has been adjusted to reflect the application of IFRS accounting standards, as such standards are applied by EGSA, using assumptions that EGSA's management believes to be reasonable. The Pro Forma financial information was also prepared based on the assumption that a Special Mandatory Redemption (as defined below) in respect of the New Parent Notes would not occur. See "*Unaudited Pro Forma Condensed Consolidated Financial Information*" for a description of the adjustments and assumptions made in the preparation of such Pro Forma financial information. The estimates and assumptions used in the calculation of the Pro Forma financial information in this Offering Memorandum may materially differ from actual calculations. Accordingly, the Pro Forma financial information included in this Offering Memorandum is illustrative only and does not purport to indicate the results that would have actually been achieved had the Pro Forma Transactions been completed on the assumed dates or for the periods presented, or which may be realized in the future, nor does the Pro Forma financial information give effect to any events other than those discussed in the Unaudited Pro Forma Condensed Consolidated Financial Information and the related notes.

The closing of the Goldcar Acquisition is subject to significant uncertainties and risks and failure to complete the Goldcar Acquisition would require us to redeem a portion of the New Parent Notes, as a result of which you may not receive the return you expect on the New Parent Notes.

The closing of the Goldcar Acquisition is subject to the satisfaction of customary closing conditions under the Goldcar Share Purchase Agreement, including a merger control express or implied clearance of the Goldcar Acquisition by the European Commission, within 110 business days of June 16, 2017, the date the Goldcar Share Purchase Agreement was signed, or such other date as may be agreed by Luxco III and EGSA (the "**Longstop Date**"). In the event the European Commission merger control clearance condition precedent is not satisfied or waived by the relevant party on or before the Longstop Date for reasons out of the control of the parties to the Goldcar Share Purchase Agreement, the Longstop Date will be extended by an additional 105 business day-period. If such clearance has not been obtained and this condition precedent has not been satisfied on or prior to the initial or extended Longstop Date, as applicable, either Luxco III or EGSA may terminate the Goldcar Share Purchase Agreement.

As part of obtaining the merger control clearance by the European Commission with respect to the Goldcar Acquisition, we may be forced to divest or reduce the scope of our or Goldcar's assets. Such divestitures could result in delays or in losses and write-downs of goodwill and other intangible assets, and could cause us to retain or incur legal liabilities related to the divested business with respect to employees, customers, suppliers, subcontractors, public authorities or other parties. Any of these events could materially adversely affect our business, results of operations and financial condition. The Pro Forma financial information included in this Offering Memorandum does not take into account the effect of any potential divestitures, whether with respect to the impact of reduction in operations or proceeds from sales.

Concurrently with the closing of the offering of the New Parent Notes, the SPV Issuer and EGSA will enter into an Escrow Agreement with the Trustee and the Escrow Agent pursuant to which the initial purchasers in connection with the offering of the New Parent Notes will deposit the Escrow Amount into the Escrow Account, which will not be

released until the date that certain conditions, including the closing of the Goldcar Acquisition, are satisfied. If the conditions to the release of the proceeds from the Escrow Account have not been satisfied on or prior to the Escrow Longstop Date, which is March 31, 2018, or if certain other events occur, the SPV Issuer will be required to redeem (the "**Special Mandatory Redemption**") a portion of the New Parent Notes not later than five business days after such date, in an aggregate principal amount of €400 million, at a price equal to the Escrow Amount, plus accrued and unpaid interest and additional amounts, if any, to the date of redemption.

In addition to causing a Special Mandatory Redemption of a portion of the New Parent Notes, in the event that European Commission merger control clearance is not obtained for the Goldcar Acquisition prior to March 31, 2018, EGSA will not be able to draw funds under the Bridge Facilities Agreement, without the prior written consent of all the lenders thereunder, which will terminate automatically unless EGSA is able to secure the unanimous prior consent of the lenders thereunder. As a result, the Goldcar Acquisition may not occur in a timely manner or at all, despite the Longstop Date under the Goldcar Share Purchase Agreement being later than the March 31, 2018 deadline under the Bridge Facilities Agreement and the Escrow Longstop Date.

As a result of any of these events or any other event or condition that prevents consummation of the Goldcar Acquisition by March 31, 2018, you may not obtain the return you expect to receive on an investment in the New Parent Notes.

EGSA does not currently control Goldcar and will not control Goldcar until completion of the Goldcar Acquisition.

Goldcar is currently controlled by the Goldcar sellers. EGSA will not obtain control of Goldcar until the completion of the Goldcar Acquisition. We cannot assure you that the Goldcar sellers will operate the business of Goldcar during the interim period in the same way that we would or in accordance with the Goldcar Share Purchase Agreement. Furthermore, the Goldcar Acquisition itself has required, and will likely continue to require, substantial time and focus from Goldcar's management, which could adversely affect their ability to operate the business. Likewise, other employees may be uncomfortable with the Goldcar Acquisition or feel otherwise affected by it, which could have an impact on work quality and retention.

In addition, prior to the completion date of the Goldcar Acquisition, Goldcar will not be subject to the covenants described in "*Description of the Notes*" included in the Indenture. As such, we cannot assure you that, prior to such date, Goldcar will not take an action that would otherwise have been prohibited by the Indenture had such covenants been applicable.

Goldcar or Buchbinder may have liabilities unknown to us. The indemnities we have negotiated in the Goldcar Share Purchase Agreement and the Buchbinder Share Purchase Agreement may not adequately protect us and we may not be able to enforce claims with respect to the representations and warranties that the sellers have provided to us.

As part of the Acquisitions, we will assume certain liabilities of Goldcar and Buchbinder. There may be liabilities that we failed or were unable to discover in the course of performing customary due diligence investigations into Goldcar and Buchbinder and such liabilities may not be covered by the Goldcar Share Purchase Agreement or the Buchbinder Share Purchase Agreement, as applicable. Any unidentified or unanticipated liabilities, individually or in the aggregate, could hinder the integration of Goldcar and Buchbinder and have a material adverse effect on our business, financial condition and results of operations.

In connection with the Goldcar Acquisition, the Goldcar sellers have given certain limited customary warranties and undertakings. There can be no assurance that we will be able to enforce any claims against the Goldcar sellers relating to breaches of such undertakings and warranties. The Goldcar sellers' liability with respect to breaches of their undertakings and warranties under the Goldcar Share Purchase Agreement is limited and there can be no assurance that such limited liability, to the extent enforced, will be adequate to cover any losses or damages resulting from the Goldcar sellers' breach of their undertakings and warranties under the Goldcar Share Purchase Agreement. Moreover, even if we ultimately succeed in recovering any amounts from the Goldcar sellers, we may temporarily be required to bear these losses ourselves.

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Use of Proceeds

Use of Proceeds for the New Parent Notes

We estimate that the gross proceeds from the issuance of the Notes will be €600 million before deducting estimated fees and expenses incurred in connection with the Offering, of which:

- €400 million will be deposited into an Escrow Account together with an amount of cash to be provided by EGSA to the SPV Issuer that will ensure that the escrowed funds will be sufficient to pay any Special Mandatory Redemption Price for the Notes when and if due. In the event that the escrow release conditions are not satisfied on or prior to March 31, 2018 or certain other events occur, the Notes will be subject to a Special Mandatory Redemption. See "*Description of the Notes—Escrow of Proceeds: Special Mandatory Redemption.*" If the escrow release conditions are satisfied within such period, the escrowed funds will be released from the Escrow Account to EGSA, to provide funds for the consummation of the Goldcar Acquisition. For further information, see "*Description of Certain Europcar Financing Arrangements and Acquisition Financing—Acquisition Financing"* of this Offering Memorandum; and
- €200 million will be lent on the Issue Date by the SPV Issuer through a financial intermediary under the Proceeds Loan to EGSA so that EGSA can repay drawings made under the Senior Revolving Credit Facility to finance the Buchbinder Acquisition and pay related transaction costs and expenses.

On the Completion Date or the Special Mandatory Date, as applicable, EGSA will assume all of the obligations of the SPV Issuer under the Notes, the SPV Issuer will be released from all further obligations thereunder and the Proceeds Loan will be extinguished. The SPV Issuer will then start voluntary liquidation proceedings.

The following table sets out the total estimated sources and uses of funds relating to (i) this offering of the Notes as of June 30, 2017 and the use of proceeds therefrom, assuming that a Special Mandatory Redemption does not occur, (ii) the Existing EC Finance Notes Refinancing and (iii) the consummation of the Goldcar Acquisition:

Sources (In millions of €)		**Uses**	
Notes offered hereby	600	Redemption of Existing EC Finance Notes, including redemption premium	359
Issuance of the EC Finance Notes	350	Repay drawings under the Senior Revolving Credit Facility relating to Buchbinder Acquisition	120
Bridge-to-Asset-Backed Facility[(1)]	412	Consideration to be paid for Goldcar Acquisition	563
Cash on balance sheet[(2)]	125	Refinancing of Goldcar debt, including prepayment fee	415
		Estimated transaction fees and expenses[(3)]	30
Total	**1,487**	**Total**	**1,487**

1 The Bridge-to-Asset-Backed Facility provides for up to a maximum principal amount of €600 million, which would be available to be drawn at the closing of the Goldcar Acquisition, if the Goldcar Asset-Backed Facility has not been entered into by such date. See "*Description of Certain Financing Arrangements and Acquisition Financing—The Acquisition Financing.*"

2 Including cash impact of €113 million of transaction adjustments; €9 million of costs relating to redemption of the Existing EC Finance Notes; and €3 million in transaction costs relating to the EC Finance Notes.

3 Including €10 million in cash impact relating to Buchbinder swap redemption

Since the information in the foregoing tables is as of June 30, 2017, the actual amounts will vary from the historical amounts based on several factors including the amount of cash on the Issue Date, the exact amount of the redemption premium of the Existing EC Finance Notes and the exact amount of Goldcar Debt on the Completion Date.

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Use of Proceeds for the EC Finance Notes

We estimate that the gross proceeds from the issuance of the Notes will be €350 million before deducting estimated fees and expenses incurred in connection with the Offering. The gross proceeds from the offering of the Notes, together with up to €   million to be provided by ECI (including a portion to be funded via the Existing ECI Subordinated Loan Agreement, with such amounts to be forgiven by ECI), will be used by the Issuer to (i) redeem in full the Existing EC Finance Notes and (ii) to pay the transaction fees and expenses in connection with the issuance of the Notes hereby.

The Issuer intends to publish, in accordance with the provisions of the Existing EC Finance Notes Indenture, a conditional notice of redemption on or prior to the issuance of the Notes. Such notice of redemption will provide for the redemption in full of the Existing EC Finance Notes. The date of redemption will be 10 days after the giving of such notice of redemption, and such redemption will be conditional upon the closing of the Offering in an aggregate principal amount which, together with the amounts to be provided by ECI pursuant to the Existing ECI Subordinated Loan, will be sufficient to effect the redemption in full of the Existing EC Finance Notes.
The following table sets out the total estimated sources and uses of funds relating to (i) the Existing EC Finance Notes Refinancing, (ii) the issuance of the New Parent Notes and the use of proceeds therefrom, assuming a Special Mandatory Redemption does not occur and (iii) the consummation of the Goldcar Acquisition.

Sources **(In millions of €)**		**Uses**	
Notes offered hereby	350	Redemption of Existing EC Finance Notes, including redemption premium	359
Issuance of the New Parent Notes	600	Repay drawings under the Senior Revolving Credit Facility relating to Buchbinder Acquisition	120
Bridge-to-Asset-Backed Facility [(1)]	412	Consideration to be paid for Goldcar Acquisition	563
Cash on statement of financial position[(2)]	125	Refinancing of Goldcar debt, including prepayment fee	415
		Estimated transaction fees and expenses[(3)]	30
Total	**1,487**	**Total**	**1,487**

1 The Bridge-to-Asset-Backed Facility provides for up to a maximum principal amount of €600 million, which would be available to be drawn at the closing of the Goldcar Acquisition, if the Goldcar Asset-Backed Facility has not been entered into by such date. See "*Description of Certain Financing Arrangements and Acquisition Financing—The Acquisition Financing.*"

2 Including cash impact of €113 million of transaction adjustments; €9 million of costs relating to redemption of the Existing EC Finance Notes; and €3 million in transaction costs relating to the Notes.

3 Including €10 million in cash impact relating to Buchbinder swap redemption.

Since the information in the foregoing tables is as of June 30, 2017, the actual amounts will vary from the historical amounts based on several factors including the amount of cash on the Issue Date, the exact amount of the redemption premium of the Existing EC Finance Notes and the exact amount of Goldcar Debt on the Completion Date.

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Capitalization of Europcar Group

The following table sets forth the cash and cash equivalents and capitalization of Europcar Group, as derived from the EGSA Consolidated Financial Statements as of June 30, 2017, on an actual basis and on a Pro Forma basis to give effect to the Pro Forma Transactions as if they had occurred as of June 30, 2017, as further adjusted to give effect to the Existing EC Finance Notes Refinancing as if it had occurred on June 30, 2017 ("**Pro Forma As Adjusted**").

We believe the Pro Forma As Adjusted figures are useful because they are more consistent with the figures we would use to calculate compliance with our financial ratio requirements. However, the Pro Forma As Adjusted figures have been prepared for illustrative purposes only and do not purport to represent what our actual results of operations or financial condition would have been if the Pro Forma Transactions and the Existing EC Finance Notes Refinancing had occurred on such dates, nor do they purport to be indicative of our future results of operations or financial position.

This table should be read in conjunction with *"Use of Proceeds,"* "*Management's Discussion and Analysis of Results of Operations and Financial Condition*," "*Unaudited Pro Forma Condensed Consolidated Financial Information*," the EGSA Consolidated Financial Statements included elsewhere in this Offering Memorandum and in Section 3 "*Accounting and Financial Information*" of Exhibit A of this Offering Memorandum, and the Goldcar Consolidated Financial Statements included elsewhere in this Offering Memorandum.

(In millions of €)	**EGSA Actual**	**Adjustments**	**Pro Forma As Adjusted**
Cash and cash equivalents[1][2]	**323. 9**	**(76.2)**	**247.7**
Short term investments[3]	**80.5**	**0.1**	**80.6**
Existing Parent Notes	600.0	–	600.0
Existing EC Finance Notes[4]	350.0	(350.0)	–
New Parent Notes[5]	–	600.0	600.0
EC Finance Notes[5]	–	350.0	350.0
Senior Asset Revolving Facility	878.0	–	878.0
Europcar UK and other Fleet Financing	539.8	–	539.8
Senior Revolving Credit Facility	–	–	–
Existing Buchbinder fleet debt[6]	–	265.9	265.9
Bridge-to-Asset-Backed Facility[5]	–	411.9	411.9
Other debt[7]	169.9	–	169.9
Transaction costs[8]	(20.4)	(13.7)	(34.1)
Total consolidated third-party debt	**2,517.3**	**1,264.1**	**3,781.4**
Total equity[9]	**753.3**	**(13.6)**	**739.7**
Total consolidated capitalization	**3,270.6**	**1,250.5**	**4,521.1**

(1) Cash and cash equivalents as adjusted for the transaction adjustments of €112.6 million and €9 million of redemption cost associated with the Existing EC Finance Notes Refinancing, €3 million of transaction costs related to the EC Finance Notes, and €48.4 million cash and cash equivalents of Buchbinder and Goldcar as of June 30, 2017.

(2) Including restricted cash in the amount of €110.4 million.

(3) Primarily dedicated to cover liabilities from the Group's captive insurance company. See Note 10 to the EGSA Consolidated Financial Statements as of and for the six months ended June 30, 2017.

(4) The existing €350 million Existing EC Finance Notes will be redeemed in full with the proceeds from the issuance of the EC Finance Notes.

(5) Reflecting aggregate principal amount, which does not include the impact of capitalized financing costs incurred in connection with the issuance or incurrence of such debt.

(6) Buchbinder's existing fleet financing arrangements mainly consist of short-term bilateral facilities (banking and operating lease facilities) contracted with local financiers in Germany and Austria. See "*Description of Certain Europcar Financing Arrangements and Acquisition Financing—Certain Fleet Financing Arrangements—Buchbinder Fleet Financing.*"

(7) Including mainly fleet financings in Denmark and Ireland.

(8) Pursuant to IFRS, the €15 million arrangement and transactions costs for the EC Finance Notes, the New Parent Notes and the Bridge-to-Asset-Backed Facility will be fully capitalized and amortized. The Existing EC Finance Notes Refinancing will also result in the write-off of the remaining financing arrangement costs relating to the Existing EC Finance Notes which amounted to 4.3 million as of June 30, 2017.

(9) The reduction in total equity includes the write-off of the remaining €4.3 million financing arrangement costs relating to the Existing EC Finance Notes.

The non-current loans and borrowings of the group (excluding the impact of the amortization of transaction costs, premium and discounts) slightly increased by €1.8 million to €973.7 million as of August 31, 2017, compared to €971.9 million as of June 30, 2017.

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There has been no material change in the capitalization of Europcar since June 30, 2017 other than as described in this Offering Memorandum.

Selected Consolidated Financial Information for Europcar Groupe S.A.

The following tables set forth selected consolidated financial information and other data. The selected historical consolidated financial information for EGSA has been derived from the EGSA Consolidated Financial Statements as of and for the six months ended June 30, 2017 (with June 30, 2016 as a comparative period) and from the EGSA Consolidated Financial Statements as of and for the years ended December 31, 2016, 2015 and 2014. The EGSA Consolidated Financial Statements as of and for the years ended December 31, 2016, 2015 and 2014 have been audited by PricewaterhouseCoopers Audit and Mazars, and were prepared in accordance with IFRS. The EGSA Consolidated Financial Statements as of and for the six months ended June 30, 2017 are unaudited and have been subject to limited review by PricewaterhouseCoopers Audit and Mazars.

You should read the following selected consolidated financial and other data in conjunction with the EGSA Consolidated Financial Statements and the notes thereto, and other financial information appearing elsewhere in this Offering Memorandum, including under the captions "*Capitalization of Europcar Group*," "*Management's Discussion and Analysis of Results of Operations and Financial Condition*," "*Unaudited Pro Forma Condensed Consolidated Financial Information*" in the P-pages to this Offering Memorandum and in Section 3 "*Accounting and Financial Information*" in Exhibit A to this Offering Memorandum and Exhibit B to this Offering Memorandum.

Consolidated Income Statement Data

	For the twelve months ended June 30,	**For the six months ended June 30,**		**For the year ended December 31,**		
(in millions of €)	**2017**	**2017**	**2016**	**2016[1]**	**2015**	**2014**
	(unaudited)	**(unaudited)**	**(unaudited)**			
Revenue	**2,230.6**	**1,027.8**	**947.9**	**2,150.8**	**2,141.9**	**1,978.9**
Expenses						
Fleet holding costs[2]	(551.9)	(264.0)	(248.5)	(536.3)	(547.2)	(496.3)
Fleet operating, rental and revenue related costs[2]	(787.7)	(371.3)	(336.9)	(753.3)	(727.0)	(686.3)
Personnel costs	(360.8)	(191.2)	(169.6)	(339.2)	(347.4)	(318.2)
Network and headquarters overhead costs	(225.5)	(120.6)	(111.0)	(215.9)	(218.5)	(199.3)
Other income	11.1	3.9	2.5	9.7	14.2	6.9
Depreciation, amortization and impairment expense	(30.7)	(14.2)	(15.9)	(32.3)	(32.8)	(31.8)
Current operating income	**285.2**	**70.3**	**68.6**	**283.5**	**283.3**	**253.9**
Other non-recurring expenses and income[3]	(62.5)	(38.5)	3.3	(20.7)	(61.8)	(115.7)
Operating income	**222.7**	**31.8**	**71.9**	**262.7**	**221.5**	**138.2**
Net financing costs	**(124.0)**	**(58.0)**	**(55.1)**	**(121.1)**	**(227.6)**	**(232.7)**
Profit/(loss) before tax	**98.7**	**(26.2)**	**16.8**	**141.7**	**(6.0)**	**(94.5)**
Income tax	9.4	5.0	(11.0)	(6.6)	(37.6)	(10.7)
Share of profit/(loss) in associates	(18.6)	(5.8)	(2.9)	(15.8)	(12.1)	(6.5)
Net profit/(loss) for the period	**89.5**	**(27.0)**	**2.8**	**119.3**	**(55.8)**	**(111.7)**
Net profit/(loss), share attributable to EGSA shareholders	**89.7**	**(26.8)**	**2.9**	**119.5**	**(55.6)**	**(112.3)**

Consolidated Statement of Financial Position Data

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(in millions of €)	As of June 30, 2017	2016	As of December 31, 2016	2015	2014
	(unaudited)	**(unaudited)**			
Non-current assets	1,511.0	1,379.6	1,399.5	1,394.3	1,363.0
Current assets	3,962.3	3,533.9	3,115.3	2,926.3	2,583.5
of which rental fleet recorded on the balance sheet	*2,384.3*	*2,072.6*	*1,640.3*	*1,664.9*	*1,402.7*
of which rental fleet and related receivables[(4)]	*746.6*	*716.6*	*720.6*	*574.7*	*530.1*
of which current financial assets[(5)]	*48.0*	*41.5*	*77.0*	*37.5*	*49.5*
of which cash and cash equivalents	*213.5*	*167.0*	*154.6*	*146.1*	*144.0*
Total assets	**5,473.3**	**4,913.6**	**4,514.8**	**4,320.6**	**3,946.4**
Non-current liabilities	1,293.2	1,273.1	1,276.1	1,129.2	1,351.2
of which financial liabilities	*959.9*	*932.1*	*953.2*	*801.2*	*1,043.1*
Current liabilities	3,426.9	3,123.6	2,607.4	2,629.0	2,437.1
of which current portion of financial liabilities	*1,557.4*	*1,375.9*	*1,224.4*	*1,263.8*	*1,127.5*
Total liabilities	**4,720.1**	**4,396.7**	**3,883.5**	**3,758.2**	**3,788.3**
Total equity	**753.3**	**516.9**	**631.3**	**562.4**	**158.1**

Consolidated Statement of Cash Flow Data

(in millions of €)	For the six months ended June 30, 2017	2016	For the year ended December 31, 2016	2015	2014
	(unaudited)	**(unaudited)**			
Operating income/(loss) before changes in working capital	**54.7**	**52.8**	**257.1**	**266.2**	**224.0**
Changes in rental fleet recorded on the balance sheet	(612.2)	(478.0)	(20.6)	(232.9)	(91.5)
Changes in fleet working capital	290.8	158.2	(126.2)	34.9	(74.0)
Change in non-fleet working capital	101.9	73.3	4.0	(57.2)	50.0
Cash generated from operations	**(164.8)**	**(193.7)**	**114.3**	**10.9**	**108.6**
Income taxes received/(paid)	(17.1)	0.1	(22.7)	(39.7)	(31.4)
Net interest paid	(49.4)	(46.8)	(98.7)	(137.3)	(166.8)
Net cash generated from (used by) operations	**(231.3)**	**(240.4)**	**(7.2)**	**(166.1)**	**(89.7)**
Net cash generated from (used by) investing activities	**(98.5)**	**(10.2)**	**(104.1)**	**(55.2)**	**(76.6)**
Net cash generated from (used by) financing activities	**395.6**	**297.0**	**130.6**	**243.3**	**103.3**
Net increase/(decrease) in cost and cash equivalents after effect of foreign exchange differences	**65.8**	**46.4**	**19.3**	**22.0**	**(63.0)**

(1) EGSA holds 100% of the shares of ECI, the Guarantor of the EC Finance Notes, which, in turn is the holding company for the Europcar Operating Companies. EGSA will also guarantee the Notes. The annual financial statements of ECI for the years ended December 31, 2016, 2015 and 2014 are incorporated by reference herein. The result of operations of ECI and its subsidiaries are consolidated into the EGSA Consolidated Financial Statements, an English translation of which is included elsewhere herein.

The following table shows EGSA consolidated income statement data (column a), the consolidation entries related to purchase accounting and to the elimination of the intercompany transactions (unaudited) (column b), the stand-alone separate financial statements of EGSA as a parent company (unaudited) (column c), the stand-alone separate financial statements of EC Participation S.A.S.U which is out of ECI Scope (unaudited) (column d), and the special purpose financial statements of ECI on a consolidated basis (unaudited) (column e).

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(in millions of €)	EGSA consolidated (a)	Consolidation entries (b)	EGSA stand-alone separate financial statements (c)	ECPSA stand-alone separate financial statements (d)	ECI consolidated special purpose (unaudited) (e)=(a)-(b)-(c)-(d)
	Year ended December 31, 2016				
Revenue	**2,150.8**	**–**	**1.4**	**–**	**2,149.4**
Expenses					
Fleet holding costs	(536.3)	–	–	–	(536.3)
Fleet operating, rental and revenue related costs	(753.3)	–	–	–	(753.3)
Personnel costs	(339.2)	0.4	(5.0)	–	(334.6)
Network and headquarters overhead costs	(215.9)	–	(4.2)	–	(211.7)
Depreciation, amortization and impairment expense	(32.3)	–	–	–	(32.3)
Other income	9.7	(0.1)	1.8	–	8.0
Current operating income	**283.5**	**0.3**	**(6.0)**	**–**	**289.2**
Other non-recurring income and expenses	(20.7)	–	1.3	–	(22.0)
Operating income	**262.7**	**0.3**	**(4.7)**	**–**	**267.2**
Net financing costs	**(121.1)**	**–**	**(25.0)**	**–**	**(96.1)**
Profit(loss) before tax	**141.7**	**0.3**	**(29.7)**	**–**	**171.0**
Income tax	(6.6)	8.4	15.5	–	(30.5)
Share of profit/(loss) in associates	(15.8)	–	–	–	(15.8)
Net Profit/(loss) for the period	**119.3**	**8.7**	**(14.2)**	**–**	**124.8**
Net Profit/(loss), share attributable to Europcar Groupe shareholders	**119.5**	**8.7**	**(14.2)**	**–**	**125.0**

Column (b) mainly represents the consolidated entries related to purchase accounting and to the elimination of the intercompany transactions.

Column (c) reflects the principal operations at the EGSA parent company level, the most significant of which are:

- €(5.0) million in personnel costs related to the top management of Europcar;
- €(4.2) million in Network and headquarter overhead costs, principally relating to consultant fees;
- €1.8 million in other income related to contractual income recognized as part of partnership agreements; and
- €(25.0) million in net financing costs primarily relating to the outstanding Parent Notes issued by EGSA.

The following table shows EGSA consolidated statement of financial position data (column a), the consolidated entries related to purchase accounting and to the elimination of the intercompany transactions (unaudited) (column b), the stand-alone separate financial statements of EGSA as a parent company (unaudited) (column c), the stand-alone separate financial statements of EC Participation S.A.S.U which is out of ECI Scope (unaudited) (column d), and the special purpose financial statements of ECI on a consolidated basis (unaudited) (column e).

(in millions of €)	EGSA consolidated (a)	Consolidation entries (b)	EGSA stand-alone separate financial statements (c)	ECPSA stand-alone separate financial statements (d)	ECI consolidated special purpose (unaudited) (e)=(a)-(b)-(c)-(d)
	At December 31, 2016				
Statement of Financial Position Data					
Non-current assets	1,399.5	(278.7)	1,348.6	23.6	306.0
Current assets	3,115.3	(271.4)	186.6	22.5	3,177.6
of which rental fleet	2,360.9	–	4.4	–	2,356.5
of which cash and cash equivalents and restricted cash	259.8	0.1	–	–	259.8
Total assets	**4,514.8**	**(550.2)**	**1,535.2**	**46.1**	**3,483.6**
Non-current Liabilities	1,276.1	108.1	594.7	–	573.3
of which financial liabilities	953.2	0.1	594.5	–	358.8
Current liabilities	2,607.4	(271.4)	61.9	46.1	2,770.8

	At December 31, 2016				
(in millions of €)	**EGSA consolidated (a)**	**Consolidation entries (b)**	**EGSA stand-alone separate financial statements (c)**	**ECPSA stand-alone separate financial statements (d)**	**ECI consolidated special purpose (unaudited) (e)=(a)-(b)-(c)-(d)**
of which financial liabilities	1,224.4	(219.2)	28.6	46.1	1,369.3
Total liabilities	**3,883.5**	**(163.3)**	**656.6**	**46.1**	**3,344.1**
Total equity	**631.3**	**(386.9)**	**878.6**	**–**	**139.5**

Column (c) in the table above reflects the principal statement of financial position items at the EGSA parent company level, the most significant of which are:

- €622.8 million representing the Parent Notes (€594.7 million when reported net of discount and transaction costs); and
- €1,348.6 million, of which €1,241.2 million corresponding to 100% of the investment held in ECI.

(2) The components of "fleet holding costs" and "fleet operating, rental and revenue related costs" are discussed in Section 3.1 "*Analysis of the Group Results*" in Exhibit A to this Offering Memorandum.

(3) Other non-recurring income and expenses, in 2016, amounting to €(21.2) million mainly included the following: (a) restructuring costs of €17.6 million including severance costs relating to the implementation of measures to streamline the network and Back-office activities and €3.6 million for other items (see Note 12 to the EGSA Consolidated Financial Statements for year ended December 2016).

Other non-recurring income and expenses, in 2015, amounting to €(61.8) million, included the following: (a) restructuring costs of €24 million including severance costs relating to the implementation of measures to streamline the German network and some local headquarters; (b) fees relating to our initial public offering and offering of Existing Parent Notes of €11.5 million; (c) a provision of €45 million based on the best estimate of the financial risk (at that stage of the procedure with the French Competition Authority) in the event that the French Competition Authority were to impose a fine notwithstanding the Group's arguments in defense of its position (see Note 32 to the EGSA Consolidated Financial Statements for the fiscal year ended December 31, 2015 included in Exhibit B to this Offering Memorandum); and (d) a net positive reversal of €23 million relating to the execution of a settlement agreement with Enterprise on April 29, 2015 putting an end to all legal proceedings with that company (see Note 32 to the EGSA Consolidated Financial Statements for the year ended December 31, 2015 included in Exhibit B to this Offering Memorandum).

In 2014, other non-recurring income and expenses amounting to €(115.7) million included the following: (a) restructuring costs of €22.8 million resulting in part from the measures implemented by several of the Group's entities or announced before the end of the year to lower the head offices' cost structure; (b) €9.8 million in costs of use of outside service providers in connection with the restructuring of the head offices and the network; (c) a net charge of €59.4 million in connection with the litigation and arbitration with Enterprise including attorneys' fees, the cost of removing the logo from certain stations, the one-off impairment of the remaining value of the right to use the National and Alamo brands, and a provision in an amount equal to the risk of certain of the damages that the Group was reasonably able to estimate as of the closing date (see Note 10 to the EGSA Consolidated Financial Statements for the year ended December 31, 2015 included in Exhibit B to this Offering Memorandum); and (d) a charge of €23.9 million relating to a multi-year compensation program whose objectives were achieved in 2014.

Other non-recurring expenses of €3.3 million for the six months ended June 30, 2016 include mainly reorganization expenses of €(5.2) million (see Note 6 to the EGSA Consolidated Financial Statements for the six months ended June 30, 2016).

For the six months ended June 30, 2017, the non-recurring expenses of €(38.5) million included mainly the following: €45 million reversal of the provision related to the proceedings with Authority Of French Competition and €(44) million due to the accrual of provision related to the Trading Standard investigation in the UK (see Note 9 to the EGSA Consolidated Financial Statements for the six months ended June 30, 2017).

(4) The amount recorded under "Rental fleet recorded on the balance sheet" in the statement of financial position represents the acquisition cost of the vehicles (net of volume rebates) and is mainly the sum of two amounts representing distinct current assets:

- the "Vehicle Buy-Back Commitments receivable," representing the agreed buy-back price (the obligation of the manufacturer or dealer); and
- the "Deferred depreciation expense on vehicles," representing the difference between the acquisition cost of the vehicle and the agreed buy-back price. This asset is depreciated in the income statement on a straight-line basis over the contractual holding period of the vehicle.

(5) These investments are earmarked to cover the liabilities of the Group's captive insurance company. See Note 16 to the EGSA Consolidated Financial Statements for the years ended December 31, 2016 and 2015 included in Exhibit A and Exhibit B to this Offering Memorandum.

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Selected Consolidated Financial Information for Goldcar

The following selected consolidated financial information as of and for the years ended December 31, 2015 and 2016 has been derived from the Goldcar consolidated financial statements as of and for the year ended December 31, 2016, which were audited by KPMG. The audited consolidated financial statements as of and for the year ended December 31, 2016 are included elsewhere in this Offering Memorandum, together with the audit report thereon from KPMG. Goldcar's consolidated financial statements were prepared in accordance with IFRS as adopted by the European Union. Goldcar's interim condensed consolidated financial statements for the six months ended June 30, 2017 are unaudited and have been subject to a limited review by KPMG and were prepared in accordance with IAS 34, Interim Financial Reporting. However, their separate report included in Goldcar's interim financial statements for the six months ended June 30, 2017 included herein states that they did not audit and they do not express an opinion on that interim financial information. Accordingly, the degree of reliance on their report on such information should be restricted in light of the limited nature of the review procedures applied.

The selected consolidated financial information included below is not necessarily indicative of Goldcar's future results of operations and should be read in conjunction with, and is qualified in its entirety by reference to, Goldcar's consolidated financial statements, including the notes thereto, which are included elsewhere in this Offering Memorandum.

You should read the following selected consolidated financial and other data in conjunction with the Goldcar Consolidated Financial Statements and the notes thereto included elsewhere in this Offering Memorandum, and other financial information appearing elsewhere in this Offering Memorandum, including under the captions "*Capitalization of Europcar Group*" and "*Unaudited Pro Forma Condensed Consolidated Financial Information.*"

Goldcar Income Statement Data

	For the twelve months ended June 30,[(1)]	**For the six months ended June 30,**	**For the six months ended June 30,**	**For the year ended December 31,**	
(in millions of €)	**2017**	**2017**	**2016**	**2016**	**2015**
Revenue	313	127	123	309	289
Other operational income	6	3	2	5	4
Cost of vehicles sales	(49)	(20)	(25)	(54)	(52)
Other consumables used	(9)	(3)	(6)	(12)	(22)
Personnel expenses	(32)	(17)	(13)	(28)	(23)
Other operating expenses	(101)	(51)	(41)	(91)	(72)
Adjusted EBITDA	**128**	**39**	**40**	**129**	**125**
Fixed asset depreciation and buy back renting costs	(74)	(35)	(33)	(72)	(65)
Stolen and accidental cars	(1)	(1)	0	—	—
Profit/(impairment and loss) on disposal of fixed assets	(1)	0	1	0	0
Other	—	0	—	—	—
Adjusted EBIT	**52**	**3***	**8**	**57**	**59**
Other non-recurring income and expenses	(26)	(23)	(1)	(4)	(2)
Profit/(loss) From Continuing Operations (EBIT)	**26**	**(20)**	**8**	**54**	**57**
Financial loss	**(24)**	**(12)**	**(13)**	**(25)**	**(26)**
Profit/(loss) before income tax	**1**	**(33)**	**(5)**	**29**	**31**
Income tax	(3)	1	0	(4)	(9)
Consolidated Profit/(loss) for the period	**(2)**	**(32)**	**(5)**	**25**	**22**

* For further details of the changes in operating income, operating expenses, fixed asset depreciation and buyback costs and stolen and accidental cars that contributed to the decrease of (5) million in Adjusted EBIT between the six months ended June 30, 2016 and June 30, 2017. See note 11 to the Goldcar Financial Statements as of and for the six months ended June 30, 2017 included elsewhere in this Offering Memorandum.

(1) The financial information for the twelve months ended June 30, 2017 is derived by adding the consolidated financial information for the year ended December 31, 2016 to the consolidated financial information for the six months ended June 30, 2017 and subtracting the consolidated financial information for the six months ended June 30, 2016.

