# Europcar Mobility Group: First Quarter 2021 Results

May 6, 2021

**BUSINESS STILL IMPACTED BY COVID-19 OUTBREAK, YET SOLID RESILIENCE IN DOMESTIC AND V&T ACTIVITIES**

**STRONG REBOUND IN THE US**

**LOWERED BREAKEVEN POINT & LIMITED CASH CONSUMPTION**

**ROLLOUT OF CONNECT ON TRACK, WITH FIRST SOLUTIONS & SERVICES DELIVERIES**

PARIS--(BUSINESS WIRE)--May 6, 2021-- Regulatory News:

Europcar Mobility Group (Paris:EUCAR):

**Q1 2021 HIGHLIGHTS[1]**

- Revenue: €356m, down –36%[2], still reflecting the impact of travel restrictions in Europe but showing also a good performance of domestic markets with resilient activities. The US, Australia and New Zealand show good signs of recovery
- A strong improvement in margin after direct costs: +2 percentage points to 24.0% vs Q1 2020 thanks to significant reduction in the average fleet (-36% to 187,000 vehicles) and sharp increase in utilization rate (69.9% in Q1 2021) combined with solid cost reductions, demonstrating the Group's flexible model and fast adaptation
- Breakeven point lowered thanks to continued cost measures adaptation on Network and HQs, as reflected by the limited fall-though: 11% in Q1 2021 versus Q1 2019 (Corp. EBITDA loss vs revenue loss)
- Significant reduction in losses at Corporate EBITDA (IFRS 16): -€44m in Q1 2021 (vs -€64m in Q1 2020).
- Pretax result of -€82m versus -€135m in Q1 2020
- Limited increase in Corporate net debt in Q1 2021, by €106m versus €188m in Q1 2020. Q1 usually cash-out quarter due to business seasonality
- Robust liquidity position: €515m as at 31 March 2021, plus €225m of new liquidity fleet financing

**OUTLOOK**

- Cautious view on Q2 2021, still impacted by the pandemic and on H2 2021 due to vaccination campaigns not as fast as planned, lockdowns and travel restrictions, very limited long-haul traffic Hence, the Group is not yet in a position to provide guidance for the FY 2021. Nevertheless, the Group anticipates revenue growth in 2021, as illustrated by the current rebound in the US.
- Monitoring closely the shortage of semiconductor components at OEMs level
- Focusing on delivering the first steps of its strategic "Connect" roadmap, ready to capture growth and return to profitability, in a context of market recovery
- Cash consumption in 2021 expected to be lower than in 2020

**Caroline Parot, CEO of Europcar Mobility Group, declared:**

*"Over the first quarter 2021, the Travel & Leisure environment continued to be globally challenging in Europe as lockdowns, travel restrictions and stringent sanitary constraints were still in place.*

*In this context, Europcar Mobility Group recorded a decline in revenue in Europe vs Q1 2020, but with resilient performance in domestic markets and Vans & Trucks, while experiencing a strong rebound in the US at the end of March. As part of its cost adaptation to mitigate the impact of the crisis, the Group continued to manage daily operations with strict discipline, allowing for further reduction of its breakeven point and cash optimization.*

*The roll out of our strategic roadmap, "Connect", is well on track, with significant achievements and deliveries over the course of the first quarter, with, notably the implementation of new go-to-market approaches, by Service Line, and the successful launch of a very innovative, highly flexible subscription model for professionals.*

*Regarding Q2 2021 onwards, our views remain cautious. Nevertheless, we see reasons to be reasonably optimistic regarding what is ahead of us. We are confident that we will rebound strongly as soon as the sanitary / market conditions improve, in line with higher vaccination rates, as demonstrated by our US business."*

Europcar Mobility Group invites you to its Q1 2021 Results Conference Call on:

**Thursday, May 6th, at 6:00pm CET**

**Dial-in Access telephone numbers:**
France : +33 (0)1 76 77 25 07
Germany: +49 (0)89 2030 35526
UK: +44 (0)330 336 9434
USA: +1 646-828-8193
Confirmation Code: 7731252

**Webcast live:**

You can watch the presentation on the following link: https://globalmeet.webcasts.com/starthere.jsp?ei=1451977&tp_key=fd0dae40a8

Slides related to first quarter 2021 results are available on the Group's website, in the "Financial documentation" section: https://investors.europcar-group.com/results-center

**KEY HIGHLIGHTS OF FIRST QUARTER 2021**

Over the first quarter 2021, the Travel & Leisure industry continued to be globally challenging in Europe overall as lockdowns, travel restrictions and stringent sanitary constraints were still in place, as a consequence of slow vaccination campaigns rollout. In the second part of the quarter, there were however very positive domestic trends in the US, Australia and New Zealand owing to widespread campaigns and government restrictions ease: airline booking data improved with the reopening of the economy, in line with the recovery of domestic airline traffic.

