

Investor Relations Presentation

August, 2020.



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 **Localiza**

AGENDA

- 1) COMPANY OVERVIEW
- 2) COMPETITIVE ADVANTAGES
- 3) MAIN BUSINESS DIVISIONS
- 4) FINANCIALS
- 5) APPENDIX

The logo for Localiza, featuring a stylized yellow and green swoosh icon to the left of the word "Localiza" in a white, italicized sans-serif font.

Localiza



Company history:

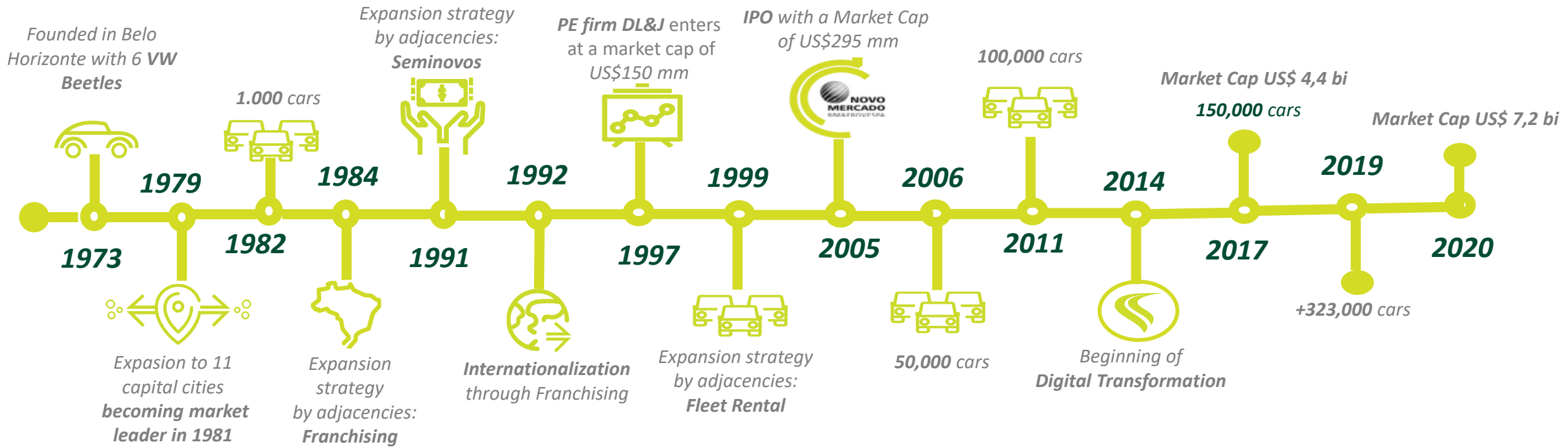
Milestones

Phase I: Rise to #1

Phase II: Expansion

Phase III:
Reaching Scale

Phase IV: Digital
Transformation



Integrated Business Platform Supporting Growth

2Q20

Localiza has Unmatched Advantages from a Highly Scalable Model and Unparalleled Business Expertise

CAR RENTAL

- 225,870 CARS
- 10.6 MILLION CLIENTS
- 429 LOCATIONS
- 5,781 EMPLOYEES

FRANCHISING

- 13,805 CARS
- 100 LOCATIONS IN BRAZIL
- 76 LOCATIONS IN SA
- 29 EMPLOYEES



FLEET RENTAL

- 65,585 CARS
- 398 EMPLOYEES

USED CAR SALES

- 46.7% SOLD TO FINAL CONSUMER
- 125 STORES
- 86 CITIES
- 1,520 EMPLOYEES

AGENDA

- 1) COMPANY OVERVIEW
- 2) **COMPETITIVE ADVANTAGENS**
- 3) MAIN BUSINES DIVISIONS
- 4) FINANCIALS
- 5) APPENDIX

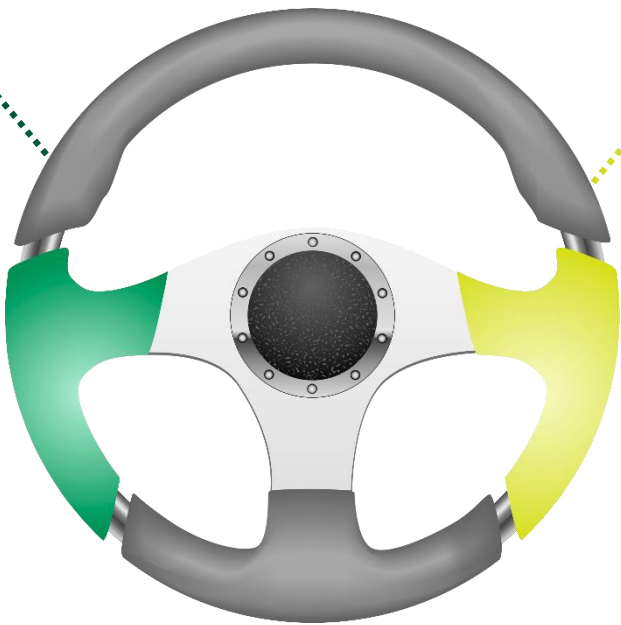
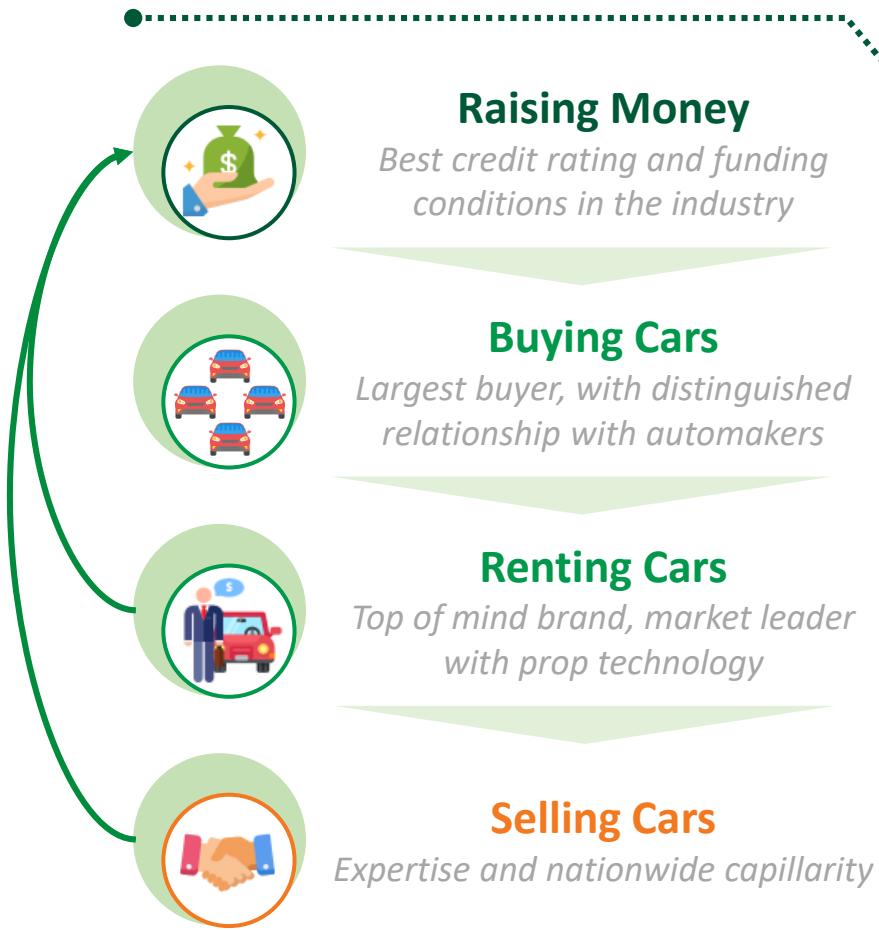
The logo for Localiza, featuring a stylized yellow and green swoosh icon to the left of the word "Localiza" in a white, italicized sans-serif font.

Localiza



Localiza is Ready to Take the Wheel of an Evolving Mobility Market

Leading Mobility Player with Clear Competitive Advantages at Scale...



...Generating Unparalleled Financial and Operational Performance

Operational Highlights

51.1%⁽¹⁾	13.3%⁽¹⁾	26.9%
RaC Market Share	Fleet Mgmt Market Share	EoPFleet '15-19a CAGR

Financial Highlights

27%	24%	20%
Sales '15-19a CAGR	EBITDA '15-19a CAGR	Earnings '15-19a CAGR

10.1%	6.7% ROIC
ROIC In 2019	2019 spread vs. post-tax cost of debt

Source: Company filings.
(1) Market share in 2019 considering fleet size.

Key Pillars of The Leading Industry Player

Localiza's Integrated Model and Size Made the Company the 800 Pound Gorilla of the Industry

Raising Money

- Best credit rating and funding conditions in the industry



- ✓ Solid balance sheet
- ✓ Broad access to capital (debt and equity)
- ✓ Best credit ratings in the industry

Lowest spread in the industry: 3.3% cost of debt after taxes – 2Q20

Buying Cars

- Largest buyer with distinguished relationship with automakers



- ✓ Leverage on data analytics
- ✓ Unique relationship with automakers
- ✓ Scale and bargaining power

Industry Leader
2x larger than the 2nd player

Renting Cars

- Top of mind company and market leader



- ✓ Tech, customer centric, strategy improving end-to-end experience
- ✓ Innovative solutions and ramp-up of recent products

Top of Mind
player with leading technology

Selling Cars

- Surpassing capillarity ensuring sales at better terms



- ✓ Accelerated digital transformation
- ✓ Strategically opening new stores
- ✓ Unique expertise and market reading



Operational expertise coupled with nationwide capillarity

Competitive Advantages

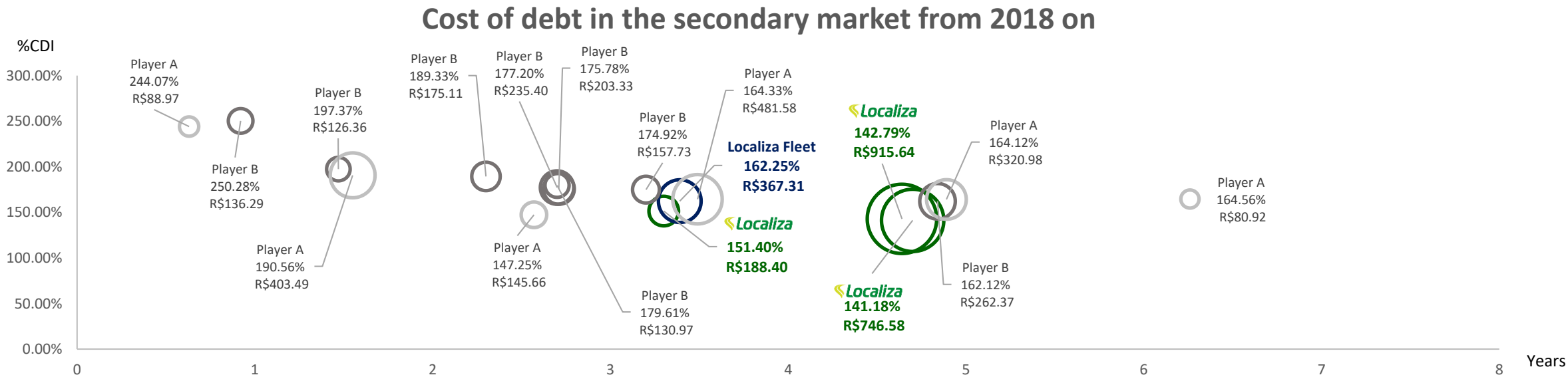
Raising money in better conditions

Ratings: National and Global

								
		Player A	Player B					
STANDARD & POOR'S	AAA	AAA	AA		BB+	-	B+	CCC+
MOODY'S	Aa1	-	-		Ba2	-	-	Caa1
FitchRatings	AAA	AA+	AA-		BB	-	-	-

Market Emissions

R\$m and % of CDI



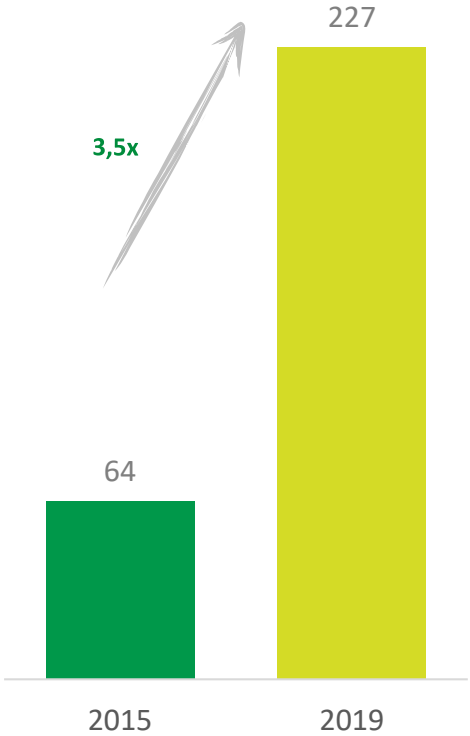
Source: Bloomberg July, 2020 and Companies' public information.

Competitive Advantages

Buying cars

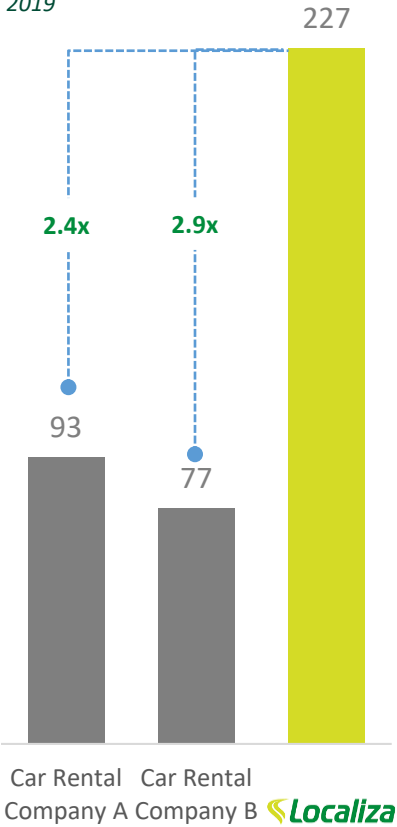
Total Purchased Vehicles

Thousand



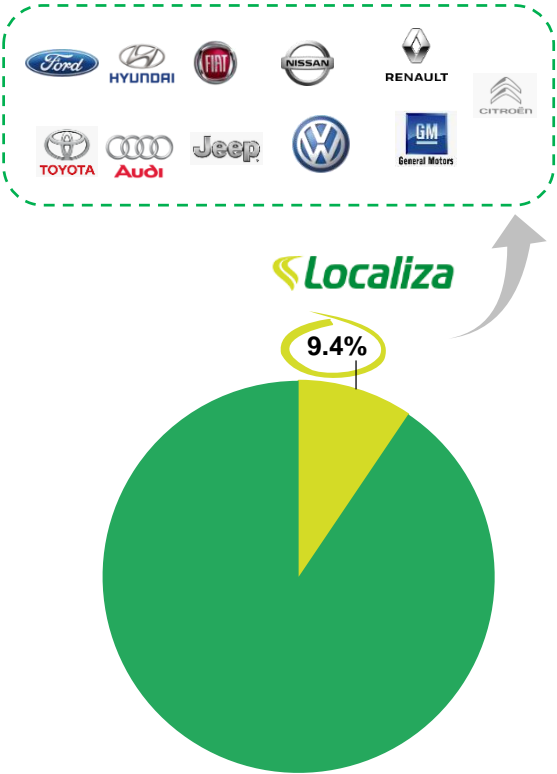
Purchased Vehicles: Competitive Landscape

Thousand, 2019



Share in Brazilian Automakers' Sales

% of total sales, 2019



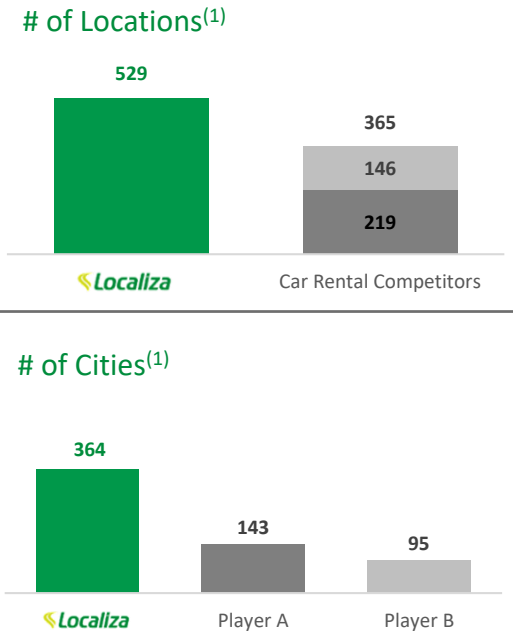
LOCALIZA BUYS CARS WITH BETTER TERMS DUE TO THE VOLUME OF PURCHASES.