Goldcar Statement of Financial Position Data

	As of June 30,	**As of December 31,**	
(in millions of €)	**2017**	**2016**	**2015**
Total Non-current assets	368	314	289
Goodwill	*188*	*188*	*188*
Intangible assets	*25*	*25*	*23*
Property, plant and equipment	*153*	*99*	*76*
Financial investments	*2*	*2*	*1*
Deferred tax assets	*1*	*1*	*1*
Total Current assets	443	297	297
Inventories	*3*	*1*	*1*
Trade and other receivables	*13*	*12*	*17*
Current tax assets	*43*	*6*	*4*
Financial investments	*330*	*82*	*87*
Prepayments	*29*	*11*	*13*
Cash and cash equivalents	*25*	*184*	*174*
Total assets	**811**	**611**	**585**
Total Equity	228	260	235
Share capital and share premium	*215*	*215*	*215*
Consolidated reserves	*45*	*20*	*(2)*
Parent Company reserves	*–*	*(0.07)*	*–*
Consolidated profit/(loss) for the period	*(32)*	*25*	*22*
Total Non-current liabilities	304	303	305
Total Current liabilities	279	49	45
Provisions	*1*	*1*	*1*
Financial debt	*97*	*6*	*4*
Trade and other payables	*20*	*26*	*23*
Personnel	*6*	*2*	*2*
Current tax liabilities and other balances with Public Administrations	*2*	*7*	*5*
Customer advances	*10*	*2*	*3*
Accruals	*5*	*3*	*2*
Other current liabilities	*138*	*2*	*4*
Total equity and liabilities	**811**	**611**	**585**

Goldcar Cash Flow Data

	For the six months ended June 30,	**For the six months ended June 30,**	**For the year ended December 31,**
(in millions of €)	**2017**	**2016**	**2016**
Cash flow from operating activities	**38**	**39**	**126**
Cash flows from operations	**0.2**	**23**	**137**
Net cash flows from/(used in) operating activities	**(6)**	**12**	**107**
Net cash flows used in investing activities	**(239)**	**(235)**	**(92)**

	For the six months ended June 30,	For the six months ended June 30,	For the year ended December 31,
(in millions of €)	2017	2016	2016
Net cash flows from/(used in) financing activities	86	79	(4)
Net cash flows for the period/year	(159)	(144)	10
Cash and cash equivalents at end of the period/year	25	30	184
Cash and cash equivalents at the beginning of period/year	184	174	174

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Selected Unaudited Pro Forma Condensed Consolidated Financial Information

The Unaudited Pro Forma Condensed Consolidated Financial Information as of and for the six months ended June 30, 2017 was prepared to reflect the Pro Forma Transactions as though they occurred on January 1, 2016 (for income statement purposes) and June 30, 2017 (for statement of financial position purposes).

The Unaudited Pro Forma Condensed Consolidated Financial Information was prepared based on the EGSA Consolidated Financial Statements, and the Goldcar Consolidated Financial Statements and Buchbinder financial statements and books and records.

The Unaudited Pro Forma Condensed Consolidated Financial Information consists of unaudited Pro Forma consolidated income statement information and unaudited Pro Forma consolidated statement of financial position and explanatory notes.

The Unaudited Pro Forma Condensed Consolidated Financial Information is presented for illustrative purposes only and is not indicative of our results of operation or the financial condition that would have been achieved had the Goldcar Acquisition and the Buchbinder Acquisition been completed as of January 1, 2016 (for income statement purposes) or June 30, 2017 (for statement of financial position purposes), nor does the Unaudited Pro Forma Condensed Consolidated Financial Information purport to be indicative of our future results of operations or financial position. The Unaudited Pro Forma Condensed Consolidated Financial Information is based on available information and certain assumptions which we believe are reasonable and that are described in the accompanying notes which should be read in conjunction with the Unaudited Pro Forma Condensed Consolidated Financial Information. For more information, please refer to the Unaudited Pro Forma Condensed Consolidated Financial Information in the P-pages to this Offering Memorandum.

The allocation of purchase price has not been carried out and, accordingly, the Unaudited Pro Forma Condensed Consolidated Financial Information does not give effect to any purchase price adjustments. The excess of the purchase price over the net assets acquired is reflected as goodwill. We expect our financial statements in future periods to reflect such purchase price adjustments and the related depreciation and amortization.

The assumptions and estimates used in the preparation of the Unaudited Pro Forma Condensed Consolidated Financial Information may differ materially from the actual amounts that would have been achieved had the Pro Forma Transactions occurred on January 1, 2016 (for income statement purposes) or June 30, 2017 (for statement of financial position purposes).

The Unaudited Pro Forma Financial Information does not include all information required for financial statements under IFRS, and should be read in conjunction with the EGSA Consolidated Financial Statements and the notes thereto included elsewhere in this Offering Memorandum. The Unaudited Pro Forma Condensed Consolidated Financial Information was not prepared in accordance with Article 11 of regulation S-X under the Securities Act or any generally accepted accounting standards. The Unaudited Pro Forma Condensed Consolidated Financial Information was prepared in accordance with the basis of preparation described herein.

All pro forma adjustments are directly attributable to the Pro Forma Transactions and the adjustments with respect to the income statement would have a recurring impact on the Group income statement. These pro forma adjustments were prepared and computed based on available information and estimates that we believe to be reasonable. The Pro Forma adjustments used for the purposes of preparing the Unaudited Pro Forma Condensed Consolidated Financial Information are described in the P-pages hereto.

Europcar

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Unaudited Consolidated Income Statement Data on a Pro Forma Basis

(in millions of €)	For the six months ended June 30, 2017				
	EGSA	**Goldcar & Buchbinder**	**Combination of Europcar Group, Goldcar & Buchbinder**	**Combined Adjustments**	**Total**
Revenue	**1,027.8**	**200.9**	**1,228.6**	**—**	**1,228.6**
Expenses					
Fleet holding costs	(264.0)	(73.5)	(337.5)	—	(337.5)
Fleet operating, rental and revenue related costs	(371.3)	(64.9)	(436.2)	(0.6)	(436.8)
Personnel costs	(191.2)	(41.9)	(233.1)	—	(233.1)
Network and head office overheads	(120.6)	(12.6)	(133.2)	—	(133.2)
Other income	3.9	2.9	6.8	—	6.8
Amortization, depreciation, and impairment expense	(14.2)	(2.0)	(16.3)	—	(16.3)
Recurring operating income	**70.3**	**8.7**	**79.1**	**(0.6)**	**78.5**
Other non-recurring expenses	(38.5)	(23.4)	(61.9)	4.3	(57.6)
Operating income	**31.8**	**(14.7)**	**17.1**	**3.7**	**20.9**
Net financing costs	**(58.0)**	**(28.3)**	**(86.3)**	**(7.0)**	**(93.3)**
Profit/(loss) before tax	**(26.2)**	**(43.0)**	**(69.2)**	**(3.2)**	**(72.4)**
Income tax	5.0	(1.4)	3.6	2.4	6.0
Share of profit/(loss) in associates	(5.8)	—	(5.8)	—	(5.8)
Net profit/(loss)	**(27.0)**	**(44.3)**	**(71.3)**	**(0.8)**	**(72.2)**
Net profit/(loss), share attributable to EGSA shareholders	**(26.8)**	**(44.3)**	**(71.1)**	**(0.8)**	**(72.0)**

(in millions of €)	For the year ended December 31, 2016				
	EGSA	**Goldcar & Buchbinder**	**Combination of Europcar Group, Goldcar & Buchbinder**	**Combined Adjustments**	**Total**
Revenue	**2,150.8**	**444.7**	**2,595.5**	**—**	**2,595.5**
Expenses					
Fleet holding costs	(536.3)	(150.1)	(686.4)	—	(686.4)
Fleet operating, rental and revenue related costs	(753.3)	(122.0)	(875.3)	—	(875.3)
Personnel costs	(339.2)	(74.9)	(414.0)	—	(414.0)
Network and head office overheads	(215.9)	(22.2)	(238.1)	—	(238.1)
Other income	9.7	3.4	13.1	—	13.1
Amortization, depreciation, and impairment expense	(32.3)	(3.2)	(35.5)	—	(35.5)
Recurring operating income	**283.5**	**75.7**	**359.2**	**—**	**359.2**
Other non-recurring expenses	(20.7)	(3.4)	(24.2)	—	(24.2)
Operating income	**262.8**	**72.3**	**335.0**	**—**	**335.0**
Net financing costs	**(121.1)**	**(33.4)**	**(154.5)**	**(13.0)**	**(167.5)**
Profit/(loss) before tax	**141.7**	**38.9**	**180.5**	**(13.0)**	**167.5**
Income tax	(6.6)	(8.3)	(14.9)	7.3	(7.5)
Share of profit/(loss) in associates	(15.8)	—	(15.8)	—	(15.8)
Net profit/(loss)	**119.3**	**30.6**	**149.9**	**(5.7)**	**144.2**

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(in millions of €)	EGSA	Goldcar & Buchbinder	Combination of Europcar Group, Goldcar & Buchbinder	Combined Adjustments	Total
	For the year ended December 31, 2016				
Net profit/(loss), share attributable to Europcar Groupe shareholders	**119.5**	**30.6**	**150.1**	**(5.7)**	**144.4**

Unaudited Consolidated Statement of Financial Position Data on a Pro Forma Basis

(in millions of €)	EGSA	Goldcar & Buchbinder	Combination of Europcar Group, Goldcar & Buchbinder	Combined Adjustments	Total
	As of June 30, 2017				
Selected Statement of financial position Data					
Non-current assets	**1,511.0**	**242.8**	**1,753.8**	**478.6**	**2,232.4**
Current assets	**3,962.3**	**915.6**	**4,877.9**	**(106.9)**	**4,771.0**
of which rental fleet recorded on the balance sheet	2,384.3	755.3	3,139.6	—	3,139.6
of which rental fleet related receivables	746.6	41.5	788.0	—	788.0
of which current financial assets	48.0	3.6	51.5	—	51.5
of which cash and cash equivalents	213.5	48.4	261.9	(112.6)	149.4
Total assets	**5,473.3**	**1,158.4**	**6,631.7**	**371.7**	**7,003.4**
Non-current liabilities	1,293.2	4.1	1,297.3	617.7	1,915.0
of which financial liabilities	959.9	(0.7)	959.2	614.4	1,573.6
Current liabilities	3,426.9	898.0	4,324.9	23.9	4,348.7
of which current portion of financial liabilities	1,557,4	677.8	2,235.2	23.3	2,258.5
Total liabilities	**4,720.1**	**902.1**	**5,622.1**	**641.6**	**6,263.8**
Total equity and subordinated loan	**753.3**	**256.3**	**1,009.6**	**(269.9)**	**739.7**

Other Information As Adjusted on a Pro Forma Basis

(in millions of €)	EGSA	Goldcar & Buchbinder	Combination of Europcar Group, Goldcar & Buchbinder	Combined Adjustments	Total
	For the six months ended June 30, 2017				
Current operating income	**70.3**	**8.7**	**79.1**	**(0.6)**	**78.5**
Reversal of estimated interest included in operating lease rents	21.4	0.6	22.0	—	22.0
Adjusted recurring operating income	**91.8**	**9.3**	**101.1**	**(0.6)**	**100.5**
Reversal of amortization, depreciation and impairment expense	14.2	2.0	16.3	—	16.3
Fleet financial costs	(28.2)	(9.0)	(37.3)	2.2	(35.0)
Estimated interest included in operating lease rents	(21.4)	(0.6)	(22.0)	—	(22.0)
Adjusted Corporate EBITDA	**56.4**	**1.7**	**58.1**	**1.7**	**59.7**
Reversal of fleet depreciation	92.5	45.1	137.5	—	137.5
Reversal of fleet operating lease rents	121.7	23.8	145.5	—	145.5
Reversal of fleet financial costs	28.2	9.0	37.3	(5.4)	31.9

	For the six months ended June 30, 2017				
(in millions of €)	EGSA	Goldcar & Buchbinder	Combination of Europcar Group, Goldcar & Buchbinder	Combined Adjustments	Total
Adjusted Consolidated EBITDA	298.7	79.7	378.4	(3.8)	374.6

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	For the year ended December 31, 2016				
(in millions of €)	EGSA	Goldcar & Buchbinder	Combination of Europcar Group, Goldcar & Buchbinder	Combined Adjustments	Total
Current operating income	**283.5**	**75.7**	**359.2**	**—**	**359.2**
Reversal of estimated interest included in operating lease rents	47.5	1.3	48.8	—	48.8
Adjusted recurring operating income	**331.0**	**77.0**	**408.0**	**—**	**408.0**
Reversal of amortization, depreciation and impairment expense	32.3	3.2	35.5	—	35.5
Fleet financial costs	(62.0)	(19.4)	(81.4)	4.7	(76.6)
Estimated interest included in operating lease rents	(47.5)	(1.3)	(48.8)	—	(48.8)
Adjusted Corporate EBITDA	**253.9**	**59.5**	**313.4**	**4,7**	**318.1**
Reversal of fleet depreciation	181.9	82.0	263.9	—	263.9
Reversal of fleet operating lease rents	256.8	57.6	314.4	—	314.4
Reversal of fleet financial costs	62.0	19.4	81.4	(13.1)	68.3
Adjusted Consolidated EBITDA	**754.5**	**218.5**	**973.0**	**(8.3)**	**964.7**

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Management's Discussion and Analysis of Results of Operations and Financial Condition

The information presented below on the Group's results of operations and financial condition should be read in conjunction with the unaudited interim condensed consolidated financial statements for the six months ended June 30, 2017, including the notes thereto, included elsewhere in this Offering Memorandum.

Comparison of Results of Operations for the Six Months Ended June 30, 2017 and 2016

Analysis in this section is based on the Group's income statement, prepared in accordance with IFRS, as well as data provided by management intended for strategic guidance. Management data are prepared in order to reflect and clarify the presentation of Group economic performance.

The table below shows the Group's consolidated results of operations for the six months ended June 30, 2017 and 2016.

	For the six months ended June 30,		Change
(in millions of €)	**2017**	**2016**	
Total revenue	**1,027.8**	**947.9**	**8.4%**
Fleet holding costs	(264.0)	(248.5)	6.3%
Fleet operating, rental and revenue-related costs	(371.3)	(336.9)	10.2%
Personnel costs	(191.2)	(169.6)	12.8%
Network and headquarters overhead costs	(120.6)	(111.0)	8.6%
Other income and expenses	3.9	2.5	56.3%
Depreciation	(14.2)	(15.9)	(10.3)%
Recurring operating income	**70.3**	**68.6**	**2.5%**
Other non-recurring income and expenses	(38.5)	3.3	N/A
Operating Income	**31.8**	**71.9**	**(55.7)%**
Net financing costs	(58.0)	(55.1)	5.3%
Profit/(loss) before tax	**(26.2)**	**16.8**	**N/A**
Income tax	5.0	(11.0)	N/A
Share of profit/(loss) of associates	(5.8)	(2.9)	98.0%
Net profit/(loss) for the period	**(27.0)**	**2.8**	**N/A**

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The following table shows management performance indicators prepared in order to improve understanding of the Group's economic performance for the six months ended June 30, 2017 and 2016.

(in millions of €, except as otherwise indicated)	For the six months ended June 30, 2017	2016	Change[1]	Change at constant exchange rate
Rental day volumes (millions)	30.0	26.7	12.2%	N/A
Consolidated RPD[1] (in €)	31.9	33.0	(3.5)%	(2.0)%
Average duration (day)	5.8	5.7	1.6%	N/A
Average fleet[2] (thousands)	217.1	194.7	11.5%	N/A
Per-unit fleet costs per month[3] (in €)	(241)	(250)	(3.6)%	N/A
Financial utilization rate[4]	76.3%	75.5%	0.8pt	N/A
Total revenues	**1,027.8**	**947.9**	**8.4%**	**10.1%**
Fleet holding costs excluding estimated interest included in operating leases	**(242.6)**	**(226.0)**	**7.3%**	**9.4%**
Fleet operating, rental, revenue-related costs	**(371.3)**	**(336.9)**	**10.2%**	**12.0%**
Personnel costs	(191.2)	(169.6)	12.8%	14.0%
Network and headquarters overhead	(120.6)	(111.0)	8.6%	9.8%
Other income and expenses	3.9	2.5	56.3%	14.9%
Costs of personnel, network and headquarters overhead, IT and other	**(307.9)**	**(278.1)**	**10.7%**	**12.3%**
Net fleet-financing expense	(28.2)	(29.8)	(5.2)%	(4.1)%
Estimated interest included in operating leases	(21.4)	(22.4)	(4.5)%	(3.8)%
Fleet financing expenses, including estimated interest for operating leases	**(49.7)**	**(52.2)**	**(4.9)%**	**(4.0)%**
Adjusted Corporate EBITDA	**56.4**	**54.7**	**3.0%**	**2.7%**
Adjusted Corporate EBITDA margin	**5.5%**	**5.8%**	**(0.3) pt**	**N/A**
Last Twelve Months Adjusted Corporate EBITDA	255	245	4.2%	N/A
Last Twelve Months Adjusted Corporate EBITDA Margin	11.5%	11.5%	(0.0) pt	N/A
Depreciation	(14.2)	(15.9)	(10.3)%	(9.7)%
Other nonrecurring income and expenses	(38.5)	3.3	N/A	N/A
Other financing income and expense not related to the fleet	(29.8)	(25.4)	17.6%	19.1%
Profit/ (loss) before tax	**(26.2)**	**16.8**	**N/A**	**N/A**

(1) RPD (revenue per transaction day) corresponds to rental revenue for the period divided by the number of rental days for the period. Variation is calculated compared with the previous year

(2) Average fleet during the period is calculated as the number of days in the period during which the fleet was available, divided by the number of days of the period, multiplied by the number of vehicles in the fleet during the period. As of June 30, 2017, the fleet comprised approximately 284.5 thousand vehicles, compared with 245.8 thousand as of June 30, 2016.

(3) Average fleet cost per unit per month corresponds to total monthly fleet cost (costs for holding and operating the fleet), excluding interest expense for fleet operating leases and insurance, divided by the average fleet during the period. The average fleet is then divided by the number of months during the period.

(4) The fleet financial utilization rate corresponds to the number of rental days as a percentage of the number of days the fleet is considered financially available. The fleet's financial-availability period represents the period during which the Group holds the vehicles.

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(1) Changes are expressed in percentage, unless otherwise indicated.

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The table below presents a reconciliation of recurring operating income to adjusted recurring operating income, Adjusted Corporate EBITDA and Adjusted Consolidated EBITDA. Adjusted recurring operating income, Adjusted Consolidated EBITDA and Adjusted Corporate EBITDA are presented because the Group believes that these measures provide readers with important additional information for the evaluation of Group performance. The Group also believes that these indicators are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in the Group's industry. In addition, the Group believes that investors, securities analysts and rating agencies will consider that adjusted recurring operating income, Adjusted Consolidated EBITDA and Adjusted Corporate EBITDA are useful indicators for measuring the Group's capacity to meet its debt-service obligations. IFRS does not recognize recurring operating income, Adjusted Consolidated EBITDA or Adjusted Corporate EBITDA. Therefore, these indicators should not be viewed as alternatives to operating income or net profit, nor should they be considered indicators of operating results or of cash flows as measures of liquidity.

	For the six months ended June 30,	
(in millions of €)	**2017**	**2016**
Adjusted Consolidated EBITDA	**298.7**	**287.0**
Fleet depreciation (IFRS)	(92.5)	(87.3)
Fleet depreciation included in operating lease rents	(100.2)	(92.8)
Total fleet depreciation	***(192.7)***	***(180.1)***
Interest expense related to fleet operating leases (estimated)[A]	(21.4)	(22.4)
Net fleet-financing expense	(28.2)	(29.8)
Total fleet financing	***(49.6)***	***(52.2)***
Adjusted Corporate EBITDA	**56.4**	**54.7**
Depreciation	(14.2)	(15.9)
Reversal of net fleet-financing expenses	28.2	29.8
Reversal of interest expense for fleet operating leases (estimated)	21.4	22.4
Adjusted recurring operating income	**91.8**	**91.1**
Interest expense related to fleet operating leases (estimated)	(21.4)	(22.4)
Recurring operating income[B]	**70.4**	**68.6**

(A) Expenses related to operating leases for fleet vehicles comprise depreciation, interest and, in some cases, a small management fee. For contracts that do not provide a breakdown of rent payments in accordance with these expenses, the Group makes estimates on the basis of data provided by the lessors. Furthermore, because interest expense for operating leases is essentially a financing cost for the fleet, Europcar management reviews fleet holding costs and Group adjusted operating income net of this expense.

(B) As set forth in the consolidated income statement

Revenue

The following table shows the changes in Group consolidated revenue for the six months ended June 30, 2017 and 2016, as a total and by product type.

	For the six months ended June 30,		Change	Change at constant exchange rate
(in millions of €)	**2017**	**2016**		
Rental revenues	**956.3**	**885.1**	**8.1%**	**9.9%**
Other revenue associated with car rental	48.3	39.5	22.5%	18.9%
Franchising business	23.1	23.4	(1.3)%	(1.2)%
Total revenues	**1,027.8**	**947.9**	**8.4%**	**10.1%**

Total revenue stood at €1,027.8 million, compared with €947.9 million for the first half of 2016, an increase of 10.1% at constant exchange rates. Restated for income tied to fuel, at constant scope and exchange rates, the Group's total revenue increased by 4.6%.

This significant increase in the Group's total revenue was the result of positive growth in all the Group's key markets and in all of its three major Business Units, with constant currency growth of 7.7% for the Cars Business Unit, 9.7% for the Vans and Trucks Business Unit and more than 80% for the Low Cost Business Unit.

The volume of rental days rose by 12.2% over the first half of 2017, to stand at 30.0 million days. This growth in rental days was shared across all Business Units with an increase of 8.2% for the Cars Business Unit, an increase of 14.4% for the Vans and Trucks Business Unit and, finally, growth of over 64.4% for the Low Cost Business Unit.

In addition, revenue per rental day fell by 2.0% at constant exchange rate at Group level, primarily due to a 4.1% drop in the Vans and Trucks Business Unit, reflecting a strategic desire to improve both the utilization rate and the rental duration. Revenue per rental day fell slightly by 0.5% for the Cars Business Unit and rose 9.7% for the Low Cost Business Unit.

Fleet Holding Costs

Fleet holding costs include fleet depreciation expenses (vehicles acquired and financed through funding recorded on the statement of financial position) and payments on operating leases for vehicles including their financial component, in compliance with accounting standards (e.g., vehicles financed through leasing). Rental payments under operating leases automatically include a component of financial interest. The accounting methods employed for fleet-financing expenses depend on the type of financing (operating lease or other type of financing). For greater clarity, the Group combines all fleet-financing expenses in its management income statement. For analytical purposes, the expenses are included in Adjusted Corporate EBITDA but are excluded from fleet holding costs.

Adjusted for estimated financial expenses for operating leases (i.e., €21.4 million and €22.4 million in the first halves of 2017 and 2016 respectively), fleet holding costs totaled €242.6 million, up 7.3% from €226 million in 2016. The Group continues to improve its utilization rate, from 75.5% to 76.3% for the first half of 2017, an increase of 80 basis points. Through its cost management strategy, the Group has been able to reduce its average fleet cost per vehicle by 1.8% per month, from €245 for the first half of 2016 to €241 in the first half of 2017 at constant exchange rates.

Fleet Operating, Rental and Revenue-related Costs

In the first half of 2017, fleet operating, rental and revenue-related costs totaled €371.3 million, up 10.2%. This is due to the proportional increase of 12.2% in the volume of rental activity.

Personnel Costs

In the first half of 2017, personnel costs totaled €191.2 million, an increase over 2016. At constant exchange rates, personnel costs were up 12.8% primarily due to changes in consolidation scope following the takeover of the Irish and Danish franchisees, as well as minority interests in Ubeeqo and the increase in the number of employees in order to support growth and improve the quality of customer service.

Overhead for Headquarters and Network

In the first half of 2017, overhead for headquarters and the network totaled €120.6 million, an increase of 8.6%. This increase was primarily due to the consolidation effect with the acquisition of the Irish and Danish franchisees and the mobility company Ubeeqo. In addition, the costs of the network for the pre-acquisition group continued to grow with the development of the Low Cost Business Units and the Vans and Trucks Business Unit.

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Other Non-current Income and Expenses

In the first half of 2017, other non-current income and expenses represented a net expense of €39 million, which can be analyzed as follows:

- a provision for risk of €44 million following the launch of an investigation by the Trading Standards Services in the United Kingdom; (see "*—Regulatory, Legal and Arbitration Proceedings—Leicester City Counsel Trading Standards Services Investigation*")
- a provision for restructuring and the costs related to the Group's transformation for €17 million;
- mergers and acquisitions expenses for €9 million;
- the reversal of the €45 million provision that had been accrued because of a financial risk relating to proceedings of the French Competition Authority;
- litigation expenses for €3 million;
- consulting and transformation fees for €6 million; and
- other non-current income and expenses for €4.6 million.

For information, in the first half of 2016 other non-current income and expenses stood at €3.3 million in income, distributed as follows:

- reorganization expenses of €5.2 million;
- offset by income of €8.9 million related to the resolution of a tax dispute

Adjusted Corporate EBITDA

Adjusted Corporate EBITDA is defined as recurring operating income before depreciation and amortization unrelated to the fleet, and after deduction of interest expense for fleet financing. The level of Adjusted Corporate EBITDA fluctuates significantly from season to season.

In the first half of 2017, Adjusted Corporate EBITDA totaled €56.4 million, compared with €54.7 million in the first half of 2016, an increase of 3.0%.

The Group's Adjusted Corporate EBITDA margin fell by 40 basis points to 5.5% in the first half of 2017, due to the increase in the network costs and its variable operating costs.

These two cost lines are influenced by the expansion of consolidation scope following the acquisitions made by the Group (Locaroise, Ireland, Denmark and Ubeeqo) over the past twelve months, as well as increases in airport fees in Spain.

Net Financing Costs

Net financing costs amounted to €58.0 million in the first half of 2017, compared with €55.1 million in the first half of 2016. The primary reason for this change is the total effect of the increase related to the additional Existing Parent Notes issued in June 2016, in the amount of €125 million.

Income Tax

In the first half of 2017, the Group had tax profit of €5.0 million, compared with tax expense of €11.0 million in 2016. The Group's effective tax rate was 19.0%, compared with 65.9% at June 30, 2016, specifically impacted by the non-taxation of the reversal of the provision relating to the proceedings of the French Competition Authority.

Share of Profit or Loss in Companies Accounted for Under the Equity Method

The share of profit or loss in companies accounted for under the equity method came to a loss of €5.8 million, compared with €2.9 million in the first half of 2016. It is composed of the development costs for Car2go Europe and the share of profit of equity associate Ubeeqo at the end of February 2017, prior to the exclusive takeover.

Net Profit/(Loss)

Net loss in the first half of 2017 came to €27.0 million, compared to a profit of €2.8 million for the first half of 2016.

Revenue and Adjusted Corporate EBITDA by Operating Segment

Europe

The table below shows (i) the allocation of revenue generated in Europe by Corporate Countries and other European countries, and (ii) Adjusted Corporate EBITDA generated in Europe for the six months ended June 30, 2017 and 2016:

(in millions of €)	For the six months ended June 30,		Change	Change at constant exchange rate
Revenue	**2017**	**2016**		
Germany	260.7	252.8	3.1%	N/A
United Kingdom	187.0	189.4	(1.3)%	9.1%
France	167.7	159.2	5.3%	N/A
Other European countries	323.0	266.5	21.2%	N/A
Other European countries (franchisees)	7.4	8.8	(16.0)%	N/A
Europe	**945.7**	**876.7**	**7.9%**	**10.1%**
Adjusted Corporate EBITDA	**16.6**	**19.9**	**(16.8)%**	**(15.7)%**

Revenue

Revenue of the European operating sector increased at constant exchange rates to €945.7 million for the first half of 2017. Southern European countries recorded steady growth over the first half of 2017, led in particular by InterRent brand, which grew significantly in all corporate countries, and by growth in the Leisure market thanks to higher business volume, despite a drop in the selling price. The Northern European countries, Germany in particular, saw a less buoyant economic and commercial environment, but were still able to increase their volume of business.

Germany

In the first half of 2017, revenue generated by the Group in Germany was up 3.1% to €260.7 million. The Leisure segment and InterRent brand enjoyed significant growth over the period, driven by the implementation of very proactive development plans. This momentum was not replicated in the Corporate segments, because of a drop in prices in the face of a more challenging environment and stiff competition.

United Kingdom

Revenue generated by the Group in the United Kingdom was up 9.07% at constant exchange rates to stand at €187.0 million for the period ended June 30, 2017. As was the case in Germany, all action plans led to a clear increase in revenue in the Leisure segment and InterRent brand, without significantly damaging prices. The

Replacement segment, and to a lesser extent the Corporate segment, suffered seriously in terms of business because of heavy competition.

France

Revenue generated by the Group in France rose 5.3% over the first half year, with an increase for the InterRent brand and growth in the Corporate segments.

The French market suffered from strong price pressures in the Leisure and Corporate markets.

Adjusted Corporate EBITDA

In the first half of 2017, Adjusted Corporate EBITDA in Europe fell by €3.3 million, to €16.6 million. This decline in the Corporate Countries was primarily related to a drop in revenue per day, as a result of the elements described above.

Rest of World

The table below shows revenue and Adjusted Corporate EBITDA generated in the rest of world for the six months ended June 30, 2017 and 2016:

(in millions of €)	For the six months ended June 30, 2017	2016	Change	Change at constant exchange rate
Revenue	84.6	73.4	15.21%	9.4%
Adjusted Corporate EBITDA	16.1	12.8	25.67%	22.2%

Revenue generated in the rest of world rose by 9.4% at constant exchange rates. This change was largely driven by corporate countries Australia and New Zealand, under the combined effect of growth in both number of rental days and revenue per day.

Group Adjusted Corporate EBITDA in rest of world rose 22.2% at constant exchange rates, to €16.1 million in the first half of 2017.

Elimination and Holdings

The table below shows revenue and Adjusted Corporate EBITDA of the elimination and holdings segment for the six months ended June 30, 2017 and 2016:

(in millions of €)	For the six months ended June 30, 2017	2016	Change
Revenue	(2.6)	(2.2)	15.5%
Adjusted Corporate EBITDA	23.6	21.9	7.7%

Adjusted Corporate EBITDA for the elimination and holdings segment rose by €1.7 million in the first half of 2017, to €23.6 million. This increase is primarily related to a decline in financial expenses and a reduction in IT costs.

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Liquidity and Capital Resources

Overview

The Group's principal financing needs include fleet financing, working capital requirements, capital investment, interest payments and loan repayment. The Group also needs financing for acquisitions. *See "Description of Certain Europcar Financing Arrangements and Acquisition Financing—Acquisition Financing."*

The Group's principal regular sources of liquidity are its operating cash flows as well as its financings, a substantial portion of which are dedicated to and secured by the portion of the fleet that is recorded on the statement of financial position. The Group's ability to generate cash flow from its operating activities in the future will depend on its future operating performance, which depends to a certain extent on external factors, including the risk factors described in "*Risk Factors*" and Section 2 "*Risk Factors*" in Exhibit A to this Offering Memorandum. The Group also uses its cash and cash equivalents to finance its ongoing requirements related to its activity. The Group also has cash and cash equivalents that are considered "*restricted*." Restricted cash is cash that is (i) used to cover the future settlement of insurance claims or (ii) not immediately available to finance the activity of the Group's subsidiaries. This includes, in particular, cash that is held within certain special purpose vehicles set up for vehicle rental activities and insurance.

On July 13, 2017, the Group signed a new secured €500 million revolving credit facility with a diversified pool of international banks. This facility, which replaced the existing €350 million Senior Revolving Credit Facility, will mature on June 9, 2022. The group has optimized the financing cost of this new facility by a 25 bps reduction of the margin. The €150 million increase of the nominal amount will allow the group to support its medium term objectives and the related growing financing needs.

On July 13, 2017, the Group also signed an unsecured €1,040 million Bridge Facility with a pool of international banks that is dedicated to the financing of the Goldcar Acquisition and to the refinancing of the existing fleet debt of Goldcar. Those two facilities have a 12-month maturity and can be extended respectively for an additional 6-month period and for two additional 6-month periods.

In addition, the Group is heavily focused on cash generation, and corporate free cash flow totaled €90 million for the first half of 2017, compared with €82 million in the first half of 2016.

As a result, Corporate Net Debt stood at €104 million at June 30, 2017 (compared with €200 million at June 30, 2016). Corporate debt leverage, which is defined as the ratio of Corporate Net Debt to Adjusted Corporate EBITDA for the last 12 months, was 0.4x at the end of June 2017.

It should be noted that, during the first half of 2016, the Group took the opportunity to issue new bonds on favorable terms. On June 2, 2016, the Group successfully increased the Existing Parent Notes (initial nominal amount: €475 million) for a total amount of €125 million. With a yield to maturity of 4.879%, this product represents an improvement of approximately 100 basis points on the initial issue. The proceeds from the issue totaled €131 million, which the Group allocated to financing its program of acquisitions and general corporate requirements.

Total Net Debt

At June 30, 2017, the Group's Net Corporate Debt amounted to €104 million, compared with €221 million at December 31, 2016.

On the same date, secured Net Fleet Debt, including fleet-related off-balance-sheet commitments, totaled €4,037 million, compared with €3,555 million at June 30, 2016, and €3,045 million at December 31, 2016. Of this amount, €2,009 million is capitalized on the statement of financial position and the remaining €2,028 million corresponds to operating leases. The estimated outstanding value of vehicles financed through operating leases corresponds to the book value of the vehicles. This amount is calculated from the acquisition costs and depreciation rates for the vehicles, on the basis of contracts signed with the manufacturers. In compliance with IFRS, this amount is not recorded on the statement of financial position. The loan-to-value ratio (LTV ratio) was 88.0% at June 30, 2017, which corresponds to the debt of Securitifleet Holding, the Securitifleet Companies and the EC Finance (total amount of €1,461 million on the test date) divided by the total net asset value of the Securitifleet Companies (i.e. €1,286 million as of June 30, 2017).

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The following table presents Net Corporate Debt and Total Net Debt (including the estimated outstanding value of the fleet financed through operating leases).

(in millions of €)	**As of June 30, 2017**	**2016**
Existing Parent Notes[(A)]	600	600
Senior Revolving Credit Facility	—	—
FCT Junior Notes[(B)], accrued interest not yet due, capitalized costs and other[(C)(D)]	(222)	(189)
Gross corporate debt	**378**	**411**
Short-term investments and cash in operating and holding entities[(E)]	(275)	(211)
Net corporate debt	**104**	**200**
Existing EC Finance Notes	350	350
Senior Asset Revolving Facility	878	859
FCT Junior Notes[(B)], accrued interest, financing capitalized costs and other	218	174
U.K, Australia, and other fleet-financing facilities	693	509
Gross financial fleet debt	**2,139**	**1,892**
Cash held in fleet-financing facilities	(130)	(148)
Fleet net debt on balance sheet	**2,009**	**1,744**
Debt equivalent of fleet operating leases – off-balance sheet[(F)]	2,028	1,811
Net fleet debt (incl. op leases)	**4,037**	**3,555**
Total net debt	**4,140**	**3,755**

(A) In June 2016, the Group issued additional Existing Parent Notes for a total of €125 million. These additional Existing Parent Notes are assimilated with the Existing Parent Notes paying a fixed rate of 5.750% and maturing in 2022 (issued in June 2015) for a total of €475 million, bringing the total amount of outstanding notes to €600 million as of June 30, 2017.

(B) Proceeds from the FCT Junior Notes provide overall credit enhancement and, when applicable, additional liquidity. FCT Junior Notes are used only to finance the fleet debt requirement. FCT Junior Notes are subscribed by ECI using available cash or drawing on the Senior Revolving Credit Facility.

(C) For countries where fleet costs are not financed through dedicated entities (e.g., the Securitifleet entities), the cash used to finance the fleet (which could have been financed by fleet debt) is restated from the net fleet debt through a de-risk ratio.

(D) Including accrued interest for financial assets (Euroguard).

(E) Specifically includes the Group's insurance program.

(F) The estimated debt equivalent of fleet operating leases corresponds to the book value of the vehicles. This amount is calculated from the acquisition costs and depreciation rates for the vehicles, on the basis of contracts signed with the manufacturers. The Company's financial management verifies the consistency of all external data provided.

Analysis of Corporate Free Cash Flows

Overview

The Group uses corporate free cash flow as its liquidity indicator.

The Group believes that corporate free cash flow is a useful indicator because it measures the Group's liquidity on the basis of its operating activities, including net financing costs on borrowings dedicated to fleet financing, without taking into account (i) past disbursements for debt refinancing, (ii) exceptional costs that are not representative of trends in Group operating results, and (iii) cash flows in relation to the fleet. These cash flows are analyzed separately because the Group makes vehicle acquisitions through asset-backed financing.