Against this backdrop, Europcar Mobility Group recorded a decline in revenue in Europe but with resilient performance in domestic markets and Vans & Trucks while experiencing a rebound in the US in March. As part of its cost adaptation to mitigate the impact of the crisis, the Group continued to run a strict cost discipline, allowing it to reduce further its breakeven point through massive fleet reduction and reduction of semi-fixed and fixed costs. All expenses were carefully monitored, with an emphasis on limiting them to essential needs (non-fleet capital expenditure limited to core IT projects, strong focus on collection and rigorous management of payables).

This strong cost control led the Group to minimize its cash consumption to -€106m in Q1 2021 versus -€188m in Q1 2020, leading to a sound financial position of €199m Corporate net debt as at 31 March 2021.

**Q1 2021 financial results**

| All data in €m, except if mentioned | Q1 2021 | Q1 2020 | % Change | % Change at constant perimeter and currency |
|---|---|---|---|---|
| **Number of rental days (million)** | 11.6 | 17.4 | -33.3% | -33.3% |
| **Average Fleet (thousand)** | 187.3 | 293.0 | -36.1% | -36.1% |
| **Financial Utilization rate** | 69.9% | 66.4% | *3.5pt* | *3.5pt* |
| **Total revenues** | 355.7 | 556.9 | -36.1% | -35.8% |
| **Adjusted Corporate EBITDA (IFRS 16)** | (44.4) | (64.1) | | |
| **Operating Income** | (84.4) | (88.3) | | |
| **Income before taxes** | (82.1) | (135.1) | | |
| **Net profit/loss** | (76.7) | (105.0) | | |
| **Corporate Free Cash Flow** | (100.0) | (136.1) | | |
| **Corporate Net Debt at end of the period** | 198.7 | 1 068.1 | | |

No change in perimeter between Q1 2021 and Q1 2020. As a reminder, the last 2 acquisitions were Fox Rent A Car in the US consolidated in November 2019 and franchisees in Norway and Finland in July 2019.

***Management Account presentation:*** Q1 *2020 and Q1 2021 accounts are presented under IFRS 16, unless explicitly mentioned*

**PROFIT & LOSS IN THE FIRST QUARTER 2021**

First quarter is traditionally the low season for the Group’s activity while fixed costs are stable throughout the year.

Revenue and Profit & Loss are analyzed through the evolution at constant perimeter and exchange rates.

| **All data in €m** | **Q1 2021** | **Q1 2020** | **% Change at constant perimeter and currency** | **Q1 2019** | **% Change at constant perimeter** |
|---|---|---|---|---|---|
| **Total revenue** | **355.7** | **556.9** | **-35.8%** | **619.4** | **-42.6%** |
| Average fleet size ('000) | 187.3 | 293.0 | -36.1% | 292.8 | -36.0% |
| Rental days volume (in Million) | 11.6 | 17.4 | -33.3% | 19.0 | -39.0% |
| Utilization rate | 69.9% | 66.4% | +3.5pt | 73.5% | (3.6)pt |
| | | | | | |
| Fleet holding costs | (114.3) | (184.2) | 37.6% | (177.6) | 35.6% |
| Variable costs | (131.6) | (211.6) | 37.4% | (219.9) | 40.2% |
| **Total fleet costs & variable costs** | **(245.9)** | **(395.7)** | **37.5%** | **(397.5)** | **38.1%** |
| | | | | | |
| Sales and marketing expenses | (1.9) | (8.2) | 76.1% | (9.5) | 79.6% |
| Fleet financing costs | (22.6) | (30.5) | 25.1% | (32.7) | 30.9% |
| | | | | | |
| **Margin after Direct costs** | **85.3** | **122.5** | **-30.4%** | **179.7** | **-52.5%** |
| **In % of revenue** | **24.0%** | **22.0%** | **+1.9pt** | **29.0%** | **(5.0)pt** |
| | | | | | |
| Network | (60.0) | (101.4) | 40.3% | (102.2) | 41.3% |
| HQ Costs | (69.8) | (85.2) | 17.9% | (92.0) | 24.2% |
| **Fixed and semi-fixed costs** | **(129.7)** | **(186.6)** | **30.0%** | **(194.2)** | **33.2%** |
| | | | | | |
| **Adjusted Corporate EBITDA (IFRS 16)** | **(44.4)** | **(64.1)** | | **(14.5)** | |
| | | | | | |
| IFRS 16 impact on premises and parking | (20.9) | (20.3) | | (19.2) | |
| IFRS 16 impact on the fleet and financing costs & variable costs | (5.3) | (6.6) | | (5.6) | |
| **Adjusted Corporate EBITDA excl. IFRS-16** | **(70.7)** | **(91.1)** | | **(39.3)** | |

| | | | | | |
|---|---|---|---|---|---|
| Depreciation – excluding vehicle fleet | (35.7) | (37.1) | 4.6% | (37.5) | 4.8% |
| Non-recurring income and expense | (8.8) | (7.0) | | (12.1) | |
| Other financing income and expense not related to the fleet | (16.7) | (26.8) | 37.2% | (30.0) | 44.3% |
| Net financial restructuring costs | 23.6 | - | | | |
| *of w/h non-recurring impact* | *(12.3)* | *-* | | | |
| *of w/h financial result impact (IFRIC 19 & Transaction costs)* | *35.9* | *-* | | | |
| **Income before taxes** | **(82.1)** | **(135.1)** | | **(94.1)** | |
| Income tax | 5.4 | 30.1 | | 23.8 | |
| Share of profit/(loss) of associates | - | - | | (0.1) | |
| **Net profit/(loss) excl. IFRS 16** | **(78.0)** | **(103.2)** | | **(66.7)** | |
| **Net profit/(loss) incl. IFRS 16** | **(76.7)** | **(105.0)** | | **(70.4)** | |

