Europcar

ACTIVITY REPORT FOR 2008

CONTENTS

PROFILE

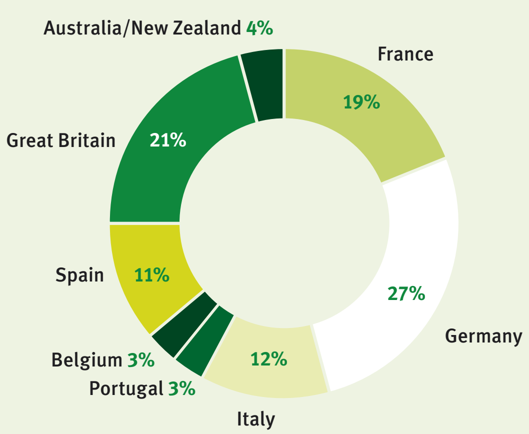
▶ No. 1 vehicle rental company in Europe serving business and leisure customers ▶ One of the top 3 global players ▶ 2008 revenue: €2.1 billion ▶ 10.8 million rental contracts ▶ Alliance in 2008 with Enterprise Rent-A-Car, No. 1 in North America ▶ Combined Europcar/Enterprise fleet: over 1.2 million vehicles, available from 13,000 rental stations in 150 countries around the world: No. 1 global network.

2008 KEY FIGURES

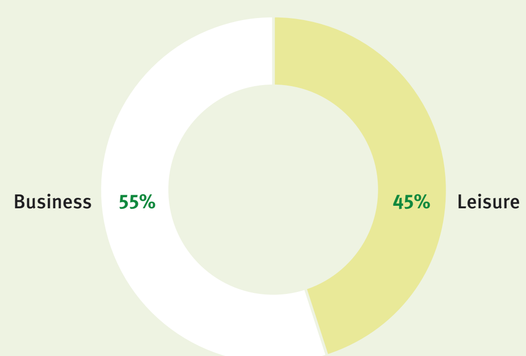
INCOME STATEMENT

IN MILLIONS OF EUROS	2006 consolidated	2007 consolidated	2007 pro forma (1) at constant exchange rates	2008 consolidated	2008 pro forma (1)
Revenue	1,544	2,047	2,111	2,091	2,122
Increase in total revenue	+14.1%	+32.6%	-	-	+0.5%
Adjusted EBIT (2) (3)	184	276	298	246	253
Margin (as a % of revenue)	11.9%	13.5%	14.1%	11. 7%	11.9%

CONTRIBUTION OF CORPORATE COUNTRIES TO GROUP REVENUE



BUSINESS - LEISURE SPLIT

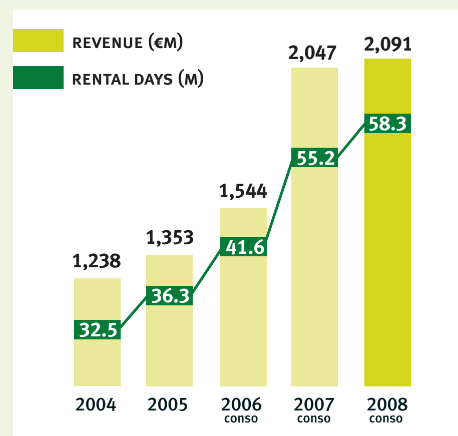


(1) Including 12 months of business in Australia.
(2) Including 12 months of business for Vanguard EMEA in 2007 and adjusted for non recurring items.
(3) Including adjustment of interest rate charges on operating leases linked to the vehicle fleet.

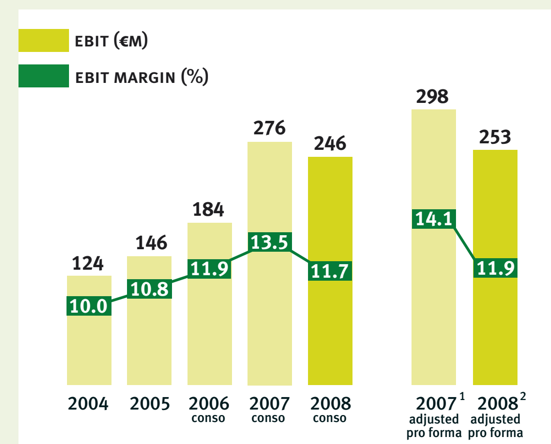
KEY FIGURES

	2006	2007 pro forma	2008 pro forma
Rental days (in millions)	41.6	59.0	59.2
Number of rentals (in millions)	7.8	10.8	10.8
Utilization rate	71.8%	72.8%	71.6%
Average fleet (in thousands of units)	161	222	226

2004-2008
REVENUE AND RENTAL DAYS



2004-2008
EBIT AND MARGIN



1/ Pro forma basis: pro forma figures for the 12-month periods of 2007 and 2008 include a 12-month contribution from PremierFirst (previously called Vanguard EMEA, PremierFirst includes the National and Alamo operations and brand in Europe, the Middle East and Africa) acquired on March 1, 2007 and from Europcar's franchisee in Australia and New Zealand acquired on May 1, 2008.
2/ Adjusted pro forma basis: pro forma basis excluding all the charges resulting from the accounting treatment of the acquisitions made during 2006, 2007 and 2008, as well as charges and restructuring costs directly linked to these acquisitions. Interest expense linked to the operational leasing of the fleet is also excluded from this measure.

CHAIRMAN'S MESSAGE

"During 2009, Europcar will continue to apply the same financial discipline as ever"

GILBERT SAADA,
CHAIRMAN OF EUROPCAR GROUPE AND MEMBER OF EURAZEO'S EXECUTIVE BOARD

During 2008, Europcar reached major milestones that helped to consolidate its leadership position in Europe and to further strengthen its international network.

The resilience of revenue to the tough economic conditions, which took a toll in the 2nd half of the year, was one of the highlights of 2008. This represents a real achievement given the recession, the effects of which have shown up since the beginning of the 2nd half and became more acute during the 4th quarter.

The second highlight was Europcar's continued pursuit of its strategy of geographical expansion and alliance with partners with similar interests. During May, we acquired the Europcar franchisee in the Asia-Pacific region, where our business activities are poised for strong expansion over the next few years. In addition, we entered into a commercial agreement with Entreprise Rent-A-Car, the undisputed leader in North America, making it the perfect foil to Europcar's network coverage. Together, thanks to this commercial alliance, which formed the no. 1 global vehicle rental network, we now offer the leading multinationals truly global rental solutions.

The third highlight of 2008 was the continued integration of the companies we acquired in 2006 and 2007, notably the operations of National Alamo in the United Kingdom and in Germany, those of Betacar in the Balearic Islands and the Canaries and of Keddy in Belgium, and the accelerated streamlining and cost-cutting plans launched over the past two years. The unprecedented demand contraction during the second half also prompted us to conduct a review, also unprecedented in its scale, of our business model and our organization.

Our robust financing resources for buying fleet, as well as our focus on efficiency and financial discipline represent additional factors crucial in the current climate for Europcar's continued success and future.

During 2009, Europcar will steadfastly apply the same strict administrative and financial rules, while ensuring that its entrepreneurial spirit and commitment to customers continue to make the Group a leading force in car rental. The Group's unwavering focus on professionalism, innovation and customer service are driving us forward, more than ever.

CEO'S MESSAGE

"We are more determined than ever before to face up to the challenges that lie ahead in 2009"

SALVATORE CATANIA,
CHIEF EXECUTIVE OFFICER, EUROPCAR GROUPE

Our revenue posted a very slight increase to €2.1 billion in 2008, reflecting contrasting trends during the 1st and 2nd half of the year. While Europcar's strong positions in the leading European markets helped to make up for the initial signs of a downturn in demand, the spread of the economic slowdown across Europe, particularly during the 4th quarter, took a major toll on the Group's top line. Even so, the successful integration of the companies we acquired in 2006 and 2007 and our cost-cutting initiatives yielded some very substantial productivity gains.

During the 4th quarter of 2008, we scaled down our car orders to adapt the size of the fleet to weaker demand. Given the threat of potential payment defaults by certain carmakers, all the requisite measures were taken to curb the potential disruption to our operations and the impact on our financial performance.

In addition, we further increased our pricing discipline by focusing on the segments making the highest contributions and actively managing our customer portfolio. Our average revenue per day (RPD) remained stable–an unmatched performance in our industry. It actually grew by 0.6% during the 4th quarter amid competition intensified by the demand contraction and exceeding fleets.

Lastly, we launched further streamlining programs during the final quarter of 2008 to make adjustments to the latest market conditions in three key areas, i.e. centralized sourcing of the principal purchases, rental outlet network and costs associated with sales and administrative units. The aim of these programs is to identify opportunities for improvement and to draw up action plans to make these changes as rapidly as possible. They are unprecedented in scope, and most of them had already been implemented by the end of 2008.

We are more determined than ever before to face up to the challenges that lie ahead in 2009 and to seize the opportunities arising from current market conditions. We firmly believe that thanks to our ability to adapt, the quality of our teams, the strength of our brand, the power of our network and the performance of our operating systems, Europcar is completely ready to rise to these challenges, to emerge stronger from the crisis and to build for future success.

