Third Quarter 2015 Earnings Call

November 3, 2015

Webcast: ir.avisbudgetgroup.com
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Replay: (402) 220-5359
Passcode: 2995545
Statements about future results made in this presentation constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include projections.

These statements are based on current expectations and the current economic environment. Forward-looking statements and projections are inherently subject to significant economic, competitive and other uncertainties and contingencies, many of which are beyond the control of management. The Company cautions that these statements are not guarantees of future performance. Actual results may differ materially from those expressed or implied in the forward-looking statements.

Important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements and projections are specified in the Company’s most recently filed Form 10-K, its current report on Form 8-K filed May 6, 2015 and other SEC filings.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, the date of our last earnings conference call.

This presentation includes certain non-GAAP financial measures as defined under SEC rules. Important information regarding reconciliation of such measures is contained within this presentation, including in the Glossary section.
THIRD QUARTER 2015 HIGHLIGHTS

Record Quarterly Adjusted EBITDA

- Americas and International segments both contributed to growth
- Stable used-car market in North America
- Repurchased $161 million of stock – 4% of our outstanding shares
- Continue to expect that 2015 will be the most profitable year in the Company’s history

(a) In constant-currency
“FOUR PILLAR” STRATEGY

Four Underlying Strategies Drive Our Business Decisions

Driving Sustained, Profitable Growth

- Strategically Accelerate Growth
- Expand Our Global Footprint
- Put the Customer First
- Drive Efficiency Throughout the Organization

Company adopted this strategy in 2010
Growth in Higher-Margin Segments

- Focus on areas that drive outsized profitability
- Significantly expanded our fleet of non-core vehicles
  - Revenue more than doubled since 2010
- Ancillary revenue has increased more than 45% since 2010

International-inbound Growth

(a) In North America
Avis Budget Group operates directly in 25 countries and through licensees in 150 countries.

We have also grown organically, with Budget volume in Europe up more than 400% since 2011.

Strategic Acquisitions Have Transformed Our Company

- October 2011
  - Avis Europe
- October 2012
  - Apex Car Rentals
- March 2013
  - Zipcar
- July 2013
  - Payless
- April 2015
  - Maggiore
PUT THE CUSTOMER FIRST

Avis has been named the most admired car rental company in the United States and the world’s leading car rental company\(^{(a)}\)

Continuously Provide New Products and Services to Enhance the Customer Experience

- Select & Go vehicle choice offering
- New Avis loyalty program
- Launched new voice-activated app
- Made Zipcar available on Apple Watch
- SiriusXM satellite radio and tablet rentals are latest additions to our stable of ancillary products

Future Self-Service Technology Will Transform Our Customer Interactions

\(^{(a)}\) By BTN Group’s The Beat and the World Travel Awards, respectively.
Process Improvement Drives Margin Expansion

- Rigorous cost management
- Performance Excellence process improvement
- Global process consolidation
- Capturing synergies from acquisitions
- Increased use of alternative fleet-disposition channels

Initiatives Have Already Made a Nine-Figure Contribution to Annual Earnings
Ron Nelson retiring as CEO at year-end
Leadership transition effective January 1, 2016

Deep and Experienced Management Team

<table>
<thead>
<tr>
<th>Name</th>
<th>Position</th>
<th>Joined Avis Budget Group</th>
</tr>
</thead>
<tbody>
<tr>
<td>Ron Nelson</td>
<td>Chairman</td>
<td>2003</td>
</tr>
<tr>
<td>Larry De Shon</td>
<td>CEO</td>
<td>2006</td>
</tr>
<tr>
<td>David Wyshner</td>
<td>President &amp; CFO</td>
<td>1999</td>
</tr>
<tr>
<td>Joe Ferraro</td>
<td>President, Americas</td>
<td>1979</td>
</tr>
<tr>
<td>Mark Servodidio</td>
<td>President, International</td>
<td>2001</td>
</tr>
<tr>
<td>Scott Deaver</td>
<td>Chief Marketing Officer</td>
<td>1989</td>
</tr>
</tbody>
</table>
Larry De Shon
Chief Operating Officer
Substantial Opportunities Lie Ahead