The table below shows the calculation of corporate free cash flows, as well as the regrouping of certain items deemed significant for the analysis of Group cash flow, including cash flow relating to changes in the rental fleet, in fleet-related trade receivables and payables, and in fleet-related financing and other working capital facilities used principally for fleet-related needs. This presentation differs from the IFRS statement of cash flows, mainly because of analytic regrouping and the inclusion of items that do not affect cash flows that vary based on the financial data used as the starting point (in this case, Adjusted Corporate EBITDA, as presented below, compared with pretax profit in the IFRS statement of cash flows).

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Management Cash Flows (in millions of €)	**For the six months ended June 30, 2017**	**2016**
Adjusted Corporate EBITDA	***56***	***55***
Non-recurring expenses	(39)	3
Non-fleet capital expenditure (net of proceeds from disposals)	(21)	(13)
Changes in non-fleet working capital and provisions	111	37
Income taxes received (paid)	(17)	–
Corporate free cash flow	**90**	**82**
Cash interest paid on Existing Parent Notes	(17)	(13)
Cash flow before change in fleet	**73**	**68**
Other investments	(76)	3
Changes in fleet asset base, net of drawings on fleet financing and working capital	(64)	(150)
Capital increase	192	–
Dividend paid	(59)	–
(Purchases)/Sales of treasury shares	(1)	(3)
Change in Existing Parent Notes	–	131
Payment of financing transaction costs and redemption premium	–	(2)
Increase/(decrease) in cash and cash equivalents before effect of foreign exchange conversions	**66**	**46**
Cash and cash equivalents at beginning of period	249	229
Effect of foreign exchange conversions	2	(1)
Cash and cash equivalents at end of period	**317**	**275**

Corporate Free Cash Flow

Corporate free cash flow is defined as free cash flow before impacts from fleet, refinancing and acquisitions of subsidiaries. Free cash flow in the first half of 2017 came to €90 million, compared with €82 million in the first half of 2016, which represents an increase of €8 million.

- *Adjusted Corporate EBITDA.* Adjusted Corporate EBITDA reached €56 million, compared with €55 million in the first half of 2016, reflecting the increase in network costs and variable operating costs due to the expansion of the Group's consolidation scope following acquisitions (Locaroise, Ireland, Denmark and Ubeeqo) over the past twelve months, as well as some price increases in airport fees in Spain.

- *Non-recurring expenses.* This line, which includes an expense of €39 million in the first half of 2017, compared with income of €3 million for the first half of 2016, specifically includes reorganization costs, Group transformation costs and costs related to acquisitions, in particular franchisees in Ireland and Denmark, Ubeeqo mobility company, Goldcar and Buchbinder

- *Non-fleet capital expenditure (net of proceeds from disposals).* This item primarily represents IT investments which increased by €8 million to stand at €21 million in 2017, compared to €13 million in 2016, reflecting Europcar Group's desire to improve the digitization of its customer pathway.

- *Changes in non-fleet working capital and provisions.* Good performance in WCR excluding the fleet, which increased from €37 million in 2016 to €111 million in 2017, largely due to the seasonality of the business, a decrease in the period of customer receivables recovery and an increase in broker prepayments.

- *Income taxes received (paid).* The increase in tax disbursements in the first half of 2017 compared with the first half of 2016 is due mainly to tax refunds recorded in the United Kingdom and Spain in 2016. Current tax disbursements for the first half of 2017 totaled €17 million, mainly in the United Kingdom (€6 million), Germany (€5 million) and France (€3 million).

Other Components of Cash Flow

The payment of interest on high-yield borrowings amounted to €17 million for the first half of 2017, compared with €13 million for the previous year, primarily reflecting the increase in the Existing Parent Notes in June 2016 for the amount of €125 million.

Other investments amounting to €76 million comprised of the acquisition price of the Danish franchisee for €52 million, the exclusive takeover of Ubeeqo for €7 million, the acquisition of minority interests in the Snappcar start-up (€5 million), deposits and guarantees and the acquisition of assets in the Australian franchisee (€2 million).

Changes in fleet asset base, net of drawings on fleet financing and working capital of €64 million in the first half of 2017 primarily reflect vehicle purchases for the summer, the increase in supplier debts to manufacturers (as a result of these purchases) and fleet debt draws to finance these vehicle purchases. This negative change at June 2017 is primarily tied to the use without securitization of the Group's cash to finance the fleet in order to minimize the cost of financing vehicles.

The capital increases totaled €192 million, €22 million of which was used for a capital increase reserved for Group employees (ESOP plan) and €175 million for a capital increase by private placement on June 21, 2017 representing approximately 10% of the company's capital. Costs for the capital increase by private placement in the amount of €4.7 million were deducted from the issue premium.

The dividend paid in the first half of 2017 was an exceptional distribution of a cash dividend of €59.4 million approved by the Shareholders Meeting of Europcar Group on May 10, 2017.

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Analysis of Cash Flow (IFRS)

The Group's principal cash flow drivers are its operating performance (as reflected in its operating profit before changes in working capital), cash flow from financing transactions, interest on corporate debt, cash flow from acquisitions and disposals of fleet, and cash flow from investing activities.

(in millions of €)	For the six months ended June 30, 2017	2016
Net cash generated from (used by) operating activities	(231.3)	(240.4)
Net cash used by investing activities	(98.5)	(10.2)
Net cash generated from (used by) financing activities	395.6	297.0
Net increase (decrease) in cash and cash equivalents after effect of foreign exchange differences	**65.8**	**46.4**

Net Cash From (Used By) Operations

The table below summarizes the Group's net cash flow from operations for the six months ended June 30, 2016 and 2017.

(in millions of €)	For the six months ended June 30, 2017	2016
Operating profit before changes in working capital	54.7	52.8
Changes in rental fleet and in fleet working capital	(321.4)	(319.8)
Changes in non-fleet working capital	101.9	73.3
Cash generated from operations	**(164.8)**	**(193.7)**
Income taxes received (paid)	(17.1)	0.1
Net interest paid	(49.4)	(46.8)
Net cash generated from (used by) operations	**(231.3)**	**(240.4)**

Cash Generated From Operating Activities

Cash flow from operating activities represented a cash outflow of €164.8 million in the first half of 2017, compared with an outflow of €193.7 million in the first half of 2016.

Operating profit before changes in working capital requirements was nearly unchanged over the two periods. Cash outflow from changes in rental fleet and in fleet working capital was nearly unchanged as well, totaling €321 million in the first half of 2017, compared with €320 million in the first half of 2016. These outflows were for vehicle purchases (capitalized) in preparation for the summer season.

In addition, the change in working capital requirements excluding the vehicle fleet was positive at €102 million at the end of June 2017. This change reflects the improvement in procedures to optimize its cash management.

Income Taxes Received/Paid

The increase in tax disbursements in the first half of 2017 from the first half of 2016 is primarily due to tax refunds recorded in the United Kingdom and Spain in 2016. Current tax disbursements for the first half of 2017 totaled €17 million, mainly in the United Kingdom (€6 million), Germany (€5 million) and France (€3 million).

Net Interest Paid

Net interest paid totaled €49.4 million in the first half of 2017, compared with €46.8 million in the first half of 2016.

Net Cash Used by Investing Activities

The table below summarizes the Group's net cash flow from investing activities for the six months ended June 30, 2017 and 2016.

	For the six months ended June 30,	
(in millions of €)	**2017**	**2016**
Acquisitions of intangible assets and property, plant and equipment	(22.3)	(16.3)
Proceeds from disposal of fixed assets	1.3	3.4
Other investments and loans	(77.4)	2.8
Acquisition and proceeds from disposal of financial assets	–	–
Acquisition of subsidiaries, net of cash acquired	–	–
Disposal of subsidiaries, net of cash sold	–	–
Dividends received from associates	–	–
Net cash used by investing activities	**(98.5)**	**(10.2)**

Net cash flows used by investing activities amounted to €98 million at June 30, 2017 and €10 million at June 30, 2016. This sharp increase was driven by the acceleration of investments in connection with its medium term objectives, and is primarily related to the acquisition of the Danish franchisee (€52 million), the exclusive takeover of Ubeeqo (€7 million), the acquisition of minority interests in the Snappcar start-up (€5 million), and the acquisition of assets of the Australian franchisee (€2 million). In 2016, investments primarily consisted of IT investments in line with the Group's strategy.

Net Cash Flow from Financing Activities

The table below summarizes the Group's net cash flow from financing activities for the half-years ended June 30, 2017, and June 30, 2016.

	For the six months ended June 30,	
(in millions of €)	**2017**	**2016**
Increase in share capital	194.4	–
Dividend paid/received	(59.4)	–
Additional Existing Parent Notes	–	130.6
Change in other financings	263.6	171.6
Payment of transaction costs	(0.6)	(2.4)
(Purchase) sales of treasury shares net	(0.5)	(2.8)
Net cash generated from (used by) financing activities	**395.6**	**297.0**

Net cash flow from financing activities represents an inflow of €395.6 million in the first half of 2017, compared with an inflow of €297.0 million for the first half of 2016. In addition to the usual financing transactions, mainly related to the fleet over both periods, flows for the first half of 2017 were impacted by the capital increase in connection with the employee share ownership plan (€21.7 million), the capital increase by private placement (€170.7 million) and by the payment of dividends (€59.4 million). Cash flows for the first half of 2016 were impacted by the issuance of additional Parent Notes for €131 million, which resulted in the provisional repayment of the Revolving Credit Facility.

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Regulatory, Legal and Arbitration Proceedings

The main disputes and proceeding as of June 30, 2017 are described in Note 25 of the interim condensed consolidated financial statements for the first half of 2017 included elsewhere in this Offering Memorandum.

Leicester City Council Trading Standards Services Investigation

On June 23, 2017, Leicester City Council Trading Standards Services opened an investigation into Europcar UK in relation to allegations that Europcar UK levied charges for repairs in circumstances where damages to a vehicle had been in dispute and without the consent of the card holder; and levied false and/or excessive charges in excess of the cost of repair, in breach of Regulation 9 of the Consumer Protection from Unfair Trading Regulations 2008.

Europcar UK is cooperating with the relevant authorities in relation to the investigation. Given that the investigation remains in its preliminary stages as of the date of this offering memorandum, the Group cannot exclude that it may be exposed to a number of risks in relation to such investigation, including:

- the imposition of fines and required reimbursements to customers in the event that the investigation leads to charges by the Leicester City Council Trading Standards Service of breach of the relevant Consumer Protection regulations;
- the bringing of criminal charges against members of Europcar UK's management and personnel;
- potential violations of anti-money laundering laws which may be alleged or found to have occurred in connection with the activities and/or conduct that are the subject of the investigation by Leicester City Council Trading Standards Service; and
- negative impact on Europcar UK and EGSA's reputation and position in the marketplace.

See section 2.4.1 "*Risks related to compliance with current or future regulations applicable to the Group's business*" and section 2.4.4 "*Risks related to regulatory, legal and arbitration proceedings*" in Exhibit A to this Offering Memorandum.

See "—Other Non-Current Income and Expenses" and Note 9 of the Unaudited EGSA Consolidated Financial Statements as of and for the six-months ended June 30, 2017, included elsewhere in this Offering Memorandum.

Transactions with Related Parties

See Note 24 of the interim condensed consolidated financial statements for the first half of 2017.

Guidance for 2017

The guidance presented below for revenue, Adjusted Corporate EBITDA and dividends is based on data, assumptions and estimates that are considered reasonable by Group management. The guidance may change because of uncertainties surrounding the economic, financial, competitive and/or regulatory environment, or because of other unforeseeable factors (e.g., certain transactions). In addition, the materialization of certain risks described in Section 2, "*Risk Factors*," of Annex A to this Offering Memorandum could have an impact on the Group's activities and its ability to achieve these forecasts. There is no guarantee that the Group's results will be in line with the forecasts below. The Group considers that Adjusted Corporate EBITDA, although a non-GAAP measure is a relevant indicator of the Group's operating and financial performance.

In 2017, the Europcar Group plans to achieve the four following financial targets compared to 2016:

- Accelerating organic revenue growth i.e. above 3%
- Increase in Adjusted Corporate EBITDA margin (excluding New Mobility) i.e. above 11.8%

• A corporate operating free cash flow conversion rate above 50%

• A dividend payout ratio above 30%

The Group reiterates all four of its financial targets for the year 2017 and confirms that 2017 will be a year of significant progress towards our Ambition 2020 Group targets of reaching €3 billion of revenue and 14% Adjusted Corporate EBITDA margin (excluding New Mobility).

The dividend policy (see section 6.7.1 "*Dividend distribution policy*" in Exhibit A to this Offering Memorandum) will take into account the Company's results, financial position, achievement of its objectives as set out in this section, and restrictions on dividend payments applicable under the terms of the Group's various debt instruments.

Information on Medium Term Trends and Objectives

The Group has entered an acceleration phase of its strategy with a high ambition for the future: to become a world leader in mobility solutions. By 2020, this ambition is expected to result in revenues in excess of €3 billion, through organic growth as well as acquisitions, and an Adjusted Corporate EBITDA margin greater than 14% (excluding the New Mobility Division). See Section 3.8 "*Information on mid-term trends and objectives*" in Exhibit A to this Offering Memorandum.

Market Risks and Financial Risks

The Group's activities expose it to a variety of financial risks: market risk (including foreign exchange risk, fair value interest rate risk and cash flow interest rate risk), credit risk and liquidity risk. The Group's risk management programs seek to mitigate the potential negative effects of the volatility of financial markets on the Group's financial performance. The Group uses derivative financial instruments to hedge certain risk exposures.

Risk management is handled by the Group Treasury Department, which submits proposed financial transactions to the Executive Committee for approval, which may solicit approval of the Supervisory Board and Management Board. The Group Treasury Department identifies, evaluates and recommends derivative instruments to hedge financial risks in close collaboration with the Group's operational units. The Executive Committee then decides whether to authorize such proposals based on formal documentation describing the context, purpose and main characteristics of the proposed transactions. Once the Executive Committee has approved the transactions, the Group Treasury Department is responsible for setting up the relevant hedges. This procedure is implemented and monitored for the management of all material financial risk, in particular interest rate risk, credit risk as well as for the use of derivative and ordinary financial instruments and short-term investments of cash. The Group does not use derivative financial instruments for any purpose other than managing its exposure. All hedging operations are either centrally coordinated or carried out by Group Treasury.

The Group continuously assesses the financial risks identified (including market risk, credit risk and liquidity risk) and documents its exposure in its consolidated financial statements. The Group considers that its exposure at June 30, 2017 has not changed significantly from that during the previous 12 months ended December 31, 2016 and therefore the policy implemented to mitigate such exposure remains consistent with prior years.

A detailed description of risk factors and uncertainties that could affect the rest of 2017 may be found in Section 2, "*Risk factors*," in Exhibit A to this Offering Memorandum. Europcar believes that the principal risks described in this document have not significantly changed. If the risks materialized, they could have a significant negative impact on the Group's activities, financial position, results and outlook. In addition, other risks, either not yet identified or considered insignificant by the Group as of the date of this report, could also have an unfavorable effect.

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Description of Certain Europcar Financing Arrangements and Acquisition Financing

Acquisition Financing

Capital Increase

On June 21, 2017, Europcar Groupe completed a capital increase through a private placement of shares to qualified and institutional investors in France and internationally via an accelerated book-building (the "**Capital Increase**"). Europcar Groupe placed 14,612,460 new ordinary shares at a price per share of €12.00, including share premium, for a total of €175,349,520, representing approximately 10% of Europcar Groupe's ordinary shares prior to the Capital Increase.

The new ordinary shares are fully fungible with the existing ordinary shares of Europcar Groupe. The shares were admitted to listing on the regulated market of Euronext Paris in the same department as existing Europcar Groupe ordinary shares under the ISIN code FR0012789949. Settlement for the new ordinary shares and their admission to listing on Euronext Paris took place on June 23, 2017.

Eurazeo subscribed for 2,500,000 new ordinary shares in connection with the Capital Increase. Upon completion of the Capital Increase Eurazeo held 39.22% of the share capital of Europcar Groupe. Eurazeo agreed with Goldman Sachs International and Société Générale Corporate & Investment Banking (the "**Global Coordinators**") that it would not sell or transfer its shares of Europcar Groupe for 90 days from the closing date of the Capital Increase. In addition, Europcar Groupe agreed with the Global Coordinators to a lock-up of 120 days from the closing date of the Capital Increase, subject to customary exceptions.

The principle of the Capital Increase was authorized by Europcar Groupe's supervisory board on May 22, 2017. The Capital Increase was decided by the Chairwoman of the Management Board pursuant to a delegation of authority from the Management Board, which was given during its meeting on June 20, 2017 pursuant to the delegation of authority granted to it by the 22nd and 23rd resolutions of the General Shareholders' Meeting of May 10, 2017. The subscription price of €12.00 per new ordinary share represented a discount of 3.23% compared to the closing price of the shares on Euronext Paris on June 20, 2017.

Europcar Groupe used the proceeds of the Capital Increase to bolster its share capital and enable it to maintain an efficient and robust capital structure in the context of financing its external growth strategy, in particular completing targeted acquisitions, including the Goldcar Acquisition and the Buchbinder Acquisition.

Bridge Term Facilities Agreement

A bridge term facilities agreement was entered into on July 13, 2017 between inter alios, EGSA and Bank of America Merrill Lynch International Limited, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, Goldman Sachs International Bank, HSBC Bank plc, Lloyds Bank plc, Natixis and Société Générale (the "**Bridge Lenders**").

The Bridge Facilities Agreement provides for two facilities: (i) a term loan facility B for a maximum amount of €440 million, which can be borrowed by EGSA and used towards, inter alia, financing of the Goldcar Acquisition, related costs thereof, and refinancing of existing indebtedness of Goldcar ("**Bridge-to-Bond Facility**") and (ii) a term loan facility B' for a maximum amount of €600 million, which can be borrowed by Car Rentals Subsidiary, S.A.U. (together with EGSA, the "**Bridge Borrowers**") and will be guaranteed by EGSA and used towards, inter alia, refinancing of existing indebtedness of the group of Goldcar and acquisition of the vehicles fleet of Goldcar and its subsidiaries (the "**Bridge-to-Asset-Backed Facility'**" together with the Bridge-to-Bond Facility, the "**Bridge Facilities**").

It is intended that a portion of the proceeds of the New Parent Notes will be used to provide funds for the consummation of the Goldcar Acquisition thereby permitting the cancellation of the Bridge-to-Bond Facility prior to any drawing thereunder. See "*Use of Proceeds*."

In addition, the Company is currently negotiating the conclusion of a further bridge to asset backed facility (the "**Goldcar Asset Backed Facility**") for the purpose of refinancing the Bridge-to-Asset-Backed Facility' of the Bridge Acquisition Facilities, which was implemented to provide bridge financing for the vehicles fleet of Goldcar. It is intended that the Goldcar Asset Backed Facility enter into force as of the Goldcar Acquisition by Europcar Group to refinance the existing debt of Goldcar to be repaid as a result of the change of control. The Goldcar Asset Backed Facility is intended to provide optimized utilization and pricing conditions as compared to the Bridge-to-Asset-Backed Facility' and to allow (i) the operational Goldcar entities to refinance the existing debt of such operational companies incurred for the purchase of their vehicles fleet and (ii) the fleet Goldcar entities to (x) refinance the existing debt of such fleet companies incurred for the purchase of its vehicles fleet and (y) finance the purchase of new vehicles. The Goldcar Asset Backed Facility availability period would terminate after a period of one year. After such period, it is intended that the purchases of new vehicles of Goldcar be financed through the Senior Asset Revolving Facility and other fleet financing bilateral facilities.

Security and Guarantees

No security interest has been granted to secure the amounts due under the Bridge Facilities but a guarantee has been granted by EGSA to secure the amounts due by each borrower under the Bridge-to-Asset-Backed Facility and the performance of each obligor's obligations under Bridge Facilities agreement and the related finance documents.

Interest

The interest rates per annum applicable to loans made under the Bridge Facilities are based on EURIBOR (or during the first interest period, EONIA) plus a margin, it being specified that EURIBOR or EONIA will be deemed equal to zero in the event of a negative interest rate.

The initial applicable margin is 2.75% for the Bridge Facilities, subject to, as from December 2, 2017, a step up of the applicable margin (3.25% from December 2, 2017 (the "**Step-Up Deadline**") to the date falling six months after the Step-Up Deadline, then 3.75% to the date falling nine months after the Step-Up Deadline, then 4.25% to the date falling 12 months after the Step-Up Deadline, then 4.75% falling to the date falling 15 months after the Step-Up Deadline and 5.50% thereafter).

Maturity and Repayments of the Bridge Facilities

The initial termination date of the Bridge Facilities is the earlier of the date falling 12 months after the closing date and 18 months after the signing date and is subject to an extension option, for an additional six months' period and, with respect to the Bridge-to-Asset-Backed Facility only, subject to a second extension option. Such extension options are subject to an extension fee.

Mandatory Prepayments

A Bridge Lender may, if a person or group of persons acting in concert, other than Eurazeo or a member of Eurazeo Group, obtains direct or indirect control of the capital or the voting rights of EGSA, cancel its commitment in full and request a mandatory prepayment if

(i) EGSA ceases to own directly or indirectly 100% (on a non-diluted and fully diluted basis) of the equity share capital of, or ceases to own directly equity share capital having the right to cast 100% (on a non-diluted and fully diluted basis) of the votes capable of being cast in shareholders' general meetings of Goldcar or ceases to own the right to appoint all of the directors of the board (or the equivalent body) of Goldcar (other than as a result of a permitted merger of Goldcar into another member of the Europcar Group whose share capital is 100% owned directly or indirectly by EGSA); or

(ii) all or substantially all of the assets of Goldcar are sold, then all commitments are immediately cancelled in full and outstanding loans become due and payable.

All of the net proceeds received by EGSA or another member of the Europcar Group in connection with (i) an issuance of debt instruments (whether publicly or privately placed) (including but not limited to convertible bonds, high yield bonds, Euro private placements (whether bonds or loans), *schuldschein* or any equivalent thereto) or (ii) the incurrence of bank or institutional term loans (excluding certain indebtedness such as proceeds of any debt instrument which by their terms are not mandatorily redeemable or mandatorily convertible into shares, vehicles fleet financing, certain permitted financial indebtedness and refinancing of the fleet notes) shall be applied towards the prepayment and cancellation of the Bridge-to-Bond Facility (the "**Net Debt Proceeds**").

Car Rentals Subsidiary, S.A.U. shall apply the net proceeds received in connection with the issuance of asset-backed securities or other similar securitizations or asset-backed financings (including asset backed loans), raised in relation to the vehicles fleet of Goldcar and excluding, for the avoidance of doubt, any Net Debt Proceeds to the prepayment and cancellation of the Bridge-to-Bond Facility.

Longstop Date for Goldcar Acquisition

In the event that European Commission merger control clearance is not obtained for the Goldcar Acquisition prior to March 31, 2018, EGSA will not be able to draw funds under the Bridge Facilities Agreement, without the prior written consent of all the lenders thereunder before the foregoing date, which will terminate automatically unless EGSA is able to secure the unanimous prior consent of the lenders thereunder.

Cancellation

Undrawn amounts under the Bridge Facilities may be cancelled by EGSA at any time in whole or in part on five business days' notice on condition that the cancelled amount must be for a minimum amount of €10 million.

Fees and Commissions

EGSA must pay the following fees: (i) ticking fees, (ii) upfront fees and (iii) other customary fees of the Bridge Facilities (including agents' fees and, if an extension of a Bridge Facility is required).

Ranking

The Bridge Lenders rank at least *pari passu* with all amounts owed to unsecured and unsubordinated creditors.

Covenants

Subject to certain exceptions related to materiality tests, grace periods and carve-outs, the Bridge Facilities Agreement specifies certain undertakings (covenants), namely: (i) a negative security interest in respect of Europcar Group's assets, (ii) a limitation on financial indebtedness, (iii) restrictions on asset disposals, and (iv) limitations on mergers, acquisitions and investments.

Events of Default

The Bridge Facilities Agreement contains, subject to exceptions related to materiality tests, grace periods and carve-outs, a certain number of customary events of default including the following: (i) failure to pay the principal amount, interest, fees and other amounts, (ii) noncompliance with certain commitments and other obligations, (iii) material inaccuracy in representations and warranties, (iv) cross defaults or defaults which are accelerated with another significant debt, (v) certain cases of insolvency, (vi) a material audit qualification, and (vii) the occurrence of an event or circumstance which is materially adverse to the business or the financial condition of EGSA or the Group, taken as a whole and to the ability of any obligor to perform its payment obligations.

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Governing Law

The Bridge Facilities Agreement is governed by French law.

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Unaudited Pro Forma Condensed Consolidated Financial Information as of and for the period ended June 30, 2017

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EUROPCAR GROUPE S.A.

UNAUDITED PRO FORMA CONDENSED CONSOLIDATED FINANCIAL INFORMATION

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1. Objective of the Unaudited Pro Forma Condensed Consolidated Financial Information

On September 20, 2017 Europcar Group completed the acquisition of Buchbinder. On June 17, 2017 the Group signed an agreement to acquire Goldcar, which is still subject to customary conditions precedent, including the approval of antitrust authorities.

In this Offering Memorandum, we present certain unaudited condensed consolidated financial information on a pro forma basis as of and for the six months ended June 30, 2017, and for the year ended December 31, 2016 (the "Unaudited Pro Forma Condensed Consolidated Financial Information"), to illustrate the effect of the Buchbinder Acquisition, Goldcar Acquisition (including the issuance of the full principal amount of fto finance Goldcar Acquisition and the repayment of the existing debt of Goldcar as a result of the change of control), and the related financing (collectively the "Transactions") on the consolidated financial results of EGSA as of such dates and for such periods. The Unaudited Pro Forma Condensed Consolidated Financial Information gives effect to the Transactions as though they occurred on January 1, 2016 (for income statement purposes) and June 30, 2017 (for statement of financial position purposes). The Unaudited Pro Forma Condensed Consolidated Financial Information has been prepared for illustrative purposes only and does not purport to represent what our actual results of operations or financial condition would have been if the Goldcar Acquisition and the Buchbinder Acquisition had occurred on those dates, nor does it purport to be indicative of our future results of operations or financial position. The Unaudited Pro Forma Condensed Consolidated Information consists only of unaudited pro forma condensed consolidated income statement information, an unaudited pro forma condensed consolidated statement of financial position and explanatory notes.

The Unaudited Pro Forma Condensed Consolidated Financial Information set forth in this Offering Memorandum is based on available information and certain assumptions and estimates that we believe are reasonable, and may differ materially from the actual amounts that would have been achieved had the Goldcar Acquisition and Buchbinder Acquisition occurred on January 1, 2016 (for income statement purposes) or June 30, 2017 (for statement of financial position purposes). In addition, the Unaudited Pro Forma Condensed Consolidated Financial Information was prepared based on the assumption that the full principal amount of the New Parent Notes will be issued and that no Special Mandatory Redemption of New Parent Notes shall have taken place.

The Unaudited Pro Forma Condensed Consolidated Financial Information includes the results of operations and financial condition of Goldcar and Buchbinder for the periods presented even though we did not control Goldcar or Buchbinder for any of the duration of the periods presented, and we would not have been permitted under International Financial Reporting Standards as adopted by the European Union ("IFRS") to consolidate the results of Goldcar or Buchbinder in any historical financial statements prior to the dates of the completion of the Goldcar Acquisition and Buchbinder Acquisition.

The Unaudited Pro Forma Condensed Consolidated Financial Information has been prepared in accordance with the basis of preparation described herein. In evaluating the *pro forma* financial information, you should carefully consider the EGSA Consolidated Financial Statements, which are included elsewhere in this Offering Memorandum.

The Unaudited Pro Forma Condensed Consolidated Financial Information included in this Offering Memorandum has not been prepared in accordance with the requirements of Regulation S-X under the U.S. Securities and Exchange Act of 1934, as amended (the "Exchange Act") or any generally accepted accounting standards. Neither the assumptions underlying the related adjustments nor the resulting as adjusted financial data have been audited or reviewed in accordance with any generally accepted auditing standards.

2. Basis of preparation of the Unaudited Pro Forma Condensed Consolidated Financial information

The Unaudited Pro Forma Condensed Consolidated Financial Information has been prepared in millions of euros, the euro being the functional currency of the Europcar Group, Buchbinder and Goldcar.

The Unaudited Pro Forma Condensed Consolidated Financial Information includes the following:

• pro forma condensed consolidated income statement for the period from January 1, 2017 to June 30, 2017;

• pro forma condensed consolidated income statement for the year ended December 31, 2016;

• pro forma condensed consolidated statement of financial position as at June 30, 2017; and

• explanatory notes.

The Unaudited Pro Forma Condensed Consolidated Financial Information reflects the Transactions as if they had taken place on June 30, 2017 for the purpose of the pro forma condensed consolidated statement of financial position, and on January 1, 2016 for the purpose of the pro forma condensed consolidated income statement.

The acquisitions will be recognized as two separate business combinations as per IFRS 3.

The Unaudited Pro Forma Condensed Consolidated Financial Information was prepared based on the following historical information:

• for the Europcar Group, the audited consolidated financial statements for the year ended December 31, 2016 as shown in the 2016 registration document registered with AMF (the French financial markets authority) on April 12, 2017 as number R.14-15 and the unaudited condensed consolidated financial statements as of and for the six months ended June 30, 2017, which were subject to a limited review by auditors;

• for Goldcar, the audited consolidated financial statements for the year ended December 31, 2016 and the unaudited condensed consolidated financial statements as of and for the six months ended June 30, 2017, which were subject to a limited review by their auditors; and

• for Buchbinder, the audited consolidated financial statements for the year ended December 31, 2016 and accounting books and records for the six months ended June 30, 2017, which were not subject to a limited review by auditors.

The Europcar Group and Goldcar prepare their consolidated financial statements in accordance with IFRS. The individual group entities that comprise Buchbinder prepare their financial statements on the basis of German GAAP ("HGB"). The Buchbinder consolidated financial information presented in this offering memorandum was prepared based on the compilation of the financial statements of the individual Buchbinder entities and the conversion thereof from HGB to IFRS as applied by Europcar Group.

The Unaudited Pro Forma Condensed Consolidated Financial Information does not include any adjustment related to remeasurement of identifiable assets and liabilities at fair value in accordance with IFRS 3. The excess of the purchase price for the acquisition over the net assets acquired is reflected as goodwill.

The pro forma adjustments to the Unaudited Pro Forma Condensed Consolidated Financial Information are limited to those that are (i) directly attributable to the Transactions, (ii) factually supportable and (iii) have a recurring impact on the group income statement. The following items are not taken into account in the Unaudited Pro Forma Condensed Consolidated Financial Information:

• additional costs resulting from the reorganization and upcoming changes in strategy; and

• synergies pursuant to the acquisitions of Goldcar and the Buchbinder Group.

The tax effect of the pro forma adjustments was calculated using a standard rate by country (France: 34.43%, Spain: 25%, Germany: 15.83%).

3. Financial information and pro forma adjustments

3.1 Pro forma condensed consolidated income statement for the year ended December 31, 2016

	For the year ended December 31, 2016

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(in € million)	For the year ended December 31, 2016 EGSA	Goldcar & Buchbinder	Combination of Europcar, Goldcar and Buchbinder	Combined Adjustments	TOTAL
Revenue	**2,150.8**	**444.7**	**2,595.5**	**—**	**2,595.5**
Expenses					
Fleet holding costs	(536.3)	(150.1)	(686.4)	—	(686.4)
Fleet operating, rental and revenue related costs	(753.3)	(122.0)	(875.3)	—	(875.3)
Personnel costs	(339.2)	(74.9)	(414.0)	—	(414.0)
Network and head office overheads	(215.9)	(22.2)	(238.1)	—	(238.1)
Other income	9.7	3.4	13.1	—	13.1
Amortization, depreciation and impairment expense	(32.3)	(3.2)	(35.5)	—	(35.5)
Current operating income	**283.5**	**75.7**	**359.2**	**—**	**359.2**
Other non-recurring expenses	(20.7)	(3.4)	(24.2)	—	(24.2)
Operating income	**262.8**	**72.3**	**335.0**	**—**	**335.0**
Net financing costs	**(121.1)**	**(33.4)**	**(154.5)**	**(13.0)**	**(167.5)**
Profit/(loss) before tax	**141.7**	**38.9**	**180.5**	**(13.0)**	**167.5**
Income tax	(6.6)	(8.3)	(14.9)	7.3	(7.5)
Share of profit/(loss) in associates	(15.8)	—	(15.8)	—	(15.8)
Net profit/(loss) for the period	**119.3**	**30.6**	**149.9**	**(5.7)**	**144.2**
Net profit/(loss), attributable to Europcar Groupe shareholders	**119.5**	**30.6**	**150.1**	**(5.7)**	**144.4**

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3.2 Pro forma condensed consolidated income statement for the six months ended June 30, 2017

	For the six months ended June 30, 2017				
(in € million)	**EGSA**	**Goldcar & Buchbinder**	**Combination of Europcar, Goldcar and Buchbinder**	**Combined Adjustments**	**TOTAL**
Revenue	**1,027.8**	**200.9**	**1,228.6**	**—**	**1,228.6**
Expenses					
Fleet holding costs	(264.0)	(73.5)	(337.5)	—	(337.5)
Fleet operating, rental and revenue related costs	(371.3)	(64.9)	(436.2)	(0.6)	(436.8)
Personnel costs	(191.2)	(41.9)	(233.1)	—	(233.1)
Network and head office overheads	(120.6)	(12.6)	(133.2)	—	(133.2)
Other income	3.9	2.9	6.8	—	6.8
Amortization, depreciation and impairment expense	(14.2)	(2.0)	(16.3)	—	(16.3)
Operating income..................................	**70.4**	**8.7**	**79.1**	**(0.6)**	**78.5**
Other non recurring expenses	(38.5)	(23.4)	(61.9)	4.3	(57.6)
Operating income	**31.8**	**(14.7)**	**17.1**	**3.7**	**20.9**
Net financing costs	**(58.0)**	**(28.3)**	**(86.3)**	**(7.0)**	**(93.3)**
Profit/(loss) before tax	**(26.2)**	**(43.0)**	**(69.2)**	**(3.2)**	**(72.4)**
Income tax	5.0	(1.4)	3.6	2.4	6.0
Share of profit/(loss) in associates.......	(5.8)	—	(5.8)	—	(5.8)
Net profit/(loss) for the period	**(27.0)**	**(44.3)**	**(71.3)**	**(0.8)**	**(72.2)**
Net profit/(loss), attributable to Europcar Groupe shareholders	**(26.8)**	**(44.3)**	**(71.1)**	**(0.8)**	**(72.0)**

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3.3 Pro forma condensed consolidated statement of financial position as of June 30, 2017

	As of June 30, 2017				
(in € million)	EGSA	Goldcar & Buchbinder	Combination of Europcar, Goldcar and Buchbinder	Combined Adjustments	TOTAL
Selected Balance Sheet Data					
Non-current assets	**1,511.0**	**242.8**	**1,753.8**	**478.6**	**2,232.4**
Current assets	**3,962.3**	**915.6**	**4,877.9**	**(106.9)**	**4,771.0**
of which rental fleet recorded on the balance sheet	*2,384.3*	*755.3*	*3,139.6*	—	*3,139.6*
of which rental fleet related receivables	*746.6*	*41.5*	*788.0*	—	*788.0*
of which current financial assets	*48.0*	*3.6*	*51.5*	—	*51.5*
of which cash and cash equivalents	*213.5*	*48.4*	*261.9*	*(112.6)*	*149.4*
Total assets	**5,473.3**	**1,158.4**	**6,631.7**	**371.7**	**7,003.4**
Non-current liabilities	**1,293.2**	**4.1**	**1,297.3**	**617.7**	**1,915.0**
of which financial liabilities	*959.9*	*(0.7)*	*959.2*	*614.4*	*1,573.6*
Current liabilities	**3,426.9**	**898.0**	**4,324.9**	**23.9**	**4,348.7**
of which current portion of financial liabilities	*1,557.4*	*677.8*	*2,235.2*	*23.3*	*2,258.5*
Total liabilities	**4,720.1**	**902.1**	**5,622.1**	**641.6**	**6,263.8**
Total equity and liabilities	**753.3**	**256.3**	**1,009.6**	**(269.9)**	**739.7**

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3.4 – Pro forma Adjusted Corporate and Consolidated EBITDA for the year ended December 31, 2016 and for the six months ended June 30, 2017

	For the year ended December 31, 2016 (FY)				
(in € million)	EGSA	Goldcar & Buchbinder	Combination of Europcar, Goldcar and Buchbinder	Combined Adjustments	TOTAL
Current operating income	**283.5**	**75.7**	**359.2**	**—**	**359.2**
Reversal of estimated interest included in operating lease rents	47.5	1.3	48.8	—	48.8
Adjusted recurring operating income	**331.0**	**77.0**	**408.0**	—	**408.0**
Reversal of amortization, depreciation and impairment expense	32.3	3.2	35.5	—	35.5
Fleet financing costs[a]	(62.0)	(19.4)	(81.4)	4.7	(76.6)
Estimated interest included in operating lease rents	(47.5)	(1.3)	(48.8)	—	(48.8)
Adjusted Corporate EBITDA	**253.9**	**59.5**	**313.4**	**4.7**	**318.1**
Reversal of fleet depreciation	181.9	82.0	263.9	—	263.9
Reversal of fleet operating lease rents	256.8	57.6	314.4	—	314.4
Reversal of fleet financing costs[a]	62.0	19.4	81.4	(13.1)	68.3
Adjusted Consolidated EBITDA	**754.5**	**218.5**	**973.0**	**(8.3)**	**964.7**

	For the six months ended June 30, 2017				
(in € million)	EGSA	Goldcar & Buchbinder	Combination of Europcar, Goldcar and Buchbinder	Combined Adjustments	TOTAL
Current operating income	**70.4**	**8.7**	**79.1**	**(0.6)**	**78.5**
Reversal of estimated interest included in operating lease rents	21.4	0.6	22.0	—	22.0
Adjusted recurring operating income	**91.8**	**9.3**	**101.1**	**(0.6)**	**100.5**
Reversal of amortization, depreciation and impairment expense	14.2	2.0	16.3	—	16.3
Fleet financing costs[a]	(28.2)	(9.0)	(37.3)	2.2	(35.0)
Estimated interest included in operating lease rents	(21.4)	(0.6)	(22.0)	—	(22.0)
Adjusted Corporate EBITDA	**56.4**	**1.7**	**58.1**	**1.7**	**59.7**
Reversal of fleet depreciation	92.5	45.1	137.5	—	137.5
Reversal of fleet operating lease rents	121.7	23.8	145.5	—	145.5
Reversal of fleet financing costs[a]	28.2	9.0	37.3	(5.4)	31.9
Adjusted Consolidated EBITDA	**298.7**	**79.7**	**378.4**	**(3.8)**	**374.6**

[a] **Goldcar fleet financing costs:**

Considering that the existing financing structure of Goldcar is acquisition financing with a limited capacity to adjust the drawing level in response to the fluctuations in the fleet value, in particular during the low season, the historical financing costs of Goldcar have been adjusted to reflect a fleet financing structure in line with industry's standards and a determination of the portion to be considered as related to the fleet ("fleet financing costs"). The historical fleet financing costs have been calculated on a monthly basis by multiplying the Adjusted Fleet Value by the Applicable Interest Rate, and by deducting the Excess Interest. For the purpose of this definition:

- Adjusted Fleet Value is the global net book value of the Goldcar fleet at month end (including related receivables and payables), on which is applied a 90% advance rate (in line with Europcar's and industry's standards);

- Applicable Interest Rate is the interest rate applicable to the existing financing of Goldcar; and

- – Excess Interest is the portion of interest paid by Goldcar on its existing debt in excess of the justed Fleet Value (Excess Interest is highest during the low season).