*EUROPE'S NO. 1 JOINS FORCES WITH THE NO. 1 IN NORTH AMERICA

Amid tougher conditions as a result of the deepening in the economic downturn during the final quarter of 2008, Europcar further expanded its geographical coverage. Already leader in Europe, where it is established in all the markets, Europcar has continued to pursue its strategy of expansion and diversification around the world. Firstly, in North America, the Group forged a commercial alliance with Enterprise Rent-A-Car, and secondly, in the Asia-Pacific area, Europcar acquired a direct presence in Australia and New Zealand by buying out its franchisees in these countries.
The Group, which already boasted a highly prized top three ranking in the global vehicle rental market, now boasts the number one network worldwide.

The global economic difficulties must not translate into a slowdown in the development of Europcar's international network. The priority for the Group is to offer business and leisure customers seeking a consistently closer relationship and higher quality a global range of services spanning five continents.

Europe is Europcar's historic base

Europcar has had a longstanding solid base in Europe, where it possesses the leading car rental network, which was strengthened during 2007 by the acquisition of Vanguard Car Rental Inc.'s EMEA activities[1] (operating the National and Alamo Rent-A-Car brands). The Group is not only the car rental leader in the region, it is also one of the leaders in each of the seven major European markets in which it operates directly, ranking number 1 in France, the United Kingdom, Italy, Spain, Portugal and Belgium and number 2 in Germany. This balanced presence across these seven countries means that Europcar can contend more easily with any business downturns in one or other of these markets.

1 Europe, Middle East and Africa

13,000 RENTAL STATIONS IN AROUND 150 COUNTRIES THANKS TO THE ALLIANCE WITH ENTERPRISE RENT-A-CAR

Alliance with the no. 1 player in North America

To continue extending its network beyond the frontiers of Europe, Europcar focused during 2008 on North America, where it decided to team up with Enterprise Rent-A-Car, the undisputed leader in North America. The Group, which was founded in St Louis in 1957, runs a network of over 8,000 rental outlets and generates revenue of close to $13 billion, with a fleet of more than 1 million vehicles. In addition, an earlier alliance had already been concluded during 2006 by Europcar with National Car Rental and Alamo Rent-A-Car, whose North American operations were acquired by Enterprise in August 2007. The two partners thus know each other well already. The alliance sealed in early September 2008 between Europcar and Enterprise Rent-A-Car is a commercial agreement and does not involve the purchase of any shareholdings. It will enable the two groups, which boast solid coverage with leadership positions in their respective continent, to gain a new dimension, by forming the number 1 global vehicle rental network. With a combined fleet of more than 1.2 million vehicles at more than 13,000 locations, the network covers around 150 countries.

In Focus

ACCORDING TO THE EUROPCAR OBSERVATORY, 86% OF EUROPEANS ENVISAGE RENTING A CAR

In conjunction with survey company OpinionWay, Europcar launched the maiden edition during 2008 of the Europcar Transportation & Mobility Observatory. Conducted in seven European countries (Germany, Belgium, Spain, France, United Kingdom, Italy and Portugal) based on a panel of 5,300 people aged 18 and over, the Observatory studied Europeans' attachment to their car and the new mobility solutions popular for leisure activities and everyday life.

It found that 1 in 5 Europeans are ready to do without a car and consider alternative solutions (public transportation, car rental, car-pooling, etc.). One of the primary reasons cited is the cost associated with this form of travel. Car rental, a key concept for Europcar, is a solution already used by 2 out of 3 Europeans. It has been envisaged by 86% of them for utilitarian purposes, such as moving or as a replacement vehicle during car repairs, as well as, increasingly, a solution for vacations and lengthy international trips. The fundamentals of vehicle rental remain attractive, and rental solutions definitely seem poised for a bright future.

Enhance the range of services for global corporate accounts

By deciding to enter into an alliance with Enterprise Rent-A-Car, Europcar boosted its international coverage and its range of services, notably for its global corporate accounts. Another goal of this alliance is to leverage and develop traffic between North America and Europe, since an estimated 12 million travelers cross the Atlantic in either direction each year. It also aims to leverage and boost traffic in the Asia-Pacific region through Europcar's new hub in Australia and New Zealand. Both groups can thus offer their customers, notably global corporate accounts, a coordinated approach and, in the near future, a harmonized loyalty program for all their customers.

1.2 MILLION
NUMBER OF VEHICLES IN THE FLEET OF THE NO. 1 GLOBAL RENTAL NETWORK

12 MILLION
NUMBER OF PASSENGERS CROSSING THE ATLANTIC EVERY YEAR

Viewpoint

BERND SCHULZ
Vice-President Travel Management
Siemens AG

"Europcar is a true global partner for Siemens. We value the strong customer focus and the reactivity of its dedicated teams striving for continuous improvement. Our partnership benefits both from Europcar's strong international reach enabling rapid deployment of our expanding relationship in foreign markets whilst ensuring travellers' satisfaction locally thanks to best in class service throughout its network."

Acquisition of franchisees in Australia and New Zealand

Also during 2008, the Group finalized the acquisition of franchisees in Australia and New Zealand.
Europcar is thus strengthening its presence in the Asia-Pacific region.
This acquisition has enabled Europcar to establish a direct presence outside Europe for the first time. Since 2005, a network has been built directly in 28 countries in the Asia-Pacific region. Each franchisee in the Europcar network has the right to use Europcar's brand and expertise in a given territory, country or island.
The Europcar banner has been launched in India, Pakistan, the Philippines and Thailand.
Europcar can now look to expand further in the Asia-Pacific region on solid foundations. It also possesses its own expertise and direct access to the market enjoying the strongest rate of growth in the car rental market. With an average fleet of over 8,000 vehicles in Australia and New Zealand, these subsidiaries recorded over 2 million rental days during 2008, generating revenue of €89 million on a full-year basis.
Leveraging its strong roots in the European, North American and Asian markets, Europcar boasts a healthy international mix.

WORLDWIDE NETWORK

AFRICA
Algeria
Angola
Benin
Botswana
Burkina Faso
Burundi
Cameroon
Cape Verde
Congo
Democratic
Djibouti
Egypt
Equatorial Guinea
Ethiopia
Gabon
Ghana
Guinea
Ivory Coast
Kenya
Lesotho
Libya
Mali
Mauritania
Morocco
Mozambique
Namibia
Niger
Nigeria
Republic of Congo
Senegal
South Africa
Sudan
Swaziland
Tunisia
Uganda
Zambia
Zimbabwe

INDIAN OCEAN
Madagascar
Mauritius
Mayotte
Reunion Island

NORTH AMERICA
Canada*
United States*

CENTRAL AMERICA & LATIN AMERICA
Argentina
Aruba
Bonaire
Brazil
Colombia
Costa Rica
French Guyana
Guyana
Mexico
Nicaragua
Panama
Peru
Surinam
Uruguay
Venezuela

CARIBBEAN
Curacao
Dominican Republic
Guadeloupe
Haiti
Martinique
Saint Barthélemy
Saint Maarten (Dutch Antilles)
Saint Martin

ASIA & ASIA-PACIFIC
Armenia
Australia
Azerbaijan
Bangladesh
Cambodia
China*
Fiji
French Polynesia
India
Indonesia
Japan*
Laos (Democratic Republic)
New Caledonia
New Zealand
Pakistan
Philippines
Saipan
Singapore
Thailand
Vietnam

EUROPE
Albania
Andorra
Austria
Belarus
Belgium
Bosnia & Herzegovina
Bulgaria
Croatia
Cyprus
Czech Republic
Denmark
Estonia
Faeroe Islands
Finland
France
Germany
Great Britain
Greece
Greenland
Hungary
Iceland
Ireland
Italy
Kosovo
Latvia
Lichtenstein
Lithuania
Luxembourg
Macedonia
Malta
Moldavia
Monaco
Montenegro
Northern Ireland
Norway
Netherlands
Poland
Portugal
Romania
Russia
Serbia
Slovakia
Slovenia
Spain
Sweden
Switzerland
Turkey
Ukraine

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

*partnership

PARTNERSHIPS*

*PARTNERSHIPS AT THE HEART OF A WINNING-STRATEGY

Partnerships are crucial to the Group's strategy because they help to generate a substantial portion of vehicle rentals, while increasing Europcar's reputation and strengthening its international positions. For Europcar and for its partners, there are various solutions bringing numerous benefits, such as cross-product promotions, reservation transfers, dedicated commercial ranges and participation in loyalty programs. They are all possible ways of enabling customers to access more and more new services.

To date, Europcar has entered into close to 80 international partnerships. Its partners include airlines, travel agencies, tour operators, large hotel groups, rail groups and credit card companies. Three of them are major players in their market, namely easyJet, hotel group Accor and tour operator TUI.

