

# EARNINGS RELEASE 3Q20



Índice Brasil 50 **IBRX 50**

Índice Carbono Eficiente **ICO2**

Índice de Ações com Tag Along Diferenciada **ITAG**





Dear Investors,

It is with great pride that we present the results of the third quarter of 2020. They demonstrate the resilience, adaptability and boldness of Localiza's team, who overcame the innumerable challenges that pandemic brought to the mobility sector.

In a scenario of uncertainty, our teams were challenged to go beyond in their capacity to inspire and transform. Since the beginning of the pandemic, we have given priority to caring for our employees and our customers and we have ensured that this pillar was paramount in every step of our business. In addition, we have restricted our operations on a temporary basis in several locations, only resuming their activities when we were convinced of the appropriate level of security. We believe in innovation to perpetuate our business and implemented new solutions to adapt ourselves to the new reality.

This environment required agility to make the right decisions, which allowed the recovery of volumes and the acceleration of investments in the development of new solutions. Our culture has strengthened with each challenge and the proof of this is the high performance of our team that is evidenced by another extraordinary result, with quarterly records in Revenue, EBITDA, EBIT and Net Income.

In the **Car Rental** division, we benefited from diversification of segments for a consistently recovery, reaching an average rented fleet of roughly 139 thousand cars, 5.4% greater than 3Q19. In September we returned the level of 152 thousand rented cars, close to the average rented fleet in 1Q20. The average rental rate, significantly impacted in the second quarter, gradually recovered throughout 3Q20, reaching an average of R\$66.80 and resulted in a net revenue practically stable with 3Q19.

The **Fleet Rental** division proved to be resilient and presented a growth of 8.6% in rented fleet volume, compared to the same quarter of the previous year.

From July onward, **Seminovos** returned to pre-pandemic volumes, with 45,536 cars sold and gradual increase in prices over the quarter, resulting in an increase of 23.7% in the sales volume over the same period last year.

The Company's consolidated EBITDA was R\$ 648 million in 3Q20, 19% higher than the same period last year. Net Income was R\$ 325 million, 59% higher than 3Q19.

Following our long-term planning, we accelerated investments in building the future of mobility and announced in the quarter the launch of our subscription car solution. Localiza Meoo brings to the Brazilian market long-term rental through a digital journey, enabling a superior experience and greater convenience. With an exclusive advantage club, the new business is also good for the society, through a partnership with Gerando Falcões project. We believe that Localiza Meoo will allow Localiza to open an important growth avenue.

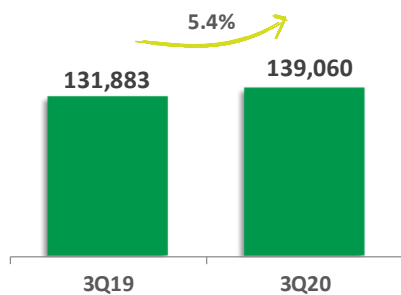
This quarter we also announced the intention to combine our business with Unidas and bring together the best of both companies, increasing individual and corporate access to car rentals and providing the best solutions and experiences to our customers. We remind you that the conclusion of the transaction is subject to approval by the shareholders of both companies at their respective meetings, on November 12, and by CADE.

Our role and commitment with citizenship is vibrant and pulsing in contributing to the transformation of our society. Experiencing another milestone in the subject, we launched the Diversity and Inclusion Program, building an environment where our employees can be and express themselves as they are. We also announced a partnership for the development of a clinical study with the aim of testing the COVAXX vaccine. We were honored to be recognized first in the Época 360º ranking, as the company with the best Corporate Governance in the service sector. We also won, through the Fleet Rental division, the Ecovadis Gold Seal (Selo Ouro Ecovadis), which reinforces our work in defense of sustainable development. Within our evolution process, we started studies to neutralize carbon emissions and became institutional partners of the Ethos Institute's Climate Commitment (Compromisso com o Clima do Instituto Ethos).

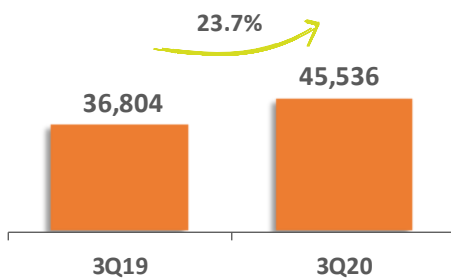
We will continue, with boldness and protagonism, developing new opportunities for growth and value generation.

## 3Q20 OPERATING HIGHLIGHT

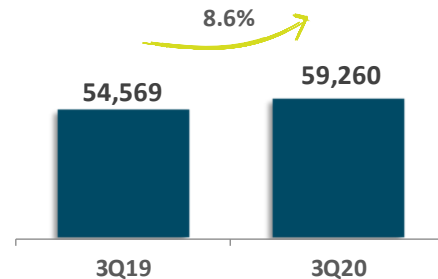
Average rented fleet – Car Rental



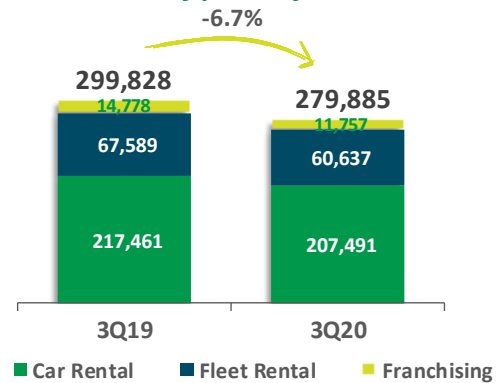
# Cars sold



Average rented fleet – Fleet Rental

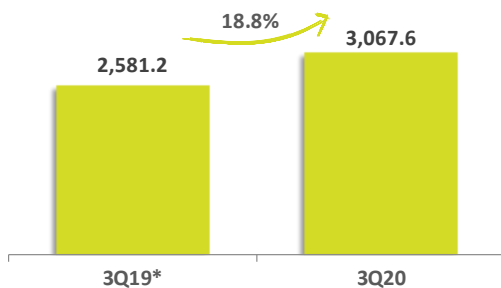


End of period fleet

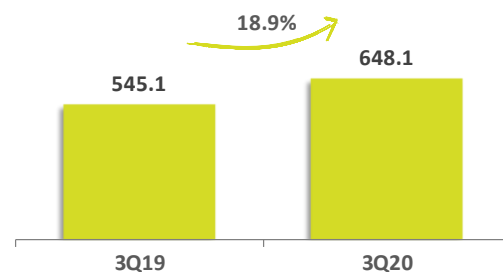


## 3Q20 FINANCIAL HIGHLIGHT

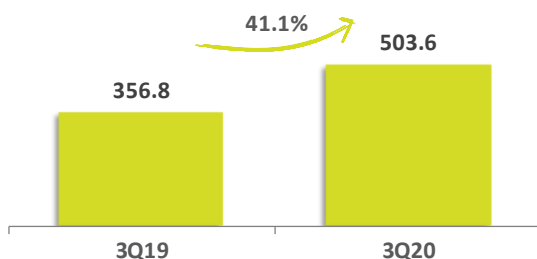
Net revenues (R\$ millions)



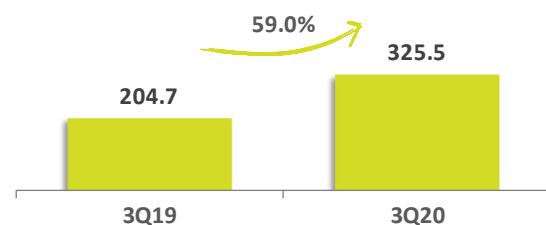
EBITDA (R\$ millions)



EBIT (R\$ millions)



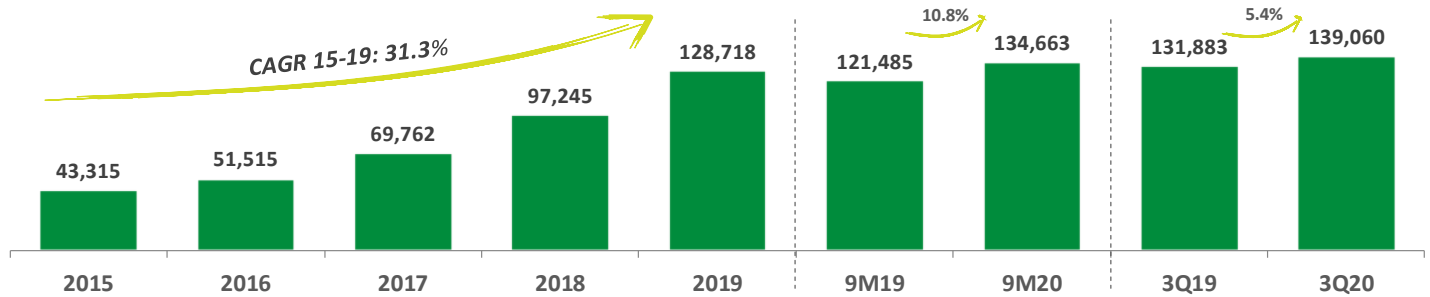
Net Income (R\$ millions)



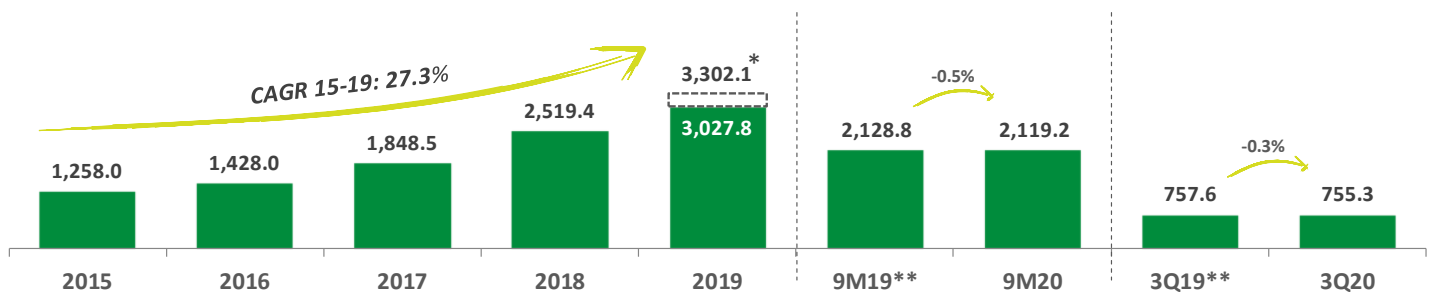
(\*) GAAP number including the effects of the reclassification of PIS and COFINS credits for the period

