Second Quarter 2014 Earnings Call

August 5, 2014

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Passcode: Avis Budget
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 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.
Ron Nelson
Chairman and Chief Executive Officer
Increased Pricing and Strategic Initiatives Driving Profitability

- Revenue grew 10% and earnings per share\(^{(a)}\) grew 36%
- North America pricing and volume growth accelerated
- Achieved incremental synergies from acquisitions
- Repurchased $75 million of stock

(a) Excluding certain items
North America Pricing

- **Positive pricing both on- and off-airport and in each brand**
- **Meaningful, positive change in pricing trends over the past six quarters**
- **New yield management system augmenting benefits from our published-pricing, car-class-mix and customer-mix initiatives**

(a) Excluding Payless
(b) Excluding currency effects, pricing increased 5%
Volume Trends Strengthened in the Quarter

- Rental days increased 8%
- Ancillary revenue per day increased 5%
- Local market growth driven by general-use and commercial rentals

Strategic Initiatives Driving Growth\(^{(a)}\)

- Small Business: +10%
- Specialty & Premium Vehicles: +10%
- Local Market: +11%
- International Inbound: +17%

\(^{(a)}\) Year-over-year revenue growth, excluding Payless
Taking Steps Today to Capture Future Opportunities

- Delivering incremental synergies
- Moved more than 1,000 vehicles to Zipcar for summer surge
- Zipcar added to AARP partnership
- Zipcar beginning to sign corporate contracts
- Will launch one-way rentals in the coming months
  - Guaranteed parking a competitive advantage
Growing Revenue Amid Mixed Economic Backdrop

- EMEA revenue increased 4%
  - Total revenue per day increased 1%\(^{(a)}\)
  - Budget revenue grew nearly 30%
  - Ancillary revenue per day increased 13%
  - Record second-quarter utilization

- Latin America / Asia-Pacific revenue increased 5%
  - Positive pricing and ancillary revenue growth
  - Volume softness driven by lower government and corporate demand in Australia

- Adjusted EBITDA up 7% in constant currency

Note: All numbers are in constant currency
(a) Excluding licensee revenues

Launched new Avis website in the UK
Launched new Avis TV campaign, “Unlock the World”
Zipcar will expand into Paris in the third quarter
Expect to Report Record Third Quarter Results

- North America
  - Positive demand and pricing continuing into the summer
  - Pricing in July increased 4%
  - Recalls affecting labor costs, utilization and fleet

- International
  - European recovery remains uneven
  - Demand in July was softer than expected but the early August picture is brighter

Nearly 125,000 recalls so far in 2014, compared to approximately 70,000 in all of 2013
Raising Our Revenue and Earnings Projections

- **North America**
  - Expect 5-7% volume growth in 2014
  - Full-year pricing projected to increase approximately 2%

- **EMEA**
  - Expect 3-5% volume growth
  - Plan to drive revenue growth through our Budget brand, ancillary sales and digital investments

- **Latin America / Asia-Pacific**
  - Expect low-single-digit volume growth
  - Continued economic weakness in Australia
  - Focused on driving inbound and outbound volume and growing Apex
**Uses of Free Cash Flow**

- **Share repurchases**
  - Repurchased $150 million of stock year-to-date
  - Expect to purchase $225 - $300 million of outstanding shares in 2014

- **Tuck-in acquisitions**
  - Acquired 11 airport locations from Advantage in June
  - Deal pipeline is modest
  - Unlikely to spend more than $100 million on acquisitions in 2014
David Wyshner
Senior Executive Vice President
and Chief Financial Officer
SECOND QUARTER 2014 RESULTS

Increased Adjusted EBITDA Margin

($ in millions)

Second Quarter 2013

Revenue

$2,002
+10%
Second Quarter 2014

$2,194

Second Quarter 2013

Adjusted EBITDA

$179
8.9% margin
Second Quarter 2014

$213
9.7% margin

Second-highest second-quarter Adjusted EBITDA in our history

Earnings per share of 68 cents, excluding certain items
SECOND QUARTER 2014 RESULTS – NORTH AMERICA

Ancillary revenue per day increased 5% \(^{(b)}\)

Volume and Pricing Increased

(year-over-year change)

- Rental Days \(^{(a)}\) increased by +8%
- Average Daily Rate \(^{(a)}\) increased by +3%
- Total Revenue increased by +12%

Pricing increased 5% excluding Payless and currency

\(^{(a)}\) Excluding Zipcar
\(^{(b)}\) Excluding gas and customer recoveries
**SECOND QUARTER 2014 RESULTS – NORTH AMERICA**

Payless contributed $31 million of revenue and $5 million of Adjusted EBITDA.

