

EARNINGS RELEASE 4Q20 AND 2020



[B]³ BRASIL
BOLSA
BALÇÃO

NOVO
MERCADO
BM&FBOVESPA

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OTCQX

Localiza

Letter from Chairman

Dear customers, colleagues, and shareholders,

Describing 2020 at Localiza is a rare opportunity to talk about good things in such an unusual and challenging year. Localiza was able to show its strength and adaptability and delivered important results.

Our assessment from the different customer segments, measured by NPS (Net Promoter Score), remained at a level of excellence, even in the context of pandemic and with its outspread. Our internal engagement surveys showed improvements in all areas of the company, a successful outcome from all the effort to protect the health of our employees, maintain engaged teams and offer conditions so they could keep performing their activities. We acted strongly in support of various vulnerable communities and organizations impacted by COVID-19 pandemic.

Furthermore, we launched our Diversity and Inclusion Program, received with enthusiasm by our employees, who today lead its implementation and received **ISO 37001** certification, which reinforces our constant search for excellence in governance, ethics and compliance.

Our sustainability program received several recognitions, validating our evolution and the initiatives focused on environmental, social and governance issues, such as the **Ecovadis Gold Seal** (Selo Ouro Ecovadis), an international seal that highlights companies that defend sustainable development; **Best ESG Institutional Investor**, recognition of the Company's performance by professionals from different countries; and Carbon Efficient Index (**ICO2**) of B3. Additionally, we were recognized with the **AA rating by the MSCI ESG** and as **the only company in Latin America among the top 50 with the lowest ESG risk assessment by Sustainalytics**, being the best ranked company from the transportation industry worldwide.

Expressive results were achieved in all segments of our platform, which reflected in the 45.4% appreciation of RENT3 and a total return for our shareholders (TSR) of 46.5%.

An evaluation of the Board of Directors was carried out with external support, having achieved improvement in all dimensions of our performance. We devote great attention to the strategic challenges, in addition to operational excellence, to continue building the future of mobility, and made the decision to seek the business combination with Unidas, which, like us, sees the need of bigger scale as essential factor to face the high competitiveness of the industry and its new dynamics. We had the support of the shareholders of both companies, who approved the transaction, which is now subject to review by Brazilian Antitrust Authority (CADE) and implementation of the preceding conditions.

We continuously work on succession plans in the Board and in the Executive Board, having attracted Irlau Machado to our Board and other great talents for different positions in the Company. We are confident that we have the team that will guarantee future success.

The year brought an irreparable loss. We lost our dear Roberto Mendes, one of the builders of our success. Great professional and friend.

We had ambitious growth plans in 2020. The pandemic forced us to make many adjustments, but we ended the year with Localiza back on the journey of its ambition for the future with expressive results, surpassing the R\$1 billion net profit mark.

Many thanks to all employees, suppliers, communities where we operate, shareholders and other stakeholders that made this success possible. Special thanks to my colleagues on the Board, always ready and engaged to support the company. In 2021, still a year of uncertainty, we continue with our agenda of innovation, restless attitude, agility and leadership to keep Localiza on its route for the future.

Oscar de Paula Bernardes Neto – Chairman of the Board of Directors

Letter from CEO

Dear investors,

In 2020, we face enormous challenges in our businesses, but once again we prove our resilience and adaptability, planning and execution.

In the context of the pandemic, we acted quickly. In March, we established our crisis management committee, which handed important results on five main fronts: taking care of our employees, our customers, our operations, our liquidity and the society. We instituted the “work from home” policy and a new methodology to foster and measure team Productivity, Engagement and Management during this period. We were able to verify, through research and analysis, a high level of productivity even with the change in the way we relate through remote work. Our employees, who inspire and transform, once again proved their role and boldness in building the future of mobility.

We took care of our partners and the society around us. Reinforcing our role as a company committed to the community, we contributed with around R\$16 million in initiatives to support the health system, including hospital infrastructure and equipment, as well as in actions with small and medium businesses strongly impacted by the pandemic and with vulnerable citizens.

We made the right decision to reinforce our cash balance with new funding instead of accelerating the reduction of our fleet in a period of low liquidity in car sales. Thus, now we can see the increases in new cars prices pass-through to used cars, resulting in lower depreciation. During the second semester, notably in the last quarter of 2020, the challenge became the temporary limitation of the capacity to expand fleet through the acquisition of new cars due to the reduced supply of vehicles in the national market, forcing us to reduce the pace of selling used cars at Seminovos. We are confident that setbacks and challenges in the automotive supply chain will be resolved, with the restoration of production and supply levels throughout the second quarter of 2021.

Even in rough seas, with the reinforcement of the structures and the right decisions, we kept our planning for the future and continued investing in important advances. It is worth mentioning the launch of Localiza Meoo, a new way of having a car that represents a long-term subscription mobility model for individuals and small and medium-size companies. It enables a superior and more convenient experience through a digital journey. We also launched Localiza Labs, Localiza's technology and innovation laboratory, which leads our digital transformation, increasing our capacity for internal development of new solutions.

We also look around and, through careful choices, took important steps. We acquired Mobi7, which brings us several opportunities from fleet monitoring, telematics, and internet of things (IoT). We are connecting the entire fleet at a fast pace while adding several functionalities for our operation, our business, and our customers. We also announced the combination of our operations with Unidas, a transaction that can be transformational for the rental industry and generate a lot of value for all stakeholders. We already obtained shareholders approvals on both sides and the closing of the transaction is subjected to the analysis by Brazilian Antitrust Authority (CADE), currently in progress, and other conditions.

2020 was for Localiza team a year of great boldness and protagonism. The challenges demanded resilience, flexibility, and agility to make the right decisions, which contributed to the quick recovery of volumes and prices, allowing the delivery of record results. We surpassed the R\$1 billion net profit mark! This performance is the result of a solid culture that is strengthened with the time evolution, supported by a base of great trust and ethics.

Last year we mentioned in our letter about the strong changes that the world of mobility was going through, without having at the time the visibility of the effects that quarantine and social distance, due the coronavirus pandemic, could have in accelerating this process. Today we have the perception that changes in habit should further accelerate the adoption curve for new technologies and innovations in mobility. We seek these opportunities generated by cultural and social change and we are absolutely focused on continuing to serve our customers with pleasure and fulfilling their needs in this environment of constant change. We expanded Localiza Pass, a partnership with

ConectCar that allows automatic opening of gatemoney and we expanded Localiza Fast, our 100% digital car rental solution - from booking to car pick up.

In the last few years our market has expanded considerably, and Localiza, protagonist in this expansion, is the company that has the best service and solutions to the demands whose origins are the most diverse: from individuals on leisure or business trips, app drivers, insurers, companies, short and long term rentals, throughout the national territory and in a large part of South America, through our franchisees. This diversification makes our business highly resilient, adaptable, and attentive to trends, allowing us to direct our efforts to the best opportunities in the market.

For the country, we contributed significantly, with more than 11 thousand direct jobs and collection of R\$723 million in taxes net of credits, in addition to approximately R\$ 1.1 billion in taxes on the cars purchase. Add to that, the movement and promotion of an entire ecosystem of multiple businesses that involves large industries, thousands of SMEs and service providers spread across all regions.

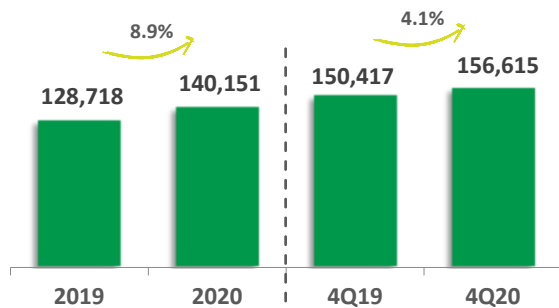
In this year that inspired us even more to take care of others, we evolved in our attention to diversity, an extremely relevant topic for the Company, with initiatives that include the launch of Diversity and Inclusion Program. We have a mission to work continuously for a respectful plural environment that instigates creative and constructive debate for both our business and society. On the environmental front, we made significant progress in neutralizing emissions from our operations for the year 2019 (scopes 1 and 2), reported in the 2020 emission inventory, and we became partners and supporters of the Commitment to the Climate Program, an movement with the purpose of engaging and inspiring the private sector in climate responsibility actions. In 2020, we were honored with the recognition by several communication vehicles and inclusion in international rankings for our investment in initiatives in the three pillars of ESG.

To continue building the future of mobility, we maintain our focus on generating value and having a positive impact on society, our customers, and partners. We continue to invest in the improvement of our processes and of our customer experience, valuing long-term relationships. We know that great challenges were overcome, but we are aware that others will come and will bring new opportunities, which we will be prepared to embrace with boldness, innovation, and agility!

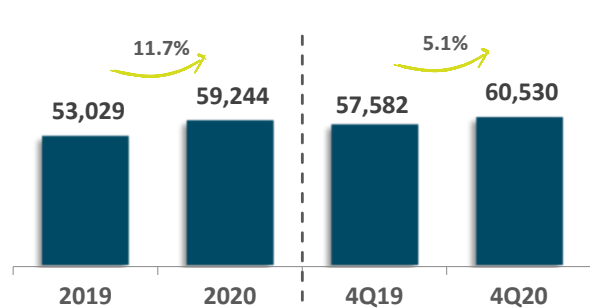
Eugênio Mattar - CEO

OPERATING HIGHLIGHT

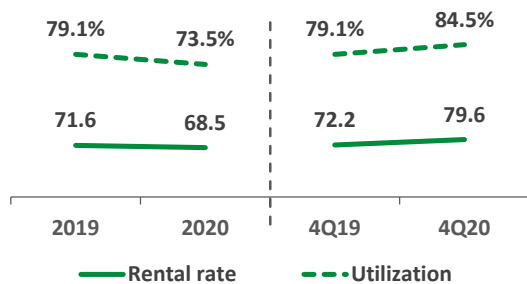
Average rented fleet – Car Rental



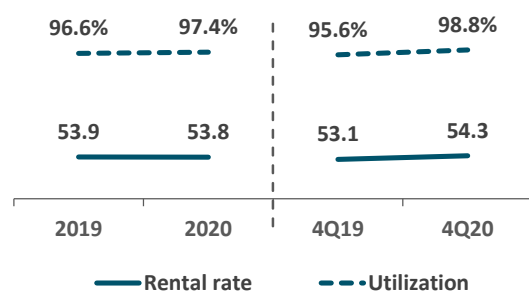
Average rented fleet – Fleet Rental



Average rental rate (in R\$) and utilization rate (%) Car Rental

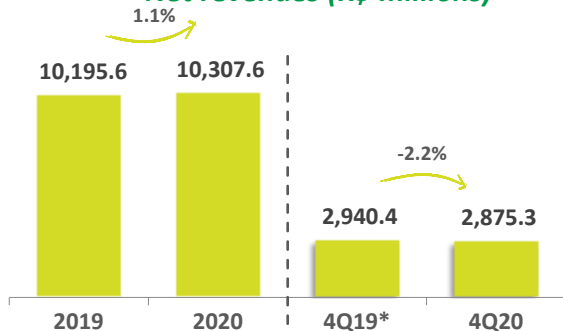


Average rental rate (in R\$) and utilization rate (%) Fleet Rental

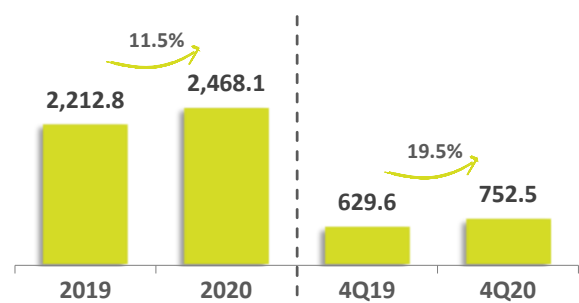


CONSOLIDATED FINANCIAL HIGHLIGHT

Net revenues (R\$ millions)

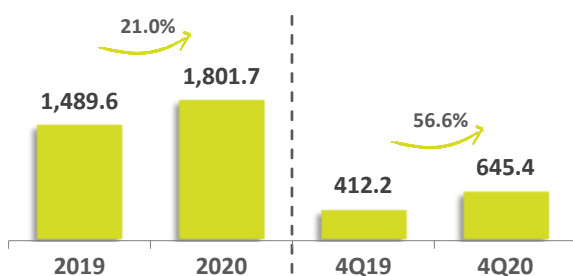


EBITDA (R\$ millions)

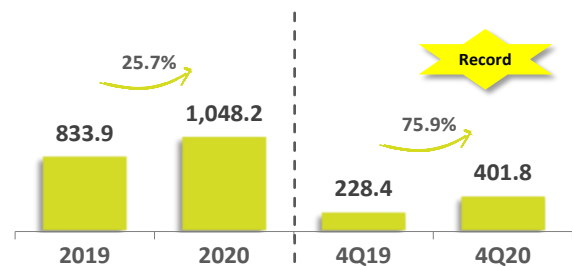


(*) GAAP number including the effects of the reclassification of PIS and COFINS credits for the period

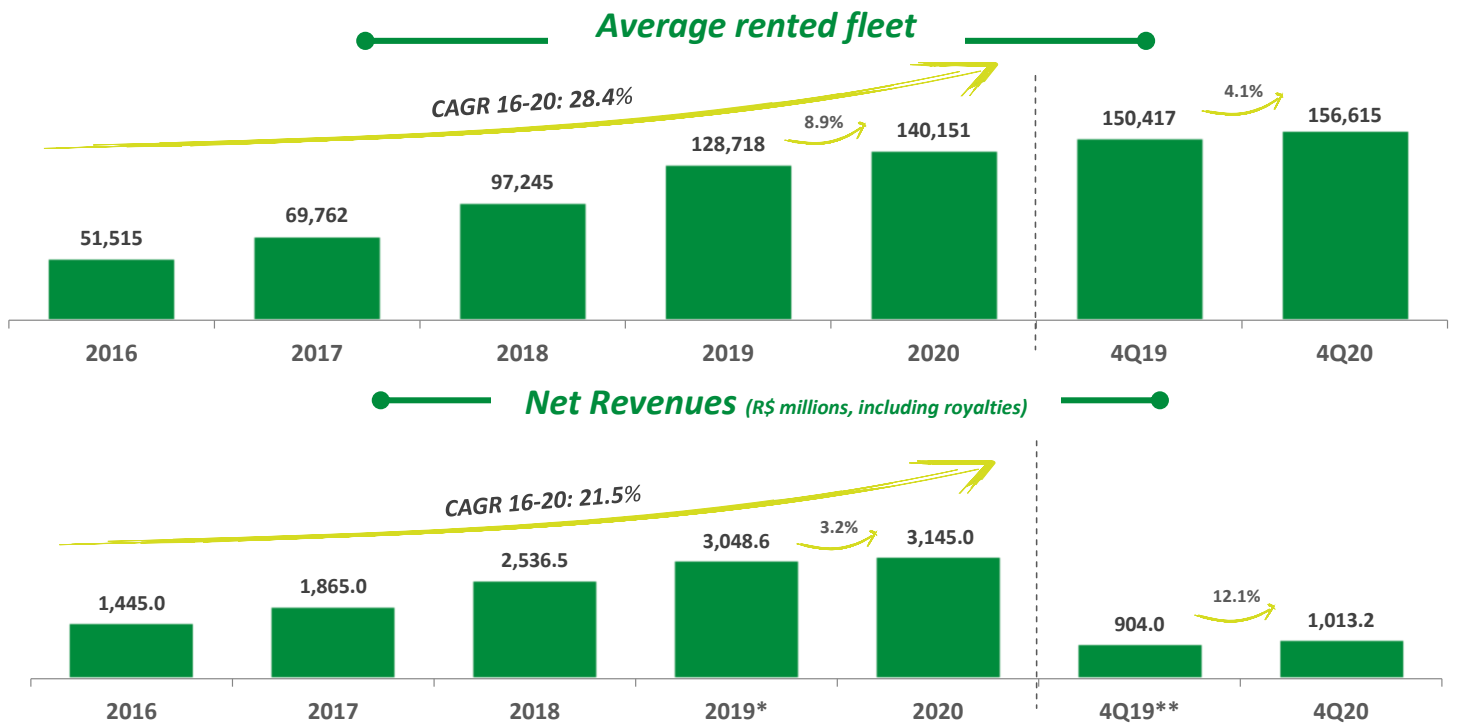
EBIT (R\$ millions)