- Execute against our existing strategy
- Fight for increased realized pricing and higher ancillary revenue and fees, with a focus on areas we can control
- Strive for operational excellence and provide an outstanding customer experience
- Generate cash and deploy capital for the benefit of our shareholders
- Drive the business forward with technology and innovation
David Wyshner
Senior Executive Vice President
and Chief Financial Officer
THIRD QUARTER 2015 RESULTS

Record Revenue and Adjusted EBITDA

($ in millions)

Third Quarter 2014: $2,542
Third Quarter 2015: $2,577

Revenue:
- $2,542 (Third Quarter 2014)
- $2,577 (Third Quarter 2015)
  - Increase of +1%
  - Higher by +8% excluding currency

Adjusted EBITDA:
- $417 (Third Quarter 2014)
- $431 (Third Quarter 2015)
  - Increase of +3%
  - Margin: 16.4% (Third Quarter 2014)
  - Margin: 16.7% (Third Quarter 2015)

Adjusted EBITDA increased 13% in constant currency
Third Quarter Volume Driven by Strong Leisure Demand

- Rental days increased 4% in the third quarter
  - Pricing was unchanged in constant currency
- Revenues from “Signature” vehicles grew 10%
- International-inbound volume increased 6%
- High-margin ancillary revenue increased 6%\(^{(b)}\)

**Americas Revenue Drivers\(^{(a)}\)**

- Rental Days: +4%
- Average Daily Rate: 2%
- Total Revenue: +2%

\(^{(a)}\) Year-over-year growth, excluding Zipcar
\(^{(b)}\) Excluding Zipcar, gas and customer recoveries, in constant currency
Pricing trends improved sequentially from the second quarter to the third

Adjusted EBITDA increased 4% in constant currency

U.S. Avis and Budget Pricing
Increased Fractionally Year-over-Year

Adjusted EBITDA increased 4% in constant currency
Revenue Increased 17% in Constant Currency

International Revenue Drivers\(^{(a)}\)

<table>
<thead>
<tr>
<th></th>
<th>Reported</th>
<th>Excluding Maggiore</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total revenue</td>
<td>+17%</td>
<td>+10%</td>
</tr>
<tr>
<td>Pricing</td>
<td>- 3%</td>
<td>- 1%</td>
</tr>
<tr>
<td>Ancillary revenue per day</td>
<td>+6%</td>
<td>+10%</td>
</tr>
<tr>
<td>Total revenue per day</td>
<td>- 2%</td>
<td>+1%</td>
</tr>
<tr>
<td>Rental days(^{(b)})</td>
<td>+23%</td>
<td>+12%</td>
</tr>
</tbody>
</table>

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(a) Year-over-year change, excluding Zipcar, in constant currency
(b) Rental days include five points of growth from Scandinavia acquisition

Currency movements had a $134 million negative impact on revenue and a $33 million negative impact on Adjusted EBITDA.

International per-unit fleet costs declined 7% in constant currency.
INTERNATIONAL

Record International Adjusted EBITDA

- Strong summer demand across Europe
  - Robust leisure demand, particularly in France and Italy
- Majority of Adjusted EBITDA growth was organic, and acquisitions also contributed significantly

Revenue Growth\(^{(a)}\)

- 6% Organic
- 4% Scandinavia Acquisition Effect
- 7% Maggiore Acquisition Effect
- 17% Total

\(^{(a)}\) Excluding Zipcar in constant currency

Adjusted EBITDA increased 6% on a reported basis and 27% in constant currency

Maggiore exceeded expectations
FLEET COSTS

Fleet Costs Have Been Better than Anticipated

Monthly Per-Unit Fleet Costs
(Americas)

