Europcar

ACTIVITY AND FINANCIAL REPORT FOR 2007

2007

www.europcar.com

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PROFILE

Europcar is the European leader and among the top 3 global players in car rental. The company serves business and leisure customers through a network of more than 5,300 rental outlets in 160 countries.

In 2007, Europcar generated revenue of slightly more than €2 billion. Excluding franchise operations, the company signed more than 10 million rental contracts, with 7,700 employees and a fleet exceeding 215,000 vehicles.

Since March 2007, with the acquisition of Vanguard EMEA, Europcar operates the National and Alamo car rental brands in Europe, the Middle East and Africa, as well as its own Europcar brand worldwide. Founded in Paris in 1949, Europcar has been owned by French private equity firm Eurazeo since May 2006.

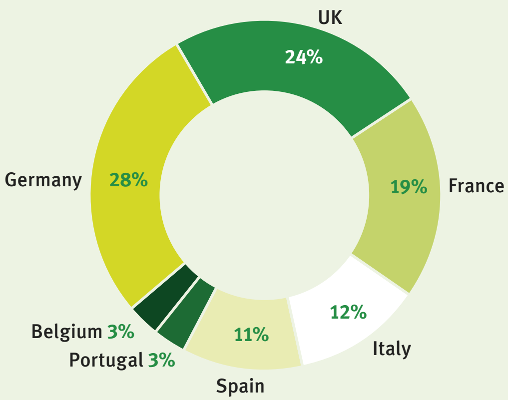
2007 KEY FIGURES

INCOME STATEMENT

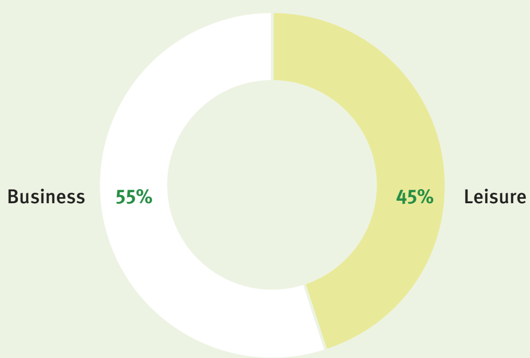
IN MILLIONS OF €	2005	2006 conso	2006 pro forma(1)	2007 conso	2007 pro forma(1)
Revenue	1,353	1,544	1,934	2,047	2,103
Increase in total revenue	+9.3%	+14.1%	-	+32.6%	+8.7%
Adjusted EBIT(2)	146	184	240	276	280
Margin (in % of revenue)	10.8%	11.9%	12.4%	13.5%	13.3%

(1) Pro forma basis: including the activity of Vanguard EMEA (signed on February 28, 2007) for the 12 months of 2006 and 2007.
(2) Adjusted pro forma basis: including the activity of Vanguard EMEA (signed on February 28, 2007) for the 12 months of 2007 excluding charges resulting from the accounting treatment of 2006 and 2007 acquisitions and restructuring charges and costs directly linked to those acquisitions.

CONTRIBUTION OF CORPORATE COUNTRIES TO GROUP REVENUE



SPLIT BUSINESS - LEISURE

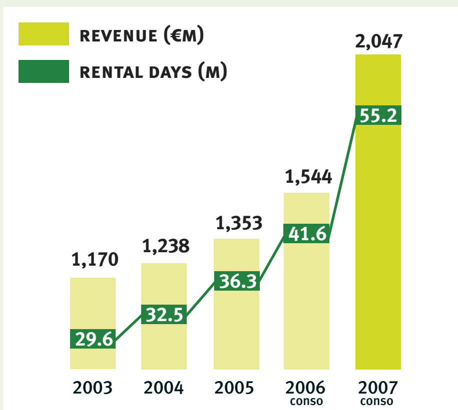


KEY FIGURES

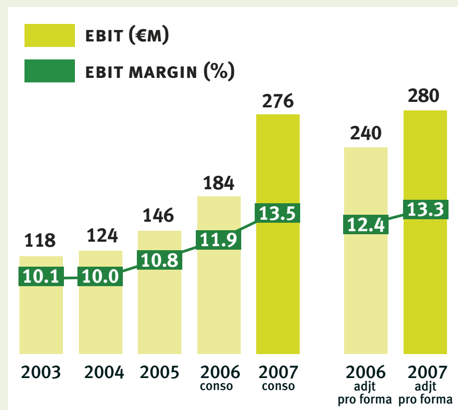
	2005	2006	2007	2006 pro forma	2007 pro forma
Rental days (in millions)	36.3	41.6	55.2	53.4	56.9
Number of rentals (in millions)	6.9	7.8	10.3	9.6	10.3
Utilization rate	71.3%	71.8%	72.6%	72.9%	72.7%
Average fleet (in thousands of units)	143	161	216	-	-

€2.1 BILLION in pro forma revenue

REVENUE AND RENTAL DAYS 2003-2007



EBIT AND MARGIN 2003-2007



€280 MILLION adjusted pro forma operating income

CHAIRMAN'S MESSAGE

GILBERT SAADA, CHAIRMAN OF EUROPCAR GROUPE & MEMBER OF THE EURAZEO EXECUTIVE BOARD

AS CHAIRMAN OF EUROPCAR AND PERHAPS MORE IMPORTANTLY AS THE REPRESENTATIVE OF ITS MAIN SHAREHOLDER, EURAZEO, I WOULD LIKE TO SAY HOW SATISFIED WE ARE WITH EUROPCAR'S PERFORMANCE SO FAR. OUR CASE FOR INVESTING IN EUROPCAR AT THE OUTSET WAS BASED ON THREE PILLARS WHICH HAVE BEEN CAREFULLY – AND VERY SUCCESSFULLY – DEVELOPED BY THE MANAGEMENT TEAM:

▸ The first pillar is continued buoyant organic growth. Europcar has been growing faster than its rivals for several years and in 2007 the company grew nearly twice as fast as the market average. That organic growth was driven by strong team motivation and a highly effective commercial organization.

▸ The second pillar is the external growth model, which is very relevant for Europcar. We are convinced that value from acquisitions can be leveraged if there are synergies, and this is certainly the case in car rental. We are currently riding a wave of industry consolidation in which Europcar is playing a central role. This is fundamental and will continue. We are looking at several potential deals and we intend to continue acquiring companies in areas where we already operate or where we don't yet necessarily have a franchise presence, despite -- and perhaps thanks to -- the fairly difficult economic environment.

▸ The third, very important pillar, which is a little bit of Eurazeo's culture, is return on capital employed. Growth is good but only if it generates an acceptable return on capital employed. In Europcar's business, that means tight control over debt and costs and therefore good fleet and logistics management.

Two years on, we have seen these three pillars developed, thanks to the talent of Europcar's very international management team. Along the way, the company has consolidated its position as the European leader and joined the ranks of the top three worldwide in car rental. We are very proud of Europcar's achievements so far and we look forward to seeing further developments and stellar performances in the future.

CEO'S MESSAGE

SALVATORE CATANIA, CHIEF EXECUTIVE OFFICER, EUROPCAR GROUPE

FOR EUROPCAR, 2007 WAS ANOTHER RECORD YEAR AS WE CONSOLIDATED OUR EUROPEAN AND WORLDWIDE LEADERSHIP POSITIONS. AMONG OTHER MILESTONES, WE TOPPED €2 BILLION IN REVENUE AND 10 MILLION RENTAL CONTRACTS. WE OUTPACED A GOOD MARKET BY GROWING BY 5.3% ON AN ORGANIC BASIS. THIS STRONG GROWTH WAS NOT ACHIEVED AT THE EXPENSE OF PROFITABILITY, HOWEVER, AND WE KEPT OUR DEBT UNDER CONTROL.

IN 2007 WE CONTINUED TO APPLY OUR STRATEGY TO:

- extend our leadership in Europe by concentrating on profitable organic growth through a strong partnership network and substantial online presence
- expand our global network through franchisees, partners and targeted acquisitions
- continuously improve productivity, especially in back-office functions, fleet management and operating processes
- keep tight control over working capital requirements to improve cash flow.

We developed more partnerships and now have over 80 partners worldwide, including our key, strategic relationships with travel industry leaders.

We invested in the Internet to expand our global presence, launching a new www.europcar.com. The new site has generated significant online bookings, and after France, Germany, Spain and Italy, it is being rolled out in other countries.

We leveraged synergies from our acquisitions of the past two years, and in 2007 they helped improve productivity per employee by 3.8%.

We also upgraded our proprietary information systems, to improve our efficiency and flexibility to anticipate our future growth and needs.

Thanks to the hard work and talent of our teams, partners and franchisees, 2007 was a frank success and I would like to take this opportunity to thank them all for their strong contribution to our good results.

In 2008, we are confident in our ability to generate robust organic growth in our new scope and we aim to keep growing faster than the market. We will continue to focus on improving margins and cash flow through further productivity gains and keeping a lid on costs and working capital requirements. We remain open to acquisition opportunities. In 2008, we are ready to take up new challenges and lay the foundations for tomorrow's success, thanks to our high quality teams, our powerful brand and the strength of our network.

GROWTH

$52 BILLION

The estimated value of the car rental market worldwide in 2007

A GROWING MARKET

A NUMBER OF GLOBAL AND LOCAL TRENDS ARE COMBINING TO PROMOTE MOBILITY IN GENERAL AND CAR RENTAL IN PARTICULAR. THANKS TO ITS LEADING POSITION IN EUROPE -- THE WORLD'S SECOND BIGGEST MARKET -- AND ITS FRANCHISE NETWORK, EUROPCAR IS IN A STRONG POSITION TO CAPITALIZE ON THESE TRENDS AND MARKET GROWTH.