# 1 - Rent a Car

## Average rented fleet



## Net revenues (R\$ million)



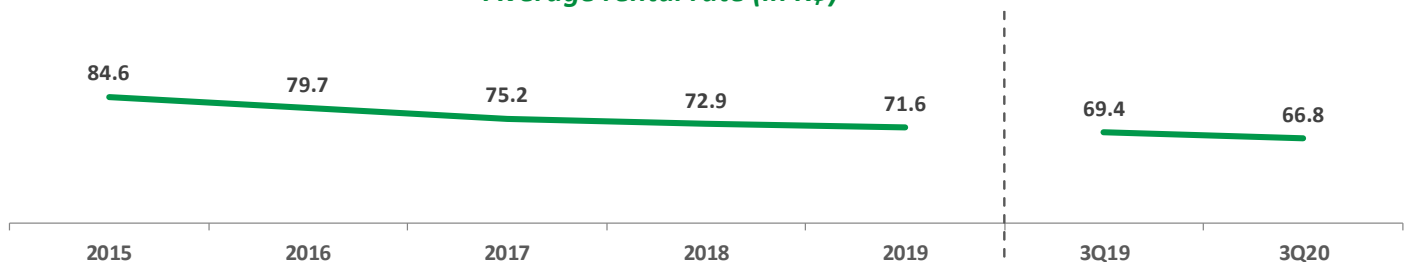
(\*) Excluding the effects of the reclassification of PIS and COFINS credits  
 (\*\*) GAAP number including the reclassification of PIS and COFINS credits for the period

In 3Q20, the **Car Rental** division's average rented fleet increased 5.4% versus 3Q19. In the same period, net revenues reduced 0.3% due to the 3.8% decrease in the average rental rate, which has been recovering consistently.

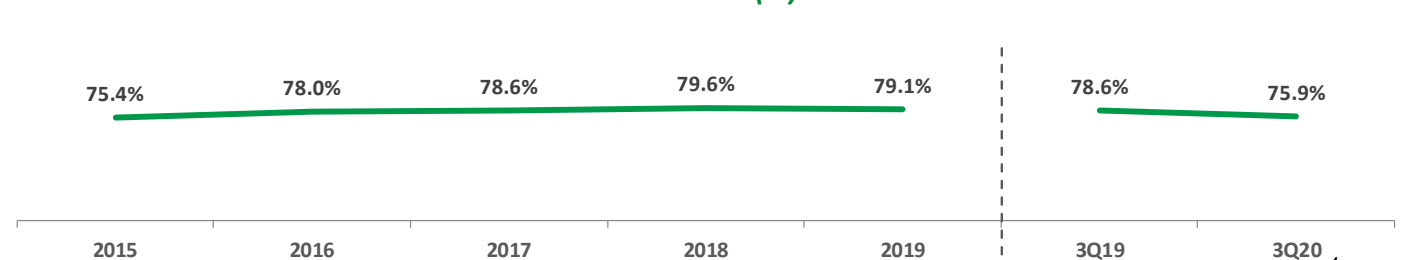
In 9M20, there was an increase of 10.8% in the average rented fleet and a decrease of 0.5% in the revenue of this division, due to the 9.9% decrease in the average rental rate, impacted in 2Q20 by the pandemic.

After the initial impacts of mobility restrictions, we started to gradually reduce discount levels over 2Q20 and by the end of July we had already returned to pre-pandemic price levels in all segments. With the recovery of the volumes, the utilization rate increased over the quarter, reaching more than 80.0% in September.

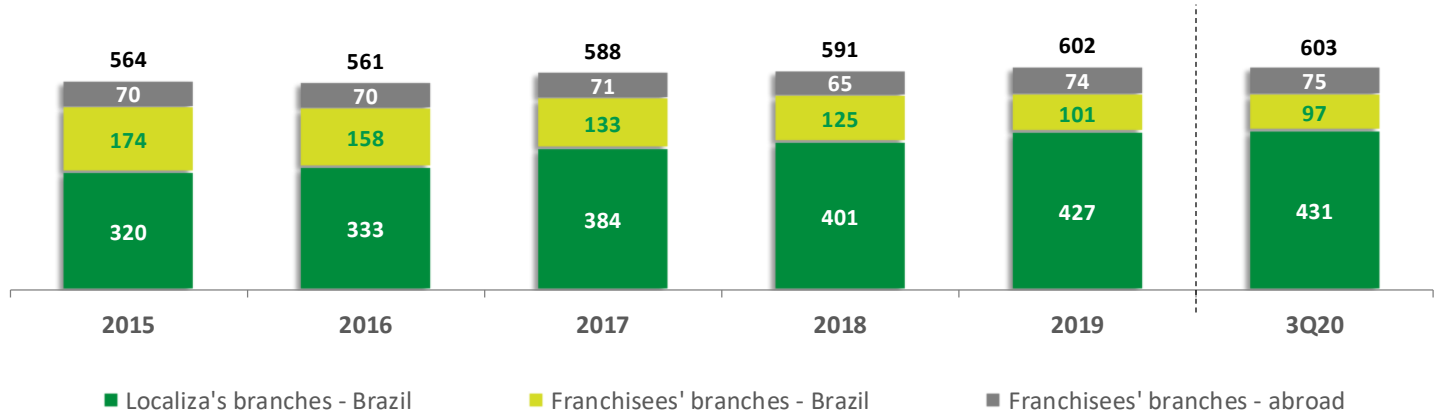
## Average rental rate (in R\$)



## Utilization rate (%)



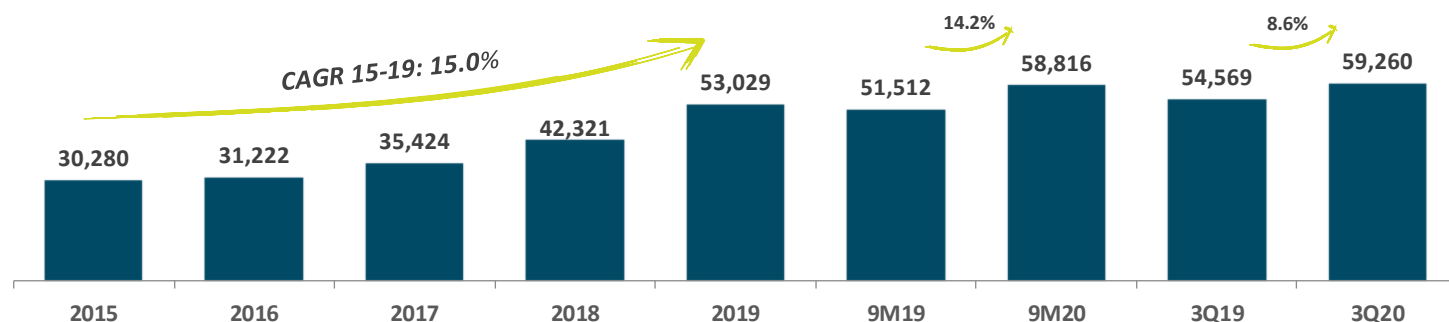
## 1.1 - Distribution network



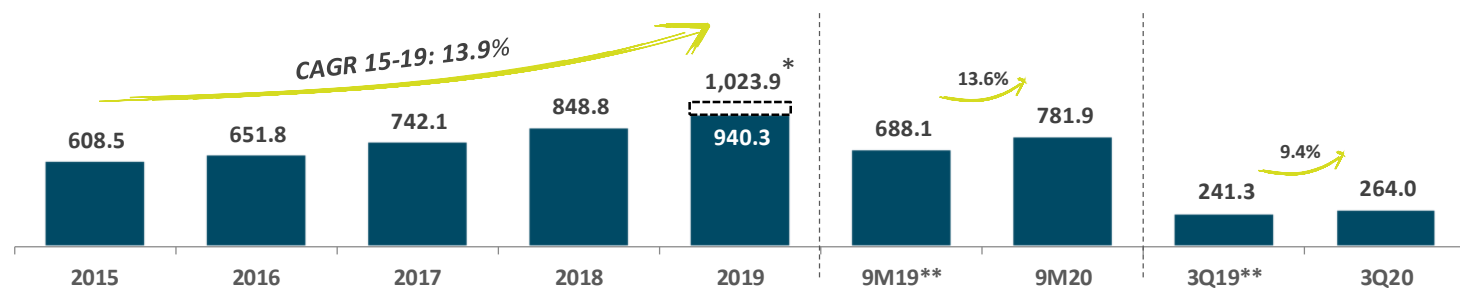
Localiza ended the 3Q20 with 603 rental locations, being 528 in Brazil and 75 in 5 other South American countries.

## 2 – 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

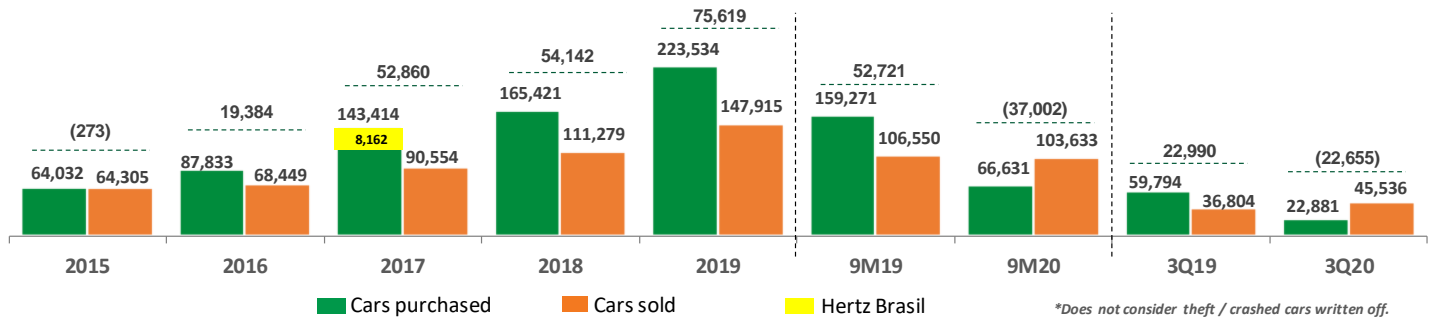
In 3Q20, **Fleet Rental** division registered 8.6% increase in the average rented fleet and 9.4% in net revenues, compared to the same period of the prior year, with the average rental rate practically stable YoY. In 9M20, there was an increase of 14.2% in the average rented fleet and 13.6% in the revenue of this division.