Three strategic partnerships

During November 2008, Europcar renewed its partnership agreement with easyJet, Europe's second-largest low-cost carrier, for three years. This exclusive partnership extends the original agreement signed in 2003 and will facilitate the continued development of customized services. On easyJet's web site, customers can reserve their car rental directly after booking a flight–an option that 1.5 million customers have used to date. They can gain access to Europcar's network at highly attractive prices, as well as special services, such as long-term rentals for easyJet customers living abroad for part of the year. This partnership enables Europcar to take full advantage of the surge in easyJet's passenger numbers, owing notably to the opening during 2008

In Focus

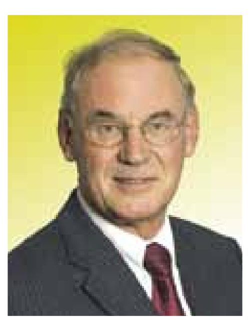
EUROPCAR, AN EXCLUSIVE PARTNER TO A|CLUB, AN ACCOR GROUP INITIATIVE

Launched by Accor in September 2008, A|Club is an international multi-brand loyalty program that already boasts over 1.5 million members. Each qualifying Europcar rental earns holders of the A|Club card 250 points. They may also qualify for a reduction of up to 20% on car rentals. Available in over 2,000 hotels and 90 countries, the program also has its own web site at http://www.a-club.com

of a new easyJet hub in Italy and new routes to Cyprus, Egypt and Malta, Finland and Sweden.
The Accor group, another strategic partner, has worked with Europcar for many years. Both groups have a very clear view of joint customers' expectations and the synergies to be harnessed to provide the best offerings. Europcar has set up a dedicated microsite for Accor guests intended to facilitate reservations. As a result, they can benefit from the numerous advantages provided by this partnership throughout their trip.
Lastly, Europcar is a partner of TUI, Europe's leading tour operator present in more than 62 countries via its eight travel and container transportation brands, namely Nouvelles Frontières, SHG, Thomsonfly, TUI DE, TUI Nordic, TUI SUISSE, TUI UK TA and Wolters Reisen. Europcar provides TUI with high-quality service via its prepaid rental solutions complementing preferential rentals directly upon customers' arrival at their holiday destination.

Viewpoint

DETLEF WITTIG
Executive Vice-President, Group Sales and Marketing
Volkswagen AG



"Europcar and Volkswagen both share the same passion for cars and mobility. Europcar is a trusted car rental partner with whom we have been able to develop long-term beneficial relationships in both difficult and good times. With the pooling of expertise of our respective teams, we are confident in our ability to further develop mutually profitable business together."

Stronger presence in the Pacific region through various partnerships

Partnerships also represent a way for Europcar to stake out fast-growing markets. In Australia, Europcar partners since 2002 with Virgin Blue, the country's 2nd ranked airline, and associate airlines Pacific Blue, Polynesian Blue and V Australia. This exclusive high-value added partnership represents an integral part of the development of Europcar's brand across the Pacific region. What's more, the recently launched V Australia airline has raised Europcar's profile in the United States via its partnership with National.

Loyalty bonus

In terms of partnerships, the airline loyalty program segment saw its business volume grow by 11% compared with 2007. The creation of a dedicated microsite for Air France/KLM's "Flying Blue" program and the introduction of the "Topbonus" program for Air Berlin made a strong contribution to this increase. Air Berlin carries over 28.6 million passengers p.a. to international cities and principal tourist destinations and to German cities. Lufthansa's "Miles & More" is another growing loyalty program to which Europcar has been a partner since it was set up 16 years ago. A major worldwide program for frequent travelers, "Miles & More" is now one of the most important for Europcar. Thanks to this partnership and the dedicated reservation microsite set up by Europcar, Miles & More card holders can earn miles by booking Europcar car rentals right around the world. In addition, Miles & More Senator card holders in Germany can double their reward miles on any rentals booked with Europcar.
Lastly, since May 2008, Europcar has offered American Express card holders who have signed up to the Amex Membership Rewards loyalty program in France the possibility of using their points in exchange for a Europcar car rental in Spain, France or Italy.

In Focus

LONG-TERM RELATIONSHIPS WITH CARMAKERS

The leading brands in the auto industry are a powerful source of support enabling Europcar to develop a long-term vision of its car fleet. A number of them are also partners with which Europcar has joined forces on marketing and promotional campaigns, as illustrated below by the activities conducted during 2008. These campaigns are part of a long-term strategy and aim to communicate regularly about the fleet's appeal and a wide variety of new models.
During 2008, the partnership with the Fiat group focused on Lancia, a century-old Italian brand. For the launch of the new Lancia Delta model, the 4th to bear the same name, a joint marketing campaign focusing on test-driving the vehicle was designed around a novel concept developed by Europcar of making the vehicle into a star.
Cooperation with Mercedes-Benz, Europcar's longstanding partner, focused on highlighting the station wagon version of the new C-Class model in the seven countries where Europcar has a subsidiary and in the Netherlands. All communication media were harnessed to give Mercedes-Benz C-Class station wagon a very high profile.
A media campaign was lined up for the new Seat Ibiza, while Volkswagen's 4x4 Tiguan was backed by an international online campaign.
What's more, the Group signed a new partnership with Hyundai to highlight the I30 during 2008. As an official UEFA partner for the 2008 European Football Championships, Hyundai also enabled Europcar to benefit from the event's high profile in Switzerland and Austria thanks to its major communication campaign and via internet across the entire Europcar network.

INNOVATION*

*INNOVATIVE SOLUTIONS FOR CUSTOMERS

Alongside the traditional direct and indirect distribution channels, e-commerce represents a major contributor to Europcar's commercial activities. During 2008, several million reservations were made on the internet, or 30% of total bookings. For the Group, the aim is thus to pursue further technological innovation by optimizing teams' efforts and the resources committed and by enabling business and leisure customers to benefit from increasingly efficient online services.

During 2008, numerous information technology projects were implemented. The development of e-commerce and the deployment of new web sites, the optimization of research and listing tools and introduction of new online services were the prime focus, to facilitate Europcar's online reservations.

Deployment of B to B and B to C web sites

The first part of Europcar's strategy is the deployment of new, more effective B to C (for individual customers) and B to B (for business customers) web sites. Following the launch of a pilot in 2007, the new B to C web site was adapted and deployed by Europcar subsidiaries throughout 2008, with successive launches in France during January, in Germany during February, Spain and Italy during March, Portugal during July, Belgium and the United Kingdom during August and New Zealand in December. The Australian web site, which is under construction, is due for launch in June 2009. Deployment continued of the "Click4Wheels" B to B site –also known in France under the "Click@ndDrive" name–which was also launched in 2007 and caters to the needs of travel agencies and tour operators, helping them to manage vehicle reservations for their business and leisure customers. An English version was launched in the United Kingdom, South America, the Middle East, Portugal and Scandinavia, and a local language version was deployed in Italy, Japan, Germany and Spain.

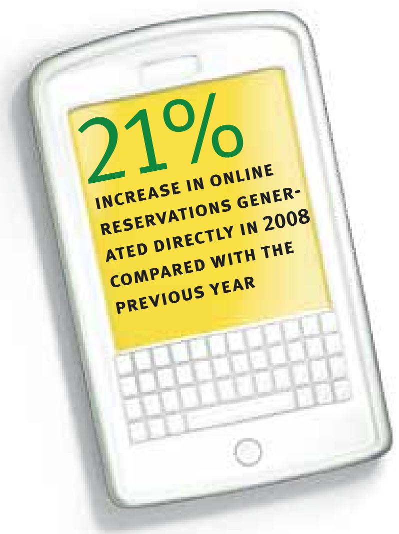
Optimizing research and listing tools on the internet

More and more customers begin their search for car rental services on the internet with a keyword search. Working with European agencies specialized in this field, Europcar aims to secure the best possible ranking in the list of natural results from web searches. By doing so, Europcar can increase the number of reservations, while reducing the cost of using sponsored links.

In Focus

THE INTERNATIONAL DISTRIBUTION CENTER

The launch of the International Distribution Center has enabled Europcar to track, manage and collect all the vehicles left by drivers in Europe at an office other than their point of departure.



To encourage the flow of visitors to the Group's web sites, Europcar has also continued the optimization of its keyword campaigns. This effort was made to ensure integrated support from all the relevant teams, i.e. e-commerce, pricing and marketing. The results of this drive were quick to appear, since the number of reservations generated by keyword campaigns soared by 65% compared with the previous year. In late 2008, Europcar notably launched a keyword campaign right around the world in 16 languages.

Rigorous management of the keyword campaigns and natural listings paid off since it led to a 21% increase in reservations generated directly on the Europcar web sites by comparison with the previous year.

Europcar also launched an affiliation marketing program, which consists in appearing on sites that naturally command high rankings in keyword searches, in return for payment of a commission on reservations gained via this channel. Traffic on Europcar's web sites increased as a result, thereby strengthening its brand recognition. Lastly, this online strategy was rounded out by the communication of international promotions through e-mail newsletters.

Consistently increasing the range of services for customers

The third part of Europcar's strategy is to emphasize services facilitating reservations. The Fast Check service was launched in the United Kingdom and Spain. It enables customers who reserved a car after a flight to be identified remotely and to launch the pre-printing of their rental agreement prior to the departure of their aircraft at a dedicated Europcar desk. All the rental arrangements are prepared. Only the vehicle is not preselected. Upon their arrival, the Fast Check system helps to reduce waiting times for customers and to free up time for Europcar employees. Staff can then devote more of their attention to quality of service, additional services and loyalty program follow-up.

Another service available to business customers is the option of using their Amex Car Rental Account, an American Express product offering centralized payment of car rentals.

Viewpoint...

GIANLUCA SOMA
Chief Executive Officer
ALD International

"Since we started with our first international agreement 5 years ago, we have further developed and reinforced our partnership, extending it to many new countries.
Today Europcar is a major partner of ours. Our teamwork allowed us to implement customised solutions leading to more efficiency in handling our short term car rental needs and to gains in productivity."

In Focus

QUALITY OF SERVICE: SLEW OF AWARDS FOR EUROPCAR IN 2008

2008 was a bumper year for Europcar in terms of awards for its quality of service.

