

FULL Q1 2022 RESULTS & UPDATED TRAJECTORY FOR 2022

FULL Q1 2022 RESULTS

Preliminary IFRS Q1 2022 financial statements were published on April, 28th, 2022. Today's press release contains final accounts for Q1 2022 (refer the Appendix). Key financial highlights for Q1 2022 are as follow:

- **Strong Revenue:** +57%¹ at €567m compared to Q1 2021 (or 92% of revenue in Q1 2019 PF), driven by high RPD² and persistent firm recovery in leisure customer demand.
- **Outstanding Margin after direct costs (MADC³):** strong improvement in margin to 34.5% in Q1 2022, well above pre-covid level (29.0% in Q1 2019 PF) as a result of fleet costs optimization
- **Positive Corporate EBITDA**, first time ever in Q1 (historically negative figure due to seasonality): +€31m with positive fall-through (vs -€44m Corp. EBITDA in Q1 2021 and -€15m in 2019 PF⁴)
- **Group net income:** losses were cut by -71% to -€22m from -€77m in Q1 2021
- **Solid balance sheet:** €247m Corporate net debt⁵, building on the financial restructuring achieved in February 2021.

UPDATED TRAJECTORY FOR 2022 WITH A GOOD VISIBILITY ON Q2 2022

Following Q1 2022 preliminary publication on 28 April 2022, when Europcar Mobility Group was foreseeing revenue and Corporate EBITDA growth for 2022 compared to 2021, the Group now has a clearer view of the trajectory for the year. Business trends are well-oriented in Q2 2022: April was a record month driven by strong pricing momentum that is continuing throughout the second quarter, underpinning a more positive outlook for FY2022. However, it should be noted that there remains significant uncertainty in H2 2022 with short lead times and potential macro-economic downturn.

The Group is benefiting from solid volumes' demand driven by travel recovery including long-haul demand. The Group anticipates that the strong positive pricing momentum will remain throughout the year on the back of fleet shortages, while having successfully diversified its fleet sourcing via alternative channels. In parallel, the Group keeps running a tight cost control and also benefits from favorable resale conditions on the second-hand market.

Assuming no deterioration in the business environment and macro-economic context (new pandemic waves, inflation, fleet scarcity, consumer consumption, deterioration of geopolitical situation related to the war in Ukraine), the Group is now expecting Corporate EBITDA before IFRS 16 above €320m for the FY 2022.

¹ At constant exchange rates versus 2020 and at constant exchange rates & perimeter versus 2019: including Fox and Nordics

² RPD (revenue per transaction day): corresponds to rental revenue for the period divided by the number of rental days for the period

³ MADC: Margin after direct costs corresponds to the Margin After Variable Costs (MAVC) less marketing costs and fleet financing costs

⁴ Unaudited 2019 PF figure

⁵ Pre IFRS 16



OUTLOOK BEYOND 2022

The Group is on track in the implementation of its strategic Connect roadmap and its financial trajectory with a return to a progressive normalization of fleet supply and rental pricing, combined with continuing cost inflation. Through digitisation of the customer experience and operations, as well as the launch of new offers and services, Europcar Mobility Group is thus confident in its capacity to deliver long-term, profitable growth while positioning the Group as a strong leader in sustainable mobility solutions.

Contacts

Investor Relations

Caroline Cohen – caroline.cohen@europcar.com

Press Relations

Valérie Sauteret - valerie.sauteret@europcar.com

Vincent Vevaud - vincent.vevaud@europcar.com

About Europcar Mobility Group

Europcar Mobility Group is a major player in mobility markets and listed on Euronext Paris. Europcar Mobility Group's purpose is to offer attractive alternatives to vehicle ownership, in a responsible and sustainable manner. With this in mind, the Group offers a wide range of car and van rental services – be it for a few hours, a few days, a week, a month or more – with a fleet equipped with the latest engines, and which will be increasingly "green" in the years to come.