Net Income (R\$ millions)



1 - Rent a Car

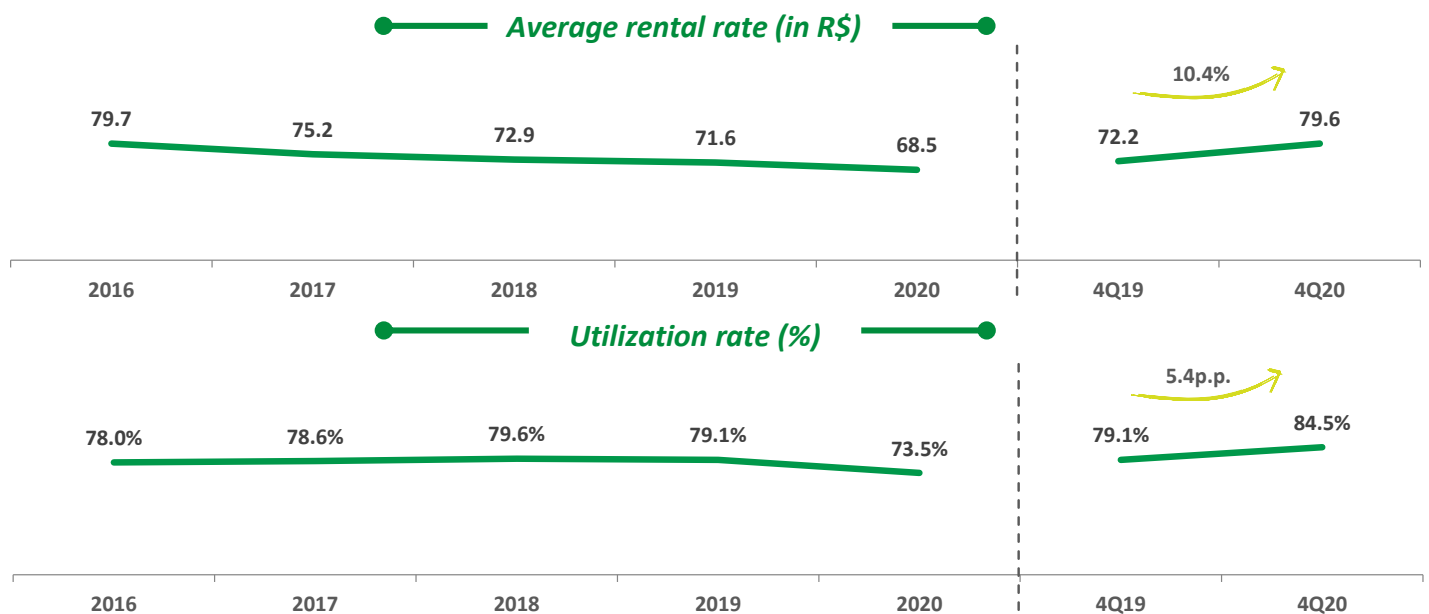


(*) From 2019 the Company began to record PIS and COFINS credits in SG&A. Before, those credits were recorded as a reduction of sales taxes.
 (**) GAAP number including the reclassification of PIS and COFINS credits for the period

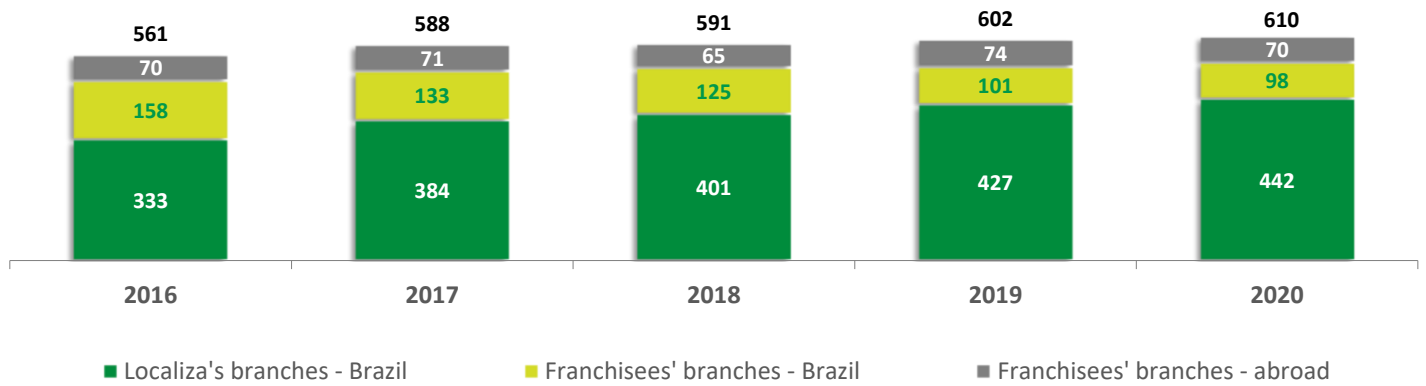
In 4Q20, the **Car Rental** division's average rented fleet increased 4.1% versus 4Q19. In the same period, net revenues increased 12.1% due to the 10.4% growth in the average rental rate.

Comparing to prior year there was an increase of 8.9% in the average rented fleet and 3.2% in the revenue of this division, with the average rental rate showing a decrease by 4.3%, mainly impacted in 2Q20 by the pandemic.

With a fleet utilization rate above 84% in 4Q20, we took advantage of the high season to prioritize higher tariffs segments.



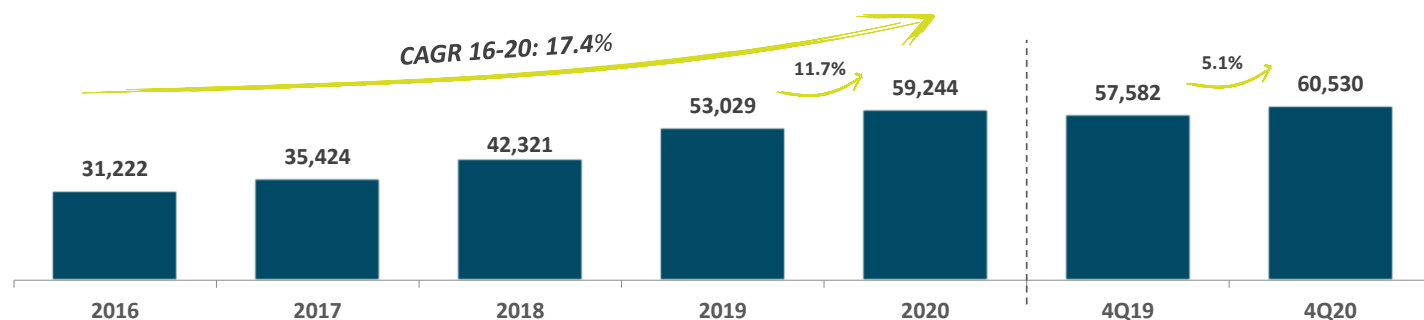
1.1 - Distribution network



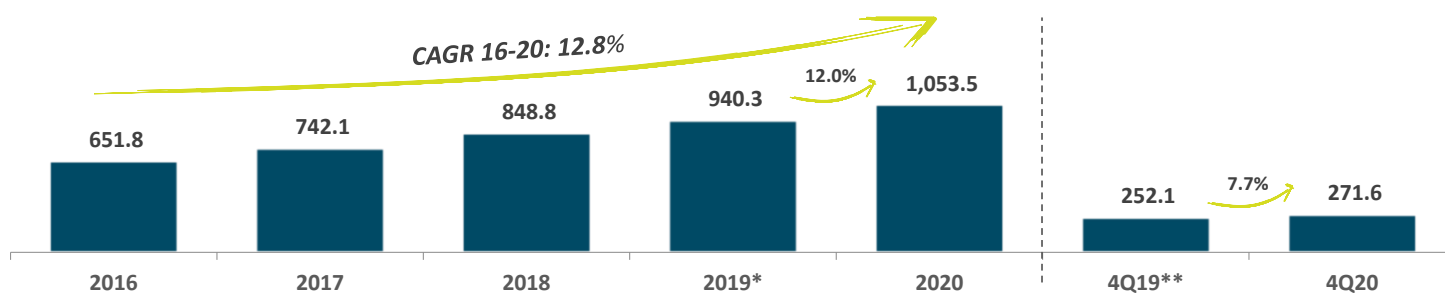
Localiza ended the year with 610 rental locations, being 540 in Brazil and 70 in 4 other South American countries. 15 branches were added to our own network in 2020.

2 – Fleet Rental

Average rented fleet



Net revenues (R\$ million)



(*) From 2019 the Company began to record PIS and COFINS credits in SG&A. Before, those credits were recorded as a reduction of sales taxes.

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

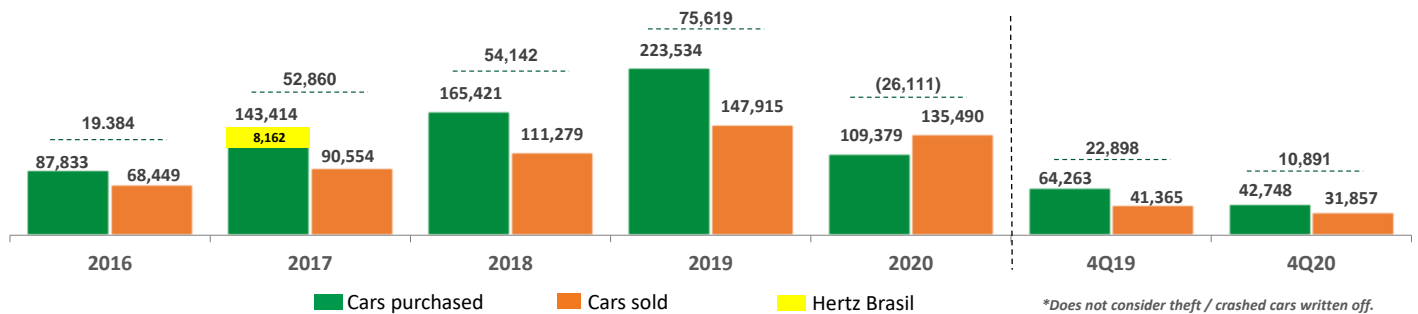
In 4Q20, **Fleet Rental** division registered 5.1% increase in the average rented fleet and 7.7% in net revenues, compared to the same period of the prior year, with the average rental rate 2.3% higher. In 2020, there was an increase of 11.7% in the average rented fleet and 12.0% in the revenue of this division.

In September of 2020 we announced the launch of Localiza Meoo, our long-term subscription car solution, creating a new lever for Company's growth.

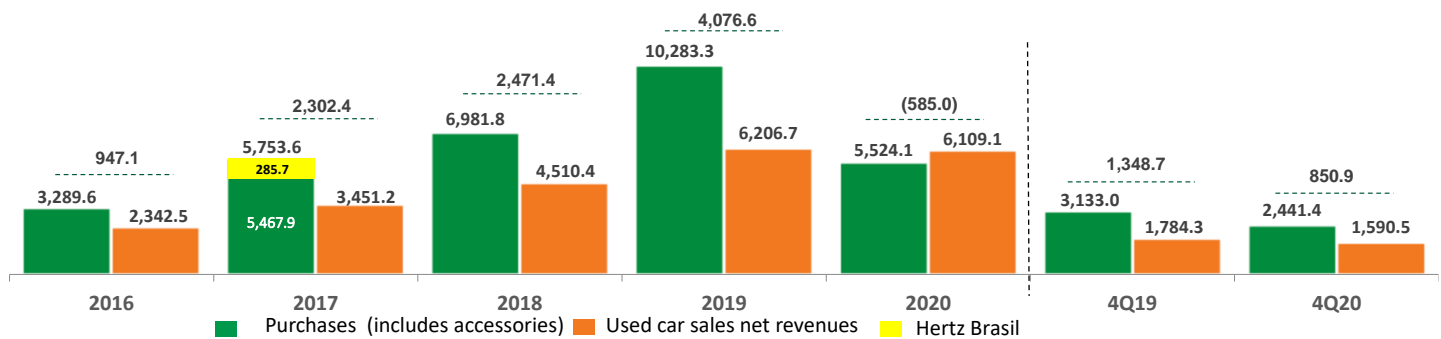
3 - Fleet

3.1 – Net investment in the fleet

Car purchase and sales (quantity*)



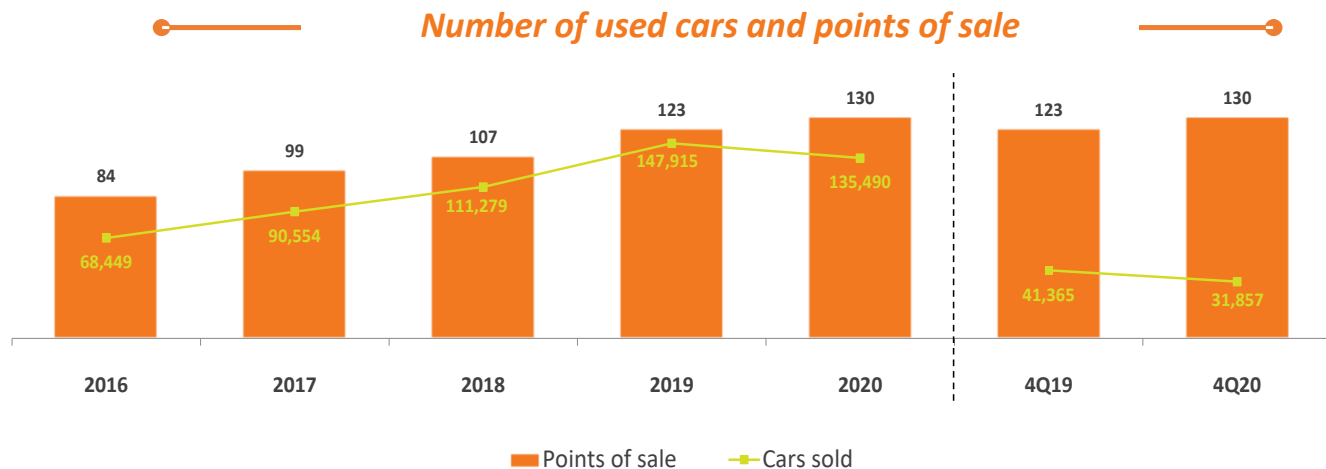
Net investment in fleet (R\$ million)



In 4Q20, given the context of lower levels of new car production, we postponed the decommissioning of the **Car Rental** fleet to service the demand during the high peak of summer vacation and reduced the pace of sale in **Seminovos**. In 4Q20, 31,857 cars were sold and 42,748 were purchased, resulting in an increase of 10,891 cars in the fleet and a net investment of R\$ 850.9 million.

In 2020, 109,379 cars were purchased and 135,490 were sold, resulting in a reduction of 26,111 cars in the fleet and cash generation of R\$585.0 million.