*Variable costs: Revenue related costs, rental related costs, fleet operating costs and others*

*Q1 2019 is at constant perimeter versus Q1 2021. Non-audited figures figures*

**1. Revenue in Q1 2021**

**Revenue in Q1 2021: Cars still impacted and Vans & Trucks recording positive growth**

As explained in previous statements and reflected in the revenue table below, the Group ‘s organization is now structured around 3 Service Lines as to respond to specific mobility use cases and design the appropriate offers and associated customer journey.

- **Leisure customers:** expectations on price competitiveness and speed to serve. Main use cases: Travel & Leisure
- **Professional customers:** planned and contacted operations with flexibility on solutions, quality of service as a must and a strong network. Main use cases: vehicles replacement, business travel, fleet services, local mobility for businesses
- **Proximity customers:** looking for higher accessibility of the service. Main use cases: vehicle substitute for long term and on demand solutions like carsharing.

On a proforma basis (i.e. at constant perimeter and exchange rates), total revenue decreased by -36% to €356m in Q1 2021 with rental days -33%. Unsurprisingly, the Group remained heavily impacted by the travel ban and various lockdown restrictions.

As the Group recorded an extremely solid performance over the first two months of 2020 (+3.6% revenue growth on a proforma basis or +4.3% on constant perimeter), revenue in Q1 2021 has shown a contrasted performance month by month: -44% in January, -45% in February and –11% in March.

Overall, during the quarter, Car Leisure business segments continued to be impacted by mobility restrictions but this was partly offset by domestic markets, which continued to demonstrate resilience, and by the US, Australia and New Zealand which recorded positive revenue growth. Vans & Trucks performed extremely positively, back to 2019 levels. It benefited from sustained demand in domestic markets, driven by home delivery / e-commerce and the launch of new service / solutions.

| €m | Q1 2021 | Q1 2020 | % Change | % Change at constant currency |
|---|---|---|---|---|
| Proximity | 38.6 | 73.3 | -47.3% | -47.6% |
| Professional | 130.1 | 187.6 | -30.7% | -30.7% |
| Leisure | 87.0 | 188.2 | -53.7% | -53.0% |

| | | | | |
|---|---|---|---|---|
| **CARS** | **255.7** | **449.0** | **-43.1%** | **-42.7%** |
| **VANS & TRUCKS** | **85.1** | **79.0** | **7.6%** | **7.6%** |
| **Rental Revenues (incl. Mobility)** | **340.8** | **528.1** | **-35.5%** | **-35.2%** |
| Other income (incl. franchisee) | 14.9 | 28.8 | -48.2% | -47.7% |
| **Total Revenues** | **355.7** | **556.9** | **-36.1%** | **-35.8%** |

**CARS:** revenue decreased by -43% to €255.7m in Q1 2021 mainly due to volume effect. The analysis below details the performance of CARS by Service Line:

- **Leisure Service Line,** which mainly relates to activity in airports and railways, has been heavily impacted by the absence of international traffic, due to restrictive measures re-imposed in many countries. The low cost segment, however, proved much more resilient than the rest of the Service Line, driven by the strong rebound of Fox-Rent-A-Car in the US (+17% over the quarter), as Americans started to travel again domestically, thanks to a speedy vaccine distribution.
- **Professional Service Line**: was less impacted since products such as long-term solutions (LTS) are bringing agility and flexibility to businesses in an uncertain environment.
- **Proximity Service Line**: the 2 segments (car replacement and local mobility on-demand) recorded various trends: given the nature of the business (long-term), car replacement recorded a limited decline. Within local mobility on-demand, traditional car rental was heavily impacted by movement restrictions combined with closure of stations. Conversely, car-sharing proved resilient, with close to 90% of revenue driven by repeat business, hence confirming the shift of urban customers towards alternatives to vehicle ownership.

**VANS & TRUCKS:** revenue grew by close to +8% to €85m in Q1 2021 compared to Q1 2020, back to 2019 levels. The strategy towards the development of Supersites and deployment of long-term solution offers is paying-off. In particular, Germany, the UK and Italy, significantly contributed to the global performance.

**2. From MADC to Adjusted Corporate EBITDA in Q1 2021**

**MADC (Margin after Direct Costs)**

The Group remained strongly focused on adapting its fleet holding and variable costs through massive fleet reduction, thanks to its flexible model, based on buy-back programs and long-term relationships with OEMs. The Group reduced its fleet size by -36% on average in Q1 2021, to a low point of 187,000 vehicles compared to the same period last year, and in line with the decrease in rental days (-33% in Q1 2021). This capacity to adjust the fleet adequately allowed the Group to improve its utilization rate by 3.5 basis points to 69.9% YoY.