On a pro forma basis, to give effect to the Acquisitions, the financing costs of Goldcar have been adjusted to reflect additional financing costs related to the Bridge-to-Asset-Backed Facility drawn to refinance the existing debt of Goldcar and to finance the Adjusted Fleet Value. These additional financing costs are based on an assumed interest rate of 3.375% (average interest rate of the Bridge-to-Asset Backed Facility for the first twelve-month period after closing) applied for each period (the year ended December 31, 2016 and the six months ended June 30, 2017) to the maximum Adjusted Fleet Value to be financed during the period. In parallel, the historical financing costs of Goldcar on a standalone basis are fully reversed.

On a pro forma basis, to give effect to the Acquisitions, the fleet financing costs (as determined above) have been adjusted to reflect the additional fleet financing costs related to the Bridge-to-Asset-Backed facility drawn to refinance the existing debt of Goldcar and to finance the Adjusted Fleet Value. These additional financing costs are based on an assumed interest rate of 3.375% (average interest rate of the Bridge-to-Asset-Backed Facility for the first twelve month period after closing) applied for each period (the year ended December 31, 2016 and the six months ended June 30, 2017) to the average Adjusted Fleet Value to be financed during the period (the financing costs related to the difference between the maximum and average amounts are treated as corporate financing costs as in excess for the strict purpose of the fleet financing). In parallel, the historical fleet financing costs of Goldcar on a standalone basis are fully reversed.

3.5 Notes to the Unaudited Pro Forma Condensed Consolidated Financial Information

A – Preparation of historical data

The methods used to present the Unaudited Pro Forma Condensed Consolidated Financial Information are those used by Europcar Group to present its historical consolidated financial statements.

The preliminary alignment of Goldcar accounting policies and presentation to Europcar accounting policies is based on available information and thus subject to further change upon the completion of a more detailed analysis.

A preliminary analysis of Goldcar's accounting policies as disclosed in its audited consolidated financial statements as of and for the year ended December 31, 2016 has not resulted in identifying any major differences.

The unaudited pro forma adjustments give effect to certain reclassifications to conform the presentation of Goldcar's with Europcar's condensed consolidated statement of income. The Main reclassifications that were made were:

- broker rebates reclassified from other operating expenses to revenue;

- fines and tolls reclassified from revenue to fleet operating, rental and revenue related costs;

- insurance recoveries reclassified from other operating income to fleet operating, rental and revenue related costs; and

- fleet reclassified from property, plant and equipment to Current assets.

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Subsequent to the Transactions, further reclassifications or adjustments may be required in connection with preparation of Europcar Group's future consolidated financial statements when Europcar obtains full access to Goldcar information.

The unaudited pro forma adjustments give effect to certain reclassifications to conform the presentation of Buchbinder's with Europcar's condensed consolidated statement of income. The main reclassifications that were made were:

• car remarketing sales reclassified from Sales to Fleet Holding Costs;

• customers recoveries, insurance recoveries and tolls reclassified from Sales to Fleet operating, rental and revenue related costs; and

• other revenue reclassified from Sales to Other Income.

B – Acquisition of Buchbinder and Goldcar

On September 20, 2017 Europcar Group completed the acquisition of the Buchbinder Group.

The consideration for the Buchbinder Acquisition amounts to €135 million, including an estimated earn out of €15 million subject to performance criteria related to full year 2017 and 2018 Adjusted Corporate EBITDA. The net assets acquired amounted to €28.5 million (including an historical goodwill of €6.6 million) and the preliminary goodwill arising from the acquisition of the Buchbinder Group amounted to €106.5 million.

The Group has also agreed to purchase additional Buchbinder Group tangible assets for consideration amounting to €37 million.

On June 17, 2017 the Group signed an agreement to acquire Goldcar. The acquisition is still subject to customary conditions precedent, including the approval of antitrust authorities, and is expected to close in the fourth quarter of 2017.

The consideration for the Goldcar Acquisition will amount to €562.9 million, and the net assets acquired to be acquired are estimated to be €231.2 million (including an historical goodwill of €188 million). Consequently, the preliminary goodwill that will arise from the acquisition of Goldcar is estimated to be €331.7 million.

The preliminary goodwill for the Goldcar and Buchbinder Acquisitions is determined as the difference between the consideration transferred and the net carrying value of the assets and liabilities recognized in the statements of financial position of the Goldcar Group and the Buchbinder Group as of June 30, 2017, including their respective historical goodwill from prior acquisitions.

The valuation of the assets and liabilities and the accounting for the acquisitions will be performed after the completion of the acquisition for the Goldcar Acquisition and by December 31, 2017 for the Buchbinder Acquisition. Pursuant to IFRS 3, the Group will have twelve months to finalize the valuations and purchase price allocations after the date of completion of each acquisition.

The determination of the fair value of the assets acquired and liabilities assumed may lead to the booking of some identifiable acquired assets that have limited lifetime and will therefore be depreciated or amortized. Consequently, the future results of the Group could be materially impacted by the depreciation or amortization expenses related to such identifiable acquired assets.

C – Financing of the transaction

On July 13, 2017, to finance the Goldcar Acquisition and Goldcar's fleet related refinancing needs, Europcar entered into a €1,040 million bridge facility. This bridge facility includes two facilities:

• Bridge-to-Bond: a €440 million bridge to bond dedicated to the acquisition of Goldcar; and

- Bridge-to-Asset-Backed: a €600 million bridge to asset backed facility dedicated to refinance Goldcar's existing debt at closing of the Goldcar Acquisition due to a change of control clause in Goldcar's existing indebtedness, and dedicated to the financing of Goldcar fleet.

In conjunction with the above acquisitions and contingent on regulatory approval of the Goldcar Acquisition, Europcar is offering new €600 million Senior Notes which together with €103 million of cash related to the proceeds of the capital increase completed on June 21, 2017 will be used to:

- finance the €562.9 million total consideration to be paid in connection with Goldcar Acquisition, which will allow the Group to cancel the €440 million Bridge-to-Bond Facility;

- repay drawings of €120 million made under the Senior Revolving Credit Facility to finance the Buchbinder Acquisition;

- pay financing costs and expenses of €17 million related to the Acquisitions and the New Parent Notes; and

- finance the €2.75 million prepayment fee due in connection with the early redemption of the existing debt of Goldcar.

At the closing date, the Bridge-to-Asset Backed facility will be drawn to refinance the existing debt of Goldcar (€411.9 million as of June 2017).

The impact of the pro forma adjustment on cash and cash equivalents in the statement of financial position is explained as follows:

In € million	**As of June 30, 2017**
New Parent Notes	600
Bridge-to-Asset-Backed Facility (b)	411.9
Refinance of Goldcar Debt (b)	(411.9)
Redemption of Buchbinder swap (a)	(10)
Cash-out related to Goldcar and Buchbinder Acquisition	(682.8)
Transaction costs and expenses (c)	(17)
Prepayment fee on Goldcar Debt early redemption (d)	(2.7)
Total cash and cash equivalent	**(112.6)**

(a) The Buchbinder Group cancelled a swap prior to the closing of the Buchbinder Acquisition. As a consequence, the pro forma adjustments related to the Buchbinder Acquisition include a redemption premium amounting to €11.2 million and a restatement of swap interest for €1.2 million for the six months ended June 30, 2017 (€2.5 million for the year ended December 31, 2016).

(b) Bridge-to-Asset-Backed Facility will be drawn for an amount of €411.9 million, to refinance the debt of Goldcar as of June 2017 (€411.9 million).

(c) Transaction costs include €8.3 million, one off costs related to the new Senior Notes issuance, €2 million of costs related to the acquisitions of Buchbinder and Goldcar, and fees to be paid in connection with the bridge facility and not recorded in the financial statements for the six months ended June 30, 2017 (€6.7 million).

(d) Prepayment fee applicable to the existing debt of Goldcar in case of prepayment following a change of control (€2.75 million).

The impact of the pro forma adjustment on non-current financial liabilities in the statement of financial position is explained as follows:

In € million	**As of June 30, 2017**
New Parent Notes	600
Transaction costs on bond issuance	(8.3)

In € million	**As of June 30, 2017**
Redemption of Buchbinder swap	(11.4)
Buchbinder tangible assets	22
Cancellation Goldcar capitalized transaction cost	12.1
Total non-current financial liabilities	**614.4**

The impact of the pro forma adjustment on current financial liabilities in the statement of financial position is explained as follows:

In € million	**As of June 30, 2017**
New Financing	411.9
Reimbursement Goldcar Debt	(411.9)
Fees related to bridge facility	(6.7)
Buchbinder earn-out	15
Buchbinder Tangible assets	15
Total current financial liabilities	**23.3**

The recurring impact of pro forma adjustment on financial result is explained as follows:

In € million	**For the six months ended June 30, 2017**
Interest on New Parent Notes	(13.5)
Interest on Goldcar new financing (at 3.375%)	(7.1)
Cancellation of Interest on Goldcar debt	12.4
Gain on interest on swap redemption	1.2
Total financial result	**(7.0)**

In € million	**For the year ended December 31, 2016**
Interest on New Parent Notes	(27)
Interest on Goldcar new financing (at 3.375%)	(13.8)
Cancellation of Interest on Goldcar debt	25.3
Gain on interest on swap redemption	2.5
Total financial result	**(13)**

On a pro forma basis, the financial result is impacted by:

– The additional financing costs related to the New Parent Notes (€27 million on an annual basis);

– The additional financing costs related to the Bridge-to-Asset-Backed Facility drawn to refinance the existing debt of Goldcar and to finance the Adjusted Fleet Value. These additional financing costs are based on the assumption of an interest rate at 3.375% (average interest rate of the Bridge-to-Asset-Backed Facility for the first twelve months period after closing) applied for each period of pro forma (year ended December 31, 2016 and six months ended June 30, 2017) to the maximum Adjusted Fleet Value to be financed during the period. In parallel, the financing costs of Goldcar on a standalone basis are fully reversed for an amount of €25.3 million in 2016 and €12.4 million for the six months ended June 30, 2017.

The recurring impact of the pro forma adjustment on fleet financing costs is explained as follows:

In € million	**For the six months ended June 30, 2017**
Gain on interest on swap redemption	1.2
Goldcar fleet financing costs	5.4
Additional fleet financing costs	(4.4)
Total fleet financing cost	**2.2**

In € million	**For the year ended December 31, 2016**
Gain on interest on swap redemption	2.5
Goldcar fleet financing costs	13
Additional fleet financing costs	(10.8)
Total fleet financing cost	**4.7**

On a pro forma basis, the fleet financing costs have been adjusted to reflect the additional fleet financing costs related to the Bridge Asset Backed Facility drawn to refinance the existing debt of Goldcar and to finance the Adjusted Fleet Value. These additional financing costs are based on the assumption of an interest rate at 3.375% (average interest rate of the Bridge-to-Asset-Backed Faclity for the first twelve months period after closing) applied for each period of pro forma (the full year ending December 31, 2016 and the six months ending June 30, 2017) to the average Adjusted Fleet Value to be financed during the period (the financing costs related to the difference between the maximum and average amounts are treated as corporate financing costs as in excess for the strict purpose of the fleet financing). In parallel, the fleet financing costs of Goldcar on a standalone basis are fully reversed for an amount of €13 million for the year ended December 31, 2016 and €5.4 million for the six months ended June 30, 2017.

D – Non-recurring costs

Non-recurring costs related to transaction costs amount to €17 million. They include €8.3 million one off costs related to the bond issuance, €2 million related to the acquisitions of Buchbinder and Goldcar (in addition to the €4.3 million already accrued as of June 30, 2017), and fees to be paid in connection with the bridge facility.

Cancellation of Goldcar capitalized transaction costs amounting to €12.1 million and fees amounting to €2.75 million, both related to the change of control of Goldcar Debt are also part of non-recurring costs.

In € million	**For the six months ended June 30, 2017**
One off costs related to the bond issuance	(8.3)
Acquisition costs[1]	(2)
Fees related to bridge facility	(6.7)
Total transaction costs	**(17.0)**
Cancellation Goldcar capitalized transaction cost	(12.1)
Fees related to change of control of Goldcar debt	(2.7)
Acquisition costs[2]	(4.3)
Total non-recurring costs	**(36.1)**

(1) not accrued as of June 30, 2017 and in addition to €4.3 million accrued as of June 30, 2017
(2) accrued as of June 30, 2017 and reversed in the pro forma income statement

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Interim condensed consolidated financial statements

FOR THE SIX MONTHS PERIOD ENDING JUNE 30, 2017

GOLDCAR

Car Rentals Topco S.L. and its subsidiaries

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KPMG Auditores, S.L.
Edificio Oficentro
Avda. Maisonnave, 19
03003 Alicante

Independent Auditors' Report on Review of Interim Condensed Consolidated Financial Information

To the Shareholders of
Car Rentals Topco, S.L.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Car Rentals Topco, S.L. and its subsidiaries (the Group) as at June 30, 2017, the interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of other comprehensive income, interim condensed consolidated statement of changes in equity and interim condensed consolidated statement of cash flow for the six month period then ended, and notes to the interim condensed consolidated financial statements ("the interim condensed consolidated financial information"). The Directors are responsible for the preparation and presentation of this interim condensed consolidated financial information in accordance with IAS 34, 'Interim Financial Reporting' as adopted by the European Union. Our responsibility is to express a conclusion on this interim condensed consolidated financial information based on our review.

Scope of Review

We conducted our review in accordance with the International Standard on Review Engagements 2410, "Review of Interim Financial Information Performed by the Independent Auditor of the Entity." A review of interim condensed consolidated financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial information as at June 30, 2017 is not prepared, in all material respects, in accordance with IAS 34, "Interim Financial Reporting" as adopted by the European Union.

Emphasis of Matter

The Company Directors have prepared this interim condensed consolidated financial information in accordance with IAS 34, "Interim Financial Reporting", as adopted by the European Union. Consequently, as specified in the accompanying note 1.2, this information presents interim condensed information and does not include all the disclosures required in complete financial statements. The accompanying interim condensed consolidated financial information should therefore be read in conjunction with the consolidated financial statements for the year ended December 31, 2016.

KPMG Auditores, S.L.

/s/ Miguel Ángel Paredes Gómez

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October 9, 2017

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Interim condensed consolidated statement of financial position

In € thousands	Notes	At June 30, 2017	At Dec. 31, 2016
Assets			
Non-current assets			
Goodwill	4	187,598	187,598
Intangible assets	5	24,657	24,695
Property, plant and equipment	6	152,961	98,822
Financial investments	7	1,780	2,034
Deferred tax assets		1,163	1,190
Total non-current assets		**368,159**	**314,339**
Current assets			
Inventories		2,794	1,182
Trade and other receivables		13,166	12,202
Current tax assets	2.2	42,657	5,776
Financial investments	7	330,090	82,383
Prepayments		29,000	10,737
Cash and cash equivalents		25,365	184,486
Total current assets		**443,072**	**296,766**
Total assets		**811,231**	**611,105**
Equity			
Share capital and share premium		215,000	215,000
Consolidated reserves		44,853	20,341
Consolidated Profit/(loss) for the period		(31,897)	24,512
Conversion differences		(90)	7
Total equity	9	**227,866**	**259,860**
Non-current liabilites			
Provisions		870	961
Financial debt	8	302,859	301,274
Other non-current liabilities		75	126
Derivatives	8	–	183
Total non-current liabilities		**303,804**	**302,544**
Current liabilites			
Derivatives	8	126	–
Provisions		988	1,001
Financial debt	8	96,904	5,607
Trade and other payables		20,368	26,512
Personnel		6,040	1,630
Current tax liabilities and other balances with Public Administrations		2,367	6,651
Customer advances		9,745	1,892
Accruals		5,195	2,578
Other current liabilities	10	137,828	2,830
Total current liabilities		**279,561**	**48,701**
Total equity and liabilities		**811,231**	**611,105**

Notes 1 to 16 below are part of the Interim Condensed Consolidated Statement of Financial Position

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Interim condensed consolidated statement of profit or loss and interim condensed consolidated statement of other comprehensive income

Interim Condensed Consolidated Statement of Profit or Loss

In € thousands	Notes	At June 30, 2017	At June 30, 2016
Revenue	**11.1**	**127,195**	**123,143**
Income from services		107,043	97,523
Income from the sale of vehicles		20,152	25,620
Other operational income		2,650	1,876
Supplies		**(23,423)**	**(31,448)**
Cost of vehicles sales	11.1	(20,152)	(25,620)
Other consummables used		(3,271)	(5,828)
Personnel expenses	**11.2**	(16,697)	(12,667)
Other operating expenses	**11.3**	(50,713)	(40,726)
Adjusted EBITDA	**1.4**	**39,012**	**40,178**
Fixed assets depreciation and buy back costs	**11.4**	(34,592)	(32,616)
Stolen and accidental cars		(1,323)	(407)
Profit on disposal of fixed assets		206	1,259
Other		(64)	–
Adjusted EBIT	**1.4**	**3,239**	**8,414**
Other non recurring income and expenses	**11.5**	(23,408)	(619)
Profit/loss From Continuing Operations (EBIT)		**(20,169)**	**7,795**
Financial income		274	310
Financial costs	**11.6**	(12,637)	(12,895)
Exchange gains or losses		(26)	(48)
Financial loss		**(12,389)**	**(12,633)**
Loss before income tax		**(32,558)**	**(4,838)**
Income tax	**12**	661	268
Consolidated loss for the period	**9**	**(31,897)**	**(4,570)**
Profit/Loss attributable to minority interests		–	–
Profit/Loss attributable to the Parent Company		*(31,897)*	*(4,570)*

Interim Condensed Consolidated Statement of Other Comprehensive Income

In € thousands	Notes	At June 30, 2017	At June 30, 2016
Translation differences of financial statements of foreign operations		(97)	6
Other comprehensive income, net of taxes		**(97)**	**6**
Total comprehensive income for the period		**(31,994)**	**(4,564)**
Profit/Loss attributable to minority interests		**–**	**–**
Profit/Loss attributable to the Parent Company		*(31,994)*	*(4,564)*

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Notes 1 to 16 below are part of the Interim Condensed Consolidated Statement of Profit or Loss and Interim Condensed Consolidated Statement of Other Comprehensive Income

Europcar

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Interim condensed consolidated statement of changes in equity

In € thousands	Notes	Share Capital	Share Premium	Consolidated Reserves and Parent Company Reserves	Consolidated Profit/Loss for the Period	Conversion Differences	Total
Balance at January 1, 2017		**21,500**	**193,500**	**20,341**	**24,512**	**7**	**259,860**
Total comprehensive income for the period		–	–	–	(31,897)	(97)	(31,994)
Other changes in equity							
Distribution of profit for the year		–	–	24,512	(24,512)	–	–
Balance at June 30, 2017..	**9**	**21,500**	**193,500**	**44,853**	**(31,897)**	**(90)**	**227,866**

	Notes	Share Capital	Share Premium	Consolidated Reserves and Parent Company Reserves	Consolidated Profit/Loss for the Period	Conversion Differences	Total
Balance at January 1, 2016		**21,500**	**193,500**	**(1,828)**	**22,169**	**–**	**235,341**
Total comprehensive income for the period		–	–	–	(4,570)	6	(4,564)
Other changes in equity							
Distribution of profit for the year		–	–	22,169	(22,169)	–	–
Balance at June 30, 2016..	**9**	**21,500**	**193,500**	**20,341**	**(4,570)**	**6**	**230,777**

Notes 1 to 16 below are part of the Interim Condensed Consolidated Statement of Changes in Equity

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Interim condensed consolidated statement of cash flows

In € thousands	**Notes**	**At June 30, 2017**	**At June 30, 2016**
Operating activities			
Consolidated loss before income tax		(32,558)	(4,838)
Financial cost	**11-6**	12,637	12,895
Financial income		(274)	(310)
Fixed asset depreciation and buy back renting costs	**11-4**	34,592	32,616
Impairment (stolen and accidental cars and other cost of sales) and profit/(loss) on disposal of fixed assets		1,118	(851)
Contingent consideration		21,923	–
Others		242	(76)
Cash flow		**37,680**	**39,436**
Change in working capital		**(37,480)**	**(16,229)**
Change in inventories		(1,612)	(775)
Change in trade receivables		(2,260)	324
Change in trade payables		6,080	11,460
Change in VAT receivables and payables		(40,752)	(27,021)
Change in other net assets		1,064	(217)
Net cash flows from operations		**200**	**23,207**
Others cash flows:			
Interest		**(5,783)**	**(10,644)**
Interest paid		(6,057)	(10,954)
Interest collected		274	310
Income tax received (paid)		**(110)**	**(557)**
Net cash flows from/(used in) operating activities		**(5,693)**	**12,006**
Investing activities			
Proceeds from disposal of intangible assets, property and equipment, and buy back vehicles	**5,6 and 7**	66,989	79,698
Payment for investment in intangible assets, property and equipment, and buy back vehicles	**5,6 and 7**	(306,416)	(314,950)
Payment for investment in financial assets		(46)	–
Net cash flows used in investing activities		**(239,473)**	**(235,252)**
Financing activities			
Payments received from bank loans	**8**	86,495	79,713
Others changes		(450)	(343)
Net cash flows from financing activities		**86,045**	**79,370**
Net cash flows for the period		**(159,121)**	**(143,876)**
Cash and cash equivalents at beginning of period		**184,486**	**174,022**
Cash and cash equivalents at end of period		**25,365**	**30,146**

Notes 1 to 16 below are part of the Interim Condensed Consolidated Statement of Cash Flows

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Car Rentals Topco S.L. and its subsidiaries
Notes to the interim condensed consolidated financial statements for the six months ending June 30, 2017

NOTE 1—GENERAL OVERVIEW

1.1) GENERAL INFORMATION

Car Rentals Topco S.L.U. (hereinafter the Parent Company) was incorporated in Spain, in compliance with Spanish Corporate Law, on September 4, 2014 under the name of Nuevo Impulso Comercial 21, S.L. for an indefinite period of time. The Parent Company is registered in the Mercantile Registry of Barcelona under the Fiscal I.D. B- 54806971 and the legal address of the Parent Company is in Selva, 4, Prat del Llobregat (Barcelona).

In accordance with its Articles of Association, the purpose of the Parent Company is:

1. The acquisition, holding, administration, swap and disposal of all types of securities including public, private, national and foreign securities. Particularly, its main activity is the acquisition, by subscription swap or any other way, of partnership shares and financial assets, as well as taking part in the establishment, development and control of any company or entity.

2. The acquisition, holding, disposal, selling, renting, third-party transfers and exploitation of any class of motor vehicles with or without a driver.

3. The repair, maintenance and technical assistance of all kinds of motor vehicles.

4. Taking part in companies whose purpose wholly or partly extends to the aforementioned areas of activity, in order to develop the Parent Company's own purpose by means of subscribing their shares, founding or increasing their share capital or acquiring them under any legal title.

The main activity of the Parent Company in the first half of 2017 consisted of holding 100% of the shares of the company Car Rentals Parentco S.A.U. as well as any activity related to being a parent company of a group. Consequently, the Parent Company is the parent of a group of companies which, along with itself, comprise the Goldcar Group (hereinafter the Group).

The main activity performed by the Group in the first half of 2017 has been the provision of services related to the rental of vehicles, which is included in the purpose of the Group.

1.2) BASIS OF PREPARATION

These Interim Condensed Consolidated Financial Statements have been prepared in accordance with IAS 34 Interim Financial Reporting, and should be read in conjunction with the Group's last Annual Consolidated Financial Statements as at and for the year ended December 31, 2016 ("**last Annual Financial Statements**"). They do not include all of the information required in preparing annual consolidated financial statements under International Financial Reporting Standards adopted by the European Union (IFRS-EU). However, selected explanatory notes are included to explain events and transactions that are significant to an understanding of the changes in the Group's financial position and performance since the last annual financial statements.

They were authorized for issue by the Directors of the Parent Company on October 6, 2017.

The interim condensed consolidated financial statements are presented in thousands of euros, unless otherwise indicated.

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1.3) MAIN EVENTS OF THE PERIOD

(a) About business

During the first six months of 2017, the Group has continued to meet its expansion plan. In particular, the Group has opened eight new offices of its own, of which five are located in a new country (Turkey), two in France and one in Portugal.

Regarding funding, the Group has increased the limit of the revolving credit facility by €75 million to fund the expansion plan.

Revenue, recurring operating income and all operating performance indicators are subject to seasonal fluctuations, due mainly to the summer holiday season. For this reason, in the first half of the year the Interim Condensed Consolidated Statement of Profit or Loss shows negative results. Accordingly, the interim results for the six months ended June 30, 2017 do not reflect the results that are expected for the full year 2017. Additionally, in order to attend the increase in activity during summer holiday season, the number of vehicles has increased at June 30, 2017 (through various commercial forms) comparing to the previous year, and therefore the amount of certain captions of the Interim Condensed Consolidated Statement of Financial Position have changed significantly with respect to the amounts show in the last annual consolidated financial statements as at and for the year ended December 31, 2016.

(b) Scope changes and acquisitions

In the first half of 2017 the Group has formed a new company to operate in the sector of leisure rentals in the Turkish market. As of June 30, 2017, the share capital of this company, under the name of Goldcar Oto Kiralama Ticaret Anonim Sirketi, amounts to Turkish Lira 27 million (€7 million). The company has its legal address in Palladium Ofis ve Residence Binasi Barbados Mahallesi Halk Caddesi in Istanbul (Turkey).

(c) Changes in the shareholders

Europcar Group, the European leader in vehicle rental services and a major player in mobility markets, has signed an agreement with the Company' shareholders to acquire the Group.

The acquisition is subject to customary conditions precedent, including the approval of antitrust authorities, and is expected to close in the second half of the year 2017.

1.4) ADJUSTED EBITDA and ADJUSTED EBIT

Management has presented the performance measure Adjusted EBITDA and Adjusted EBIT because it monitors this performance measure at a consolidated level and it believes that this measure is relevant to an understanding of the Groups' financial performance.

Adjusted EBITDA includes all of the income and expenses of the year except for:

- Income or expense arising from income tax.
- Financial income and expenses.
- Fixed asset amortisation expenses and buy back renting costs.
- Income and expenses that the Directors consider non-recurring due to their nature (see note 11.5).
- Impairment and profit/loss on disposal of fixed assets.

Adjusted EBIT includes all of the income and expenses of the year except for:

- Income or expense arising from income tax.
- Financial income and expenses.

- Income and expenses that the Directors consider non-recurring due to their nature (see Note 11.5).

Adjusted EBITDA and Adjusted EBIT is not a defined performance measure in IFRS. The Group's definition of Adjusted EBITDA and Adjusted EBIT may not be comparable with similarly titled performance measures and disclosures by other entities

NOTE 2—SIGNIFICANT ACCOUNTING POLICIES

2.1) PRINCIPLE OF ACCOUNTS PREPARATION

The accounting principles used to prepare these interim condensed consolidated financial statements as of and for the six months ended June 30, 2017 are the same as those used to prepare the 2016 consolidated financial statements, taking into account certain interim reporting treatments as described below in the "*Use of estimates and judgments*" section.

As at June 30, 2017, there are no new standards, amendments to existing standards or published interpretations which are mandatory.

New standards, amendments to existing standards and interpretations applicable in future years and not early adopted by the Group for the period ended June 30, 2017 are as follows:

Adopted by the European Union:

- IFRS 15—Revenue from contracts with customers
- IFRS 9—Financial instruments

Not yet adopted by the European Union:

- Amendments to IFRS 2—Classification and Measurement of Share-based Payment Transactions
- Amendments to IFRS 4—Applying IFRS 9 Financial Instruments with IFRS 4 Insurance Contracts
- Amendments to IAS 40—Transfers of Investment Property
- IFRIC 22—Foreign Currency Transactions and Advance Consideration
- IFRS 16—Leases
- IFRIC 23—Uncertainty over Income Tax Treatments
- IFRS 17—Insurance Contracts
- Amendments to IFRS 15—Clarification to IFRS 15
- Amendments to IFRS 10 and IAS 28—Sale or transfer to assets between on investor and an associate or joint venture
- Amendments to IAS 12—Recognition of Deferred Tax Assets for Unrealized Losses
- Amendments to IAS 7—Information Disclosure Initiative
- NIIF 14- Regulatory Deferral Accounts

The effects of applying IFRS 15 and its amendments for clarification to the accounting of revenue as from January 1, 2018 have been assessed and have been considered of little significance in light of the nature of the Group's business activities.

The Group has begun the analysis of the impacts of IFRS 16 Leases, applicable with effect from January 1, 2019 and the approximate impact on the statement of financial position at first adoption will be assessed from this valuation phase.

The package of improvements introduced by IFRS 9 includes a logical model for classification and measurement of financial assets, an “expected loss” model for loans and receivables and a reformed approach to hedge accounting. The classification and measurement of the Group’s financial assets will be substantially the same as they are currently under IAS 39; the impairment allowances won’t be materially affected by a focus on the risk that a loan will default rather than whether a loss has been incurred. Regarding hedge accounting, the Group doesn’t expect any significant impact of applying the reformed approach.

2.2) SEASONALITY OF OPERATIONS

Revenue, recurring operating income and all operating performance indicators are subject to seasonal fluctuations, mainly due to the summer holiday season. Accordingly, the interim results for the six months ended June 30, 2017 do not reflect the results that are expected for the full year 2017.

Additionally, in order to attend the increase in activity during summer holiday season, the number of vehicles has increased at June 30, 2017 (through various commercial forms) comparing to the previous year, and therefore the amount of certain captions of the Interim Condensed Consolidated Statement of Financial Position have changed significantly with respect to the amounts showed in the last annual consolidated financial statements as at and for the year ended December 31, 2016. In particular the following captions have increased significantly: Property, Plant and Equipment, Financial investments, Financial debt and Other current liabilities. Conversely, the caption Cash and cash equivalents has decreased.

2.3) USE OF ESTIMATES AND JUDGMENTS

The preparation of interim financial information requires management to use judgment in making estimates and applying assumptions that may impact the amounts of certain assets and liabilities and income and expenses recognized in the interim condensed consolidated financial statements, as well as the information disclosed in certain explanatory notes. Actual values recognized in future periods may differ from these estimates due to changes in conditions that affect the underlying assumptions.

For the preparation of these interim condensed consolidated financial statements, the judgments exercised by management in applying the Group’s accounting policies and the main estimates were identical to those used to prepare the consolidated financial statements for the year ended December 31, 2016, with the following exception:

- the estimate used to recognize the interim tax expense: for interim financial information, the current and deferred tax expense are determined based on the income tax rate expected to apply to the full year taxable income, i.e., by applying the expected average effective tax rate for 2017 to pre-tax income and share of profit of companies accounted for by the equity method for the interim period.

With respect to the vehicle rental business, estimates specifically cover:

- the residual value of “at risk” vehicles;
- the reconditioning cost of buy-back and operating lease vehicles;

Estimates also cover provisions for disputes and litigation and the measurement of contingent liabilities. The interim condensed consolidated financial statements include all the important provisions with respect to which one considers the possibility of attending such an obligation is greater than otherwise. The contingent liabilities are not registered in the financial statements, but rather are disclosed, unless the possibility of an outflow in settlement is considered to be remote.

Provisions are valued at their present value of the best possible estimate of the amount required to cancel or transfer the obligation, taking into account the information available on the event and its consequences, and the adjustments are registered as they emerge on updating the said provisions as financial costs according to their accrual periods.

2.4) MEASUREMENT OF FAIR VALUE

A number of the Group's accounting policies and disclosures require the measurement of fair values, for both financial and non-financial assets and liabilities.

The Group has an established control framework with respect to the measurement of fair values. This includes in some cases the reviews by independent third parties.

The Group reviews significant unobservable inputs and valuation adjustments. When measuring the fair value of an asset or a liability, the Group uses observable market data as far as possible. Fair values are categorized into different levels in a fair value hierarchy based on the inputs used in the valuation techniques as follows:

- Level 1: quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: inputs other than quoted prices included in Level 1 that are observable for the asset or liability, either directly or indirectly.
- Level 3: inputs for the asset or liability that are not based on observable market data (unobservable inputs).

If the inputs used to measure the fair value of an asset or a liability might be categorized in different levels of the fair value hierarchy, then the fair value measurement is categorized in its entirety in the same level of the fair value hierarchy as the lowest level input that is significant to the entire measurement.

All other financial instruments such as cash and cash equivalents, accounts receivables and accounts payables, are measured at amortized cost, which approximately coincides with their fair value.

NOTE 3—REVENUE BY GEOGRAPHICAL MARKET

A breakdown of the revenue by geographical market in the first half of 2017 and 2016 is detailed below:

In € thousands	For the six months ending June 30, 2017	For the six months ending June 30, 2016
Income from services		
National (Spain)	68,459	66,190
Rest of the European Union	38,488	31,333
Other countries	96	–
Total income from services	**107,043**	**97,523**
Income from the sale of vehicles		
National (Spain)	14,726	22,567
Rest of the European Union	5,426	3,053
Total income from the sale of vehicles	**20,152**	**25,620**

NOTE 4—GOODWILL

In accordance with IAS 36, for its interim consolidated financial statements, the Group uses internal and external data to assess whether there is any indication that an asset may be impaired.

External data sources essentially consist in reviewing the weighted average cost of capital (WACC).

Internal data sources are based on performance indicators: a material decrease in revenue and/or profitability or the inability to achieve the budget are indications of impairment.