Third Quarter 2014: $324
Third Quarter 2015: $304

Full Year 2014: $310
Full Year 2015E: ~$300

Note: Including Zipcar, excluding Truck fleet

Americas fleet expected to be approximately 55% risk in 2015
Selling more than 40% of our risk vehicles through alternative disposition channels
Zipcar’s fleet totaled more than 14,000 cars in the third quarter

Zipcar Continues To Be The World’s Leading Car Sharing Network

- Record number of new members added in the quarter
- Already launched at 100 new universities this year
- Expanded ONE>WAY tests in Seattle, Los Angeles, Denver and Philadelphia
- Launched “Instant Join” program nationwide
Strong Liquidity Position

- More than $4 billion of available liquidity worldwide
- Net corporate leverage of 3.3x\(^{(a)}\)
- Year-to-date free cash flow of $456 million

LTM Net Corporate Leverage\(^{(a)}\)

3.8x  
Third Quarter 2013  

3.3x  
Third Quarter 2015  

\(^{(a)}\) Net corporate debt to Adjusted EBITDA
Consistent Use of Free Cash Flow

- Our priorities for free cash flow continue to be share repurchases and tuck-in acquisitions
- Repurchased $161 million of stock in the third quarter
  - Repurchased $277 million year-to-date
- Now expect to spend meaningfully more than $300 million on share repurchases in 2015

Our Share Repurchases Reflect Our Confidence in Our Business
Narrowed Full-Year 2015 Adjusted EBITDA Projections

**Americas**
- Full-year pricing projected to be largely unchanged in constant currency
- Volume expected to grow 4%
- Per-unit fleet costs expected to decrease 3%

**Overall**
- Commercial demand modestly softer than anticipated
- Process-improvement and global-consolidation initiatives contributing to results
- Currency movements significantly affecting reported results

Currency movements impacting revenue growth by 5% and Adjusted EBITDA growth by $50 million
### 2015 OUTLOOK

**2015 Estimates**

<table>
<thead>
<tr>
<th>($ in millions, except EPS)</th>
<th>Projection&lt;sup&gt;(a)&lt;/sup&gt;</th>
<th>Growth vs. 2014&lt;sup&gt;(b)&lt;/sup&gt;</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$8,550</td>
<td>1%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>900 – 925</td>
<td>4%</td>
</tr>
<tr>
<td>Non-vehicle D&amp;A</td>
<td>165</td>
<td></td>
</tr>
<tr>
<td>Interest expense</td>
<td>200</td>
<td></td>
</tr>
<tr>
<td>Adjusted pretax income</td>
<td>535 – 560</td>
<td>5%</td>
</tr>
<tr>
<td>Adjusted net income</td>
<td>$325 – $345</td>
<td>2%</td>
</tr>
<tr>
<td>Adjusted diluted EPS</td>
<td>$3.10 – $3.25</td>
<td>7%</td>
</tr>
</tbody>
</table>

**Expect Free Cash Flow of Approximately $500 Million<sup>(c)</sup>**

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<sup>(a)</sup> Adjusted amounts, which exclude certain items  
<sup>(b)</sup> Based on midpoint of projections  
<sup>(c)</sup> Excluding any significant timing differences
On Track for a Record 2015

- Expect record revenue and earnings
- Benefiting from better-than-expected per-unit fleet costs
- Strong summer demand across Europe, as anticipated
- Continued focus on managing costs, driving efficiency and leveraging technology
- Generating significant free cash flow and returning cash to shareholders via share repurchases
avis budget group
Adjusted EBITDA
Adjusted EBITDA represents income before non-vehicle related depreciation and amortization, any impairment charge, restructuring expense, early extinguishment of debt costs, non-vehicle related interest, transaction-related costs and income taxes. We believe that Adjusted EBITDA is useful as a supplemental measure in evaluating the aggregate performance of our operating businesses. Adjusted EBITDA is the measure that is used by our management, including our chief operating decision maker, to perform such evaluation. It is also a component of our financial covenant calculations under our credit facilities, subject to certain adjustments. Adjusted EBITDA should not be considered in isolation or as a substitute for net income or other income statement data prepared in accordance with GAAP and our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies.