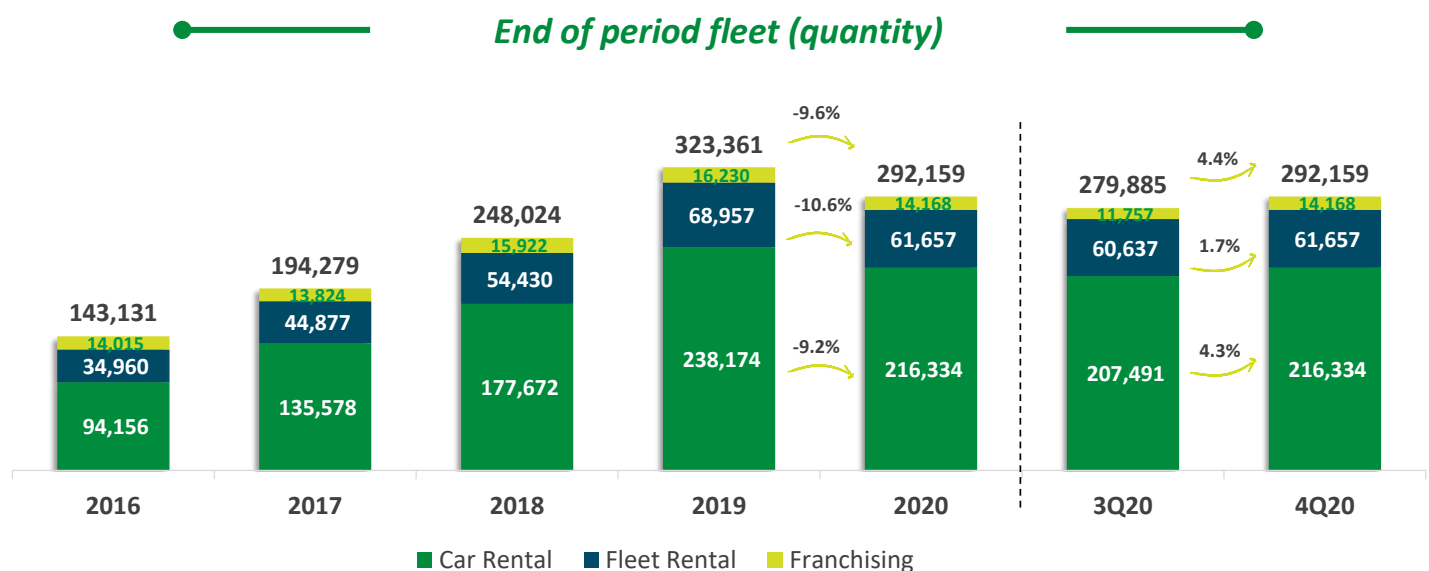
4 – Seminovos – Number of points of sale



	2016	2017	2018	2019	2020	Var. % YoY	4Q19	4Q20	Var.% QoQ
Average price of cars sold (R\$ thousand)	34.3	38.2	40.6	42.1	45.2	7.4%	43.3	50.0	15.7%

We ended 2020 with 130 **Seminovos** stores, in 89 cities in Brazil. In 4Q20, the average price of cars sold reached R\$50.0 thousand per car, an increase of 15.7%.

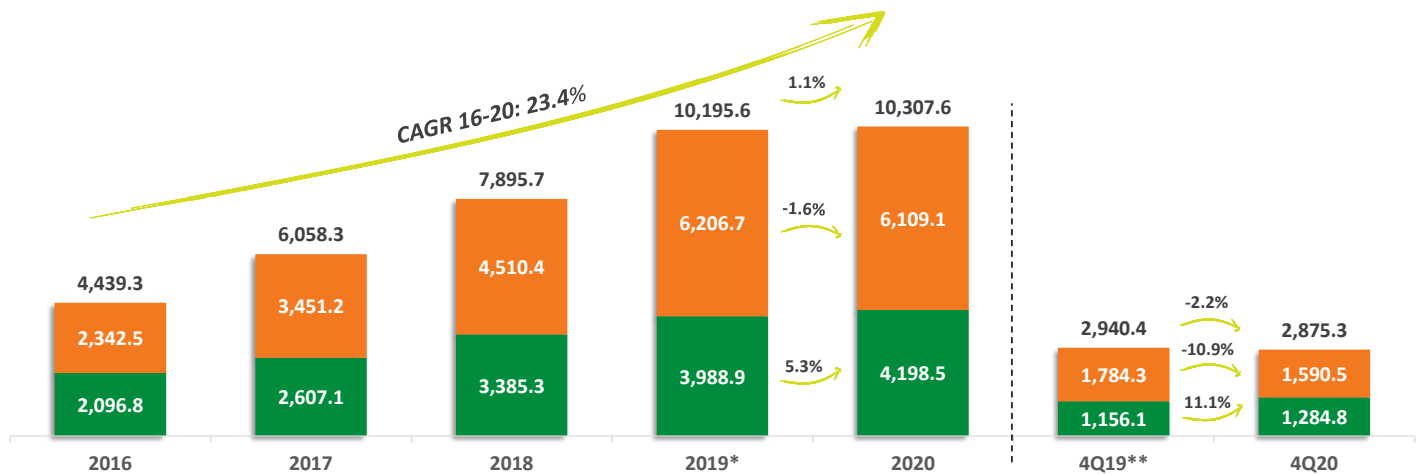
5 – End of period fleet



In 2020, the fleet was reduced by 9.6% due to the reduction in car purchases and the number of cars available for sale. Even so, resulting from the optimization of the utilization rate, the average rented fleet grew both in the **Car Rental** and **Fleet Rental** divisions.

6 – Net revenues - consolidated

Consolidated net revenues (R\$ million)



(*) From 2019 the Company began to record PIS and COFINS credits in SG&A. Before, those credits were recorded as a reduction of sales taxes.

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

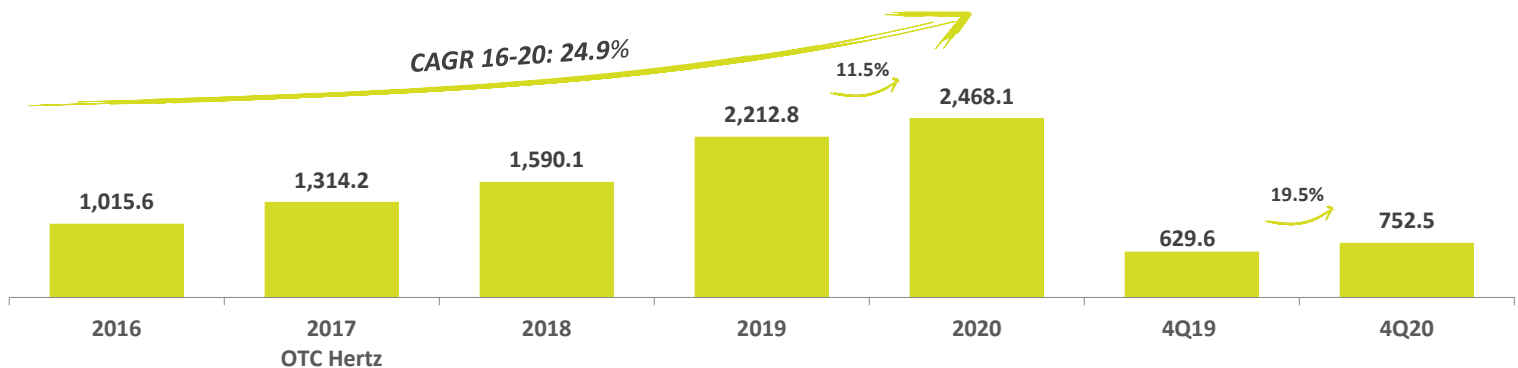
■ Rental ■ Used car sales

In 4Q20, consolidated net revenues decreased 2.2%, due to lower sales of **Seminovos** to service the demand during the summer season in **Car Rental**, in a context of lower availability of new cars. Compared to 4Q19, net rental revenues increased 11.1%, being 12.1% in **Car Rental** and 7.7% in **Fleet Rental** divisions. **Seminovos** net revenues in 4Q20 decreased 10.9%, compared to the same period last year, due to the lower volumes made available for sale, partially offset by the 15.7% increase in the average sale price.

In 2020, consolidated net revenues increased 1.1% when compared to 2019. Net rental revenues increased by 5.3%, with a 3.2% increase in the **Car Rental** division, mostly impacted by the pandemic, and a 12.0% increase in the **Fleet Rental** division. **Seminovos** net revenues decreased 1.6% when compared to the previous year, with a 8.4% reduction in the volumes of cars sold, due to the closing of stores between March and April this year, the most critical period of the pandemic, and the reduction in volumes available for sale in 4Q20, as previously mentioned. Average sales prices increased 7.4% in the year, reflecting the growth in new car prices.

7 - EBITDA

Consolidated EBITDA (R\$ million)



EBITDA margin:	2016	2017*	2018	2019**	2020	4Q19**	4Q20
Car Rental and Franchising	32.4%	34.9%	35.9%	45.7%	45.3%	46.5%	41.2%
Fleet Rental	64.5%	61.9%	64.0%	67.7%	72.4%	67.1%	64.5%
Rental Consolidated	42.3%	42.6%	43.0%	50.9%	52.1%	51.0%	46.1%
Used Car Sales	5.5%	5.9%	3.0%	3.0%	4.6%	2.3%	10.1%
Consolidated (on rental revenue)	48.4%	50.4%	47.0%	55.5%	58.8%	54.5%	58.6%

(*) 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

In 4Q20, consolidated EBITDA totaled R\$752.5 million, 19.5% higher than the same period of the prior year.

Compared to 4Q19, this quarter was impacted by the recomposition of wages for employees who had a reduction in compensation in the period of MP 936 (Government's provisional measure to protect jobs in response to the pandemic, converted into Law 14.020/20); increase in the provision for doubtful debtors in the context of pandemic in the **Car Rental** division; complement of the profit sharing provision due to the results of the year; increase of tax provisions and costs associated with the removal of the Hertz brand from our branch network. Such expenses impacted the margins of business divisions, especially **Car Rental**.

In the **Car Rental** division, EBITDA margin was 41.2% in 4Q20, a decrease of 5.3p.p. as compared to 4Q19. In the **Fleet Rental** division, the EBITDA margin was 64.5%, a decrease of 2.6p.p. in the same comparison.

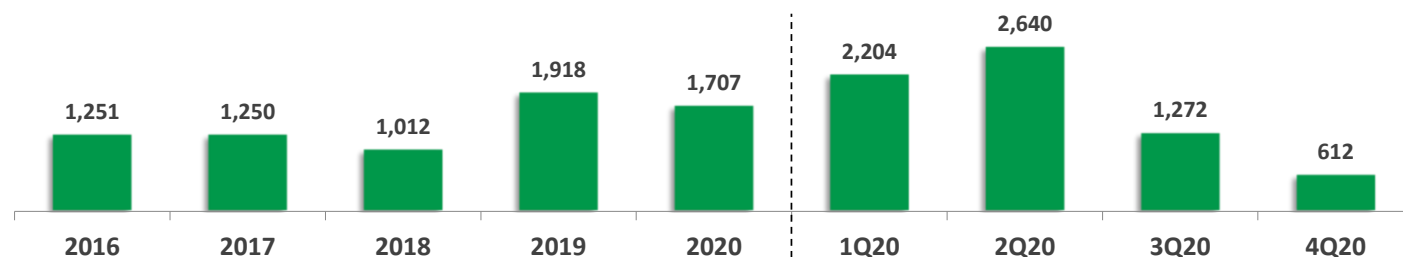
On the other hand, the increase in the price of new cars reflected in the increase in **Seminovos** prices, positively impacting its EBITDA margin, even with the reduction in sales volumes this quarter. EBITDA margin reached 10.1% in 4Q20, 7.8 p.p. higher than the same period last year.

The consolidated EBITDA margin on rental revenue reached 58.5%, an expansion of 4.1 pp. compared to 4Q19.

8 - Depreciation

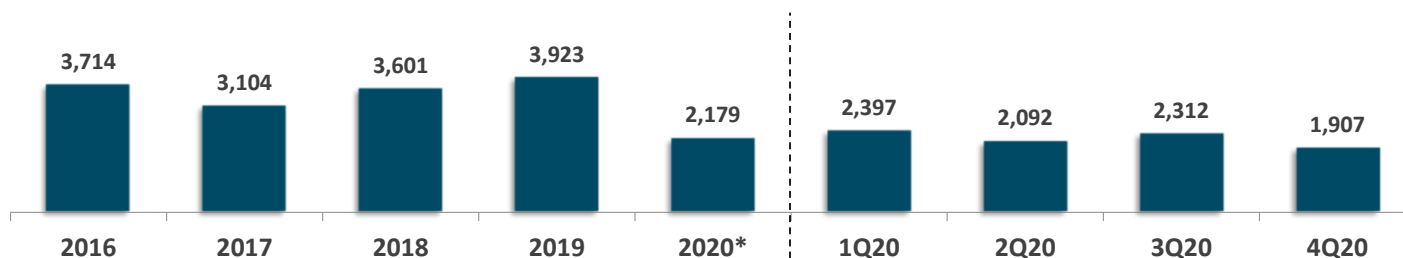
Depreciation is calculated using the straight-line method, considering the difference between the purchase price of the car and the estimated selling price at the end of its useful life, net of estimated costs and expenses to sell it.

8.1 – Average annualized depreciation per car (R\$) - Rent a Car



During the second half of 2020, there was a significant increase in market prices for new and used cars. As previously shown, the average price of cars sold increased by 7.4% in the year and 15.7% in 4Q20. In addition, the increase in the average age of cars means that a reasonable part of our fleet is already depreciated, contributing to the reduction in the average depreciation per car.

8.2 – Average annualized depreciation per car (R\$) - Fleet Rental

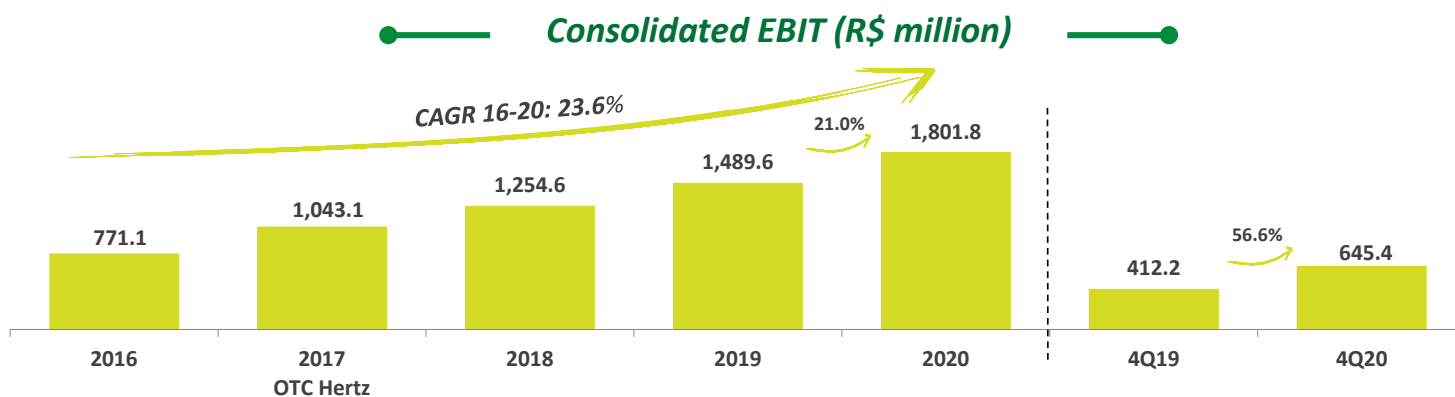


*Since 2020, the Company began depreciating the Fleet Rental cars using the linear method opposed to the SOYD (Sum-of-the-years' digits)

In the **Fleet Rental** division, the average depreciation per car in 4Q20 was R\$1,907. Depreciation in this division was reduced by increases in the sale price, as mentioned above. Also, we remind you that since 1Q20 we have changed the depreciation method from SOYD to linear. In the transition period, the average depreciation is benefited due to the cars that were already 100% depreciated before the end of their operational life and the entry of new cars with lower depreciation in the first year, compared to the SOYD method⁽¹⁾.

⁽¹⁾ SOYD: Sum-of-the-Years'-Digits – method of calculating depreciation by adding the sum of the years' digits.