In all, the decrease in fleet holding costs and variable costs was higher than revenue decline, i.e. by -38% to €246m.

Fleet financing costs decreased at a lesser rate than revenue, reflecting a slight increase in financing costs, in addition to a higher cost per unit due to a higher proportion of Vans & Trucks in the Group's fleet.

MADC totaled €85m in Q1 2021 vs €123m in Q1 2020, with an improved margin on revenue at 24.0% in Q1 2021 versus 22.0% in Q1 2020. This performance highlights the positive impact of all adaptation measures taken by the Group to mitigate the impact of the crisis.

**Adjusted Corporate EBITDA, an outstanding performance: removing 30% of fixed and semi-fixed costs**

The Group continued to successfully reduce its semi-fixed and fixed costs by optimizing respectively its network and HQs costs, adapting them to the lower level of activity, thanks to the major restructuring plans launched in 2020. This solid performance is enhanced by furlough measures, reduction in external spending, pursued renegotiations of rents with network and HQ landlords, station closures (permanent and temporary) or reduced opening hours. At the end of March 2021, 65% of stations were still closed or operating with limited hours.

The Group achieved an outstanding performance by removing -30% of those semi-fixed and fixed costs in Q1 2021 compared to Q1 2020, allowing losses at Corporate EBITDA to be reduced at -€44m in Q1 2021 versus -€64m in Q1 2020.

As a result, the Group recorded a limited 11% fall-through in Corporate EBITDA versus Q1 2019, despite a €260m drop in revenue.

**3. From Adjusted Corporate EBITDA to Group net income**

**Financial income and expenses not related to the fleet:** net financing costs not related to the fleet decreased to -€16.7m in Q1 2021 from -€26.8m in Q1 2020, due to the positive impact of the conversion of the 2024 Bonds and 2026 Bonds into equity, partially offset by new interests on state guaranteed loans incurred in Q1 2021.

**Non-recurring expenses** were contained to -€8.8m in Q1 2021 versus -€7.0m in Q1 2020 and -€12.1m in Q1 2019. As part of the continuation of the Reboot plan, initiated in 2020, they primarily reflected adaptation measures in HQs and Network that have been implemented to deliver a fast payback in adapting the cost base to the new size of the company.

**Net financial restructuring costs**: +€23.6m in Q1 2021 breaking down into -€12.3m of restructuring fees (accounted in the P&L) and +€35.9m non-cash income (including +€48m booked under IFRIC 19 accounting standards, coming from the difference between the book value of the debt converted into equity instruments and the fair value of these instruments at the transaction date; and -€12m of previous transaction cost write-off).

**Pretax losses**, as a result of the above, were significantly reduced from -€135m in Q1 2020 to -€82m in Q1 2021.

**Tax**: +€5.4m in Q1 2021 versus +€30m in 2020, reflecting a cautious approach with lower activation of tax losses carry-forward compared to the same period last year.

**Net income:** the Group posted a net loss of -€76.7m in 2021 compared to -€105m in the same period last year.

**CORPORATE FREE CASH FLOW & CORPORATE NET DEBT IN Q1 2021**

**Corporate Operating Cash Flow in Q1 2021**

The Group successfully reduced its cash consumption at Corporate Operating Cash Flow to €100m in Q1 2021 versus €136m in Q1 2020. This reflects Adjusted Corporate EBITDA of -€44m, non-fleet capex of -€12m limited to the Group's digital transformation, -€9m of non-recurring expenses mainly linked to adaptation costs with fast pay back, -€5m for the change in working capital and provisions, -€3m income tax and -€26m lease liability cash out under IFRS 16 application on network, airport and HQ lease contracts.

Compared to Q1 2019, the deterioration of Corporate Operating cash flow remained fairly limited (~-€20m) while the shortfall in revenue and Corporate EBITDA was much larger (respectively ~€260m and ~€30m), highlighting the extreme agility of the Group to adapt to the challenging situation.

**Corporate Net debt[3] at March 31, 2021**

Following its financial restructuring, proforma Corporate net debt totaled €93m as at December 31st, 2020. This translated into €199m as at March 31th, 2021, mainly reflecting the negative operating free cash flow.

The Group recorded sound Corporate liquidity of €515m as at 31 March 2021 versus €587m at 31 December 2020 after debt restructuring.

**ROLLOUT OF CONNECT ON TRACK, WITH FIRST SOLUTIONS & SERVICES DELIVERIES DURING Q1 2021**

Over the course of Q1 2021, the Group delivered the first steps of its Connect transformation roadmap.

- To meet an increasing need for greater flexibility, and in line with the implementation of new go-to-market approaches, by Service Lines, Europcar Mobility Group launched innovative offers to facilitate the day-to-day life of professionals, thanks to flexible, mid & long-term subscription solutions: "Flex", "Superflex", "DuoFlex". These offers are modern and disruptive alternatives to fixed-term leasing or ownership, as they are based on the convenience of a monthly subscription, without the need to commit on a set, long duration.