Customers' satisfaction is at the heart of the Group's ambition and that of its employees. It also fuels the ongoing development of new offerings in the Group's three service lines - Professional, Leisure and Proximity - which respond to the specific needs and use cases of both businesses and individuals. The Group's 4 major brands are: 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 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).

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 2022 (incl. & excl. IFRS 16)

All data in €m	Q1 2022	Q1 2021	% Change at constant perimeter and currency	Q1 2019	% Change at constant perimeter
Total revenue	567.4	355.7	56.7%	619.4	-8.4%
Average fleet size ('000)	243.7	187.2	30.2%	292.8	-16.7%
Rental days volume (in Million)	15.8	11.7	34.9%	19.1	-17.3%
Utilization rate	72.0%	69.5%		72.6%	
Fleet holding costs	(143.4)	(114.3)	-23.6%	(177.6)	19.3%
Variable costs	(192.3)	(131.6)	-43.5%	(219.9)	12.6%
Sales and marketing expenses	(3.5)	(1.9)	-76.3%	(9.5)	63.8%
Fleet financing costs	(32.7)	(22.6)	-42.6%	(32.7)	0.0%
Direct & variable costs	(371.8)	(270.4)	-35.3%	(439.7)	15.5%
Margin after Direct costs	195.6	85.3	124.3%	179.7	8.9%
In % of revenue	34.5%	24.0%		29.0%	
Network	(83.6)	(60.0)	-37.2%	(102.2)	18.2%
HQ Costs	(80.9)	(69.8)	-14.5%	(92.0)	12.1%
Fixed & semi-fixed costs	(164.4)	(129.7)	-25.0%	(194.2)	15.3%
Adjusted Corporate EBITDA (IFRS 16)	31.2	(44.4)		(14.5)	
In % of revenue	5.5%				
IFRS 16 impact on premises and parking	(16.5)	(20.9)		(19.2)	
IFRS 16 impact on the fleet and financing costs & variable costs	(11.5)	(5.3)		(5.6)	
Adjusted Corporate EBITDA excl. IFRS 16	3.2	(70.7)		(39.3)	
Margin	0.6%				
Depreciation – excluding vehicle fleet	(39.7)	(35.7)	-10.6%	(37.5)	-5.9%
Impairment expense on non-current assets	-	0.0			
Non-recurring income and expense	(2.0)	(21.1)		(12.1)	
Other financing income and expense not related to the fleet	(13.3)	19.2	162.7%	(30.0)	55.7%
Profit/loss before tax	(23.8)	(82.0)		(94.1)	
Income tax	1.4	5.4		23.8	
Share of profit/(loss) of associates	-	-		(0.1)	
Net profit/(loss) excl. IFRS 16	(24.7)	(76.0)		(66.7)	
Net profit/(loss) incl. IFRS 16	(22.4)	(76.7)		(70.4)	

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

MADC: Margin after direct costs corresponds to the Margin After Variable Costs (MAVC) less marketing costs and fleet financing costs

Appendix 2 – IFRS Income Statement

In M€	Q1 2022 After IFRS 16	Q1 2021 After IFRS 16
Revenue	567.4	355.7
Fleet holding costs	(150.4)	(120.1)
Fleet operating, rental and revenue related costs	(192.3)	(131.6)
Personnel costs	(113.1)	(88.4)
Network and head office overhead costs	(55.9)	(43.0)
Non-fleet depreciation, amortization and impairment expense	(39.7)	(35.7)
Other income	1.1	(0.2)
Current operating income	17.2	(63.2)
Other non-recurring income and expense	(2.0)	(21.1)
Operating income	15.2	(84.3)
Net fleet financing expenses	(25.7)	(16.9)
Net non-fleet financing expenses	(11.4)	(15.3)
Net other financial expenses	(1.9)	34.4
Net financing costs	(39.0)	2.3
Profit/(loss) before tax	(23.8)	(82.0)
Income tax benefit/(expense)	1.4	5.4
Net profit/(loss) for the period	(22.4)	(76.7)