Two main trends are driving growth at a global level. First, airline travel continues to grow at a sustained pace. The International Air Transport Association (IATA) forecasts more than 5% compound annual growth in passenger traffic between now and 2011. At the same time, the number of flights in Europe is expected to grow by more than 4% annually. The second trend is uptake in the online travel market, which has been growing at double-digit rates for years. In 2007, for example, the online travel market grew in the U.S. and in Europe by +20%, in comparison to 2006.

SPECIFIC GROWTH DRIVERS IN EUROPE

Europcar's key market, Europe, has some specific growth drivers. First among them is the rapid development of low-cost airlines. Today, 49 low-cost carriers operate in Europe, accounting for nearly 20% of all flights in this market, versus just 4% in 2000. This trend boosts car rental needs at airports, with a net positive effect on global demand.

The second growth driver in Europe is the continuing expansion of high-speed rail lines and passenger traffic. The number of high-speed rail passengers rose by 34% between 2000 and 2005 to reach 245 million, representing compound annual growth of almost 6%. As a result, car rental in railway stations is an increasingly significant segment.

A TREND TO RENT RATHER THAN BUY

Lastly, in Europe there is an underlying shift towards car rental when needed rather than ownership, especially in urban areas and among young urban residents. The cost of fuel, parking, maintenance and, more recently, congestion taxes aimed at reducing traffic and pollution in cities are all reasons why a growing number of drivers are opting to rent rather than own a car.

All of these trends are good for the car rental business, as mobility in general increases.

+5.3%

Europcar's organic growth in 2007 was nearly twice the estimated growth of its market.

LEADERSHIP

In 2007, Europcar consolidated its position as the European leader and stood out as one of the three truly world class players in the car rental industry. It also topped €2 billion in revenue. To reach these milestones, the company carved out leadership positions in each major European market, built and leveraged a strong international network that extends far beyond Europe, and partnered with other leaders to multiply the routes to success. Along the way, it pioneered in "green" car rental and is now working to minimize the environmental impact of its business. In other words, Europcar continues to lead the way.


No. 1
in Europe;
among the
TOP 3
global players

No.1
Europcar's position in 6 major European markets after acquiring Vanguard EMEA.
It notably took the top spot in the UK, the second biggest market.

In 2007, Europcar consolidated its position as the European car rental leader through the acquisition of Vanguard Car Rental Inc.'s operations in Europe, the Middle East and Africa (EMEA). This transformational acquisition gave Europcar operations and two leading brands – National and Alamo – in key countries across the region and reinforced its position in both the leisure and business segments. In the key U.K. market, the deal positioned Europcar at the top spot, with twice the market share of its nearest competitor. The U.K. is not only the second biggest market in Europe (after Germany), but is a strategic gateway for traffic with the United States and continental Europe.

At the same time, Europcar and Vanguard in the U.S. teamed up to extend their geographic coverage: Europcar handles both partners' business in Europe while Vanguard handles their business in the U.S. The partners are now joining forces to develop new business and were selected early in 2008 to be sole car rental supplier worldwide by two major international corporations. This partnership, along with the Vanguard EMEA acquisition, enhanced Europcar's position as one of the top 3 truly global players in car rental.

LEADING IN SEVEN EUROPEAN MARKETS

Europcar is not only the European car rental leader, it is a leader in each of the seven major European markets in which it operates directly. Excluding franchise operations, Europcar boasts 1,832 car rental locations in these countries – the densest network in Europe -- and a fleet of more than 215,000 vehicles. The Vanguard EMEA acquisition enhanced Europcar's direct operations in the U.K., Germany and Switzerland, while adding franchise operations in more than 30 other countries across the region. This strong geographic base gives Europcar a uniquely powerful and diversified position in Europe, which is the second biggest car rental market in the world.

Each of the seven countries is, in fact, a different market with its own specific trends, customs and needs. To become the leader in each, Europcar maintains top quality service everywhere but adapts its product and service offering to cater to the local market. If hybrids are hot in the U.K. and convertibles "de rigueur" in Portugal, Europcar offers the broadest possible selection of them; if corporate customers in Germany want powerful cars with the latest mobile navigation devices, Europcar provides those too. At some airports, where passengers can stand in line for a long time to go through security and other checkpoints, Europcar is testing a system allowing travelers to Malaga to complete the paperwork while they wait to board their flight; they will find their car and keys waiting upon arrival. Sometimes a product or service developed for one market is relevant for others. This is notably the case for "non-smoking cars" which, after making their debut in France in June 2007, are now being offered to customers in Belgium and Spain.

SPOTLIGHT ON THE VANGUARD EMEA ACQUISITION

Europcar announced plans to acquire Vanguard Car Rental Inc.'s operations in Europe, the Middle East and Africa (EMEA) in November 2006 and the transaction took effect on March 1, 2007. The acquisition gave Europcar two leading brands – National and Alamo – and operations in more than 30 countries, which complement its own brand and network. The deal consolidated Europcar's positions as number 1 in Europe and number 3 worldwide.

Vanguard EMEA contributed €417 million to Europcar's pro forma revenue in 2007. It also enhanced critical mass in fleet purchasing and management; Europcar is now the largest buyer of vehicles in Europe, with 339,000 vehicles last year.

Europcar and Vanguard in the U.S. work together to develop new business and were selected early in 2008 as sole car rental supplier worldwide by two major international accounts.

ENHANCING BALANCE

The acquisitions of Vanguard EMEA and Betacar in 2007 and Keddy and Ultramar in 2006 enhanced the geographic balance in Europcar's revenue stream. Today, Germany and the U.K. each account for roughly one-quarter of revenue, with France and Belgium together representing nearly one-quarter, and Spain, Portugal and Italy the remaining quarter. This balance helps attenuate a slowdown in any single market.

The acquisitions also improved the business mix balance. Leisure custom is growing and now represents 45% of Europcar's revenue, versus 55% for business custom. On a global basis, one-third of revenue comes from airports and 65% from non-airport sources; the latter category includes railway stations for nearly 10%. This is a very specific European feature and an important factor, since high-speed rail networks are developing across Europe and driving car rental demand. Another strong indicator of Europcar's extensive network reach is that one-third of revenue is sourced from international bookings.

CATERING TO A BROAD RANGE OF CUSTOMERS

The company has a very broad customer base, including individuals, big and small corporations, tour operators, car replacement companies and partners. If major corporate accounts represented 29% of revenue in 2007, individuals accounted for nearly as much, at 26%.

In sum, Europcar caters to every kind of market demand, whether for domestic or international, business or leisure, whether in airports, railway stations or downtown. Thanks to this balanced mix and its extensive global network, Europcar can provide excellent service to all types of customers and partners, in Europe and around the world.

WORLDWIDE NETWORK

With 5,300 locations in more than 160 countries, Europcar is among the top 3 global players in car rental. In Europe, it is number 1 with a fleet of more than 215,000 vehicles and 1,832 locations. It operates the Europcar brand globally and the National and Alamo brands in Europe, the Middle East and Africa.

AFRICA
Algeria
Angola
Benin
Botswana
Burkina Faso
Burundi
Cape Verde
Congo
Congo (Democratic Republic)
Djibouti
Egypt
Equatorial Guinea
Ethiopia
Gabon
Guinea
Kenya
Libya
Madagascar
Mali
Mauritania
Mauritius
Mayotte
Morocco
Mozambique
Namibia
Niger
Nigeria
Reunion Island
Rwanda
South Africa
Sudan
Swaziland
Tunisia
Uganda
Zambia
Zimbabwe

AMERICAS
Argentina
Aruba
Bahamas
Barbados
Bonaire
Brazil
Canada*
Cayman Islands
Chile
Colombia
Costa Rica
Cuba
Curacao
Dominican Republic
El Salvador
French Guiana
Grenada
Guadeloupe
Guatemala
Guyana
Honduras
Martinique
Mexico
Nicaragua
Panama
Peru
Puerto Rico
Saint Barthelemy
Suriname
Trinidad and Tobago
United States*
Uruguay
Venezuela
Virgin Islands

ASIA AND ASIA PACIFIC
Armenia
Australia
Azerbaijan
Bangladesh
Brunei
Cambodia
China*
Cook Islands
Fiji
French Polynesia
India
Indonesia
Japan*
Kazakhstan
Kiribati Islands
Laos
Malaysia
Mariana Islands
Marshall Islands
Myanmar
Nepal
New Caledonia
New Zealand
Pakistan
Palau
Papua New Guinea
Philippines
Samoa Islands
Singapore
South Korea
Sri Lanka
Taiwan
Thailand
Timor
Tonga
Vanuatu
Vietnam

EUROPE
Albania
Andorra
Austria
Belarus
Belgium
Bosnia and Herzegovina
Bulgaria
Croatia
Cyprus
Czech Republic
Denmark
Estonia
Faroe Islands
Finland
France
Germany
Greece
Greenland
Hungary
Iceland
Ireland
Italy
Kosovo
Latvia
Liechtenstein
Lithuania
Luxembourg
Macedonia
Malta
Moldova