9 - EBIT



EBIT margins include **Seminovos** sales results, but is calculated over the rental revenues:

	2016	2017*	2018	2019**	2020	4Q19 **	4Q20
Car Rental and Franchising	30.2%	35.2%	33.2%	33.7%	35.1%	32.1%	46.7%
Fleet Rental	51.2%	51.4%	48.6%	49.1%	66.4%	48.3%	63.4%
Consolidated	36.8%	40.0%	37.1%	37.3%	42.9%	35.7%	50.2%

(*) 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

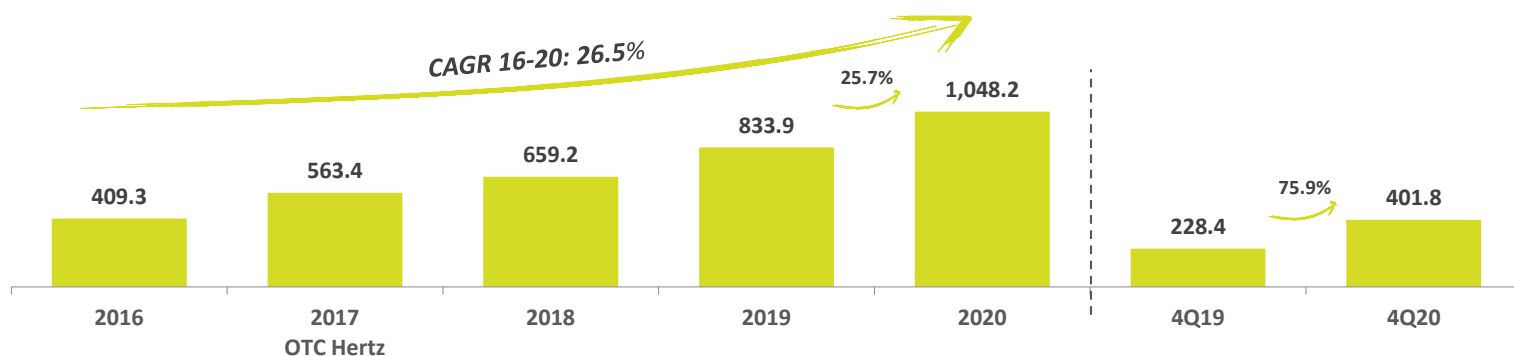
Consolidated EBIT in 4Q20 totaled R\$645.4 million, representing an increase of 56.6% compared to 4Q19.

In 4Q20, the EBIT margin of the **Car Rental** division, was 46.7%, representing an increase of 14.6p.p. compared to 4Q19. In the **Fleet Rental** division, the EBIT margin totaled 63.4%, an increase of 15.1p.p. compared to the same period last year.

The margins improvement in the rental divisions reflect the reduction in average depreciation per car and the higher EBITDA margin in the sale of **Seminovos** compared to the same period last year.

10 - Consolidated net income

Consolidated net income (R\$ million)



EBITDA x Net income reconciliation	2016	2017*	2018	2019	2020	Var. R\$	Var. %	4Q19	4Q20	Var. R\$	Var. %
Consolidated EBITDA	1,015.6	1,314.2	1,590.1	2,212.8	2,468.1	255.3	11.5%	629.6	752.5	122.9	19.5%
Cars depreciation	(206.3)	(232.0)	(291.6)	(551.5)	(473.0)	78.5	-14.2%	(171.2)	(57.3)	113.9	-66.5%
Other property depreciation and amortization	(38.2)	(39.1)	(43.9)	(171.7)	(193.4)	(21.7)	12.6%	(46.2)	(49.8)	(3.6)	7.8%
EBIT	771.1	1,043.1	1,254.6	1,489.6	1,801.7	312.1	21.0%	412.2	645.4	233.2	56.6%
Financial expenses, net	(243.5)	(315.0)	(368.9)	(409.8)	(374.4)	35.4	-8.6%	(112.5)	(65.0)	47.5	-42.2%
Income tax and social contribution	(118.3)	(164.7)	(226.5)	(245.9)	(379.1)	(133.2)	54.2%	(71.3)	(178.6)	(107.3)	150.5%
Net income of the period	409.3	563.4	659.2	833.9	1,048.2	214.3	25.7%	228.4	401.8	173.4	75.9%

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

Net income in 4Q20 was R\$401.8 million, representing an increase of 75.9% over 4Q19, resulting from:

(+) R\$122.9 million increase in EBITDA,

(+) R\$110.3 million reduction in depreciation,

(+) R\$47.5 million lower net financial expenses, mainly due to lower interest rate, in addition to the positive mark-to-market of swap contracts and discounts obtained in the debenture repurchase program, and

(-) R\$107.3 million increase in income tax and social contribution, due to the higher taxable profit and higher average rate.

11 – Free cash flow (FCF)

Free cash flow (R\$ million)		2016	2017	2018	2019	2020
Operations	EBITDA	1,015.7	1,314.2 *	1,590.1	2,212.8	2,468.1
	Used car sale revenue, net of taxes	(2,342.6)	(3,451.2)	(4,510.4)	(6,206.7)	(6,109.1)
	Net book value of vehicles written-off	2,102.5	3,106.6	4,198.5	5,863.6	5,599.9
	(-) Income tax and social contribution	(93.3)	(108.3)	(131.2)	(146.1)	(250.1)
	Change in working capital	(40.8)	(47.9)	(117.4)	(268.9)	103.5
Cash generated by rental operations		641.5	813.4	1,029.6	1,454.7	1,812.3
Capex - renewal	Used car sale revenue, net from taxes – fleet renewal	2,342.6	3,451.2	4,510.4	6,206.7	4,886.9
	Fleet renewal investment	(2,563.6)	(3,660.9)	(4,696.7)	(6,804.6)	(5,524.1)
	Change in accounts payable to car suppliers for fleet renewal	219.8	227.6	250.1	468.7	235.1
	Net investment for fleet renewal	(1.2)	17.9	63.8	(129.2)	(402.1)
Fleet renewal – quantity		68,449	90,554	111,279	147,915	109,379
Investment, property and intangible		(40.9)	(28.8)	(42.8)	(70.0)	(108.0)
Free cash flow from operations, before fleet increase or reduction		599.4	802.5	1,050.6	1,255.5	1,302.2
Capex - Growth	(Investment) / Divestment in cars for fleet growth	(726.0)	(1,807.0)	(2,285.1)	(3,478.7)	1,222.2
	Change in accounts payable to car suppliers for fleet growth	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	(699.2)	(1,924.0)	(1,775.7)	(3,560.6)	278.8
Fleet increase / (reduction) – quantity		19,384	52,860	54,142	75,619	(26,111)
Free cash flow after growth		(99.8)	(1,121.5)	(725.1)	(2,305.0)	1,581.0
Capex - non-recurring	Acquisitions and franchisees acquisition- except fleet value	-	(121.5)	-	(18.2)	(7.9)
	New headquarters construction and furniture	(85.7)	(146.2)	-	-	-
Free cash generated before the cash effects of discounts and anticipation of payables to		(185.5)	(1,389.2)	(725.1)	(2,323.2)	1,573.1
Cash effects of receivables and anticipation of payables to suppliers (**)		98.0	88.3	(113.2)	(131.8)	(293.1)
Free cash flow before interest		(87.5)	(1,300.9)	(838.3)	(2,455.0)	1,280.0

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

(*) 2017 adjusted by one-time costs 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.

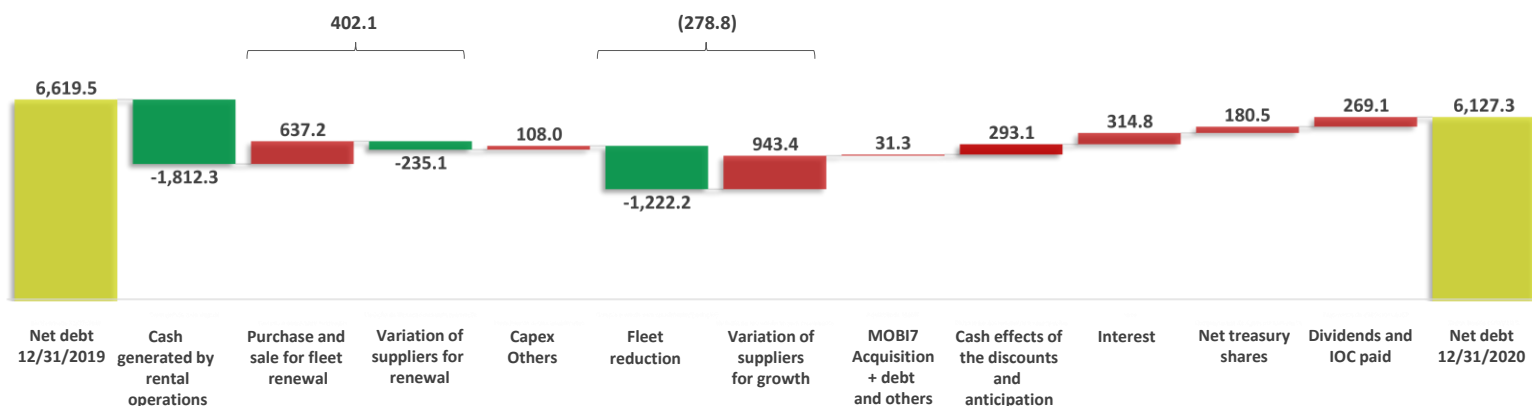
In 2020, the Company generated R\$1,302.2 million in cash before growth, due to the generation of R\$1,812.3 million from rental activities, partially offset by the consumption of R\$402.1 million for fleet renewal.

In addition, the Company generated another R\$278.8 million from fleet reduction, already net of the reduction of R\$943.4 million in accounts payable to the OEMs.

The balance of the OEM's account payable, which ended 2019 with at R\$2,407.5 million, was reduced in 4Q20 to R\$1,418.3 million.

12 – Net debt

12.1 – Change in net debt – R\$ million



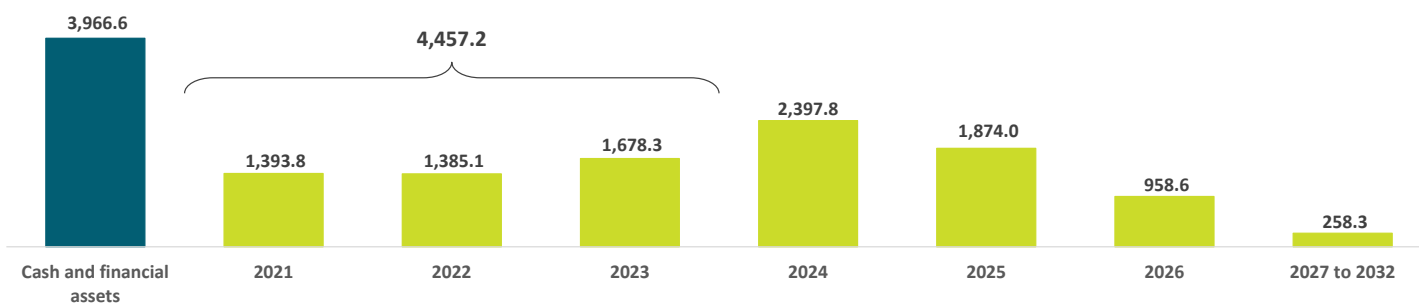
On 12/31/2020, net debt totaled R\$6,127.3 million, a decrease of 7.4%, or R\$492.2 million, mainly due to the cash generated by the rental activities and the reduction of the fleet, partially offset by the reduction in the accounts payable to suppliers.

12.2 – Debt maturity profile – R\$ million

Debt	Issuance	Contract rate	2020	2021	2022	2023	2024	2025	2026	2027 to 2032	Total
Debentures 11th Issuance	12/12/2016	111.50% CDI	-	-	457.9	-	-	-	-	-	457.9
Debentures 12th Issuance	5/15/2017	107.25% CDI	-	-	-	-	690.2	-	-	-	690.2
Debentures 13th Issuance - 1st serie	12/15/2017	109.35% CDI	-	-	397.2	397.2	-	-	-	-	794.4
Debentures 13th Issuance - 2nd serie	12/15/2017	111.30% CDI	-	-	-	-	94.1	94.1	-	-	188.2
Debentures 14th Issuance - 1st serie	9/18/2018	107.90% CDI	-	-	-	-	200.0	-	-	-	200.0
Debentures 14th Issuance - 2nd serie	9/18/2018	112.32% CDI	-	-	-	-	106.9	206.9	206.9	-	520.7
Debentures 15th Issuance	4/15/2019	107.25% CDI	-	-	-	-	-	393.3	393.3	-	786.6
Debentures 16th Issuance	11/29/2019	CDI + 1.05%	-	-	-	-	333.3	333.3	333.3	-	999.9
Debentures 5th Issuance of Localiza Fleet	7/31/2018	112.00% CDI	-	-	-	-	-	202.4	-	-	202.4
Debentures 6th Issuance of Localiza Fleet	12/21/2018	110.40% CDI	-	-	-	-	400.0	(59.4)	-	-	340.6
Debentures 7th Issuance of Localiza Fleet	7/29/2019	109.00% CDI	-	-	-	100.0	100.0	100.0	-	-	300.0
Debentures 8th Issuance of Localiza Fleet	-	CDI + 1.00%	-	-	-	333.3	333.3	333.3	-	-	999.9
Promissory Notes - 7th Issuance	9/24/2019	108.00% CDI	-	500.0	-	-	-	-	-	-	500.0
Foreign currency loan with swap	-	Several	-	773.1	215.0	465.0	-	250.0	-	-	1,703.1
Real State Receivables Certificate (CRI)	2/26/2018	99.00% CDI	-	5.6	9.0	12.3	15.0	20.1	25.1	258.3	345.4
Working Capital / Others	-	Several	-	115.1	306.0	370.5	125.0	-	-	-	916.6
Interest accrued	-	-	148.0	-	-	-	-	-	-	-	148.0
Cash and cash equivalents on 12/31/2020	-	-	(3,966.6)	-	-	-	-	-	-	-	(3,966.6)
Net debt	-	-	(3,818.6)	1,393.8	1,385.1	1,678.3	2,397.8	1,874.0	958.6	258.3	6,127.3

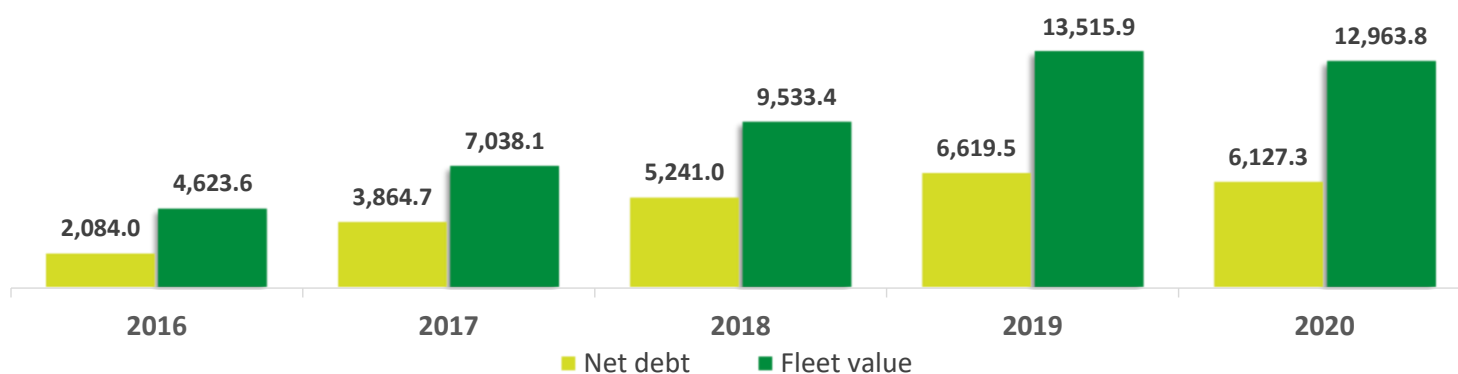
12.3 – Debt profile – R\$ million

As of December 31, 2020



Operating cash generation and fleet reduction contributed to the strengthening of the Company's cash position, which ended 2020 at R\$3,966.6 million.