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

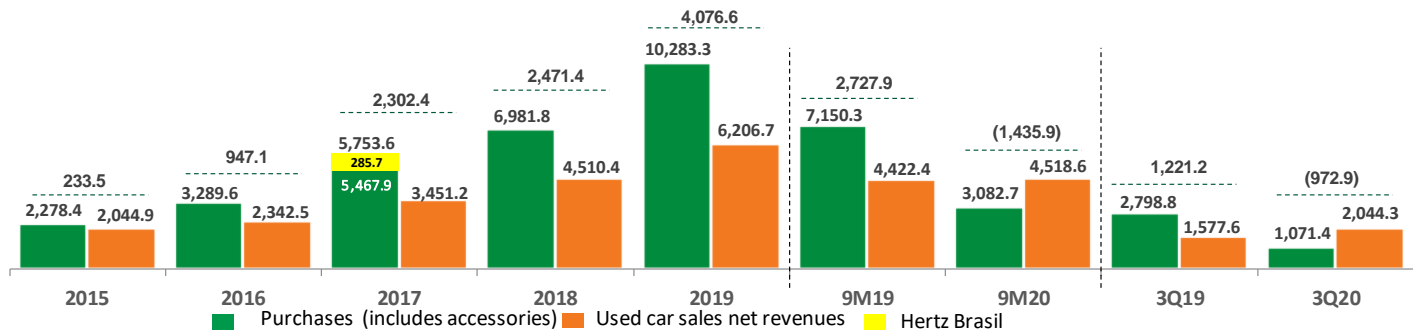
## 3 - Fleet

### 3.1 – Net investment in the fleet

#### Car purchase and sales (quantity\*)

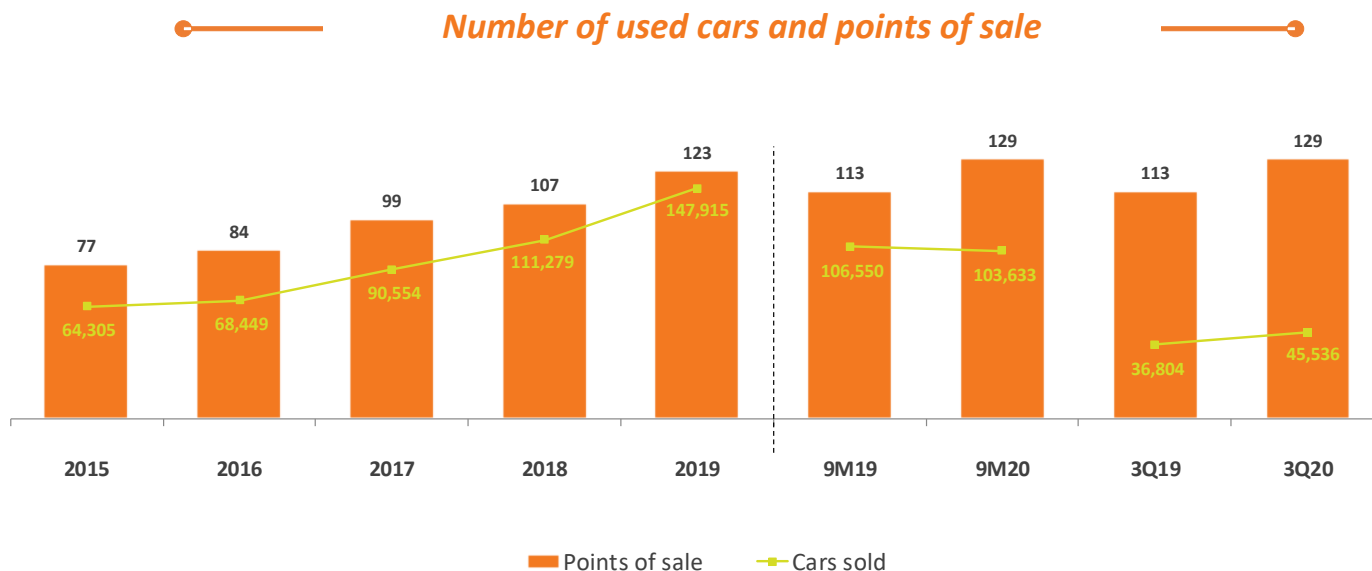


#### Net investment in fleet (R\$ million)



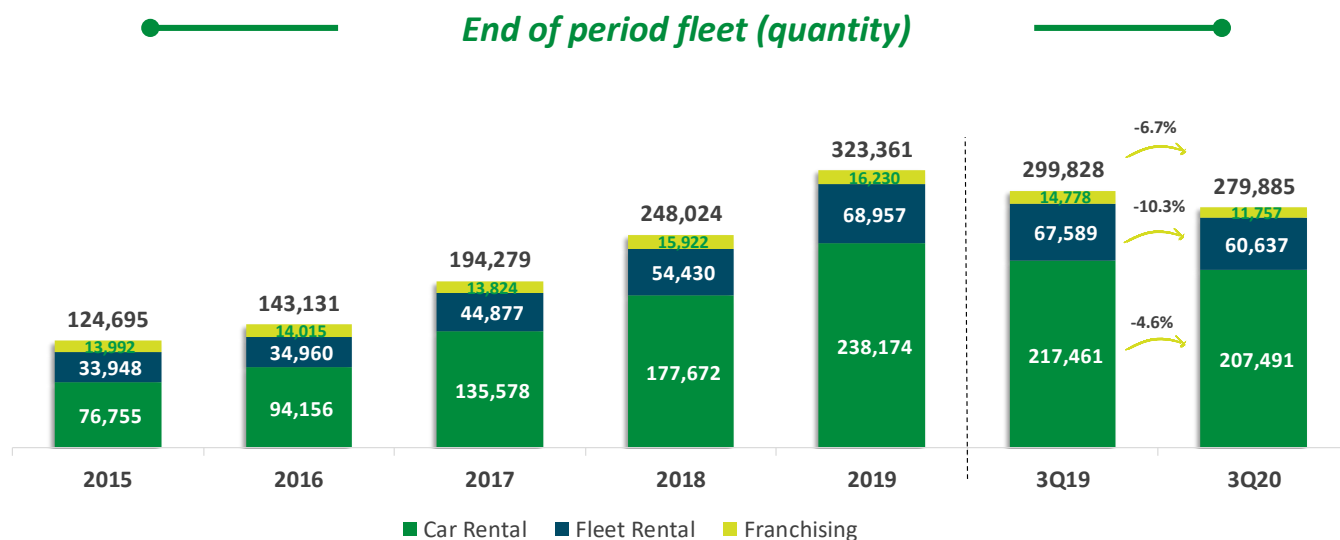
In 3Q20, 45,536 cars were sold and 22,881 were purchased, resulting in a reduction of 22,655 cars in the fleet and cash generation of R\$972.9 million, before the change in supplier payables balance.

## 4 – Seminovos – Number of points of sale



We ended the quarter with 129 **Seminovos** stores, 4 more than 2Q20, in 88 cities in Brazil. Volumes have returned to pre-pandemic levels, contributing to a reduction in cost of sales per car.

## 5 – End of period fleet

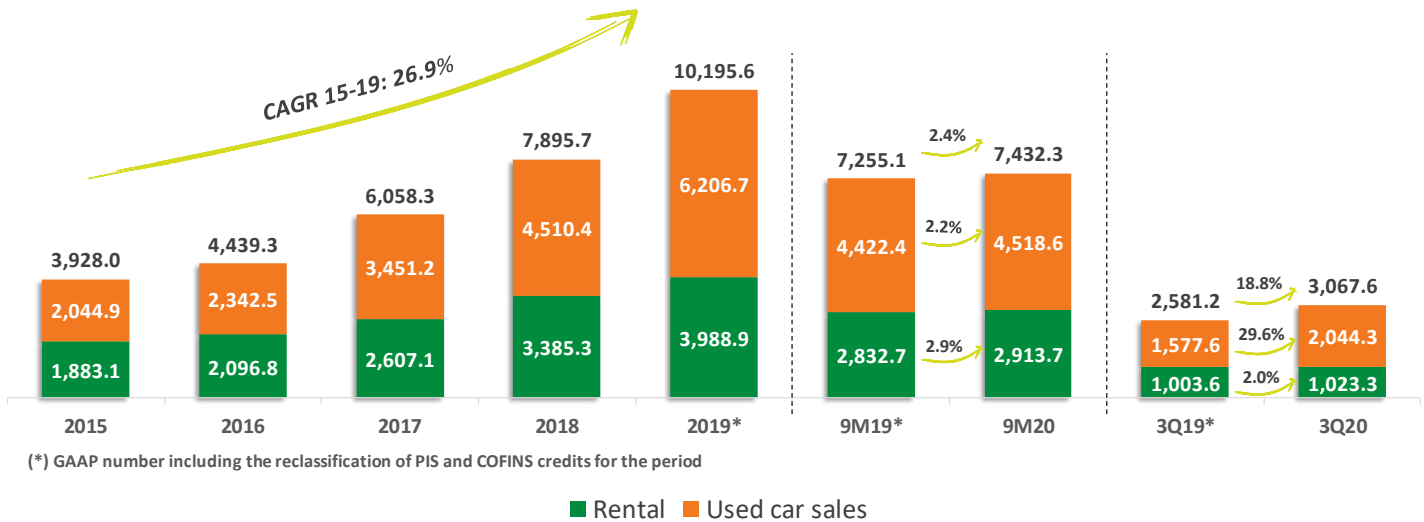


Localiza System (including franchisees) has 279,885 cars, representing a decrease of 6.7% over the same period the previous year and a 13.4% reduction compared to the end of 2019. The adjustment in the size of the fleet targeted at bringing utilization rate to normal levels, in the pandemic context.