Europcar

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After reviewing the general trend in the performance of the countries comprising the cash-generating units, management did not identify any indications of impairment and therefore no impairment tests were carried out on assets at June 30, 2017, including on goodwill and the Goldcar trademark.

The balance under the “Goodwill” heading assigned to each of the cash-generating units is as follows:

In € thousands	At June 30, 2017	At Dec. 31, 2016
Goldcar Spain S.L.	115,737	115,737
Goldhire Portugal Lda.	44,851	44,851
Goldcar Italy S.r.L.	27,009	27,009
Goldcar France S.à.r.l.	1	1
Total	**187,598**	**187,598**

NOTE 5—INTANGIBLE ASSETS

In € thousands	At June 30, 2017	At Dec. 31, 2016
Trademarks	18,920	18,920
Software applications	5,323	5,345
Other	414	430
Total	**24,657**	**24,695**

NOTE 6—PROPERTY, PLANT AND EQUIPMENT

In € thousands	At June 30, 2017	At Dec. 31, 2016
Vehicles (At Risk)	142,389	89,315
Technical facilities	7,151	6,304
Other	3,421	3,203
Total	**152,961**	**98,822**

During the six months ending June 30, 2017, the Group acquired vehicles “at risk” with a cost of €83 million (€95 million during 2016). The net book value of vehicles “at risk” sold during that period amounts to €20 million (€26 million for the six months period ending June 30, 2016).

See Note 2.2 regarding seasonality of operations and the effect over this caption of the Interim Condensed Consolidated Statement of Financial Position at June 30, 2017. The vehicles acquired “At Risk” increase in order to attend the increase in activity during the summer holiday season.

NOTE 7—FINANCIAL INVESTMENTS

In € thousands	At June 30, 2017	At Dec. 31, 2016
Long term		
Guarantee deposits	1,708	1,962
Other	72	72
Total long term	**1,780**	**2,034**
Short term		
Account receivable Buybacks repurchase agreement(1)	330,012	82,306

In € thousands	**At June 30, 2017**	**At Dec. 31, 2016**
Fixed-term deposit	75	75
Other	3	2
Total current financial assets	**330,090**	**82,383**

(1) This item includes the expected value of the repurchase of vehicles with OEM (Original Equipment Manufacturers)

See Note 2.2 regarding seasonality of operations and the effect over this caption of the Interim Condensed Consolidated Statement of Financial Position at June 30, 2017. The vehicles acquired in “Buyback” repurchase agreement increase in order to attend the increase in activity during the summer holiday season.

NOTE 8—FINANCIAL DEBT AND DERIVATIVES

In € thousands	**At June 30, 2017**	**At Dec. 31, 2016**
Long term financial debt		
Senior facility	315,000	315,000
Transaction cost	(12,141)	(13,726)
Total	**302,859**	**301,274**
Short term financial debt		
Senior facility	5,000	5,000
Revolving credit facility	85,000	–
Other	6,904	607
Total	**96,904**	**5,607**
Total	**399,763**	**306,881**

See Note 2.2 regarding seasonality of operations and the effect over this caption of the Interim Condensed Consolidated Statement of Financial Position at June 30, 2017. As a consequence of the increase in vehicles due to the increase in activity during the summer holiday season, there is an increase of debt.

Characteristics of the Group’s financial facilities

Within the process of taking control of the Group carried out on December 18, 2014, the company Car Rentals Subsidiary, S.A.U. entered into, as the debtor, along with Car Rentals Parentco, S.L.U., as the Parent Company, into a syndicated global financing agreement with several financial institutions. Both companies are Group companies. Initially, the total financing amounted to €450 million and it was subdivided into two parts:

- Senior Facility: the loan has a total nominal value of €325 million and its aim is to finance the share purchase of the foreign companies comprising the Group (Goldhire Portugal Lda. and Goldcar Italy S.r.L.), the purchase of certain trademarks, to cancel the previously existing debt and to increase the operational flexibility of the Group. The senior facility was issued in two tranches and their most significant traits are the following:
    - “Tranche A” was granted for a total amount of €50 million. The Group will annually amortize the accumulated drawn amounts through annual repayments until the due date, December 18, 2019.
    - “Tranche B” was issued for a total amount of €275 million. The Group will amortize this amount through one sole payment to be made at the date of maturity, which is June 18, 2020.
    - The financing through Tranche A, as well as the financing through Tranche B bear a variable interest rate at Euribor-indexed (adjusted) plus a margin. The margin is computed on the basis of the leverage ratio of the Group which can range from 3.25% up to 3.75% for Tranche A and from 5% up to 5.50% for Tranche B.

- A revolving credit facility with an initial limit of €125 million to finance the working capital of the Group in order to fuel its growth. This facility matures on December 18, 2019 and accrues interest on floating market rates based on Euribor plus a margin that is conditioned to certain financial figures of the Group measured at the date of disposal.

To date, the Group has made several increases to the revolving credit facility and the current limit is €250 million. In addition, €5 million of the Tranche A of the Senior Facility has been repaid as according to the scheduled mandatory repayments. Therefore, the total outstanding facility at June 30, 2017 is €570 million.

Moreover and in accordance with said financing agreement, the Group has provided several guarantees to the creditor financial institutions and is required to comply with several economic and equity ratios in relation to the consolidated financial statements, as described in the latest Annual Financial Statements. The Group is fully compliant with Senior Facilities Agreement obligations.

The effective interest rate of the senior facility for the first half of 2017 has been 6.85% (7.21% for the first half of 2016).

Derivative Financial Instruments

On March 18, 2015, the Group, through its subsidiary Car Rentals Subsidiary, S.A.U., has entered into derivative financial instruments to hedge its exposure to the interest rates of the syndicated financing described above. These financial instruments were formalized through the following operations:

- An interest rate SWAP maturing on December 31, 2017 with a notional amount of €50 million in which the Group pays a fixed monthly rate of 0.04% and charges a variable interest rate based on Euribor 1 M. This instrument would hedge tranche A of the syndicated financing.

- Two CAP agreements with a fixed interest rate (strike) of 1.50%. The two agreements have the same conditions both maturing on December 18, 2017 and each having each notional amounts of €137.5 million. The benchmark interest rate is Euribor 6 M. This instrument would hedge tranche B of the syndicated financing.

NOTE 9 – CAPITAL AND RESERVES AND EARNINGS PER SHARE

9.1) Share capital and share premium

The share capital of the Parent Company is represented by 21,500,000 shares of €1 par value each, with a share premium of €193.5 million, which have been created through the incorporation of the Parent Company and two share capital increases of 17,197,000 and 4,300,000 shares each, executed through a public deed on December 18, 2014. All of the shares were fully subscribed and paid since December, 2014.

The shares of the companies that comprise the Group are not listed on any official organized market.

At June 30, 2017 and December 31, 2016, the shareholders of the Parent Company who are legal persons are International Car Rentals III S.à.r.l. and Alcor Sociedad Estratégica, S.L. owning 80% and 20% of the shares respectively.

Under the Consolidated Spanish Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. Such reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for that purpose.

9.2) Loss per share

The basic losses per share in relation to continuing operations recognised are presented below, expressed in Euros per share:

In € thousands	For the six months ending June 30, 2017	For the six months ending June 30, 2016
Total loss for the period (thousands of Euros)	(31,897)	(4,570)
Weighted average of shares outstanding (thousands)	21,500	21,500
Basic loss per share (Euros)	**(1.484)**	**(0.213)**

Since there is no dilutive effect on the losses per share, the basic losses and the diluted losses per share total the same amount.

NOTE 10—OTHER CURRENT LIABILITIES

In € thousands	At June 30, 2017	At Dec. 31, 2016
Account payables with OEM *(Original Equipment Manufacturers)* (See Note 2.2)*	119,064	2,620
Contingent considerations (See Notes 14 and 15)	18,593	–
Other	171	210
Total	**137,828**	**2,830**

* See Note 2.2 regarding seasonality of operations and the effect over this caption of the Interim Condensed Consolidated Statement of Financial Position at June 30, 2017.

NOTE 11—INCOME AND EXPENSES

11.1) REVENUE AND COST OF VEHICLES SALES

Revenues mainly derive from the commercialization of self-drive vehicle hire. In this context, the Group does not have clients that represent more than 10% of the total revenue.

Furthermore, in the normal course of its business, the Group acquires vehicles “at risk” to be used for rental and subsequent sale to third parties after the end of their estimated period of possession. When these vehicles are sold, they are reclassified to “Inventories” on the date the change of use is agreed upon and, consequently, the income derived from the sale is recorded as part of “Revenue” in “Income from the sale of vehicles” and the reversal of the Inventories is recorded in the heading “Cost of vehicles sales”.

11.2) PERSONNEL EXPENSES

In € thousands	For the six months ending June 30, 2017	For the six months ending June 30, 2016
Wages and salaries	12,625	9,869
Social security contributions	3,575	2,409
Severance payments	58	114
Other items	439	275
Total	**16,697**	**12,667**

11.3) OTHER OPERATING EXPENSES

In € thousands	For the six months ending June 30, 2017	For the six months ending June 30, 2016

In € thousands	For the six months ending June 30, 2017	For the six months ending June 30, 2016
Maintenances	11,234	8,450
Airport fees	11,166	7,787
Operating leases	6,930	6,070
Broker rebates	4,888	3,758
Insurances	4,310	4,017
Other items	12,185	10,644
Total	**50,713**	**40,726**

11.4) FIXED ASSET DEPRECIATION AND BUY BACK COSTS

In € thousands	For the six months ending June 30, 2017	For the six months ending June 30, 2016
Cost of buy-backs vehicles	22,982	21,674
Depreciation of risk vehicles	10,259	9,699
Depreciation of other assets	1,351	1,243
Total	**34,592**	**32,616**

11.5) OTHER NON-RECURRING INCOME AND EXPENSES

The Group recognizes under this heading, mainly those non-recurring expenses resulting from the hiring of professional services, other expenses related to other fixed assets, other vehicle expenses, allowance and attendance expenses relating to the Board of Directors, extra payments to certain employees, severance payments and sundry others. In addition, due to the foreseeable change of shareholders mentioned in Note 1.3(c), the Group has recorded several contingent considerations mentioned in Notes 14.1 and 15. No significant income was included.

In € thousands	For the six months ending June 30, 2017	For the six months ending June 30, 2016
Contingent considerations (see Notes 14.1 and 15)	21,923	–
Other non-recurring items	1,485	619
Total	**23,408**	**619**

11.6) FINANCIAL COSTS

In € thousands	For the six months ending June 30, 2017	For the six months ending June 30, 2016
Senior facility *(See Note 8)*	9,031	9,782
Transaction cost *(See Note 8)*	1,926	1,680
Revolving credit facility *(See Note 8)*	1,465	1,243
Other debt *(See Note 8)*	215	190
Total	**12,637**	**12,895**

NOTE 12—INCOME TAX

Income tax expense is recognized, determined separately for each country, at an amount determined by multiplying the profit/(loss) before income tax for the interim reporting period by management's best estimate of the weighted-average annual income tax rate expected for the full year, adjusted for the tax effect of certain items recognized in full in the interim period. As such, the effective tax rate in the interim financial statements may differ from management's estimate of the effective tax rate for the annual financial statements.

The rules applied to recognize the deferred tax assets remain unchanged regarding December 31, 2016.

The Income tax amounts to €661 thousands at June 30, 2017 (€268 thousands at June 30, 2016).

The tax rate is quite different among the different companies of the Group. For those in the ramp-up phase we estimate 0%, either because they have a negative tax base which has not been capitalized or because it is foreseeable they would not generate profit in 2017. Additionally, the Spanish consolidated tax group has a deduction pending compensation which sets the effective tax rate at about 10%. At Group level, the effective tax rate for the six-months period ended June 30, 2017 is 10% as compared to 12% for the period ended June 30, 2016.

NOTE 13—OFF-BALANCE SHEET COMMITMENTS

(a) Operating leases

At June 30, 2017, the Group's minimum future payments for non-cancelable operating lease commitments were as follows:

	At June 30, 2017		At Dec. 31, 2016
In € thousands	**TOTAL**	**Of which amounts related to rental fleet**	**TOTAL**
Payable:			
Within 1 year	25,300	8,279	19,957
From 1 to 5 years	42,002	3,919	38,459
More than 5 years	3,752	–	7,219
Total	**71,054**	**12,198**	**65,635**

(b) Capital commitments

The Group has entered into contracts to purchase vehicles. At June 30, 2017, capital commitments to purchase vehicles amounted to €14.8 million (versus €0 at December 31, 2016). See Note 2.2 regarding seasonality of operations.

(c) Guarantees

As at June 30, 2017, the Group had given guarantees worth €19,248 thousand (€19,764 thousand at June 30, 2016) to suppliers through their business activities (mainly airports and petrol stations).

(d) Non-recourse factoring

The Group arranged non-recourse factoring facilities amounting to €59 million at June 30, 2017 (€39.5 million at December 31, 2016) that can be applied to certain trade receivables with a maximum limit of €20 million according to

the guarantees and obligations derived in the syndicated financing agreement (see Note 8). The balance drawn at June 30, 2017 amounted to €17.3 million (€19.17 million at December 31, 2016).

NOTE 14—RELATED PARTIES

14.1) Remuneration of the Group's Directors and senior management

The aggregate remuneration accrued to the Senior Management of the Parent Company in wages and salaries totaled an amount of €323 thousand in the first half of 2017 (€288 thousand in the first half of 2016). The Parent Company's senior management does not receive any other remuneration other than the wages and salaries mentioned above.

The Directors of the Parent Company, (other than those referred to in the preceding paragraph, for the case in which the Group's Senior Management are part of the Board of Directors), have received attendance fees, allowances and remuneration amounting to €62 thousand during the first half of 2017 (€45 thousand in the first half of 2016).

Additionally, the Group established a Long Term Bonus Agreement with Directors and certain managers subject to several milestones only verifiable in the case and moment of divestment of shareholders of the Parent Company. On June 16, 2017 the shareholders of the Group has signed an agreement to sell the Group to EUROPCAR. This acquisition is subject to customary conditions precedent, including the approval of antitrust authorities which are still pending. In this sense, and considering the achievement of the objectives and milestones of the Long Term Bonus Agreement at June 30, 2017, the Directors of the Parent Company have estimated that the fair value of the bonus to pay to the Directors and certain managers is € 1,131 thousand and € 2,199 thousand, respectively.

As of December 31, 2016, the Directors of the Parent Company have estimated that the fair value of this bonuses is € zero since the probability of this occurrence cannot be estimated nor can it be reliably valued.

Moreover, a director of the Parent Company has granted a loan to the Company amounting to €500 thousand. This loan accrues a variable interest rate and has repayment terms that are conditional on the achievement of certain milestones, only verifiable in the case and moment of divestment by the majority shareholder of the Parent Company. On June 16, 2017 the shareholders of the Group has signed an agreement to sell the Group to EUROPCAR. This acquisition is subject to customary conditions precedent, including the approval of antitrust authorities which are still pending. As a consequence, at June 30, 2017, the Directors of the Parent Company have estimated that the fair value of such contingent consideration is €830 thousand. Based on events outside the control of the Group, that arise subsequently to the end of 2016, the corresponding liability has been booked in the Interim Condensed Consolidated Financial Statement of Financial Position at June 30, 2017 (see Note 10).

The Parent Company has not assumed any commitments with its Directors or the Group's senior management regarding pensions, life insurance, advance payments, loans or any of the sort. The amount of the civil liability insurance policy accrued in the year by the Group amounts to €16 thousand.

14.2) Balances and transactions with other related parties

At June 30, 2017 and 2016, the main balances and transactions of the Group related to transactions with Alcor Sociedad Estratégica, S.L. (one of the shareholders of the Group).

Moreover, the main operations with related parties were:

- Operating expenses resulting from the lease of buildings for an amount of €472 thousand with related companies to Alcor Sociedad Estratégica, S.L. (€449 thousand in first half 2016) and non-significant advisory services expenses by these entities.
- Operating expenses resulting from vehicles repair for non-significant amounts.
- Consulting Contract with a director amounting to €13 thousand during the first half of 2017 (€3 thousand during the first half of 2016).
- Loan amounting to €500 thousand granted by a director.

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NOTE 15—CONTINGENCIES

The main disputes and proceedings currently in progress or that have evolved during the period are as follows:

As a normal part of its activity, the Group receives various administrative and labor claims that are evaluated on a quarterly basis by both the Group's human resources and legal departments together with their external advisors to determine, where appropriate, the equity impact based on an estimate of probability of occurrence on the basis of which the appropriate provisions are recorded.

Furthermore, throughout each quarter the Group enters into commercial agreements with its main clients consisting of discounts, commissions or the like, having recorded in these interim condensed consolidated financial statements the best estimate that such agreements may have on the financial statements.

The following are the most relevant issues:

Spanish National Competition Authorities

In 2012 the Spanish National Competition Authorities (now replaced by the Spanish National Markets and Competition Commission—CNMC) undertook administrative proceedings on two counts. The first case was raised jointly against subsidiary Goldcar Spain, S.L., and its parent company in that period, Alcor Sociedad Estratégica, S.L., as well as AENA and several other vehicle rental sector companies. The second jointly concerned the subsidiary Goldcar Spain, S.L and Alcor Sociedad Estratégica, S.L, in addition to other vehicle rental sector companies and associations.

The first case stemmed from possible anti-competitive conduct, namely the sharing of sensitive business information on self-drive car hire companies that rent AENA commercial premises. The Spanish National Competition Authorities (CNC) issued a ruling on this procedure on January 2, 2014, although it imposed no fine. The Directors and legal independent advisers of the Group believe it is not probable for significant economic responsibilities to derive for the Group.

Regarding the second case, a resolution was issued on July 30, 2013, whereby the Spanish National Competition Authorities imposed a fine of €15,456 thousand. Furthermore, in relation to the appeal filed by the subsidiary company, Goldcar Spain, S.L., a judgment was delivered on March 16, 2016. The judgment partially considers the appeal, annuls the resolution in the particular relating to the determination of the amount of the fine and orders that the proceedings be referred to the Spanish National Competition Authorities so that it dictates another in which to set the amount in accordance with the legal criteria of duly substantiated graduation. Against the judgment, the subsidiary company Goldcar Spain, S.L. has filed a cassation appeal before the Supreme Court, requesting the complete annulment of the resolution. At the date of the preparation of these interim financial statements, the proceedings are pending indication for vote and judgment, and therefore no judgment has been served.

Pursuant to the agreements adopted in the context of the Group's takeover of this subsidiary, the seller provided an indemnity to the Group in the event that it would have to face the claim described above. Considering the first demand bank guarantee provided in this commitment, the subsidiary company Goldcar Spain, S.L. does not consider that there is any liability related to this aspect.

In relation to the situation explained above, real guarantees have been formed over certain vehicles.

Italian Competition and Market Authority

During 2016, the Italian Competition and Market Authority started inspections of several entities in the vehicle rental sector, including the Goldcar Group. On November 20, 2016, the Italian Competition Authority imposed a penalty of €2 million on the Group for alleged infringements related to the consumer code. Subsequent to the close of 2016, in accordance with Italian law and as a preliminary procedure necessary in order to appeal against the sanctioning sentence, the Group has paid the mentioned amount in 2017. The appeal was filed on February 17, 2017 before The Italian Administrative Court of the Region of Lazio. The Directors of the Parent Company consider the likelihood that the appeal will not be successful as remote, based, among other things, on the assessments made by its legal advisors, who consider that there are sufficient arguments, from the point of view of both procedure and substance, to obtain the partial or total annulment of the decision of the Italian Competition Authority. The Directors of the Parent

Company have therefore considered any contingencies that could arise were the appeal filed by the Parent Company not successful to be remote and therefore the Group has registered the amount paid of €2 million as an account receivable.

Cost of the initial business combination

On December 18, 2014 the Parent Company took control of the Goldcar Group through several operations in a single act.

Moreover, in the purchase agreement signed between Car Rentals Topco, S.L. and Alcor Sociedad Estratégica S.L., a contingent future consideration was established. This consideration was subject to the attainment by the Group of certain financial figures (as defined in this agreement) during the years 2014, 2015 and 2016. In this sense, the degree of compliance with these financial figures (as defined in this agreement) was independent each year as long as a series of contingent conditions were additionally met which can only be verified at the moment of divestment of the buyer. On June 16, 2017 the shareholders of the Group have signed an agreement to sell the Group to EUROPCAR. This acquisition is subject to customary conditions precedent, including the approval of antitrust authorities which are still pending. As a consequence, at June 30, 2017, the Directors of the Parent Company have estimated that the fair value of such contingent consideration is €17,763 thousand. Based on events outside the control of the Group, that arise subsequently to the end of 2016, the corresponding liability has been booked in the Interim Condensed Consolidated Financial Statement of Financial Position at June 30, 2017 (see Note 10).

NOTE 16—SUBSEQUENT EVENTS

To management’s knowledge, there are no events subsequent to the closing date of the interim financial statements that could have a material impact on the earnings, assets, business or overall financial position of the Group at June 30, 2017.

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Car Rentals Topco S.L. and Subsidiaries

Consolidated Financial Statements December 31, 2016

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Edificio Oficentro
Avda. Maisonnave, 19
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Independent Auditors' Report in accordance with International Standards on Auditing on the Consolidated Financial Statements

To the Shareholders of
Car Rentals Topco, S.L.

Opinion

We have audited the consolidated financial statements of Car Rentals Topco, S.L. (the Company) and its subsidiaries (the Group), which comprise the consolidated statement of financial position as at December 31, 2016, the consolidated statement of profit or loss and consolidated statement of other comprehensive income, consolidated statement of cash flow and consolidated statement of changes in equity for the year then ended, and notes, comprising significant accounting policies and other explanatory information.

In our opinion, the accompanying consolidated financial statements give, in all material respects, a true and fair view of the consolidated financial position of the Group as at December 31, 2016, and of its consolidated financial performance and its consolidated cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU).

Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISAs). Our responsibilities under those standards are further described in the Auditors' Responsibilities for the Audit of the Consolidated Financial Statements section of our report. We are independent of the Group in accordance with International Ethics Standards Board for Accountants Code of Ethics for Professional Accountants (IESBA Code), and we have fulfilled our other ethical responsibilities in accordance with the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Other Matters

The Directors have prepared the accompanying consolidated financial statements voluntarily and not due to any legal requirement, but in relation to a convertible bonds issuance process which is planned to be carried out by the possible purchaser of the Group in order to finance said purchase. This report is not subject to the legislation in force regulating the audit of accounts in Spain, and we therefore do not express an audit opinion under the terms set out in the aforementioned legislation.

Directors' Responsibilities for the Consolidated Financial Statements

The Directors are responsible for the preparation of consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union (IFRS-EU) and for such internal control as the Directors determine is necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, the Directors are responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern

basis of accounting unless the Directors either intend to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Auditors' Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with ISAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with ISAs, we exercise professional judgment and maintain professional skepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.

- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.

- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.

- Conclude on the appropriateness of the Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- Evaluate the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

KPMG Auditores, S.L.

/s/ Miguel Ángel Paredes Gómez
October 9, 2017

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—Notes to the Consolidated Financial Statements for the year ending December 31, 2016.

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Car Rentals Topco S.L. and Subsidiaries
Consolidated statement of financial position ended December 31, 2016

	Notes	At Dec. 31, 2016	At Dec. 31, 2015
			In € thousands
Assets			
Non-current assets			
Goodwill	4	187,598	187,598
Intangible assets	5	24,695	22,690
Property, plant and equipment	6	98,822	76,494
Financial investments		2,034	1,022
Deferred tax assets	10	1,190	945
Total non-current assets		**314,339**	**288,749**
Current assets			
Inventories		1,182	985
Trade and other receivables	7	12,202	17,138
Current tax assets	10	5,776	4,456
Financial investments	7	82,383	87,221
Prepayments		10,737	12,718
Cash and cash equivalents		184,486	174,022
Total current assets		**296,766**	**296,540**
Total assets		**611,105**	**585,289**
Equity			
Share capital and share premium	8	215,000	215,000
Consolidated reserves	8	20,410	(1,828)
Parent Company reserves		(69)	–
Consolidated profit for the year	11	24,512	22,169
Conversion differences		7	–
Total equity		**259,860**	**235,341**
Non-current liabilities			
Provisions	14-c	961	955
Financial debt	9	301,274	303,332
Derivatives	9	183	277
Deferred tax liabilities	10	–	219
Other non-current liabilities	9	126	123
Total non-current liabilities		**302,544**	**304,906**
Current liabilities			
Provisions		1,001	1,439
Financial debt	9	5,607	4,457
Trade and other payables	14	26,512	23,002
Personnel	11	1,630	1,892
Current tax liabilities and other balances with Public Administrations	10	6,651	4,780
Customer advances		1,892	3,077
Accruals		2,578	2,187
Other current liabilities		2,830	4,208
Total current liabilities		**48,701**	**45,042**
Total equity and liabilities		**611,105**	**585,289**

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Notes 1 to 14 below are part of the Consolidated Statement of Financial Position for the year ending December 31, 2016.

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Car Rentals Topco S.L. and Subsidiaries
Consolidated statement of profit or loss and consolidated statement of comprehensive income for the year ending December 31, 2016

	Notes	At Dec. 31, 2016	At Dec. 31, 2015
		In € thousands	
Consolidated Statement of Profit or Loss			
Revenue	**11**	309,382	288,908
Income from services		255,066	237,399
Income proceeds from the sale of vehicles		54,316	51,509
Other operational income		4,872	3,669
Supplies		(66,254)	(73,489)
Cost of vehicles sales		(54,316)	(51,509)
Other consummables used		(11,938)	(21,980)
Personnel expenses	**11**	(28,087)	(22,961)
Other operating expenses	**11**	(90,861)	(71,557)
Adjusted EBITDA	**3.9**	**129,052**	**124,570**
Fixed asset depreciation and buy back renting costs	**5, 6 and 11**	(71,563)	(65,052)
Impairment and loss on disposal of fixed assets	**5, 6 and 11**	(86)	(407)
Adjusted EBIT	**3.R**	**57,403**	**59,111**
Other non recurring income and expenses	**11**	(3,507)	(2,241)
Profit From Continuing Operations		**53,896**	**56,870**
Financial income	**11**	350	328
Financial costs	**11**	(25,659)	(26,289)
Exchange gains or losses		(53)	(92)
Financial loss		**(25,362)**	**(26,053)**
Profit before tax		**28,534**	**30,817**
Income tax	**10**	(4,022)	(8,648)
Consolidated Profit for the period		**24,512**	**22,169**

	Notes	At Dec. 31, 2016	At Dec. 31, 2015
		In € thousands	
Consolidated Statement of Other Comprehensive income			
Translation differences of financial statements of foreign operations		7	–
Other comprehensive income, net of taxes		**7**	**–**
Total comprehensive income for the year		**24,519**	**22,169**
Profit/Loss attributable to minority interests		*–*	*–*
Profit/Loss attributable to the Parent Company		*24,512*	*22,169*
Profit/Loss attributable to minority interests		*–*	*–*
Profit/Loss attributable to the Parent Company		*24,519*	*22,169*

Notes 1 to 14 below are part of the Consolidated Statement of Profit or Loss and Consolidated Statement of Other Comprehensive Income for the year ending on December 31, 2016.

Ne pas distribuer, directement ou indirectement aux Etats-Unis, au Canada, au Japon ou en Australie

Car Rentals Topco S.L. and Subsidiaries
Consolidated statement of cash flow for the year ending December 31, 2016

	Notes	At Dec. 31, 2016	At Dec. 31, 2015
		In € thousands	
Consolidated Statement of Cash Flow			
Operating activities			
Consolidated profit before income tax		28,534	30,817
Financial cost	**9**	25,659	26,289
Financial income		(350)	(328)
Fixed asset depreciation and buy back renting costs	**5, 6 and 11**	71,563	65,052
Impairment and profit/(loss) on disposal of fixed assets	**5, 6 and 11**	86	407
Others		278	671
Cash flow		**125,770**	**122,908**
Change in working capital			
Change in trade receivables		648	303
Change in trade payables		6,551	(1,689)
Change in other net assets		3,731	(731)
Cash flows from operations		**136,700**	**120,791**
Others cash flows			
Interest			
Interest paid	**9**	(22,167)	(22,264)
Interest recovered		350	328
Income tax received (paid)	**10**	**(8,383)**	**(9,306)**
Net cash flows from operating activities		**106,500**	**89,549**
Investing activities			
Proceeds from disposal of intangible assets, property and equipment, and buy back vehicles	**5, 6 and 7**	298,697	300,312
Payment for investment in intangible assets, property and equipment, and buy back vehicles	**5, 6 and 7**	(389,949)	(336,411)
Other investments		(1,023)	(309)
Net cash flows used in investing activities		**(92,275)**	**(36,408)**
Financing activities			
Payments made for redemption of long-term bank loans	**9**	(3,750)	(5,966)
Others changes		(11)	(60)
Net cash flows from/used in financing activities		**(3,761)**	**(6,026)**
Net cash flows for the year		**10,464**	**47,115**
Cash and cash equivalents at January 1		**174,022**	**126,907**
Cash and cash equivalents at December 31		**184,486**	**174,022**

Notes 1 to 14 below are part of the Consolidated Statement of Cash Flow for the year ending on December 31, 2016.

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Car Rentals Topco S.L. and Subsidiaries
Consolidated statement of changes in Equity for the year ending December 31, 2016

In € thousands	Notes	Share Capital	Share Premium	Consolidated reserves and Parent Company reserves	Consolidated Profit for the Year	Conversion differences	Total
Balance at January 1, 2016		**21,500**	**193,500**	**(1,828)**	**22,169**	**–**	**235,341**
Total comprehensive income for the year 2016........	**11**	–	–	–	24,512	7	24,519
Other changes in equity							
Distribution of profit for the year		–	–	22,169	(22,169)	–	–
Balance at December 31, 2016		**21,500**	**193,500**	**20,341**	**24,512**	**7**	**259,860**

Notes 1 to 14 below are part of the Consolidated Statement of Changes in Equity for the year ending December 31, 2016.

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Car Rentals Topco S.L. and Subsidiaries
Consolidated statement of changes in Equity for the year ending December 31, 2015

In € thousands	Notes	Share Capital	Share Premium	Consolidated reserves and Parent Company reserves	Consolidated Profit for the Year	Conversion differences	Total
Balance at January 1, 2015		**21,500**	**193,500**	**–**	**(1,828)**	**–**	**213,172**
Total comprehensive income for the year 2015........	**11**	–	–	–	22,169	–	22,169
Other changes in equity							
Distribution of profit for the year		–	–	(1,828)	1,828	–	–
Balance at December 31, 2015		**21,500**	**193,500**	**(1,828)**	**22,169**	**–**	**235,341**

Notes 1 to 14 below are part of the Consolidated Statement of Changes in Equity for the year ending December 31, 2016.

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Car Rentals Topco S.L. and its Subsidiaries
Notes to the consolidated financial statements for the year ending December 31, 2016

1. General information and Group Companies

Car Rentals Topco S.L.U. (hereinafter the Parent Company) was incorporated in Spain, in compliance with Spanish Corporate Law, on September 4, 2014 under the name of Nuevo Impulso Comercial 21, S.L. for an indefinite period of time. The Parent Company is registered in the Mercantile Registry of Barcelona under the Fiscal I.D. B- 54806971 and the legal address of the Parent Company is in to Selva, 4, Prat del Llobregat in Barcelona (Spain).

In accordance with its Articles of Association, the purpose of the Parent Company is:

1. The acquisition, holding, administration, swap and disposal of all types of securities including public, private, national and foreign securities. Particularly, its main activity is the acquisition, by subscription swap or any other way, of partnership shares and financial assets, as well as taking part in the establishment, development and control of any company or entity.

2. The acquisition, holding, disposal, selling, renting, third-party transfers and exploitation of any class of motor vehicles with or without a driver.

3. The repair, maintenance and technical assistance of all kinds of motor vehicles.

4. Taking part in companies whose purpose wholly or partly extends to the aforementioned areas of activity, in order to develop the Parent Company's own purpose by means of subscribing their shares, founding or increasing their share capital or acquiring them under any legal title.

The main activity of the Parent Company in 2016 consisted of holding 100% of the shares of the company Car Rentals Parentco S.A.U. as well as any activity related to being a parent company of a group. Consequently, the Parent Company is the parent of a group of companies which, along with itself, comprise the Goldcar Group (hereinafter the Group).

The main activity performed by the Group in 2016 has been the provision of services related to the rental of vehicles which is included in the purpose of the Group.

Subsidiaries

The companies in which the Parent Company takes part in are considered subsidiaries. The only direct participation the Parent Company holds is over Car Rentals Parentco S.A.U. which has a book value of €215,003 thousand. The rest of the shareholdings are indirect through Car Rentals Parentco, S.A.U.

The most significant information related to the subsidiaries at December 31, 2016 is detailed below:

Company	Main activity	Registered office	Ownership
Car Rentals Parentco S.A.U.	Share Holding	Spain	100%
Car Rentals Subsidiary S.A.U.(*)	Share Holding	Spain	100%
Goldcar Spain S.L.	Car Rental	Spain	100%
Car Rentals Italy S.r.L.	Share Holding	Italy	100%
Goldcar Italy S.r.L.	Car Rental	Italy	100%
Goldcar Fleetco Italy S.R.L.	Acquisition and Car Rental to Group	Spain	100%
Goldhire Portugal Lda.	Car Rental	Portugal	100%
Goldhire Fleetco Portugal Lda.	Acquisition and Car Rental to Group	Portugal	100%

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Company	Main activity	Registered office	Ownership
Goldcar Fleets Spain S.L.U.	Acquisition and Car Rental to Group	Spain	100%
Goldcar Fleetco S.A.	Car Rental	Spain	100%
Goldcar Master S.L.	Car Rental	Spain	100%
Goldcar France S.à.r.l.	Car Rental	France	100%
Goldcar Fleetco Fance S.A.R.L.	Acquisition and Car Rental to Group	France	100%
Goldcar Hellas S.à.r.l.	Car Rental	Greece	100%
Goldcar Rental, d.o.o.	Car Rental	Croatia	100%
Pulsar Rentar a Car S.L.U.	Car Rental	Spain	100%

(*) In addition to being a share holding company, Car Rentals Subsidiary S.A.U. has also signed the financing agreements described in Note 9.

During the first quarter of 2017, the Group has two additional companies to start the activity in Turkey and Ireland, although at the date of preparation of these financial statements the impact is not significant.

2. Basis of presentation of the consolidated financial statements and consolidation principles

2.1) Regulatory financial reporting framework applicable to the Group

These consolidated financial statements for the year ended on December 31, 2016 were formally prepared from the accounting registers of Car Rentals Topco S.L. and the consolidated entities:

- By the Directors of the Parent Company, on October 6, 2017.
- In relation to a convertible bonds issuance process which is planned to be carried out by the possible purchaser of the Group in order to finance said purchase.
- In accordance with the International Financial Reporting Standards adopted by the European Union (hereinafter, IFRS-EU), in conformity with Regulation (EC) no. 1606/2002 of the European Parliament and of the Council, that were in force at December 31, 2016.

  The principal accounting policies and measurement bases applied in preparing the Group's consolidated financial statements for the year 2016 are summarized in Note 3.

- Taking into account all the mandatory IFRS-EU accounting principles and valuation criteria that have a significant effect on the consolidated financial statements.
- So that they fairly present the Group's consolidated equity and financial position at December 31, 2016 and the results of its operations, the changes in consolidated equity and the consolidated cash flows in the year then ended.

  However, since the accounting policies and measurement bases used in preparing the Group's consolidated financial statements for the year ended on December 31, 2016 may differ from those used by certain Group companies, the required adjustments and reclassifications were made on consolidation to unify the policies and methods used and to make them compliant with IFRS-EU.

- Based on the historical cost basis except for certain items, such as financial instruments that are valued based on their fair value, as detailed in the significant accounting policies adopted by the Group (see Note 3).

  Fair value is the price that would be received to sell an asset or paid to transfer a liability in an orderly transaction between market participants at the measurement date, regardless of whether that price is directly observable or estimated using another valuation technique. In estimating the fair value of an asset or a liability, the Group takes into account the characteristics of the asset or liability if market participants would take those characteristics into account when pricing the asset or liability at the measurement date. Fair value for measurement and/or disclosure

purposes in these consolidated financial statements is determined on such basis, except for share-based payment transactions that are within the scope of IFRS 2, leasing transactions that are within the scope of International Accounting Standards (“**IAS**”) 17, and measurements that have some similarities to fair value but are not fair value, such as net realizable value in IAS 2 or value in use in IAS 36.