12.4 – Debt ratios – R\$ million

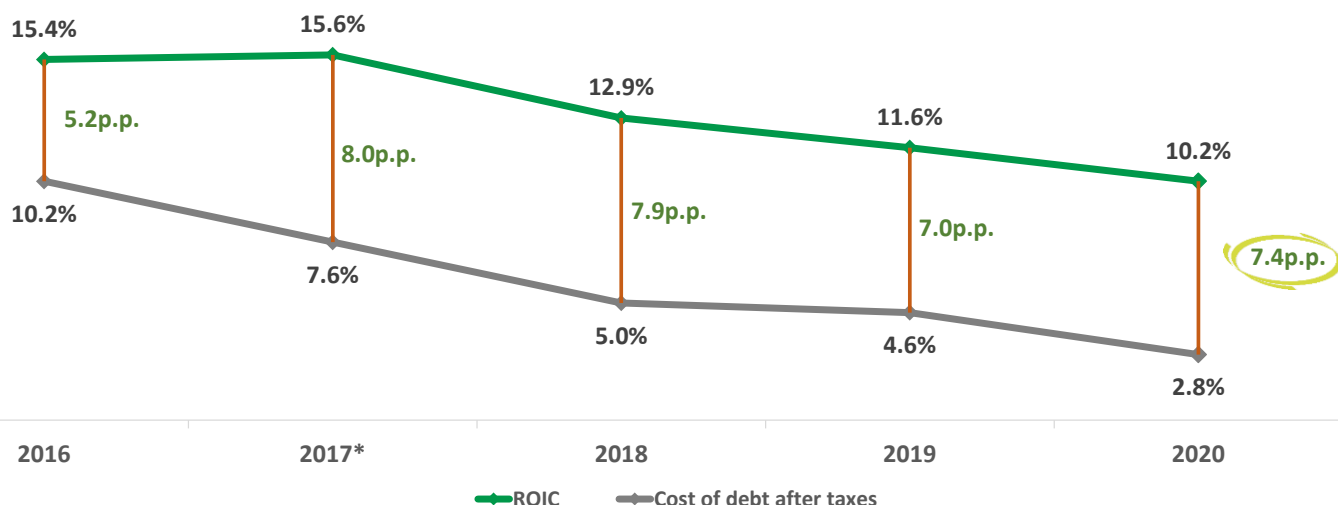


BALANCE AT THE END OF PERIOD	2016	2017	2018	2019	2020
Net debt/Fleet value (book value)	45%	55%	55%	49%	47%
Net debt/annualized EBITDA	2.1x	2.9x	3.3x	3.0x	2.5x
Net debt/Equity	0.9x	1.5x	1.7x	1.2x	1.0x
EBITDA/Net financial expenses	4.2x	4.2x	4.3x	5.4x	6.6x

The lower volume of car purchases combined with the strong cash generation from rentals and used cars sales, resulted in a reduction of the Company's leverage ratio.

For the purpose of covenants, we ended the year with a Net Debt / LTM EBITDA ratio of 2.5x.

13 – Spread (ROIC minus 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

STRONG VALUE GENERATION, EVEN IN AN EXTREMELY ADVERSE SCENARIO

14 – Dividends and interest on capital (IOC)

2019 interest on capital were approved as follow:

Nature	Reference period	Approval date	Shareholding position date	Payment date	Gross amount (R\$ million)	Gross amount per Share(*) (R\$)
IOC	2019	03/21/2019	03/26/2019	05/20/2019	69.2	0.091823
IOC	2019	06/18/2019	06/24/2019	08/16/2019	75.5	0.099983
IOC	2019	09/04/2019	09/09/2019	11/08/2019	74.6	0.098744
IOC	2019	12/12/2019	12/17/2019	02/14/2020	71.8	0.094993
				Total	291.1	

(*) Adjusted by the share bonus approved in the Board of Directors meeting held on 12/12/2019.

2020 interest on capital were approved as follow:

Nature	Reference period	Approval date	Shareholding position date	Payment date	Gross amount (R\$ million)	Gross amount per Share (R\$)
IOC	2020	03/10/2020	03/13/2020	09/15/2020	67.0	0.089006
IOC	2020	06/18/2020	06/23/2020	10/15/2020	64.8	0.086217
IOC	2020	09/04/2020	09/10/2020	11/05/2020	65.6	0.087345
IOC	2020	12/10/2020	12/15/2020	02/05/2021	63.8	0.084906
				Total	261.2	

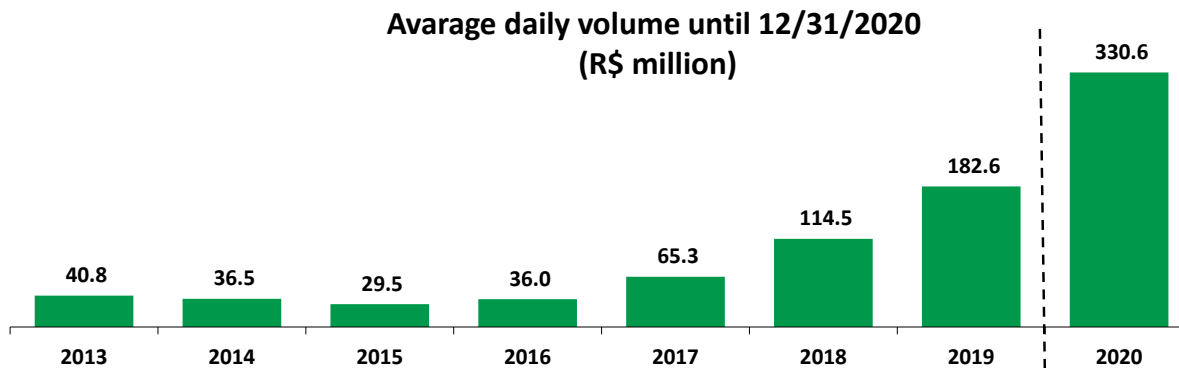
In 2020, Management proposed for deliberation at the Annual Shareholders' Meeting the complementary payment of dividends to shareholders in the amount of R\$18.1 million, considering that the amount distributed through IOC in 2020 did not reach a mandatory minimum of 25% of net profit.

15 – RENT3

Up to December 31, 2020, RENT3 average daily traded volume was R\$330.6 million, 81.1% higher than the average volume traded in 2019.

Under the ADR level I program, the Company had 6,796,767 ADRs as of December 31,2020.

Since January 2020, Localiza integrates the Carbon Efficiency Index, ICO2.



In the sustainable development of our business, we combine financial, environmental, social and governance results. The commitment to sustainability is part of Localiza's strategy and permeates the company's values.

We have been advancing year after year on the theme, with some highlights in 2020:

— *Environmental* —



- We built a partnership and support for the Climate Commitment Program, an action with the purpose of engaging and inspiring the private sector in actions of climate responsibility.
- We neutralized emissions from our operations (scopes 1 and 2) in 2019, totaling 19,540 tCO₂e.
- In addition to fueling about 99% of our fleet with ethanol, given the nature of our business, we invest in Localiza's potential to contribute to promoting the fueling of cars with biofuels, creating value for our brand and for society.
- In line with the reduction in water consumption, we continue to move forward with the dry-cleaning indicator in 2020.
- We defined a new KPI called Coverage Index which represents the percentage of clean energy from the total energy consumed by the company.
- We ended 2020 with 59 branches benefiting from clean energy credits by 3 solar farms in Minas Gerais, Rio de Janeiro, and Pernambuco. We also had a strong progress in generation through the installation of photovoltaic units in our own units (Car Rental and Seminovos). With the strong progress of the project in the second half of 2020, in December we generated twice as much energy as we generated in January, totaling more than 1.9 MWh of clean energy generation for the branches in the year.

— *Social* —



- Localiza became a signatory to the LGBTI+ Business and Rights Forum (Fórum de Empresas e Direitos LGBTI+) and received the Great Place to Work seal.
- We launched Localiza Diversity and Inclusion Program with the aspiration to evolve in this area, building an even stronger culture of welcoming and equal opportunities, highlighting that “Diversity Makes a Difference”. Five affinity groups were created: Gender Equity, LGBTI+, Migrants and People in Refuge, People with Disabilities and Race, there are more than 500 employees actively participating in the groups.
- The company allocated R\$ 16 million in its own initiatives and partnerships with other companies and NGOs, including three fronts that were mostly impacted by the pandemic: public health, vulnerable communities, and small and medium entrepreneurs. Among the actions, there is a donation for research of one of the vaccines against Covid-19. In addition, the company lent more than 180 cars to contribute to the mobility of NGOs and other institutions for activities to mitigate the effects of pandemic. In recognition of Localiza's social effort, the company was among the 60 Largest Donor Companies in the country by Forbes Brasil.

● Governance



- As of December 2020, we had 95% of employees trained in the Code of Ethics and Conduct that guides the attitude of employees in internal relationships also with customers, franchisees, suppliers, partners, communities, and other interested parties.
- The company was certified by ISO 37001, attesting the quality of its actions against bribery, based on a culture of integrity, transparency, and compliance.
- Our Board of Directors became even more diverse and independent.
- Governance on the topic of Sustainability also advanced further. In addition to the committee, three work fronts were created and made official as responsible for ESG themes. All with a member of the executive board as a sponsor, one leader, and a working group.

In 2021, we will revisit our materiality matrix based on the active listening of our main stakeholders, including ESG specialists, with the objective of mapping the most relevant topics considering the impacts of our business and thus defining the priority initiatives to keep moving forward consistently and strategic role in our sustainability actions.

17 – Subsequent events – Businesses combination with Unidas

On February 17, 2021, the Company informed its shareholders and the market that the announcement regarding Concentration Act No. 08700.000149/2021-46, about the proposed combination of the Companies through the merger of Unidas shares by Localiza (“Merger of Shares”), was published on the Brazilian Antitrust Authority (“CADE”) website.

Under the terms of article 88, Paragraph 2 and Paragraph 9, of Law No. 12,529/2011, CADE will have 240 days, extendable for up to 90 additional days, as of the protocol carried out on February 8, 2021, to analyze the proposal for the Merger of Shares. The public version of the notification form is available on the CADE website, where further updates on the evolution of the analysis process can also be obtained.

The prior CADE’s approval is one of the precedent conditions for the closing of the deal.

18 – Results per division

18.1 –Table 1 – Car Rental – R\$ million

The Company has a franchising division responsible for franchising the Car Rental brand. This segment does not meet the quantitative criteria required by IFRS / CPC for reportable segments and, therefore, started to be presented, from 2020, together with the Car Rental segment. The information for previous years shown in the table has been restated for comparative purposes.

CAR RENTAL RESULTS	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	Var.	4Q19 with reclassification of PIS/COFINS credits	4Q20	Var.
Car rental and franchising gross revenues, net of discounts and cancellations	1,504.9	1,916.3	1,916.3	2,588.9	3,367.4	3,367.4	3,475.2	3.2%	998.9	1,119.1	12.0%
Taxes on revenues (*)	(59.9)	(51.3)	(51.3)	(52.4)	(44.5)	(318.8)	(330.2)	3.6%	(94.9)	(105.9)	11.6%
Car rental net revenues	1,445.0	1,865.0	1,865.0	2,536.5	3,322.9	3,048.6	3,145.0	3.2%	904.0	1,013.2	12.1%
Car rental and franchising costs	(717.1)	(935.3)	(878.6)	(1,187.7)	(1,484.5)	(1,112.0)	(1,124.3)	1.1%	(316.6)	(382.0)	20.3%
Gross profit	727.9	929.7	986.4	1,348.8	1,838.4	1,936.6	2,020.7	4.3%	587.4	632.2	7.6%
Operating expenses (SG&A)	(260.3)	(349.0)	(334.1)	(437.8)	(544.0)	(544.0)	(595.4)	9.4%	(167.3)	(215.0)	28.5%
Other assets depreciation and amortization	(24.4)	(24.2)	(24.2)	(27.1)	(31.1)	(108.8)	(120.7)	10.9%	(29.9)	(30.6)	2.3%
Operating profit before financial results and taxes (EBIT)	443.2	556.5	627.1	883.9	1,263.3	1,283.8	1,304.6	1.6%	390.2	386.6	-0.9%
Financial expenses, net	0.7	(3.5)	(3.5)	(22.4)	(12.1)	(42.3)	(43.3)	2.4%	(11.5)	(9.1)	-20.9%
Income tax and social contribution	(97.4)	(124.6)	(140.1)	(219.5)	(284.9)	(348.7)	(348.7)	23.7%	(89.9)	(118.5)	31.8%
Net income for the period	346.5	428.4	483.5	642.0	966.3	959.5	912.6	-4.9%	288.8	259.0	-10.3%
Net Margin	24.0%	23.0%	25.9%	25.3%	29.1%	31.5%	29.0%	-2.5 p.p.	31.9%	25.6%	-6.3 p.p.
EBITDA	467.6	580.7	651.3	911.0	1,294.4	1,392.6	1,425.3	2.4%	420.1	417.2	-0.7%
EBITDA Margin	32.4%	31.1%	34.9%	35.9%	39.0%	45.7%	45.3%	-0.4 p.p.	46.5%	41.2%	-5.3 p.p.

USED CAR SALES RESULTS (SEMINOVOS)	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	Var.	4Q19 with reclassification of PIS/COFINS credits	4Q20	Var.
Gross revenues, net of discounts and cancellations	1,997.8	2,990.0	2,990.0	3,919.2	5,479.6	5,479.6	5,150.7	-6.0%	1,554.5	1,386.5	-10.8%
Taxes on revenues	(2.7)	(4.9)	(4.9)	(7.4)	(13.8)	(13.8)	(10.0)	-27.5%	(4.4)	(3.5)	-20.5%
Net revenues	1,995.1	2,985.1	2,985.1	3,911.8	5,465.8	5,465.8	5,140.7	-5.9%	1,550.1	1,383.0	-10.8%
Book value of cars sold and preparation for sale	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	(5,037.8)	(4,629.7)	-8.1%	(1,436.6)	(1,150.7)	-19.9%
Gross profit	267.6	381.9	381.9	369.3	425.3	428.0	511.0	19.4%	113.5	232.3	104.7%
Operating expenses (SG&A)	(176.8)	(220.0)	(220.0)	(269.6)	(349.4)	(300.2)	(316.1)	5.3%	(89.4)	(101.3)	13.3%
Cars depreciation	(87.8)	(117.7)	(117.7)	(131.7)	(332.8)	(332.8)	(342.6)	2.9%	(110.9)	(29.6)	-73.3%
Other assets depreciation and amortization	(9.1)	(9.7)	(9.7)	(10.2)	(6.4)	(50.5)	(54.3)	7.5%	(12.9)	(14.8)	14.7%
Operating profit (loss) before financial results and taxes (EBIT)	(6.1)	34.5	34.5	(42.2)	(265.3)	(255.5)	(202.0)	-20.9%	(99.7)	86.6	-186.9%
Financial expenses, net	(174.4)	(229.9)	(229.9)	(266.5)	(247.7)	(264.5)	(261.9)	-1.0%	(79.4)	(43.9)	-44.7%
Income tax and social contribution	37.2	43.9	43.9	77.5	116.8	115.8	158.7	37.0%	42.2	(12.9)	-130.6%
Loss for the period	(143.3)	(151.5)	(151.5)	(231.2)	(396.2)	(404.2)	(305.2)	-24.5%	(136.9)	29.8	-121.8%
Net Margin	-7.2%	-5.1%	-5.1%	-5.9%	-7.2%	-7.4%	-5.9%	1.5 p.p.	-8.8%	2.2%	11.0 p.p.
EBITDA	90.8	161.9	161.9	99.7	75.9	127.8	194.9	52.5%	24.1	131.0	443.6%
EBITDA Margin	4.6%	5.4%	5.4%	2.5%	1.4%	2.3%	3.8%	1.5 p.p.	1.6%	9.5%	7.9 p.p.