## 6 – Net revenues - consolidated

### Consolidated net revenues (R\$ million)

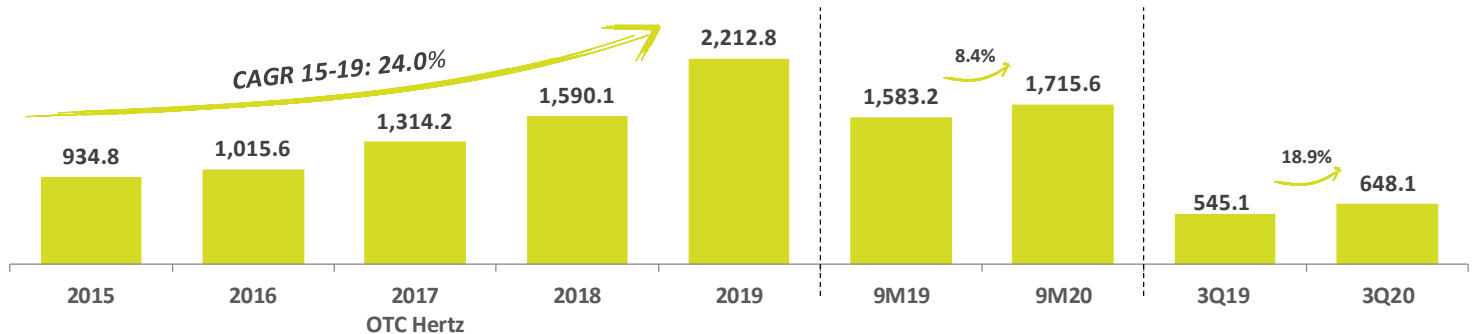


In 3Q20, consolidated net revenues increased 18.8%. Compared to 3Q19, net rental revenues increased 2.0%, with a 0.3% reduction in the **Car Rental** division and a 9.4% growth in the **Fleet Rental** division. **Seminovos** net revenues in 3Q20 increased 29.6%, compared to the same period last year, due to a 23.7% increase in the volumes of cars sold.

In 9M20, consolidated net revenues increased 2.4% when compared to 9M19. Net rental revenues increased by 2.9%, with a 0.5% decrease in the **Car Rental** division and a 13.6% increase in the **Fleet Rental** division. **Seminovos** net revenues in 9M20 increased 2.2% when compared to the same period of the previous year, with a 2.7% reduction in the volumes of cars sold, due to the closing of stores in the most critical period of the pandemic between March and April this year, and the gradual recovery from the end of April.

## 7 - EBITDA

### Consolidated EBITDA (R\$ million)



EBITDA margin:

	2015	2016	2017*	2018	2019**	9M19**	9M20	3Q19**	3Q20
Car Rental	31.8%	32.3%	34.9%	35.9%	45.5%	45.2%	47.3%	43.0%	42.9%
Fleet Rental	62.2%	64.5%	61.9%	64.0%	67.7%	67.9%	75.1%	66.2%	73.4%
Rental Consolidated	41.7%	42.3%	42.6%	43.0%	50.9%	50.8%	54.7%	48.7%	50.8%
Used Car Sales	7.3%	5.5%	5.9%	3.0%	3.0%	3.2%	2.7%	3.6%	6.3%

(\*) 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 3Q20, consolidated EBITDA totaled R\$648.1 million, 18.9% higher than the same period of the previous year.

The EBITDA in this quarter resulted specially from the volume recovery of **Car Rental** and **Seminovos**, and the **Fleet Rental** resiliency, combined with an efficient management of costs and expenses reinforced through the pandemic period, which allowed a consistent rebalancing of margins.

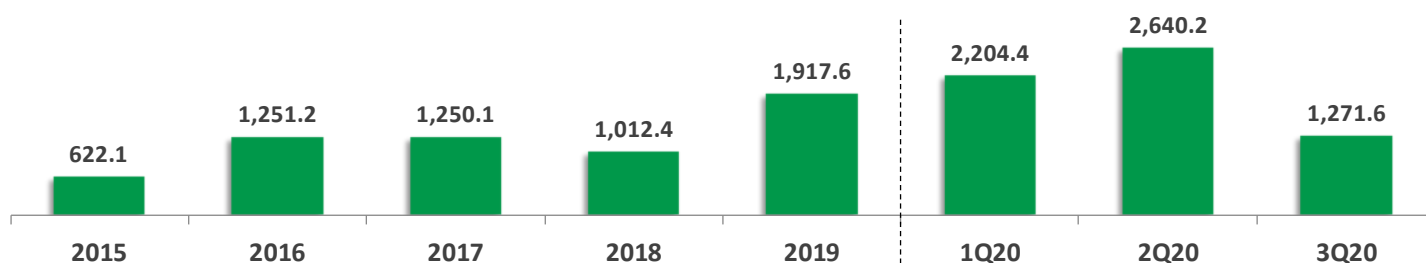
In the **Car Rental** division, the EBITDA margin was 42.9% in 3Q20, a decrease of 0.1p.p. compared to 3Q19. In the 3Q20 there was R\$4.1 million of expenses related to the announced business combination operation with Unidas.

In the **Fleet Rental** division, the EBITDA margin was 73.4% in 3Q20, an increase of 7.2p.p. when compared to 3Q19.

**Seminovos** EBITDA margin was 6.3% in 3Q20, reflecting the increase in car price and selling costs dilution, as volumes were recovering.

## 8 - Depreciation

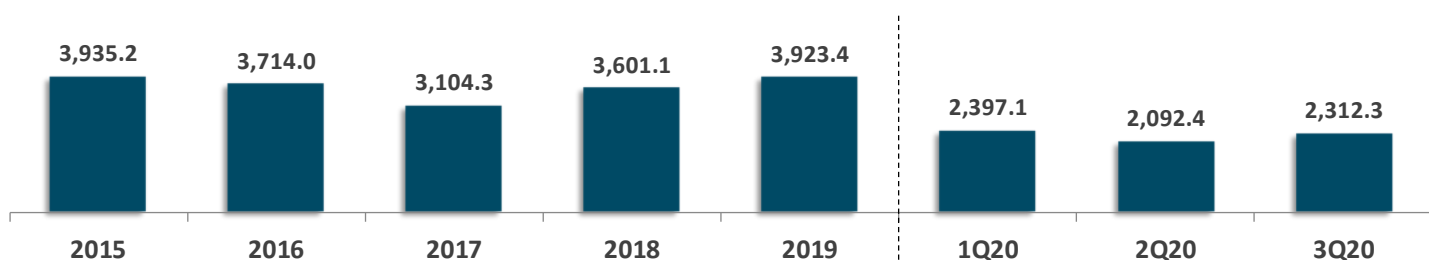
### 8.1 – Average annualized depreciation per car (R\$) - Rent a Car



Depreciation is calculated by 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.

In 3Q20, the Company observed growing market price for new and used cars, reflecting in the estimated selling price. In addition, the higher sales volume contributed to the reduction in costs per car sold. As a result, we recognize lower depreciation per car.

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

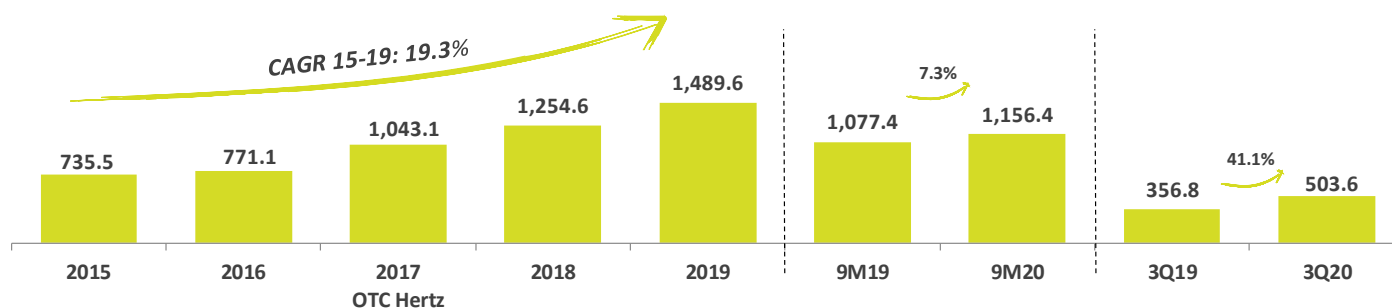


In the **Fleet Rental** division, the average depreciation per car in 3Q20 was R\$2,312.3. We remind you that since 1Q20 we have changed the depreciation method from SOYD to linear. In the transition period, the average depreciation is benefited due to the cars that were already 100% depreciated before the end of their operational life and the entry of new cars with lower depreciation in the first year, compared to the SOYD method<sup>(1)</sup>.

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

## 9 - EBIT

### Consolidated EBIT (R\$ million)



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

	2015	2016	2017*	2018	2019**	9M19**	9M20	3Q19**	3Q20
Car Rental	34.3%	30.2%	35.5%	33.2%	33.6%	34.2%	29.5%	30.8%	40.8%
Fleet Rental	48.9%	51.2%	51.4%	48.6%	49.1%	49.4%	67.4%	50.1%	73.4%
Consolidated	39.1%	36.8%	40.0%	37.1%	37.3%	38.0%	39.7%	35.6%	49.2%

(\*) 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 3Q20 totaled R\$503.6 million, representing an increase of 41.1% compared to 3Q19.

In 3Q20, the EBIT margin of the **Car Rental** division, was 40.8%, representing an increase of 10.0p.p. compared to 3Q19, due to lower average depreciation per car and **Seminovos** results.

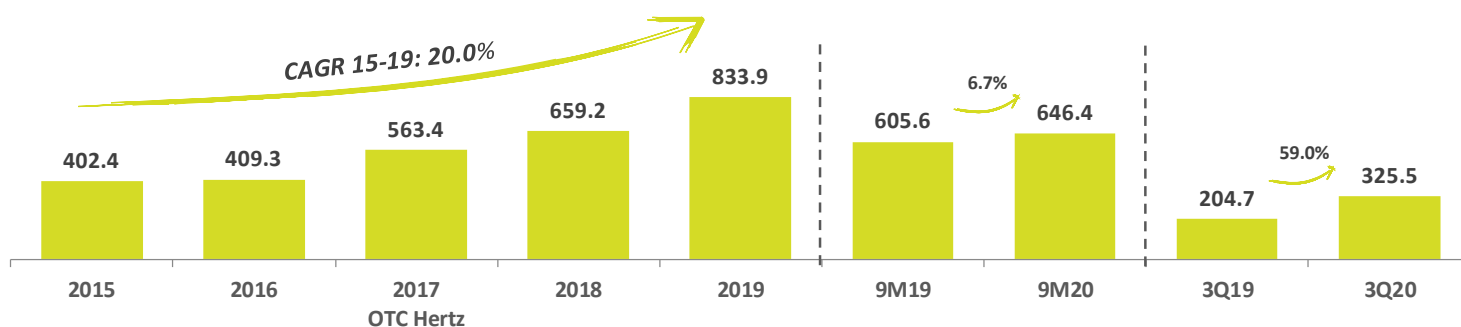
In the **Fleet Rental** division, the EBIT margin totaled 73.4%, an increase of 23.3p.p. compared to 3Q19. The improvement in the margin in this division is due to the increase in EBITDA and the reduction in the average depreciation per car, as a result of the change in the depreciation method from SOYD<sup>(1)</sup> to straight-line, and the increase in car prices.