Source: website of each company and ANFAVEA.

Competitive Advantages

Renting cars

Highly awarded and top of mind in the sector, Localiza has a solid presence throughout Brazil with its RAC division...



10.6 million clients (2020)

Interbrand


20th Most Valuable Brand in Brazil


Superior quality
Culture of delighting
Modern and diversified fleet


Top of Mind
in the Sector


Largest NPS among the 25 companies in the Interbrand Ranking

Awards

Fifth-time Consecutive Winner


Best Car Rental Company - Jornal do Carro - Estadão


Best EmpresasMais Corporate governance Ranking Broadcast Empresas 2019


Best Services Company


Source: Companies, ABLA
Note: (1) As of 2Q20 for Localiza and according to each competitors website as of July, 2020

Competitive Advantages

Fleet Rental: one-stop-shop for the best customer journey

Strong focus on improving client experience throughout the entire journey as the one-stop solution for fleet rental

Technology

Connected Fleet

- ✓ Whole fleet rental information available at any time
- ✓ Fleet monitoring reports with information to support decision-making process
- ✓ Ability to customize reports according to customers' needs, with data such as vehicle age, accidents, mileage, maintenance history
- ✓ The acquisition of Mobi7 made this technology proprietary, creating a lab for telematics solutions development.



Strategic information adding value to customers



Security and citizenship

- Improving traffic safety
- Transparency in management
- Content offer through lectures and courses
- Cost reduction



Mobile Solutions

- ✓ User-friendly mobile applications connecting users to fleet manager, enabling clients to rapidly anticipate and address potential issues
- ✓ Integration of different platforms through an omni-channel approach



Integrated applications to deliver a seamless experience



Good Practices

- Consultancy, customized panels, results monitoring
- Definition of indexes related to costs productivity and safety



Competitive Advantages

Selling cars



125 points of sale (2Q20)

Selling cars

Distribution

86 cities in Brazil
Digital sale

Sales final consumer

Lower depreciation
Loyalty of costumers, generating good repurchase rates and indication

Big data

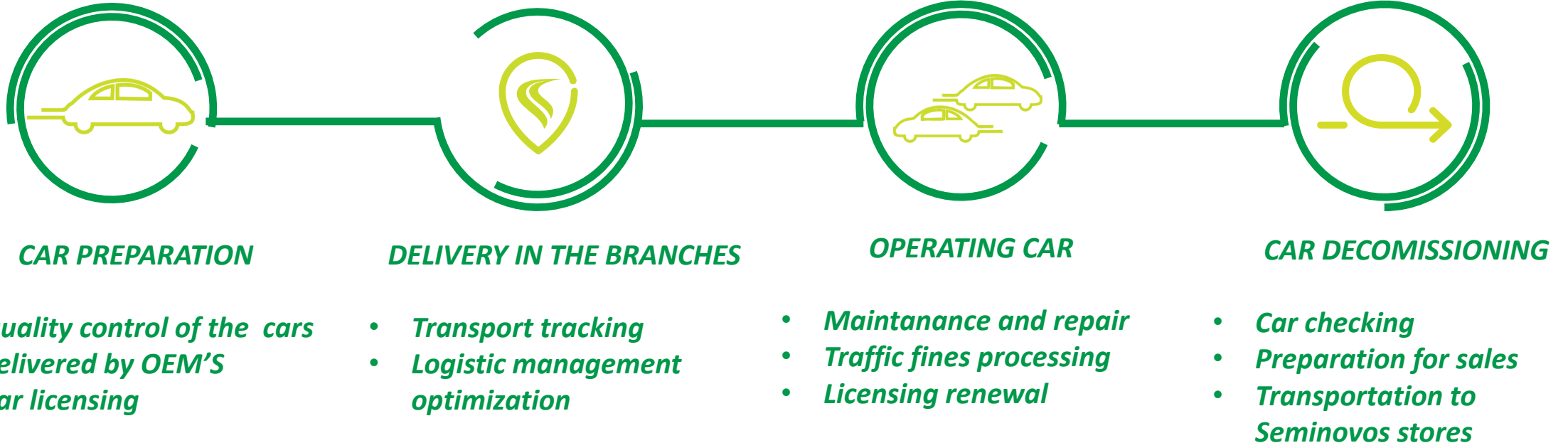
Best understanding of costumers preference
Pricing estimate
- Depreciation /+ Residual Value
Input for car purchase

Buffer

Additional fleet during peaks of demand

EFFICIENCY AREA TO REDUCE DEPRECIATION

Competitive Advantages with operational excellence



Client-Centric Technology Strategy

Localiza is in the Forefront of Innovation, Bringing Several Pioneer Digital Solutions to Improve Client's Experience



ESG Initiatives

Recent Developments



Source: Company filings

Note: (1) Carbon Efficient Index; (2) Brazilian national development bank; (3) Economatica Award, (4) Associação Nacional dos Executivos de Finanças, Administração e Contabilidade

Initiatives

- ✓ Solar Energy Plants
- ✓ Car Dry Cleaning
- ✓ Traffic Safety campaigns
- ✓ Diversity and Inclusion Program
- ✓ Community Development Program
- ✓ Garbage selective collection



Recent Recognitions

- ✓ Best Company in ESG
- ✓ Top 10 Companies in Financial Performance and Corporate Governance⁽³⁾
- ✓ Inclusive company award -Secretariat of Social Development of the Government of Minas Gerais
- ✓ Transparency Trophy (ANEFAC)⁽⁴⁾
- ✓ Gold Seal LocalizaFleet



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- 2) COMPETITIVE ADVANTAGES
- 3) **MAIN BUSINESS DIVISIONS AND DRIVERS**
- 4) FINANCIALS
- 5) APPENDIX



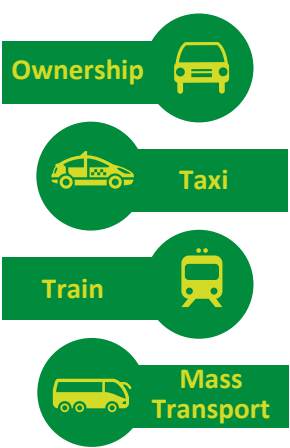
Large and Growing Addressable Market

Mobility is an Evolving Ecosystem and New Models have Emerged to Address Transportation Needs

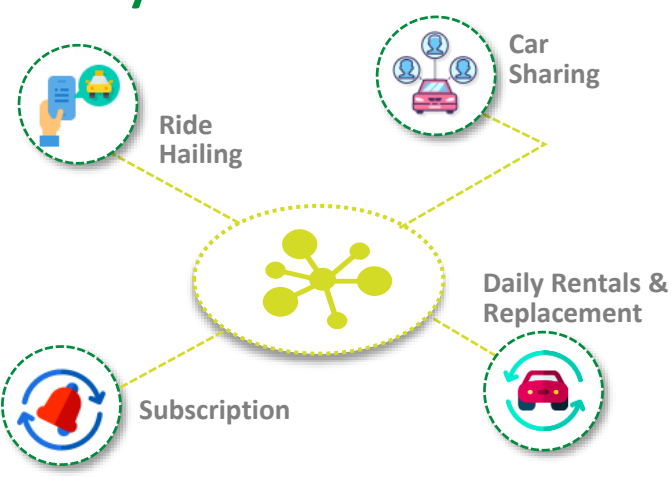
Customer Journey and Experience



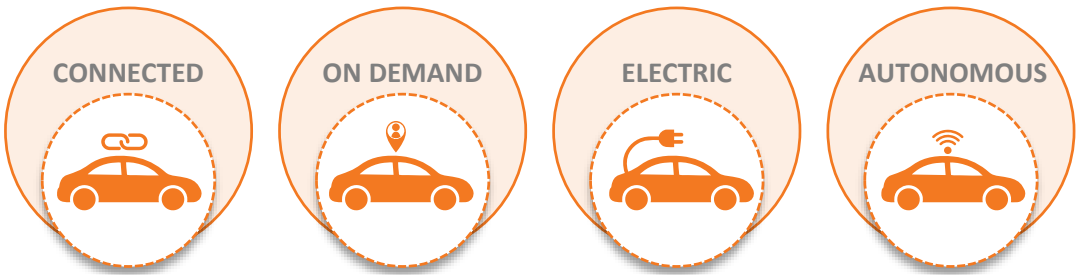
Traditional Models



Mobility Models



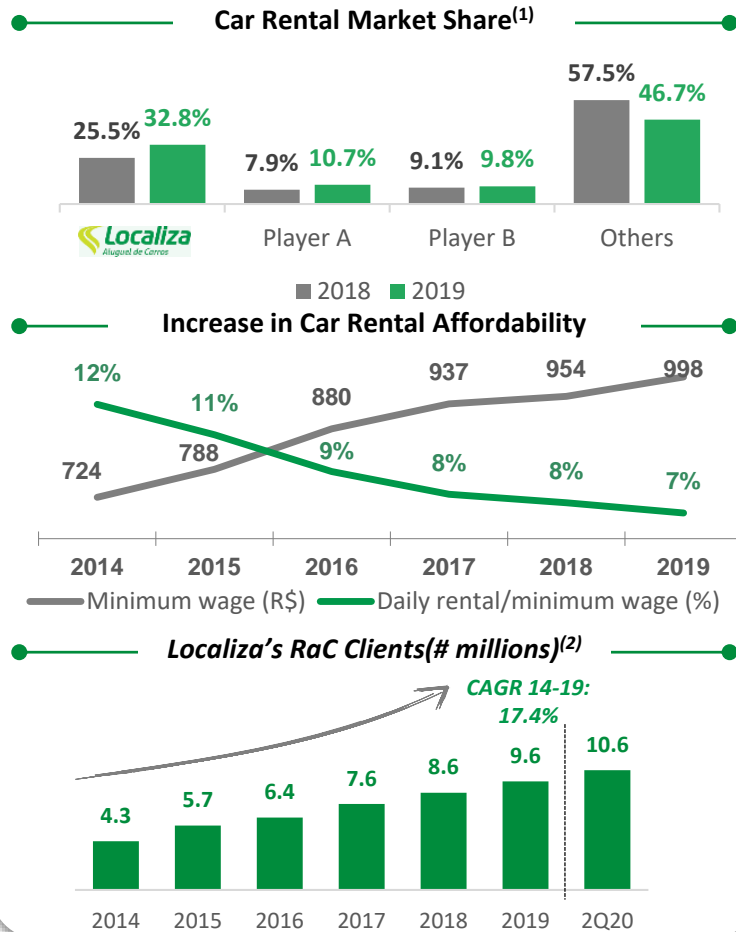
Technology Enablers



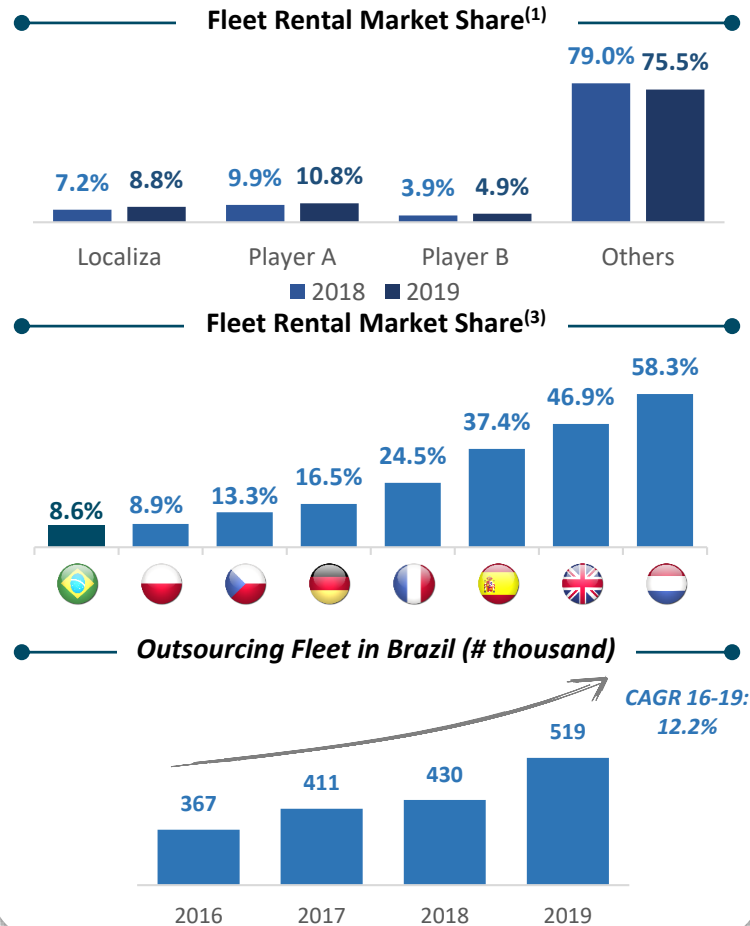
Localiza's Scale, Technology and Brand Recognition Allows it to Integrate Customers' Journey with Best User's Experience