Additionally, fair value measurements are categorised into Level 1, 2 or 3 based on the degree to which the inputs to the fair value measurements are observable, according to the following description:

- Level 1: Inputs are quoted prices (unadjusted) in active markets for identical assets or liabilities.
- Level 2: Inputs are inputs, other than quoted prices included within Level 1, that are observable for the asset or liability, either directly (prices) or indirectly (inputs derived from prices); and
- Level 3: Inputs are unobservable inputs referenced to valuation techniques (that are not included in quoted prices described in Level 1).

- On the basis of the accounting records kept by the Parent Company and by the other Group companies.

Pursuant to IAS 1 (revised in 2011) “Presentation of Financial Statements,” these consolidated financial statements include the following statements for the year ended December 31, 2016:

- Consolidated statement of financial position.
- Consolidated statement of profit or loss and consolidated statement of other comprehensive income.
- Consolidated statement of changes in equity.
- Consolidated statement of cash flows.
- Notes to the consolidated financial statements.

2.2) Responsibility for the information and use of estimates

The information contained in these consolidated financial statements is responsibility of the Parent Company’s Directors.

In the application of the Group’s accounting policies, which are described in Note 3, the Directors of the Parent Company are required to make judgements, estimates and assumptions about the carrying amounts of several assets, liabilities, income and expenses. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates. Estimates and judgements that most significantly affect the amounts recognised in the financial statements relate basically to the following:

- The fair value in business combinations. As described in Note 3, a business combination took place in 2014 entailing an estimation of the fair value of the assets and liabilities assumed in said operation. However, in the opinion of the Directors the amortized cost of substantially all the assets and liabilities assumed by the Group reflected their fair value at the date of acquisition and, therefore, it was not necessary to carry out complex valuation techniques nor subjective hypothesis.
- The calculation of impairment of goodwill on consolidation. The calculation of the recoverable amount of a cash-generating unit to which goodwill has been allocated requires the use of estimates. The recoverable amount is the higher of fair value less costs of disposal and value in use. The Group generally uses cash flow discounting methods to calculate these values. This requires the directors to estimate the future cash flows expected to arise from the cash-generating unit and a suitable discount rate in order to calculate present value. Where the actual future cash flows are less than expected, a material impairment loss may arise.The carrying amount of goodwill at December 31, 2016 and 2015 is €187,598 thousand. Details of the impairment test are set out in Notes 3(a) and 3(d).

- The useful lives of intangible assets and property, plant and equipment. As it is explained in Notes 3(b) and 3(c), the Group reviews its estimates of the amortization rates at the end of each year.
- Assessing whether provisions related to claims in progress should be registered (see Note 14-c). If it is probable for an obligation entailing an outflow of resources to exist at the end of the year, the Group recognizes a provision provided that its amount can be estimated reliably.
- Assumptions used in the calculation of the fair value of financial instruments, in particular financial derivatives.

Following the regular review process conducted by the Directors of the Parent Company, although these estimates were made based on the best information available at December 31, 2016, events that take place in the future might make it necessary to change these estimates (upwards or downwards) in coming years. The change in estimates would be carried out prospectively , in accordance with IAS 8 "Accounting Policies, Changes in Accounting Estimates and Errors," recognising the effect of changes in estimates in the Consolidated Statement of Profit or Loss or in the Consolidated Statement of Changes in Equity, as appropriate.

2.3) New and revised IFRS-EU

a) Standards and interpretations effective in the current year

These are the new standards, amendments and interpretations that are mandatorily effective in the years subsequent to the calendar year that began on January 1, 2016:

Standards, amendments and interpretations approved for use in the European Union		**Mandatory Application in the Years Beginning On or After**
Amendments to IAS 1.	These amendments include various clarifications relating to disclosures.	January 1, 2016
Amendments to IAS 16 and 38"	It clarifies the acceptable methods of amortising property, plant and equipment and intangible assets.	January 1, 2016
Amendments to IAS 11: "Accounting for acquisitions of interests in joint operations"	Provides guidance on how to account for the acquisition of an interest in a joint operation in which the activities constitute a business.	January 1, 2016
Improvements to IFRS 2012-2014	Minor amendments to a set of rules.	January 1, 2016
Amendment to IAS 27: "Equity method in separate financial statements"	The equity method will be allowed in the separate financial statements of an investor.	January 1, 2016
Amendments to IAS 16 and IAS 41: "Bearer plants"	Bearer plants will be measured at cost, rather than fair value.	January 1, 2016
Amendments to IFRS 10 and IAS 28: "Disposal or transfer of assets between an investor and its associate / joint venture"	These amendments explain how to treat the result of these operations in the case of businesses related to assets.	January 1, 2016
IFRS 9 "Financial Instruments": classification, measurement and subsequent amendments to IFRS 9 and IFRS 7.	This standard replaces the requirements for classifying, derecognising and valuating financial assets and liabilities and hedge accounting (IAS 39).	January 1, 2018
IFRS 15 "Revenue from contracts with customers"	This standard regulates revenue recognition replacing IAS 11, IAS 18, IFRIC 13, IFRIC 15, IFRIC 18 and SIC-31.	January 1, 2018

IFRS 9 “Financial Instruments” will replace IAS 39. The new standard changes the model for the classification and measurement of financial assets. It also introduces a new impairment model based on expected losses, rather than incurred losses, and measures to closely align hedge accounting with risk management activities.

IFRS 15 “Revenue from Contracts with Customers” is the new comprehensive standard for revenue arising from contracts with customers and it supersedes the following revenue Standards and Interpretations upon its effective date:

- IAS 18 Revenue;
- IAS 11 Construction Contracts;
- IFRIC 13 Customer Loyalty Programmes;
- IFRIC 15 Agreements for the Construction of Real Estate;
- IFRIC 18 Transfers of Assets from Customers; and
- SIC 31 Revenue-Barter Transactions Involving Advertising Services.

The new revenue standard applies to all contracts with customers except those that are within the scope of other IFRSs, such as leases, insurance contracts and financial instruments. The central recognition model is structured around the following five steps:

1. Identifying the contract with a customer.
2. Identifying the performance obligations in the contract.
3. Determining the transaction period.
4. Allocating the transaction price to the performance obligations in the contract.
5. Recognising revenue when (or as) the entity satisfies a performance obligation.

b) Standards and interpretations that will take effect after January 1, 2017

Standards, amendments and interpretations not approved for use in the European Union		**Mandatory Application Years Beginning from**
Clarifications to IFRS 15	Identification of performance obligations, principal versus agent, the concession of licenses and their accrual at a point in time or over time, as well as certain clarifications to transition rules.	January 1, 2018
Amendment to IFRS 2 Classification and valuation of share-based payments	These are limited amendments that clarify specific issues such as the effects of accrual conditions on share-based payments to be settled in cash, share-based payment classification when having net settlement clauses and certain aspects of changes in the type of share-based payment.	January 1, 2018
Amendment to IFRS 4 Insurance contracts	It allows entities within the scope of IFRS 4 the option of applying IFRS 9 (“overlay approach”) or its temporary exemption.	January 1, 2018
Amendment to IAS 40 Reclassification of investment property	The amendment clarifies that a reclassification of an investment from or to investment property is only permitted when there is evidence of a change in its use.	January 1, 2018

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Standards, amendments and interpretations not approved for use in the European Union		**Mandatory Application Years Beginning from**
Improvements to IFRS Cycle 2014-2016	Minor amendments to a set of standards (different effective dates).	January 1, 2018
IFRIC 22 Transactions and Advances in Foreign Currency	This interpretation establishes the “transaction date” for the purpose of determining the exchange rate applicable in transactions with foreign currency advances.	January 1, 2018
Modification to IFRS 10 and IAS 28 Sale or contribution of assets between an investor and their associate / joint venture	Clarification regarding the result of these transactions whether it is business or assets.	No defined date

IFRS 16—Leases (IFRS 16) was issued by the IASB in January 2016. In accordance with the provisions of this standard, it will be applicable for years beginning on or after January 1, 2019. The standard permits its early application to entities that apply IFRS 15 at the initial date of application of IFRS 16 or prior to that date. To date, this standard has not yet been adopted by the European Union.

IFRS 16 addresses the accounting treatment, both from the point of view of the lessee and the lessor, of those contracts that are lease contracts or that contain a lease, as defined by the standard. In this regard, it is worth noting the greater detail, compared to the current standard, with which the standard addresses the process of determining whether a contract is or contains a lease.

The effects of the adoption of IFRS 16 for contracts in which one acts as lessor or lessee may be summarised as follows:

- From the point of view of the lessee, the application of IFRS 16 will mean that most leases are recognised in the statement of financial position, eliminating the distinction between operating and financial leases. The appearance in the statement of financial position will generally result in the recognition of an asset (the right to use the leased element) and a financial liability for the payment of rents. The standard includes an optional exemption for short-term and low-value leases. The income statement will also be affected because total expenditure will normally be higher in the first years of the lease and lower in the latter years. Furthermore, the current operating expense will be replaced by interest and depreciation (except in those cases where payments are variable). On the other hand, operating cash flows will be higher, to the extent that cash payments for the principal portion of the lease liability will be classified within financing activities.

- From the point of view of the lessor, the accounting registration of a contract that is or that contains a lease will not change significantly.

Regarding the interrelationship between the two standards, IFRS 15 excludes leasing contracts from the scope of this standard. Consequently, the determination of whether a contract entered into after the adoption of IFRS 16 is or contains a lease will determine which of the two standards, IFRS 15 (applicable to contracts for the delivery of goods or provision of services) or IFRS 16 (applicable to leases), will be applied to the corresponding income. Furthermore, IFRS 16 indicates that, in those contracts that are or that contain a lease, IFRS 15 should be applied to assign value to each differentiated component, an especially relevant circumstance in those cases where the contract contains service components and leasing components. Finally, as already indicated, early adoption of IFRS 16 requires that IFRS 15 has also been adopted.

Given the relevance and interrelationship between the two standards, the Parent Company has initiated a simultaneous process to analyse how they both impact on the main transactions carried out to date and the possible types of transactions that are expected to be entered into in the coming years.

The mentioned process has been structured in the following parts:

a) Determination of what types of transactions are subject to both standards. Initiated during the year 2016, this work aims to determine:

   i. For each segment of activity, determine whether the contracts with their customers are or contain leases, as well as what components exist;

   ii. For each segment of activity, what types of contracts signed with their suppliers are or contain leases and, if applicable, what components should be differentiated.

b) Determination what would be the accounting registration indicated by IFRS 15 and IFRS 16 for each contract and for each type of contract analysed.

c) Given the high volume of contracts for which it would be a lessee, definition of methodologies to standardise the application of judgments and calculation of key data for the accounting registration (such as lease terms or interest rates to be used).

d) Identification of the operational implications at the level of processes and systems.

e) Implementation and evaluation of transition options.

With respect to other detailed rules and amendments, the Parent Company's Directors have evaluated the potential impacts of their future application and consider that their entry into force will not have a significant effect on the consolidated financial statements.

Furthermore, the new standards, amendments or interpretations indicated above have not been adopted in advance.

2.4) Basis of consolidation

Uniformity of items

In order to uniformly present the various items composing the accompanying consolidated financial statements for the year ended December 31, 2016, the same accounting policies have been applied to all of the companies included in the consolidated Group, adjusting when necessary the corresponding financial statements and financial statements of such companies to bring their accounting policies into line with those of the Group. The effect of the adjustments and reclassifications carried out to this purpose is not significant.

In this sense, the Parent Company and its subsidiaries end their year on December 31, 2016.

Subsidiaries

According to the model of consolidation under international accounting standards (mainly IFRS 10, 11 and 12), subsidiaries would be those entities over which the Parent Company is exposed or has rights to variable returns from its involvement with the investee and has the ability to use its power to affect its returns. The Parent Company is exposed or has rights to variable returns from its involvement with the subsidiary when the returns that it obtains may vary depending on the economic performance of said entity.

Relevant information about the companies included in the consolidated Group is provided in Note 1.

Consolidation method

The financial statements and financial statements of the subsidiaries are fully consolidated. Consequently, all of the significant balances and transactions between the consolidated companies have been eliminated upon consolidation.

2.5) Aspects related to comparative information

Within the normal exercise of its activity and as part of its strategy, the Group has established various commercial formulas for fleet disposal, among which is the direct acquisition of vehicles for rental and subsequent sale to third parties, once the estimated period of possession has finalised. This form of fleet is known within the sector as “Risk Fleet“.

During the current year, the Group has adapted the accounting policy related to the Risk Fleet to adapt it to the accounting treatment considered in the interpretation of the recently published regulations.

In particular, and in application of the abovementioned interpretation of the mandatory regulations, once the fleet is sold, the Group reclassifies it to the “Inventories” heading on the date on which the change of use is agreed, and, consequently, the income derived from the disposal is presented as part of revenue.

Furthermore, the Group had recorded certain vehicles subject to repurchase (buy back) agreements in tangible fixed assets based on the transfer of the significant risks and benefits inherent to their ownership (see Note 3 (c)). Based on the interpretation of the recently published regulations mentioned above, also considering its policy of vehicle acquisition and fleet management, as well as the economic substance of the global agreements reached with manufacturers or dealers, the Group has adapted its accounting policy so that vehicles subject to repurchase agreements are classified as a lease agreement and are accounted for in accordance with the criteria set forth in IAS 17, since, in view of the above factors, there is in general an economic incentive to return the vehicle. The Group has reclassified certain buy back contracts from property, plant and equipment to operating leases in compliance with current regulations.

In accordance with current accounting regulations, comparative information for the year 2015 has been restated. However, this change has no impact on the Group’s adjusted EBITDA, the net result or the variables that affect the Group’s mandatory financial ratios.

In particular, the items affected by this change for the year 2015 have been the following:

	In € thousands	
	Debit	**Credit**
Financial investments (Current assets)	52,177	–
Prepayments (Current assets)	8,665	–
Property, plant and equipment (Non-current assets)	–	60,842
Cost of vehicles sales	51,509	–
Income proceeds from the sale of vehicles	–	51,509
Impairment and profit/loss on disposal of fixed assets	4,801	–
Fixed asset amortisation and buy back renting costs	–	4,801

2.6) Functional currency and currency of presentation

These consolidated financial statements corresponding to the year ended on December 31, 2016 are presented in thousands of euros. The functional currency of the Group and of the Parent Company is the euro.

3. Significant accounting policies

The principal accounting policies and principles, as well as valuation criteria used by the Group in preparing these accompanying consolidated financial statements for the year ended on December 31, 2016, in accordance with IFRS-EU, were as follows:

a) Business combinations

The acquisition of the control of a company by the Parent Company is a business combination in which the acquisition method is applied. In subsequent consolidations, the elimination of the investment- equity related to the dependant companies will be generally carried out based on the figures resulting from applying the acquisition method that is described below at the date control is obtained.

Business combinations are accounted for by applying the acquisition method for which the acquisition date and the cost of the combination are determined and calculated. At the acquisition date, the identifiable assets acquired and the liabilities assumed are recognised at their fair value, except that:

- Deferred tax asset or liabilities, and assets or liabilities related to employee benefit arrangements are recognised and measured in accordance with IAS 12 "*Income Taxes*" and IAS 19 respectively;
- Liabilities or equity instruments related to share-based payment arrangements of the acquiree or share-based payment arrangements of Group entered into to replace share-based payment arrangements of the acquiree are measured in accordance with IFRS 2 at the acquisition date; and
- Assets (or disposal groups) that are classified as held for sale in accordance with IFRS 5 "*Non-current Assets Held for Sale and Discontinued Operations*" are measured in accordance with that Standard.

Liabilities assumed include contingent liabilities provided that they represent current obligations arising from past events with a fair value that can be reliably estimated.

Goodwill is measured as the excess of the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree, and the fair value of the acquirer's previously held equity interest in the acquire (if any) over the net of the acquisition-date amounts of the identifiable assets acquired and the liabilities assumed.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquire, the equity interests issued by the Group and any other contingent consideration depending on future events or on the meeting of certain criteria in exchange for control of the acquire.

If, after reassessment, the net of the acquisition-date amounts of the identifiable asset acquired and liabilities assumed exceeds the sum of the consideration transferred, the amount of any non-controlling interest in the acquiree and the fair value of the acquirer's previously held interest in the acquiree (if any), the excess is recognized immediately in profit or loss as a bargain purchase gain.

The fees paid to the legal advisers and other professionals that have intervened in the business combination, as well as all of the internally generated expenses regarding these concepts are not part of the cost of said combination and, therefore, they are charged as an expense on an accrual basis.

The consideration transferred in a business combination is measured at fair value, which is calculated as the sum of the acquisition-date fair values of the assets transferred by the Group, liabilities incurred by the Group to the former owners of the acquiree, the equity interests issued by the Group and any other contingent consideration depending on future events or on the meeting of certain criteria in exchange for control of the acquiree.

When the consideration transferred by the Group in a business combination includes assets or liabilities resulting from a contingent consideration arrangement, the contingent consideration is measured at its acquisition-date fair value and included as part of the consideration transferred in a business combination. Changes in the fair value of the contingent consideration that qualify as measurement period adjustments are adjusted retrospectively, with corresponding adjustments against goodwill. Measurement period adjustments are adjustments that arise from

additional information obtained during the “measurement period” (which cannot exceed one year from the acquisition date) about facts and circumstances that existed at the acquisition date.

The subsequent accounting for changes in the fair value of the contingent consideration that do not qualify as measurement period adjustments depends on how the contingent consideration is classified. Contingent consideration that is classified as equity is not remeasured at subsequent reporting dates and its subsequent settlement is accounted for within equity. Contingent consideration that is classified as an asset or a liability is remeasured at subsequent reporting dates in accordance with IAS 39, or IAS 37 “*Provisions, Contingent Liabilities and Contingent Assets*,” as appropriate, with the corresponding gain or loss being recognised in profit or loss.

If at the end of the year in which the business combination has taken place the valuation processes that are needed to apply the aforementioned acquisition method cannot be concluded, the accounting of the business combination would be considered to be provisional. These provisional amounts can be adjusted in the period that is necessary to obtain the required information which in any case cannot exceed one year. The effects of the adjustments made are accounted for retrospectively and they would modify the comparative information if it were necessary.

b) Intangible assets

Goodwill

Goodwill arising on business combinations is recognised under the heading “Goodwill” of the consolidated statement of financial position. It represents the excess of the cost of an acquisition over the fair value of the Group’s share of the net identifiable assets of the subsidiary at the date in which the business combination takes places.

For the purpose of impairment testing, goodwill is allocated to each of the Group’s cash-generating units (or groups of cash-generating units) that is expected to benefit from the synergies of the combination. A cash-generating unit to which goodwill has been allocated is tested for impairment annually, or more frequently when there is indication that the unit may be impaired. In this sense, a cash-generating unit is defined as an identifiable group of smaller assets that generates cash flows for the Group that are basically independent from cash flows derived from other assets or groups of them.

If the recoverable amount of the cash-generating unit is less than its carrying amount, the impairment loss is allocated first to reduce the carrying amount of any goodwill allocated to the unit and then to the other assets of the unit on a pro rata basis based on the carrying amount of each asset in the unit to the limit of the higher value between the following: fair value less selling costs, value in use and zero.

Any impairment loss for goodwill is recognised directly in profit or loss. An impairment loss recognized for goodwill is not reversed in subsequent periods.

On disposal of the relevant cash-generating unit, the attributable amount of goodwill is included in the determination of the profit or loss on disposal.

Individually acquired intangible assets

Intangible assets acquired individually are initially recognised at acquisition price or production cost. Afterwards, they are valued at cost less any accumulated amortisation and, if applicable, any impairment losses calculated in accordance with the criterion mentioned in the Note 3-d. Intangible assets with an indefinite useful life are not amortised (goodwill and trademarks) but they are assessed for impairment, at least once a year.

The Group amortises its intangible assets using the straight-line method, distributing the cost of the assets over the estimated useful life years. For the calculation of amortisation charges, the Group has considered the following amortisation rates:

	Amortization Rate
Intangible assets	16.66%

The Group reviews and adjusts prospectively when the residual value, useful life and method of amortisation of intangible assets are necessary at the close of each year. Changes in the criteria initially established are recognised as a change in estimation.

Patents, trademarks and similar intangible assets

Patents, trademarks and similar intangible assets reflect the costs incurred on the acquisition of ownership or rights to use or on their registration. The assets registered under this heading present an indefinite useful life and thus they are not amortised annually.

Computer software

Computer software accounts reflect the costs incurred on the acquisition of computer software. The maintenance costs related to computer applications are charged as expenses in the period in which they occur. The amortisation of the computer software is carried out annually on a straight-line basis over a six-year period.

Internally-developed intangible fixed assets

These assets included in intangible assets are recorded at cost of production, following the same principles as those established in the determination of the production cost of inventories. Intangible assets are included in the consolidated statement of financial position at cost of less accumulated depreciation and impairment losses.

The expenses incurred in the internal development of software applications and other intangible assets are capitalized to the extent that they are specific and individualized projects that meet the following conditions:

- The disbursement attributable to the performance of the project can be reliably measured.
- The assignment, allocation and distribution over time of project costs are clearly established.
- There are well-founded reasons for technical success in the performance of the project, both for the case of direct exploitation, and for the sale to a third party of the result of the project once completed, if there is a market.
- The economic-commercial profitability of the project is reasonably assured.
- The financing to complete the project, the availability of adequate technical or other resources to complete the project and to use or sell the intangible asset are reasonably assured.
- There is an intention to complete the intangible asset, in order to use or sell it.

The expenses charged to income in prior years cannot be subsequently capitalized when the conditions are met.

c) Property, plant and equipment

Property, plant and equipment is measured at cost of acquisition or production, using the same criteria as for determining the cost of production of inventories. Property, plant and equipment are carried at cost less any accumulated depreciation and impairment, if any, as mentioned in Note 3(d).

Replacements or renewals of complete items that lead to a lengthening of the useful life of the assets or to an increase in their economic capacity are recognised as additions to property, plant and equipment, and the items replaced or renewed are derecognised. Periodic maintenance, upkeep and repair expenses are recognised in the consolidated statement of profit or loss on an accrual basis as incurred.

The Group amortises its property, plant and equipment by distributing the cost of the asset on a straight-line basis over its useful life. In order to calculate the corresponding amortisation, the Group has considered the following rates of amortisation:

	Amortization Rate
Buildings	3%
Technical installations and machinery	8% – 12.5%
Other installations, equipment and furniture	10% – 25%
Information technology equipment	25%
Motor vehicles	15% – 25%
Other property, plant and equipment	10% – 25%

The Group reviews the residual value, useful life and method of amortisation of property, plant and equipment at the close of each year. Changes in the criteria initially established are recognised as a change in estimation.

The Directors of the Parent Company consider that the carrying amount of the assets does not exceed their recoverable amount, which is calculated on the basis described in Note 3(d).

An item of property, plant and equipment is derecognized upon disposal or when no future economic benefits are expected to arise from the continued use of the asset. Any gain or loss arising on the disposal or retirement of an item of property, plant and equipment is determined as the difference between the sale price less any selling costs and the value in books of the asset and it is recognised in the consolidated statement of profit or loss.

Nevertheless, in the normal course of its business, the Group directly acquires vehicles for rental and subsequent sale to third parties once their estimated period of possession has finalised. When the mentioned vehicles are sold, they are reclassified to “Inventories” on the date on which the change of use is agreed upon and, consequently, the income derived from the disposal is recorded.

Vehicles under repurchase agreements

Vehicles under repurchase agreements are those for which the companies comprising the Group and the manufacturers or vehicle dealerships have entered into agreements whereby, at the end of the holding period, these assets will or can be bought back by the manufacturers or dealerships.

For acquisitions of vehicles subject to these repurchase agreements, the Group companies assess whether ownership, in accounting terms, has been transferred under the agreements. If this is the case, the accounting principles described for the remaining items of property, plant and equipment are applied.

Where ownership, in accounting terms, of the vehicles is not transferred, these assets are recognised as operating leases, as described below.

At the outset of the agreement, the difference between the initial payment and the fair value of the estimated repurchase price agreed by the parties is recognised as a prepayment of expenses to be incurred on the operating lease for the use of these vehicles and is classified under prepayments for current assets. This prepayment is recognised as a lease expense in the consolidated statement of profit or loss under “Fixed asset amortisation and buy back renting expenses” on a straight-line basis over the holding period of these vehicles.

At the outset of the agreement, the fair value of the repurchase price is recognised separately under “financial investments” and the accounting principles described in letter f) of this Note.

d) Impairment of property, plant and equipment and intangible assets

At the end of each reporting period or when there is any indication of an impairment loss, the Group tests the intangible assets and property, plant and equipment for impairment to determine whether the recoverable amount of the assets has been reduced to below their carrying amount. At December 31, 2016, based on the assessment made on external and internal factors, the Directors of the Parent Company consider that there are not relevant indications of impairment. In any case, the Group has proceeded to estimate the possible loss of value of tangible assets as part of the annual evaluation of goodwill allocated to groups of cash generating units.

The procedure applied by Group management to perform the impairment test consists of ascertaining the recoverable amounts calculated for each cash-generating unit. However, whenever possible, in the case of property, plant and equipment, impairment is calculated on a case-by-case basis. Where the asset itself does not generate cash flows that are independent from other assets, the Group estimates the recoverable amount of the cash-generating unit to which the asset belongs. The Group identifies as groups of cash-generating units the assets assigned to each of the companies comprising the Group.

The recoverable amount is calculated as the higher value between fair value less disposal costs and value in use. In assessing value in use at December 31, 2016, the estimated future cash flows are discounted to their present value using a post-tax discount rate that reflects current market assessments of the time value of money and the risks that are specific to the asset for which the estimates of future cash flows have not been adjusted.

If there is a need to recognize an impairment loss for a group of cash-generating units to which goodwill has been partially or fully assigned, the impairment is first applied to the book value of the goodwill relating to that unit. If the impairment loss exceeds the book value of the goodwill, after impairing goodwill to zero, the remaining impairment is applied proportionally to remaining assets of the group of cash generating units, to the limit of the higher of the fair value less selling costs, value in use or zero.

When an impairment loss subsequently reverses, the carrying amount of the asset or cash-generating unit, except for goodwill is increased up to the revised estimate of its recoverable amount. However, the new carrying amount can not exceed the carrying amount that would have existed had no impairment loss been recognized in prior years. That reversal of an impairment loss is recognised as income.

e) Operating leases

Lessor accounting records

The Group has conveyed the right to use certain assets, mainly motor vehicles, through lease contracts.

Leases which transfer to third parties substantially all the risks and rewards incidental to ownership, in accounting terms, of the assets are classified as finance leases, otherwise they are classified as operating leases. Practically, all of the leases of the Group are classified as operating.

Assets leased to third parties under operating lease contracts are presented according to their nature, applying the accounting policies set out in Note 3(c).

Operating lease income, net of incentives granted, is recognised in income on a straight-line basis over the lease term.

Lessee accounting records

The Group has rights to use certain assets through lease contracts.

Leases in which the Group assumes substantially all the risks and rewards incidental to ownership are classified as finance leases, otherwise they are classified as operating leases.

Lease payments under an operating lease, net of incentives received, are recognised as an expense on a straight-line basis over the lease term under the heading “Other operational expenses” of the consolidated statement of profit or loss, unless another systematic basis of distribution is more representative as it more adequately reflects the time pattern of lease benefits for the user.

Contingent lease payments are recognised as an expense when it is probable that the Group is going to incur in them.

Operating leases are deemed to be arrangements in which the lessor grants the lessee the right to use an asset during a specific period of time in exchange for a sole payment or a series of payments. These leases cannot be considered finance leases as the ownership of the leased asset and substantially all the risks and rewards relating to the leased asset remain with the lessor.

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f) Financial instruments

Financial assets

Financial assets are initially recognised in the consolidated statement of financial position at the fair value of the consideration given plus any directly attributable transaction costs.

The financial assets held by the Group relate to loans and receivables which are financial assets arising from the sale of goods or the rendering of services in the ordinary course of the Group's business, or financial assets which, not having commercial substance, are not equity instruments or derivatives, have fixed or determinable payments and are not traded in an active market. Subsequently they are measured at nominal value which, in the opinion of the Parent Company's Director, does not differ significantly from amortised cost, and the interest income is recognized in consolidated statement of profit or loss on the basis of the nominal interest rate.

At least at each reporting date the Group tests its financial assets not measured at fair value through profit or loss for impairment. Objective evidence of impairment is considered to exist when the recoverable amount of the financial asset is lower than its carrying amount. When such impairment occurs, it is recognized in the consolidated statement of profit or loss.

In particular, the Group registers impairment losses under the heading "Trade and other receivables" when there is a remote probability to recover the amounts registered under said heading.

The Group derecognises a financial asset when it expires or when the rights to the cash flows from the financial asset have been transferred and substantially all the risks and rewards of ownership of the financial asset have been transferred, such as in the firm sale of assets and transfers of commercial credit in "factoring" operations in which the Company has no credit or interest-rate risk, has extended no guarantees or assumed any other type of risk.

Conversely, the Group does not derecognise financial assets, but recognises a financial liability for an amount equal to the consideration received, in the assignments of financial assets in which substantially all the risks and rewards associated with ownership of the assets are retained, such as the discounting of notes and "factoring with recourse."

Financial liabilities

Financial liabilities are initially recognised at fair value and they are classified in accordance with the content and the substance of the contractual arrangements.

The main financial liabilities held by the Group are classified as held-to-maturity financial liabilities. Interest-bearing bank loans are recognized at the proceeds received, net of direct issue costs. Borrowing costs, including premiums payable on settlement or redemption and direct issue costs, are recognized in the consolidated statement of profit or loss on an accrual basis using the effective interest method and are added to the carrying amount of the instrument to the extent that they are not settled in the period in which they arise.

The effective interest rate is the discount rate that exactly matches the carrying amount of a financial instrument to all its estimated cash flows of all kinds through its residual life. For fixed rate financial instruments, the effective interest rate coincides with the contractual interest rate established on the acquisition date plus, where applicable, the fees that, because of their nature, can be equated with a rate of interest. In the case of floating rate financial instruments, the effective interest rate coincides with the rate of return prevailing in all connections until the date on which the reference interest rate is to be revised for the first time and, therefore, the Parent Company's Directors consider that the differences arising from the changes in interest rate that could arise will not be material.

When the maturity of the loans is subject to express annual renewal at the decision of the lender or the associated terms and the conditions to be fulfilled used to calculate the future borrowing costs cannot be estimated reliably, the aforementioned financing is recognized at nominal value.

Payable to suppliers and trade payables are not interest bearing and are stated at their nominal value, which does not vary substantially from their fair value.

The Group writes-off the financial liabilities only when obligations, specified in the contract that generates them, have been met, cancelled or expired.

Financial assets and financial liabilities held for trading

Financial assets or financial liabilities held for trading are those which are classified as held for trading from initial recognition. A financial asset or financial liability is classified as held for trading if it:

- Originates or is acquired or incurred principally for the purpose of selling or repurchasing it in the near term
- Forms part of a portfolio of identified financial instruments that are managed together and for which there is evidence of a recent actual pattern of short-term profit-taking or
- Is a derivative, except for a derivative that is a financial guarantee contract or a designated and effective hedging instrument.

Financial assets and financial liabilities held for trading are initially recognised at fair value. Transaction costs directly attributable to the acquisition or issue are recognised as an expense when incurred.

After initial recognition, they are recognised at fair value through profit or loss. Fair value is not reduced by transaction costs incurred on sale or disposal. Accrual interest and dividends are recognised separately.

The Group does not reclassify financial assets or financial liabilities into or out of this category while recognised in the consolidated statement of financial position, except when there is a change in the classification of hedging financial instruments.

Determining the fair value of financial assets and liabilities

The fair value of the financial assets and liabilities is determined as described below:

- The fair value of the financial assets and liabilities, under standard terms and conditions, which are traded in active and liquid markets, will be based on quoted market prices.
- The fair value of other financial assets and liabilities (excluding those mentioned in the paragraph above) will be determined according to generally accepted valuation models on the basis of discounted cash flows using the observable market transaction prices and the quotations of the contributors for similar instruments.

The Directors of the Parent Company consider that the carrying amount of the financial assets and liabilities included in the amortised cost recognised in the current consolidated financial statements approximates their fair value. Furthermore, substantially all of the financial assets and liabilities at December 31, 2016 and 2015 correspond to instruments valued at amortised cost.

Equity instruments

An equity instrument represents a residual share in the assets of the Group after deducting all of its liabilities. Equity instruments issued by the Parent Company are recognised in equity at the proceeds received, net of direct issue costs.

g) Classification of current and non-current balances

Current assets are assets associated with the normal operating cycle, which in general is considered to be one year; other assets which are expected to mature, be disposed of or be realised within twelve months from the end, financial assets held for trading, with the exception of financial derivatives which settlement exceeds a year and cash. Assets that do not meet these requirements are marked as non-current assets.

Similarly, current liabilities are liabilities associated with the normal operating cycle, and financial liabilities held for trading, with the exception of financial derivatives which settlement exceeds a year, and in general all obligations that will mature or be extinguished at short term. All other liabilities are classified as non-current liabilities.

h) Corporate income tax and deferred tax

The expenses or income due to taxes on profit are related to the part of expenses or income for current taxes and the part corresponding to the expenses or income for deferred tax.

The current tax is the amount that the Company pays as a result of tax payments on the corresponding profits produced in a year. The deductions and other tax advantages in the tax rate, excluding the withholding of tax and payment on account, as well as losses compensated in tax from previous years and effectively applied to the current tax year, result in a lesser amount of current tax.

Expenses or income due to deferred taxes correspond to the recognition and cancellation of assets and liabilities due to deferred taxes. These include the provisional differences that are identified as those amounts payable and redeemable deriving from the differences between the amounts on books in assets and liabilities and their tax value, as well as the negative taxable base pending compensation and the credits for tax deductions not applied in tax. Such amounts are registered applying to the provisional difference or credit that corresponds to the type of lien that should be recuperated or paid.

Liabilities due to deferred taxes are recognized for all the different tax bases, except for those deriving from the initial recognition of goodwill value or of other assets and liabilities in an operation which affects neither the tax results nor the accounting results and is not a combined trading.

On the other hand, the assets due to deferred taxes are only registered when they are considered possible when the Company considers that is possible to generate future taxable profits in order to pay taxes and not resulting from the initial recognition, except in a business combination, of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit. The remaining deferred tax assets (tax losses and deductions pending) are only recognized if it is probable that the consolidated entities will have sufficient future taxable profits against which to utilize them.

Current tax and deferred tax are recognized against the consolidated statement of profit or loss, except when they are associated with transactions that are recognized in equity, in which case the current tax and deferred tax is also recognized in equity. When the current tax and deferred tax arise from the accounting of a business combination, the tax effect is recognized in the accounting of the combination.

At each closing date, the assets due to deferred taxes registered are considered, making the corresponding corrections to these if there is doubt whether such can be redeemed. Furthermore, at each closing date, the assets due to deferred taxes which are not registered in the statement of finance position and are recognized possible as redeemable with future tax benefits.

i) Revenues and expenses

Revenues and expenses are recognized depending on an accrual basis, that is to say, when the actual flow of related assets and service occurs, notwithstanding the time of occurrence of financial or money flow resulting from these. Revenues are valued at their fair values of the consideration received, deducting discounts and taxes.

Sale revenue is recognised when the Company transfers the significant risks and rewards incidental to the ownership of the sold asset, which include not having effective control over the asset and not being able to manage it.

Revenues associated with the rendering of services are recognised in the consolidated statement of profit or loss by reference to the stage of completion at the reporting date when revenues, the stage of completion, the costs incurred and the costs to complete the transaction can be estimated reliably and it is probable that the economic benefits derived from the transaction will flow to the Group.

j) Termination benefits

Under current legislation, the Group companies are required to pay termination benefits to employees, under certain conditions. Termination benefits that can be reasonably quantified are recognised as an expense in the year in which the decision to terminate the employment relationship is taken. The accompanying financial statements at December 31, 2016 do not include any provision in this connection, since no situations of this nature are expected to arise.

k) Provisions and contingencies

The Directors of the Parent Company in the elaboration of these financial statements for the year ended on December 31, 2016 differentiate between:

a) Provisions: credit balances that cover current obligations arising from past events, whose cancellation is likely to lead to the exit of resources, but which are undetermined with regards to the amounts and/ or time of cancellation, and

b) Contingent liabilities: possible obligations emerged as consequences of past events, whose future materialisation is conditioned by the occurrence or non-occurrence of one or more future events not wholly within the Group's control.