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



## 10 - Consolidated net income

### Consolidated net income (R\$ million)



Reconciliation EBITDA x Net income	2015	2016	2017*	2018	2019	9M19	9M20	Var. R\$	Var. %	3Q19	3Q20	Var. R\$	Var. %
Consolidated EBITDA	934.8	1,015.6	1,314.2	1,590.1	2,212.8	1,583.2	1,715.6	132.4	8.4%	545.1	648.1	103.0	18.9%
Cars depreciation	(163.6)	(206.3)	(232.0)	(291.6)	(551.5)	(380.2)	(415.7)	(35.5)	9.3%	(145.2)	(95.0)	50.2	-34.6%
Other property depreciation and amortization	(35.7)	(38.2)	(39.1)	(43.9)	(171.7)	(125.6)	(143.5)	(17.9)	14.3%	(43.1)	(49.5)	(6.4)	14.8%
EBIT	735.5	771.1	1,043.1	1,254.6	1,489.6	1,077.4	1,156.4	79.0	7.3%	356.8	503.6	146.8	41.1%
Financial expenses, net	(202.7)	(243.5)	(315.0)	(368.9)	(409.8)	(297.2)	(309.4)	(12.2)	4.1%	(94.2)	(54.5)	39.7	-42.1%
Income tax and social contribution	(130.4)	(118.3)	(164.7)	(226.5)	(245.9)	(174.6)	(200.6)	(26.0)	14.9%	(57.9)	(123.6)	(65.7)	113.5%
<b>Net income of the period</b>	<b>402.4</b>	<b>409.3</b>	<b>563.4</b>	<b>659.2</b>	<b>833.9</b>	<b>605.6</b>	<b>646.4</b>	<b>40.8</b>	<b>6.7%</b>	<b>204.7</b>	<b>325.5</b>	<b>120.8</b>	<b>59.0%</b>

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

Net income in 3Q20 was R\$325.5 million, representing an increase of 59.0% over 3Q19, as a result of:

(+) R\$103.0 million increase in EBITDA, with volumes and prices recovery in **Car Rental** and **Seminovos**;

(+) R\$43.8 million reduction in depreciation, positively impacted by the increase in car prices;

(+) R\$39.7 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\$65.7 million increase in income tax and social contribution, due to the higher taxable profit.

The composition of net income by rental and sales is shown below:

	2015	2016	2017*	2018	2019	9M19	9M20	3Q19	3Q20
Car Rental + franchising	292.5	346.5	483.5	642.0	959.5	670.7	653.6	226.7	206.6
Fleet Rental	285.7	325.8	351.0	401.4	489.8	361.5	402.9	123.8	139.0
Used Car Sales	(175.8)	(263.0)	(271.1)	(384.2)	(615.4)	(426.6)	(410.1)	(145.8)	(20.1)
<b>Consolidated</b>	<b>402.4</b>	<b>409.3</b>	<b>563.4</b>	<b>659.2</b>	<b>833.9</b>	<b>605.6</b>	<b>646.4</b>	<b>204.7</b>	<b>325.5</b>

(\*) 2017 adjusted by the one-time costs incurred – Hertz Brasil acquisition and Franchises in incorporation.

# 11 – Free cash flow (FCF)

Free cash flow - R\$ million		2015	2016	2017	2018	2019	9M20
Operations	EBITDA	934.8	1,015.7	1,314.2*	1,590.1	2,212.8	1,715.6
	Used car sale revenue, net from taxes	(2,044.9)	(2,342.6)	(3,451.2)	(4,510.4)	(6,206.7)	(4,518.6)
	Depreciated cost of cars sold	1,769.1	2,102.5	3,106.6	4,198.5	5,863.6	4,240.5
	(-) Income tax and social contribution	(110.7)	(93.3)	(108.3)	(131.2)	(146.1)	(142.9)
	Change in working capital	(30.0)	(40.8)	(47.9)	(117.4)	(268.9)	(114.1)
	<b>Cash generated by rental operations</b>	<b>518.3</b>	<b>641.5</b>	<b>813.4</b>	<b>1,029.6</b>	<b>1,454.7</b>	<b>1,180.5</b>
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	2,905.6
	Fleet renewal investment	(2,278.4)	(2,563.6)	(3,660.9)	(4,696.7)	(6,804.6)	(3,082.7)
	Change in accounts payable to car suppliers for fleet renewal	(25.4)	219.8	227.6	250.1	468.7	(529.3)
	<b>Net investment for fleet renewal</b>	<b>(267.5)</b>	<b>(1.2)</b>	<b>17.9</b>	<b>63.8</b>	<b>(129.2)</b>	<b>(706.4)</b>
	Fleet renewal – quantity	64,032	68,449	90,554	111,279	147,915	66,631
	Investment, property and intangible	(29.7)	(40.9)	(28.8)	(42.8)	(70.0)	(56.2)
	<b>Free cash flow from operations, before growth</b>	<b>221.1</b>	<b>599.4</b>	<b>802.5</b>	<b>1,050.6</b>	<b>1,255.5</b>	<b>417.9</b>
Capex - Growth	(Investment) / Divestment in cars for fleet growth	8.6	(726.0)	(1,807.0)	(2,285.1)	(3,478.7)	1,613.0
	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)	-
	<b>Net investment for fleet growth</b>	<b>(15.3)</b>	<b>(699.2)</b>	<b>(1,924.0)</b>	<b>(1,775.7)</b>	<b>(3,560.6)</b>	<b>669.6</b>
	Fleet increase / (reduction) – quantity	(273)	19,384	52,860	54,142	75,619	(37,002)
	<b>Free cash flow after growth</b>	<b>205.8</b>	<b>(99.8)</b>	<b>(1,121.5)</b>	<b>(725.1)</b>	<b>(2,305.0)</b>	<b>1,087.5</b>
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)	-	-	-
	<b>Free cash generated before the cash effects of discounts and anticipation of payables to suppliers</b>	<b>175.1</b>	<b>(185.5)</b>	<b>(1,389.2)</b>	<b>(725.1)</b>	<b>(2,323.2)</b>	<b>1,079.6</b>
	Cash effects of receivables and anticipation of payables to suppliers (**)	(71.9)	98.0	88.3	(113.2)	(131.8)	(41.6)
	<b>Free cash flow before interest</b>	<b>103.2</b>	<b>(87.5)</b>	<b>(1,300.9)</b>	<b>(838.3)</b>	<b>(2,455.0)</b>	<b>1,038.0</b>

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.

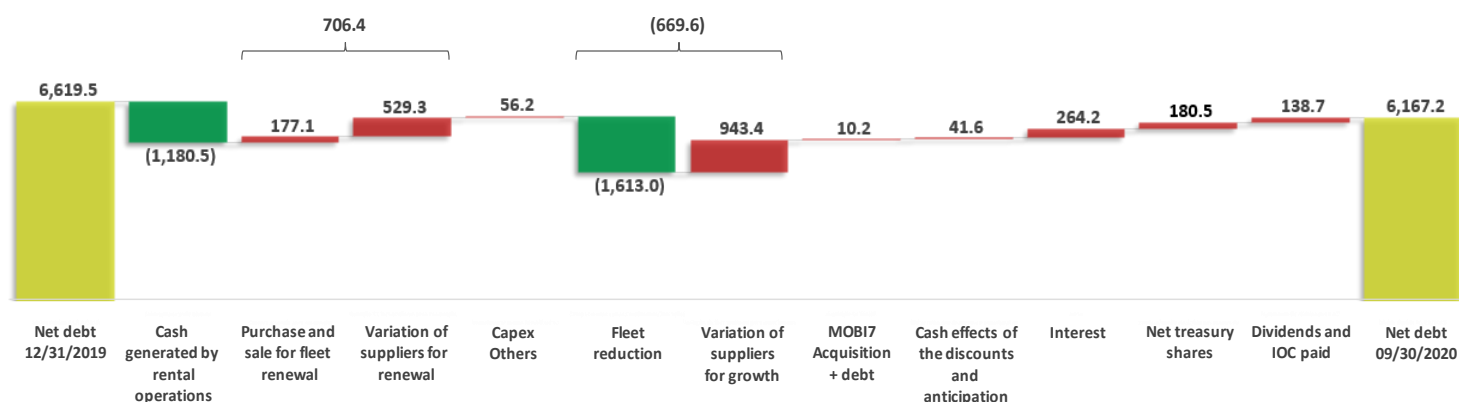
In 9M20, the Company generated R\$417.9 million in cash before growth, due to the generation of R\$1,180.5 million by the rental activities, partially offset by the consumption of R\$706.4 million for fleet renewal and reduction in the OEM's account.

In addition, the Company generated another R\$669.6 million with the fleet reduction, already net of the payment for car purchases made in previous quarters.

The balance of the OEM's account payable, which ended 2019 with at R\$2,407.5 million, was reduced in 3Q20 to R\$856.6 million.

## 12 – Net debt

### 12.1 – Change in net debt – R\$ million

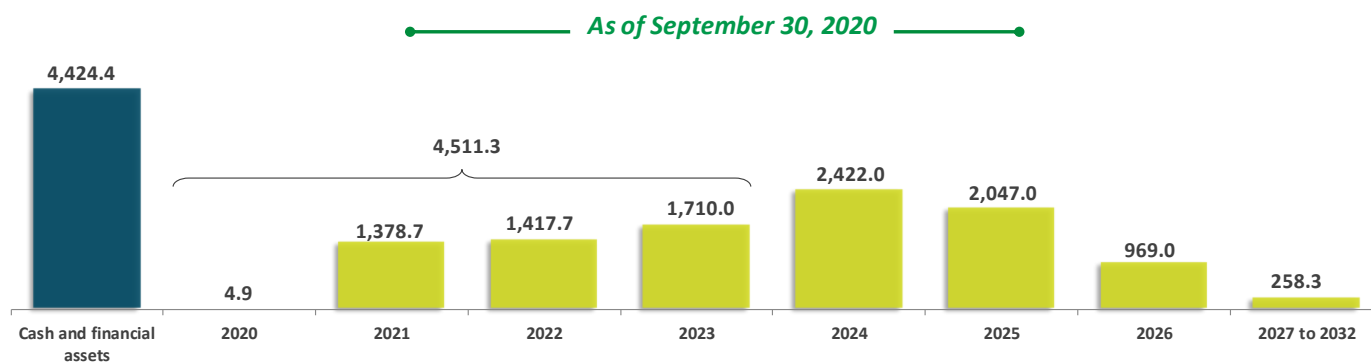


On 09/30/2020, net debt totaled R\$6,167.2 million, a decrease of 6.8%, or R\$452.3 million, mainly due to the cash generated by the rental activities and the reduction of the fleet, partially offset by the reduction in the balances payable to suppliers.