Localiza is Well Positioned to Capture Growth in All Segments

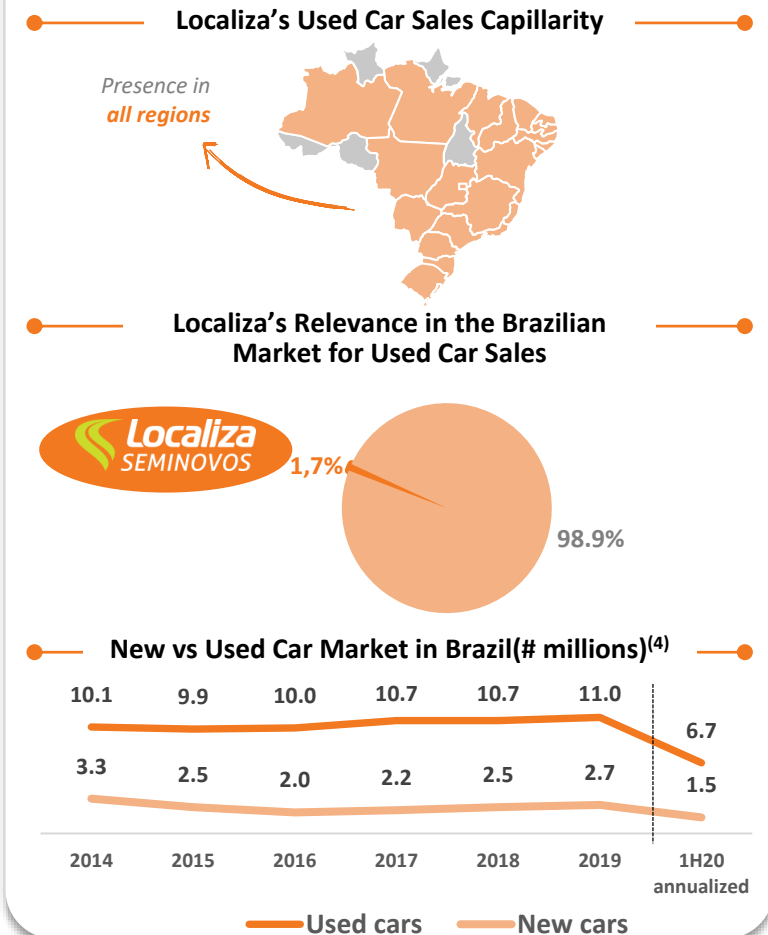
1 Unique Sector Tailwinds where Localiza is Already the Undisputed Leader



2 Underpenetrated Outsourcing Market in Brazil



3 Unique Expertise and Capillarity to Sell Cars



Source: Company fillings, ABLA, Datamonitor, ANFAVEA and Fenabrave.

(1) Market share considering fleet size and including primary and secondary CNAE, according to ABLA. Does not include franchisees.

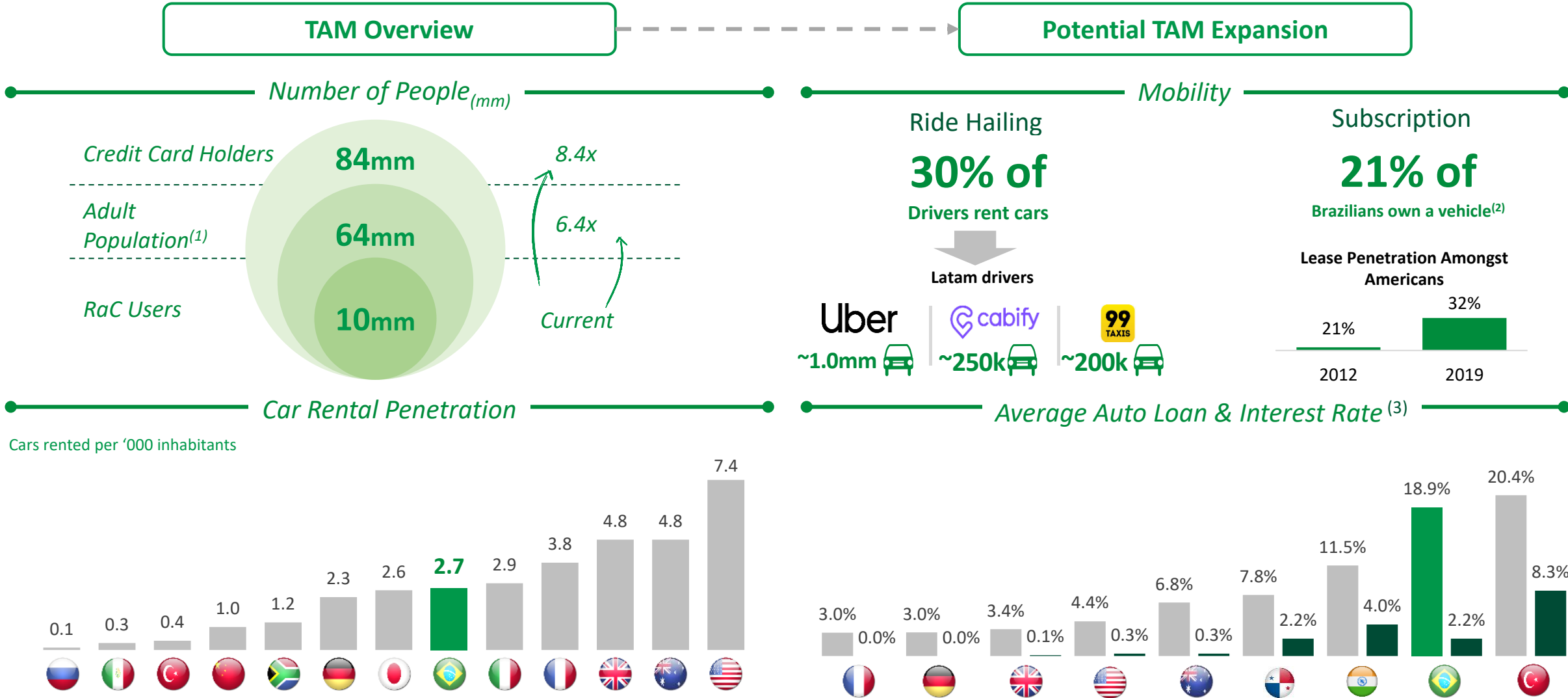
(2) Only natural person.

(3) Datamonitor for European countries and Localiza's estimate for Brazil

(4) Fenabrave, considering only cars and light commercials.

Car Rental Overview

Market leader with a top notch brand in a segment with secular industry tailwinds



Source: Companies fillings, Companies websites and ABLA. IPEADATA, Localiza's loyalty program, and BCB as of 2016, Considering that each credit card owner owns 1,3 credit cards

(1) Age>20 years, class A+B+C

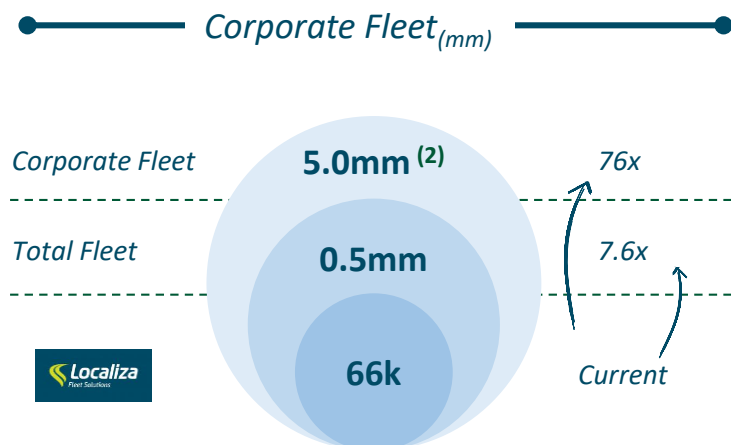
(2) Sindipeças 2020 yearbook , considering cars and light vehicles

(3) Financial Advisory, Federal Reserve and BCB websites

Fleet Management Overview

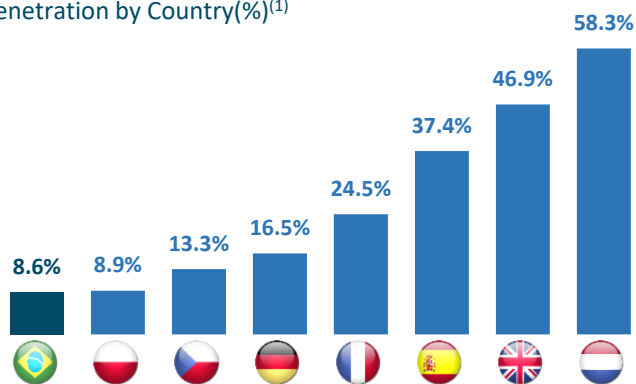
Strong focus on improving client experience throughout the entire journey as the one-stop solution for fleet rental

TAM Overview



Fleet Rental

Penetration by Country(%)(¹)



Source: Company fillings.

(1) Datamonitor for European countries and Localiza's estimate for Brazil.

(2) 2 million being from SMEs, with extremely low penetration.

Connected Fleet

- Whole fleet rental information available at any time
- Fleet monitoring reports with information to support decision-making process
- Ability to customize reports according to customers' needs, with data such as vehicle age, accidents, mileage, maintenance history



Strategic information adding value to customers



Security and citizenship

- Improving traffic safety
- Transparency in management
- Content offer through lectures and courses
- Cost reduction



Mobile Solutions

- User-friendly mobile applications connecting users to fleet manager, enabling clients to rapidly anticipate and address potential issues
- Integration of different platforms through an omni-channel approach



Integrated applications to deliver a seamless experience



Good Practices

- Consultancy, customized panels, results monitoring
- Definition of indexes related to costs productivity and safety



CaaS: Providing a Complete User Experience

Leveraging our Unique Platform Assets to Launch, Scale and Optimized Operations

LEADING TECHNOLOGY

Prediction, safety, pricing and payments for drivers across the country



BRAND RECOGNITION

Constantly leveraging on brand and reach to launch new business at scale

OPERATIONAL EXCELLENCE

Support users, enhance relationships and accelerate new product launches



PRODUCT EXPERTISE

Provide drivers with a safe, intuitive and continuously improving experience

MASSIVE NETWORK

Utilizing data to power every contract on a daily basis



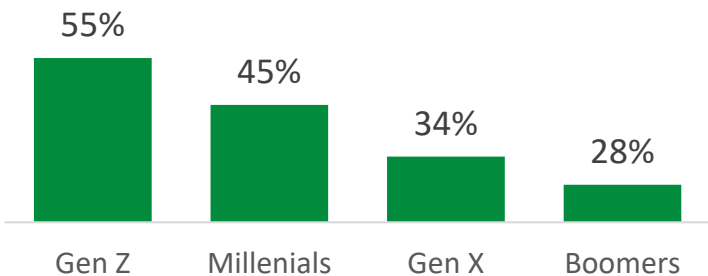
SCALE EFFICIENCY

Significant operational cost advantages

Complete User Experience

Renting is the new Buying

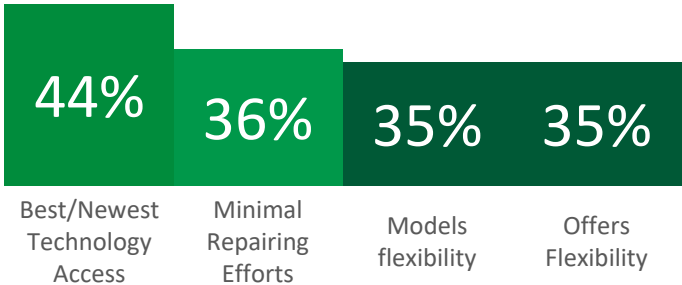
Having transportation is necessary, but owning a vehicle is not (% agree)



Source: Company filings, IBGE, Edmunds, Anfavea.

Top Benefits of Car Subscription

Among those aware (% of answers)



Large Ride Hailing Market



Over 1.0mm drivers

Uber's 2nd largest market globally

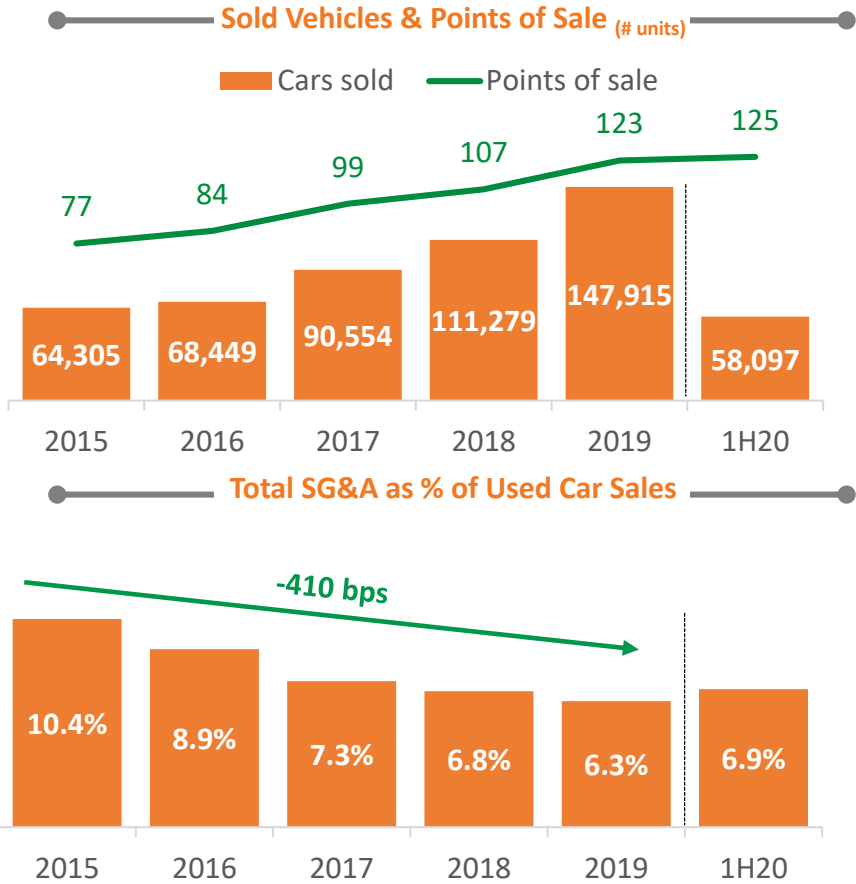
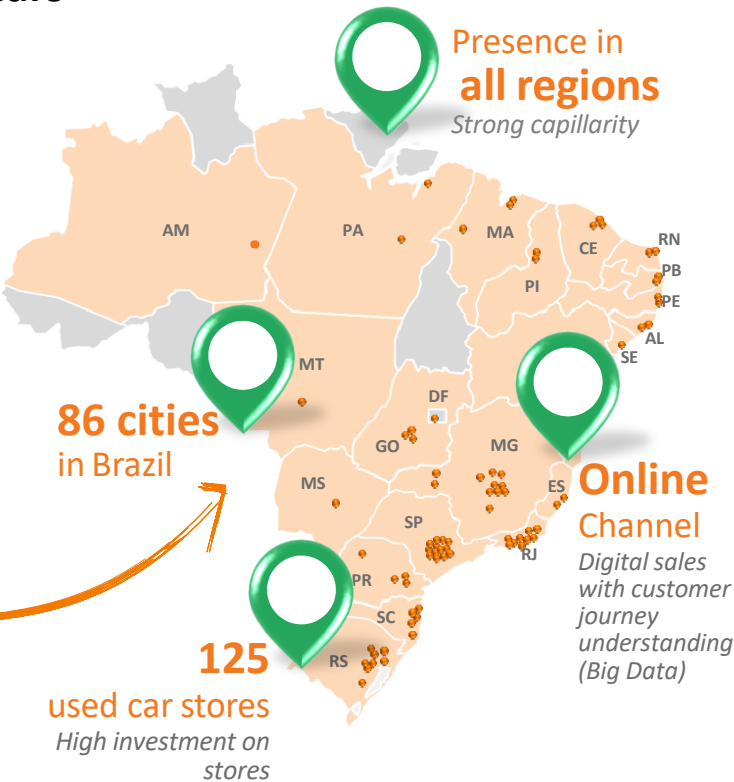
+22mm app users