  The launch of these offers in March 2021 was met with success among their target audience, translating into an increase in commercial leads of 76% (vs February 2021).

- Following the strategic partnership with Telefonica and Geotab signed on October 2020, the "One Connected Fleet" program reached another key milestone recently, sealing a deal with Free2Move, the connectivity platform of Stellantis. Through this international partnership, Free2Move will provide the Group with seamless access to vehicle telemetry data such as geolocation, fuel level, mileage and maintenance alerts in accordance with data protection regulations. This data will be processed to help improve customer experience and optimize business applications, as well as internal processes such as fleet inventory management, vehicle delivery and collection, vehicle maintenance, vehicle return, and more.

- Phase 1 steps of the Group's brand new, unified and strongly integrated IT system, were successfully reached, allowing, as planned, a roll-out over the course of Q2 onwards, beginning with Portugal, before a global implementation.

This is a key milestone in the Group's journey towards at scale, fully digitized customer journeys and operations.

On a longer-term perspective, "Connect" will significantly transform the model and profile of the Group, enabling:

- Re-balancing of revenue streams, with less seasonality.
- Leaner organization and operations, paving the way for enhanced cost efficiency / profitability & improved FCF generation.
- Digitization of customer journeys, at scale, cross-brands & geographies.

**FULL YEAR 2021 OUTLOOK**

The Group is anticipating the following for the rest of the year:

- Second quarter 2021 will still be impacted by the pandemic;

- Cautious views on second half of 2021, given a high level of uncertainties related to the pace of vaccination campaigns, travel restrictions in Europe, and limited long-haul traffic.

**Hence the Group is not yet in a position to provide guidance for the FY 2021**.

Nevertheless, the rebound in the US, Australia / New Zealand gives positive perspectives regarding the European restart. Combined with resilient domestic revenue generation driven by Vans & Trucks and first positive intake for new service solutions of Professional Services lines, the Group confirms it is confident that 2021 revenues will increase compared to 2020.

The strong cost adaptation already achieved at Network and HQ level, combined with the flexibility of the Group's model, will contribute to improving profitability and limiting cash consumption compared to 2020.

Liquidity will remain a strong focus throughout the Group, with selective capital allocation and prioritization.

**AGENDA**

General shareholders' meeting:  June 30th, 2021

**About Europcar Mobility Group**

Europcar Mobility Group is a major player in mobility markets and listed on Euronext Paris. The mission of Europcar Mobility Group is to be the preferred "Mobility Service Company" by offering attractive alternatives to vehicle ownership, with a wide range of mobility-related services and solutions: car rental and light commercial vehicle rental, chauffeur services, car-sharing, scooter-sharing and private hire vehicle (PHV – rental to "Uber like" chauffeurs). Customers' satisfaction is at the heart of the Group's mission and all of its employees and this commitment fuels the continuous development of new services. Europcar Mobility Group operates through a diversified portfolio of brands meeting every customer specific needs and use cases, be it for 1 hour, 1 day, 1 week or longer ; its 4 major brands being: Europcar® - the European leader of car rental and light commercial vehicle rental, Goldcar® - the low-cost car-rental Leader in Europe, InterRent® – 'mid-tier' car rental and Ubeeqo® – one of the European leaders of round-trip car-sharing (BtoB, BtoC). Europcar Mobility Group delivers its mobility solutions worldwide solutions through an extensive network in over 140 countries (including wholly owned subsidiaries – 18 in Europe, 1 in the USA, 2 in Australia and New Zealand – completed by franchises and partners).

**Forward-looking statements**

This press release includes forward-looking statements based on current beliefs and expectations about future events. Such forward-looking statements may include projections and estimates and their underlying assumptions, statements regarding plans, objectives, intentions and/or expectations with respect to future financial results, events, operations and services and product development, as well as statements, regarding performance or events. Forward-looking statements are generally identified by the words "expects", "anticipates", "believes", "intends", "estimates", "plans", "projects", "may", "would", "should" or the negative of these terms and similar expressions. Forward looking statements are not guarantees of future performance and are subject to inherent risks, uncertainties and assumptions about Europcar Mobility Group and its subsidiaries and investments, trends in their business, future capital expenditures and acquisitions, developments in respect of contingent liabilities, changes in economic conditions globally or in Europcar Mobility Group's principal markets, competitive conditions in the market and regulatory factors. Those events are uncertain; their outcome may differ from current expectations which may in turn materially affect expected results. Actual results may differ materially from those projected or implied in these forward-looking statements. Any forward-looking statement contained in this press release is made as of the date of this press release. Other than as required by applicable law, Europcar Mobility Group does not undertake to revise or update any forward-looking statements in light of new information or future events. The results and the Group's performance may also be affected by various risks and uncertainties, including without limitation, risks identified in the "Risk factors" of the Universal Registration Document registered by the Autorité des marchés financiers on May 6, 2020 and also available on the Group's website: www.europcar-mobility-group.com. This press release does not contain or constitute an offer or invitation to purchase any securities in France, the United States or any other jurisdiction.