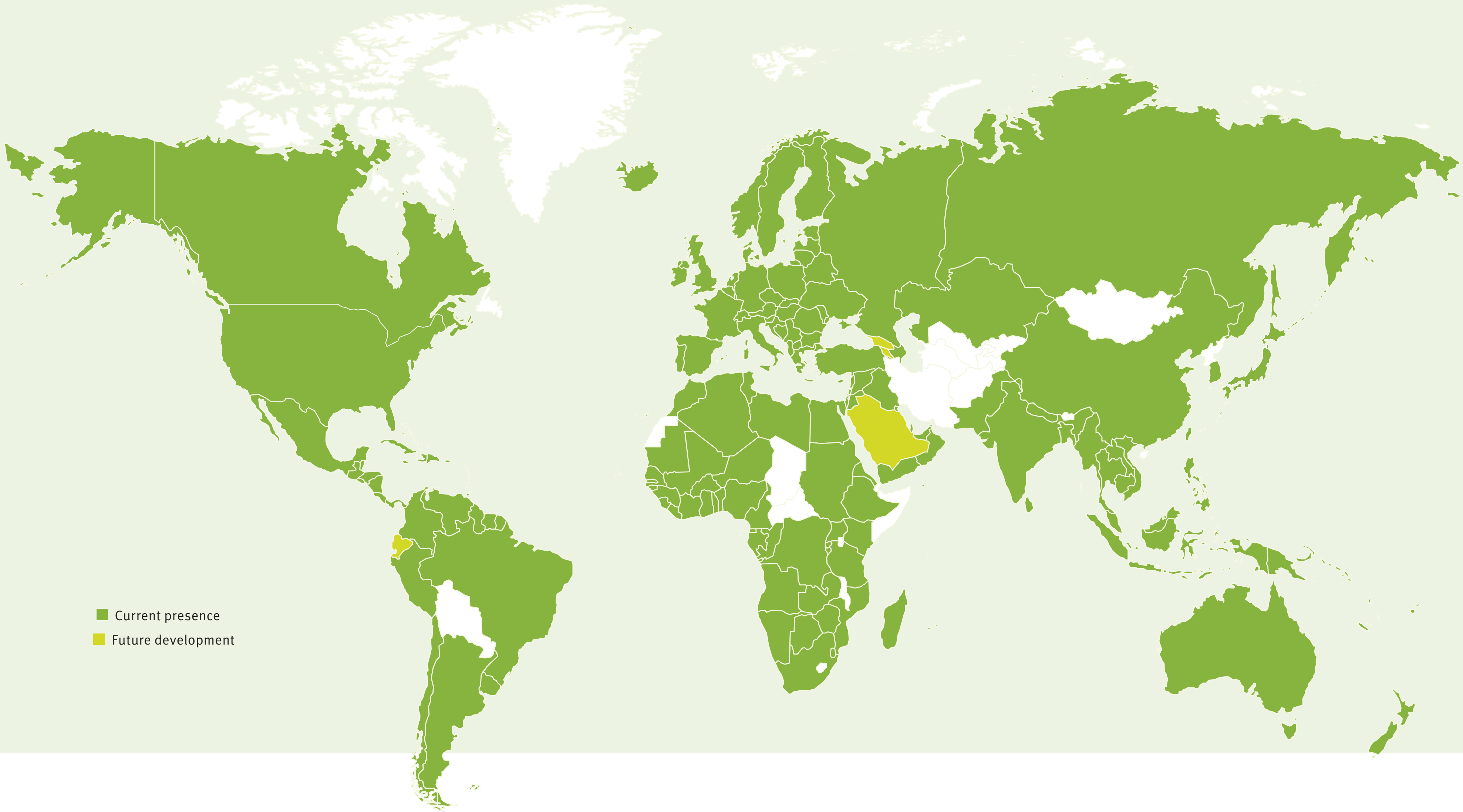
Montenegro
Netherlands
Norway
Poland
Portugal
Romania
Russia
Serbia
Slovak Republic
Slovenia
Spain
Sweden
Switzerland
Turkey
Ukraine
United Kingdom

MIDDLE EAST
Abu Dhabi
Bahrain
Dubai
Iraq
Israel
Jordan
Kuwait
Lebanon
Oman
Palestine
Qatar
Syria
Yemen

*partnership

5,300 CAR RENTAL LOCATIONS

MORE THAN 160 COUNTRIES



PARTNERSHIPS ARE A CORE COMPONENT OF EUROPCAR'S STRATEGY, BECAUSE THEY CONTRIBUTE TO PROFITABLE ORGANIC GROWTH OVER THE LONGER TERM. IN ADDITION TO GENERATING CROSS-BORDER BUSINESS, THEY HELP PROMOTE BRAND AWARENESS AND ENHANCE EUROPCAR'S PRESENCE ACROSS NEW MARKETS. AND BY PROVIDING CONSUMERS AND TRAVELERS WITH COMPLEMENTARY SERVICES, THE PARTNERSHIPS CONTRIBUTE TO CUSTOMER LOYALTY.

A WIDE VARIETY OF PARTNERS

Europcar partners come in many shapes and sizes; they include car manufacturers, banks and credit card companies, airlines, railways, tour operators, online and traditional travel agencies, automobile clubs, roadside assistance companies and more.

In 2007, Europcar further strengthened its strategic partnerships with three global players: TUI, the world's leading tour operator, Accor, the leading hotel chain in Europe, in the world, and easyJet, the leading European low-cost airline. Indeed, Europcar and easyJet celebrated their 1 millionth joint customer in 2007 (see box).

PREFERENTIAL AGREEMENTS

In addition to these three strategic relationships, Europcar has over 80 international partnership agreements with leading players in the travel industry worldwide. In the airline sector alone, Europcar has preferential agreements with 30 companies. Among others, early in 2008 Europcar announced a new partnership with All Nippon Airways, the leading carrier in Japan, further enhancing its presence in Asia-Pacific.

Europcar also has partnerships with leading online travel agencies, such as ebookers, while companies such as AXA, ALD, Europ Assistance and LeasePlan are major partners for replacement vehicles, a segment that accounts for 15% of Europcar's business.

"Our long fraternal history helps us to know what can work, and the strings which need to be pulled in order to make things work. Europcar and Accor stride hand in hand into the future, capitalizing on opportunities identified on the way. This is a continuing success where innovation, technology, marketing and loyalty are perpetually pushed to the maximum to make sure we go beyond expectations year after year."

Gilles Pélisson
Chief Executive Officer, Accor Group

80 The number of Europcar's partnerships with leading players in the travel industry worldwide. Among them, Accor, easyJet and TUI stand out as long-term strategic partners.

EUROPCAR AND EASYJET SHARE 1 MILLION CUSTOMERS

On July 4, 2007, Andreas Stegmaier from Wuppertal, Germany, booked a car for his trip to Barcelona on the dedicated Europcar site for easyJet customers to become the partners' 1 millionth joint customer. In the process, he won a Volkswagen Eos convertible sports car.

The milestone of 1 million joint customers was reached just four years after Europcar and easyJet established their strategic partnership, which was renewed in October 2006 and is still going strong.

Commenting on the milestone, easyJet Chief Commercial Officer Saad Hammad said, "We are delighted that our partnership with Europcar continues to go from strength to strength. By consistently delivering great value and great service to our customers, Europcar has demonstrated an impressive ability to translate opportunity into sales. The millionth customer milestone is a testament to what we have achieved together."

WINNING RELATIONSHIPS WITH CARMAKERS

Europcar purchased 339,000 vehicles in 2007, making it the largest customer in Europe for carmakers. But purchasing is only part of the equation: the company counts carmakers among its partners. Current partners include Mercedes-Benz, Fiat Group, Peugeot, General Motors, Volkswagen and more recently Hyundai Motor Europe, with more partnership deals in the works.

Europcar and the carmaker team up for marketing and promotional campaigns, which help raise the profile of both partners, and Europcar serves as a platform to support the international launch of new car models. It develops dedicated web sites and events and benefits from exclusive new car models for its car rental customers.

Thanks to these long-term partnerships Europcar benefits from appropriate fleet procurement levels and most recent models and technologies in its fleet.

A LONG-TERM COMMITMENT TO SUSTAINABLE DEVELOPMENT IS CENTRAL TO EUROPCAR'S BUSINESS AND DEVELOPMENT STRATEGY. IN FACT, THE COMPANY HAS BEEN RENTING "GREEN" CARS FOR OVER 10 YEARS AND PIONEERED IN A NUMBER OF AREAS. IT WAS THE FIRST CAR RENTAL COMPANY IN EUROPE TO OFFER THE TOYOTA PRIUS HYBRID AND ELECTRIC CARS, FOR EXAMPLE. IN FRANCE, THE COMPANY HAS WON THE "OXYGEN AWARDS" TWICE FOR ITS ENVIRONMENTAL EFFORTS.

In 2007, the management of Europcar formalized this commitment by establishing a "Green Charter" for the whole company, which sets out standards unprecedented in the industry in favor of sustainable development. Developed in association with partners and stakeholders such as AXA, ALD and easyJet, this innovative charter consists of commitments in four main areas:

The first is to strive for the greenest fleet possible. The average age of cars in Europcar's fleet is four months, versus eight years for the average car driven on European roads. And the newer the model, the cleaner and more efficient is the vehicle.

In addition, Europcar monitors CO_2 emissions closely and 99.6% of its vehicles are certified "Euro IV" (the most recent, applicable European Union emissions standards for vehicles) and, whenever possible, Euro V (the next-generation standard).

In the second major area, fleet maintenance, Europcar has invested to institute programs to collect and recycle water, waste and oil-based fluids, and reduce its water consumption. The company also selects suppliers on the basis of their environmental, health, safety and ethical commitments.

In the third area, Europcar is in the process of obtaining certification for its safety, quality and environmental protection policies via an external institute (see box).

Lastly, the company is developing programs to raise awareness among customers and employees about environmental issues, its green approach and the role they can play.

Europcar is working on a number of other industry-leading initiatives, including a carbon-offset program for customers who want to compensate for their CO_2 emissions. The company is also adding vehicles' average CO_2 emissions to car descriptions – alongside car size and transmission – so customers can make greener rental decisions.

CERTIFYING SUCCESS

Europcar is committed to conducting business in a manner that delivers good performance while respecting the environment and the health and safety of its employees, customers and partners. To ensure that its policies in these areas are appropriate and meaningful, in 2007 Europcar took steps to have them certified by two different external organizations.