Used Car Sales Overview

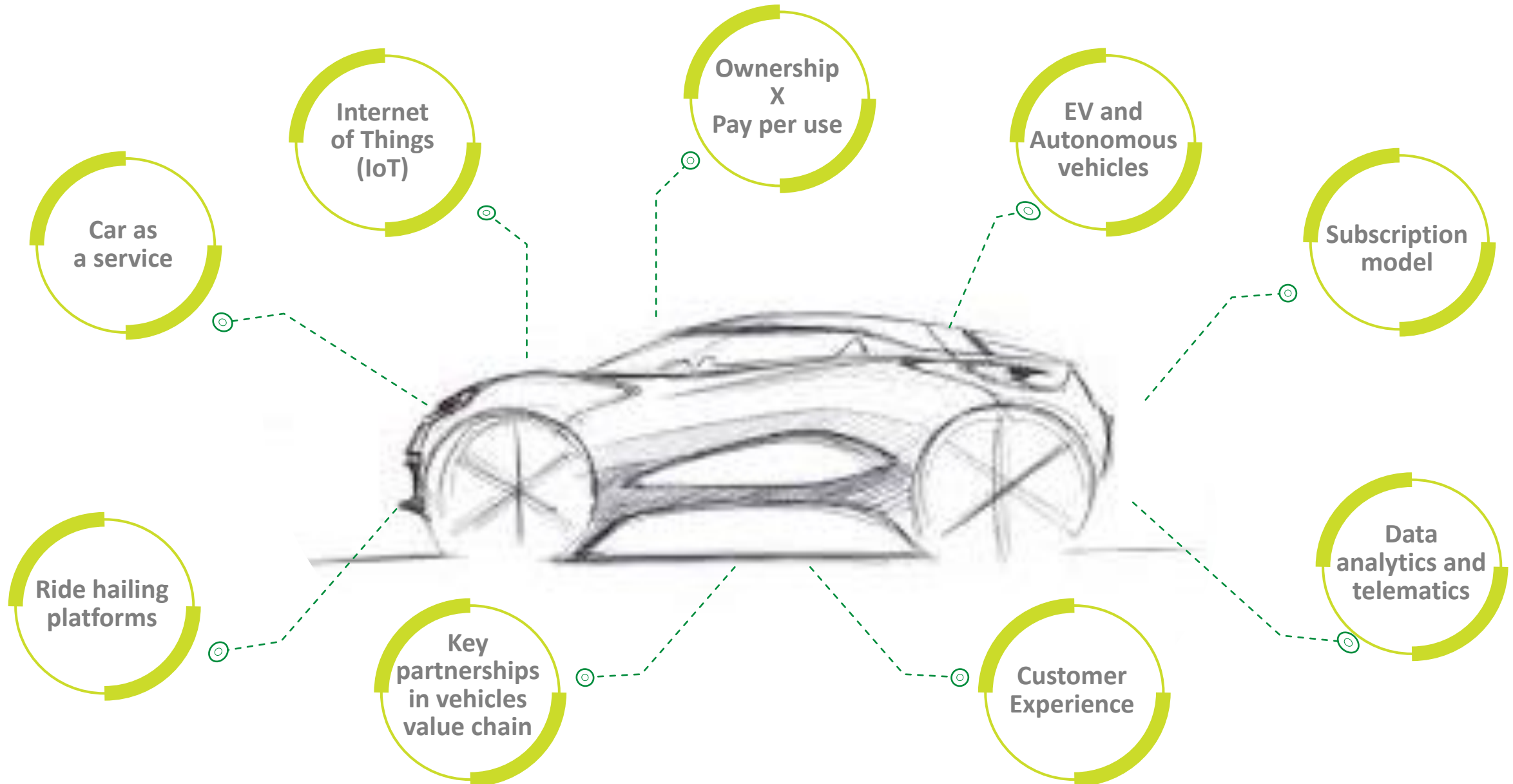
Sells RAC and Fleet Rental cars after the end of their service as rental cars

Unique Market Reading to Accurately Price the Cars, Selling More and at Better Terms than any Competitor

Sells RAC and Fleet Rental cars after the end of their service as rental cars



Building the Platform For The Future Of Mobility



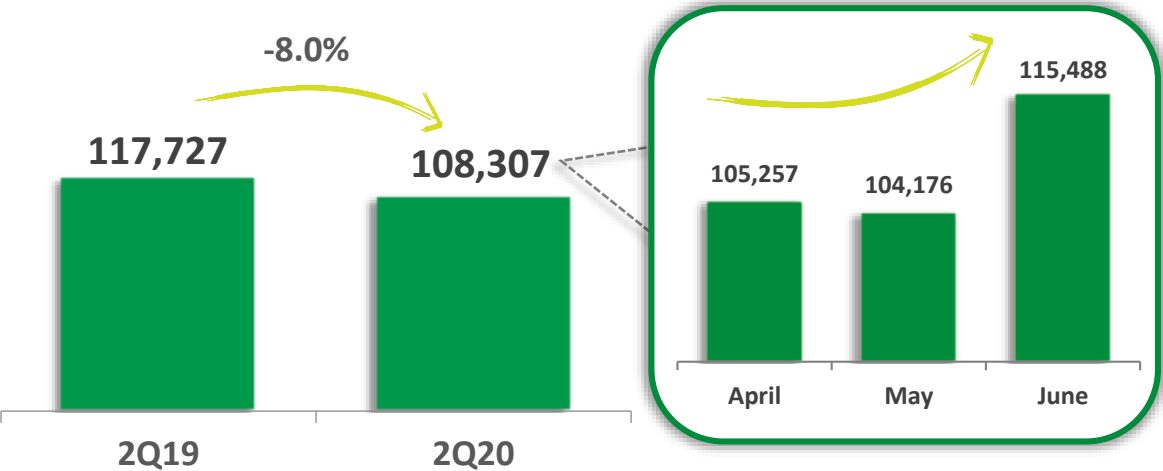
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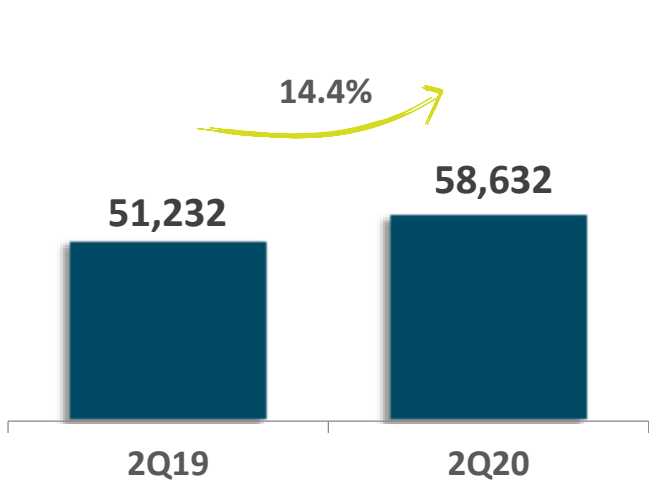


2Q20 OPERATING HIGHLIGHTS

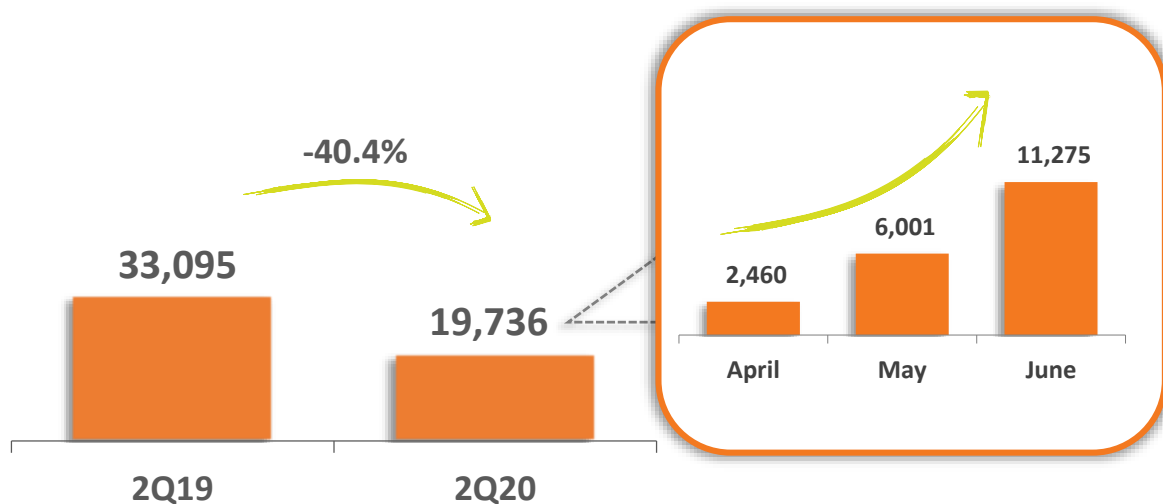
Average rented fleet – Car Rental



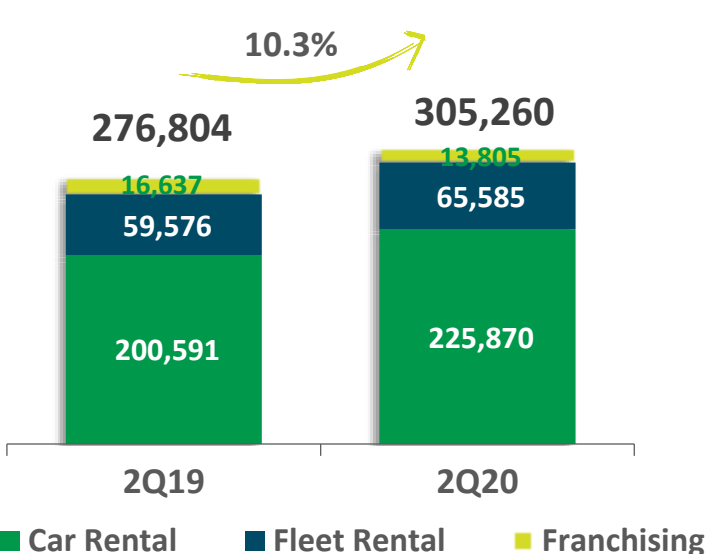
Average rented fleet – Fleet Rental



of cars sold

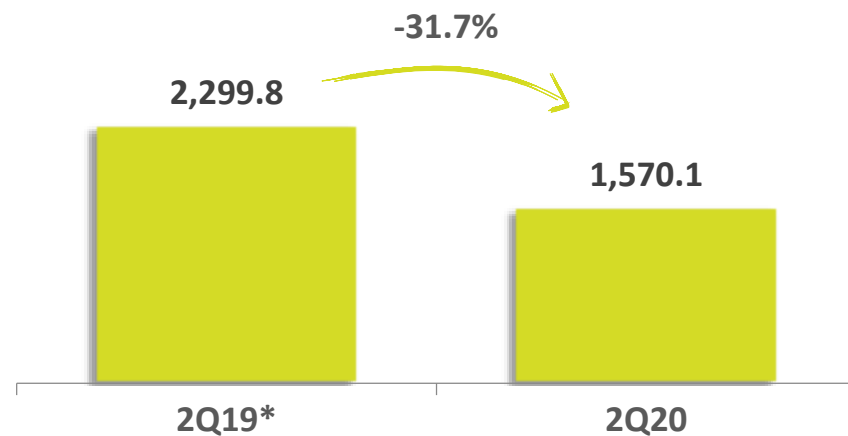


End of the period fleet



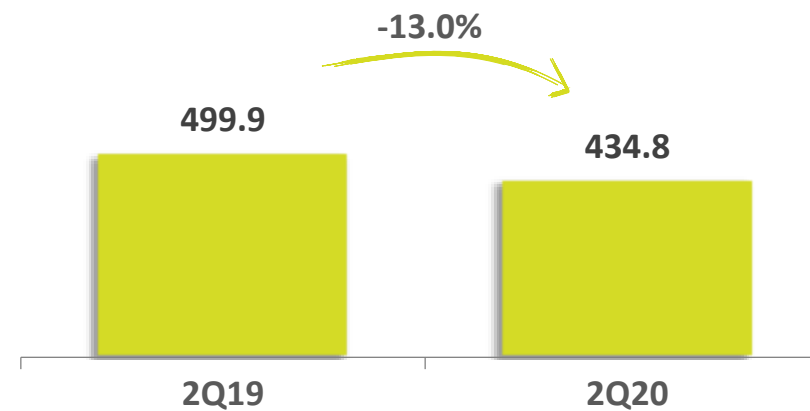
2Q20 FINANCIAL HIGHLIGHTS

Net revenues (R\$ million)

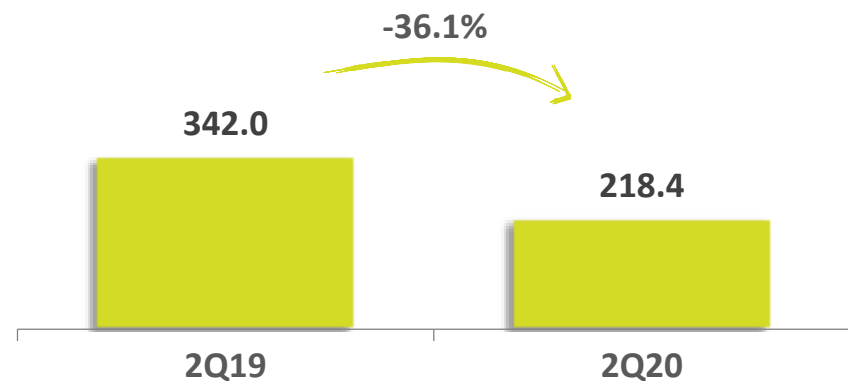


(*) GAAP number including the effects of the reclassification of PIS and COFINS credits for the period

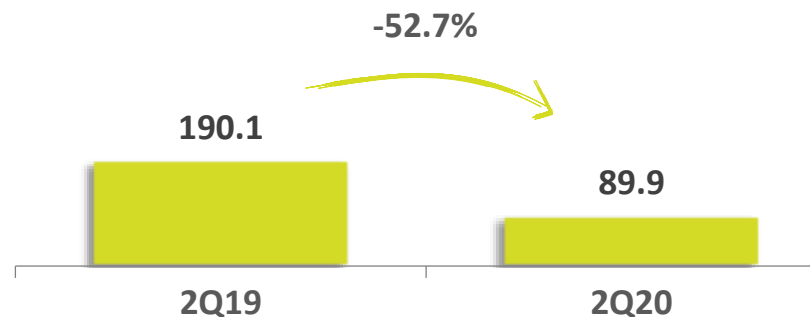
EBITDA (R\$ million)