Appendix 3 – Corporate operating free cash flow

All data in €m	Q1 2022	Q1 2021
Adjusted Corporate EBITDA	31.2	(44.3)
Lease liability repayment (IFRS 16 Impact)	(28.0)	(26.3)
Non-recurring expenses	(1.4)	(8.8)
Non-fleet capex	(14.9)	(12.3)
Change in NFWC and Provisions	58.2	(5.3)
Income tax paid	(0.9)	(2.9)
Corporate operating free cash flow	44.1	(99.9)

Appendix 4 – Reconciliation from consolidated accounts to management accounts (including IFRS 16)

All data in €m	Q1 2022	Q1 2021
Adjusted Consolidated EBITDA	179.3	68.1
Total Fleet depreciation and fleet financing expense (IFRS16)	(148.1)	(112.6)
Adjusted Corporate EBITDA	31.2	(44.4)
Amortization, depreciation and impairment expense	(39.7)	(35.7)
Reversal of net fleet financing expenses	25.7	16.9
Current operating income	17.2	(63.3)

Appendix 5: Impact IFRS 16 on Consolidated accounts, Adjusted Corporate EBITDA and Balance sheet

All leases contracts are accounted for in the balance sheet through an asset representing the “Right of Use” of the leased asset along the contract duration, and the corresponding liability, representing the lease payments obligation.

P&L (in M€)	Q1 2022 Excl. IFRS 16	IFRS 16 Impact	Q1 2022 Incl. IFRS 16
Revenue	567	-	567
Fleet, rental and revenue related costs	(355)	12	(343)
Personnel Costs	(113)	-	(113)
Network & HQ Costs	(72)	16	(56)
D&A and Impairment	(17)	(23)	(40)
Other Income	1	-	1
Current operating Income	12	5	17
Operating Income	10	5	15
Financial result	(36)	(3)	(39)
Profit before tax	(26)	2	(24)
Net income	(25)	2	(22)

Management P&L (in M€)

Restatement of Adj Corporate EBITDA (in M€)	Q1 2022 Excl. IFRS 16	IFRS 16 Impact	Q1 2022 Incl. IFRS 16
Current operating Income	12	5	17
D&A and Impairment	17	23	40
Net Fleet Financing expenses	(25)	(0)	(26)
Adj Corporate EBITDA calculated	3	28	31

Balance sheet in M€

	Mar 2022
Assets :	432
-Property, Plant & Equipment	266
- Rental Fleet in balance sheet	165
Liabilities :	435
- Liabilities linked to non-fleet leases	278
- Liabilities linked to fleet leases	157

Appendix 6 – IFRS Balance Sheet

In M€	Mar 2022 After IFRS 16	Dec 2021 After IFRS 16
Assets		
Goodwill	1 009.6	1 007.5
Intangible assets	1 060.0	1 058.8
Property, plant and equipment	402.4	401.1
Other non-current financial assets	77.8	46.9
Deferred tax assets	210.5	192.0
Total non-current assets	2 760.3	2 706.4
Inventory	21.2	19.6
Rental fleet recorded on the balance sheet	2 738.8	2 861.2
Rental fleet and related receivables	643.7	649.2
Trade and other receivables	417.5	434.2
Current financial assets	17.7	20.7
Current tax assets	33.1	26.8
Restricted cash	128.9	127.9
Cash and cash equivalents	350.2	298.9
Total current assets	4 351.1	4 438.4
Total assets	7 111.4	7 144.7
Equity		
Total equity attributable to the owners of Europcar Mobility Group	1 646.2	1 610.9
Non-controlling interests	0.9	0.9
Total equity	1 647.1	1 611.8
Liabilities		
Financial liabilities	1 331.8	1 336.0
Non-current liabilities related to leases	212.1	209.5
Non-current financial instruments	9.1	28.9
Employee benefit liabilities	124.1	142.5
Non-current provisions	9.5	10.4
Deferred tax liabilities	238.1	212.5
Other non-current liabilities	0.1	0.1
Total non-current liabilities	1 924.8	1 940.0
Current portion of financial liabilities	1 940.3	2 133.0
Current liabilities related to leases	223.1	220.3
Employee benefits	2.2	2.2
Current provisions	244.9	246.5
Current tax liabilities	38.9	36.3
Rental fleet related payables	471.8	380.9
Trade payables and other liabilities	618.3	573.6
Total current liabilities	3 539.4	3 592.9
Total liabilities	5 464.3	5 532.9
Total equity and liabilities	7 111.4	7 144.7