Like many corporations, Europcar sought ISO 14001 certification for the quality of its approach and processes. Unlike others, however, the company also contacted Bureau Veritas to help it evaluate and minimize the environmental impact of its activities, fully certifying its Green Charter commitments and all the concrete measures that are implemented internationally.

The certifications focus on processes involving fleet purchasing, headquarters administration, local stations and maintenance centers in Europe, as well as Europcar's approach to the safety and well-being of its customers, employees and partners. Each measure for improvement that is undertaken, along with the precise objective and strategy for reaching it, will be certified by Bureau Veritas.

In this way, the Green Charter will become a veritable management roadmap for Europcar in sustainable development.

PERFORMANCE

8 **the number of times Europcar was named "best car rental company" at the World Travel Awards in 2007**

QUALITY AS A COMPETITIVE ADVANTAGE

EUROPCAR PRIDES ITSELF ON THE QUALITY OF ITS SERVICE AND GOES TO GREAT LENGTHS TO BE AS CLOSE, RESPONSIVE AND EASY TO WORK WITH AS POSSIBLE. THIS IS AS TRUE IN ITS APPROACH TO INDUSTRY PARTNERS -- ONLINE AND TRADITIONAL TRAVEL AGENCIES, TOUR OPERATORS, AIRLINES, HOTEL GROUPS, ETC. -- AS IT IS FOR CUSTOMERS DRIVING EUROPCAR RENTAL CARS.

Europcar's focus on product and service quality gives it a competitive advantage and helps explain how the company managed more than 10 million rental contracts and generated more than €2 billion in revenue in 2007. It also explains why Europcar was named "leading car rental company" in eight different regions of the World Travel Awards last year.

ASKING CUSTOMERS FOR THEIR OPINION

While industry awards are one gauge of success, Europcar also asks its customers for their perspective of its service quality. Since 2006, it has conducted quarterly surveys of customers' expectations, values and purchasing decisions to ensure its product and service offerings are relevant and to track ongoing satisfaction and long-term loyalty.

The surveys are conducted by an external company in the seven key countries where Europcar operates directly: Belgium, France, Germany, Italy, Portugal, Spain, and the UK. They cover domestic and international renters among leisure customers, large corporate accounts, and small and medium-sized businesses. Questions cover aspects such as reservations and check-in/check-out processes, vehicle quality, rental history, competitor comparisons, overall perceptions and knowledge of Europcar values. Customers can add comments and recommendations for improvements if they wish. The goal is not only to measure satisfaction but to define areas where quality can be improved, to ensure customers are and remain satisfied with their Europcar experience.

BENCHMARKING BEST PRACTICES

In 2007, Europcar went a step further, initiating a "customer quality audit" to assess its performance in the seven countries, identify strengths, weaknesses and best practices in customer service, and promote experience sharing among managers. Conducted by internal teams, the audit covers such areas

"Providing replacement cars for AXA in case of breakdowns or incidents requires a high level of responsiveness, very efficient operations and a deep sense of service quality. Europcar is delivering the highest standards throughout its entire network and ensures customer satisfaction thanks to the high level of professionalism of its teams. Over the years, we have strengthened our long-term relationship with Europcar and our objective is to continue developing this great partnership with the Number 1 car rental company in Europe."

Hugues Cambournac
European Partnerships and Procurement
Senior Vice President, AXA Assistance

as station presentation, staff image, service (including signage and forms), safety and quality of vehicles. The data collected in 2007 will serve as a benchmark for defining areas to improve and corrective measures to take in 2008.

SERVICE LEVEL TARGETS FOR THE BENEFIT OF CUSTOMERS

To ensure it meets its Service Level Agreements, which are commonly agreed frameworks for service quality, Europcar monitors all aspects of the customer experience from reservation to fleet management. The company also continued to develop its "Customer Service Tool," which logs all customer queries in a unique system, for enhanced customer benefits and transparency.

AWARD-WINNING SERVICE

Europcar's focus on service quality pays off in many ways. One is industry recognition: in 2007, Europcar won eight prizes at the World Travel Awards. Established in 1993, these international awards recognize achievements in all sectors of the travel industry and are considered an excellent endorsement. In all, 167,000 professionals in 160 countries voted in the 2007 edition. In the course of the year, Europcar was named "leading car rental company" in seven regions of the world, including "Europe's leading car rental company" for the fifth consecutive year. The prizes culminated in December with Europcar winning the coveted "world's leading leisure car rental company" award.

Customers also reward Europcar's quality service. TUI, the world's largest tour operator and a key strategic partner for Europcar, offers annual "TUI Cars Awards" for partners generating the fewest customer complaints. In 2007, Europcar won three awards: in the Balearic Islands in the "more than 5,000 bookings" category, in Portugal/Madeira for the "1,000 to 5,000 bookings" category, and in Sweden for the "100 to 1,000 bookings" category. In fact, Sweden registered zero complaints by TUI customers in 2007 – a feat that's hard to beat!

INVESTING IN TECHNOLOGY TO FUEL FUTURE GROWTH

Europcar regards Information Technology (IT) as instrumental to implementing its strategy and achieving its productivity and performance targets. With the advent of the Internet and electronic reservation systems, it is also a key factor in sales and customer satisfaction.

In 2007, Europcar made strategic investments in its proprietary IT system, to enhance efficiency and flexibility to meet future growth and needs. The complex system "migrated" to a new platform consisting of two secure data centers, located 20 kilometers apart and linked by fiber optics. In addition to a state-of-the-art disaster recovery plan -- one center takes over if the other has an incident -- they are flexible and scalable, to respond to changing customer requirements, market needs and business processes. The new, dual-site structure notably houses "Greenway," Europcar's integrated system for every aspect of car rental, from reservations and fleet management to international invoicing. The new platform will accompany Europcar as it expands internationally and allow the company to develop and offer more innovative products and services.

E-COMMERCE MOVES FROM LOOK TO BOOK

More than ever, the Internet is a key sales channel; it also helps raise the global profile of Europcar as a brand and company. In 2007, Europcar invested in the Internet, both to address consumers and enhance relationships with its business partners.

Consumers are increasingly booking directly with suppliers for their car rental and other travel needs. To leverage this trend, Europcar strengthened its e-commerce strategy in the business-to-consumer arena in 2007. In a key step, in February the company launched a new www.europcar.com site with an easy, three-step booking process and stronger user interface. The new site generated a significant increase in its "conversion rate" – the percentage of people who go from looking to booking – and in customer retention in 2007. After France, Germany, Spain and Italy, the new site is being rolled out in

+30%
The increase in Europcar's online bookings in 2007, thanks to its e-commerce strategy for reaching consumers.

the other countries where Europcar has direct operations in 2008.

DRIVING TRAFFIC TO WWW.EUROPCAR.COM

In another key step, Europcar brought management of some of its "paid search marketing" campaigns in-house. Search marketing aims to drive traffic to the new site and increase brand awareness. Working with Google, Europcar is present in 12 different "source" markets and has developed optimized web pages for its network in six languages. By managing these campaigns internally, Europcar has better control over the communications flow among its teams in the various markets.

As a result of these developments, Europcar generated a 30% year-on-year increase in online reservations and e-commerce is a strongly growing component in the company's overall approach to consumer sales.

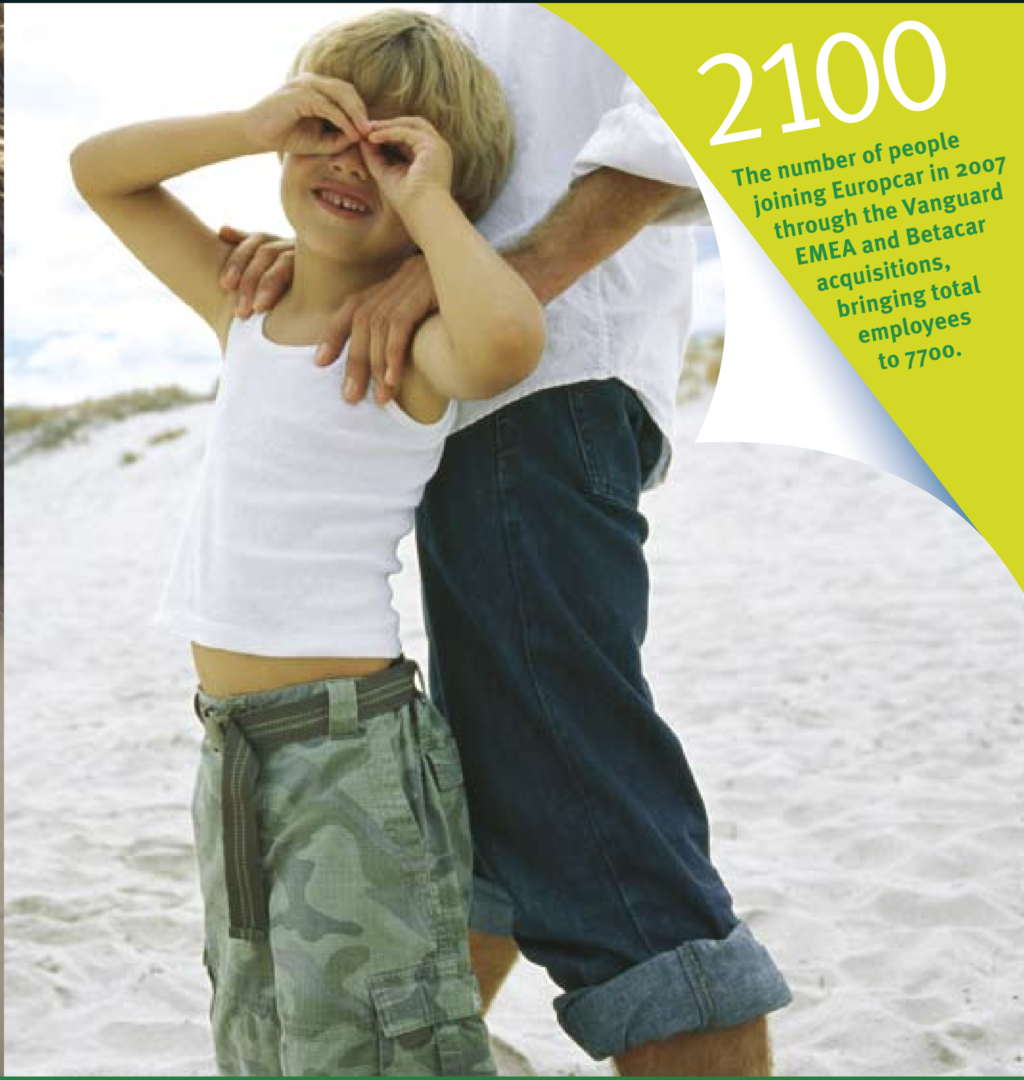
INNOVATING FOR BUSINESS PARTNERS

On the business-to-business front, in 2007 Europcar launched "Click4Wheels," an innovative online tool that makes it easy for travel agencies and tour operators to manage their corporate and leisure customers' car rental bookings. Originally developed in France, a pilot version in English was launched in October for partner TUI-UK with specific features and enhancements. German and Italian versions were rolled out at the end of 2007; plans for this year include versions in Japanese, Spanish, Portuguese and Dutch.