At the World Travel Awards (WTA) in 2008, Europcar received the prize for the World's Best Car Hire company and the World's Leading Green Transport Solution–the first time this award was given out. Europcar received further WTA prizes for the Leading Car Hire company in Australasia, Europe, the Middle East and Africa.

Europcar's local subsidiaries were also successful, with a number of them gaining major awards:

- **In Germany,** the Handelsblatt daily voted Europcar as the best car rental company and gave it a special prize for the most efficient customer service. Based on an international survey of 80,000 business travelers, Europcar was chosen to receive the Business Traveller Award for the third year in a row. Independent research company CRF and Junge Karriere magazine voted Europcar as the best employer in the car rental sector in Germany. Lastly, the German services council and the Institut für Service und Qualität bestowed on it the prize for innovation in services for its commitment to environmental protection and its eco-friendly initiatives.
- **In Portugal,** Europcar received the award for the 4th year in a row for the best car hire company from Publituris, a leading publication in the Portuguese tourism industry.
- **In Italy,** Europcar was voted as the best car rental company in the international market at the Biztravel trade fair.
- **In Spain,** Europcar was selected as the top-selling vehicle rental company by Agenttravel magazine.
- **In France,** Europcar recently claimed the award for its web site at the Travel d'Or awards held by Eventiz.

SUSTAINABLE DEVELOPMENT*

*EUROPCAR PIONEERING AN ECO-FRIENDLY APPROACH TO CAR RENTAL

Europcar is making real strides forward in sustainable development. Over the past ten years, the Group has launched a number of ground-breaking initiatives. Its goal is to pursue a structured approach covering all the major issues and stakeholders across its international operations. With the certification of its environmental charter, Europcar reached a decisive milestone during 2008.

For a group such as Europcar, whose core business is vehicle rental, pursuing sustainable development means it has to work simultaneously and in a coordinated manner on several complementary areas:

- the composition of its fleet and also its maintenance operations,
- the commitment of its employees, as well as awareness among its customers.

An ambitious program

To firmly anchor its expansion strategy around this approach and make sustainable development a driver of innovation, Europcar has formally defined its commitments in a Charter for the Environment, which is structured around several key concepts:

► **A “green” fleet**

Europcar undertakes to offer its customers a vehicle fleet with the minimum possible impact on the environment. With an average car fleet age of four months, compared with an average of eight years for all the vehicles on European roads, Europcar already ranks at the top end of the environmental standings, with 99.6% of its vehicles “Euro IV” or even Euro V-certified (Euro V being the next-generation standard). This “green fleet” strategy was marked as early as 2000 by the addition to the fleet—a first at that time—of hybrid and electric vehicles.

► **Cutting back on consumption and recycling in vehicle maintenance**

Maintenance of the fleet of 226,000 vehicles represents the second point of emphasis of Europcar’s commitment to

In Focus

AWARDS REFLECTING EUROPCAR’S COMMITMENT

During 2008, Europcar was voted the World’s Leading Green Transport Solution by the 167,000 professionals who cast a vote. The trophy was presented to the Group at the World Travel Awards, which are the equivalent in the tourism industry of the Oscars.

Europcar was the first company to land this environmental award, but it is part of a well-established tradition. Europcar received the Business Travel Trophy in 2007 in the Safety and Sustainable Development category, as well as the Oxygen Award in 2006 and 2007.

14001 **All Europcar subsidiaries have embarked on an environmental certification program.**
Operations in Spain, Italy, Germany, as well as Europcar International's head office have already been certified. The aim is for all subsidiaries to gain certification by the end of 2009.

ISO 14001 certification

38% **of Europeans are ready to pay more to hire an environmentally friendly car, according to the Europcar Transportation & Mobility Observatory**

an environmentally friendly approach. An investment program is under way to enhance the Group's performance in terms of water consumption, wastewater treatment and waste recycling.

► **Raising awareness among customers and employees**
To satisfy heightened environmental concerns among the public and to give its customers the option of hiring a greener vehicle, Europcar now adds vehicles' average CO_2 emissions to car descriptions, alongside car size and transmission. CO_2 offset plans constitute another innovative awareness-raising program. Internally, Europcar has rolled out HSE (health, safety and environment) processes covering all its operations (head office, offices and maintenance units) and functional activities (from purchasing to administrative tasks) as part of its sustainable development program.

The certification of Europcar's Environmental Charter: a first in Europe
The "Charter for the Environment" represents a Sustainable Development roadmap predicated on quantifiable indicators.
During June 2008, it was certified by the independent organization Bureau Veritas Certification. This was a just reward for the Group's hard work since it was the first certification in the fields of quality, health, safety, environment and corporate social responsibility given to a business in Europe. And it is the first stage of a long-term process since Bureau Veritas will conduct an annual audit of compliance with its undertakings.

Deployment priorities
Success now depends on operational deployment across the entire Group. This drive, which is coordinated by Europcar International's quality/environment officers and those of its European subsidiaries, notably entails:
- tailoring advancement plans specifically to each subsidiary, in accordance with the Charter,
- achieving ISO 14001 certification by year-end 2009 at each subsidiary.
- raising franchisee's awareness of Sustainable Development.

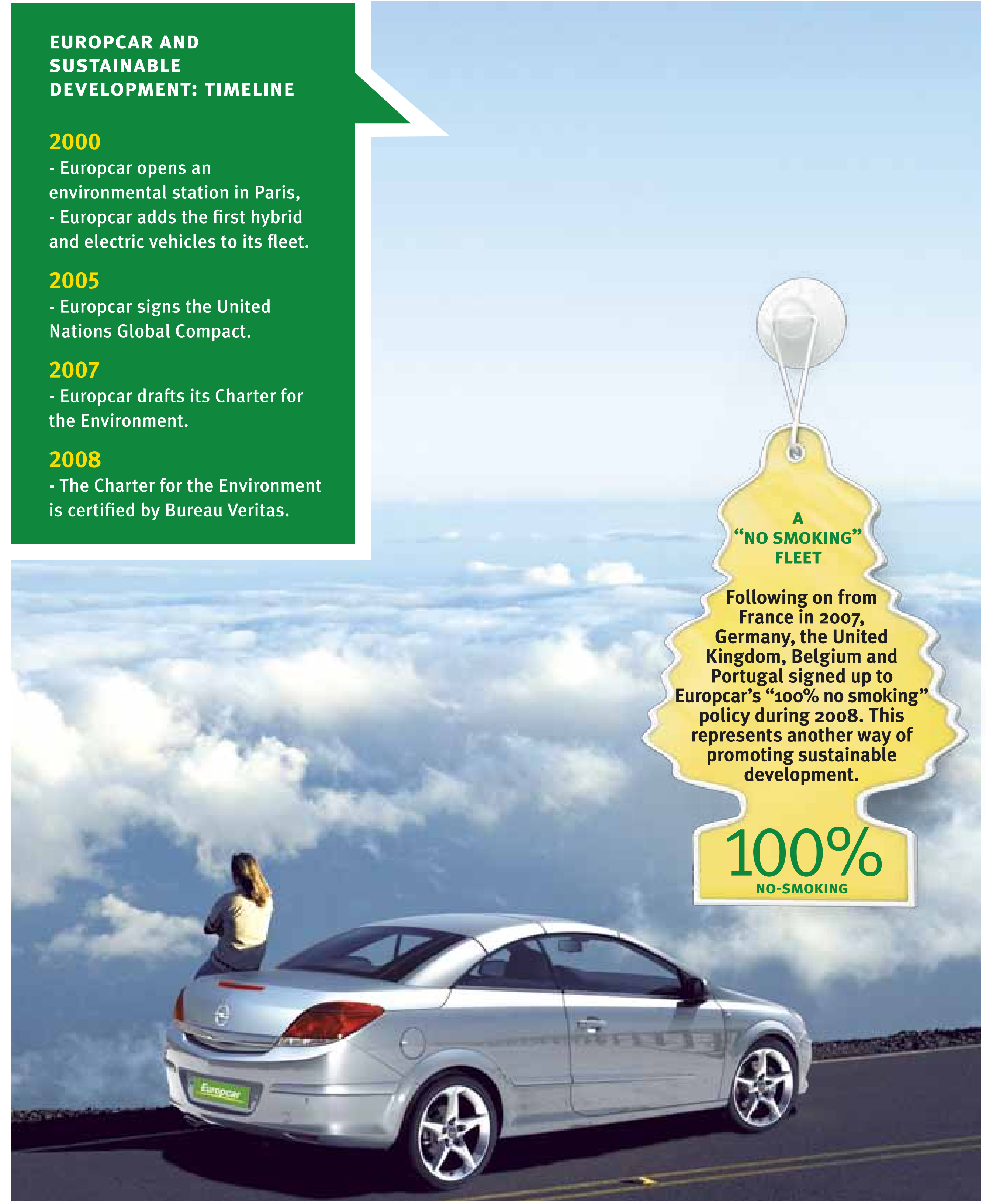
In Focus
A GUIDE TO CARBON OFFSETS
To cut the environmental impact of the greenhouse gas emissions generated by activities such as transportation, the "voluntary offset" mechanism consists in financing a project that will help to reduce these emissions by an equivalent amount at another location. Programs of this type are offered on a regular basis by Europcar and its partners. All customers who reserved their car via easyJet's website between December 19, 2008 and January 8, 2009 had their CO_2 emissions offset by a financial contribution made by Europcar and easyJet to ClimateCare. ClimateCare, the world leader in carbon offsets, is participating in over 50 projects around the world.