EBIT (R\$ million)



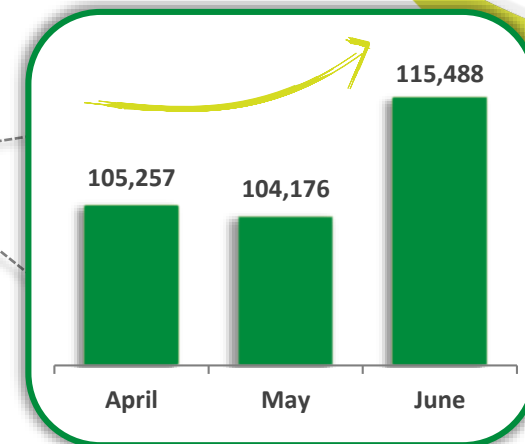
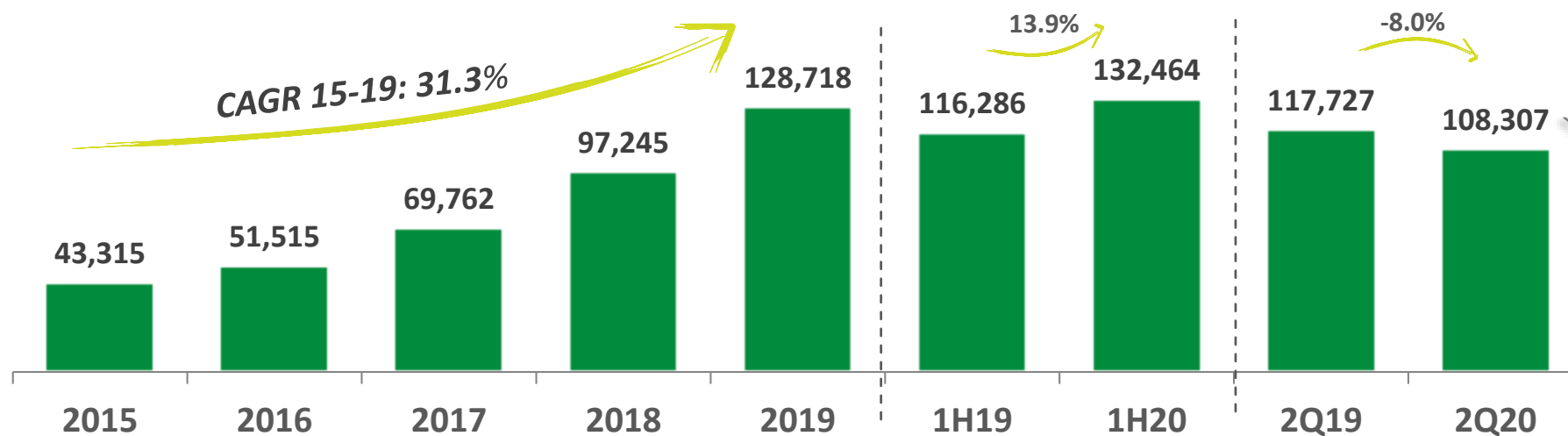
Net income (R\$ million)



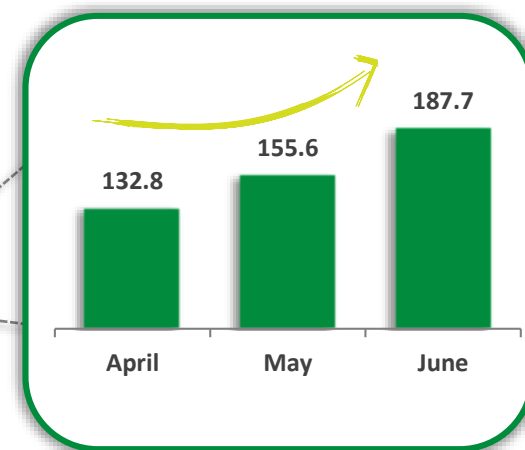
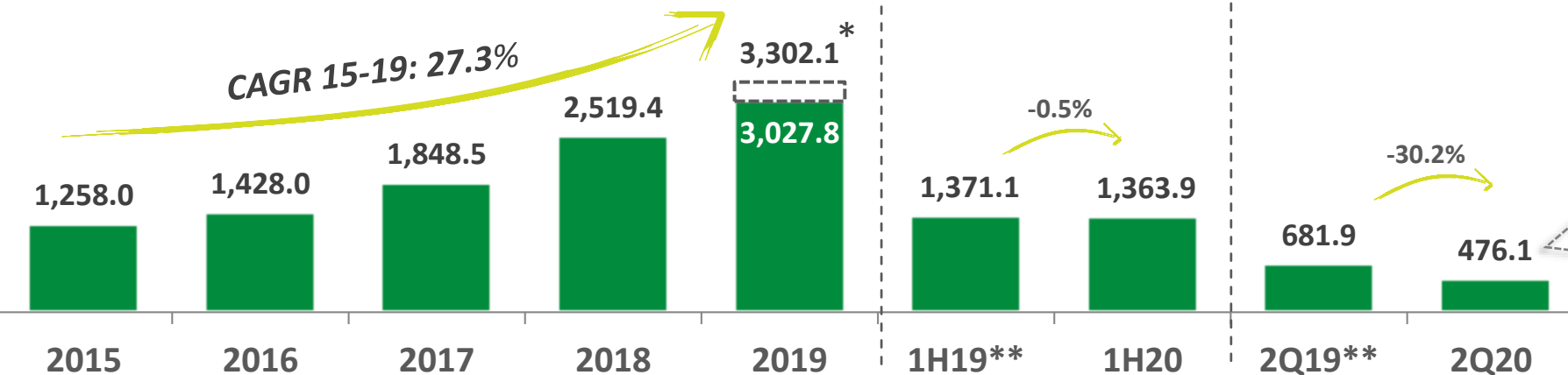
QUARTER RESULTS REFLECTS THE IMPACT OF THE PANDEMIC ON CAR RENTAL AND USED CAR SALES VOLUMES

CAR RENTAL

Average rented fleet



Net revenues (R\$ million)



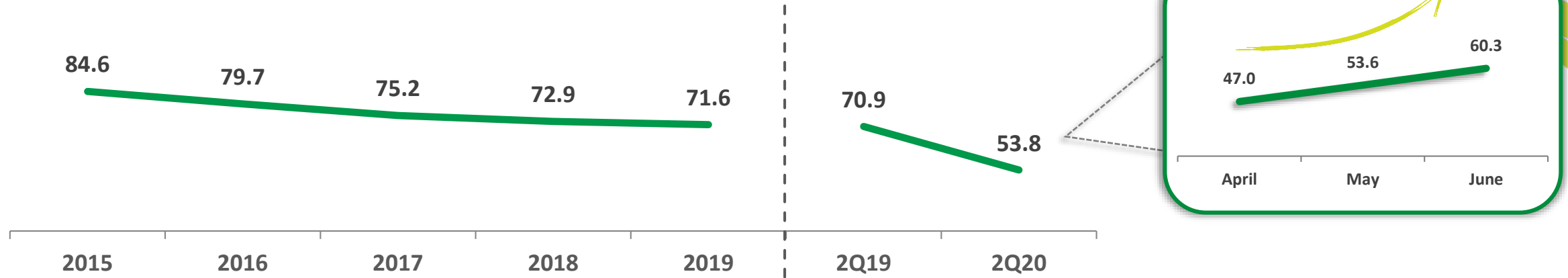
(*) Excluding the effects of the reclassification of PIS and COFINS credits

(**) GAAP number including the reclassification of PIS and COFINS credits for the period

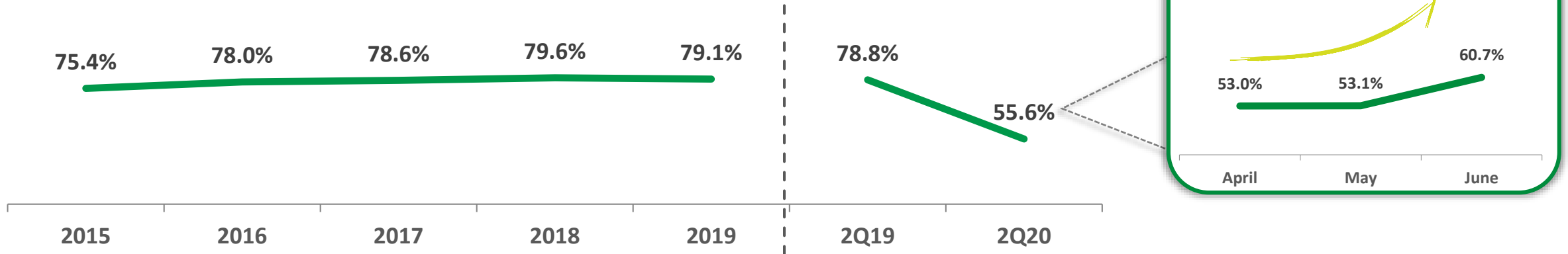
SEGMENT DIVERSIFICATION HELPS REDUCE PANDEMIC IMPACTS AND CONTRIBUTES TO A CONSISTENT RECOVERY

CAR RENTAL

— Average rental rate (in R\$) —



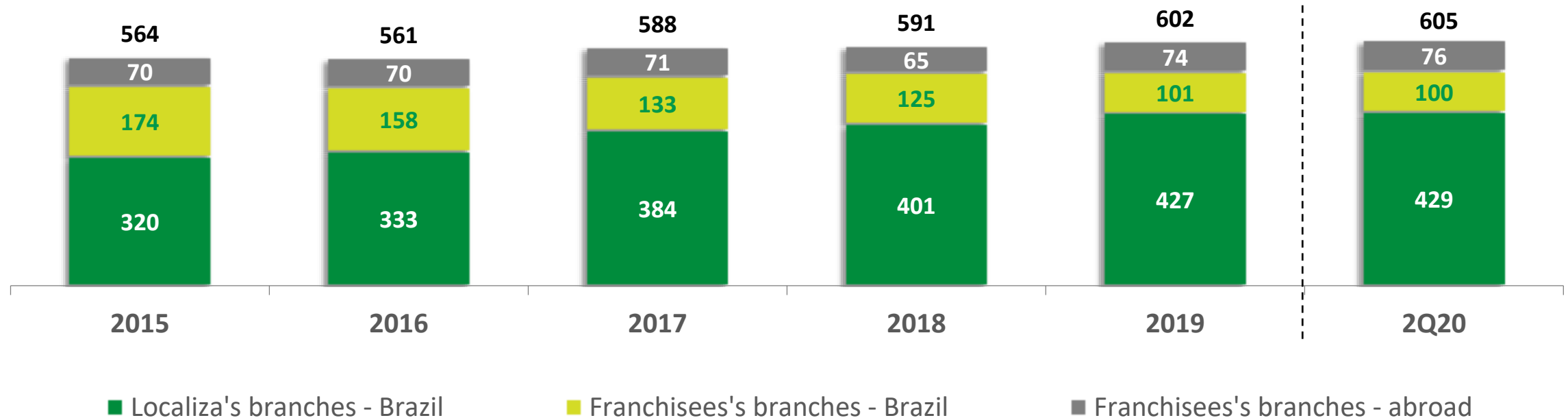
— Utilization rate (%) —



IMPACTS OF COVID-19 ON THE AVERAGE RENTAL RATE AND VOLUME WERE MOSTLY CONCENTRATED AT THE BEGINNING OF THE QUARTER WITH GRADUAL RECOVERY BEING OBSERVED WEEK AFTER WEEK FROM MID MAY

CAR RENTAL NETWORK EVOLUTION

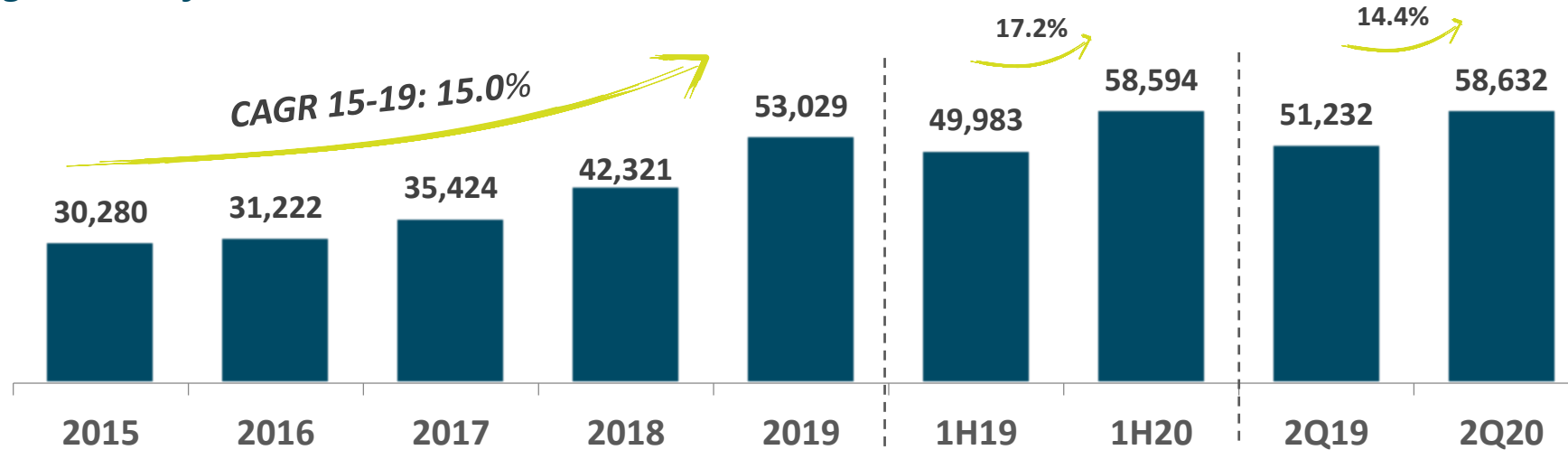
● ————— *Number of car rental locations - Brazil and abroad* ————— ●