CAR RENTAL TOTAL FIGURES	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	Var.	4Q19 with reclassification of PIS/COFINS credits	4Q20	Var.
Car rental and franchising gross revenues, net of discounts and cancellations	1,504.9	1,916.3	1,916.3	2,588.9	3,367.4	3,367.4	3,475.2	3.2%	998.9	1,119.1	12.0%
Car sales for fleet renewal - gross revenues, net of discounts and cancellations	1,997.8	2,990.0	2,990.0	3,919.2	5,479.6	5,479.6	5,150.7	-6.0%	1,554.5	1,386.5	-10.8%
Total gross revenues	3,502.7	4,906.3	4,888.7	6,508.1	8,847.0	8,847.0	8,625.9	-2.5%	2,553.4	2,505.6	-1.9%
Taxes on revenues	(59.9)	(51.3)	(51.3)	(52.4)	(44.5)	(318.8)	(330.2)	3.6%	(94.9)	(105.9)	11.6%
Car rental and franchising (*)	(2.7)	(4.9)	(4.9)	(7.4)	(13.8)	(13.8)	(10.0)	-27.5%	(4.4)	(3.5)	-20.5%
Car sales for fleet renewal	1,445.0	1,865.0	1,865.0	2,536.5	3,322.9	3,048.6	3,145.0	3.2%	904.0	1,013.2	12.1%
Car sales for fleet renewal - net revenues	1,995.1	2,985.1	2,985.1	3,911.8	5,465.8	5,465.8	5,140.7	-5.9%	1,550.1	1,383.0	-10.8%
Total net revenues	3,440.1	4,850.1	4,833.6	6,448.3	8,788.7	8,514.4	8,285.7	-2.7%	2,454.1	2,396.2	-2.4%
Direct costs	(717.1)	(935.3)	(870.7)	(1,187.7)	(1,484.5)	(1,112.0)	(1,124.3)	1.1%	(316.6)	(381.0)	20.3%
Car sales for fleet renewal	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	(5,037.8)	(4,629.7)	-8.1%	(1,436.6)	(1,150.7)	-19.9%
Gross profit	995.5	1,311.6	1,359.7	1,718.1	2,263.7	2,364.6	2,531.7	7.1%	700.9	864.5	23.3%
Operating expenses (SG&A)	(260.3)	(349.0)	(332.3)	(437.8)	(544.0)	(544.0)	(595.4)	9.4%	(167.3)	(215.0)	28.5%
Car rental	(176.8)	(220.0)	(220.0)	(269.6)	(349.4)	(300.2)	(316.1)	5.3%	(89.4)	(101.3)	13.3%
Car sales for fleet renewal	(87.8)	(117.7)	(117.7)	(131.7)	(332.8)	(332.8)	(342.6)	2.9%	(110.9)	(29.6)	-73.3%
Cars depreciation	(9.1)	(9.7)	(9.7)	(10.2)	(6.4)	(50.5)	(54.3)	7.5%	(12.9)	(14.8)	14.7%
Other assets depreciation and amortization	(24.4)	(24.2)	(24.2)	(27.1)	(31.1)	(108.8)	(120.7)	10.9%	(29.9)	(30.6)	2.3%
Car sales for fleet renewal	(9.1)	(9.7)	(9.7)	(10.2)	(6.4)	(50.5)	(54.3)	7.5%	(12.9)	(14.8)	14.7%
Operating profit before financial results and taxes (EBIT)	437.1	591.0	656.4	841.7	998.0	1,028.3	1,102.6	7.2%	290.5	473.2	62.9%
Financial expenses, net	(173.7)	(233.4)	(233.2)	(288.9)	(259.8)	(306.8)	(305.2)	-0.5%	(90.9)	(53.0)	-41.7%
Income tax and social contribution	(60.2)	(80.7)	(95.0)	(142.0)	(168.1)	(166.2)	(190.0)	14.3%	(47.7)	(131.4)	175.5%
Net income for the period	203.2	276.9	326.2	410.8	570.1	555.3	607.4	9.4%	151.9	288.8	90.1%
Net margin	5.9%	5.7%	6.7%	6.4%	6.5%	6.5%	7.3%	0.8 p.p.	6.2%	12.1%	5.9 p.p.
EBITDA	558.4	742.6	807.4	1,010.7	1,370.3	1,520.4	1,620.2	6.6%	444.2	548.2	23.4%
EBITDA margin	16.2%	15.3%	16.7%	15.7%	15.6%	17.9%	19.6%	1.7 p.p.	18.1%	22.9%	4.8 p.p.

CAR RENTAL OPERATING DATA	2016	2017	2017 adjusted	2018	2019	2019	2020	Var.	4Q19	4Q20	Var.
Average operating fleet	70,185	94,194	94,194	130,058	173,649	173,649	200,742	15.6%	201,559	193,782	-3.9%
Average rented fleet	51,515	69,762	69,762	97,245	128,718	128,718	140,151	8.9%	150,417	156,615	4.1%
Average operating fleet age (in months)	7.9	6.5	6.5	7.2	7.0	7.0	10.0	42.9%	6.7	11.6	73.1%
End of period fleet	94,156	135,578	135,578	177,672	135,578	135,578	216,334	59.6%	238,174	216,334	-9.2%
Number of rental days - in thousands (net of fleet replacement service)	18,662.4	25,263.6	25,263.6	35,284.5	46,745.9	46,745.9	50,446.5	7.9%	13,770.5	13,985.2	1.6%
Average daily rental revenues per car (R\$)	79.67	75.16	75.16	72.86	71.57	71.57	68.52	-4.3%	72.15	79.63	10.4%
Annualized average depreciation per car (R\$)	1,251.2	1,250.1	1,250.1	1,012.4	1,917.6	1,917.6	1,706.8	-11.0%	2,206.5	611.6	-72.3%
Utilization rate (Does not include cars in preparation and decommissioning)	78.0%	78.6%	78.6%	79.6%	79.1%	79.1%	73.5%	-5.6 p.p.	79.1%	84.5%	5.4 p.p.
Number of cars purchased	76,071	114,966	114,966	139,273	192,292	192,292	92,801	-51.7%	56,586	37,415	-33.9%
Number of cars sold	57,596	76,901	76,901	94,945	128,677	128,677	113,346	-11.9%	35,104	27,636	-21.3%
Average sold fleet age (in months)	16.8	14.3	14.3	14.7	15.2	15.2	16.9	11.2%	14.8	17.5	18.2%
Average total fleet	80,765	107,997	107,997	150,045	201,791	201,791	221,895	10.0%	235,090	210,880	-10.3%
Average value of total fleet - R\$ million	2,790.2	4,100.6	4,100.6	6,005.7	8,652.7	8,652.7	9,951.6	15.0%	10,405.4	9,705.4	-6.7%
Average value per car in the period - R\$ thsd	34.5	38.0	38.0	40.0	42.9	42.9	44.8	4.4%	44.3	46.0	3.8%

(*) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income tax line and started to be recorded in the rental cost line.

18.2 – Table 2 – Fleet Rental – R\$ million

FLEET RENTAL RESULTS	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	Var.	4Q19 with reclassification of PIS/COFINS credits	4Q20	Var.
Fleet rental gross revenues, net of discounts and cancellations	664.1	757.4	757.4	857.8	1,039.1	1,039.1	1,163.7	12.0%	278.7	300.0	7.6%
Taxes on revenues (*)	(12.3)	(15.3)	(15.3)	(9.0)	(15.2)	(98.8)	(110.2)	11.5%	(26.6)	(28.4)	6.8%
Fleet rental net revenues	651.8	742.1	742.1	848.8	1,023.9	940.3	1,053.5	12.0%	252.1	271.6	7.7%
Fleet rental costs	(193.7)	(220.4)	(220.1)	(245.9)	(304.1)	(220.5)	(221.5)	0.5%	(57.5)	(69.2)	20.3%
Gross profit	458.1	521.7	522.0	602.9	719.8	719.8	832.0	15.6%	194.6	202.4	4.0%
Operating expenses (SG&A)	(37.9)	(65.4)	(62.3)	(59.6)	(83.6)	(83.2)	(69.7)	-16.2%	(25.4)	(27.1)	6.7%
Other assets depreciation and amortization	(2.9)	(3.5)	(3.5)	(4.9)	(5.3)	(5.7)	(8.4)	47.4%	(1.4)	(2.2)	57.1%
Operating profit before financial results and taxes (EBIT)	417.3	452.8	456.2	538.4	630.9	630.9	753.9	19.5%	167.8	173.1	3.2%
Financial expenses, net	(1.1)	(1.6)	(1.6)	(0.5)	(0.6)	(0.7)	(0.5)	-28.6%	(0.2)	(0.1)	-50.0%
Income tax and social contribution	(90.4)	(102.8)	(103.6)	(136.5)	(143.5)	(140.3)	(228.1)	62.6%	(39.3)	(50.6)	28.8%
Net income for the period	325.8	348.4	351.0	401.4	486.8	489.9	525.3	7.2%	128.3	122.4	-4.6%
Net Margin	50.0%	46.9%	47.3%	47.3%	47.5%	52.1%	49.9%	-2.2 p.p.	50.9%	45.1%	-5.8 p.p.
EBITDA	420.2	456.3	459.7	543.3	636.2	636.2	762.3	19.7%	169.2	175.3	3.6%
EBITDA Margin	64.5%	61.5%	61.9%	64.0%	62.1%	67.7%	72.4%	4.7 p.p.	67.1%	64.5%	-2.6 p.p.

USED CAR SALES RESULTS (SEMINOVOS)	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	Var.	4Q19 with reclassification of PIS/COFINS credits	4Q20	Var.
Gross revenues, net of discounts and cancellations	347.8	466.5	466.5	599.5	742.4	742.4	969.2	30.5%	234.6	207.9	-11.4%
Taxes on revenues	(0.4)	(0.4)	(0.4)	(0.9)	(1.5)	(1.5)	(0.8)	-46.7%	(0.4)	(0.4)	0.0%
Net revenues	347.4	466.1	466.1	598.6	740.9	740.9	968.4	30.7%	234.2	207.5	-11.4%
Book value of cars sold and preparation for sale	(279.4)	(392.1)	(392.1)	(525.9)	(650.2)	(650.1)	(832.0)	28.0%	(206.3)	(165.1)	-20.0%
Gross profit	68.0	74.0	74.0	72.7	90.7	90.8	136.4	50.2%	27.9	42.4	52.0%
Operating expenses (SG&A)	(31.0)	(32.7)	(32.7)	(36.6)	(41.4)	(35.0)	(50.8)	45.1%	(11.7)	(13.4)	14.5%
Cars depreciation	(118.5)	(114.3)	(114.3)	(159.9)	(218.7)	(218.7)	(130.4)	-40.4%	(60.3)	(27.7)	-54.1%
Other assets depreciation and amortization	(1.8)	(1.7)	(1.7)	(1.7)	(1.5)	(6.7)	(10.0)	49.3%	(2.0)	(2.2)	10.0%
Operating profit (loss) before financial results and taxes (EBIT)	(83.3)	(74.7)	(74.7)	(125.5)	(170.9)	(169.6)	(54.8)	-67.7%	(46.1)	(0.9)	-98.0%
Financial expenses, net	(68.7)	(80.0)	(80.0)	(79.6)	(100.2)	(102.3)	(68.7)	-32.8%	(21.4)	(11.9)	-44.4%
Income tax and social contribution	32.3	35.1	35.1	52.0	61.7	60.6	39.0	-35.6%	15.7	3.4	-78.3%
Loss for the period	(119.7)	(119.6)	(119.6)	(153.1)	(209.4)	(211.3)	(84.5)	-60.0%	(51.8)	(9.4)	-81.9%
Net Margin	-34.5%	-25.7%	-25.7%	-25.6%	-28.3%	-28.3%	19.8 p.p.	-4.5%	-22.1%	-4.5%	17.6 p.p.
EBITDA	37.0	41.3	41.3	49.3	49.3	55.8	85.6	53.4%	16.2	29.0	79.0%
EBITDA Margin	10.7%	8.9%	8.9%	6.0%	6.7%	7.5%	8.8%	1.3 p.p.	6.9%	14.0%	7.1 p.p.

FLEET RENTAL TOTAL FIGURES	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	Var.	4Q19 with reclassification of PIS/COFINS credits	4Q20	Var.
Fleet rental gross revenues, net of discounts and cancellations	664.1	757.4	757.4	857.8	1,039.1	1,039.1	1,163.7	12.0%	278.7	300.0	7.6%
Car sales for fleet renewal - gross revenues, net of discounts and cancellations	347.8	466.5	466.5	599.5	742.4	742.4	969.2	30.5%	234.6	207.9	-11.4%
Total gross revenues	1,011.9	1,223.9	1,223.9	1,457.3	1,781.5	1,781.5	2,132.9	19.7%	513.3	507.9	-1.1%
Taxes on revenues	(12.3)	(15.3)	(15.3)	(9.0)	(15.2)	(98.8)	(110.2)	11.5%	(26.6)	(28.4)	6.8%
Fleet rental (*)	(0.4)	(0.4)	(0.4)	(0.9)	(1.5)	(1.5)	(0.8)	-46.7%	(0.4)	(0.4)	0.0%
Car sales for fleet renewal	651.8	742.1	742.1	848.8	1,023.9	940.3	1,053.5	12.0%	252.1	271.6	7.7%
Car sales for fleet renewal - net revenues	347.4	466.1	466.1	598.6	740.9	740.9	968.4	30.7%	234.2	207.5	-11.4%
Total net revenues (**)	999.2	1,208.2	1,208.2	1,447.4	1,764.8	1,681.2	2,021.9	20.3%	486.3	479.1	-1.5%
Direct costs	(193.7)	(220.4)	(220.1)	(245.9)	(304.1)	(220.5)	(221.5)	0.5%	(57.5)	(69.2)	20.3%
Car sales for fleet renewal	(279.4)	(392.1)	(392.1)	(525.9)	(650.2)	(650.1)	(832.0)	28.0%	(206.3)	(165.1)	-20.0%
Gross profit	526.1	595.7	596.0	675.6	810.5	810.6	968.4	19.5%	222.5	244.8	10.0%
Operating expenses (SG&A)	(37.9)	(65.4)	(62.3)	(59.6)	(83.6)	(83.2)	(69.7)	-16.2%	(25.4)	(27.1)	6.7%
Fleet rental	(31.0)	(32.7)	(32.7)	(36.6)	(41.4)	(35.0)	(50.8)	45.1%	(11.7)	(13.4)	14.5%
Car sales for fleet renewal	(118.5)	(114.3)	(114.3)	(159.9)	(218.7)	(218.7)	(130.4)	-40.4%	(60.3)	(27.7)	-54.1%
Other assets depreciation and amortization	(2.9)	(3.5)	(3.5)	(4.9)	(5.3)	(5.7)	(8.4)	47.4%	(1.4)	(2.2)	57.1%
Car sales for fleet renewal	(1.8)	(1.7)	(1.7)	(1.7)	(1.5)	(6.7)	(10.0)	49.3%	(2.0)	(2.2)	10.0%
Operating profit before financial results and taxes (EBIT)	334.0	378.1	381.5	412.9	460.0	461.3	699.1	51.5%	121.7	172.2	41.5%
Financial expenses, net	(68.8)	(81.6)	(81.6)	(80.1)	(100.8)	(103.0)	(69.2)	-32.8%	(21.6)	(12.0)	-44.4%
Income tax and social contribution	(58.1)	(67.7)	(68.5)	(84.5)	(81.8)	(79.7)	(189.1)	137.3%	(23.6)	(47.2)	100.0%
Net income for the period	206.1	228.8	231.4	248.3	277.4	278.6	440.8	58.2%	76.5	113.0	47.7%
Net margin	20.6%	18.9%	19.2%	17.2%	15.7%	16.6%	21.8%	5.2 p.p.	15.7%	23.6%	7.9 p.p.
EBITDA	457.2	497.6	501.0	579.4	685.5	685.5	847.9	22.5%	185.4	204.3	10.2%
EBITDA margin	45.8%	41.2%	41.5%	40.0%	38.8%	41.2%	41.9%	0.7 p.p.	38.1%	42.6%	4.5 p.p.