### 12.2 – Debt maturity profile – R\$ million

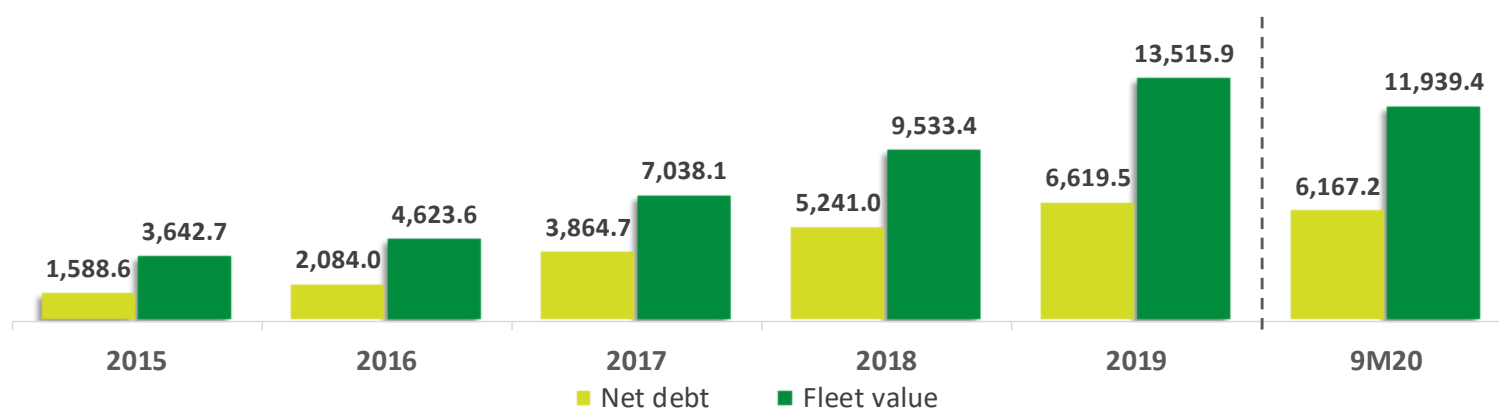
Debt	Issuance	Contract rate	2020	2021	2022	2023	2024	2025 to 2032	Total
Debentures 11th Issuance	12/12/2016	111.50% CDI	-	-	464.3	-	-	-	464.3
Debentures 12th Issuance	5/15/2017	107.25% CDI	-	-	-	-	700.0	-	700.0
Debentures 13th Issuance - 1st serie	12/15/2017	109.35% CDI	-	-	429.4	429.4	-	-	858.8
Debentures 13th Issuance - 2nd serie	12/15/2017	111.30% CDI	-	-	-	-	99.7	99.7	199.4
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	-	-	-	-	115.7	431.3	547.0
Debentures 15th Issuance	4/15/2019	107.25% CDI	-	-	-	-	-	789.8	789.8
Debentures 16th Issuance	11/29/2019	CDI + 1.05%	-	-	-	-	333.3	666.7	1,000.0
Debentures 5th Issuance of Localiza Fleet	7/31/2018	112.00% CDI	-	-	-	-	-	300.0	300.0
Debentures 6th Issuance of Localiza Fleet	12/21/2018	110.40% CDI	-	-	-	-	400.0	-	400.0
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	4.3	5.6	9.0	12.3	15.0	303.5	349.7
Working Capital / Others	-	Several	0.6	100.0	300.0	370.0	125.0	-	895.6
Interest accrued	-	-	384.0	-	-	-	-	-	384.0
Cash and cash equivalents on 09/30/2020	-	-	(4,424.4)	-	-	-	-	-	(4,424.4)
<b>Net debt</b>	-	-	<b>(4,035.5)</b>	<b>1,378.7</b>	<b>1,417.7</b>	<b>1,710.0</b>	<b>2,422.0</b>	<b>3,274.3</b>	<b>6,167.2</b>

## 12.3 – Debt profile – R\$ million



Operating cash generation and fleet reduction in the quarter contributed to the strengthening of the Company's cash position, which ended 3Q20 at R\$ 4,424.4 million, almost equivalent to the entire debt balance due by 2023.

## 12.4 – Debt ratios – R\$ million



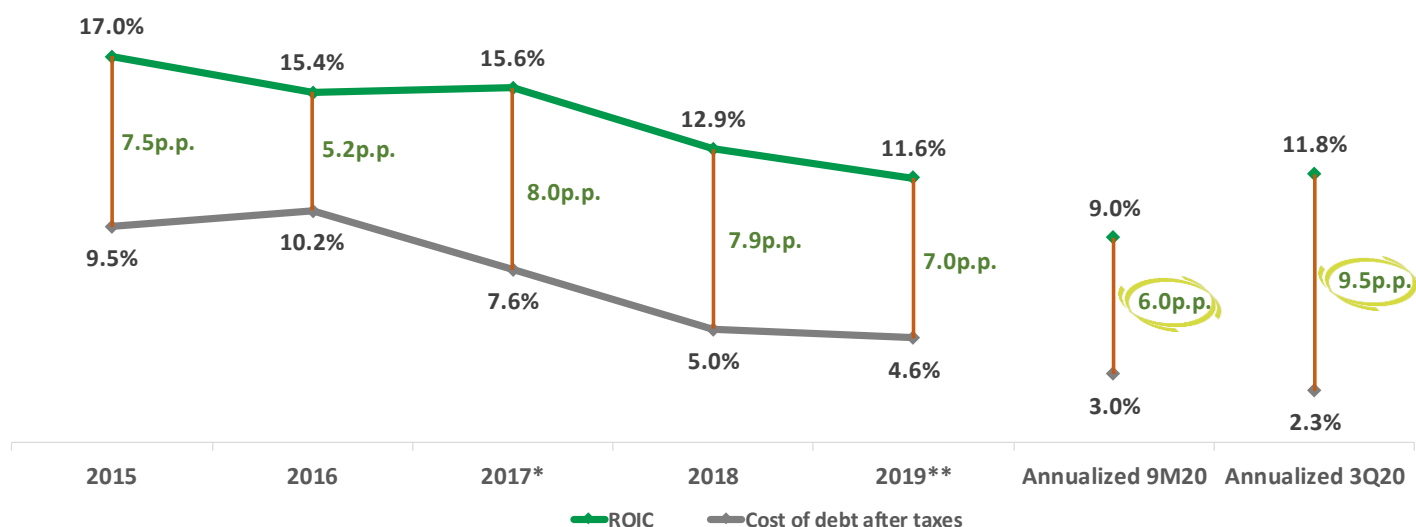
<i>BALANCE AT THE END OF PERIOD</i>	2015	2016	2017	2018	2019	9M20
Net debt/Fleet value	44%	45%	55%	55%	49%	52%
Net debt/ annualized EBITDA	1.7x	2.1x	2.9x	3.3x	3.0x	2.7x
Net debt/Equity	0.8x	0.9x	1.5x	1.7x	1.2x	1.1x
EBITDA/Net financial expenses	4.6x	4.2x	4.2x	4.3x	5.4x	5.5x

The lower volume of car purchases added to the strong cash generation in the rental and sale of used cars, resulted in a reduction of the Company's leverage level throughout the quarter.

For the purpose of covenants, we ended the quarter with a Net Debt / LTM EBITDA ratio of 2.6x.



## 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

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

**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
<b>Total</b>					<b>291.1</b>	

(\*) 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:

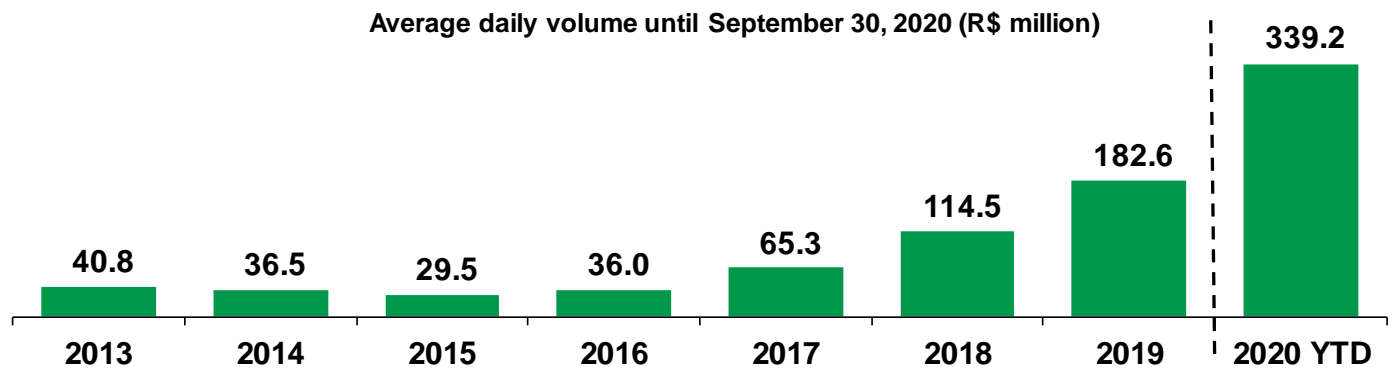
Nature	Reference period	Approval date	Shareholding position date	Payment date	Gross amount (R\$ million)	Gross amount per Share (R\$)
IOC	2020	03/10/2020	03/13/2020	09/15/2020	67.0	0.089006
IOC	2020	06/18/2020	06/23/2020	10/15/2020	64.8	0.086217
IOC	2020	09/04/2020	09/10/2020	11/05/2020	65.6	0.087345
<b>Total</b>					<b>197.4</b>	

## 15 – RENT3

Up to September 30, 2020, the average daily traded volume of RENT3 was R\$339.2 million, 85.8% higher than the average volume of 2019.