EUROPCAR AND SUSTAINABLE DEVELOPMENT: TIMELINE
2000
- Europcar opens an environmental station in Paris,
- Europcar adds the first hybrid and electric vehicles to its fleet.

2005
- Europcar signs the United Nations Global Compact.

2007
- Europcar drafts its Charter for the Environment.

2008
- The Charter for the Environment is certified by Bureau Veritas.

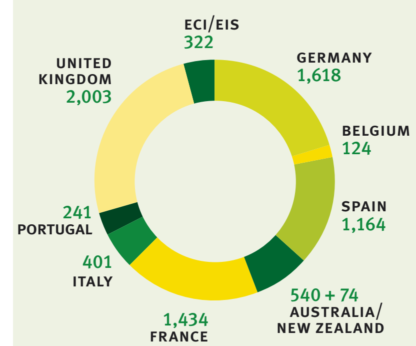


HUMAN RESOURCES*

*NEW FRONTIERS, NEW FACES

During 2008, Europcar continued the drive to integrate its teams that it began in 2007. This challenge was extended across the entire Group, with Australia and New Zealand recently joining the list of subsidiaries, alongside operations in seven European countries. This task is synonymous with fresh opportunities for employees, making the roll-out of new high-performance technologies even more essential.

BREAKDOWN OF EUROPCAR EMPLOYEES BY COUNTRY



During the Group Management Meeting held in Paris during October 2008, 80 Europcar Groupe managers met to define the priorities and action plans for 2009

New Europcar subsidiaries in Australia and New Zealand

Following a year of strong growth in the headcount during 2007 owing to the acquisitions of Vanguard EMEA and Betacar-Europcar, the scope of the Group's teams underwent another change during 2008.

The Group's frontiers expanded to Australia and New Zealand following the acquisition of the franchisees in these countries. This change offers additional prospects of promotion to employees, as reflected by the appointment of Ron Santagio, previously Strategic Development & Business Services Director for Europcar UK, who has now been named at the helm of these two subsidiaries. It also means that the integration process will have to be scaled up.

Greenway, a tool promoting integration

Against this backdrop, the continued deployment of Europcar's integrated information system Greenway represents a vital source of cohesion, which is backed up by the involvement of Europcar teams from different backgrounds.

This process has now been extended to New Zealand, the Balearic islands and the Canaries. Australia is set to follow suit during 2009.

Intranet and e-learning to spearhead networking

The Group's other powerful integration drivers include:

- local intranets, which help to encourage dialog with teams in the field: new systems were deployed in Spain, Italy and in the United Kingdom,
- e-learning platforms, which can deliver harmonized training courses across the entire Group. These modules are now accessible in 150 countries in most of the languages spoken within the Europcar network. The most recent addition is Wheels, the e-learning platform deployed in Australia.

CORPORATE GOVERNANCE

Europcar Groupe S.A. is a "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 for the development and oversight of its business and operations.

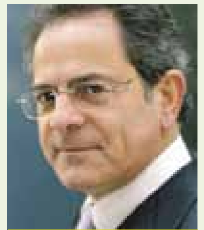
The Members of Europcar's Board of Directors are indicated in the table below

	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, Europcar Groupe	2012
PATRICK SAYER	Chief Executive Officer of Eurazeo	2012
BRUNO KELLER	Chief Operating Officer and Executive Board Member of Eurazeo	2012
PHILIPPE AUDOUIN	Eurazeo Chief Financial Officer Executive Board Member	2012
EURAZEO	Eurazeo represented by Fabrice de Gaudemar	2012

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

EXECUTIVE COMMITTEE

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) on the same day and has been CEO of that wholly-owned subsidiary since January 2003. His responsibilities include coordinating the ECI "Corporate" countries, as well as supervising Europcar's communications, fleet and human resources functions. Mr. Catania joined Europcar in 1974, holding various positions in Italy. From 1993 to 1994, he served as CEO of Europcar Lease Srl, and then from 1995 to 2002, his responsibilities as CEO 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 and electronic payment terminal 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.

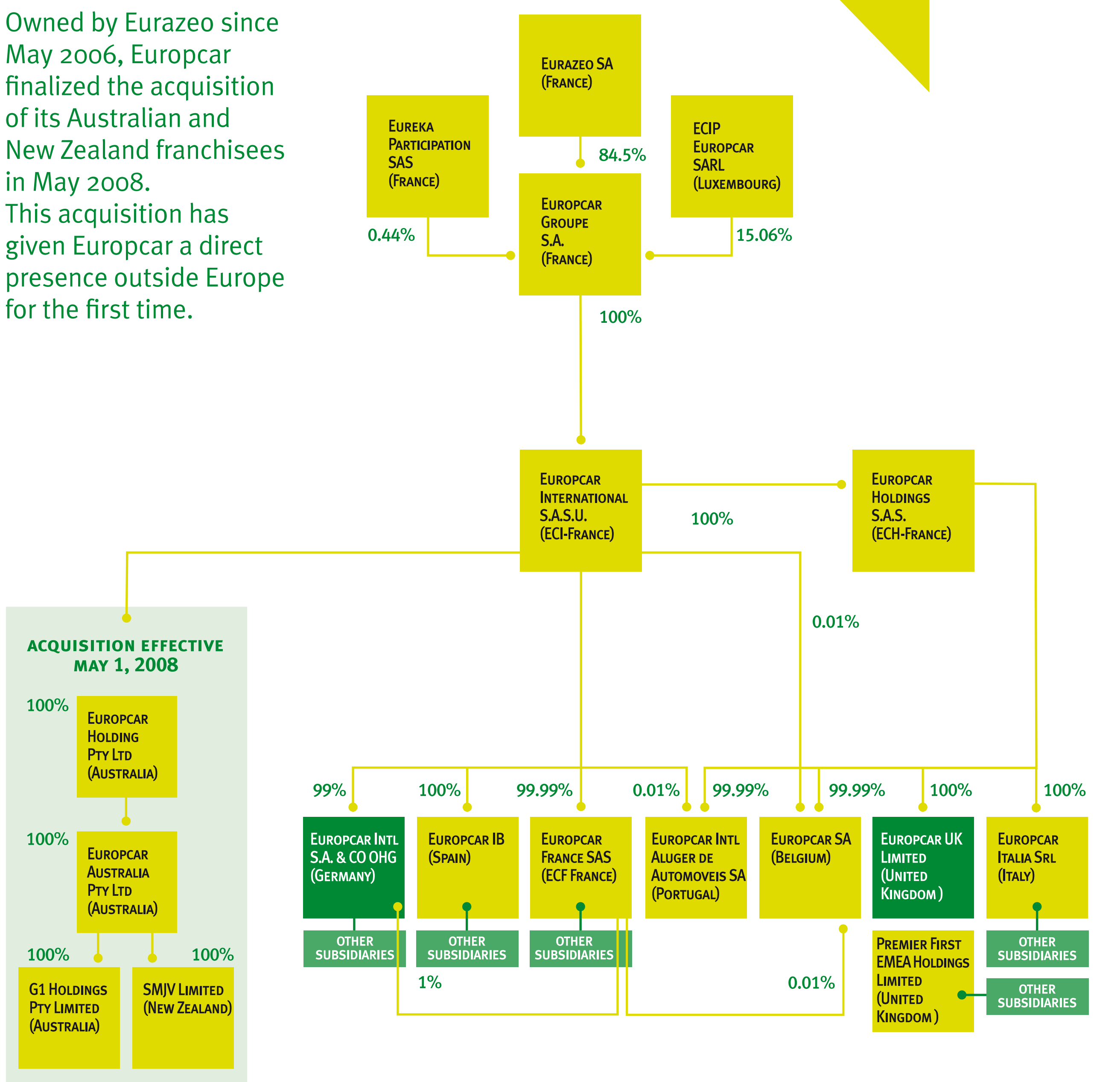

RAFAEL GIRONA

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

Owned by Eurazeo since May 2006, Europcar finalized the acquisition of its Australian and New Zealand franchisees in May 2008. This acquisition has given Europcar a direct presence outside Europe for the first time.



FINANCIAL REVIEW

INTRODUCTION

Basis of Presentation of the 2008 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 PremierFirst (formerly called "Vanguard EMEA") on Feb. 28, 2007, Betacar on May 31, 2007 and Europcar Australia/New-Zealand, effective as of May 1, 2008, in accordance with IFRS 3 "Business Combination" has had several significant impacts on Europcar's IFRS financial statements. Therefore, in continuation of the policy adopted for the 2007 results, for a better understanding of Europcar's operating performance in 2008, the Group has prepared and reported adjusted pro forma information (income statement to operating income) which:

- assumes the acquisition of PremierFirst and Europcar Australia/New-Zealand took place as of Jan. 1, 2007, thus allowing a full-year comparison between 2008 and 2007 on a like-for-like basis,
- excludes accounting entries related to the acquisitions carried out in 2007 and 2008, as well as one-off expenses and reorganization charges incurred in connection with these transactions.

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

In addition, in continuation of the policy initiated with the preparation of the 2007 financial statements, reported revenue includes fuel and other sales, in line with prevailing reporting practices in the car rental industry. Also, the 2008 IFRS and pro forma revenue and the 2007 pro forma revenue reflect the reclassification of certain items previously reported as Other Income.