OPERATING DATA	2016	2017	2017 adjusted	2018	2019	2019	2020	Var.	4Q19	4Q20	Var.
Average operating fleet	31,908	36,804	36,804	44,404	55,726	55,726	59,801	7.3%	61,330	58,017	-5.4%
Total Average rented fleet	31,222	35,424	35,424	42,321	53,029	53,029	59,244	11.7%	57,582	60,530	5.1%
Average rented fleet	31,222	35,424	35,424	42,321	53,029	53,029	57,706	8.8%	57,582	56,858	-1.3%
Average rented fleet - Car Rental fleet replacement	-	-	-	-	-	-	1,538	-	-	3,672	-
Average operating fleet age (in months)	18.0	18.1	18.1	15.1	15.1	15.1	17.4	15.2%	14.7	19.1	29.9%
End of period fleet											
Rented Fleet	34,960	44,877	44,877	54,430	68,957	68,957	61,657	-10.6%	68,957	61,657	-10.6%
Managed Fleet	145	94	94	57	32	32	105	228.1%	32	105	228.1%
Number of rental days - in thousands	11,240.0	12,752.7	12,752.7	15,235.7	19,090.5	19,090.5	21,328.0	11.7%	5,182.4	5,447.7	5.1%
Average daily rental revenues per car (R\$)	58.23	58.77	58.77	55.62	53.92	53.92	53.81	-0.2%	53.09	54.31	2.3%
Annualized average depreciation per car (R\$)	3,714.0	3,104.3	3,104.3	3,601.1	3,923.4	3,923.4	2,178.9	-44.5%	3,928.9	1,907.0	-51.5%
Utilization rate (Does not include cars in preparation and decommissioning) (**)(***)	98.9%	98.2%	98.2%	96.8%	96.6%	96.6%	97.4%	0.8 p.p.	95.6%	98.8%	3.2 p.p.
Number of cars purchased	11,762	20,286	20,286	26,148	31,242	31,242	16,578	-46.9%	7,677	5,333	-30.5%
Number of cars sold	10,853	13,653	13,653	16,334	19,238	19,238	22,144	15.1%	6,261	4,221	-32.6%
Average sold fleet age (in months)	31.4	31.8	31.8	31.2	28.6	28.6	28.9	1.0%	29.4	29.7	1.0%
Average total fleet	33,436	39,605	39,605	48,776	61,374	61,374	63,919	4.1%	69,243	60,940	-12.0%
Average value of total fleet - R\$ million	1,130.4	1,482.5	1,482.5	1,943.1	2,520.6	2,520.6	2,812.1	11.6%	2,884.0	2,768.1	-4.0%
Average value per car in the period - R\$ thsd	33.8	37.4	37.4	39.8	41.1	41.1	44.0	7.2%	41.6	45.4	9.1%

(*) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income tax line and started to be recorded in the rental cost line.

(**) The 2015 utilization rate was calculated only on the basis of the fourth quarter of 2015.

(***) Does not include replacement service from Car Rental

18.3 – Table 3 – Consolidated – R\$ million

CONSOLIDATED RESULTS	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020	Var.	4Q19 with reclassification of PIS/COFINS credits	4Q20	Var.
Car rental and franchising gross revenues, net of discounts and cancellations	1,504.9	1,916.3	1,916.3	2,588.9	3,367.4	3,367.4	3,475.2	3.2%	998.9	1,119.1	12.0%
Fleet Rental gross revenues, net of discounts and cancellations	664.1	757.4	757.4	857.8	1,039.1	1,039.1	1,163.7	12.0%	278.7	300.0	7.6%
Car and Fleet Rentals and Franchising total gross revenues	2,169.0	2,673.7	2,673.7	3,446.7	4,406.5	4,406.5	4,638.9	5.3%	1,277.6	1,419.1	11.1%
Taxes on revenues - Car and Fleet Rentals and Franchising (*)	(72.2)	(66.6)	(66.6)	(61.4)	(59.7)	(417.6)	(440.4)	5.5%	(121.5)	(134.3)	10.5%
Car and Fleet Rentals and Franchising net revenues	2,096.8	2,607.1	2,607.1	3,385.3	4,346.8	3,988.9	4,198.5	5.3%	1,156.1	1,284.8	11.1%
Car sales gross revenues											
Car sales for fleet renewal - Car Rental, net of discounts and cancellations	1,997.8	2,990.0	2,990.0	3,919.2	5,479.6	5,479.6	5,150.7	-6.0%	1,554.5	1,386.5	-10.8%
Car sales for fleet renewal - Fleet Rental, net of discounts and cancellations	347.8	466.5	466.5	599.5	742.4	742.4	969.2	30.5%	234.6	207.9	-11.4%
Car sales for fleet renewal - total gross revenues (*)	2,345.6	3,456.5	3,456.5	4,518.7	6,222.0	6,222.0	6,119.9	-1.6%	1,789.1	1,594.4	-10.9%
Taxes on revenues - Car sales for fleet renewal	(3.1)	(5.3)	(5.3)	(8.3)	(15.3)	(15.3)	(10.8)	-29.4%	(4.8)	(3.9)	-18.8%
Car sales for fleet renewal - net revenues	2,342.5	3,451.2	3,451.2	4,510.4	6,206.7	6,206.7	6,109.1	-1.6%	1,784.3	1,590.5	-10.9%
Total net revenues	4,439.3	6,058.3	6,058.3	7,895.7	10,553.5	10,195.6	10,307.6	1.1%	2,940.4	2,875.3	-2.2%
Direct costs and expenses:											
Car rental and franchising	(717.1)	(935.3)	(879.6)	(1,187.7)	(1,484.5)	(1,112.0)	(1,124.3)	1.1%	(316.6)	(381.0)	20.3%
Fleet Rental	(193.7)	(220.4)	(220.1)	(245.9)	(304.1)	(220.5)	(221.5)	0.5%	(57.5)	(69.2)	20.3%
Total Car and Fleet Rentals and Franchising	(910.8)	(1,155.7)	(1,099.7)	(1,433.6)	(1,788.6)	(1,332.5)	(1,345.8)	1.0%	(374.1)	(450.2)	20.3%
Car sales for fleet renewal - Car rental	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	(5,037.8)	(4,629.7)	-8.1%	(1,436.6)	(1,150.7)	-19.9%
Car sales for fleet renewal - Fleet Rental	(279.4)	(392.1)	(392.1)	(625.9)	(650.2)	(650.1)	(832.0)	28.0%	(206.3)	(165.1)	-20.0%
Total Car sales for fleet renewal (book value) and preparation for sale	(2,006.9)	(2,995.3)	(2,995.3)	(4,068.4)	(5,690.7)	(5,687.9)	(5,461.7)	-4.0%	(1,642.9)	(1,315.8)	-19.9%
Total costs	(2,917.7)	(4,151.0)	(4,095.0)	(5,502.0)	(7,479.3)	(7,020.4)	(6,807.5)	-3.0%	(2,017.0)	(1,766.0)	-12.4%
Gross profit	1,521.6	1,907.3	1,963.3	2,393.7	3,074.2	3,175.2	3,500.1	10.2%	923.4	1,109.3	20.1%
Operating expenses											
Advertising, promotion and selling:											
Car rental and franchising	(149.2)	(200.7)	(194.4)	(285.8)	(357.3)	(357.3)	(460.3)	28.8%	(110.6)	(127.1)	14.9%
Fleet Rental	(14.0)	(18.8)	(18.8)	(27.7)	(36.0)	(35.6)	(38.2)	7.3%	(9.5)	(10.5)	10.5%
Car sales for fleet renewal	(191.6)	(232.3)	(232.3)	(279.5)	(357.1)	(301.6)	(328.4)	8.9%	(68.8)	(102.5)	15.4%
Total advertising, promotion and selling	(354.8)	(451.8)	(445.5)	(593.0)	(750.4)	(694.5)	(826.9)	19.1%	(208.9)	(240.1)	14.9%
General, administrative and other expenses	(151.2)	(215.3)	(203.6)	(210.6)	(268.0)	(267.9)	(205.1)	-23.4%	(84.8)	(116.7)	37.3%
Total Operating expenses	(506.0)	(667.1)	(649.1)	(803.6)	(1,018.4)	(962.4)	(1,032.0)	7.2%	(293.8)	(356.8)	21.4%
Depreciation expenses:											
Cars depreciation:											
Car rental	(87.8)	(117.7)	(117.7)	(131.7)	(332.8)	(332.8)	(342.6)	2.9%	(110.9)	(29.6)	-73.3%
Fleet Rental	(118.5)	(114.3)	(114.3)	(159.9)	(218.7)	(218.7)	(130.4)	-40.4%	(60.3)	(27.7)	-54.1%
Total cars depreciation expenses	(206.3)	(232.0)	(232.0)	(291.6)	(551.5)	(551.5)	(473.0)	-14.2%	(171.2)	(57.3)	-66.5%
Other assets depreciation and amortization	(38.2)	(39.1)	(39.1)	(43.9)	(46.3)	(171.7)	(193.4)	12.6%	(46.2)	(49.8)	7.8%
Total depreciation and amortization expenses	(244.5)	(271.1)	(271.1)	(335.5)	(597.8)	(723.2)	(666.4)	-7.9%	(217.4)	(107.1)	-50.7%
Operating profit before financial results and taxes (EBIT)	771.1	969.1	1,043.1	1,254.6	1,458.0	1,489.6	1,801.7	21.0%	412.2	645.4	56.6%
Financial expenses, net:											
Expense	(445.5)	(511.9)	(511.9)	(536.8)	(591.2)	(630.0)	(512.4)	-18.7%	(155.9)	(113.4)	-27.3%
Income	202.0	196.9	196.9	167.9	230.6	220.2	138.0	-37.3%	43.4	48.4	11.5%
Financial (expenses) revenues, net	(243.5)	(315.0)	(315.0)	(368.9)	(360.6)	(409.8)	(374.4)	-8.6%	(112.5)	(65.0)	-42.2%
Income before tax and social contribution	527.6	654.1	728.1	885.7	1,097.4	1,079.8	1,427.3	32.2%	299.7	580.4	93.7%
Income tax and social contribution	(118.3)	(148.4)	(164.7)	(226.5)	(249.9)	(245.9)	(379.1)	54.2%	(71.3)	(178.6)	150.5%
Net income for the period	409.3	505.7	563.4	659.2	847.5	833.9	1,048.2	25.7%	228.4	401.8	75.9%
EBITDA	1,015.6	1,240.2	1,314.2	1,590.1	2,055.8	2,212.8	2,468.1	11.5%	629.6	752.5	19.5%
EBIT	771.1	969.1	1,043.1	1,254.6	1,458.0	1,489.6	1,801.7	21.0%	412.2	645.4	56.6%
Consolidated EBIT Margin (calculated over rental revenues)	36.8%	37.2%	40.0%	37.1%	33.5%	37.3%	42.9%	5.6 p.p.	35.7%	50.2%	14.6 p.p.
Car and Fleet Rentals and Franchising EBITDA	887.8	1,037.0	1,111.0	1,454.3	1,930.6	2,029.2	2,187.6	7.8%	589.3	592.5	0.5%
EBITDA Margin	42.3%	39.8%	42.6%	43.0%	44.4%	50.9%	52.1%	1.2 p.p.	51.0%	46.1%	-4.9 p.p.
Used Car Sales (Seminovos) EBITDA	127.8	203.2	203.2	135.8	125.2	183.6	280.5	52.8%	40.3	160.0	297.0%
EBITDA Margin	5.5%	5.9%	5.9%	3.0%	2.0%	3.0%	4.6%	1.6 p.p.	2.3%	10.1%	7.8 p.p.

(*) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income tax line and

19 – Table 4 – Operating data

SELECTED OPERATING DATA	2016	2017	2018	2019	2020	Var.	4Q19	4Q20	Var.
Average operating fleet:									
Car Rental	70,185	94,194	130,058	173,649	200,742	15.6%	201,559	193,782	-3.9%
Fleet Rental	31,908	36,804	44,404	55,726	59,801	7.3%	61,330	58,017	-5.4%
Total	102,093	130,998	174,462	229,375	260,543	13.6%	262,889	251,799	-4.2%
Average rented fleet:									
Car Rental	51,515	69,762	97,245	128,718	140,151	8.9%	150,417	156,615	4.1%
Fleet Rental	31,222	35,424	42,321	53,029	59,244	11.7%	57,582	60,530	5.1%
Total	82,737	105,186	139,566	181,747	199,395	9.7%	207,999	217,145	4.4%
Average age of operating fleet (months)									
Car Rental	7.9	6.5	7.2	7.0	10.0	42.9%	6.7	11.6	73.1%
Fleet Rental	18.0	18.1	15.1	15.1	17.4	15.2%	14.7	19.1	29.9%
Average age of total operating fleet	11.0	9.8	9.3	9.0	11.7	30.0%	8.6	13.4	55.8%
Fleet at end of period:									
Car Rental	94,156	135,578	177,672	238,174	216,334	-9.2%	238,174	216,334	-9.2%
Fleet Rental	34,960	44,877	54,430	68,957	61,657	-10.6%	68,957	61,657	-10.6%
Total	129,116	180,455	232,102	307,131	277,991	-9.5%	307,131	277,991	-9.5%
Managed fleet at end period - Fleet Rental	145	94	57	32	105	228.1%	32	105	228.1%
Fleet investment (R\$ million) (does not include accessories)									
Car Rental	2,782.2	4,581.8	5,785.2	8,802.1	4,541.9	-48.4%	2,748.6	2,091.6	-23.9%
Fleet Rental	503.4	881.5	1,189.2	1,472.6	975.7	-33.7%	382.1	348.3	-8.8%
Total	3,285.6	5,463.3	6,974.4	10,274.7	5,517.6	-46.3%	3,130.7	2,439.9	-22.1%
Number of rental days (In thousands):									
Car Rental - Total	18,864.8	25,494.0	35,514.6	47,029.0	51,286.4	9.1%	13,840.9	14,408.5	4.1%
Rental days for Fleet Rental replacement service	(202.4)	(230.4)	(230.1)	(283.0)	(839.9)	196.7%	(70.4)	(423.3)	501.6%
Car Rental - Net	18,662.4	25,263.6	35,284.5	46,745.9	50,446.5	7.9%	13,770.5	13,985.2	1.6%
Fleet Rental	11,240.0	12,752.7	15,235.7	19,090.5	21,328.0	11.7%	5,182.4	5,447.7	5.1%
Total	29,902.4	38,016.3	50,520.2	65,836.5	71,774.5	9.0%	18,952.9	19,432.9	2.5%
Annualized average depreciation per car (R\$)									
Car Rental	1,251.2	1,250.1	1,012.4	1,917.6	1,706.8	-11.0%	2,206.5	611.6	-72.3%
Fleet Rental	3,714.0	3,104.3	3,601.1	3,923.4	2,178.9	-44.5%	3,928.9	1,907.0	-51.5%
Total	2,020.9	1,771.0	1,671.2	2,405.2	1,815.2	-24.5%	2,609.1	910.1	-65.1%
Average annual gross revenues per operating car (R\$ thousand)									
Car Rental	21.2	20.2	19.8	19.3	17.3	-10.2%	20.0	20.7	3.5%
Fleet Rental	20.5	20.4	19.1	18.5	19.2	3.9%	18.2	18.4	1.1%
Average daily rental (R\$)									
Car Rental (*)	79.67	75.16	72.86	71.57	68.52	-4.3%	72.15	79.63	10.4%
Fleet Rental	58.23	58.77	55.62	53.92	53.81	-0.2%	53.09	54.31	2.3%
Utilization rate (does not include cars in preparation and decommissioning):									
Car Rental	78.0%	78.6%	79.6%	79.1%	73.5%	-5.6 p.p.	79.1%	84.5%	5.4 p.p.
Fleet Rental	98.9%	98.2%	96.8%	96.6%	97.4%	0.8 p.p.	95.6%	98.8%	3.2 p.p.
Number of cars purchased - consolidated (**)	87,833	135,252	165,421	223,534	109,379	-51.1%	64,263	42,748	-33.5%
Average price of cars purchased (R\$ thsd) - consolidated	37.41	40.39	42.16	45.96	50.45	9.8%	48.72	57.08	17.2%
Numbers of cars sold - consolidated	68,449	90,554	111,279	147,915	135,490	-8.4%	41,365	31,857	-23.0%
Average price of cars sold (R\$ thsd) (***) - consolidated	31.23	35.38	37.86	39.80	42.47	6.7%	40.82	46.50	13.9%

(*) Not included the rentals for Fleet Rental Division.

(**) Does not include cars from Hertz Brazil in 2017

(***) Net of SG&A expenses related to the sale of cars decommissioned for fleet renewal.