Reconciliation of Adjusted EBITDA to Income before income taxes (in millions):

<table>
<thead>
<tr>
<th>Description</th>
<th>2015</th>
<th>2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA</td>
<td>$431</td>
<td>$417</td>
</tr>
<tr>
<td>Less: Non-vehicle related depreciation and amortization (excluding acquisition-related amortization expense)</td>
<td>41</td>
<td>38</td>
</tr>
<tr>
<td>Interest expense related to corporate debt, net (excluding early extinguishment of debt)</td>
<td>49</td>
<td>50</td>
</tr>
<tr>
<td>Adjusted pretax income</td>
<td>$341</td>
<td>$329</td>
</tr>
<tr>
<td>Less certain items:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Transaction-related costs</td>
<td>8</td>
<td>7</td>
</tr>
<tr>
<td>Acquisition-related amortization expense</td>
<td>15</td>
<td>8</td>
</tr>
<tr>
<td>Restructuring expense</td>
<td>6</td>
<td>8</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>$312</td>
<td>$306</td>
</tr>
</tbody>
</table>
### GLOSSARY

**Reconciliation of Net Corporate Debt (in millions):**

<table>
<thead>
<tr>
<th></th>
<th>September 30, 2013</th>
<th>September 30, 2015</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate debt</td>
<td>$3,384</td>
<td>$3,532</td>
</tr>
<tr>
<td>Less: Cash and cash equivalents</td>
<td>589</td>
<td>585</td>
</tr>
<tr>
<td><strong>Net corporate debt</strong></td>
<td><strong>$2,795</strong></td>
<td><strong>$2,947</strong></td>
</tr>
</tbody>
</table>

**Reconciliation of Adjusted EBITDA to Income before income taxes (in millions):**

<table>
<thead>
<tr>
<th></th>
<th></th>
<th></th>
</tr>
</thead>
<tbody>
<tr>
<td>Adjusted EBITDA</td>
<td>$732</td>
<td>$904</td>
</tr>
<tr>
<td>Less: Non-vehicle related depreciation and amortization (excluding acquisition-related amortization expense)</td>
<td>121</td>
<td>158</td>
</tr>
<tr>
<td>Interest expense related to corporate debt, net (excluding early extinguishment of debt)</td>
<td>230</td>
<td>194</td>
</tr>
<tr>
<td><strong>Adjusted pretax income</strong></td>
<td><strong>$381</strong></td>
<td><strong>$552</strong></td>
</tr>
<tr>
<td>Less certain items:</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Early extinguishment of debt</td>
<td>154</td>
<td>23</td>
</tr>
<tr>
<td>Transaction-related costs, net</td>
<td>50</td>
<td>47</td>
</tr>
<tr>
<td>Acquisition-relation amortization expense</td>
<td>21</td>
<td>51</td>
</tr>
<tr>
<td>Restructuring expense</td>
<td>51</td>
<td>20</td>
</tr>
<tr>
<td>Impairment</td>
<td>33</td>
<td>-</td>
</tr>
<tr>
<td><strong>Income before income taxes</strong></td>
<td><strong>$72</strong></td>
<td><strong>$411</strong></td>
</tr>
</tbody>
</table>

**Free Cash Flow**

Represents Net Cash Provided by Operating Activities adjusted to reflect the cash inflows and outflows relating to capital expenditures and GPS navigational units, the investing and financing activities of our vehicle programs, asset sales, if any, and to exclude debt extinguishment costs and transaction-related costs. We believe that Free Cash Flow is useful to management and investors in measuring the cash generated that is available to be used to repurchase stock, repay debt obligations, pay dividends and invest in future growth through new business development activities or acquisitions. Free Cash Flow should not be construed as a substitute in measuring operating results or liquidity, and our presentation of Free Cash Flow may not be comparable to similarly-titled measures used by other companies.