The acquisition of PremierFirst (formerly known as Vanguard EMEA) gave our company a significant presence in the UK. PremierFirst's revenue, costs and debt are denominated in British pounds, so its income statement and cash flow are naturally hedged. To allow a meaningful, like-for-like comparison between the two periods, the UK contribution to the income statement for the year 2007 and the UK debt information have been restated at the average pound - euro exchange rate for the year 2008.

INCOME STATEMENT INFORMATION REPORTED FOR 2008

CONSOLIDATED INCOME STATEMENT (IFRS)	▸ PremierFirst (formerly Vanguard EMEA) income statement consolidated from March 1, 2007, ▸ Betacar income statement consolidated from June 1, 2007, ▸ Europcar Australia/New-Zealand income statement consolidated from May 1, 2008, ▸ Includes all charges resulting from the accounting treatment of the acquisitions of 2007 and 2008 (amortization and impairment of intangible assets recognized in accordance with IFRS 3 Business Combination, one-off acquisition-related and restructuring charges), except for Europcar Australia/New-Zealand, whose purchase accounting will be recognized within the 12-month window subsequent to the acquisition, in accordance to IFRS 3.
ADJUSTED PRO FORMA INCOME STATEMENT INFORMATION (TO OPERATING INCOME)	▸ Includes PremierFirst and Europcar Australia/New-Zealand income statement for the full year, ▸ PremierFirst and Europcar Australia/New-Zealand acquisitions assumed to have taken place as of Jan. 1, 2007, ▸ Excludes all charges resulting from the accounting treatment of the acquisitions, and one-off and restructuring expenses incurred in connection with the acquisitions carried out in 2007 and 2008.

KEY PERFORMANCE INDICATORS

KEY FIGURES

JANUARY 1 - DECEMBER 31

IN MILLIONS OF €	2007 Pro forma (2) at hist. exch. rates	2007 Pro forma (2) at const. exch. rates	2008 Pro forma (2)
Revenue	**2,191.8**	**2,111.4**	**2,122.3**
Variation vs. prior year	n.a (3)	n.a (3)	**0.5%**
Adjusted operating income excl. estimated int. exp. in operating lease rents	**308.2**	**297.6**	**252.9**
Adjusted operating margin excl. estimated int. exp. in operating lease rents	**14.1%**	**14.1%**	**11.9%**
Average Net Debt	3,253.3	3,177.2	2,932.8
Average debt-equivalent of fleet operating leases	388.7	381.2	654.0
Average Net Debt (Like-for-Like) (1)	**3,642.0**	**3,558.4**	**3,586.8**
Change vs. prior year	n.a (3)	n.a (3)	**0.8%**

(1) Including debt equivalent of fleet operating leases; debt equivalent estimated on the basis of the average value of fleet under operating leases in both periods.
(2) See basis of preparation (page 30). Pro forma 2007 and 2008 information includes Australia/New-Zealand activity for the full period.
(3) No pro forma information has been prepared for 2006; therefore, the variations between 2006 and 2007 are not available.

REVENUE

Balanced business base, both in terms of segment and geographic contributions, international footprint and pricing discipline provide resilience in a difficult industry environment

Europcar's global figures for 2008 reflect differentiated trends between the first half and the second. In the second half, especially the last four months of the year, market demand fell and competition intensified in response to the economic downturn.

Europcar generated revenue of €2.1 billion in 2008. On an IFRS basis, revenue grew by 2.2%, reflecting the change in scope with the PremierFirst and Australia/New-Zealand franchisee acquisitions. On a pro forma basis and at constant exchange rates, revenue grew by 0.5%, as strong passenger vehicle volume growth in the first half was almost fully offset by lower demand in the second half.

Despite the lower demand and heightened competition, Europcar increased its average Revenue per Day (RPD) by 0.8% at constant exchange rates and on a like-for-like basis in 2008. This performance reflects the Company's strict pricing discipline, increased ancillary sales and active management of the business mix toward the most profitable segments.

OPERATING MARGIN

Operating margin on an adjusted pro forma basis declined by 2.2 percentage points to 11.9%, essentially due to the drop in demand in the 4th quarter and pressure on fleet holding cost across the year.

DEBT

Increase in average net debt, including the debt equivalent of fleet operating leases at Dec. 31, 2008, was contained to 0.8% at constant exchange rates, while revenue grew by 0.5% and average fleet grew by 1.6% on the same basis. Further progress in fleet and non-fleet working capital management accounted for this performance.

REVENUE

REVENUE DRIVERS

JANUARY 1 - DECEMBER 31

		2007 Pro forma (*)	2008 Pro forma (*)
Revenue (in millions of €)		2,111.4	2,122.3
Rental transactions	units	10,762,094	10,762,438
Average duration	days	5.5	5.5
Rental days (cars and vans)	units	59,015,448	59,162,379
Rental days evolution vs. previous year		n.a (*)	*0.2%*
RPD evolution vs. previous year at const. exch. rates		n.a (*)	0.1%
RPD evolution vs. previous year on a like-for-like basis (1)		n.a (*)	0.8%

(*) See basis of presentation (page 30). Pro forma information for 2007 and 2008 includes Australia/New-Zealand activity for the full periods. No pro forma information has been prepared for 2006; therefore, the variations between 2006 and 2007 are not available.
(1) After taking into account the estimated RPD of Betacar from Jan. 1 to May 31, 2007; RPD in countries in Southern Europe is usually lower than in the rest of Europcar's "corporate" territory, particularly in the low activity season.

IFRS REPORTED FIGURES, EFFECT OF ACQUISITIONS AND OF EXCHANGE RATE VARIATIONS

JANUARY 1 - DECEMBER 31

IN MILLIONS OF €	2007	2008	% change
Rental revenue	1,893.3	1,932.6	2.1%
Franchise revenue	33.2	34.9	4.9%
Fuel and other revenue	120.2	123.9	3.1%
Total revenue (IFRS) (1)	2,046.8	2,091.3	2.2%
Pro forma adjustment: PremierFirst revenue for Jan. & Feb. '07	57.0	-	
Pro forma adjustment: Australia and New-Zealand revenue from Jan. to Dec. 07	88.1	-	
Pro forma adjustment: Australia and New-Zealand revenue from Jan. to Apr. '08	-	31.0	
Pro forma Revenue	2,191.8	2,122.3	-3.2%
Effect of the conversion of revenue for the year 2007 at the avg. exch. rates for the year 2008	(80.4)	-	
Pro forma revenue: evolution at constant exchange rates	2,111.4	2,122.3	0.5%

(1) Includes Australia/New-Zealand revenue from May to Dec. 2008 (acquisition was effective May 1, 2008) and no revenue for 2007; includes revenue of PremierFirst (acquired on Feb. 28, 2007) from Mar. to Dec. 2007 and full-year 2008; includes Betacar revenue for 7 months in 2007 (June to Dec.) and full-year 2008.

INCOME STATEMENT

PRO FORMA INCOME STATEMENT

JANUARY 1 - DECEMBER 31

IN MILLIONS OF €		2007 Pro forma* at hist. exch. rates	2007 Pro forma* at const. exch. rates	2008 Pro forma *	% change
Revenue		2,191.8	2,111.4	2,122.3	0.5%
Fleet holding costs, excluding est. int. exp. in operating lease rents		(512.7)	(493.6)	(545.0)	10.4%
Interest expense included in fleet operating lease rents (estimated)		(22.8)	(22.1)	(40.5)	83.1%
Fleet, rental and revenue related costs		(743.8)	(719.2)	(743.7)	3.4%
Personnel costs		(346.1)	(341.2)	(335.9)	(1.6%)
Network and Headquarter overheads		(262.0)	(240.2)	(222.7)	(7.3%)
Depreciation, amortisation and impairment charges		(33.7)	(33.6)	(34.0)	1.2%
Other income/(expense)		14.7	13.8	12.0	(13.6%)
Adjusted operating income (Adjusted EBIT) (a)	(1)	285.4	275.5	212.4	(22.9%)
Adjusted operating margin		13.0%	13.0%	10.0%	
Interest expense included in fleet operating lease rents (estimated)		22.8	22.1	40.5	83.1%
Adjusted operating income (excluding est. int. exp. in operating lease rents)		308.2	297.6	252.9	(15.0%)
Adjusted operating margin		14.1%	14.1%	11.9%	
Acquisition-related expenses		(11.9)	(11.7)	(13.4)	
Amortisation and impairment of intangible assets		(18.5)	(16.0)	(8.1)	
Reorganisation and other non-recurring expenses		(7.0)	(6.5)	(3.2)	
Acquisition-related, reorganisation, and other non-recurring items (b)		(37.4)	(34.2)	(24.8)	
Operating income (EBIT) (a) + (b)	(2)	248.0	241.3	187.6	(22.2%)
Financial income		12.5	11.7	24.1	
Financial expenses		(215.2)	(208.6)	(222.5)	
Amortisation of financing arrangement costs		(4.6)	(4.4)	(26.2)	
Net financing costs	(3)	(207.4)	(201.2)	(224.6)	11.6%
Adjusted profit/(loss) before tax	(1)+(3)	78.0	74.2	(12.2)	
Profit/(loss) before tax	(2)+(3)	40.6	40.1	(37.0)	
Income tax credit / (expense) (1)		(23.2)	(24.7)	2.3	
Profit/(Loss) for the period		17.4	15.4	(34.6)	

* See basis of presentation (page 30). Pro forma information for 2007 and 2008 includes Australia/New-Zealand activity for the full periods.