"As the world's most popular search engine, Google keeps innovating and pushes the limits of existing technology. Europcar is a valued partner who shares our focus on users and innovation, especially in their Search Marketing activities with Google. Our partnership is based on a strong collaboration that drives our companies forward."

Mats Carduner
Managing Director - Southern Europe, Google

TALENTS



2100

The number of people joining Europcar in 2007 through the Vanguard EMEA and Betacar acquisitions, bringing total employees to 7700.

HUMAN RESOURCES ARE KEY TO EUROPCAR'S SUCCESS, SO THE COMPANY STRIVES TO ATTRACT AND RETAIN THE BEST PEOPLE, REWARD PERFORMANCE AND ENSURE CAREER DEVELOPMENT IN LINE WITH EACH EMPLOYEE'S POTENTIAL AND CAPABILITIES.

In 2007, the Human Resources (HR) teams faced an exceptional situation as the ranks of employees swelled by nearly 40%. Thanks to the acquisition of Vanguard EMEA -- and to a lesser extent, Betacar -- Europcar welcomed 2,100 new employees, bringing its total headcount to 7,700. So it's not surprising that, for Europcar, 2007 was the year of integration.

THE YEAR OF INTEGRATION

Major initiatives were undertaken to ensure the new employees in the U.K., Germany, Spain and Switzerland felt like part of the Europcar team. Efforts were made to help them adapt to the corporate culture and new environment. Major training and development programs were put in place to ensure their successful adaptation to Europcar's systems, quality standards and work processes. In Spain alone, more than 26,000 hours of training were given in a very short time to ensure the new staff in the Balearic and Canary Islands would be operational quickly. Europcar's commitment to maintaining training centers in each "corporate" country with state-of-the-art training materials and methods contributed to the success of this major integration task.

CONSTRUCTIVE DIALOGUE

Such a big project could not succeed without open and constructive dialogue between employees and management. In this area, Europcar has always practiced a policy of open and constructive dialogue with its staff, and especially with the elected Works Councils throughout the group. This channel of two-way communication is one the keys to Europcar's stable working environment and has allowed the company to consider employees' suggestions and concerns regarding the development of its activities.

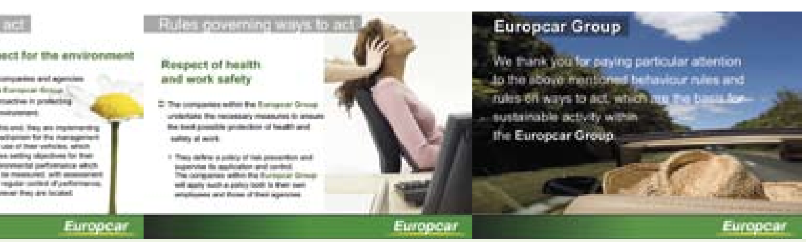
Building on this policy, in 2007 Europcar signed an agreement at the European level to ensure the continuity of dialogue between Europcar's management and the country personnel representatives. Named IDEE ("Instance de Dialogue et d'Échange Europcar" – the Europcar forum for exchange and dialogue), this agreement formalized the communications process for the years to come, by foreseeing a

minimum of two meetings per year at which the company's business situation and outlook are presented and discussed.

EUROPCAR: A GREAT PLACE TO WORK

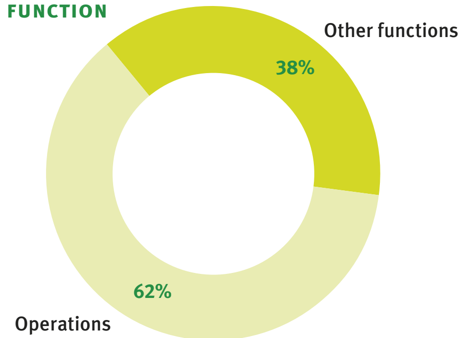
Building on the numerous recognitions it has received in the past, Europcar Spain received two awards in 2007: it won the Instituto de Empresa "Best Job Branding Award" for enhancing its image as an employer and came in second in the Hudson HR Award for Management Development.

For its part, Europcar Italy was recognized by the Great Place to Work Institute, as among the top 30 best places to work in Italy.

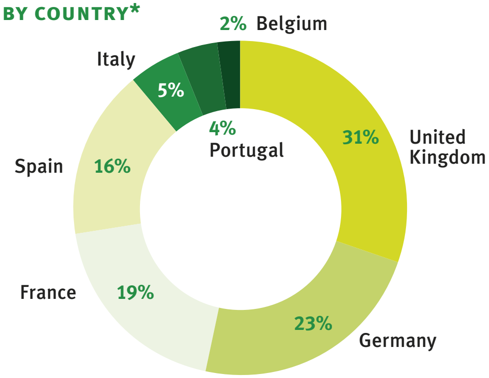


BREAKDOWN OF EUROPCAR EMPLOYEES

BY FUNCTION



BY COUNTRY*



*excluding Europcar International, Information Services and Groupe. Vanguard EMEA, Ultramar & Keddy, respectively, integrated under UK/Germany, Spain and Belgium.

SHARED VALUES

Europcar's core values played a central role in ensuring the smooth integration of the Vanguard EMEA and Betacar employees. Today, the "new" employees share these values, which are:

- *Professional commitment*
- *Respect of the individual*
- *Integrity*
- *Loyalty*
- *Solidarity*

Europcar's commitment to these values, along with its commitment to three fundamental principles of how its employees should act in their professional context -- by showing respect for the law, respect for the environment, and respect for health and work safety -- have been widely communicated throughout the company.

EUROPCAR GROUPE S.A. IS A CORPORATION ("SOCIÉTÉ ANONYME") INCORPORATED UNDER THE LAWS OF FRANCE. AS SUCH IT IS GOVERNED BY A BOARD OF DIRECTORS ("CONSEIL D'ADMINISTRATION"). EUROPCAR HAS BEEN OWNED BY EURAZEO SINCE MAY 31, 2006.

EUROPCAR GROUPE S.A. BOARD OF DIRECTORS

Europcar is governed by a Board of Directors, which is responsible for its strategy and the development and oversight of its business and operations. Gilbert Saada is Chairman of the Board and Salvatore Catania is Chief Executive Officer of Europcar Groupe. The Executive Committee, which oversees day-to-day operations, is composed of Salvatore Catania, Rafael Girona and Charles Desmartis.

COMMITTEE OF THE BOARD OF DIRECTORS

The Audit Committee is composed of Philippe Audouin (Chairman) and Fabrice de Gaudemar.

The Members of Europcar's Board of Directors are indicated in the table below:

	POSITION	EXPIRATION OF TERM
GILBERT SAADA	Chairman of the Board of Directors of Europcar Groupe and Member of the Executive Board of Eurazeo	2012
SALVATORE CATANIA	Chief Executive Officer of Europcar Groupe	2012
PATRICK SAYER	Chairman of the Executive Board of Eurazeo	2012
BRUNO KELLER	Eurazeo Chief Operating Officer and Executive Board Member	2012
PHILIPPE AUDOUIN	Eurazeo Chief Financial Officer and Executive Board Member	2012
EURAZEO	Eurazeo represented by Fabrice de Gaudemar	2012

The Executive Committee is composed of Salvatore Catania, Chief Executive Officer, Charles Desmartis, Chief Financial Officer, and Rafael Girona, Chief Operating Officer.

SALVATORE CATANIA

Salvatore Catania has been Chief Executive Officer of Europcar Groupe S.A. since May 31, 2006. He was named Chairman of Europcar International (ECI) that same day and has been CEO of that wholly owned subsidiary since January 2003. His responsibilities include the coordination of the ECI "Corporate" countries, as well as supervision of Europcar's communications, fleet and human resources functions. Mr. Catania joined Europcar in 1974, holding various positions in Italy. In particular, between 1993 and 1994, he served as General Manager of Europcar Lease Srl, and then from 1995 to 2002, his responsibilities as General Manager were extended to cover Europcar's Italian entities.

An Italian national, Salvatore Catania was born in 1953. He holds a degree in chemistry.

CHARLES DESMARTIS

Charles Desmartis joined Europcar Groupe S.A. as Chief Financial Officer in October 2007. Prior to that, he spent much of his career at Schlumberger, notably as worldwide controller for Schlumberger Resource Management Services (1999 to 2001), and Director of Internal Audit for Schlumberger Ltd. (2001 to 2002). In 2003 he was appointed Vice President Finance of Axalto, Schlumberger's smart-card subsidiary, and in May 2004 oversaw its initial public offering on the Paris stock market. In June 2006 Axalto and Gemplus merged to form Gemalto, the world leader in digital security; as CFO of the new group, he played a key role in the companies' financial integration.