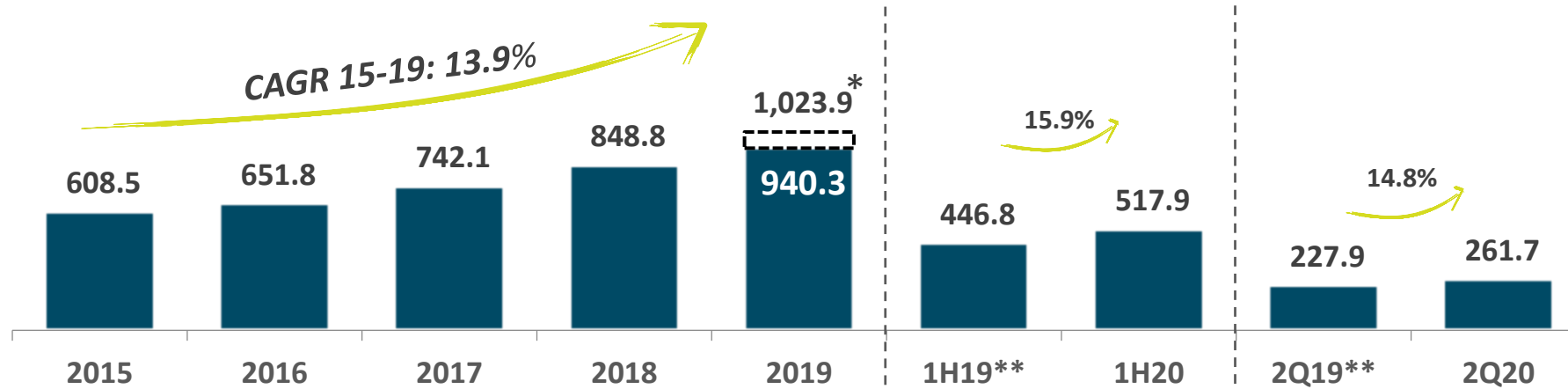
ADDITION OF TWO LOCALIZA'S CORPORATE BRANCHES COMPARED TO THE END OF 2019

FLEET RENTAL

Average rented fleet



Net revenues (R\$ million)



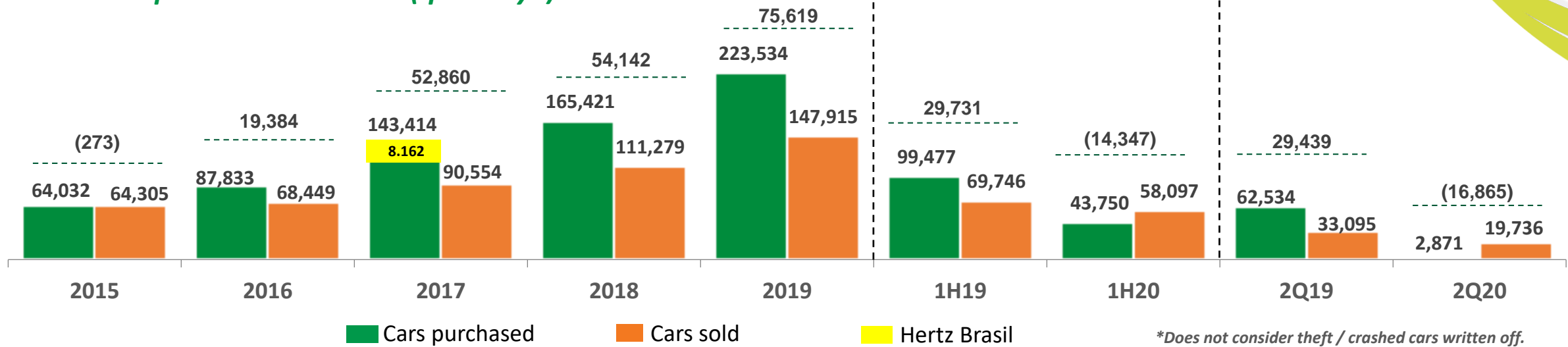
(*) Excluding the effects of the reclassification of PIS and COFINS credits

(**) GAAP number including the reclassification of PIS and COFINS credits for the period

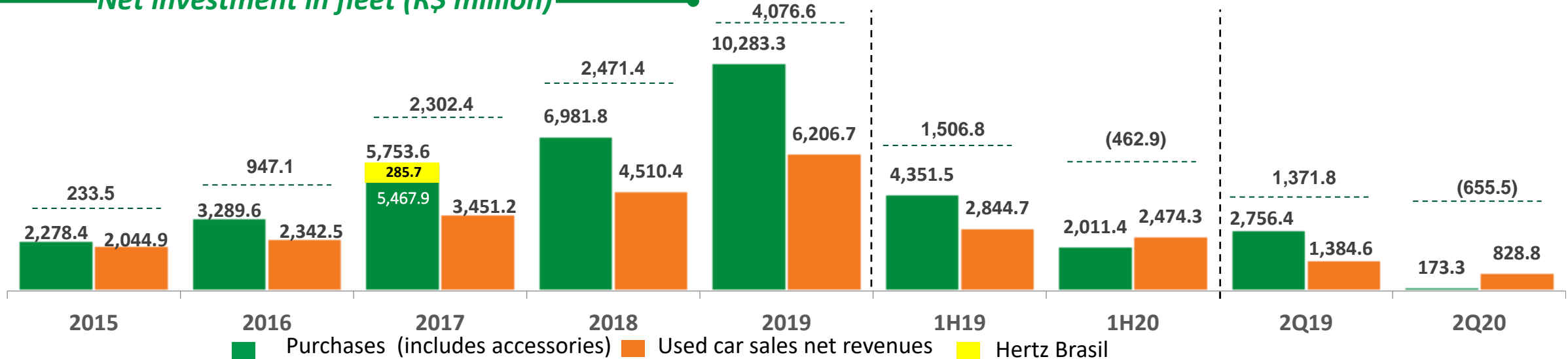
IN 2Q20, FLEET RENTAL DIVISION REGISTERED A 14.8% INCREASE IN NET REVENUES

NET INVESTMENT

Car purchase and sales (quantity*)

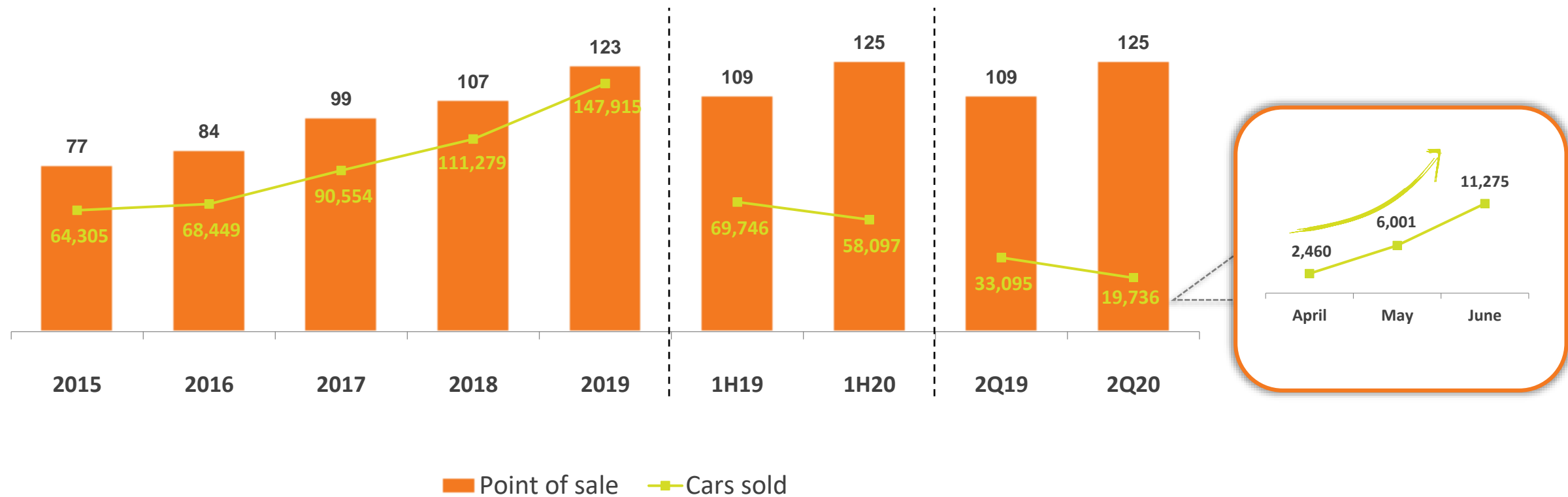


Net investment in fleet (R\$ million)



REDUCING CARS PURCHASE TO ADJUST FLEET UTILIZATION RATE AND PRESERVE LIQUIDITY DURING THE CRISIS

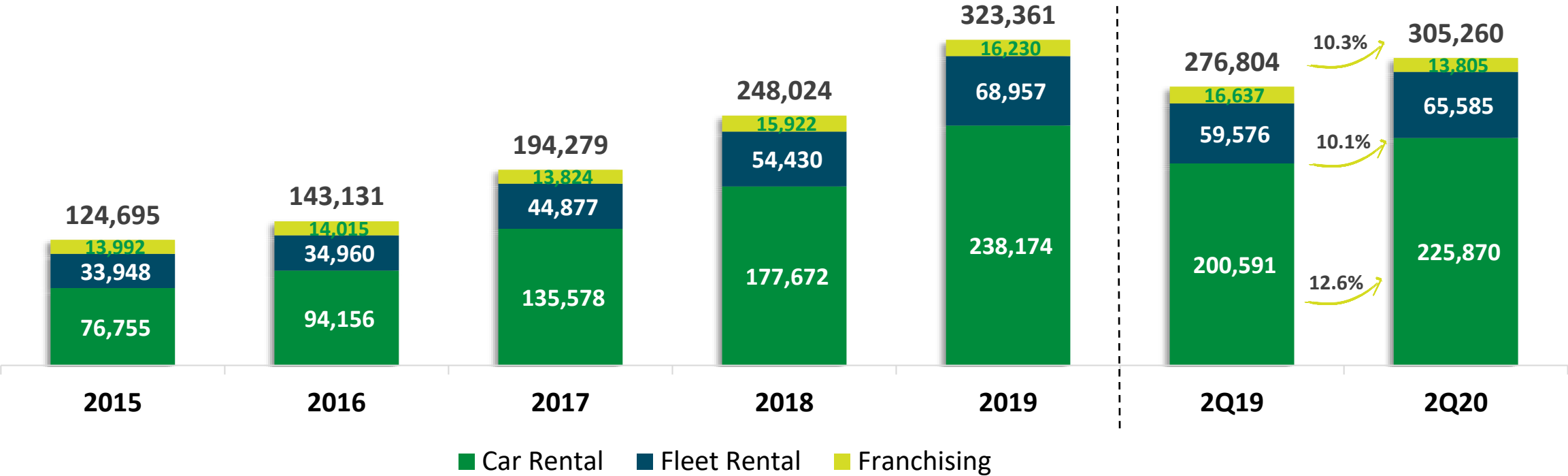
— NUMBER OF USED CARS AND POINTS OF SALE —



**CAR SALES VOLUME IMPACTED BY TEMPORARY STORES CLOSURE IN THE BEGINNING OF THE QUARTER
WITH ACCELERATED RECOVERY MONTH AFTER MONTH**

END OF PERIOD FLEET

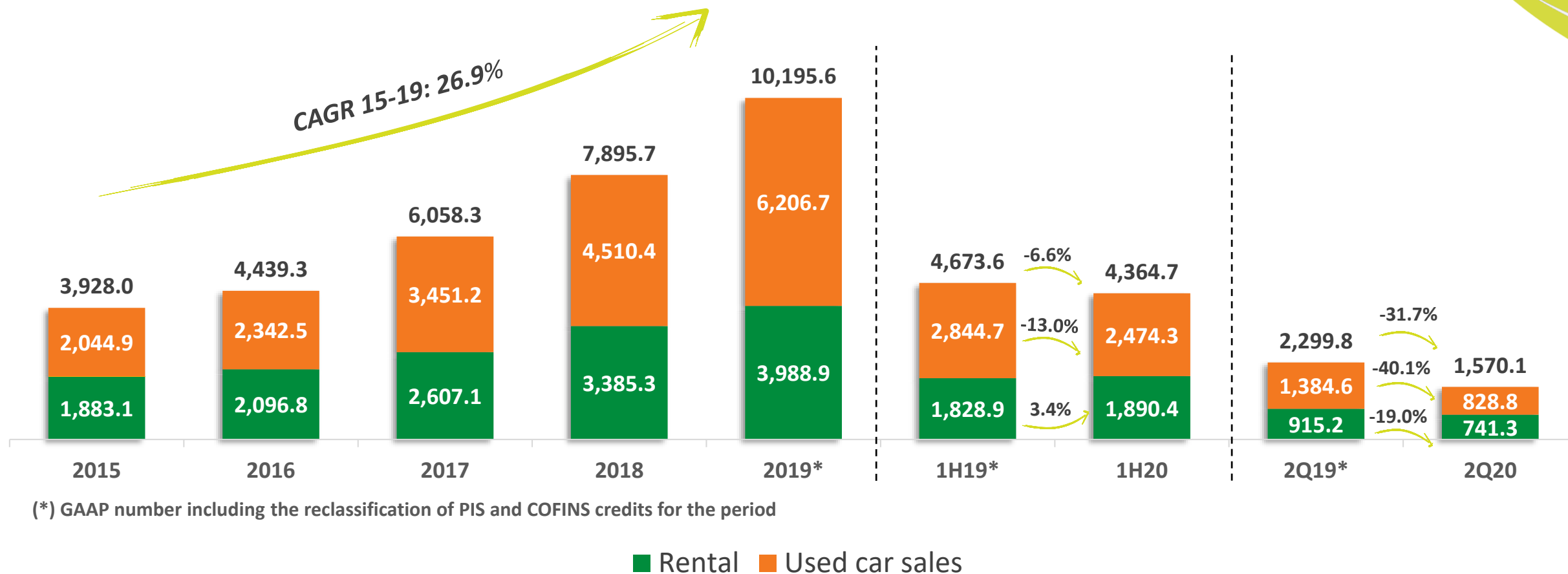
(Quantity)



EVEN AFTER THE STRONG ACCUMULATED GROWTH IN THE PRIOR QUARTERS FLEET INCREASE IS STILL OBSERVED IN ALL DIVISIONS

CONSOLIDATED NET REVENUES

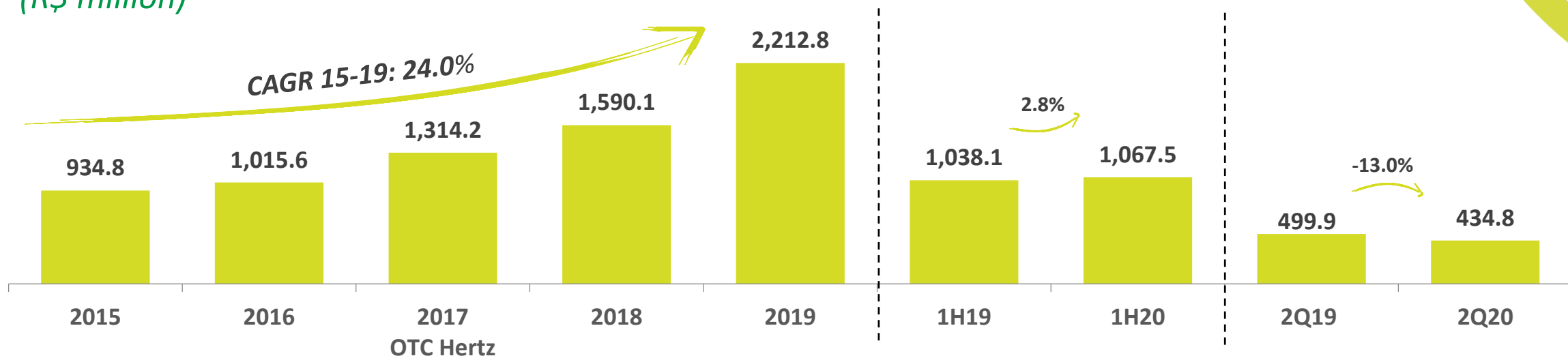
(R\$ million)



