

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549

FORM 8-K

CURRENT REPORT

Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): November 21, 2006 (November 20, 2006)

**Avis Budget Group, Inc.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**1-10308**  
(Commission File  
Number)

**06-0918165**  
(IRS Employer  
Identification No.)

**6 Sylvan Way**  
**Parsippany, NJ**  
(Address of Principal Executive Offices)

**07054**  
(Zip Code)

**(973) 496-4700**  
(Registrant's telephone number, including area code)

**N/A**  
(Former name or former address if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

**Item 4.02 Non-Reliance on Previously Issued Financial Statements or a Related Audit Report or Completed Interim Review.**

On November 20, 2006, the Company concluded that in addition to the restatements described in its Current Report on Form 8-K filed on November 15, 2006, it will be required to restate second quarter 2006 income (loss) from disposal of discontinued operations for an error in the determination of the impairment charge related to the sale of its former travel distribution businesses known as Travelport. Such restatement requires an increase of \$300 million to the \$1.0 billion impairment charge recorded in the second quarter of 2006 related to the sale of Travelport. As a result, the after-tax loss on the sale of Travelport for third quarter 2006 was approximately \$500 million. The aggregate after-tax loss on the sale of Travelport was, therefore, approximately \$1.8 billion, which is approximately \$150 million less than the previously announced \$1.95 billion (\$1.0 billion impairment charge recorded in second quarter 2006 and \$950 million expected loss on sale for third quarter 2006).

Accordingly, our previously issued financial statements for the six months ended June 30, 2006 should no longer be relied upon.

We filed our Quarterly Report on Form 10-Q for the period ended September 30, 2006 on November 21, 2006 and the financial statements included in such Quarterly Report properly reflect all applicable period adjustments relating to the restatements described above. We refer you to our September 30, 2006 Form 10-Q for additional information.

The Company's management and Audit Committee have discussed the matters disclosed in this filing with our independent registered public accounting firm, Deloitte & Touche LLP.

**Item 7.01 Regulation FD Disclosure.**

On November 21, 2006, we announced that we intend to post the restated 2005, 2004 and 2003 financial information for Avis Budget Car Rental and its subsidiaries, the companies that comprise our vehicle rental business, on our web site at [www.avisbudgetgroup.com](http://www.avisbudgetgroup.com) during the week of November 27, 2006.

Our press release announcing the posting of such financial information is incorporated by reference herein.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits.

The following exhibits are filed as part of this report:

<u>Exhibit No.</u>	<u>Description</u>
99.1	Press Release dated November 21, 2006.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AVIS BUDGET GROUP, INC.

By: /s/ David B. Wyshner  
David B. Wyshner  
Executive Vice President,  
Chief Financial Officer and Treasurer

Date: November 21, 2006

**EXHIBIT INDEX**

<b><u>Exhibit No.</u></b>	<b><u>Description</u></b>
99.1	Press Release dated November 21, 2006.

**AVIS BUDGET GROUP ANNOUNCES FILING  
OF ITS THIRD QUARTER FORM 10-Q**

**PARSIPPANY, N.J., November 21, 2006** – Avis Budget Group, Inc. (NYSE: CAR) announced today that it has filed its Quarterly Report on Form 10-Q for third quarter 2006.

The Company noted that, in addition to the adjustments required in connection with the previously disclosed restatement, the Form 10-Q reflects additional correcting adjustments related to the amounts of the Travelport impairment charge recorded in second quarter 2006 and the after-tax loss incurred in connection with such sale recorded in third quarter 2006. As a result, the timing of the amounts recorded was required to be adjusted to increase the amount recorded in second quarter 2006 by \$300 million, which resulted in an after-tax loss of approximately \$500 million in third quarter 2006. Accordingly, the aggregate after-tax loss on the sale of Travelport was approximately \$1.8 billion, which is approximately \$150 million less than the previously announced \$1.95 billion (\$1.0 billion impairment charge recorded in second quarter 2006 and \$950 million expected loss on sale for third quarter 2006). The adjustments related to the Travelport impairment charge are reflected within discontinued operations.

The Company also announced that it expects to post the 2005, 2004 and 2003 restated financial statements for Avis Budget Car Rental, LLC and its subsidiaries, the companies that operate its vehicle rental business, on its web site during the week of November 27, 2006.

**About Avis Budget Group, Inc.**

*Avis Budget Group is a leading provider of vehicle rental services, with operations in more than 70 countries. Through its Avis and Budget brands, the company is the largest general-use vehicle rental company in each of North America, Australia, New Zealand and certain other regions. Avis Budget Group is headquartered in Parsippany, N.J. and has more than 30,000 employees. For more information about Avis Budget Group, visit [www.avisbudgetgroup.com](http://www.avisbudgetgroup.com).*

**Forward-Looking Statements**

*Certain statements in this press release constitute “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements preceded by, followed by or that otherwise include the words “believes”, “expects”, “anticipates”, “intends”, “projects”, “estimates”, “plans”,*

“may increase”, “may fluctuate” and similar expressions or future or conditional verbs such as “will”, “should”, “would”, “may” and “could” are generally forward-looking in nature and not historical facts. Any statements that refer to expectations or other characterizations of future events, circumstances or results are forward-looking statements.

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, as of the date of this press release. Important assumptions and other important factors that could cause actual results to differ materially from those in the forward looking statements are specified in Avis Budget’s 10-Q for the three months ended September 30, 2006, including under headings such as “Forward-Looking Statements”, “Risk Factors” and “Management’s Discussion and Analysis of Financial Condition and Results of Operations.” Except for the Company’s ongoing obligations to disclose material information under the federal securities laws, the Company undertakes no obligation to release any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events unless required by law.

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