**Regulated information related to this press release is available on the website:**

https://investors.europcar-group.com/results-center

www.europcar-mobility-group.com

**Appendix 1 – P&L (Management account) in Q1 2021 (including IFRS 16)**

| **All data in €m** | **Q1 2021** | **Q1 2020** | **% Change** | **% Change at constant perimeter and currency** |
|---|---|---|---|---|
| **Total revenue** | **355.7** | **556.9** | **-36.1%** | **-35.8%** |
| Average fleet size ('000) | 187.3 | 293.0 | -36.1% | -36.1% |
| Rental days volume (in Million) | 11.6 | 17.4 | -33.3% | -33.3% |
| Utilization rate | 69.9% | 66.4% | +3.5pt | +3.5pt |

| | | | | |
|---|---|---|---|---|
| Fleet holding costs* | (114.3) | (184.2) | 37.9% | 37.6% |
| Variable costs | (131.6) | (211.6) | 37.8% | 37.4% |
| **Total fleet costs & variable costs** | **(245.9)** | **(395.7)** | **37.9%** | **37.5%** |
| | | | | |
| Sales and marketing expenses | (1.9) | (8.2) | 76.1% | 76.1% |
| Fleet financing costs | (22.6) | (30.5) | 25.9% | 25.1% |
| | | | | |
| **Margin after Direct costs** | **85.3** | **122.5** | **-30.4%** | **-30.4%** |
| **In % of revenue** | **24.0%** | **22.0%** | **+2.0pt** | **+1.9pt** |
| | | | | |
| Network | (60.0) | (101.4) | 40.9% | 40.3% |
| HQ Costs | (69.8) | (85.2) | 18.2% | 17.9% |
| **Fixed and semi-fixed costs** | **(129.7)** | **(186.6)** | **30.5%** | **30.0%** |
| | | | | |
| **Adjusted Corporate EBITDA (IFRS 16)** | **(44.4)** | **(64.1)** | | |
| | | | | |
| IFRS 16 impact on premises and parking | (20.9) | (20.3) | | |
| IFRS 16 impact on the fleet and financing costs & variable costs | (5.3) | (6.6) | | |
| **Adjusted Corporate EBITDA excl. IFRS-16** | **(70.7)** | **(91.1)** | | |
| Depreciation – excluding vehicle fleet | (35.7) | (37.1) | 3.9% | 4.6% |
| Non-recurring income and expense | (8.8) | (7.0) | | |
| Other financing income and expense not related to the fleet | (16.7) | (26.8) | 37.6% | 37.2% |
| Net financial restructuring costs | 23.6 | - | | |
| **Income before taxes** | **(82.1)** | **(135.1)** | | |
| Income tax | 5.4 | 30.1 | | |
| **Net profit/(loss) excl. IFRS 16** | **(78.0)** | **(103.2)** | | |
| **Net profit/(loss) incl. IFRS 16** | **(76.7)** | **(105.0)** | | |

* Fleet holding costs do not include the estimated interests included in operating lease. They are disclosed within the fleet financing expenses in the Management Accounts

**Appendix 2 – IFRS Income Statement**

| **In €m** | **Q1 2021** | **Q1 2020** |
|---|---|---|
| | **After IFRS 16** | **After IFRS 16** |
| **Revenue** | **355.7** | **556.9** |
| Fleet holding costs | (120.1) | (194.7) |
| Fleet operating, rental and revenue related costs | (131.6) | (211.6) |
| Personnel costs | (88.4) | (132.0) |
| Network and head office overhead costs | (43.0) | (64.5) |
| Non-fleet depreciation, amortization and impairment expense | (35.7) | (37.1) |
| Other income | (0.2) | 1.7 |
| **Current operating income** | **(63.2)** | **(81.3)** |
| Other non-recurring income and expense | (21.1) | (7.0) |
| **Operating income** | **(84.3)** | **(88.3)** |
| Net fleet financing expenses | (16.9) | (20.0) |
| Net non-fleet financing expenses | (15.3) | (18.2) |
| Net other financial expenses | 34.4 | (8.5) |
| **Net financing costs** | **2.3** | **(46.7)** |
| **Profit/(loss) before tax** | **(82.0)** | **(135.1)** |
| Income tax benefit/(expense) | 5.4 | 30.1 |
| **Net profit/(loss) for the period** | **(76.7)** | **(105.0)** |

**Appendix 3 – Reconciliation from consolidated accounts to management accounts (including IFRS 16)**

| **All data in €m** | **Q1 2021** | **Q1 2020** |
|---|---|---|
| **Adjusted Consolidated EBITDA** | **68.1** | **118.8** |
| Fleet depreciation | (55.8) | (100.6) |
| Fleet depreciation (IFRS16) | (34.2) | (51.8) |
| **Total Fleet depreciation** | **(90.0)** | **(152.4)** |
| Interest expense related to fleet operating leases (estimated) | (5.7) | (10.5) |
| Net fleet financing expenses | (16.9) | (20.0) |
| **Total Fleet financing** | **(22.6)** | **(30.5)** |
| **Adjusted Corporate EBITDA** | **(44.4)** | **(64.1)** |
| Amortization, depreciation and impairment expense | (35.7) | (37.1) |
| Reversal of Net fleet financing expenses | 16.9 | 20.0 |
| Reversal of Interest expense related to fleet operating leases (estimated) | 5.7 | 10.5 |
| **Adjusted recurring operating income** | **(57.5)** | **(70.8)** |
| Impairment expense on non-current assets | 0.0 | - |
| Interest expense related to fleet operating leases (estimated) | (5.7) | (10.5) |
| **Recurring operating income** | **(63.2)** | **(81.3)** |