The consolidated financial statements of the year ended on December 31, 2016 include all provisions with respect to which one considers the possibility of occurring such an obligation is greater than otherwise. The contingent liabilities are not registered in the financial statements at December 31, 2016, but rather are disclosed, unless the possibility of an outflow in settlement is considered to be remote.

Provisions are valued at their present value of the best possible estimate of the amount required to cancel or transfer the obligation, taking into account the information available on the event and its consequences, and the adjustments are registered as they emerge on updating the said provisions as financial costs according to their accrual periods.

The compensation to be received from a third party at the time of liquidating the obligation, as long as there are no doubts to that such refund will be perceived, is registered as an asset, except for those cases in which there is a legal attachment for which part of the risk is outsourced, and in virtue of which the Company is not obliged to respond; in such case, the compensation will be taken into account in order to estimate the amount for which, if applicable, the corresponding provision appears.

l) Offsetting balances

Balance only offset each other, and are presented in the consolidated statement of financial position on a net basis, when debtor and creditor balances arising from transactions in which, contractually or by operation of a legal regulation, contemplating offset and the intention to settle on a net basis exits or the simultaneous realization of the asset and the settlement of the liability.

m) Activitites with environmental impact

Environmental activity is defined as any action intended to prevent, regulate or repair damage to the environment.

Investments in environmental activities, if any, are valued at acquisition cost and capitalized as cost of assets in the year in which they are incurred.

Environmental protection and improvement expenses are charged to consolidated statement of profit or loss in the year in which they are incurred, regardless of when the resulting monetary or financial flow arises.

Provisions for probable or certain, litigation in progress and indemnities or obligations of an undetermined amount of an environmental nature, not covered by insurance policies, are constituted at the time when the liability or obligation that determines the indemnity or payment rises.

n) Transactions with related parties

The Group performs all the intercompany transactions at market values. Additionally, the transfer pricing is adequately supported so that the Directors of the Parent Company consider that there are no significant risks in this connection that might give rise to significant liabilities in the future.

o) Consolidated Statement of Cash Flow

The meanings of the following expressions in the consolidated statement of cash flow prepared using the indirect method are:

- Cash flows: inflows and outflows of cash and cash equivalents, this includes investments that are short term, highly liquid insignificant risk of changes in value.
- Operating activities: typical activities of the Companies of the Group, as well as other activities that could not be classified as investing or financing activities.
- Investing activities: the acquisition, sale or disposal of long-term assets and other investments not included in cash and cash equivalents. The Group, according to IFRS 7, assess to disclose the cash flows attending to the appropriateness to their nature. Investing cash flows include cash flows relating to the acquisitions and disposals of vehicles under repurchase agreements independently whether ownership, in accounting terms, has been transferred under the agreements (see Note 3(c)).
- Financing activities: activities which produce changes in the size and composition of equity and liabilities that are not part of operating activities.

p) Financial information by segments

An operating segment is a component of the Group that engages in business activities from which it may earn revenues and incur in expenses, whose operating results are regularly reviewed by the Group's chief decision maker to make decisions about resources to be allocated to the segment and assess its performance, and for which discrete financial information is available.

q) Adjusted EBITDA

Management has presented the performance measure Adjusted EBITDA because it monitors this performance measure at a consolidated level and it believes that this measure is relevant to an understanding of the Groups' financial performance. This includes all of the income and expenses of the year except for:

- Income or expense arising from income tax.
- Financial income and expenses.
- Fixed asset amortisation expenses and buy back renting costs.
- Income and expenses that the Directors considered non-recurring due to their nature (see note 11(f)).
- Impairment and profit/loss on disposal of fixed assets.

Adjusted EBITDA is not a defined performance measure in IFRS. The Group's definition of Adjusted EBITDA may not be comparable with similarly titled performance measures and disclosures by other entities.

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r) Adjusted EBIT

Management has presented the performance measure Adjusted EBIT because it monitors this performance measure at a consolidated level and it believes that this measure is relevant to an understanding of the Groups' financial performance. This includes all of the income and expenses of the year except for:

- Income or expense arising from income tax.
- Financial income and expenses.
- Income and expenses that the Directors consider non-recurring due to their nature (see Note 11(f)).

Adjusted EBIT is not a defined performance measure in IFRS. The Group's definition of Adjusted EBIT may not be comparable with similarly titled performance measures and disclosures by other entities.

s) Conversion of business abroad

The conversion into euros of business abroad whose functional currency is not that of a hyper-inflationary country has been carried out by applying the following criterion (IAS 21.39):

- Assets and liabilities, including goodwill and adjustments to net assets arising from the acquisition of the businesses, including comparative balances, are converted at the closing exchange rate at each statement of financial position date;
- Revenues and expenses are converted at the exchange rates prevailing on the date of each transaction; and
- Exchange rate differences resulting from the application of the above criteria are recognised as translation differences in other comprehensive income;

This same criterion is applicable to the conversion of the financial statements of the companies accounted for using the equity method, recognising the translation differences corresponding to the Group's shareholding in other comprehensive income.

In the presentation of the consolidated statement of cash flow, the cash flows of foreign subsidiaries and joint ventures are translated to euros using the exchange rates prevailing at the date they were incurred.

Translation differences recorded in other comprehensive income are recognised in profit or loss as an adjustment to profit or loss on the sale, following the criteria set forth in the sections relating to subsidiaries and associates.

4. Business combinations and Goodwill

Cost of the business combination

At December 18, 2014 the Parent Company took control of the Goldcar Group through several operations in a single transaction. Information on the acquisition process is detailed in the consolidated financial statements for the year 2014.

Moreover, in the purchase agreement signed between Car Rentals Topco, S.L. and Alcor Sociedad Estratégica S.L., a contingent future consideration was established. This consideration is subject to the attainment of a specified minimum corporate EBITDA (as defined in this agreement) during the years 2014, 2015 and 2016. In this sense, the degree of compliance with the corporate EBITDA (as defined in this agreement) is independent each year as long as a series of contingent conditions are additionally met which can only be verified at the moment of divestment of the buyer.

At the acquisition date, and at December 31, 2016 and 2015, the Directors of the Sole shareholder of the Parent Company estimated that the fair value of such contingent consideration will be €0 since its probability of occurrence cannot be estimated, nor valued reliably.

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Goodwill

The balance at year end 2016 under the “Goodwill” heading assigned to each of the cash-generating units is as follows:

Company	In € thousands 2016
Goldcar Spain S.L	115,737
Goldhire Portugal Lda.	44,851
Goldcar Italy S.r.L.	27,009
Goldcar France S.à.r.l.	1
Total	**187,598**

Goodwill had no movements during 2016.

The movement for the year 2015 under the heading “Goodwill,” which has been allocated to each cash-generating unit has been the following:

	In € thousands			
	2015			
Company	Balance at Dec. 31, 2014	Additions	Retirements	Balance at Dec. 31, 2015
Goldcar Spain S.L.	115,737	–	–	115,737
Goldhire Portugal Lda.	44,851	–	–	44,851
Goldcar Italy S.r.L.	26,683	326	–	27,009
Goldcar France S.à.r.l.	1	–	–	1
Goldcar Fleets Spain, S.L.U.	214	–	(214)	–
Total	**187,486**	**326**	**(214)**	**187,598**

The goodwill corresponds to the difference between the fair value of the acquired assets and assumed liabilities and the cost of the business combination at the date of acquisition of each identified cash-generating unit. In this sense, the consideration paid for the business combination includes amounts corresponding to know-how, benefit of the acquired synergies, expected growth of the business and workforce. These benefits are not recognised separately from the goodwill since they do not meet the criteria to be considered identifiable intangible assets.

The Group has defined as cash-generating units the different companies acquired in the business combination. A breakdown of the acquired companies is detailed in the following section.

The goodwill derived from the business combination explained in this note is not tax deductible.

Impairment analysis

Moreover, as indicated in Notes 3(a) and 3(d), the Group has performed the corresponding impairment test according to IAS 36.

The recoverable amount of the assets allocated to the CGUs has been calculated based on its value in use calculated as the present value of the future cash flows discounted at a discount rate considering the risk inherent in these flows.

The calculations of value in use and fair value use cash flow projections over five-years based on the budgets approved by management. Cash flows estimated as of the year in which the CGU achieves a stable rate of growth are extrapolated using the estimated growth rates indicated below.

Company	Perpetual growth rate	Post-tax discount rate
Goldcar Italy S.r.L.	1.5%	8.2%
Goldhire Portugal Lda.	1.5%	9.4%
Goldcar Spain S.L.	1.5%	8.7%

Management determined the budgeted gross margins based on past experience and forecast market performance. Perpetual growth rates are coherent with the forecasts included in industry reports. The discount rate uses post-tax values and reflects specific risks related to the CGU.

Because the recoverable amount is considerably higher than the carrying amount of the net assets, specific information from the impairment test sensitivity analysis is not included.

5. Intangible assets

The movement in the accounts corresponding to intangible assets and their accumulated amortisation during the year 2016 and 2015 is as follows:

	In € thousands				
	2016				
	Balance at Dec. 31, 2015	Additions	Retirements	Transfers	Balance at Dec. 31, 2016
Cost					
Trademarks	18,919	–	–	–	18,919
Other intangible assets	4,130	2,909	172	(569)	6,642
Total cost	**23,049**	**2,909**	**172**	**(569)**	**25,561**
Accumulated depreciation					
Other intangible assets	(359)	(502)	(5)	–	(866)
Total amortisation	**(359)**	**(502)**	**(5)**	**–**	**(866)**
Net value					
Trademarks	18,919	–	–	–	18,919
Other intangible assets	3,771	2,407	167	(569)	5,776
Total net book value	**22,690**	**2,407**	**167**	**(569)**	**24,695**

	In € thousands				
	2015				
	Balance at Dec. 31, 2014	Additions	Retirements	Transfers	Balance at Dec. 31, 2015
Cost					
Trademarks	18,829	–	–	90	18,919
Other intangible assets	1,246	2,981	(7)	(90)	4,130
Total cost	**20,075**	**2,981**	**(7)**	**–**	**23,049**
Accumulated depreciation					
Other intangible assets	(5)	(358)	4		(359)
Total amortisation	**(5)**	**(358)**	**4**		**(359)**
Net value					
Trademarks	18,829	–	–	90	18,919
Other intangible assets	1,241	2,623	(3)	(90)	3,771
Total net book value	**20,070**	**2,623**	**(3)**	**–**	**22,690**

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Trademarks

Under the caption "Trademarks," the Group registers certain commercial trademarks acquired from the company Alcor Sociedad Estratégica, S.L. amounting to €18,829 thousand. Based on an analysis of all the relevant factors, Group Management considers that there is no foreseeable limit to the period over which these trademarks are expected to generate net cash inflows for the Group and, therefore, the trademarks have been classified as intangible assets with indefinite useful lives. Accordingly, they are not amortised although their classification as assets with indefinite useful lives is reviewed at the end of each year and it is consistent with the Group's related business plans.

The intangible assets with indefinite useful lives were assigned jointly with goodwill and their impairment has been analysed jointly with that goodwill (see Note 4).

The Company has analysed the impairment of each intangible asset under development by calculating the recoverable amount thereof based on its fair value.

6. Property, plant and equipment

The movement of the property, plant and equipment accounts and their accumulated depreciation for the years 2016 and 2015 is detailed below:

					In € thousands
					2016
	Balance at Dec. 31, 2015	Additions	Disposals	Transfers	Balance at Dec. 31, 2016
Cost					
Land and buildings	370	–	(234)	–	136
Technical facilities and other property, plant and equipment	77,043	95,299	(38)	(72,115)	100,189
Property, plant and equipment in the course of construction and advances	51	221	–	(19)	253
Total cost	**77,464**	**95,520**	**(272)**	**(72,134)**	**100,578**
Accumulated depreciation					
Land and buildings	–	(6)	–	–	(6)
Technical facilities and other property, plant and equipment	(567)	(19,358)	–	18,840	(1,085)
Total depreciation	**(567)**	**(19,364)**	**–**	**18,840**	**(1,091)**
Impairment					
Technical facilities and other property, plant and equipment	(403)	(302)	40	–	(665)
Accumulated impairment	(403)	(302)	40	–	(665)
Total net book value	**76,494**	**75,854**	**(232)**	**(53,294)**	**98,822**

					In € thousands
					2015
	Balance at Dec. 31, 2014	Additions	Disposals	Transfers	Balance at Dec. 31, 2015
Cost					
Land and buildings	370	–	–	–	370
Technical facilities and other property, plant and equipment	113,348	81,192	–	(117,497)	77,043
Property, plant and equipment in the course of construction and advances	2,521	46	–	(2,516)	51

					In € thousands
					2015
	Balance at Dec. 31, 2014	Additions	Disposals	Transfers	Balance at Dec. 31, 2015
Total cost	**116,239**	**81,238**	**–**	**(120,013)**	**77,464**
Accumulated depreciation					
Technical facilities and other property, plant and equipment	341	(21,917)	–	21,009	(567)
Total depreciation	**341**	**(21,917)**	**–**	**21,009**	**(567)**
Impairment					
Technical facilities and other property, plant and equipment	–	(593)	190	–	(403)
Accumulated impairment		**(593)**	**190**	**–**	**(403)**
Total net book value	**116,580**	**58,728**	**190**	**(99,004)**	**76,494**

The main additions in 2016 and 2015 relate mainly to vehicles.

In the normal course of its business, the Group directly acquires vehicles for rental and subsequent sale to third parties after the end of their estimated period of possession. The transfers correspond mainly to the vehicles that are sold and are therefore reclassified in the “Inventories” heading on the date on which the change of use is agreed.

The impairment losses of Technical facilities and other property, plant and equipment corresponds to valuation adjustments arising as a result of missing or stolen vehicles at year-end, based on the net book value of such vehicles.

At December 31, 2016 fully depreciated property, plant and equipment total €533 thousand (€577 thousand in 2015) and are technical installations and other items of property, plant and equipment.

At December 31, 2016 and 2015, there are no firm commitments to sell and/or purchase assets.

At December 31, 2016, certain transportation elements have been pledged to secure the proceedings described in Note 14(c) which have net book value of €36 thousand (€703 thousand in 2015).

The policy of the Group is to take out insurance policies to cover the potential risks to which its fixed assets are subject. At December 31, 2016, the mentioned policies nearly cover the net book value of said elements.

7. Trade and other receivables and Financial investments

In connection with the Group’s main activity, which is the renting of vehicles, its sales are mainly paid in cash causing the average credit and collection periods to be virtually zero. For this reason, there is no significant impairment in the accounts receivables.

Due to Management accounts receivable management policy and the Group’s type of business, there are no provisions for significant insolvencies in this respect nor has there been any movement of this type of provisions in 2016 or 2015.

Additionally, the Group’s accounts receivables recorded under the heading “Trade and other receivables” of the consolidated statement of financial position mainly comprise amounts due from manufacturers and, to a lesser extent, vehicle dealerships, primarily for vehicle sales derived fundamentally from sales of vehicles subject to repurchase agreements for which the transaction has taken place.

At December 31, 2016, the Group has derecognised an amount of €19,168 thousand (€16,978 thousand in 2015) in respect of factoring without recourse operations with a total fixed limit of €20,000 thousand, and a variable limit for individual operations depending on the balance receivable that gave rise to the corresponding credit (see Note 14(b)).

The heading “Financial investments” mainly comprises the amounts receivable from manufacturers, primarily for vehicle sales with repurchase agreements, and reflect the fair value of the repurchase price (see Note 3(c)) of vehicles that have not yet been bought back.

The Group reflects trade receivables at nominal value, provided that they do not differ significantly from their fair value.

8. Consolidated net equity and equity

a) Equity

Share capital and share premium

The share capital of the Parent Company is represented by 21,500,000 shares of €1 par value each, with a share premium of €193,500 thousand, which have been created through the incorporation of the Parent Company and two share capital increases of 17,197,000 and 4,300,000 shares each, executed through a public deed on December 18, 2014. All of the shares were fully subscribed and paid as of December 31, 2016.

The shares of the companies that comprise the Group are not listed on any official organised market.

At December 31, 2016 and 2015, the shareholders of the Parent Company who are legal persons are International Car Rentals III S.à.r.l. and Alcor Sociedad Estratégica, S.L. owning 80% and 20% of the shares, respectively.

Legal reserve

Under the Consolidated Spanish Companies Law, 10% of net profit for each year must be transferred to the legal reserve until the balance of this reserve reaches at least 20% of the share capital. Such reserve can be used to increase capital provided that the remaining reserve balance does not fall below 10% of the increased share capital amount. Otherwise, until the legal reserve exceeds 20% of share capital, it can only be used to offset losses, provided that sufficient other reserves are not available for that purpose.

At the end of the year 2016, the Parent Company’s legal reserve had not been legally constituted.

Capitalisation reserve

Appropriations shall be made to the capitalisation reserve in accordance with articles 25 and 62 of the Spanish Corporate Income Tax Law, which stipulates that this reserve must be appropriated in the amount of the reduction in the income tax base for the year to which the tax group is entitled. The right to a reduction in the income tax base of the tax group amounts to 10% of the increase in the capital and reserves of the tax group, as defined in this article, and in no case may exceed 10% of the income tax base of the tax group for the tax period prior to the reduction and the integration referred to in section 12 of article 11 of the Law and the offsetting of tax losses. However, in the event that the tax group has insufficient taxable income to apply the reduction, the amounts pending can be applied in the tax periods ending during the two successive years following the close of the tax period in which the right to the reduction was generated, together with the reduction that could apply in that year, subject to the aforementioned limit. The reserve is non-distributable and is subject to the tax group maintaining the increase in capital and reserves during a period of five years from the end of the tax period in which the reduction was generated, except in the event that the Company incurs accounting losses.

Consolidated reserves

Details by company of this heading at December 31, 2016 and 2015 are as follows:

	In € thousands	In € thousands
	2016	**2015**

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	In € thousands	In € thousands
	2016	2015
Car Rentals Parentco S.A.U.	(92)	–
Car Rentals Subsidiary S.A.U.	13,387	(897)
Goldcar Spain S.L.	2,005	(476)
Pulsar Rent a Car S.L.U.	(18)	–
Goldcar Hellas S.à.r.l.	(1,366)	–
Car Rentals Italy S.r.L.	(713)	(226)
Goldcar Italy S.r.L.	(649)	(274)
Goldshire Portugal Lda.	8,691	8
Goldcar Fleets Spain S.L.U.	(249)	29
Goldcar Fleetco S.A.	(7)	–
Goldcar Master S.L.	74	8
Goldcar France S.à.r.l.	(653)	–
Total	**20,410**	**(1,828)**

Basic earnings per share

The basic earnings per share in relation to continuing operations recognised for 2016 and 2015 are presented below, expressed in Euros per share:

	2016	2015
Total profit for the year (in € thousands)	24,512	22,169
Weighted average of shares outstanding (thousands)	21,500	21,500
Basic earnings per share (Euros)	**1.1401**	**1.0311**

Since there is no dilutive effect on the earnings per share, the basic and diluted earnings per share are the same.

9. Financial debt and Derivatives

Long term financial liabilities

The balance of the accounts registered under the heading "Financial debt" and "Derivatives" at the end of the years 2016 and 2015 are the following:

	In € thousands		
	2016		
	Long-Term	Short-Term	Total
Senior Facility	301,274	5,585	306,859
Derivative financial instruments	183	–	183
Other debt with financial institutions	–	22	22
Total	**301,457**	**5,607**	**307,064**

	In € thousands		
	2015		
	Long-Term	Short-Term	Total
Senior Facility	303,332	4,385	307,717
Derivative financial instruments	277	–	277

	In € thousands		
	2015		
	Long-Term	Short-Term	Total
Other debt with financial institutions	–	72	72
Total	**303,609**	**4,457**	**308,066**

Almost all the financial debt has a floating interest rate.

The detail of the due dates of the debt that is registered under the heading “Financial debt” of the non-current liabilities is as follows:

	In € thousands	
	2016	2015
	Senior Facility	Senior Facility
2017	–	4,878
2018	7,087	7,228
2019	31,152	30,992
2020	263,035	260,234
Total	**301,274**	**303,332**

Characteristics of the Group’s financial debt

Within the process of taking control of the Group carried out on December 18, 2014 (see Note 1 for a full description), the company Car Rentals Subsidiary, S.A.U. entered, as the debtor, along with Car Rentals Parentco, S.L.U., as the Parent Company, into a syndicated global financing agreement with several financial institutions. Both companies are Group companies. The financing totals an amount of €450,000 thousand and it was subdivided in two parts:

- Senior Facility: the loan has a total nominal value of €325,000 thousand. The amortised cost at December 31, 2016 of the mentioned loan amounts to €306,859 thousand (€307,717 thousand in 2015) and its aim is to finance the share purchase of the foreign companies comprising the Group (Goldhire Portugal Lda. and Goldcar Italy S.r.L.), the purchase of certain trademarks, to cancel the previously existing debt and to increase the operational flexibility of the Group. The senior facility was issued in two tranches and their most significant traits are the following:

  - “Tranche A” was granted for a total amount of €50,000 thousand. The Group will annually amortise the accumulated drawn amounts through annual repayments until the due date, December 18, 2019.

  - “Tranche B” was issued for a total amount of €275,000 thousand. The Group will amortise this amount through one sole payment to be made at the date of maturity which is June 18, 2020.

  The financing through Tranche A, as well as the financing through Tranche B bear a variable interest rate at Euribor-indexed (adjusted) plus a margin. The margin is computed on the basis of the leverage ratio of the Group which can range from 3.25% up to 3.75% for Tranche A and from 5% up to 5.50% for Tranche B.

- A revolving credit facility with an initial limit of €125,000 thousand to finance the working capital of the Group in order to fuel its growth. This facility matures on December 18, 2019 and accrues interest on floating market rates based on Euribor plus a margin that is conditioned to certain financial figures of the Group measured at the date of disposal. At December 31, 2016 and 2015, no amount has been drawn from this facility. During 2015, there were two extensions of the credit facility limit amounting to €25,000 thousand and €12,000 thousand. Furthermore, in 2016, there was an extension of €13,000 thousand, raising the limit at the close to €175,000 thousand. In addition, at the beginning of 2017, the Group has extended this credit facility by an additional €75,000 thousand.

The effective interest rate of the senior facility for the year 2016 has been 7.33% (7.83% in 2015) and it has resulted in financial expenses amounting to €24,304 thousand in 2016 (€24,573 thousand in 2015), which are registered under the heading “Financial costs” of the consolidated statement of profit or loss (See Note 11(e)).

Moreover and in accordance with said financing agreement, the Group has provided several guarantees to the creditor financial institutions and it is required to comply with several economic and equity ratios in relation to the consolidated financial statements as detailed in Note 14.

Derivative Financial Instruments

At March 18, 2015, the Group, through its subsidiary Car Rentals Subsidiary, S.A.U., entered into derivative financial instruments to hedge its exposure to the interest rates of the syndicated financing described above. These financial instruments have been formalised through the following operations:

- An interest rate SWAP maturing on December 31, 2017 with a notional amount of €50 million in which the Group pays a fixed monthly rate of 0.04% and charges a variable interest rate based on Euribor 1 M. This instrument would hedge tranche A of the syndicated financing.
- Two CAP agreements with a fixed interest rate (strike) of 1.50%. The two agreements have the same conditions maturing both on December 18, 2017 and having each notional amounts of €137.5 million. The benchmark interest rate is Euribor 6 M. This instrument would hedge tranche B of the syndicated financing.

10. Public Administrations and tax position

Reconciliation of accounting profit/loss and tax base

The income tax is calculated on the basis of accounting profit or loss determined by application of generally accepted accounting principles which does not necessarily coincide with the taxable profit or the tax base.

The reconciliation between the accounting result and the taxable income of the estimated corporate income tax corresponding to December 31, 2016 and December 31, 2015, is as follows:

	In € thousands		
	2016		
	Additions	Reductions	Total
Accounting profit before tax	–	–	28,534
Permanent differences	1,203	(2,213)	(1,010)
Temporary differences	–	(172)	(172)
Capitalization Reserve	–	(2,064)	(2,064)
Tax loss carryforwards from previous years	–	(23)	(23)
Tax base	**1,203**	**(4,472)**	**25,265**

	In € thousands		
	2015		
	Additions	Reductions	Total
Accounting profit before tax	–	–	30,817
Permanent differences	3,071	(5,071)	(2,000)
Temporary differences	5,563	(6,230)	(667)
Tax base	**8,634**	**(11,301)**	**28,150**

Reconciliation of the consolidated accounting profit or loss before income tax to taxable income

The reconciliation of the accounting profit before income tax to the tax result corresponding to the tax period in 2016 and 2015 is as follows:

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	In € thousands	
	At Dec. 31, 2016 Profit	At Dec. 31, 2015 Profit
Accounting profit before tax	28,534	30,817
Tax charge	**7,387**	**8,705**
Deductions	(3,077)	(220)
Non-deductible expenses	305	870
Non-taxable income	(514)	(795)
Capitalisation reserve	(516)	(610)
Prior year adjustments	(46)	46
Tax loss carryforwards/ Unrecognised tax credits	483	652
Total tax expense recognised in the consolidated statement of profit or loss	**4,022**	**8,648**

Details of the tax expense/(tax income) in the consolidated statement of profit or loss are as follows:

	In € thousands	
	At Dec. 31, 2016	At Dec. 31, 2015
Current tax		
For the period	7,164	8,670
Prior year adjustments	6	–
Previously unrecognised tax deductions	(2,629)	(256)
Tax loss carryforwards/ Unrecognised tax credits	(63)	–
Subtotal	**4,478**	**8,414**
Deferred tax		
Property, plant and equipment	(169)	188
Tax deductions not recognised in previous years	(455)	–
Prior year adjustments	168	46
Subtotal	**(456)**	**234**
From continuing operations	**4,022**	**8,648**

In 2016, the Company generated a deduction in order to avoid double taxation amounting to €2,732 thousand, of which €2,277 thousand have been applied in the settlement of the current year, with the remaining €455 thousand pending application for future years. The balance of the deduction pending application is expected to be fully utilised in 2017.

Withholdings and payments on account made during 2016 amounted to €5,168 thousand (€9,710 thousand in 2015).

Deferred tax assets and liabilities

Details of the Deferred tax assets at the consolidated statement of financial position at December 31, 2016 and 2015 are as follows:

	In € thousands	
	Dec. 31, 2016	Dec. 31, 2015
Limit on deductibility of amortisation/depreciation	415	466
Tax loss carryforwards	305	349
Deductions	455	–
Others	15	130
Total	**1,190**	**945**

Regarding the limit on the deductibility of amortisation/depreciation (applicable in 2013 and 2014) was partially recovered in 2015 as it related to the depreciation of the fleet of vehicles expected to be withdrawn from service between 2015 and 2017.

In relation to the negative tax bases and given that they were generated independently by a Spanish company under the individual income tax regime, the recoverability of the negative tax bases will depend on the tax bases generated by that company for the periods beginning after January 1, 2015.

Furthermore, the detail of the heading “Deferred tax liabilities” registered in the consolidated statement of financial position at December 31, 2016 and 2015 is the following:

	In € thousands	
	Dec. 31, 2016	**Dec. 31, 2015**
Other	–	219
Total	**–**	**219**

At end of the year 2016, there are no pending deductions nor temporary differences related to investments in depending companies and related parties or to interests in joint ventures for which deferred tax liabilities have not been recognised.

The negative tax bases registered in in the accompanying consolidated statement of financial position have no temporary limit.

The current tax rates applicable to the Spanish companies in the group for the years beginning on or after January 1, 2015 and following are set at 28% and 25%, respectively.

In relation to the deduction for reinvestment of extraordinary profits established in article 42 of the Royal Legislative Decree 4/2004, of March 5, for which the Revised Text of the Corporate Tax Law is approved by, the following information is provided.

Period	**Gains**	**Deduction Applied**	**Reinvestment Period**
2010	3,265	355	2009-2013
2011	1,747	210	2010-2014
2012	1,238	149	2011-2014
2013	964	116	2012-2014

The Group has a commitment to maintain the assets and liabilities for which it received a deduction for reinvestment for five years, or three years in the case of moveable property, unless the amount obtained or the carrying amount, if lower, is to be reinvested.

Years open to inspection

Under current tax regulation, taxes cannot be deemed definitive until they have been inspected by the tax authorities or the corresponding prescription period of four years has passed. As a consequence of the possible different interpretations of the current tax regulation, among other reasons, additional liabilities could arise as a result of an inspection. In any case, the Directors of the Parent Company believe that in the case that the mentioned liabilities arise they would not significantly affect the financial statements.

At December 31, 2016, the Parent Company has the year 2014 open to inspection since it has been incorporated in that year and at December 31, 2015 and 2016. The subsidiaries have all of the main applicable taxes open to inspection by the tax authorities since January 2013, except for the income tax which is open to inspection since the year 2012. Subsidiaries with tax residence in countries other than Spain, are open to inspection their taxes based on current tax laws in each country The Directors of the Parent Company believe that, in the event that an inspection takes place, no additional relevant liabilities will arise.

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Tax consolidation

The Spanish companies comprising the consolidated Group will be taxed from January 2015 onwards under the consolidated tax regime established in Chapter VI of the Title VII of the Spanish Corporation Law (27/2014) of the Income Tax.

Moreover, the Spanish companies comprising the consolidated Group have applied the special regime for groups of entities in relation to the value added tax established in Chapter IX of Title IX of the Value Added Tax Law (37/1992) to the operations carried out from January 1, 2015 onwards.

11. Income and expenses

a) Revenue

Revenues mainly derive from the commercialization of self-drive vehicle hire. In this context, the Group does not have clients that represent more than 10% of the total revenue.

Furthermore, in the normal course of its business, the Group acquires vehicles to be used for rental and subsequent sale to third parties after the end of their estimated period of possession. When these vehicles are sold, they are reclassified to “Inventories” on the date the change of use is agreed upon and, consequently, the income derived from the sale is recorded as part of “Revenue.”

The breakdown of the revenue by geographical market is detailed in section h) of this note 11.

b) Personnel

The average number of Group employees during the years 2016 and 2015, detailed by categories, is the following:

	Number of Employees	
Professional Categories	**2016**	**2015**
Senior management	5	5
Other management personnel	21	20
Technicians, professionals and support personnel	109	87
Administrative staff	78	59
Sales and similar personnel	446	347
Other qualified personnel	83	104
Unskilled workers	157	168
Total	**899**	**790**

Additionally, the distribution by gender of Group personnel at the end of the years 2016 and 2015, detailed by categories, is as follows:

	2016		2015	
Professional Categories	**Male**	**Female**	**Male**	**Female**
Directors	10	–	8	–
Senior management (not directors)	2	–	2	–
Other management personnel	21	1	19	3
Technicians, professionals and support personnel	67	29	50	38
Administrative staff	35	42	34	29
Sales and similar personnel	230	225	157	176
Other qualified personnel	63	36	93	38
Unskilled workers	188	42	99	17
Total	**616**	**375**	**462**	**301**

The average number of Group employees with a disability greater than or equal to 33% during the year 2016 is 13 (6 in 2015).

c) Leases

Operating leases—lessor

At December 31, 2016 and 2015 there are no significant non-cancelable operating leases to which the Group companies are considered lessors.

Operating leases—lessee

Operating leases in which the Group acts as a lessee relate to the leases of offices, buildings and land located in different settings of Spain and the European community. The Group pays a fixed monthly fee which is updated by indexes that correct the effect of inflation. Moreover, the Parent Company is present in numerous Spanish airports by means of the entity A.E.N.A. (Aeropuertos Españoles y Navegación Aérea) to which it pays fixed and variable fees. In this sense, the variables fees are calculated on the basis of invoicing, facility use, and airport area and they cannot be lower than 9.25% of the turnover generated in the corresponding airports. During the current year, the Spanish airport concessions with expiry in October 2016 were put up for auction. The Group has been awarded several of these concessions, the new conditions of which are the payment of a fixed part plus an 8% variable fee, without having an assured minimum.

In addition to acting as a lessee as explained above, the Group is also a lessee of rental vehicles without a driver.

Moreover, the Group classifies as an operating lease certain vehicles that are destined to car rental and that have been acquired from manufacturers or dealerships. These vehicles are subject to repurchase agreements (See Note 3 (c)).

The expenses of the year resulting from operating leases ascend to €89,917 thousand (€73,928 thousand in 2015) and their detail is disclosed below:

	In € thousands	
	2016	**2015**
Buy back renting costs	51,697	42,777
Renting costs	14,140	11,404
Airport royalties	18,568	15,164
Other leases	5,512	4,583
Total	**89,917**	**73,928**

Buy back renting costs with the amortisation expenses detailed in Notes 5 and 6 are classified under the heading "Fixed asset amortisation and buyback renting costs" of the accompanying consolidated statement of profit or loss.

Future minimum payments under non-cancellable operating leases are detailed below, excluding future increases due to inflation:

	In € thousands	
	2016	**2015**
Less than one year	19,957	7,028
One to five years	38,459	4,246
More than five years	7,219	503
Total	**65,635**	**11,777**

d) Other operating expenses

External services

The fees for financial audit and other professional services provided by the auditors of the consolidated financial statements of the Group, KPMG Auditores S.L., as well as the fees invoiced by the auditors of the financial statements of the companies included in the consolidation perimeter and of the entities that are considered related by means of control, common ownership or management, have been the following in 2016 and 2015:

	In € thousands			
	2016		2015	
Description	**Main Auditor**	**Other Auditors**	**Main Auditor**	**Other Auditors**
Audit services	98	13	97	14
Other assurance services	6	–	–	–
Total	**104**	**13**	**97**	**14**

e) Income and expenses resulting from financial instruments

The financial expenses correspond mainly to the financing described in Note 9 which refers to the “Senior Facility.”

f) Other non-recurring income and expenses

The Group recognises under this heading, mainly those non-recurring expenses resulting from the hiring of professional services, other expenses related to other fixed assets, other vehicle expenses, allowance and attendance expenses relating to the Board of Directors, extra payments to certain employees, severance payments and sundry others. No significant income was included.

	In € thousands	
	2016	**2015**
Transaction expenses	–	282
Restructuring	1,149	1,344
Litigation, claims and penalties	775	271
Opening up new markets	292	50
Grants and donations	156	37
Other non-recurring items	1,135	257
Total	**3,507**	**2,241**

g) Subsidiary contribution to the consolidated profit

The contribution made by each of the companies comprising the Group to the consolidated results for the year ended 2016 and 2015 is the following:

	In € thousands	
	2016	**2015**
	Result attributable to the Parent Company	**Result attributable to the Parent Company**
Car Rentals Topco S.L.U.	(504)	(68)
Car Rentals Parentco S.A.U.	(20)	(91)

	In € thousands	
	2016	2015
	Result attributable to the Parent Company	Result attributable to the Parent Company
Car Rentals Subsidiary S.A.U.(*)	2,772	(846)
Goldcar Spain S.L.	17,670	17,396
Car Rentals Italy S.r.L.	111	(487)
Goldcar Italy S.r.L.	897	(375)
Goldcar Fleetco Italy S.R.L.	23	–
Goldhire Portugal Lda.	5,588	8,683
Goldcar Fleets Spain S.L.U.	(22)	(65)
Goldcar Fleetco S.A.	(350)	(7)
Goldcar Master S.L.	381	66
Goldcar France S.à.r.l.	(979)	(653)
Goldhire Fleetco Portugal Lda.	(31)	–
Goldcar Hellas S.A.	(529)	(1,366)
Goldcar Rental, d.o.o.	(435)	–
Pulsar Rent a Car S.L.U.	(60)	(18)
Total	**24,512**	**22,169**

h) Operations by geographical market

A breakdown of the revenue and non-current assets by geographical market at December 31, 2016 and 2015 is detailed below:

	In € thousands			
	2016		2015	
	Revenue	Non-current assets (*)	Revenue	Non-current assets (*)
National (Spain)	190,482	96,959	194,931	58,726
Rest of the European Union	117,256	29,782	93,966	42,424
Other countries	1,644	–	11	–
Total	**309,382**	**126,741**	**288,908**	**101,150**

(*) Excluding goodwill

i) Foreign currency

The breakdown of the balances and transactions in foreign currency at the close of the years 2016 and 2015, respectively, is as follows:

	In € thousands			
	Accounts receivable	Accounts payable	Total Revenues	Total Expenses
Croatian kuna (HRK)	302	(405)	1,452	(1,886)

Ne pas distribuer, directement ou indirectement aux Etats-Unis, au Canada, au Japon ou en Australie

12. Related parties balances and transactions

a) Remuneration of the Group's Directors and senior management

The aggregate annual remuneration paid to the Senior Management of the Parent Company in wages and salaries totalled an amount to €445 thousand (€581 thousand in 2015). The amount for year 2016 includes the remuneration of a member of senior management who ceased his activity during the year. The Parent Company's senior management does not receive any other remuneration other than the wages and salaries mentioned above.