CONSOLIDATED NET REVENUE FALLING 31.7% IN 2Q20, REFLECTING THE EFFECTS OBSERVED IN CAR RENTAL DIVISION AND USED CAR SALES

CONSOLIDATED EBITDA

(R\$ million)



EBITDA margin:

Activities	2015	2016	2017*	2018	2019**	1H19**	1H20	2Q19**	2Q20
Car Rental	31.8%	32.3%	34.9%	35.9%	45.5%	46.4%	49.7%	43.9%	53.2%
Fleet Rental	62.2%	64.5%	61.9%	64.0%	67.7%	68.8%	75.9%	65.2%	81.4%
Rental Consolidated	41.7%	42.3%	42.6%	43.0%	50.9%	52.0%	56.9%	49.3%	63.1%
Used Car Sales	7.3%	5.5%	5.9%	3.0%	3.0%	3.1%	-0.3%	3.5%	-4.0%

(*) 2017 adjusted by the one-time costs incurred (OTC) - Hertz Brasil acquisition and Franchisees incorporation

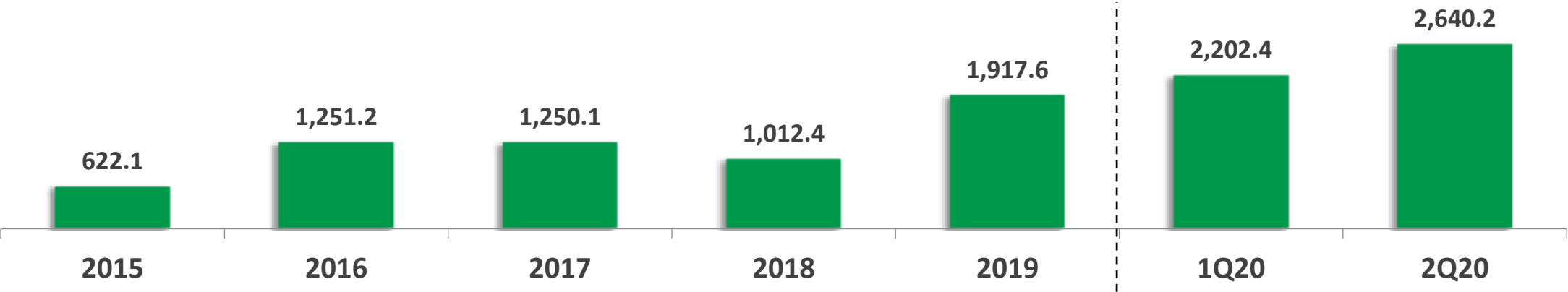
(**) EBITDA margin calculated based on the GAAP number including the reclassification of PIS and COFINS credits for the period, in the Car Rental and Fleet Rental divisions

**INITIATIVES OF COSTS AND EXPENSES REDUCTION CONTRIBUTED TO REDUCE IMPACTS ON EBITDA,
WHICH WAS ALSO BENEFITED BY THE REVERSAL OF FISCAL CREDIT PROVISION**

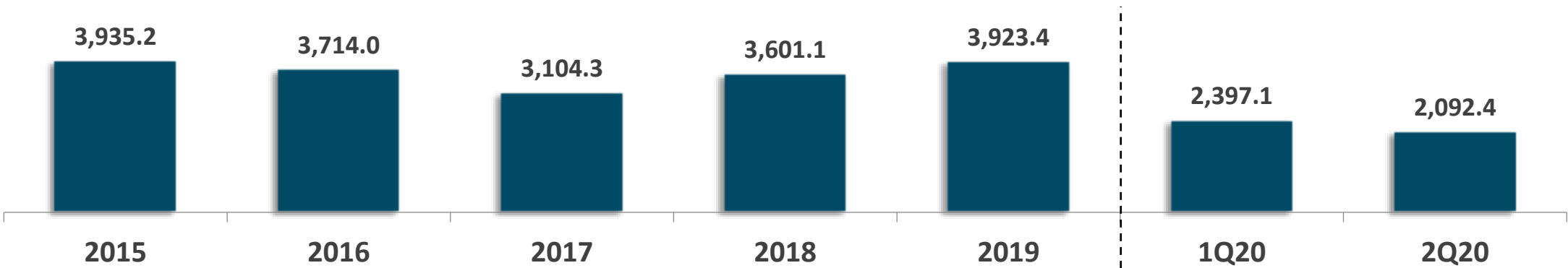
AVERAGE ANNUALIZED DEPRECIATION PER CAR

(In R\$)

Car Rental



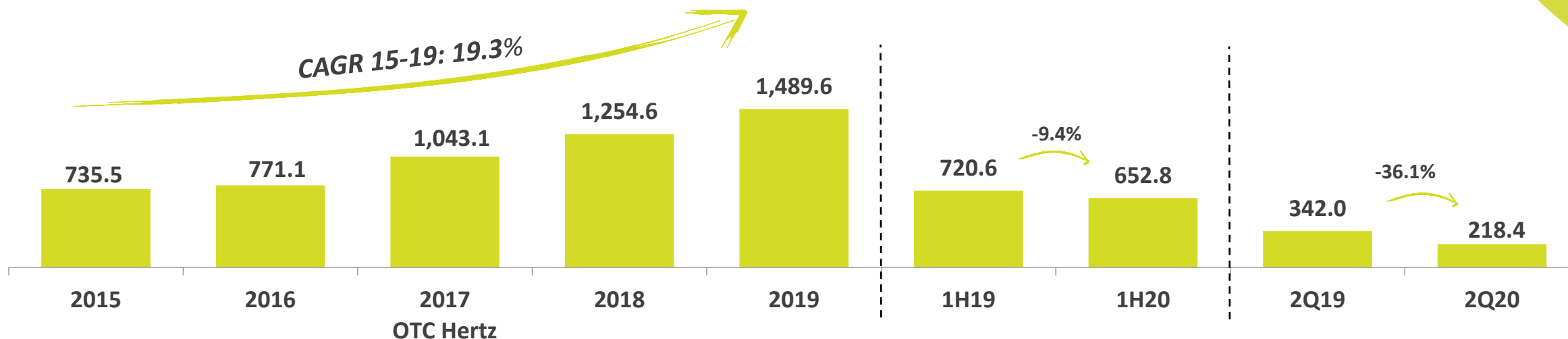
Fleet Rental



IN CAR RENTAL DIVISION, THE INCREMENT OF DEPRECIATION REFLECTS THE EXPECTATION OF LOWER DILUTION OF SG&A PER CAR SOLD
FOR THE FLEET RENTAL DIVISION THE COMPANY STARTED USING THE STRAIGHT-LINE METHOD OF DEPRECIATION

CONSOLIDATED EBIT

(R\$ milhões)



EBIT margins include used car sales results, but is calculated over the rental revenues:

	2015	2016	2017*	2018	2019**	1H19**	1H20	2Q19 **	2Q20
Car Rental	34.3%	30.2%	35.5%	33.2%	33.6%	36.2%	23.2%	34.3%	8.4%
Fleet Rental	48.9%	51.2%	51.4%	48.6%	49.1%	49.0%	64.3%	46.4%	67.9%
Consolidated	39.1%	36.8%	40.0%	37.1%	37.3%	39.4%	34.5%	37.4%	29.5%

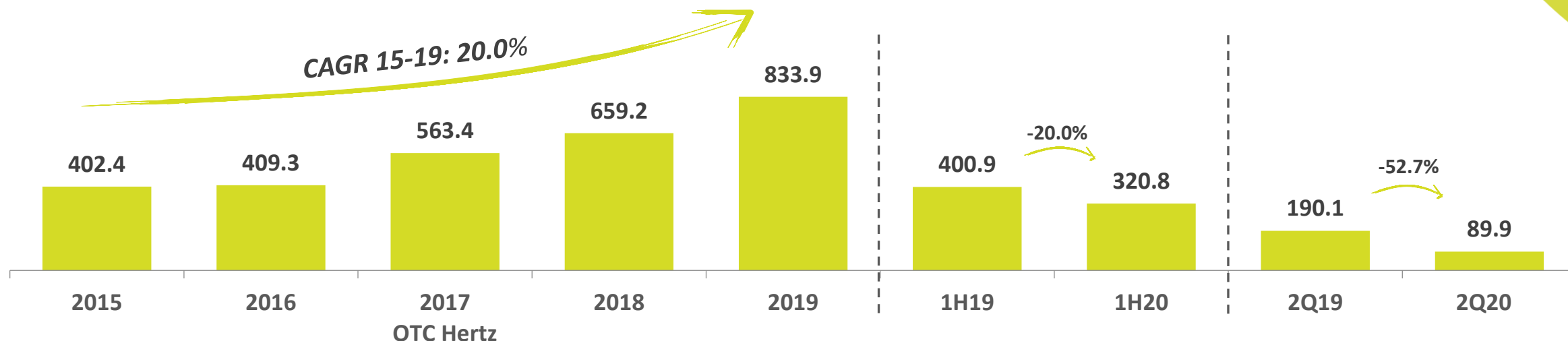
(*) 2017 adjusted by the one-time costs (OTC) incurred - Hertz Brasil acquisition and Franchisees incorporation

(**) EBIT margin calculated based on the GAAP number including the reclassification of PIS and COFINS credits for the period

EBIT OF R\$ 218.4 MILLION IN THE QUARTER, 36.1% LOWER THAN 2Q19

CONSOLIDATED NET INCOME

(R\$ million)



Reconciliation EBITDA x Net income	2015	2016	2017*	2018	2019	1H19	1H20	Var. R\$	Var. %	2Q19	2Q20	Var. R\$	Var. %
Consolidated EBITDA	934.8	1,015.6	1,314.2	1,590.1	2,212.8	1,038.1	1,067.5	29.4	2.8%	499.9	434.8	(65.1)	-13.0%
Cars depreciation	(163.6)	(206.3)	(232.0)	(291.6)	(551.5)	(235.1)	(320.7)	(85.6)	36.4%	(118.0)	(167.5)	(49.5)	41.9%
Other property depreciation and amortization	(35.7)	(38.2)	(39.1)	(43.9)	(171.7)	(82.4)	(94.0)	(11.6)	14.1%	(39.9)	(48.9)	(9.0)	22.6%
EBIT	735.5	771.1	1,043.1	1,254.6	1,489.6	720.6	652.8	(67.8)	-9.4%	342.0	218.4	(123.6)	-36.1%
Financial expenses. net	(202.7)	(243.5)	(315.0)	(368.9)	(409.8)	(203.0)	(254.9)	(51.9)	25.6%	(97.9)	(127.3)	(29.4)	30.0%
Income tax and social contribution	(130.4)	(118.3)	(164.7)	(226.5)	(245.9)	(116.7)	(77.1)	39.6	-33.9%	(54.0)	(1.2)	52.8	-97.8%
Net income of the period	402.4	409.3	563.4	659.2	833.9	400.9	320.8	(80.1)	-20.0%	190.1	89.9	(100.2)	-52.7%

(*) 2017 adjusted by the one-time costs (OTC) - incurred Hertz Brasil acquisition and Franchisees incorporation

QUICK DECISION-MAKING AND COST CONTINGENCY INITIATIVES ENABLED THE PRESERVATION OF THE EQUITY EVEN IN A CHALLENGING QUARTER, LEAVING THE COMPANY IN ADVANTAGEOUS SITUATION FOR THE RECOVERY

FREE CASH FLOW

Free cash flow - R\$ million		2015	2016	2017	2018	2019	1H20
Operations	EBITDA	934,8	1.015,7	1.314,*2	1.590,1	2.212,8	1.067,5
	Used car sale revenue, net from taxes	(2.044,9)	(2.342,6)	(3.451,2)	(4.510,4)	(6.206,7)	(2.474,3)
	Depreciated cost of cars sold	1.769,1	2.102,5	3.106,6	4.198,5	5.863,6	2.369,5
	(-) Income tax and social contribution	(110,7)	(93,3)	(108,3)	(131,2)	(146,1)	(112,3)
	Change in working capital	(30,0)	(40,8)	(47,9)	(117,4)	(268,9)	(129,2)
Cash generated by rental operations		518,3	641,5	813,4	1.029,6	1.454,7	721,2
Capex - renewal	Used car sale revenue, net from taxes – fleet renewal	2.036,3	2.342,6	3.451,2	4.510,4	6.206,7	1.863,0
	Fleet renewal investment	(2.278,4)	(2.563,6)	(3.660,9)	(4.696,7)	(6.804,6)	(2.011,4)
	Change in accounts payable to car suppliers for fleet renewal	(25,4)	219,8	227,6	250,1	468,7	(1.088,8)
	Net investment for fleet renewal	(267,5)	(1,2)	17,9	63,8	(129,2)	(1.237,2)
Fleet renewal – quantity		64.032	68.449	90.554	111.279	147.915	43.750
Investment, property and intangible		(29,7)	(40,9)	(28,8)	(42,8)	(70,0)	(42,7)
Free cash flow from operations, before growth		221,1	599,4	802,5	1.050,6	1.255,5	(558,7)
Capex - Growth	(Investment) / Divestment in cars for fleet growth	8,6	(726,0)	(1.807,0)	(2.285,1)	(3.478,7)	611,3
	Change in accounts payable to car suppliers for fleet growth	(23,9)	26,8	168,7	509,4	23,6	(943,4)
	Acquisition of Hertz and franchisees (fleet value)	-	-	(285,7)	-	(105,5)	-
	Net investment for fleet growth	(15,3)	(699,2)	(1.924,0)	(1.775,7)	(3.560,6)	(332,1)
Fleet increase / (reduction) – quantity		(273)	19.384	52.860	54.142	75.619	(14.347)
Free cash flow after growth		205,8	(99,8)	(1.121,5)	(725,1)	(2.305,0)	(890,8)
Capex - non-recurring	Acquisitions and franchisees acquisition- except fleet value	-	-	(121,5)	-	(18,2)	(7,9)
	New headquarters construction and furniture	(30,7)	(85,7)	(146,2)	-	-	-
Free cash generated before the cash effects of discounts and anticipation of payables to suppliers		175,1	(185,5)	(1.389,2)	(725,1)	(2.323,2)	(898,7)
Cash effects of receivables and anticipation of payables to suppliers (**)		(71,9)	98,0	88,3	(113,2)	(131,8)	342,7
Free cash flow before interest		103,2	(87,5)	(1.300,9)	(838,3)	(2.455,0)	(556,0)