**Appendix 4 – IFRS Balance Sheet**

| **In €m** | **March 2021** | **Dec 2020** |
|---|---|---|
| | **After IFRS 16** | **After IFRS 16** |
| **Assets** | | |
| Goodwill | 1 005.2 | 998.1 |
| Intangible assets | 1 059.2 | 1 055.8 |
| Property, plant and equipment | 404.4 | 413.2 |
| Other non-current financial assets | 52.4 | 54.1 |

| | | |
|---|---|---|
| Deferred tax assets | 181.1 | 176.9 |
| **Total non-current assets** | **2 702.3** | **2 698.1** |
| | | |
| Inventory | 16.9 | 16.1 |
| Rental fleet recorded on the balance sheet | 2 054.3 | 2 197.2 |
| Rental fleet and related receivables | 463.9 | 504.0 |
| Trade and other receivables | 361.2 | 382.0 |
| Current financial assets | 23.4 | 23.2 |
| Current tax assets | 32.2 | 29.0 |
| Restricted cash | 85.6 | 82.0 |
| Cash and cash equivalents | 348.0 | 364.6 |
| **Total current assets** | **3 385.5** | **3 598.2** |
| | | |
| **Total assets** | **6 087.8** | **6 296.3** |
| | | |
| **Equity** | | |
| **Total equity attributable to the owners of Europcar Mobility Group** | **1 475.3** | **189.7** |
| Non-controlling interests | 0.5 | 0.5 |
| **Total equity** | **1 457.8** | **190.3** |
| | | |
| **Liabilities** | | |
| | | |
| Financial liabilities | 1 472.5 | 2 105.2 |
| Non-current financial instruments | 53.9 | 60.1 |
| Employee benefit liabilities | 161.0 | 167.2 |
| Non-current provisions | 10.4 | 10.8 |
| Deferred tax liabilities | 217.4 | 214.8 |

| | | |
|---|---|---|
| Other non-current liabilities | 0.1 | 0.1 |
| **Total non-current liabilities** | **1 915.3** | **2 558.3** |
| | | |
| Current portion of financial liabilities | 1 515.7 | 2 209.2 |
| Employee benefits | 2.6 | 2.6 |
| Current provisions | 208.2 | 214.2 |
| Current tax liabilities | 44.2 | 46.1 |
| Rental fleet related payables | 447.6 | 555.1 |
| Trade payables and other liabilities | 496.6 | 520.5 |
| **Total current liabilities** | **2 714.8** | **3 547.8** |
| **Total liabilities** | **4 630.1** | **6 106.0** |
| | | |
| **Total equity and liabilities** | **6 087.8** | **6 296.3** |

**Appendix 5 – IFRS Cash Flow Statement**

| **In €m** | **Q1 2021** | **Q1 2020** |
|---|---|---|
| | **After IFRS 16** | **After IFRS 16** |
| | | |
| **Profit/(loss) before tax** | **(82.0)** | **(135.1)** |
| ***Reversal of the following items*** | | |
| Depreciation and impairment expenses on property, plant and equipment | 27.1 | 27.5 |
| Amortization and impairment expenses on intangible assets | 8.6 | 6.9 |
| Impairment of assets | - | 2.7 |
| Changes in provisions and employee benefits (1) | (11.2) | (17.9) |
| Recognition of share-based payments | 0.1 | 0.1 |
| Profit/(loss) on disposal of assets | 0.1 | 0.0 |
| IFRIC 19 impact (2) | (48.4) | - |
| Other non-cash items | (5.2) | 0.7 |

| | | |
|---|---|---|
| *Total net interest costs* | *35.3* | *40.1* |
| *Amortization of transaction costs (3)* | *14.1* | *2.9* |
| **Net financing costs** | **49.3** | **43.0** |
| | | |
| **Net cash from operations before changes in working capital** | **(61.7)** | **(71.9)** |
| | | |
| Changes to the rental fleet recorded on the balance sheet (4) | 180.5 | 352.5 |
| Changes in fleet working capital | (69.8) | 57.6 |
| Changes in non-fleet working capital | (4.6) | (2.7) |
| | | |
| **Cash generated from operations** | **44.4** | **335.5** |
| | | |
| Income taxes received/paid | (2.9) | (3.2) |
| Net interest paid | (22.7) | (20.4) |
| | | |
| **Net cash generated from (used by) operating activities** | **18.8** | **311.9** |
| | | |
| Acquisition of intangible assets and property, plant and equipment (5) | (13.0) | (14.6) |
| Proceeds from disposal of intangible assets and property, plant and equipment | 0.7 | 0.7 |
| Acquisition of subsidiaries, net of cash acquired and other financial investments | 3.1 | 3.3 |
| | | |
| **Net cash used by investing activities** | **(9.2)** | **(10.6)** |
| | | |
| Capital increase (net of fees paid) (6) | 247.4 | - |
| (Purchases) / Sales of treasury shares net | (0.1) | 0.9 |
| Change in other borrowings (7) | (233.3) | (545.1) |
| Change in rental debts | (34.7) | (42.8) |