A French national, Charles Desmartis was born in 1957. He is a graduate of the École des Hautes Études Commerciales (HEC) and of Stanford University, where he earned a Master's of Science in Management.

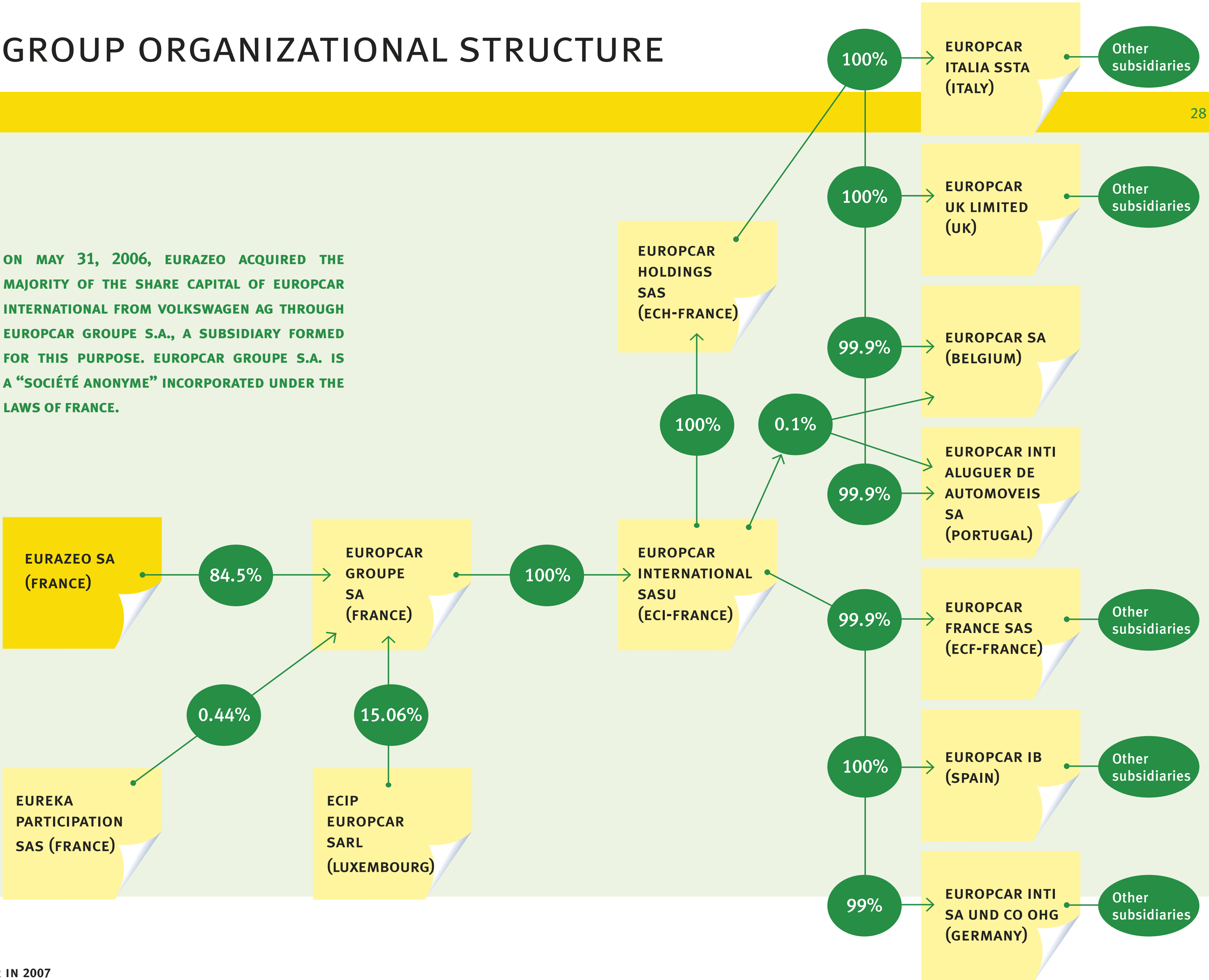
RAFAEL GIRONA

Rafael Girona has been Chief Operating Officer of Europcar Groupe S.A. since May 31, 2006, and COO of Europcar International (ECI) since 2001. He has also been the Group's Chief Information Officer since 2005. His responsibilities include overseeing Europcar's operations, Information Technology, the international reservations and data center, procedures and global service quality. Since joining ECI in 1987, Mr. Girona has held various positions with Europcar in Spain and France, notably serving as Controller and Regional Director. He also served as Europcar France's Director of Operations from 1996 to 2001.

A Spanish national, Rafael Girona was born in 1962. He holds a degree in science and a certificate from INSEAD in financial control, management, quality, sales and managerial skills for international business.

GROUP ORGANIZATIONAL STRUCTURE

ON MAY 31, 2006, EURAZEO ACQUIRED THE MAJORITY OF THE SHARE CAPITAL OF EUROPCAR INTERNATIONAL FROM VOLKSWAGEN AG THROUGH EUROPCAR GROUPE S.A., A SUBSIDIARY FORMED FOR THIS PURPOSE. EUROPCAR GROUPE S.A. IS A "SOCIÉTÉ ANONYME" INCORPORATED UNDER THE LAWS OF FRANCE.



FINANCIAL REVIEW

2007

BASIS OF PRESENTATION OF THE 2007 FINANCIAL INFORMATION REPORTED BY EUROPCAR

The audited consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS). The accounting treatment of the acquisitions of Vanguard EMEA on Feb. 28, 2007 and Betacar on May 31, 2007 in accordance with IFRS 3 "Business Combination" has had several significant impacts on Europcar's IFRS financial statements. Therefore, for a better understanding of Europcar's operating performance in 2007, the Group has prepared and reported adjusted pro forma information (income statement to operating income) which:

- assumes the acquisition of Vanguard EMEA (renamed PremierFirst) took place as of January 1, 2006, thus allowing a full-year 2007 performance comparison with the previous year on a like-for-like basis
- excludes accounting entries related to the acquisitions carried out in 2007, as well as one-off expenses and reorganization charges incurred in connection with these transactions and the acquisitions of 2006.

The basis of preparation of the adjusted pro forma information is further described in the Appendix.

In addition, in continuation of a policy initiated with the preparation of the Q2 2007 financial statements, reported revenue includes fuel and other sales, in line with prevailing reporting practices in the car rental industry. Also, the 2007 IFRS and pro forma revenue and the 2006 pro forma revenue reflect the reclassification of certain items previously reported as Other Income.

Lastly, the 2006 pro forma financial information presented in this report is the same as that published in the offering circular for the issuance of the €250 million Senior Notes in May 2007 (except for revenue, as mentioned previously).

INCOME STATEMENT INFORMATION REPORTED FOR 2007

CONSOLIDATED INCOME STATEMENT (IFRS)	▸ Vanguard EMEA income statement consolidated as from March 1, 2007 ▸ Betacar income statement consolidated as from June 1, 2007 ▸ Includes all charges resulting from the accounting treatment of the combination (amortization and impairment of intangible assets recognized in accordance with IFRS 3 Business Combination, one-off and restructuring charges incurred in 2007 in connection with the acquisitions of 2006 and 2007)
ADJUSTED PRO FORMA INCOME STATEMENT INFORMATION (TO OPERATING INCOME)	▸ Includes Vanguard EMEA income statement for the full reported period (12 months) ▸ Vanguard EMEA acquisition assumed to have taken place as of Jan. 1, 2006 ▸ Excludes all charges resulting from the accounting treatment of the acquisitions, one-off and restructuring expenses incurred in connection with the acquisitions carried out in 2006 and 2007

KEY PERFORMANCE INDICATORS

IN MILLIONS OF €	2007 pro forma	2007 PremierFirst	2007 Europcar (excl. PremierFirst)	2006 Europcar(1)
Total revenue Revenue growth vs. preceding year	**2,102.8** 8.7%	**417.2** 6.9%	**1,685.6** 9.2%	**1,544.3** 14.1%
Adjusted operating income (EBIT)	**280.0**	**62.3**	**217.7**	**184.0**
Adjusted operating margin	**13.3%**	**14.9%**	**12.9%**	**11.9%**
Average net debt average net debt/revenue	**(3,178.0)** 1.51 x	**(654.2)** 1.57 x	**(2,523.8)** 1.50 x	**(2,563.0)** 1.66 x

(1) Full year 2006 activity of Europcar Groupe

KEY FINANCIAL PERFORMANCE INDICATORS SHOW MEANINGFUL PROGRESS IN 2007

Europcar Groupe generated pro forma revenue growth of 8.7%, based on the scope of the Group as of January 1, 2007. This strong growth does not include the upside of the full-year impact in 2007 of the 2006 acquisitions (in 2006 Europcar acquired Keddy in Belgium and Ultramar in Spain).

Operating margin on an adjusted pro forma basis improved by 90 basis points to 13.3%, and operating income reached €280 million.

Over the year, the increase in average net debt was contained substantially below that of revenue. The significant decrease of the average-debt-to-revenue ratio over the year, from 1.66 to 1.51, reflects better usage of the capital employed.