Per-unit fleet costs rose 1%.

Volume and Pricing Increased

<table>
<thead>
<tr>
<th>(year-over-year changes)</th>
<th>Excluding Payless</th>
<th>Including Payless</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Rental Days</td>
<td>Average Daily Rate</td>
</tr>
<tr>
<td>Leisure</td>
<td>+2%</td>
<td>+6%</td>
</tr>
<tr>
<td>Commercial</td>
<td>+7%</td>
<td>+2%</td>
</tr>
<tr>
<td>Total</td>
<td>+5%</td>
<td>+4%</td>
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</tbody>
</table>

Adjusted EBITDA Grew 37%

All figures exclude Zipcar and include currency effects; excluding currency effects, average daily rate excluding Payless increased 5%.
Revenue Increased due to Higher Volumes and Ancillary Revenue

(year-over-year change)

Adjusted EBITDA declined slightly, but increased $4 million excluding currency effects

Ancillary revenue per day increased 18% (b)

(a) Excluding currency effects
(b) Excluding gas, customer recoveries and currency effects
SECOND QUARTER 2014 RESULTS – TRUCK RENTAL

Average fleet is 12% smaller than a year ago.
Revenue declined 2% due to lower average fleet.

Substantial Pricing and Utilization Improvements
(year-over-year change)

- Average Daily Rate: 4%
- Utilization: 8%
- Revenue per Vehicle: 12%
Fleet Costs Have Normalized

Monthly Per-Unit Fleet Costs
(North America)

- **Second Quarter 2013**: $302 (Increase of +1%)
- **Second Quarter 2014**: $306
- **Full Year 2013**: $299 (Increase of +0.3%)
- **Full Year 2014E**: $300 - $310

Selling approximately 25% of our risk vehicles through alternative disposition channels.

Fleet optimization system driving results.

Note: Excluding Zipcar
Projects are
enhancing the
customer experience
and driving efficiency

Largest Investment in Company History

- Demand-Fleet-Pricing (yield management)
- Wizard modernization
  - Standardizing systems and adding functionality
- Upgrading mobility platforms and websites
- Increasing operational capacity
- Investing in fleet management systems
$2.4 billion of available liquidity at quarter-end
Net corporate leverage of $2.4 \times (a)$
Issued $400 million of senior notes with a yield of just over 5%
  - Redeemed remaining 8.25% senior notes
Debt refinancing remains a cost-saving opportunity
  - $225 million of 9.75% senior notes become callable in 2015

(a) Net corporate debt to Adjusted EBITDA
2014 OUTLOOK

2014 Estimates Raised

<table>
<thead>
<tr>
<th>($ in millions, except EPS)</th>
<th>Projection(^{(a)})</th>
<th>Growth vs. 2013(^{(b)})</th>
</tr>
</thead>
<tbody>
<tr>
<td>Revenue</td>
<td>$8,600 – $8,700</td>
<td>9%</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>860 – 910</td>
<td>15%</td>
</tr>
<tr>
<td>Non-vehicle D&amp;A</td>
<td>150</td>
<td></td>
</tr>
<tr>
<td>Interest expense</td>
<td>210</td>
<td></td>
</tr>
<tr>
<td>Pretax income</td>
<td>500 – 550</td>
<td>27%</td>
</tr>
<tr>
<td>Net income</td>
<td>$310 – $340</td>
<td>27%</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>$2.75 – $3.05</td>
<td>32%</td>
</tr>
</tbody>
</table>

Expect Free Cash Flow of Approximately $425 Million\(^{(c)}\)

(a) Excluding certain items
(b) Based on midpoint of projections
(c) Excluding any significant timing differences
Positioned for Earnings and Margin Growth