FLEET KEY FIGURES AND RATIOS

FLEET KEY FIGURES AND RATIOS — JANUARY 1 - DECEMBER 31

		2007 Pro forma (*)	2008 Pro forma (*)
Revenue (in millions of €)		2,111.4	2,122.3
Variation vs. prior year			0.5%
Total average fleet (cars and vans)	units	222,049	225,696
Evolution of total average fleet vs. previous year	%	n.a (*)	1.6%
Utilization	%	72.8%	71.6%
Average holding period	months	7.6	7.7
Fleet at year-end (cars and vans)	units	213,134	194,507
Evolution of fleet at year-end vs. previous year	%	n.a (*)	-8.7%

(*) See basis of presentation (page 30). Pro forma information for 2007 and 2008 includes Australia/New-Zealand activity for the full periods. No pro forma information has been prepared for 2006; therefore, the variations between 2006 and 2007 are not available

Flexible Fleet Management and Diversified Sourcing

Europcar maintained a high fleet utilization rate of 71.6% in 2008 – a strong performance in light of the steep fall in market demand in the 4th quarter.

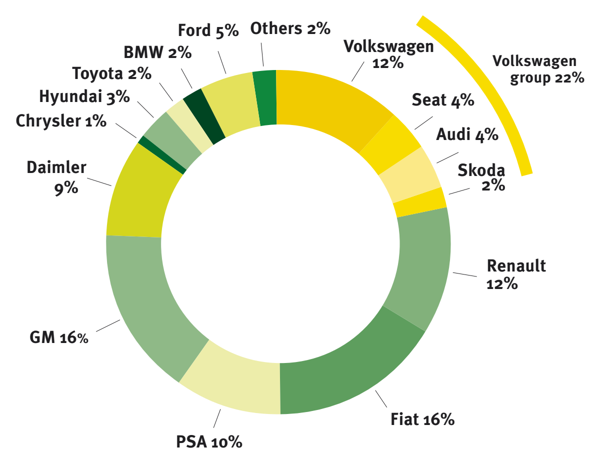
The fleet was adjusted to demand and at year-end 2008 amounted to 195,000 vehicles, versus more than 213,000 vehicles one year earlier. Thanks to Europcar's policy of purchasing 95% of its fleet with manufacturers' buyback commitments, the rapid reduction in fleet at the end of 2008 was achieved without incurring significant additional costs or accounting write-downs.

In 2008, Europcar held its vehicles for an average 7.7 months, in line with trends in previous years.

During the year, Europcar continued to apply its strategy of diversified sourcing among the leading car manufacturers. More than 12 manufacturers were represented in Europcar's fleet in 2008 and the largest one –the Volkswagen Group– represented no more than 22% of total purchases.

Europcar does not purchase vehicles directly from U.S. manufacturers, however, it took steps to limit its exposure to potential insolvency risks at their European subsidiaries. The Company lowered its exposure to these European subsidiaries from 24% of total purchases in 2007 to 22% in 2008 and a forecast 18% for 2009.

FLEET PURCHASES IN 2008



PERSONNEL AND PRODUCTIVITY

PERSONNEL FIGURES AND KEY RATIOS — JANUARY 1 - DECEMBER 31

		2007 Pro forma(*) at const. exch. rates	2008 Pro forma (*)
Revenue (in millions of €)		2,111.4	2,122.3
Variation vs. prior year			0.5%
Average staff in operations	employees	5,237	5,079
Average staff in headquarters	employees	3,094	2,841
Average headcount total	employees	8,330	7,920
Average headcount including Betacar	employees	8,480	7,920
			(6.6%)
Rentals	units	10,762,094	10,762,438
Productivity (rentals per employee per month), like-for-like	units	107.7	113.2
			5.2%
Personnel costs as a % of rental revenue	%	17.5%	17.1%

(*) See basis of presentation (page 30). Pro forma information for 2007 and 2008 includes Australia/New-Zealand activity for the full periods. No pro forma information has been prepared for 2006; therefore, the variations between 2006 and 2007 are not available.
(1) The revenue, rentals, productivity and personnel cost ratio figures presented for Dec. 31, 2007 do not include Betacar's activity.

Productivity Rises on Cost-Cutting Programs and Integration Synergies

Pro forma productivity per employee increased a further 5.2% in 2008 compared with 2007, and personnel costs continued to decrease in relation to revenue.

Productivity gains were obtained through both the integration of acquisitions made in the last three years, and initiatives carried out over the past two years to further enhance Europcar's operating efficiency and reduce costs.

NET FINANCING COSTS

NET FINANCING COST ANALYSIS

JANUARY 1 - DECEMBER 31

IN MILLIONS OF €	2007 Pro forma(*) at hist. exch. rates	2007 Pro forma(*) at const. exch. rates	2008 Pro forma(*)
Interest expense - fleet financing facilities	(135.3)	(129.9)	(133.7)
Interest expense - revolving credit facility	(1.8)	(1.8)	(7.9)
Interest income (including hedging income on interest swap)	5.1	4.4	15.4
Net fleet financing cost	**(132.1)**	**(127.3)**	**(126.2)**
High-yield bond interest	(63.7)	(63.7)	(65.8)
Non-fleet interest income (expense), net	(7.3)	(6.2)	(3.8)
Total non-fleet interest income (expense)	**(71.0)**	**(70.0)**	**(69.5)**
Total financing cost	**(203.1)**	**(197.2)**	**(195.7)**
Other financial income (expense), net	(0.1)	(0.1)	(0.6)
Foreign exchange gain / (loss)	0.4	0.5	(2.0)
Financial result before amortization of financing arrangement cost	**(202.8)**	**(196.8)**	**(198.4)**
Amortisation of financing arrangement cost	(4.6)	(4.4)	(26.2)
Financial result (before interest expense included in fleet operating leases)	**(207.4)**	**(201.2)**	**(224.6)**

(*) See basis of presentation (page 30). Pro forma information for 2007 and 2008 includes Australia/New-Zealand activity for the full periods.

The overall fleet financing structure of the Group reflects our increased usage of operating leases in financing the fleet and lower usage of senior asset financing debt. The increased use of operating leases for fleet financing in 2008 compared with 2007 resulted in an estimated €18.4 million reduction in fleet-related interest expense, and in a corresponding increase in our fleet holding cost as reflected in our pro forma income statement.

The financial result before amortization of financing arrangement costs decreased slightly, from negative €196.8 million to negative €198.4 million, at constant exchange rates.

- The net impact of the higher Euribor on our financial result was contained to just €2.3 million, thanks to efficient hedging through our interest rate swap with an average amount of €1.89 billion hedged in 2008.

The spread on our Senior Asset Financing Loan increased in November 2007 by 45 basis points —from 85 to 130— when we extended the duration of the facility until May 2011. This increase had an estimated impact of €7.2 million on our financing cost for the year 2008.

The increase in the interest expense related to the revolving credit facility —from €1.8 million in 2007 to €7.9 million in 2008— is due to higher drawings related to working capital needs.

Therefore, the reduction in average net debt over the period following the increasing use of operating leases for our fleet offset the impact on our financing cost of both the higher spread on our senior asset financing facility and a higher utilization of the revolving credit facility.

On the basis of pro-forma figures at constant exchange rates, the €23.4 million decline in our financial result —from negative €201.2 million to negative €224.6 million— mainly reflects the €21.8 million increase in non-cash amortization expenses related to capitalized financing arrangement costs.

ADJUSTED CORPORATE EBITDA

PRO FORMA ADJUSTED CORPORATE EBITDA

JANUARY 1 - DECEMBER 31

	IN MILLIONS OF €	2007 Pro forma(*) at hist. exch. rates	2007 Pro forma(*) at const. exch. rates	2008 Pro forma(*)
	Operating income	**248.0**	**241.3**	**187.6**
	Financial income	12.5	11.7	24.1
	Financial expenses	(215.2)	(208.6)	(222.5)
	Amortisation of financing arrangement costs	(4.6)	(4.4)	(26.2)
	Net financing costs	**(207.4)**	**(201.2)**	**(224.6)**
	Profit/(Loss) before tax	**40.6**	**40.1**	**(37.0)**
	Income tax credit/(expense)	(23.2)	(24.7)	2.3
	Profit/(Loss) for the period	**17.4**	**15.4**	**(34.6)**
add back	Income tax credit/(expense)	23.2	24.7	(2.3)
	Net financing cost	207.4	201.2	224.6
	Fleet operating lease rents	76.0	74.0	123.7
	Fleet depreciation	321.3	307.0	331.5
	Non-fleet depreciation and amortisation	33.7	49.1	42.1
	Consolidated EBITDA	**679.0**	**671.3**	**685.0**
	Consolidated EBITDA Margin	**31.0%**	**31.8%**	**32.3%**
	Total fleet depreciation and financing cost including fleet operating lease rents	(529.4)	(508.3)	(581.4)
	Corporate EBITDA	**149.6**	**163.0**	**103.6**
adjustements	Acquisition-related, reorg. and other non-recurring items	18.9	18.2	16.6
	Adjusted Corporate EBITDA	**168.5**	**181.2**	**120.2**
	Adjusted Corporate EBITDA Margin	**7.7%**	**8.6%**	**5.7%**

(*) See basis of presentation (page 30). Pro forma information for 2007 and 2008 includes Australia/New-Zealand activity for the full periods.