IN MILLIONS OF €	2007 pro forma	2006 pro forma	% change
Rental and franchise revenue: perimeter as of January 1, 2007 (including full year effect in 2007 of the 2006 acquisitions)	1,566.8	1,469.3	6.6%
Pro forma rental and franchise revenue	1,978.2	1,829.3	8.1%
Fuel and other revenue	124.6	105.1	18.6%
Pro forma revenue	2,102.8	1,934.4	8.7% PRO FORMA GROWTH

IN MILLIONS OF €		2007 pro forma	2007 PremierFirst	2007 Europcar (excl. PremierFirst)	2006 Europcar(1)
Rental transactions	thousands	10,315	1,939	8,376	7,752
Average duration	days	5.5	6.2	5.4	5.4
Rental days	thousands	56,936	12,069	44,867	41,625
Rental day growth vs previous year		6.6%	2.5%	7.8%	14.6%
Average revenue per day ("RPD")	€	34.01	n/a	34.81	34.47
RPD growth vs previous year		1.0%	n/a	1.0%	0.8%

(1) Full year 2006 activity of Europcar Groupe

INCOME STATEMENT

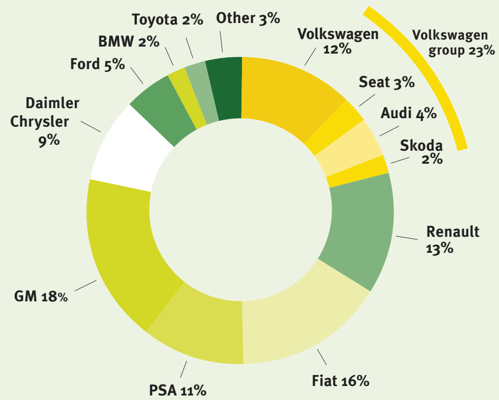
IN MILLIONS OF €		2007 pro forma	2006 pro forma	% change
Revenue		**2,102.8**	**1,934.4**	**8.7%**
Fleet holding costs		(507.2)	(442.0)	14.8%
Fleet, rental and revenue related costs		(720.5)	(679.9)	6.0%
Personnel costs		(326.8)	(348.1)	-6.1%
Network and Headquarter overheads		(251.3)	(230.5)	9.0%
Depreciation, amortization and impairment charges		(32.6)	(21.2)	53.6%
Other income / (expense)		15.7	27.8	-43.7%
Adjusted operating income (Adjusted EBIT)	**(1)**	**280.0**	**240.5**	**16.4%**
ADJUSTED OPERATING MARGIN		***13.3%***	***12.4%***	
Impairment and amortization of intangible assets		(18.5)	-	
Business combination-related costs		(11.5)	-	
Reorganization costs		(10.6)	-	
Other non-recurring items		3.6	(13.7)	
Operating income (EBIT)	**(2)**	**243.0**	**226.8**	**7.2%**
% of revenue		11.6%	11.7%	
Financial income		12.5	18.1	
Financial expenses		(215.3)	(206.4)	
Net financing costs	**(3)**	**(202.8)**	**(188.3)**	**7.7%**
Adjusted profit before tax	**(1)-(3)**	**77.2**	**52.2**	**47.9%**
Profit before tax	**(2)-(3)**	**40.2**	**38.5**	**4.4%**
Income tax expense		(22.4)	(14.8)	
Profit / (Loss) for the period		**17.8**	**23.7**	**-24.9%**

FLEET KEY FIGURES AND RATIOS

		2007 pro forma	2007 PremierFirst	2007 Europcar (excl. PremierFirst)	2006 Europcar(1)
Average fleet net book value	in € millions	2,898.2	519.0	2,379.1	2,386.4
Average fleet net book value / revenue		*1.38 x*	*1.24 x*	*1.41 x*	*1.55 x*
Total average fleet	units	216,645	42,734	173,911	161,071
Utilization	%	*72.7%*	*n/a*	*72.6%*	*71.8%*
Average holding period	months	7.51	n/a	n/a	7.55
Average fleet holding costs change year on year	%	5.9%	*n/a*	8.6%	10.2%

(1) Full year 2006 activity of Europcar Groupe

FLEET DELIVERIES BY BRAND AND CONTACT TYPE



EFFICIENT FLEET MANAGEMENT

Continuous efficiency improvements in managing Europcar's fleet translated into a higher utilization ratio and lower capital intensity of the activity. In 2007, utilization improved by 80 basis points on a like-for-like basis. Combined with better procurement terms and improved fleet productivity, these gains accounted for the meaningful decrease of the Average fleet net book value / Revenue ratio from 1.55 in 2006 to 1.38 in 2007.

Europcar has confirmed the success of its diversified fleet sourcing strategy, maintaining a high quality, very "young" fleet, purchased for 95% under manufacturer buy-back agreements. The Group therefore maintained little exposure to fleet resale and second-hand market risks. Average fleet holding duration remained stable at 7.5 months.

PERSONNEL AND PRODUCTIVITY

		2007 pro forma	2007 PremierFirst	2007 Europcar (excl. PremierFirst)	2006 Europcar(1)
Average headcount, operations	employees	4,764	1,117	3,647	3,288
Average headcount, Headquarters	employees	2,925	692	2,233	2,223
Average headcount, total	**employees**	**7,689**	**1,809**	**5,880**	**5,511**
Rentals	thousands	10,315	1,939	8,376	7,752
Productivity (rentals per person per month)	units	111.8	89.3	118.7	117.2
Personnel costs as a % of revenue	%	**15.5%**	**18.8%**	**15.2%**	**16.5%**

(1) Full year 2006 activity of Europcar Groupe

PRODUCTIVITY GAINS SIGNIFICANTLY CONTRIBUTED TO MARGIN IMPROVEMENT

Pro forma productivity per employee improved in 2007 compared with 2006, and personnel costs represented 15.5% of revenue in 2007 versus 16.5% the previous year. Improvements were significant, both in the network and support functions. A back-office efficiency improvement program, initiated in 2006, contributed significantly to the progress. The Group also benefited from the first synergies generated through the progressive integration of the 2006 and 2007 acquisitions. Productivity gains accounted to a large extent for the improvement in the Group's operating margin in 2007.

NET FINANCING COSTS

IN MILLIONS OF €	2007 pro forma	2006 pro forma	% change
Interest income	11.3	9.9	
Other financial income (incl. sale of swap in 2006)	1.2	8.2	
Financial income	**12.5**	**18.1**	**- 31%**
Fleet financing related interest and associated issuance costs	(154.0)	(140.4)	9.7%
RCF related interest (including cost of letters of credit)	(1.8)	(2.6)	-30.8%
High-yield bond related interest	(59.5)	(63.4)	-6.2%
Financial expenses	**(215.3)**	**(206.4)**	**4.3%**
Net financing costs	**(202.8)**	**(188.3)**	**7.7%**

PRO FORMA NET FINANCING COSTS CONTAINED

Pro forma net financing costs increased by 7.7%, a highly satisfactory performance when put in the context of both 8.7% revenue growth and higher interest rates.

Europcar's exposure to interest rate variations was hedged through interest rate swaps, for amounts varying over the year between €1.4 billion and €1.9 billion, reflecting the seasonality of the activity. Interest income declined due to the sale at a profit of an interest rate swap in 2006.

ADJUSTED CORPORATE EBITDA

IN MILLIONS OF €		2007 pro forma	2006 pro forma	% change
Profit / (Loss) for the period		17.8	23.7	-25%
Income tax expense		22.4	14.8	52%
Net financing costs		202.8	188.3	8%
Fleet depreciation		358.4	326.2	10%
Non-fleet depreciation and amortization		49.8	21.2	135%
Consolidated EBITDA		**651.2**	**574.2**	**13%**
Fleet net financing costs (1)		(129.0)	(103.2)	25%
Fleet depreciation		(358.4)	(326.2)	10%
Corporate EBITDA		**163.8**	**144.8**	**13%**
Acquisition-related expenses		11.5	-	-
Reorganization expenses		10.6	-	-
Other non-recurring items		(3.6)	13.4	-
Adjusted Corporate EBITDA		**182.3**	**158.2**	**15%**
(1) *As per P&L*	**Fleet financing related interest and associated issuance costs**	(154.0)	(140.4)	9.7%
Add	Interest income	11.3	9.9	
Deduct	Issuance costs and other non cash financial expenses	13.7	27.3	
	Fleet net financing costs	**(129.0)**	**(103.2)**	**25.0%**

PRO FORMA ADJUSTED EBITDA ROSE BY 15%

Corporate EBITDA is increasingly accepted as the most relevant indicator of Europcar's financial performance and corporate leverage potential. It has therefore become a key valuation metric for car rental companies. Europcar Groupe reported a 15% increase in corporate EBITDA in 2007 on an adjusted pro forma basis.

Revenue growth, fleet and network productivity gains, operating leverage, and acute cost awareness across the Group accounted for the strong improvement in consolidated EBITDA, which rose by €74 million, or 13%, to €651.2 million. This increase far exceeded the effect of higher fleet financing costs, which increased by 25%, and higher fleet depreciation, which rose by 10%, and accounted for the strong improvement in corporate EBITDA on a pro forma basis.

IN MILLIONS OF €	2007 (1) consolidated	2006 (2) pro forma
Corporate EBITDA	**161.5**	**144.8**
Non-fleet capital expenditure	(20.3)	(18.4)
Change in non-fleet working capital	19.7	21.7
Change in provisions and employee benefits	21.8	11.3
Income tax paid	(21.3)	(16.5)
Corporate free cash flow, before fleet financing	**161.6**	**143.0**
Cash interest paid on corporate debt	(59.8)	(66.0)
Free cash flow before fleet financing	**101.8**	**77.0**
Change in fleet capital expenditure, net of change in fleet working capital	163.4	(90.3)
Free cash flow	**265.2**	**(13.3)**
Business acquisition, net of disposal	(246.0)	
Dividends paid	-	
Other investing activities	(0.2)	
Cash flow from financing activities	33.1	
Net cash movement	**52.1**	

(1) As per IFRS consolidated financial statements

(2) As per offering circular for the issuance of the € 250 million Senior Notes in May 2007. Line items from "Business acquisition, net of disposal" down to "Net cash movement" are not reported as both Vanguard EMEA and Europcar International acquisitions are reflected and make the comparison to 2007 consolidated cash flow irrelevant.