Under the ADR level I program, the Company had 6,906,248 ADRs as of September 30, 2020.

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



# 16 – Results per division

## 16.1 –Table 1 – Car Rental – R\$ million

CAR RENTAL RESULTS	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	9M19 with reclassification of PIS/COFINS credits	9M20	Var.	3Q19 with reclassification of PIS/COFINS credits	3Q20	Var.
Car rental gross revenues, net of discounts and cancellations	1,316.9	1,486.9	1,898.7	1,898.7	2,570.8	3,345.6	30.1%	3,345.6	2,352.0	2,342.9	-0.4%	837.3	834.6	-0.3%
Taxes on revenues (*)	(58.9)	(58.9)	(50.2)	(50.2)	(51.4)	(43.5)	-15.4%	(317.8)	(223.2)	(223.7)	0.2%	(79.7)	(79.3)	-0.5%
<b>Car rental net revenues</b>	<b>1,258.0</b>	<b>1,428.0</b>	<b>1,848.5</b>	<b>1,848.5</b>	<b>2,519.4</b>	<b>3,302.1</b>	<b>31.1%</b>	<b>3,027.8</b>	<b>2,128.8</b>	<b>2,119.2</b>	<b>-0.5%</b>	<b>757.6</b>	<b>755.3</b>	<b>-0.3%</b>
Car rental costs	(618.1)	(707.4)	(926.4)	(870.7)	(1,178.1)	(1,476.2)	25.3%	(1,105.5)	(790.5)	(737.5)	-6.7%	(295.8)	(263.4)	-11.0%
<b>Gross profit</b>	<b>639.9</b>	<b>720.6</b>	<b>922.1</b>	<b>977.8</b>	<b>1,341.3</b>	<b>1,825.9</b>	<b>36.1%</b>	<b>1,922.3</b>	<b>1,338.3</b>	<b>1,381.7</b>	<b>3.2%</b>	<b>461.8</b>	<b>491.9</b>	<b>6.5%</b>
Operating expenses (SG&A)	(239.9)	(258.8)	(347.2)	(332.3)	(437.3)	(543.6)	24.3%	(543.6)	(376.2)	(379.4)	0.9%	(135.8)	(167.9)	23.6%
Other assets depreciation and amortization	(22.3)	(23.9)	(23.6)	(23.6)	(26.6)	(30.8)	15.8%	(106.7)	(77.3)	(88.9)	15.0%	(27.0)	(30.1)	11.5%
<b>Operating profit before financial results and taxes (EBIT)</b>	<b>377.7</b>	<b>437.9</b>	<b>551.3</b>	<b>621.9</b>	<b>877.4</b>	<b>1,251.5</b>	<b>42.6%</b>	<b>1,272.0</b>	<b>884.8</b>	<b>913.4</b>	<b>3.2%</b>	<b>299.0</b>	<b>293.9</b>	<b>-1.7%</b>
Financial expenses, net	(2.0)	(1.4)	(5.3)	(5.3)	(23.7)	(12.6)	-46.8%	(42.8)	(31.2)	(34.1)	9.3%	(11.2)	(10.6)	-5.4%
Income tax and social contribution	(89.9)	(95.9)	(123.4)	(138.9)	(218.3)	(282.1)	29.2%	(279.4)	(190.1)	(228.6)	20.3%	(63.0)	(77.6)	23.2%
<b>Net income for the period</b>	<b>285.8</b>	<b>340.6</b>	<b>422.6</b>	<b>477.7</b>	<b>634.4</b>	<b>956.6</b>	<b>50.6%</b>	<b>948.8</b>	<b>665.5</b>	<b>650.7</b>	<b>-1.9%</b>	<b>224.8</b>	<b>205.7</b>	<b>-8.5%</b>
<b>Net Margin</b>	<b>22.7%</b>	<b>23.9%</b>	<b>22.9%</b>	<b>25.8%</b>	<b>25.2%</b>	<b>29.0%</b>	<b>3.8 p.p.</b>	<b>31.4%</b>	<b>31.2%</b>	<b>30.7%</b>	<b>-0.5 p.p.</b>	<b>29.7%</b>	<b>27.2%</b>	<b>-2.5 p.p.</b>
<b>EBITDA</b>	<b>400.0</b>	<b>461.8</b>	<b>574.9</b>	<b>645.5</b>	<b>904.0</b>	<b>1,282.3</b>	<b>41.8%</b>	<b>1,378.7</b>	<b>962.1</b>	<b>1,002.3</b>	<b>4.2%</b>	<b>326.0</b>	<b>324.0</b>	<b>-0.6%</b>
<b>EBITDA Margin</b>	<b>31.8%</b>	<b>32.3%</b>	<b>31.1%</b>	<b>34.9%</b>	<b>35.9%</b>	<b>38.8%</b>	<b>2.9 p.p.</b>	<b>45.5%</b>	<b>45.2%</b>	<b>47.3%</b>	<b>2.1 p.p.</b>	<b>43.0%</b>	<b>42.9%</b>	<b>-0.1 p.p.</b>

USED CAR SALES RESULTS (SEMINOVOS)	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	9M19 with reclassification of PIS/COFINS credits	9M20	Var.	3Q19 with reclassification of PIS/COFINS credits	3Q20	Var.
Gross revenues, net of discounts and cancellations	1,679.2	1,997.8	2,990.0	2,990.0	3,919.2	5,479.6	39.8%	5,479.6	3,925.1	3,764.2	-4.1%	1,406.0	1,684.5	19.8%
Taxes on revenues	(2.5)	(2.7)	(4.9)	(4.9)	(7.4)	(13.8)	86.5%	(13.8)	(9.5)	(6.5)	-31.6%	(3.8)	(2.5)	-34.2%
<b>Net revenues</b>	<b>1,676.7</b>	<b>1,995.1</b>	<b>2,985.1</b>	<b>2,985.1</b>	<b>3,911.8</b>	<b>5,465.8</b>	<b>39.7%</b>	<b>5,465.8</b>	<b>3,915.6</b>	<b>3,757.7</b>	<b>-4.0%</b>	<b>1,402.2</b>	<b>1,682.0</b>	<b>20.0%</b>
Book value of cars sold and preparation for sale	(1,396.3)	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	42.3%	(5,037.8)	(3,601.2)	(3,479.0)	-3.4%	(1,283.3)	(1,524.2)	18.8%
<b>Gross profit</b>	<b>280.4</b>	<b>267.6</b>	<b>381.9</b>	<b>381.9</b>	<b>369.3</b>	<b>425.3</b>	<b>15.2%</b>	<b>428.0</b>	<b>314.4</b>	<b>278.7</b>	<b>-11.4%</b>	<b>118.9</b>	<b>157.8</b>	<b>32.7%</b>
Operating expenses (SG&A)	(178.8)	(176.8)	(220.0)	(220.0)	(269.6)	(349.4)	29.6%	(349.4)	(210.8)	(214.8)	1.9%	(77.6)	(68.3)	-12.0%
Cars depreciation	(38.9)	(87.8)	(117.7)	(117.7)	(131.7)	(332.8)	152.7%	(332.8)	(221.8)	(313.0)	41.1%	(94.4)	(61.3)	-35.1%
Other assets depreciation and amortization	(8.8)	(9.1)	(9.7)	(9.7)	(10.2)	(8.4)	-17.6%	(50.5)	(37.6)	(39.4)	4.8%	(12.6)	(13.7)	8.7%
<b>Operating profit (loss) before financial results and taxes (EBIT)</b>	<b>53.9</b>	<b>(6.1)</b>	<b>34.5</b>	<b>34.5</b>	<b>(42.2)</b>	<b>(265.3)</b>	<b>528.7%</b>	<b>(255.3)</b>	<b>(155.9)</b>	<b>(288.5)</b>	<b>85.2%</b>	<b>(65.7)</b>	<b>14.5</b>	<b>-122.1%</b>
Financial expenses, net	(138.4)	(174.8)	(229.9)	(229.9)	(269.5)	(247.7)	-7.1%	(264.5)	(185.1)	(218.0)	17.8%	(64.7)	(34.6)	-46.5%
Income tax and social contribution	17.6	37.2	43.9	43.9	77.5	116.8	50.7%	115.8	73.6	171.5	133.0%	28.0	5.0	-82.1%
<b>Net loss for the period</b>	<b>(66.9)</b>	<b>(143.3)</b>	<b>(151.5)</b>	<b>(151.5)</b>	<b>(231.2)</b>	<b>(396.2)</b>	<b>71.4%</b>	<b>(404.2)</b>	<b>(267.3)</b>	<b>(335.0)</b>	<b>25.3%</b>	<b>(102.4)</b>	<b>(15.1)</b>	<b>-85.3%</b>
<b>Net Margin</b>	<b>-4.0%</b>	<b>-7.2%</b>	<b>-5.1%</b>	<b>-5.1%</b>	<b>-5.9%</b>	<b>-7.2%</b>	<b>-1.3 p.p.</b>	<b>-7.4%</b>	<b>-6.8%</b>	<b>-8.9%</b>	<b>-2.1 p.p.</b>	<b>-7.3%</b>	<b>-0.9%</b>	<b>6.4 p.p.</b>
<b>EBITDA</b>	<b>101.6</b>	<b>90.8</b>	<b>161.9</b>	<b>161.9</b>	<b>99.7</b>	<b>75.9</b>	<b>-23.9%</b>	<b>127.8</b>	<b>103.6</b>	<b>63.9</b>	<b>-38.3%</b>	<b>41.3</b>	<b>89.5</b>	<b>116.7%</b>
<b>EBITDA Margin</b>	<b>6.1%</b>	<b>4.6%</b>	<b>5.4%</b>	<b>5.4%</b>	<b>2.5%</b>	<b>1.4%</b>	<b>-1.1 p.p.</b>	<b>2.3%</b>	<b>2.6%</b>	<b>1.7%</b>	<b>-0.9 p.p.</b>	<b>2.9%</b>	<b>5.3%</b>	<b>2.4 p.p.</b>

