

Avis Budget Group Realizes \$65 Million in Incremental Benefits From Performance Excellence Initiative in 2011

Process-Improvement Efforts Exceed Expectations and Financial Targets

PARSIPPANY, N.J., Jan. 20, 2012 (GLOBE NEWSWIRE) -- Avis Budget Group (Nasdaq:CAR) today announced details of the ways that its award-winning Performance Excellence process-improvement initiative contributed to the Company's financial results in 2011, including its record levels of Adjusted EBITDA in the first nine months of the year. (Avis Budget Group will report fourth quarter and full-year 2011 results in February.)

Working closely with all facets of the organization, the Company's Performance Excellence, or "PEX," team applied proven tools such as Lean and Six Sigma on more than 500 different project deployments in 2011. These projects focused primarily on enhancing operational efficiency, driving incremental revenue, reducing fleet depreciation and fleet maintenance costs and improving the Avis and Budget customer experience. In total, the PEX initiative helped generate more than \$65 million of cost reductions and revenue enhancements in 2011 compared to prior-year results.

"We are delighted not just with the stellar results achieved by our PEX initiative, but also with the way our entire organization has embraced Performance Excellence as a powerful means to improve operational efficiency throughout the Company," said David B. Wyshner, senior executive vice president and chief financial officer. "We are confident that our process-improvement efforts will continue to help us identify ways that we can serve our customers better and at lower cost in 2012 and beyond."

Achieving process improvements and cost savings through Performance Excellence has been and continues to be one of Avis Budget's core strategic initiatives, and the Company has begun to apply process-improvement tools and proven best practices to its newly acquired operations in Europe. On a global basis, Avis Budget Group expects that PEX will help generate incremental benefits of more than \$45 million in 2012 compared with 2011, primarily through replication projects that represent the greatest opportunities for cost savings.

Key Performance Excellence projects in 2011 included:

- **Fuel Accountability:** This project successfully identified a number of areas where the Company's more than \$150 million of annual gasoline costs could be reduced and also implemented tools to reconcile gallons charged on rental agreements versus gallons pumped, allowing managers to better control gasoline costs. To date, the Fuel Accountability project has been replicated at dozens of airport locations.
- **Yield Management:** This project has helped the Company's regional Operations, Yield and Pricing departments take greater advantage of proven yield-management methods and revenue opportunities to increase profitability.
- **Local Market Ancillary Sales:** This project sought to close the gap in sales of the Company's ancillary revenue products and services that existed between airport locations and local market locations. The project looked at training programs, tracking and sustaining procedures, differences in sales processes, policy and procedure differences, and dedicated manpower to arrive at a plan that ultimately proved successful, and will be replicated system-wide beginning in 2012.
- **Shuttling Efficiency:** The PEX team drove significant cost savings by enhancing operational efficiency in the movement of fleet vehicles between rental locations and maintenance facilities by establishing standardized routes, developing analytics for each location to minimize 'over-shuttling' and implementing a GPS-based tracking system for all shuttle crews.
- **Preventive Vehicle Maintenance:** By determining the optimal preventive maintenance plan for each fleet vehicle make and model, PEX achieved cost savings in a number of areas including increased warranty recovery, reduced oil change and tire expense, and lower de-fleeting costs, while at the same time bringing about a reduction in maintenance-related customer complaints.

"Our pipeline of opportunities remains full, and we anticipate launching approximately 500 or more new or replication projects globally in 2012," said Mr. Wyshner. "We have taken steps to solicit more process-improvement ideas from rank-and-file employees in addition to those submitted by management, as we continue to see that people who are closest to aspects of our business in need of improvement are well-suited to bring these opportunities to the attention of the PEX team."

Avis Budget Group launched its Performance Excellence initiative in late 2007, seeking a sustainable, broad-based means to

increase productivity, reduce costs and improve customer service. Employees began referring to successful process-improvement efforts as "PEX-ing" in 2008, and the overwhelming success of the initiative was later recognized by the Global Six Sigma Improvement Awards, when Avis Budget Group won Best Organizational Achievement in Lean Enterprise Improvement. Since its launch, Avis Budget Group's Performance Excellence initiative has generated more than \$250 million in annual benefits.

About Avis Budget Group, Inc.

Avis Budget Group, Inc. is a leading global provider of vehicle rental services through its Avis and Budget brands, with 10,000 rental locations in approximately 175 countries around the world. Avis Budget Group operates most of its car rental offices in North America, Europe and Australia directly, and operates primarily through licensees in other parts of the world. Avis Budget Group has approximately 28,000 employees and is headquartered in Parsippany, N.J. For more information, visit www.avisbudgetgroup.com.

The Avis Budget Group, Inc. logo is available at <http://www.globenewswire.com/newsroom/prs/?pkgid=8891>

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. All information in this release related to benefits and cost reductions are forward-looking statements.

Various risks that could cause future results to differ from those expressed by the forward-looking statements included in this press release include, but are not limited to, any downturn in the U.S. economy, the high level of competition in the vehicle rental industry, greater than expected cost increases for new vehicles, disposition of vehicles not covered by manufacturer repurchase programs in the used vehicle marketplace, the financial condition of the auto manufacturers that supply our rental vehicles which could impact their ability to perform their obligations under our repurchase and/or guaranteed depreciation arrangements, a downturn in airline passenger traffic, an occurrence or threat of terrorism, our requirement for substantial capital, a disruption in our ability to obtain financing for our operations, our ability to meet the financial and other covenants contained in agreements governing our indebtedness, any additional significant increase in interest rates or borrowing costs, our ability to utilize derivative instruments which hedge our exposure to interest rates and fuel costs, the Company's ability to execute on its cost and efficiency plans and strategies, and the Company's ability to accurately estimate its future results and implement its strategy for growth. Other unknown or unpredictable factors also could have material adverse effects on Avis Budget Group's performance or achievements. In light of these risks, uncertainties, assumptions and factors, the forward-looking events discussed in this press release may not occur. 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 Group's Annual Report on Form 10-K for the year ended December 31, 2010 and Quarterly Report on Form 10-Q for the quarter ended September 30, 2011 and in future filings with the SEC, 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 publicly 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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