Consolidated EBITDA Margin Improvement Outweighed by Increased Fleet Holding and Financing Costs

Throughout 2008, successful cost-reduction efforts resulted in a meaningful improvement in the consolidated EBITDA (earnings before income tax, depreciation and amortization) margin — a real achievement in a challenging business environment. On a constant-exchange-rate basis, the consolidated EBITDA margin increased by 0.5 percentage point to 32.3% and consolidated EBITDA came in at €685 million, an improvement of €14 million versus 2007.

In keeping with the basis of preparation of Europcar's financial information (see page 30), rents paid to providers of operating leases for fleet are included in the fleet depreciation and financing costs. These costs increased by €73 million at constant exchange rates in 2008 to reach €581 million, outweighing the improvement in consolidated EBITDA. Europcar's adjusted corporate EBITDA therefore amounted to €120 million in 2008.

FREE CASH FLOW

CONSOLIDATED FREE CASH FLOW — JANUARY 1 - DECEMBER 31

IN MILLIONS OF €	2007 Consolidated at hist. exch. rates	2008 Consolidated
Adjusted Corporate EBITDA	180.0	118.8
Non recurring items	(18.5)	(16.6)
Corporate EBITDA	**161.5**	**102.2**
Non-fleet capital expenditure, net of proceeds from disposal	(20.3)	(24.2)
Change in non-fleet working capital	19.7	44.4
Change in provisions and employee benefits	21.8	2.2
Change in accrued fleet financing interests	(0.4)	(1.8)
Income tax paid	(21.3)	(33.6)
Corporate free cash flow, before fleet financing	**161.0**	**89.2**
Cash interest paid on corporate debt	(59.4)	(61.0)
Free cash flow before fleet financing	**101.6**	**28.2**
Fleet capex, net of disposal	118.3	449.8
Change in fleet working capital	45.1	(76.8)
Change in fleet capital expenditure, net of change in fleet working capital	***163.4***	***373.0***
Free cash flow	**265.0**	**401.2**
Business acquisition, net of cash acquired	(246.0)	(34.3)
Other investing activities	(0.2)	1.6
Cash flow from financing activities		
Issurance of high-yield notes, including premium (PremierFirst acquisition)	260.8	-
Increase (decrease) in drawings on fleet financing and working capital facilities	(227.7)	(339.2)
Net cash movement	**51.9**	**29.3**

Free Cash Flow Reflects Fleet Downsizing and Use of Operating Leases

In 2008, Europcar generated positive corporate free cash flow before fleet financing and business acquisitions of €89 million. The difference compared with 2007 primarily reflects the lower corporate EBITDA of the period.

Further improvements in non-fleet working capital management allowed Europcar to release €44 million in cash in 2008, after generating €19.7 million in cash in 2007. This improvement helped offset higher income tax payments in the period, essentially due to payments in 2008 of tax charges related to prior years.

Non-fleet capital expenditure —which is mainly related to information technology— rose slightly from one year earlier.

The net generation of cash from fleet financing activities of €373 million, versus €163 million in 2007, reflects significantly higher usage of operating leases for fleet and, to a lesser extent, the strong reduction of fleet in the last quarter of 2008, though a large part of the buyback payments had not yet been collected at year end. This is reflected by the increase in fleet working capital reported for the year. Cash generated by fleet financing activities was used to reduce drawings on fleet financing, in accordance with the structure of these facilities.

The €34 million utilization of cash for business acquisition reflects the net cash payment for Europcar's Master Franchisee in Asia-Pacific. In 2007, €246 million in cash was used for the acquisition of PremierFirst in the first quarter of 2007, and of Betacar in June 2007.

CONSOLIDATED BALANCE SHEET

CONSOLIDATED BALANCE SHEET AS OF DECEMBER 31, 2007 AND DECEMBER 31, 2008

IN MILLIONS OF €	Dec. 31, 2007 Combined(*)	Dec. 31, 2008 Consolidated
Assets		
Property, plant and equipment	97.6	121.5
Intangible assets	1,446.7	1,407.4
Other investments	6.9	5.9
Deferred tax assets	14.5	23.6
Total non-current assets	**1,565.7**	**1,558.4**
Inventories	13.0	16.6
Other investments	4.3	4.0
Income tax receivable	15.2	29.0
Rental fleet	2,571.0	1,982.2
Derivatives	12.4	2.0
Fleet receivables	405.9	478.5
Trade and other receivables (1)	633.9	529.9
Non-current assets held for sale	42.2	-
Cash and cash equivalents	326.3	319.5
Total current assets	**4,024.1**	**3,361.6**
Total assets	**5,589.8**	**4,920.0**

IN MILLIONS OF €	Dec. 31, 2007 Combined(*)	Dec. 31, 2008 Consolidated
Equity		
Total equity (3)	**830.0**	**653.9**
Liabilities		
Borrowings	823.9	794.8
Derivatives	0.0	53.9
Employee benefits	62.0	53.3
Provisions	17.7	4.9
Deferred tax liabilities	269.2	238.3
Total non-current liabilities	**1,172.8**	**1,145.2**
Borrowings	2,409.5	2,015.1
Income tax payable	36.3	29.3
Fleet payables	469.3	473.0
Trade and other liabilities (2)	539.3	474.9
Provisions	132.6	128.5
Total current liabilities	**3,587.0**	**3,120.9**
Total liabilities	**4,759.8**	**4,266.1**
Total equity and liabilities	**5,589.8**	**4,920.0**

(*) Combining the balance sheets of Europcar Groupe S.A. and the Master Franchisee in Australia/New-Zealand as of Dec. 31, 2007.
(1) Of which €212.9 million related to rental receivables (2007: €232.9 million) and €125.4 million related to VAT (2007: €154.8 million).
(2) Of which €96.1 million related to VAT (2007: €139.1 million).
(3) Equity decrease between 2007 and 2008 reflects currency translation effects (€86.3 million on weaker EUR value of the GBP equity of UK entities), the change in fair value of interest rate swaps (€42.4 million) and the net loss of the period.

Balance Sheet Highlights

The balance sheets for both 2007 and 2008 reflect the purchase price allocations of the PremierFirst, Betacar and Australia/New-Zealand acquisitions (respectively completed at the end of 2007, in the 2nd quarter and in the 4th quarter of 2008).

The decrease in equity reflects the net currency translation effect —almost entirely related to the weakening of the British pound against the euro—, the unfavorable change in the fair value of interest rate swaps and the period's net result.

LIQUIDITY ANALYSIS

FINANCING AND LIQUIDITY ANALYSIS

IN MILLIONS OF € *(except fleet, reported in units)*	**2007** Month end (2)	**2008** Month end (2)	**GUARANTEES**	**MAIN FEATURES**
Total revenue	**2,111.4**	**2,122.3**		
Total fleet at month end (units)	**214,359**	**197,031**		
High-Yield notes	800.0	800.0		€425m are secured floating rate notes due May 2013 €375m are 8.125% unsecured notes due May 2014
Other long-term liabilities	23.9	2.9		
Senior asset financing loan	1,759.7	1,510.8		Maturity May 2011
UK and other fleet financing	564.8	452.9		
Revolving credit facility	4.9	41.5	47,6	Maturity May 2013
Deferred issuance costs on credit facility	(6.7)	(22.8)		
Bank overdraft	17.9	14.9		
Interest and other loans	69.0	9.6		
Total financial liabilities (1)	**3,233.4**	**2,809.9**		
Cash and cash equivalents (2)	**326.3**	**319.5**		
Net debt (IFRS) (1) - (2)	**2,907.1**	**2,490.4**		
Net debt at constant exchange rates	2,801.8	2,490.4		
Debt equivalent of fleet operating leases (1)	512.9	769.5		
Net debt at constant exchange rates (like-for-like) including debt equivalent of fleet operating leases	**3,314.7**	**3,260.0**		

(*) See basis of presentation (page 30). Pro forma information for 2007 and 2008 includes Australia/New-Zealand activity for the full periods.
(1) Estimation based on the average value of fleet under operating leases in both periods.
(2) At historical exchange rates.

Europcar's corporate financing (high yield notes) is secured until May 2013 and its fleet financing until May 2011.

The reduction in the amount drawn on the Senior Asset Financing loan at the end of 2008 versus 2007 mainly reflects the higher usage of operating leases to finance the fleet. Europcar has taken this direction since the beginning of 2008 and plans to implement new lines in 2009.

The outstanding amount of fleet operating leases at the end of 2008 was €770 million, compared with €513 million at the end of 2007.

APPENDIX

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.
- Due to the business acquisitions carried out in 2007 and 2008, 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, 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, 2007, allowing the Group to present the 2008 information in comparison with the full year 2007.
- 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 EME A (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 2007and 2008 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 operating system, 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

APPENDIX

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 and 2008, 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 2008. This reconciliation was presented in appendix to the Group's 2007 results presentation published on March 30. This presentation is available in the Investor Relations section of www.europcar.com. The IFRS consolidated income statement for 2008 (audited) shows operating income of €185.2 million and net loss for the period of €35.1 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 2007 and 2008 for €8.1 million, reorganization expenses for €3.2 million and acquisition-related expenses for €13.4 million.

FOR MORE INFORMATION, PLEASE VISIT THE INVESTOR RELATIONS SECTION OF THE **www.europcar.com** WEB SITE.

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