The Directors of the Parent Company, (other than those referred to in the preceding paragraph, for the case in which the Group's Senior Management are part of the Board of Directors), have received attendance fees, diets and remuneration amounting to €105 thousand during the year ended December 31, 2016 (€90 thousand in 2015).

Additionally, the Group establishment a Long Term Bonus Agreement with Directors and certain managers subjects to several milestones only verifiable in the case and moment of divestment of shareholders of the Parent Company. As of December 31, 2016, the Directors of the Parent Company have estimated that the fair value of this bonuses is € zero.

Moreover, a director has granted a loan to the Company amounting to €500 thousand. This loan accrues a variable interest rate and has repayment terms that are conditional on the achievement of certain milestones, only verifiable in the case and moment of divestment by the majority shareholder of the Parent Company. As of December 31, 2016, the Directors of the Parent Company have estimated that the fair value of the accrued interest is € zero since the probability of this occurrence cannot be estimated nor can it be reliably valued.

The Board of Directors consists of 10 men.

The Parent Company has not assumed any commitments with its Directors or the Group's senior management regarding pensions, life insurance, advance payments, loans or any of the sort. The amount of the civil liability insurance policy accrued in the year by the Group amounts to €16 thousand.

b) Information regarding conflict of interest situations with the Directors

During 2016 and 2015 the Directors of the Parent Company have not communicated to the Company's shareholder any situation regarding themselves or their related parties in which there could be an indirect or direct conflict of interest with the Parent Company. In this sense, the term "related parties" refers to the one defined under Spanish Corporation Law, except for the Director Juan Alcaraz Alcaraz, which ones have been disclosed in Note (c) below.

c) Balances and transactions with other related parties

At December 31, 2016 and 2015, the main balances and transactions of the Group related to transactions with Alcor Sociedad Estratégica, S.L. (one of the shareholders of the Goldcar Group, see Note 8).

Moreover, the main operations with related parties were:

- Operating expenses resulting from the lease of buildings for an amount of €945 thousand with related companies to Alcor Sociedad Estratégica, S.L. (€965 thousand in 2015) and non-significant advisory services expenses by these entities.
- Operating expenses resulting from vehicles repair for non-significant amounts.
- Consulting Contract with Laurence Marlor amounting to €6 thousand during year 2016.
- Loan amounting to €500 thousand granted by Laurence Marlor.

13. Segment information

IFRS 8 regulates, in certain entities, reporting financial and descriptive information about an entity's reportable segments. Reportable segments are operating segments or aggregations of operating segments that meet specified criteria. An operating segment is defined as a component of an entity:

- that engages in business activities from which it may earn revenue and incur in expenses (including revenue and expenses relating to transactions with other components of the same entity),
- whose operating results are regularly reviewed by the entity's chief operating decision maker to decide about the resources that should be allocated to the segment and assess their performance; and
- for which discrete financial information is available.

The Group only operates in the car rental segment. In this sense, the information that serves as a base to the maximum authority in the decision making process regarding Group operations is structured according to the different offices in which each of the subsidiaries operates.

14. Other information

a) Guarantees and obligations derived from the financing agreement

The main guarantees granted by the Group to the creditor financial institutions upon the issuing of the syndicated financing described in Note 9 are disclosed below:

- A pledge on the shares of the depending companies Goldcar Spain S.L. and Goldhire Portugal Lda.
- Additionally, every material (as defined in global funding agreement) Group company will be considered a guarantor of the obtained financing. According to the financing agreement, a Group company will be considered material if its assets or individual EBITDA (*) amount to at least 5% of those of the Group's. In this sense, at the closing of each year, the Group shall evaluate if the material restricted subsidiaries comply with the Coverage Test (Guarantor Coverage Test) which establishes that the total of assets and EBITDA(*) of the guarantors are higher than 80% of those of the Group. At December 31, 2016 and 2015, the Group considers that the granted guarantees are enough to comply with what is established in the agreement reached with its financial creditors.
- In the same way, guarantees are granted on the bank accounts and trade receivables of Goldcar Spain S.L. and Goldhire Portugal Lda. The trade receivables comprise receivables with clients, manufacturers of vehicles subject to repurchase agreements, and other Group companies. Additionally, Goldcar Spain S.L. has entered into a senior mortgage commitment on its owned vehicles.
- Moreover, Goldcar Spain has entered the financing as a debtor and guarantor. Goldcar Fleetco, S.A. has also entered the financing as a guarantor and guarantees have been issued over its shares and bank accounts.
- According to the financing agreement and provided that there are drawn amounts in any of the syndicated loans or the revolving policy, a number of mandatory conditions are established. Such conditions are measured on the basis of certain ratios and financial levels to be estimated on the consolidated financial information of the Goldcar Group. These ratios are the total banking ratio (total consolidated net debt/ consolidated EBITDA) and the interest coverage ratio (consolidated EBITDA/ total net payment of interests). At December 31, 2016 and 2015, the Group believes that all of the conditions included in the agreements are met.

(*) EBITDA, as defined in global funding agreement.

b) Information on the management of capital and the nature and level of financial risks

The Group's financial risk management is centralised in its Financial Management, which has established the required mechanisms to control exposure to the fluctuations in interest and exchange rates, as well as credit and liquidity risk. The detail of the capital management policy and the main risks affecting the Group are as follows:

i. Capital management policy

The aim of the Group's capital management is to achieve a financial structure that optimises the cost of capital and maximises short- and medium-term liquidity while maintaining a solid financial position. This policy makes it possible to reconcile creating value for the Shareholders with access to financial markets at a competitive cost, which is in line with the overall Group strategy of increasing sales through the expansion of its operations in Spain and abroad.

The Group's financial structure rests fundamentally on the syndicated financing described in Note 9 which has an available balance at December 31, 2016 of €175,000 thousand (€162,000 thousand available in 2015) that will enable the Group, along with other factors, to fuel its growth. In addition, at the beginning of 2017, the Group has extended this credit facility by an additional €75,000 thousand.

As part of its capital management policy the Group regularly monitors, inter alia, the following consolidated aggregates:

- Net financial debt: represents the sum of all the debt, both long and short term, less the amounts included in cash balances.
- Net financial debt/EBITDA: represents the sum of dividing net financial debt by EBITDA.

In this context, the syndicated financing obtained in the year 2014 includes conditions related to the compliance with certain economic and equity ratios that are associated with the consolidated financial statements of the Group.

ii. Financial risk management policy

Credit risk

Credit risk is the risk that a debtor may become insolvent in relation to applicable contractual obligations, giving rise to a loss for the Group. In general the Group's policy to mitigate such risk consists in collecting in cash the transactions related to its ordinary car rental activity from its final customers. However, the Group maintains trade receivables with wholesalers and travel agencies.

In 2016 and 2015, in general, the main receivables are from solvent vehicle manufacturers, which have historically settled payables by their due dates. Cash and cash equivalents are deposited in financial institutions with high credit ratings.

Liquidity risk

This risk refers to both, the risk in which the Group might find difficulties in selling a financial instrument quickly enough without incurring in significant additional costs, as well as the risk resulting from not having sufficient liquidity at the moment in which the payment obligations of the Group need to be met.

The policy of the Group is to hold cash through leading financial institutions in order to be able to meet its future obligations. It also monitors the structure of its consolidated statement of financial position by maturity on an ongoing basis in order to detect as soon as possible any inappropriate short- and medium-term liquidity structures using a strategy aimed at ensuring stable sources of financing and the arrangement of credit facilities for amounts which are sufficient to cover the projected needs.

The Group arranged non-recourse factoring facilities amounted to €39,500 thousand (€35,000 thousand in 2015) that can be applied to certain trade receivables with a maximum limit of €20,000 thousand according to the guarantees and obligations derived in the syndicated financing agreement (see Note 14 (a)).

Market risk

Market risk is defined as the risk of variation in the fair value or the future cash flows of a financial instrument due to changes in interest rates, exchange rates or other price risks.

- **Interest rate risk**

Interest rate fluctuations change the fair value of assets and liabilities that bear interest at a fixed rate and the future cash flows from assets and liabilities tied to a floating interest rate. The aim of interest rate risk management is to achieve a balanced debt structure that makes it possible to minimise the cost of the debt over several years with reduced volatility in the consolidated statement of profit or loss.

The indebtedness of the Group is tied to Euribor. However, as it is disclosed in Note 9, at March 18, 2015, the Group has entered into derivative financial instruments to cover the future fluctuations of the syndicated financing interest rate, hence, it has been able to minimise its exposure to the variations in interest rates. The SWAP and the two CAP with low strikes (1.5%) will allow the Group to minimise the possible impact.

- **Exchange rate risk:**

The Group virtually carries out its operations in euros, which is the local currency of all of the companies comprising the Goldcar Group. Consequently, the exchange rate risk is considered to be a residual risk.

Sensitivity analysis

The Group's Finance Department considers interest rates to be the main market risk. Therefore, the aforementioned hedges were entered into. The interest rate sensitivity analysis shows that an increase of 100 basis points in the Euribor in 2016 would increase finance costs by approximately €1,100 thousand (in 2015 finance costs would rise by approximately €479 thousand), but the hedges contracted in 2015 would considerably minimise this impact. However, a fall in the Euribor in 2016 and 2015 would have a notable impact on the consolidated statement of profit or loss as the Euribor would be at near-zero levels.

c) Legal proceedings, claims in progress and/or contingencies

As a normal part of its activity the Group receives various administrative and labour claims that are evaluated on an annual basis by the Group's legal department together with its external advisors to determine, where appropriate, the equity impact based on an estimate of probability of occurrence on the basis of which the appropriate provisions are recorded.

Furthermore, throughout each year the Group enters into commercial agreements with its main clients consisting of discounts, commissions or the like, having recorded in these financial statements the best estimate that such agreements may have in respect of them.

Other information

In 2012 the Spanish National Competition Authorities (now replaced by the Spanish National Markets and Competition Commission—CNMC) undertook administrative proceedings on two counts. The first case was raised jointly against subsidiary Goldcar Spain, S.L., and its parent company in that year, Alcor Sociedad Estratégica, S.L., as well as AENA and several other vehicle rental sector companies. The second jointly concerned the subsidiary Goldcar Spain, S.L and Alcor Sociedad Estratégica, S.L, in addition to other vehicle rental sector companies and associations.

The first case stemmed from possible anti-competitive conduct, namely the sharing of sensitive business information on self-drive car hire companies that rent AENA commercial premises. The Spanish National Competition Authorities (CNC) issued a ruling on this procedure on January 2, 2014, although it imposed no fine. The Directors and legal independent advisers of the Group believe it is not probable for significant economic responsibilities to derive for the Group.

On the second was resolution of July 30, 2013, whereby the Spanish National Competition Authorities imposed a fine of €15,456 thousand. Furthermore, in relation to the appeal filed by the subsidiary company, Goldcar Spain, SL, a judgement was delivered on March 16, 2016. The judgement partially considers the appeal, annuls the resolution in the particular relating to the determination of the amount of the fine and orders that the proceedings be referred to the Spanish National Competition Authorities so that it dictates another in which to set the amount in accordance with the legal criteria of duly substantiated graduation. Against the judgement, the subsidiary company Goldcar Spain, S.L. has filed a cassation appeal before the Supreme Court, requesting the complete annulment of the Resolution. At the date of the preparation of these consolidated financial statements, the proceedings are pending indication for vote and judgement, and therefore no judgement has been served.

Pursuant to the agreements adopted in the context of the Group's takeover of this subsidiary described in Note 4, which included the commitment by the seller to keep the Group harmless in the event that it had to face the claim described above and considering the guarantees provided in this commitment, the subsidiary company Goldcar Spain, S.L. does not consider that there is any liability related to this aspect.

In relation to the situation explained above, real guarantees have been formed over certain vehicles (see Note 6).

During 2016, the Italian Competition and Market Authority started inspections of several entities in the vehicle rental sector, including the Goldcar Group. On November 20, 2016, the Italian Competition Authority imposed a penalty of €2 million on the Goldcar Group for alleged infringements related to the consumer code. Subsequent to the close of 2016, in accordance with Italian law and as a preliminary procedure necessary in order to appeal against the sanctioning sentence, the Group has paid the mentioned amount in year 2017. The appeal was filed on February 17, 2017 before The Italian Administrative Court of the Region of Lazio. The Directors of the Parent Company consider the likelihood that the appeal will not be successful as remote, based, among other things, on the assessments made by its legal advisors, who consider that there are sufficient arguments, from the point of view of both procedure and substance, to obtain the partial or total annulment of the decision of the Italian Competition Authority. The Directors of the Parent Company have therefore considered any contingencies that could arise were the appeal filed by the Parent Company not successful to be remote and therefore no provision has been recorded in this regard in these consolidated financial statements.

Other aspects

At December 31, 2016 the Group is supported by financial institutions to cover the guarantees resulting from the ordinary course of business for a total amount of €19,764 thousand (€10,658 thousand in 2015).

At December 31, 2016 and 2015, there are no significant contingent assets.

d) Average period of payments to suppliers.

The Information on Late Payments to Suppliers is as follows:

	Days	
	2016	**2015**
Average period of payments to suppliers.....................	31.51	27.59
Ratio of paid transactions.....................	31.14	27.22
Ratio of outstanding operations	34.25	34.03

	In € thousands

	In € thousands	
Total payments made	74,576	95,335
Total pending payments	9,903	5,454

e) Subsequent events

No significant events have occurred since the reporting date that could affect the consolidated financial statements at December 31, 2016 except that on June 16, 2017, Europcar Group, the European leader in vehicle rental services and a major player in mobility markets, has signed an agreement with the Company shareholders to acquire Car Rentals Topco and subsidiaries.

The acquisition is subject to customary conditions precedent, including the approval of antitrust authorities, and is expected to close in the second half of 2017.

As a consequence of this agreement, the Directors of the Parent Company have estimated that the fair value of contingent future consideration established in the purchase agreement signed between Car Rentals Topco, S.L. and Alcor Sociedad Estratégica S.L. (see Note 4) is €17,763 thousand. Based on events outside the control of the Group, that arise subsequently to the end of 2016, the corresponding liability has been booked in the Interim Condensed Consolidated Financial Statements for the six month period ending June 30, 2017.

Additionally, as a consequence of the mentioned agreement, the Directors of the Parent Company have estimated that the fair value of the bonus to pay to the Directors and certain managers of the Group (see Note 12 (a) is €3,300 thousand. Based on events outside the control of the Group, that arise subsequently to the end of 2016, the corresponding liability has been booked in the Interim Condensed Consolidated Financial Statements for the six month period ending June 30, 2017.

Preparation of the consolidated financial statements

The preparation of this consolidated financial statements has been carried out by the Directors of Car Rentals Topco, S.L. at its meeting held on October 6, 2017. The mentioned consolidated financial statements comprise the consolidated statement of financial position, the consolidated statement of profit or loss and the consolidated statement of other comprehensive income, the consolidated statement of changes in equity, the consolidated statement of cash flow and the notes to the consolidated financial statements. All the documents mentioned above have been signed in all of their pages by the Directors.

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Certain Definitions

In this document:

"**Adjusted Consolidated EBITDA**" refers to Consolidated EBITDA before non-recurring items.

"**Adjusted Corporate EBITDA**" is defined as Adjusted Consolidated EBITDA less fleet financing costs.

"**Amended and Restated ECI Subordinated Loan Agreement**" refers to the subordinated funding loan agreement entered into between ECI and the Issuer on July 2, 2010 (the "**Prior ECI Subordinated Loan Agreement**") in connection with the Prior EC Finance Notes, as such agreement was amended and restated on July 31, 2014 (the "**Existing ECI Subordinated Loan**"), the issue date of the Existing EC Finance Notes (which were issued to refinance the Prior EC Finance Notes), to reflect the Existing EC Finance Notes and as such agreement will be amended on or about the Issue Date to reflect the Notes offered hereby and the Indenture in place of the Existing EC Finance Notes.

"**Amended and Restated Securitifleet Proceeds Loan Agreement**" refers to the agreement between the Issuer and Securitifleet Holding dated August 26, 2010 (the "Prior Securitifleet Proceeds Loan"), pursuant to which the Issuer, through a financial intermediary, loaned to Securitifleet Holding an amount equal to the aggregate principal amount of the Prior EC Finance Notes, as such agreement was amended and restated on July 31, 2014 (the "Existing Securitifleet Proceeds Loan"), the issue date of the Existing EC Finance Notes (which were issued to refinance the Prior EC Finance Notes), to reflect the payment terms of the Existing EC Finance Notes and as such agreement will be amended on or about the Issue Date to reflect the payment terms of the Notes offered in the Offering.

"**Amortization Period**" refers to the period during which: (a) any new borrowing under the Senior Asset Revolving Facility (subject to the granting of specific advances); and (b) the order of new vehicles (subject to legal constraints, including in particular applicable insolvency laws), would be prevented in accordance with the terms of the Senior Asset Revolving Facility, Securitifleet Security Documents and Intercreditor Agreement.

"**AU$,**" "**AUD**" or "**Australian dollar**" refers to the lawful currency of the Commonwealth of Australia.

"**Bridge Facilities Agreement**" refers to the bridge term facilities agreement entered into on July 13, 2017 between, among others, EGSA as borrower, and Bank of America Merrill Lynch International Limited, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Deutsche Bank AG, London Branch, Goldman Sachs International Bank, HSBC Bank plc, Lloyds Bank plc, Natixis and Société Générale, among other lenders.

"**Bridge-to-Asset-Backed Facility**" refers to a term loan facility B' of the Bridge Facilities Agreement, for a maximum principal amount of €600 million, which can be borrowed by Car Rentals Subsidiary, S.A.U. (together with EGSA) and used towards, inter alia, the refinancing of existing indebtedness of Goldcar and the acquisition of vehicles for the Goldcar's fleet.

"**Bridge-to-Bond Facility**" refers to a term facility B of the Bridge Facilities Agreement, for a maximum principal amount of €440 million, which can be borrowed by EGSA for the purposes of, inter alia, financing the Goldcar Acquisition and related costs, and the refinancing of existing indebtedness of Goldcar and its subsidiaries.

"**Buchbinder**" refers collectively to the following companies: Charterline Fuhrpark Service GmBH, Carpartner Nord GmbH, Terstappen Autovermietung GmbH, Car & Fly GmbH, CarPartner Leasing Gmb, A. Klees Slovakia, s.r.o., and ABC Autonoleggio s.r.l.

"**Buchbinder Acquisition**" refers to the acquisition by the Group, on September 20, 2017, of 100% of the shares of each of Charterline Fuhrpark Service GmBH, Carpartner Nord GmbH, Terstappen Autovermietung GmbH, Car & Fly GmbH, CarPartner Leasing Gmb, A. Klees Slovakia, s.r.o., and ABC Autonoleggio s.r.l.

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“**Buy-Back Commitments**” refers to contractual programs under which Europcar purchases from the vehicle manufacturers or dealers, and the vehicle manufacturers undertake, subject to certain terms and conditions, to grant Europcar the right to sell back to them, those vehicles at pre-determined price observing a specified time window.

“**Collateral**” refers to certain collateral that secures the Notes, and includes the Notes Collateral and the Securitifleet Collateral.

“**Common Security Agent**” refers to Crédit Agricole Corporate and Investment Bank, as security agent under the Senior Asset Revolving Facility and the Intercreditor Agreement with respect to the Securitifleet Collateral.

“**Completion Date**” refers to the date on which certain conditions precedent are satisfied, allowing a portion of the proceeds of the offering of the New Parents Notes to be released from escrow to EGSA for purposes of financing a portion of the consideration of the Goldcar Acquisition, and EGSA to accede to the Indenture in accordance with the terms thereof.

“**Consolidated EBITDA**” is defined as consolidated net income before tax, share of (profit)/loss of associates, net financing costs, fleet depreciation, fleet operating lease rents and non-fleet depreciation and amortization. This definition is used for presentation of financial information only and may not correspond to the term used in the section “Description of the Notes.”

“**Corporate EBITDA**” means Consolidated EBITDA less fleet depreciation, fleet operating lease rents and fleet financing costs.

“**Corporate Countries**” refers to Germany, Australia, Belgium, Spain, France, Italy, New-Zealand, Portugal, Ireland and the United Kingdom, which were the Corporate Countries as of December 31,2016.

“**$**,” “**U.S.$**,” “**dollar**,” “**U.S. dollar**” or “**USD**” refers to the lawful currency of the United States of America

“**EC Finance**” refers to EC Finance Plc, a public limited company organized under the laws of England and Wales.

“**EC Finance Notes**” refers to the % Senior Secured Notes due 2022 offered by EC Finance on or about the Issue Date.

“**EC Finance Notes Indenture**” refers to the indenture, to be dated as of the Issue Date, governing the EC Finance Notes among inter alios, EC Finance as issuer and The Bank of New York Mellon, London Branch, as trustee, as amended and/or supplemented from time to time.

“**ECI**” refers to Europcar International S.A.S.U.

“**ECI Subordinated Loan**” refers refers, collectively, to all outstanding advances made pursuant to the Amended and Restated ECI Subordinated Loan Agreement. The ECI Subordinated Loan is an alternative source of funding pursuant to which ECI will have the option to extend to the Issuer amounts sufficient to enable the Issuer to satisfy its payment obligations under the Indenture and Notes that are not funded through payments on the Securitifleet Proceeds Loan. The ECI Subordinated Loan is in addition to the Notes Guarantee granted by ECI.

“**EG Intercreditor Agreement**” refers to the existing intercreditor agreement entered into in connection with the issuance of the Existing Parent Notes by EGSA, between, among others, EGSA, The Bank of New York Mellon, as trustee, the facility/security agent under the Senior Revolving Credit Facility and Crédit Agricole Corporate and Investment Bank, as security agent, regulating in certain respects the first and second ranking share pledges of ECI shares including the enforcement thereof, and which will be amended and restated on or about the date of issuance of the New Parent Notes to reflect the issuance of the New Parent Notes. None of the Issuer, Securitifleet Holding or any Securitifleet Company is a party to the EG Intercreditor Agreement.

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"**EGSA**" refers to Europcar Groupe S.A., a limited liability corporation (société anonyme) organized under the laws of France.

"**EGSA Consolidated Financial Statements**" refers to, as the context requires, EGSA's unaudited interim condensed consolidated financial statements for the six months ended June 30, 2017 and 2016, an English translation of which is included in this Offering Memorandum and EGSA's audited consolidated financial statements for the years ended December 31, 2016, 2015 and 2014 and the notes thereto, an English translation of which is included in this Offering Memorandum. As the ultimate holding company, consolidated financial statements are prepared at the EGSA level and are not prepared separately at the ECI level.

"**Eurazeo**" or "**Eurazeo Group**" refers to Eurazeo S.A.; any subsidiary of Eurazeo; any person controlled by the managers or employees of Eurazeo or any of its subsidiaries; and any of their respective successors in interest.

"**€,**" "**euro**" or "**EUR**" refers to the lawful currency of those countries participating in the Third Stage of European Economic and Monetary Union of the Treaty establishing the European Community, as amended from time to time.

"**Europcar**", "**Europcar Group**" or "**Group**" refers collectively to EGSA and its consolidated entities, including ECI and ECI's subsidiaries and the Securitifleet Companies, unless the context requires otherwise.

"**Europcar France**" refers to Europcar France S.A.S.

"**Europcar Germany**" refers to Europcar Autovermietung GmbH.

"**Europcar Italy**" refers to Europcar Italia S.P.A.

"**Europcar Spain**" refers to Europcar IB S.A.

"**Europcar Opco**" and "**Operating Company**" refer to the subsidiary of ECI in each relevant jurisdiction that leases vehicles from the Securitifleet Company organized in the same jurisdiction.

"**Escrow Amount**" refers to an amount of €400 million, representing a position of the proceeds of the issuance on the Issue Date of the New Parent Notes, to be deposited into the escrow account (the "**Escrow Account**") until the Completion Date or the Special Mandatory Redemption Date.

"**Existing EC Finance Notes**" refers to the €350 million 5.125% Senior Secured Notes due 2021 issued by EC Finance plc pursuant to the Existing EC Finance Notes Indenture.

"**Existing EC Finance Notes Collateral**" refers to (i) the existing charge and assignment of the English bank accounts of the Issuer and the Issuer's rights under the Amended and Restated ECI Subordinated Loan Agreement and (ii) assignment of the Issuer's rights under the Amended and Restated Securitifleet Proceeds Loan Agreement.

"**Existing EC Finance Notes Indenture**" refers to the indenture, dated as of July 31, 2014, governing the Existing EC Finance Notes among, inter alios, the Issuer and The Bank of New York Mellon, as trustee, as amended and/or supplemented from time to time.

"**Existing EC Finance Notes Refinancing**" refers to the issuance by EC Finance of the EC Finance Notes on the Issue Date and the redemption of the Existing EC Finance Notes with the proceeds therefrom.

"**Existing Parent Notes**" refers to the €600 million 5.750% Senior Notes due 2022 issued by EGSA pursuant to an indenture dated June 10, 2015.

"**FCT Issuer**" refers to a French mutual securitization fund (*Fonds Commun de Titrisation*) that was established to facilitate the funding of the Senior Asset Revolving Facility.

“**Fleet**” refers to all vehicles operated by the car rental company, whether or not available for rent.

“**Fleet Financial Utilization Rate**” means the number of actual rental days of the vehicles of the fleet as a percentage of the theoretical total potential number of rental days of the vehicles of the fleet. The theoretical total potential number is equal to the number of vehicles held over the period, multiplied by the total number of days over the period.

“**Goldcar**” refers to Car Rentals Topco S.L. and its subsidiaries.

“**Goldcar Acquisition**” refers to the proposed acquisition by EGSA of Goldcar from International Car Rentals III S.à.r.l and Alcor Sociedad Estratégica, S.L.

“**Goldcar Consolidated Financial Statements**” refers to, as the context requires, the Goldcar’s unaudited interim consolidated financial statements for the six months ended June 30, 2017 and the notes thereto, and the Goldcar’s audited consolidated annual financial statements for the year ended December 31, 2016, and the notes thereto, see “—Goldcar Financial Information” as of and for the year ended December 31, 2016.

“**Indenture**” refers to the indenture, dated as of the Issue Date, governing the Notes among, *inter alios*, the Issuer and the Trustee, as amended and/or supplemented from time to time.

“**Initial Purchasers**” refers to Deutsche Bank AG, London Branch, Crédit Agricole Corporate and Investment Bank, Merrill Lynch International, BNP Paribas, Goldman Sachs International, HSBC Bank Plc, Lloyds Bank plc, Natixis and The Royal Bank of Scotland Plc (trading as NatWest Markets).with respect to the New Parent Notes issuance and refers BNP Paribas, HSBC Bank plc, Crédit Agricole Corporate and Investment Bank, Crédit Industriel et Commercial S.A., Deutsche Bank AG, London Branch, Goldman Sachs International, ING Bank N.V., London Branch and Société Générale with respect to the EC Finance Notes issuance.

“**IFRS**” refers to the International Financial Reporting Standards as adopted by the European Union.

“**Intercreditor Agreement**” with respect to the Offering Memorandum Corporate refers to the intercreditor agreement entered into on June 29, 2015 between, among others, EGSA, the trustee under the Existing Parent Notes and the facility/ security agent under the Senior Revolving Credit Facility, regulating in certain respects the first and second ranking share pledges of ECI shares including the enforcement thereof. See “*Description of the Notes—Security*.”

“**Intercreditor Agreement**” with respect to the Offering Memorandum Fleet refers to the intercreditor agreement that was entered into on July 30, 2010 and amended on March 4, 2014, on July 31, 2014 (with respect to the Existing EC Finance Notes), on May 12, 2015 and on September 14, 2016, and which will be further amended and restated on the date of issuance of the Notes to reflect the issuance of the Notes and the redemption of the Existing EC Finance Notes. The Intercreditor Agreement is between, among others, Securitifleet Holding, the Senior Facility Lending Bank, the Common Security Agent, the Issuer, the Trustee, the Notes Security Agent, ECI and the Securitifleet Companies.

‘“**Issue Date**’” means, 2017, the date of the issuance of the Notes.

“**Issuer**” refers to EC Finance plc.

“**KPMG**” refers to KPMG Auditores, S.L.

“**New Parent Notes**” refers to the €600 million % Senior Notes of the SPV Issuer due 2024 and to be issued on or about the Issue Date pursuant to an indenture dated as of such date. The SPV Issuer will be released from all obligations with respect to the New Parent Notes and EGSA will assume all of the obligations of the SPV Issuer and the New Parent Notes under an indenture dated on or about the Completion Date or Special Mandatory Redemption Date, as applicable in each case, as defined therein.

“**Notes**” refers to the New Parent Notes or the EC Finance Notes as the case may be.

“**Notes Collateral**” refers to certain collateral that directly secures the EC Finance Notes, and includes the following security: (i) a charge and assignment of the English bank accounts of the Issuer and the Issuer’s rights under the Amended and Restated ECI Subordinated Loan Agreement and (ii) an assignment of the Issuer’s rights under the Amended and Restated Securitifleet Proceeds Loan Agreement.

“**Notes Guarantees**” refers to the senior unsecured guarantees by each of EGSA and ECI of EC Finance plc.’s obligations under the EC Finance Notes and the Indenture, and “**Notes Guarantee**” refers to each of such guarantee, as the context requires.

“**Notes Security Agent**” refers to the Bank of New York Mellon, London Branch, in its capacity as security agent with respect to the Proceeds Loan Security Assignment for the Trustee and the Holders of the Notes or any successor thereto appointed in accordance with the Indenture.

“**Offering**” refers to the offering of the EC Finance Notes or the New Parent Notes as the case may be.

“**Parent Notes**” refers to the Existing Parent Notes and the New Parent Notes.

“**Parent Secured Notes**” refers to the €324 million 11.50% Senior Subordinated Secured Notes due 2017 issued by EGSA pursuant to an indenture dated as of May 14, 2012, which have been redeemed in full.

“**Parent Unsecured Notes**” refers to the €400 million 9.375% Senior Subordinated Unsecured Notes due 2018 issued by EGSA pursuant to an indenture dated as of November 26, 2010, which have been redeemed in full.

“**Prior EC Finance Notes**” refers to the €350 million 9.75% Senior Secured Notes due 2017 issued by EC Finance plc pursuant to an indenture dated as of July 2, 2010 and refinanced in full with the proceeds of the issuance of the Existing EC Finance Notes.

“**£,**” “**GBP**,” “**pounds sterling**,” **“British pound**” or “**sterling**” refer to the lawful currency of the United Kingdom.

“**RPD**” refers to revenue per day.

“**Securitifleet Collateral**” refers to certain collateral that secures (directly or indirectly), claims under the Senior Asset Revolving Facility and/or the Securitifleet Advances, and includes the following first and subsequent ranking security: (i) a first priority share pledge over the shares of Securitifleet Holding held by ECI; (ii) first priority security over shares of each of the Securitifleet Companies (except for shares of Securitifleet Italy held by Europcar Italy); (iii) first priority security over receivables held by Securitifleet Holding in respect of each of the Securitifleet Companies under the Securitifleet Advances (other than in respect of Securitifleet Italy); (iv) a first priority pledge over Securitifleet Holding’s bank accounts; (v) first priority security over certain receivables (including under Buy-Back Commitments from vehicles manufacturers) of each of the Securitifleet Companies (other than Securitifleet Italy), subject to certain exceptions in Spain, and (vi) first priority security over certain assets (including bank accounts and the vehicle fleet) of each Securitifleet Company (other than Securitifleet Italy), subject to certain exceptions in Spain, *provided* that, if not granted directly to the Issuer, the benefit thereof will be transferred to the Issuer, and finally the Notes Security Agent, the Trustee and the holders of the Notes, in connection with the security granted in respect of the Securitifleet Advances or the Securitifleet Proceeds Loan, as applicable (except with respect to Italy), and further *provided* that any reference to “*first priority security*” will, in the case of security in the form of German law pledges (*Pfandrechte*), include a reference to any subsequent ranking pledges which have been created from time to time as a matter of precaution in connection with certain amendments to the relevant secured obligations a favor of the pledgee(s) under the corresponding first-ranking pledges, and further *provided* that such security will also be granted to the Senior Facility Lending Bank and the other creditors under the Senior Asset Revolving Facility and that, subject to the terms of the Intercreditor Agreement, any claims to the enforcement proceeds of the same on behalf of the Notes Security Agent, the Trustee and the holders of the Notes will be subordinated to the obligations owed to the Senior Facility Lending Bank and the other creditors under the Senior Asset Revolving Facility. See “*Description of the Collateral*.”

Ne pas distribuer, directement ou indirectement aux Etats-Unis, au Canada, au Japon ou en Australie

"**Securitifleet Companies**" refers to the companies that were established under a securitization program in 2004 to purchase and own vehicles and lease them to local Europcar operating companies in France, Germany, Italy and Spain. The Securitifleet Companies are: Securitifleet S.A.S., Securitifleet GmbH, Securitifleet Italy, Securitifleet Spain and any company that may become a Securitifleet Company in the future as described in "Description of the Notes."

"**Securitifleet Holding**" refers to Securitifleet Holding S.A. which acts as the financing entity for the fleet purchasing and leasing activities of the Securitifleet Companies.

"**Securitifleet Italy**" refers to Securitifleet S.p.A.

"**Senior Asset Revolving Facility**" or "**SARF**" refers to the senior asset revolving facility agreement entered into on July 30, 2010 and as amended on August 26, 2010, November 4, 2010, January 11, 2011, April 5, 2012, March 4, 2014, May 12, 2015, September 14, 2016, February 9, 2017 and from time to time between, among others, Securitifleet Holding, as borrower, Crédit Agricole Corporate and Investment Bank, as lender and ECI, in order to provide funding for the acquisition and maintenance of Europcar's fleet through the Securitifleet Companies.

"**Securitifleet Proceeds Loan**" refers, collectively, to all outstanding advances made pursuant to the Amended and Restated Securitifleet Proceeds Loan Agreement. The Securitifleet Collateral will secure the Amended and Restated Securitifleet Proceeds Loan. See "Description of the Collateral."

"**Securitifleet On-Loan Agreements**" refers to the funding agreements between Securitifleet Holding and each Securitifleet Company pursuant to which Securitifleet Holding directly or indirectly on-lends to such Securitifleet Company, as Securitifleet Advances, the proceeds of (i) advances made available under the Senior Asset Revolving Facility and (ii) the Amended and Restated Securitifleet Proceeds Loan Agreement.

"**Senior Facility Lending Bank**" refers to the bank that acts as the lending bank under the Senior Asset Revolving Facility.

"**Senior Revolving Credit Facility**" or "**RCF**" refers to the senior revolving credit facility agreement entered into on July 13, 2017 between, among others, EGSA and certain of its subsidiaries, as borrowers, and Banco Bilbao Vizcaya Argentaria S.A. Paris Branch, Bank of America Merrill Lynch International Limited, Banque Européenne du Crédit Mutuel, BNP Paribas, Crédit Agricole Corporate and Investment Bank, Crédit du Nord, Crédit Industriel et Commercial, Deutsche Bank AG, London Branch, Goldman Sachs International Bank, HSBC France, ING Bank N.V., French Branch, KBC Bank N.V., French Branch, Lloyds Bank plc, Natixis, The Royal Bank of Scotland plc and Société Générale among other lenders.

"**Special Mandatory Redemption**" refers to the redemption by the SPV Issuer of a portion of the Notes if the conditions precedent to the release of the proceeds from the Escrow Account have not been satisfied on or prior to the Escrow Longstop Date, which is March 31, 2018 (the "**Escrow Longstop Date**").

"**SPV Issuer**" refers to Europcar Drive D.A.C., a designated activity company incorporated under the laws of Ireland.

"**Trustee**" refers to The Bank of New York Mellon, London Branch.

"**UK,**" "**U.K.**" or "**United Kingdom**" refers to the United Kingdom of Great Britain and Northern Ireland.

"**we**," "**us**" and "**our**" refer to Europcar Group, unless the context requires otherwise.

"**2014**," "**2015**" and "**2016**" refer to the year ending December 31 of the year designated, unless the context requires otherwise.