Appendix 7 – IFRS Cash Flow Statement

In M€	Q1 2022 After IFRS 16	Q1 2021 After IFRS 16
Profit/(loss) before tax	(23.8)	(82.0)
Reversal of the following items		
Depreciation and impairment expenses on property, plant and equipment	28.5	27.1
Amortization and impairment expenses on intangible assets	11.2	8.6
Changes in provisions and employee benefits	(1.4)	(11.2)
Recognition of share-based payments	-	0.1
Profit/(loss) on disposal of assets	-	0.1
IFRIC 19 impact	-	(48.4)
Other non-cash items	(2.0)	(5.2)
<i>Total net interest costs</i>	<i>38.6</i>	<i>35.3</i>
<i>Amortization of transaction costs</i>	<i>2.2</i>	<i>14.1</i>
Net financing costs	40.8	49.3
Net cash from operations before changes in working capital	53.3	(61.7)
Changes to the rental fleet recorded on the balance sheet	134.4	180.5
Changes in fleet working capital	96.1	(69.8)
Changes in non-fleet working capital	60.3	(4.6)
Cash generated from operations	344.2	44.4
Income taxes received/paid	(0.9)	(2.9)
Net interest paid	(29.7)	(22.7)
Net cash generated from (used by) operating activities	313.5	18.8
Acquisition of intangible assets and property, plant and equipment	(14.9)	(13.0)
Proceeds from disposal of intangible assets and property, plant and equipment	(0.0)	0.7
Acquisition of subsidiaries, net of cash acquired and other financial investments	(7.3)	3.1
Net cash used by investing activities	(22.2)	(9.2)
Capital increase (net of fees paid)	-	247.4
(Purchases) / Sales of treasury shares net	-	(0.1)
Change in other borrowings	(206.9)	(233.3)
Change in rental debts	(30.2)	(34.7)
Payment of transaction costs	(5.0)	(4.8)
Net cash generated from (used by) financing activities	(242.1)	(25.4)
Cash and cash equivalent at beginning of period	426.2	444.6
Net increase/(decrease) in cash and cash equivalents after effect of foreign exchange differences	49.3	(15.8)
Effect of foreign exchange differences and others	(0.2)	2.8
Cash and cash equivalents at end of period	475.3	431.6

Appendix 8 – Corporate net debt and Fleet net debt – Excluding IFRS 16

€million	Maturity	Dec. 31, 2021	Mar. 31, 2022
State guaranteed Loans		279	277
Term Loan B (€500m) & RCF	2023	560	554
FCT Junior Notes, accrued interest not yet due, capitalized financing costs and other		(297)	(217)
Gross Corporate debt		542	614
Short-term Investments and Cash in operating and holding entities		(302)	(367)
CORPORATE NET DEBT		240	247

€million	Maturity	Dec. 31, 2021	Mar. 31, 2022
High Yield EC Finance Notes	2026	500	500
New Fleet Financing €225m	2024	155	155
Senior asset revolving facility (€1.7bn SARF)	2024	1 029	886
Senior asset revolving facility (\$225m US Program)			85
FCT Junior Notes, accrued interest, financing capitalized costs and other		303	223
UK, Australia and other fleet financing facilities		939	804
Gross financial fleet debt		2 925	2 653
Cash held in fleet financing entities and Short-term fleet investments		(153)	(143)
Fleet net debt in Balance sheet		2 772	2 510