- Volume and pricing growth in North America
  - Leisure and commercial rentals both contributing
- Positive International revenue growth despite economic conditions
- Strategic initiatives continuing to generate benefits
  - Ongoing investment in technology
- Repurchased $150 million of stock in first half
  - Expect to repurchase a total of $225 to $300 million of common stock this year

Raising 2014 Expectations to Reflect Strong Pricing Trends
This presentation includes certain non-GAAP (generally accepted accounting principles) financial measures as defined under SEC rules. We have provided below reasons we present these non-GAAP financial measures, a description of what they represent and a reconciliation to the most comparable financial measure calculated and presented in accordance with GAAP. Because of the forward-looking nature of the Company’s forecasted non-GAAP Adjusted EBITDA, free cash flow, pretax income and diluted earnings per share, excluding certain items, specific quantifications of the amounts that would be required to reconcile forecasted net income, net cash provided by operating activities, pretax income and diluted earnings per share are not available. The Company believes that there is a degree of volatility with respect to certain of the Company’s GAAP measures which preclude the Company from providing accurate forecasted GAAP to non-GAAP reconciliations. Based on the above, the Company believes that providing estimates of the amounts that would be required to reconcile the range of the non-GAAP measures to forecasted GAAP measures would imply a degree of precision that would be confusing or misleading to investors for the reasons identified above.

Adjusted EBITDA
Adjusted EBITDA represents income before non-vehicle related depreciation and amortization, any impairment charge, restructuring expense, early extinguishment of debt costs, transaction-related costs, non-vehicle related interest 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 (loss) 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 (loss) before income taxes (in millions):

<table>
<thead>
<tr>
<th></th>
<th>Three Months Ended June 30,</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>2014</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$213</td>
</tr>
<tr>
<td>Less: Non-vehicle related depreciation and amortization (excluding acquisition-related amortization expense)</td>
<td>36</td>
</tr>
<tr>
<td>Interest expense related to corporate debt, net (excluding early extinguishment of debt)</td>
<td>55</td>
</tr>
<tr>
<td>Income before income taxes, excluding certain items</td>
<td>$122</td>
</tr>
<tr>
<td>Less certain items:</td>
<td></td>
</tr>
<tr>
<td>Early extinguishment of debt</td>
<td>56</td>
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<tr>
<td>Transaction-related costs</td>
<td>8</td>
</tr>
<tr>
<td>Restructuring expense</td>
<td>1</td>
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<tr>
<td>Acquisition-related amortization expense</td>
<td>9</td>
</tr>
<tr>
<td>Income (loss) before income taxes</td>
<td>$48</td>
</tr>
</tbody>
</table>
Reconciliation of Net Corporate Debt (in millions):

<table>
<thead>
<tr>
<th></th>
<th>June 30, 2014</th>
</tr>
</thead>
<tbody>
<tr>
<td>Corporate debt</td>
<td>$3,388</td>
</tr>
<tr>
<td>Less: Cash and cash equivalents</td>
<td>$537</td>
</tr>
<tr>
<td>Net corporate debt</td>
<td>$2,851</td>
</tr>
</tbody>
</table>

Reconciliation of Adjusted EBITDA excluding certain items (in millions):

<table>
<thead>
<tr>
<th></th>
<th>LTM Ended</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>June 30, 2014</td>
</tr>
<tr>
<td>Adjusted EBITDA</td>
<td>$827</td>
</tr>
<tr>
<td>Less: Non-vehicle related depreciation and amortization (excluding acquisition-related amortization expense)</td>
<td>139</td>
</tr>
<tr>
<td>Interest expense related to corporate debt, net (excluding early extinguishment of debt)</td>
<td>225</td>
</tr>
<tr>
<td>Income before income taxes, excluding certain items</td>
<td>$463</td>
</tr>
<tr>
<td>Less certain items:</td>
<td></td>
</tr>
<tr>
<td>Early extinguishment of debt</td>
<td>72</td>
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<tr>
<td>Restructuring expense</td>
<td>44</td>
</tr>
<tr>
<td>Transaction-related costs</td>
<td>41</td>
</tr>
<tr>
<td>Acquisition-related amortization expense</td>
<td>28</td>
</tr>
<tr>
<td>Impairment</td>
<td>33</td>
</tr>
<tr>
<td>Income before income taxes</td>
<td>$245</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.