20 – Consolidated financial statements – IFRS – R\$/million

ASSETS	2016	2017	2018	2019 without IFRS 16	2019	2020
CURRENT ASSETS:						
Cash and cash equivalents	1,692.3	1,338.2	2,175.3	2,220.1	2,220.1	2,586.4
Financial assets	-	1,275.7	267.5	610.8	610.8	1,380.2
Trade accounts receivable	424.5	585.1	1,016.5	1,274.7	1,274.7	1,107.5
Derivative financial instruments - swap	2.2	-	-	-	-	154.3
Other current assets	115.0	128.6	182.7	246.8	246.8	300.7
Decommissioning cars to fleet renewal	8.8	103.4	51.8	141.7	141.7	40.5
Total current assets	2,242.8	3,431.0	3,693.8	4,494.1	4,494.1	5,569.6
NON CURRENT ASSETS:						
Long-term assets:						
Marketable securities	-	-	-	-	-	-
Derivative financial instruments - swap	7.4	16.7	2.8	18.2	18.2	353.0
Trade accounts receivable	3.2	4.7	3.8	1.8	1.8	2.0
Escrow deposit	60.1	83.1	96.3	114.6	114.6	113.7
Deferred income tax and social contribution	-	42.0	42.2	32.4	32.4	24.4
Investments in restricted accounts	-	40.6	43.0	22.3	22.3	44.9
Other non current assets	0.1	0.7	0.1	0.1	0.1	0.1
Total long-term assets	70.8	187.8	188.2	189.4	189.4	538.1
Property and equipment						
Cars	4,614.8	6,934.7	9,481.6	13,374.1	13,374.1	12,923.3
Right of use	-	-	-	-	625.0	624.5
Other	405.8	549.3	550.3	570.5	570.5	633.5
Intangible:						
Software and others	61.1	52.8	47.8	49.9	49.9	46.7
Goodwill on acquisition of investments	22.0	30.6	30.7	90.0	90.0	105.4
Total non current assets	5,174.5	7,755.2	10,298.6	14,273.9	14,898.9	14,871.5
TOTAL ASSETS	7,417.3	11,186.2	13,992.4	18,768.0	19,393.0	20,441.1

LIABILITIES AND SHAREHOLDERS' EQUITY	2016	2017	2018	2019 without IFRS 16	2019	2020
CURRENT LIABILITIES:						
Trade accounts payable	910.9	1,331.7	2,202.6	2,565.4	2,565.4	1,661.0
Social and labor obligations	95.0	109.2	135.0	161.8	161.8	218.5
Loans, financing and debentures	654.6	537.2	616.6	144.3	144.3	1,615.0
Lease liability	-	-	-	-	116.0	130.2
Derivative financial instruments - swap	-	6.8	18.7	26.8	26.8	66.4
Income tax and social contribution	23.0	31.3	41.1	58.7	54.6	117.6
Dividends and interest on own capital	39.7	36.4	42.6	63.4	63.4	72.4
Other current liabilities	118.5	181.5	282.8	390.0	390.0	415.3
Total current liabilities	1,841.7	2,234.1	3,339.4	3,410.4	3,522.3	4,296.4
NON CURRENT LIABILITIES:						
Loans, financing and debentures	3,131.3	5,940.5	7,029.4	9,235.1	9,235.1	8,882.7
Lease liability	-	-	-	-	526.8	532.5
Derivative financial instruments - swap	-	10.8	21.9	62.3	62.3	37.2
Provisions	63.1	126.5	148.8	207.2	207.2	158.6
Deferred income tax and social contribution	171.9	219.7	297.3	352.7	352.7	412.1
Restricted Obligations	-	40.6	43.1	22.5	22.5	45.4
Other non current liabilities	12.3	13.3	18.0	16.6	16.6	23.6
Total non current liabilities	3,378.6	6,351.4	7,558.5	9,896.4	10,423.2	10,092.1
Total liabilities	5,220.3	8,585.5	10,897.9	13,306.8	13,945.5	14,388.5
SHAREHOLDERS' EQUITY:						
Capital	976.7	1,500.0	1,500.0	4,000.0	4,000.0	4,000.0
Expenses with share issues	-	-	-	(43.1)	(43.1)	(43.1)
Treasury Shares	-	-	-	-	-	(175.5)
Capital Reserves	34.0	94.9	125.0	163.2	163.2	174.9
Earnings Reserves	1,186.3	1,005.8	1,469.5	1,341.1	1,327.4	2,096.3
Total shareholders' equity	2,197.0	2,600.7	3,094.5	5,461.2	5,447.5	6,052.6
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	7,417.3	11,186.2	13,992.4	18,768.0	19,393.0	20,441.1

21 – Consolidated financial statements – Income statements - R\$/million

STATEMENT OF INCOME	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	2020
Total net revenues	4,439.3	6,058.3	6,058.3	7,895.7	10,553.5	10,195.6	10,307.6
COSTS AND EXPENSES:							
Direct costs	(2,917.7)	(4,151.0)	(4,095.0)	(5,502.0)	(7,479.3)	(7,020.4)	(6,807.5)
Selling, general, administrative and other expenses	(506.0)	(667.1)	(649.1)	(803.6)	(1,018.4)	(962.4)	(1,032.0)
Cars depreciation	(206.3)	(232.0)	(232.0)	(291.6)	(551.5)	(551.5)	(473.0)
Other assets depreciation and amortization	(38.2)	(39.1)	(39.1)	(43.9)	(46.3)	(171.7)	(193.4)
Total costs and expenses	(3,668.2)	(5,089.2)	(5,015.2)	(6,641.1)	(9,095.5)	(8,706.0)	(8,505.9)
Income before financial results and taxes (EBIT)	771.1	969.1	1,043.1	1,254.6	1,458.0	1,489.6	1,801.7
FINANCIAL EXPENSES, NET	(243.5)	(315.0)	(315.0)	(368.9)	(360.6)	(409.8)	(374.4)
Income before taxes	527.6	654.1	728.1	885.7	1,097.4	1,079.8	1,427.3
INCOME TAX AND SOCIAL CONTRIBUTION							
Current	(88.0)	(119.4)	(135.7)	(139.8)	(183.7)	(180.7)	(311.7)
Deferred	(30.3)	(29.0)	(29.0)	(86.7)	(66.2)	(65.2)	(67.4)
	(118.3)	(148.4)	(164.7)	(226.5)	(249.9)	(245.9)	(379.1)
Net income	409.3	505.7	563.4	659.2	847.5	833.9	1,048.2

22 – Statements of Cash Flows – R\$/million

CONSOLIDATED CASH FLOW	2016	2017	2017 adjusted	2018	2019 without IFRS 16	2019	2020
CASH FLOWS FROM OPERATING ACTIVITIES:							
Net income	409.3	505.7	563.4	659.2	847.5	833.9	1,048.2
Adjustments to reconcile net income and cash and cash equivalents provided by operating activities:							
Depreciation and amortization	244.5	271.1	271.1	335.5	597.9	723.1	666.4
Net book value of vehicles written off	2,102.5	3,106.6	3,106.6	4,198.5	5,863.6	5,863.6	5,599.9
Deferred income tax and social contribution	30.3	29.1	29.1	86.7	65.2	65.2	67.4
Interest on loans, financing, debentures and swaps of fixed rates	438.1	476.2	476.2	529.8	552.9	552.9	423.7
Lease interest	-	-	-	-	-	49.40	59.60
Other	26.9	81.7	81.7	87.8	103.6	103.6	9.3
(Increase) decrease in assets:							
Trade receivable	56.8	(151.8)	(151.8)	(489.0)	(275.9)	(275.9)	118.8
Purchases of cars (see supplemental disclosure below)	(3,098.9)	(5,052.4)	(5,052.4)	(6,113.7)	(9,941.4)	(9,941.4)	(6,513.3)
Escrow deposits	(7.2)	(17.5)	(17.5)	(13.1)	(17.9)	(17.9)	0.9
Taxes recoverable	(6.0)	2.6	2.6	3.4	(1.6)	(1.6)	11.5
Prepaid expenses	0.0	2.7	2.7	1.3	(4.9)	(4.9)	(7.9)
Other assets	(3.6)	(8.8)	(8.8)	(71.9)	(44.7)	(44.7)	(44.7)
Increase (decrease) in liabilities:							
Accounts payable (except car manufacturers)	29.6	(4.8)	(4.8)	3.1	21.0	21.0	84.2
Social and labor obligations	9.4	7.5	7.5	25.8	26.8	26.8	56.5
Income tax and social contribution	88.0	119.4	135.7	139.8	184.7	180.7	311.7
Insurance premium	8.6	19.3	19.3	37.0	23.2	23.2	20.8
Other liabilities	(19.5)	40.1	40.1	60.1	52.0	52.0	13.4
Cash provided by (used in) operating activities	308.8	(573.3)	(499.3)	(519.7)	(1,948.0)	(1,791.0)	1,926.4
Income tax and social contribution paid	(93.3)	(108.3)	(108.3)	(131.2)	(146.1)	(146.1)	(250.1)
Interest on loans, financing and debentures paid	(442.3)	(485.7)	(485.7)	(424.7)	(562.2)	(562.2)	(366.9)
Lease interest paid	-	-	-	-	-	(53.5)	(56.8)
Financial assets	-	(1,275.8)	(1,275.8)	1,008.2	(343.4)	(343.4)	(769.4)
Net cash provided by (used in) operating activities	(226.8)	(2,443.1)	(2,369.1)	(67.4)	(2,999.7)	(2,896.2)	483.2
CASH FLOWS FROM INVESTING ACTIVITIES:							
(Investments) withdrawn in marketable securities	-	-	-	-	-	-	-
Acquisition of investment, goodwill and fair value surplus	-	(333.2)	(333.2)	-	(123.7)	(123.7)	(7.9)
Purchases of other property and equipment and addition of intangible assets	(126.6)	(175.0)	(175.0)	(42.8)	(70.0)	(70.0)	(108.0)
Net cash provided by (used in) investing activities	(126.6)	(508.2)	(508.2)	(42.8)	(193.7)	(193.7)	(115.9)
CASH FLOWS FROM FINANCING ACTIVITIES:							
Loans and financings:							
Proceeds	266.3	950.1	950.1	742.8	1,351.5	1,351.5	1,250.2
Repayment	(297.9)	(510.1)	(510.1)	(518.5)	(930.2)	(930.2)	(15.0)
Debentures							
Proceeds	943.4	2,626.9	2,626.9	1,690.7	2,283.7	2,283.7	988.6
Repayment	(105.0)	(355.0)	(355.0)	(815.0)	(975.0)	(975.0)	(1,660.8)
Lease liability:							
Proceeds	-	-	-	-	-	-	-
Repayment	-	-	-	-	-	(103.5)	(119.2)
Capital Increase	-	-	-	-	1,821.6	1,821.6	-
Treasury shares (acquired)/ sold	(25.0)	2.1	2.1	3.20	2.6	2.6	(180.5)
Expenses with issuance of shares.	-	-	-	-	(65.3)	(65.3)	-
Exercise of stock options with treasury shares, net	18.2	50.1	50.1	16.4	25.1	25.1	4.80
Dividends paid	(1.0)	-	-	-	(7.2)	(7.2)	-
Interest on own capital	(138.4)	(166.9)	(166.9)	(172.3)	(268.6)	(268.6)	(269.1)
Net cash provided by (used in) financing activities	660.6	2,597.2	2,597.2	947.3	3,238.2	3,134.7	(1.0)
NET CASH FLOW PROVIDED (USED) IN THE YEAR	307.2	(354.1)	(280.1)	837.1	44.8	44.8	366.3
Cash flow without incurred one-time costs Hertz and franchisees	-	-	(74.0)	-	-	-	-
NET CASH FLOW PROVIDED (USED) IN THE YEAR AFTER ONE TIME COSTS	307.2	(354.1)	(354.1)	837.1	44.8	44.8	366.3
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,385.1	1,692.3	1,692.3	1,338.2	2,175.3	2,175.3	2,220.1
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,692.3	1,338.2	1,338.2	2,175.3	2,220.1	2,220.1	2,586.4
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	307.2	(354.1)	(354.1)	837.1	44.8	44.8	366.3
Supplemental disclosure of cash flow information:							
Cash paid during the period for cars acquisition							
Cars acquisition in the year/period - renewal	(2,563.6)	(3,660.9)	(3,660.9)	(4,696.7)	(6,804.6)	(6,804.6)	(5,524.1)
Cars acquisition in the year/period - growth	(726.0)	(1,807.0)	(1,807.0)	(2,285.1)	(3,478.7)	(3,478.7)	0.0
Suppliers - automakers:							
Balance at the end of the year	782.0	1,197.5	1,197.5	2,065.6	2,407.5	2,407.5	1,418.3
Balance at the beginning of the year	(591.3)	(782.0)	(782.0)	(1,197.5)	(2,065.6)	(2,065.6)	(2,407.5)
Cash paid for cars purchased	(3,098.9)	(5,052.4)	(5,052.4)	(6,113.7)	(9,941.4)	(9,941.4)	(6,513.3)

23 – Glossary and other information

- **Adjusted:** Financials have been recalculated to exclude the impact of incurred one-time costs related with the acquisition of Hertz Brazil and the integration of 20 franchised branches in 2017.
- **Average Rented Fleet:** In the car rental division it is the number of daily rentals in the period divided by the number of days in the period. In the Fleet Rental is the actual number of cars rented.
- **CAGR:** Compounded annual growth rate.
- **CAPEX:** Capital expenditure.
- **Carrying Cost of Cash:** Consists of the cost to maintain minimum cash position. This is the difference between the average rate of fundraising and the average rate of investment.
- **Car depreciation:** Depreciation is calculated based on the expectation of the future sale price net of the selling expenses. The amount to be depreciated is the positive difference between the acquisition price of the vehicle and its estimated residual value. Depreciation is calculated as long as the assets' estimated residual value does not exceed its accounting value. Depreciation is recognized during the estimated life cycle of each asset. In the Car Rental division, depreciation method used is linear. In the Fleet Rental division, depreciation is recorded according to the sum of the years' digits (SOYD) method, which better reflects the consumption pattern of the economic benefits that decrease during the cars' useful life. The residual value is the estimated sale price net of the estimated selling expense.
- **Depreciated cost of used cars sales (book value):** Consists of the acquisition value of vehicles, depreciated up to the date of sale, less the technical discount. The **technical discount** is the discount given to the buyer for any required repairs that were not made. These repair costs are recorded as a charge to operating costs and as a credit to cost of cars sold.
- **EBITDA:** is the net income of the period, added by the income tax, net financial expenses, depreciation, amortization, and exhaustions, as defined by CVM instruction 527/12.
- **EBITDA Margin:** EBITDA divided by the net revenues.
- **EBIT:** is the net income of the period added by the income tax and net financial expenses.
- **EBIT Margin:** EBIT divided by the rental net revenues.
- **IFRS 16:** As of January 1, 2019, all companies had to adapt to the new rules of IFRS 16. Lessees now have to recognize the assets of the rights over leased assets and the liabilities of future payments for medium or long-term leases, including operating leases. The major impact we had was on the real estate lease agreements of our locations and stores.
- **Operating Fleet:** Includes the cars in the fleet from the licensing until they become available for sale.
- **Net debt:** Short and long-term debts +/- the results from the swap operations, net of the cash, cash equivalents and short-term financial investments. The "net debt" term is a Company's measure and cannot be compared with similar terms used by other companies.
- **Net Investment in cars:** Capital investment in cars acquisition, net of the revenues from selling decommissioned cars.
- **NOPAT:** Net operating profit after tax.
- **One-time costs (OTC):** Non-recurring costs and expenses related to the acquisition of Hertz Brazil's operations and the integration of 20 franchised branches.
- **Reclassification of PIS and COFINS credits:** To better reflect the nature of its operating costs, Localiza performed the reclassification of PIS and COFINS credits for the years ended December 31, 2019. The credits were reclassified in the income statement by division and consolidated, from the income tax heading to the cost heading.
- **ROIC:** Return on invested capital.
- **Royalties and integration fee:** Amount calculated on the amounts charged in the rental contracts, for the use of the brand and transfer of know-how, in addition to the fees related to the marketing campaigns conducted by Localiza Franchising; and amount paid by the franchisee shortly after signing the adhesion contract, corresponding to the concession to use the brand.
- **Swap:** Financial transactions carried out to hedge exchange rate and interest rate risks.
- **Utilization Rate:** It is the number of rental days of the period divided by the fleet available for rental multiplied by the number of days of the period and therefore, it does not include cars being prepared or being decommissioned.

24 – 4Q20 Results Conference Call

Date: Friday, February 26, 2021.

Portuguese (with simultaneous translation to English)

12:00 p.m. (BR time)

10:00 a.m. (Eastern time)

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Replay available from February 26 to March 04, 2021.

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This release contains summarized information, with no intention of being complete and must not be considered by shareholders or potential investors as an investment recommendation. Information on Localiza, its activities, its economic and financial situation and the inherent risks associated with its business, as well its financial statements, can be obtained from Localiza's website (www.localiza.com/ri).