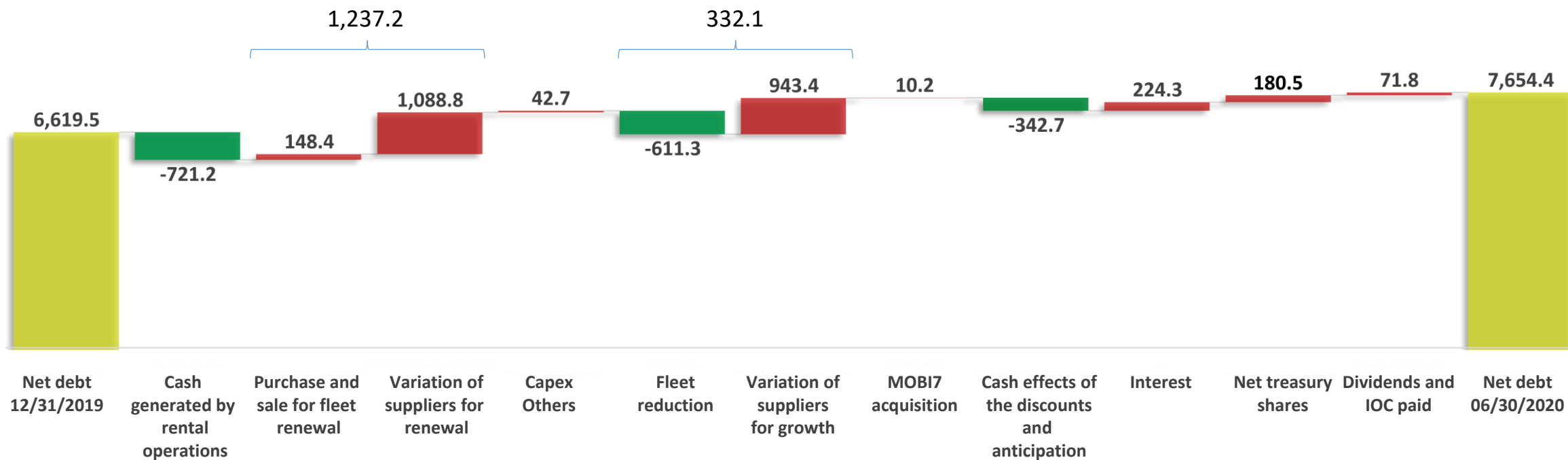
In the free cash flow, short-term financial assets were considered as cash

(*) 2017 adjusted by the one-time costs (OTC) - incurred Hertz Brasil acquisition and Franchisees incorporation

(**) Discount of credit card receivables and anticipation of accounts payable were demonstrated in a different line so that the Free Cash Flow From Operations considered only the contractual terms, reflecting the Company's operation

CHANGE IN NET DEBT

(R\$ million)

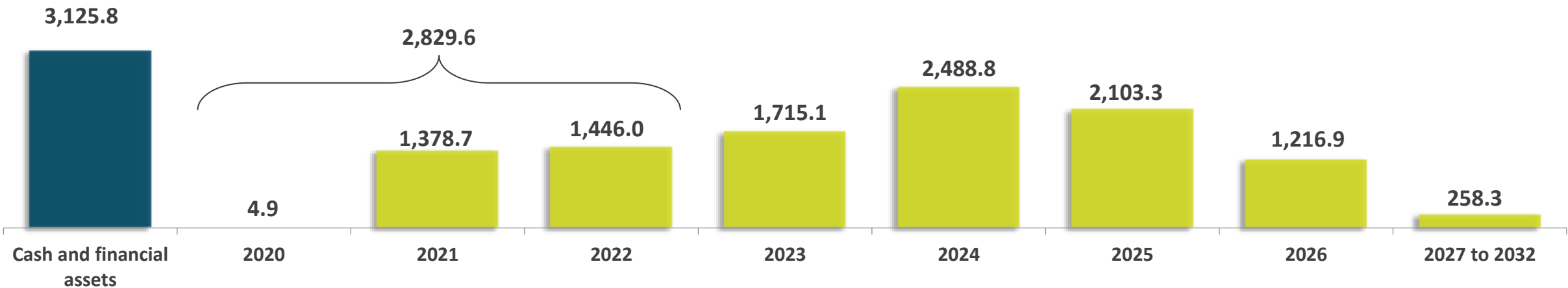


INCREASE OF R\$ 1.0 BILLION IN NET DEBT AS A RESULT OF THE REDUCTION OF THE ACCOUNTS PAYABLE TO OEMS

DEBT MATURITY PROFILE (PRINCIPAL)

(R\$ million)

As of June 30, 2020

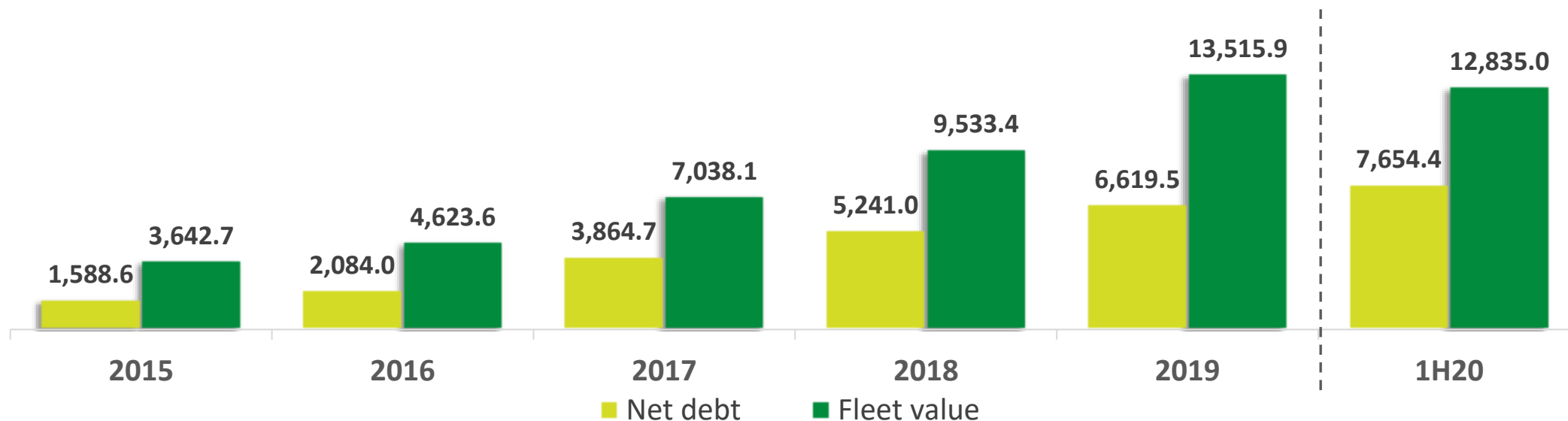


OVER THE YEAR, THE COMPANY HAS RAISED THE AMOUNT OF ~R\$ 3 BILLION TO STRENGTHEN ITS CASH POSITION
IN VIEW OF THE PANDEMIC SCENARIO

DEBT RATIOS

(R\$ million)

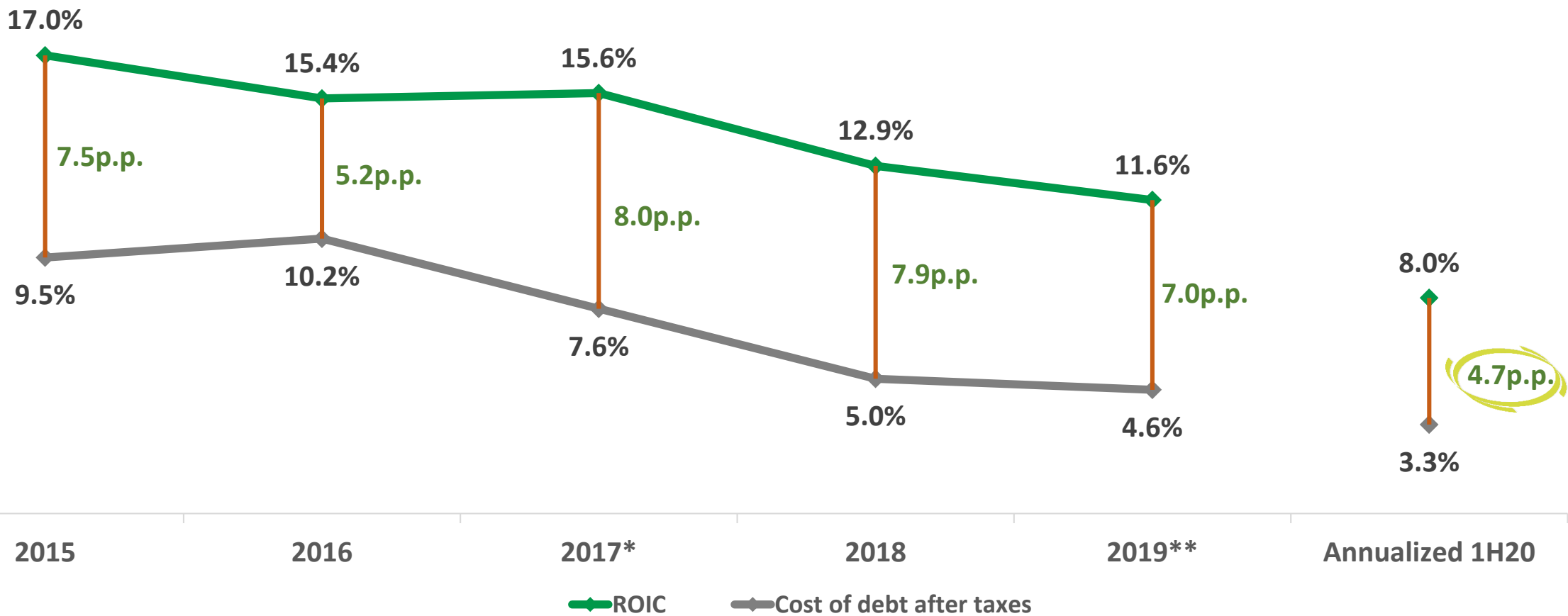
Net debt versus fleet value



BALANCE AT THE END OF PERIOD	2015	2016	2017	2018	2019	1H20
Net debt / Fleet value	44%	45%	55%	55%	49%	60%
Net debt / annualized EBITDA	1.7x	2.1x	2.9x	3.3x	3.0x	3.6x
Net debt / Equity	0.8x	0.9x	1.5x	1.7x	1.2x	1.4x
EBITDA / Net financial expenses	4.6x	4.2x	4.2x	4.3x	5.4x	4.2x

FOR THE PURPOSE OF COVENANTS, WE ENDED THE QUARTER WITH A NET LTM DEBT / EBITDA RATIO OF 3.4X

ROIC VERSUS COST OF DEBT AFTER TAXES



ROIC considered each year's effective income tax and social contribution rate

* 2017 adjusted by the one-time costs (OTC) incurred Hertz Brasil acquisition and Franchisees incorporation

** ROIC including the reclassification of PIS and COFINS credits for the period

VALUE GENERATION IN AN EXTREMELY ADVERSE SCENARIO

DISCLAIMER

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AGENDA

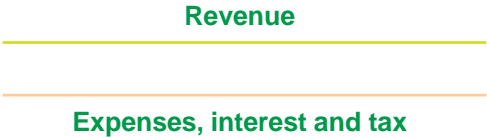
- 1) COMPANY OVERVIEW
- 2) COMPETITIVE ADVANTAGES
- 3) MAIN BUSINESS DIVISIONS AND DRIVERS
- 4) FINANCIALS
- 5) APPENDIX



Car Rental: Financial Cycle 2019

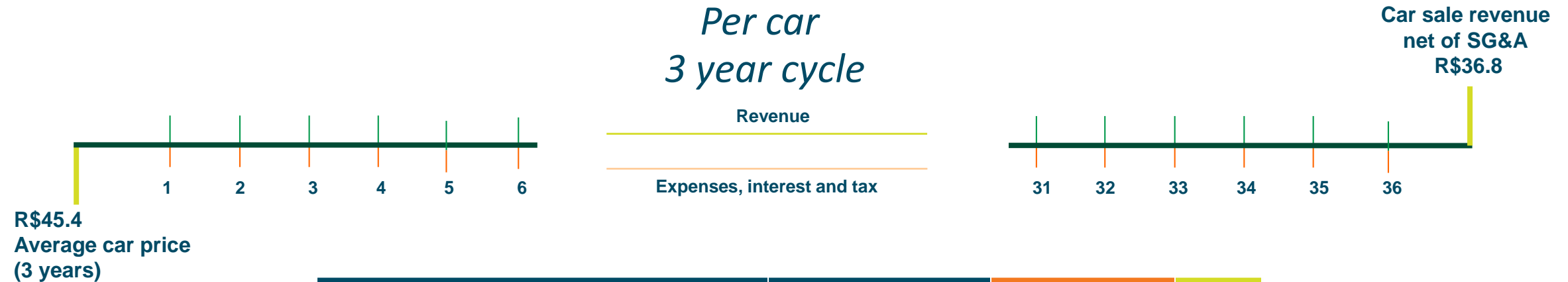
Per car
1 year cycle

Car sale revenue
net of SG&A
R\$40.3



	Car Rental		Seminovos		Total
	Per operating car		Per car sold		1 year
	R\$	%	R\$	%	R\$
Net revenues	17.4	100.0%	42.5	100.0%	59.9
Costs - fixed and variable	(6.4)	-36.5%			(6.4)
SG&A	(3.1)	-18.0%	(2.3)	-5.5%	(5.5)
Net revenues of car sold			40.1	94.5%	40.1
Book value of car sold			(39.2)	-92.2%	(39.2)
EBITDA	7.9	45.5%	1.0	2.3%	8.9
Cars Depreciation			(1.9)	-4.5%	(1.9)
Others depreciation	(0.6)	-3.5%	(0.3)	-0.7%	(0.9)
Financial expenses			(1.5)	-3.6%	(1.5)
Taxes	(1.7)	-9.7%	0.6	1.5%	(1.1)
Net Income (Loss)	5.6	32.3%	(2.1)	-5.0%	3.5
NOPAT					4.7
ROIC (it considers only cars in capital invested)					10.8%
Cost of debt after taxes					4.6%

Fleet Rental: Financial Cycle 2019



	Fleet Rental		Seminovos		Total
	Per operating car		Per car sold		3 years
	R\$	%	Seminovos	%	R\$
Net revenues	50.6	100.0%	38.5	100.0%	89.1
Costs - fixed and variable	(11.9)	-23.4%			(11.9)
SG&A	(4.5)	-8.8%	(1.8)	-4.7%	(6.3)
Net revenues of car sold			36.7	95.3%	36.7
Book value of car sold			(33.8)	-87.7%	(33.8)
EBITDA	34.3	67.7%	2.9	7.5%	37.2
Cars Depreciation			(11.8)	-30.6%	(11.8)
Others depreciation	(0.3)	-0.6%	(0.4)	-0.9%	(0.7)
Financial expenses			(5.5)	-14.3%	(5.5)
Taxes	(7.6)	-14.9%	3.3	8.5%	(4.3)
Net Income (Loss)	26.4	52.2%	(11.5)	-29.8%	14.9
Net Income (Loss) - per year	8.8	52.2%	(3.8)	-29.8%	5.0
NOPAT					6.4
ROIC (it consideres only cars in capital invested)					14.1%
Cost of debt after taxes					4.6%