| | | |
|---|---|---|
| Payment of transaction costs (8) | (4.8) | (1.6) |
| **Net cash generated from (used by) financing activities** | **(25.4)** | **(588.6)** |
| **Cash and cash equivalent at beginning of period** | **444.6** | **628.2** |
| Net increase/(decrease) in cash and cash equivalents after effect of foreign exchange differences | (15.8) | (287.2) |
| Changes in scope | - | - |
| Effect of foreign exchange differences | 2.8 | (4.5) |
| **Cash and cash equivalents at end of period** | **431.6** | **336.4** |

**Footnotes to IFRS Cash Flow Statement**

(1) In 2021, the variation is mainly explained by the change in the provision for reconditioning of vehicles in Buy-Back for €(5)m as well as some lawsuits and restructuring provisions .In 2020, the variation is mainly explained by the change in the insurance provision for €(5)m and the provision for reconditioning of vehicles in Buy-Back for €(11)m.

(2) With the application of IFRIC 19, the difference between the book value of the debt converted into equity instruments and the fair value of these instruments at the transaction date revealed a non-monetary financial gain of €48 million, which has been recognized on the income statement.

(3) In 2021, includes the recycling of capitalized refinancing costs for an amount of €12 million, related to the debt restructuring and converted into equity.

(4) Given the average holding period for the fleet, the Group reports vehicles as current assets at the beginning of the contract. Their variations from one period to another is therefore similar to operating flows generated by the activity.

(5) In 2021, limited to IT developments for Group's digital transformation.

(6) In 2021, capital increase via a capital injection and the issue of new ordinary shares, maintaining shareholders' preferential subscription rights, for an amount of €250 million, cash injection related to the exercise of the Guarantee Warrants, the Participation Warrants and the Coordination Warrants, distributed mainly to Bondholders for an amount of €6 million. The amount of the capital increase is net of the fees paid for €9 million.

(7) In 2021, mainly related to the reimbursement of the Revolving Credit Facility for €(124)m and other borrowings dedicated to fleet financing for €(108) million. In 2020, mainly related to drawing variation under Senior Notes (SARF) for €(387) million, Revolving Credit Facility and Commercial Papers for €63 million and other borrowings dedicated to fleet financing for €(221) million.

(8) In 2021, payment of Transaction Costs in the context of the debt restructuring.

**Appendix 6 – Corporate net debt and Fleet net debt**

| **€million** | **Maturity** | **Dec. 31, 2020** | **Mar. 31, 2020** | **Mar. 31, 2021** |
|---|---|---|---|---|
| High Yield Senior Notes | 2024 | 600 | 600 | 0 |
| High Yield Senior Notes | 2026 | 450 | 450 | 0 |
| State guaranteed Loans | | 281 | 0 | 280 |
| Crédit Suisse Facility | | 50 | 0 | 0 |
| New Term Loan (€500m) & RCF | 2023 | 624 | 611 | 500 |

| | | | | |
|---|---|---|---|---|
| FCT Junior Notes, accrued interest not yet due, capitalized financing costs and other | | (204) | (302) | (195) |
| **Gross Corporate debt** | | **1 801** | **1 359** | **585** |
| Short-term Investments and Cash in operating and holding entities | | (375) | (291) | (386) |
| **CORPORATE NET DEBT** | | **1 426** | **1 068** | **199** |

| **€million** | **Maturity** | **Dec. 31, 2020** | **Mar. 31, 2020** | **Mar. 31, 2021** |
|---|---|---|---|---|
| High Yield EC Finance Notes | 2022 | 500 | 500 | 500 |
| Senior asset revolving facility (€1.7bn SARF) | 2022 | 445 | 747 | 414 |
| FCT Junior Notes, accrued interest, financing capitalized costs and other | | 243 | 309 | 228 |
| UK, Australia and other fleet financing facilities | | 969 | 1 326 | 920 |
| **Gross financial fleet debt** | | **2 157** | **2 882** | **2 061** |
| Cash held in fleet financing entities and Short-term fleet investments | | (118) | (97) | (90) |
| **Fleet net debt in Balance sheet** | | **2 039** | **2 785** | **1 971** |
| **Fleet liabilities related to leases** | | **75** | **115** | **66** |
| **TOTAL FLEET NET DEBT (incl. op leases)** | | **2 114** | **2 899** | **2 037** |

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[1]After IFRS 16 application, excluding non-fleet liabilities related to leases
[2] Proforma basis: at constant exchange rate and perimeter
[3]Excluding liabilities related to leases

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