STEADY GROWTH IN CORPORATE CASH FLOW GENERATION

Free cash flow before fleet financing improved in 2007 and is in line overall with corporate EBITDA. Consolidated corporate EBITDA amounted to €161.5 million in 2007, up €17 million over 2006 pro forma, and free cash flow before fleet financing was €101.8 million, up €25 million compared with 2006. The further improvement in free cash flow of €8 million reflects lower cash interest paid on high-yield bonds.

The main cash flow variation in 2007 came from fleet capital expenditure, net of variation in fleet working capital, which generated €163.4 million of cash, whereas fleet capital expenditure used €90.3 million of cash in 2006. The cash generation from fleet investing activities in 2007 reflects the increased use of off-balance-sheet operating leases to finance the fleet and the further improvement achieved in fleet working capital management.

The positive impact of higher operating leases and better fleet working capital management more than offset the outflows related to the purchase of on-balance-sheet cars under standard at-risk and buy-back agreements.

CONSOLIDATED BALANCE SHEET

IN MILLIONS OF €	2007	2006 (1)
Assets		
Property, plant and equipment	95.5	98.1
Intangible assets	1,401.5	1,150.8
Other investments	6.6	8.0
Deferred tax assets	12.3	37.1
Total non-current assets	**1,515.8**	**1,294.0**
Inventories	12.6	12.9
Other investments	4.3	2.1
Income tax receivable	15.2	20.6
Rental fleet	2,530.2	2,648.5
Derivatives	12.4	-
Trade and other receivables	1,031.7	1,039.6
Non-current assets held for sale	59.8	-
Cash and cash equivalents	327.3	278.2
Total current assets	**3,993.5**	**4,001.9**
Total assets	**5,509.3**	**5,295.9**

IN MILLIONS OF €	2007	2006 (1)
Liabilities		
Total equity	**813.4**	**769.8**
Borrowings	814.8	808.6
Derivatives	0.0	0.1
Employee benefits	62.0	63.9
Provisions	17.7	1.5
Deferred tax liabilities	269.2	28.2
Total non-current liabilities	**1,163.7**	**902.4**
Borrowings	2,363.7	2,608.0
Income tax payable	36.2	24.1
Trade and other liabilities	999.7	926.4
Provisions	132.6	65.3
Total current liabilities	**3,532.3**	**3,623.7**
Total liabilities	**4,695.9**	**4,526.1**
Total equity and liabilities	**5,509.3**	**5,295.9**

(1) 2006 combines the consolidated balance sheets of Europcar Groupe S.A. and Vanguard EMEA (renamed PremierFirst). This presentation is the same as the one published in the offering circular for the issuance of the €250 million Senior Notes in May 2007.

CONSOLIDATED BALANCE SHEET

The pro forma balance sheet shown at end 2006 for comparison purposes is the combination of the consolidated balance sheets of Europcar and PremierFirst (formerly Vanguard EMEA). Therefore, it does not reflect the accounting treatment of the acquisition of PremierFirst in accordance with IFRS 3 Business Combination, whereas the consolidated balance sheet of the Group at end 2007 fully reflects the allocation of the purchase price paid for PremierFirst. Notes to the audited financial statements, providing a full description of the accounting treatment of the acquisitions and of their impact on Europcar's financial statements in 2007 and going forward, can be found on the Investor Relations section of www.europcar.com.

SECURED CORPORATE & FLEET FINANCING

AS AT 31 DECEMBER 2007					
IN MILLIONS OF €	FUNDED	OFF BALANCE SHEET COMMIT.	UNDRAWN LIQUIDITY	TOTAL FACILITIES	MAIN FEATURES
Non-current financial liabilities					
High-yield notes issued	800.0	-	-	800.0	€425 million secured floating rate notes due May 2013 €375 million at 8.125% unsecured notes due May 2014
Deferred issuance costs on financing net of premium	(18.9)	-	-	(18.9)	
Bridge to high-yield add-on	-	-	-	-	
Other long-term liabilities	33.7	-	-	33.7	
Total non-current financial liabilities	**814.8**	**-**	**-**	**814.8**	
Current financial liabilities					
Senior asset financing loan	1,759.7	-	980.3	2,740.0	Maturity May 2011
UK fleet financing (€)	558.1	-	-	558.1	Commitment increased to £560m (€818m) in February 2008
Revolving credit facilities	4.9	49.0	296.1	350.0	Maturity May 2013
Other short-term liabilities	10.0	-	-	10.0	
Bank overdrafts	17.9	-	-	17.9	
Accrued interests	13.2	-	-	13.2	
Total current financial liabilities	**2,363.7**	**49.0**	**1,276.4**	**3,689.1**	
Total financial liabilities	**3,178.5**	**49.0**	**1,276.4**	**4,503.9**	
Cash and cash equivalents	**327.3**				
Net debt	**2,851.2**				

Over the last two years, the Group has secured robust and ample corporate and fleet financing.

Corporate financing comprises the bonds issued in 2006 and 2007 for a total amount of €800 million, which mature in 2013 and 2014. Europcar's average debt across 2007 was stable compared with 2006 on a like-for-like basis -- a strong performance in light of the 5.3% organic revenue growth in the period.

BASIS OF PREPARATION OF THE ADJUSTED PRO FORMA FINANCIAL INFORMATION

▸ Europcar's audited consolidated income statements, balance sheets, statements of shareholders' equity and cash flow statements were prepared in accordance with International Financial Reporting Standard (IFRS). These are available in the Investor Relations section of the Europcar.com website (see address at the end of this appendix).

▸ Due to the business acquisitions carried out in 2007, Europcar Groupe's financial statements have undergone significant change, due in particular to the accounting treatment of these transactions in accordance with IFRS 3 "Business Combination."

▸ Therefore the Group prepared and reported additional financial information on an adjusted pro forma basis (unaudited) that is not in conformity with IFRS, in particular the scope of consolidation of the Group, and the presentation of operating expenses, operating income and operating margin which exclude one-off expenses related to the acquisitions carried out by the Group in 2006 and 2007, reorganization charges incurred in connection with these acquisitions and charges resulting from the accounting treatment of these transactions. The income statement information presented in the Financial Review section of this report was prepared on this adjusted pro forma basis.

PRO FORMA MEASURES

▸ The pro forma income statement information for the full year 2007 has been prepared assuming that the acquisition of Vanguard EMEA (renamed PremierFirst) had taken place as of January 1, 2006, allowing the Group to present the 2007 information in comparison with the full year 2006.

▸ The pro forma measures presented by the Group include the activity of Betacar as from June 1, 2007, date on which the acquisition became effective, because the financial information available in this company prior to its acquisition by Europcar was not prepared in a format compatible with that of the Group.

ADJUSTED MEASURES

▸ Adjusted measures exclude certain business acquisition accounting entries, and expenses directly incurred in connection with the acquisitions of Vanguard EMEA (renamed PremierFirst), Betacar and Ultramar. Adjusted financial measures are not meant to be considered in isolation or as a substitute for comparable IFRS measures, and should be read only in conjunction with consolidated financial statements prepared in accordance with IFRS.

The Group believes that this information, which is not in conformity with IFRS, is helpful supplemental information in order to better assess its past and future performance. In addition, these adjusted measures are among the primary factors Management uses internally to understand, manage, evaluate, plan and forecast the business and take operating decisions. Compensation of executives is based in part on the performance of the business based on these adjusted measures.

This information provided by Europcar may not be comparable to similarly titled measures employed by other companies.

Adjusted financial measures reflect adjustments based on the following items:

- Amortization and impairment of intangible assets: amortization and impairment of intangible assets recognized in the Group's financial statements as a result of the acquisitions carried out in 2007 have been excluded from the adjusted operating profit for the period. The Group believes this is useful because, prior to these acquisitions which took place in the first and second quarters of fiscal 2007, it did not incur significant charges of this nature beside the amortization of its Enterprise Resource Planning (ERP), and the exclusion of this amount helps investors understand the evolution of IFRS operating expenses in periods subsequent to the acquisitions. Investors should note that the use of intangible assets contributed to revenue earned during the period and will contribute to future revenue generation and that these amortization expenses will be recurring.
- Acquisition-related charges: In 2007, Europcar incurred material expenses in connection with the acquisitions, which it would not have otherwise incurred. Acquisition-related charges consist mainly of professional accounting and advisory services incurred in connection with the integration and indemnities paid for the early termination of certain franchise agreements as a direct consequence of the acquisitions. The Group may incur further combination-related expenses in the coming months. It believes it is useful for investors to understand the effect of these expenses on its cost structure.
- Reorganization charges: charges incurred in connection with headcount reductions in the support functions, the consolidation of rental stations and office sites (including asset write-offs and transfer cost, severance cost, lease termination and building refurbishment cost) and the rationalization and harmonization of the service portfolio and information systems.

▸ The Group prepared and published a reconciliation between the IFRS and adjusted pro forma operating income for 2007. This reconciliation was presented in appendix to the Group's 2007 results presentation published on March 31. This presentation is available in the Investor Relations section of www.europcar.com. The IFRS consolidated income statement for 2007 (audited) shows operating income of €3,238.9 million and net income for the period of €320.2 million, including amortization and impairment of the intangible assets recognized in accordance with IFRS 3 "Business Combination" in relation with the acquisitions carried out in 2006 and 2007 for €317.0 million, reorganization expenses for €310.6 million and acquisition-related expenses for €311.5 million.

For more information, see the Investor Relations section of www.europcar.com www.europcar.com

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