CAR RENTAL TOTAL FIGURES	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	9M19 with reclassification of PIS/COFINS credits	9M20	Var.	3Q19 with reclassification of PIS/COFINS credits	3Q20	Var.
Car rental gross revenues, net of discounts and cancellations	1,316.9	1,486.9	1,898.7	1,898.7	2,570.8	3,345.6	30.1%	3,345.6	2,352.0	2,342.9	-0.4%	837.3	834.6	-0.3%
Car sales for fleet renewal - gross revenues, net of discounts and cancellations	1,679.2	1,997.8	2,990.0	2,990.0	3,919.2	5,479.6	39.8%	5,479.6	3,925.1	3,764.2	-4.1%	1,406.0	1,684.5	19.8%
<b>Total gross revenues</b>	<b>2,996.1</b>	<b>3,484.7</b>	<b>4,888.7</b>	<b>4,888.7</b>	<b>6,490.0</b>	<b>8,825.2</b>	<b>36.0%</b>	<b>8,825.2</b>	<b>6,277.1</b>	<b>6,107.1</b>	<b>-2.7%</b>	<b>2,243.3</b>	<b>2,519.1</b>	<b>12.3%</b>
Taxes on revenues	(58.9)	(58.9)	(50.2)	(50.2)	(51.4)	(43.5)	-15.4%	(317.8)	(223.2)	(223.7)	0.2%	(79.7)	(79.3)	-0.5%
Car rental (*)	(2.5)	(2.7)	(4.9)	(4.9)	(7.4)	(13.8)	86.5%	(13.8)	(9.5)	(6.5)	-31.6%	(3.8)	(2.5)	-34.2%
Car sales for fleet renewal	(1,396.3)	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	42.3%	(5,037.8)	(3,601.2)	(3,479.0)	-3.4%	(1,283.3)	(1,524.2)	18.8%
Car rental revenues - net revenues	1,258.0	1,428.0	1,848.5	1,848.5	2,519.4	3,302.1	31.1%	3,027.8	2,128.8	2,119.2	-0.5%	757.6	755.3	-0.3%
Car sales for fleet renewal - net revenues	1,676.7	1,995.1	2,985.1	2,985.1	3,911.8	5,465.8	39.7%	5,465.8	3,915.6	3,757.7	-4.0%	1,402.2	1,682.0	20.0%
<b>Total net revenues</b>	<b>2,934.7</b>	<b>3,423.1</b>	<b>4,833.6</b>	<b>4,833.6</b>	<b>6,431.2</b>	<b>8,767.9</b>	<b>36.3%</b>	<b>8,493.6</b>	<b>6,044.4</b>	<b>5,876.9</b>	<b>-2.8%</b>	<b>2,159.8</b>	<b>2,437.3</b>	<b>12.8%</b>
Direct costs	(618.1)	(707.4)	(926.4)	(870.7)	(1,178.1)	(1,476.2)	25.3%	(1,105.5)	(790.5)	(737.5)	-6.7%	(295.8)	(263.4)	-11.0%
Car rental	(138.4)	(138.4)	(138.4)	(138.4)	(138.4)	(138.4)	-	(138.4)	(138.4)	(138.4)	-	(138.4)	(138.4)	-
Car sales for fleet renewal	(1,396.3)	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	42.3%	(5,037.8)	(3,601.2)	(3,479.0)	-3.4%	(1,283.3)	(1,524.2)	18.8%
<b>Gross profit</b>	<b>920.3</b>	<b>988.2</b>	<b>1,304.0</b>	<b>1,359.7</b>	<b>1,710.6</b>	<b>2,251.2</b>	<b>31.6%</b>	<b>2,350.3</b>	<b>1,652.7</b>	<b>1,660.4</b>	<b>0.5%</b>	<b>580.7</b>	<b>649.7</b>	<b>11.9%</b>
Operating expenses (SG&A)	(239.9)	(258.8)	(347.2)	(332.3)	(437.3)	(543.6)	24.3%	(543.6)	(376.2)	(379.4)	0.9%	(135.8)	(167.9)	23.6%
Car rental	(178.8)	(176.8)	(220.0)	(220.0)	(269.6)	(349.4)	29.6%	(349.4)	(210.8)	(214.8)	1.9%	(77.6)	(68.3)	-12.0%
Car sales for fleet renewal	(38.9)	(87.8)	(117.7)	(117.7)	(131.7)	(332.8)	152.7%	(332.8)	(221.8)	(313.0)	41.1%	(94.4)	(61.3)	-35.1%
Other assets depreciation and amortization	(22.3)	(23.9)	(23.6)	(23.6)	(26.6)	(30.8)	15.8%	(106.7)	(77.3)	(88.9)	15.0%	(27.0)	(30.1)	11.5%
Car rental	(8.8)	(9.1)	(9.7)	(9.7)	(10.2)	(8.4)	-17.6%	(50.5)	(37.6)	(39.4)	4.8%	(12.6)	(13.7)	8.7%
Car sales for fleet renewal	(13.5)	(14.8)	(13.9)	(13.9)	(16.4)	(22.4)	33.3%	(56.2)	(40.0)	(49.5)	20.0%	(15.4)	(16.4)	-6.1%
<b>Operating profit before financial results and taxes (EBIT)</b>	<b>431.6</b>	<b>431.8</b>	<b>565.8</b>	<b>654.4</b>	<b>835.2</b>	<b>986.2</b>	<b>18.1%</b>	<b>1,016.5</b>	<b>729.0</b>	<b>624.9</b>	<b>-14.3%</b>	<b>233.3</b>	<b>308.4</b>	<b>32.2%</b>
Financial expenses, net	(140.4)	(175.8)	(235.2)	(235.2)	(290.2)	(260.3)	-10.3%	(307.3)	(216.3)	(252.1)	16.6%	(75.9)	(45.2)	-40.4%
Income tax and social contribution	(72.3)	(58.7)	(79.5)	(79.5)	(140.8)	(165.3)	17.4%	(163.6)	(116.5)	(157.1)	-51.0%	(35.0)	(72.6)	107.4%
<b>Net income for the period</b>	<b>218.9</b>	<b>197.3</b>	<b>271.1</b>	<b>326.2</b>	<b>404.2</b>	<b>560.6</b>	<b>38.7%</b>	<b>545.6</b>	<b>396.2</b>	<b>315.7</b>	<b>-20.3%</b>	<b>122.4</b>	<b>190.6</b>	<b>55.7%</b>
<b>Net margin</b>	<b>7.5%</b>	<b>5.8%</b>	<b>5.6%</b>	<b>6.7%</b>	<b>6.3%</b>	<b>6.4%</b>	<b>0.1 p.p.</b>	<b>6.4%</b>	<b>6.6%</b>	<b>5.4%</b>	<b>-1.2 p.p.</b>	<b>5.7%</b>	<b>7.8%</b>	<b>2.1 p.p.</b>
<b>EBITDA</b>	<b>501.6</b>	<b>552.6</b>	<b>736.8</b>	<b>807.4</b>	<b>1,003.7</b>	<b>1,358.2</b>	<b>35.3%</b>	<b>1,506.5</b>	<b>1,065.7</b>	<b>1,066.2</b>	<b>0.0%</b>	<b>367.3</b>	<b>413.5</b>	<b>12.6%</b>
<b>EBITDA margin</b>	<b>17.1%</b>	<b>16.1%</b>	<b>15.2%</b>	<b>16.7%</b>	<b>15.6%</b>	<b>15.5%</b>	<b>-0.1 p.p.</b>	<b>17.7%</b>	<b>17.6%</b>	<b>18.1%</b>	<b>0.5 p.p.</b>	<b>17.0%</b>	<b>17.0%</b>	<b>0.0 p.p.</b>

OPERATING DATA	2015	2016	2017	2017 adjusted	2018	2019	Var.	2019	9M19	9M20	Var.	3Q19	3Q20	Var.
Average operating fleet	62,513	70,185	94,194	94,194	130,058	173,649	33.5%	173,649	164,346	203,062	23.6%	178,868	192,745	7.8%
Average rented fleet	43,315	51,515	69,762	69,762	97,245	128,718	32.4%	128,718	121,485	134,663	10.8%	131,883	139,060	5.4%
Average operating fleet age (in months)	7.4	7.9	6.5	6.5	7.2	7.0	-2.8%	7.0	7.1	9.4	32.4%	6.8	11.2	64.7%
End of period fleet	76,755	94,156	135,578	135,578	177,672	238,174	34.1%	238,174	217,461	207,491	-4.6%	217,461	207,491	-4.6%
Number of rental days - in thousands	15,566.1	18,662.4	25,263.6	25,263.6	35,284.5	46,745.9	32.5%							

# 16.2 – Table 2 – Fleet Rental – R\$ million

FLEET RENTAL RESULTS	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	9M19 with reclassification of PIS/COFINS credits	9M20	Var.	3Q19 with reclassification of PIS/COFINS credits	3Q20	Var.
Fleet rental gross revenues, net of discounts and cancellations	619.6	664.1	757.4	757.4	857.8	1,039.1	21.1%	1,039.1	760.3	863.7	13.6%	266.6	291.6	9.4%
Taxes on revenues (*)	(11.1)	(12.3)	(15.3)	(15.3)	(9.0)	(15.2)	68.9%	(98.8)	(72.2)	(81.8)	13.3%	(25.3)	(27.6)	9.1%
<b>Fleet rental net revenues</b>	<b>608.5</b>	<b>651.8</b>	<b>742.1</b>	<b>742.1</b>	<b>848.8</b>	<b>1,023.9</b>	<b>20.6%</b>	<b>940.3</b>	<b>688.1</b>	<b>781.9</b>	<b>13.6%</b>	<b>241.3</b>	<b>264.0</b>	<b>9.4%</b>
Fleet rental costs	(189.3)	(193.7)	(220.4)	(220.4)	(245.9)	(304.1)	23.7%	(220.5)	(163.0)	(152.3)	-6.6%	(59.2)	(60.9)	-14.0%
<b>Gross profit</b>	<b>419.2</b>	<b>458.1</b>	<b>521.7</b>	<b>521.7</b>	<b>602.9</b>	<b>719.8</b>	<b>19.4%</b>	<b>719.8</b>	<b>525.1</b>	<b>629.6</b>	<b>19.9%</b>	<b>182.1</b>	<b>213.1</b>	<b>17.0%</b>
Operating expenses (SG&A)	(40.7)	(37.9)	(65.4)	(62.3)	(59.6)	(83.6)	40.3%	(83.2)	(57.8)	(42.6)	-26.3%	(22.3)	(19.3)	-13.5%
Other assets depreciation and amortization	(2.2)	(2.9)	(3.5)	(3.5)	(4.9)	(5.3)	8.2%	(5.7)	(4.3)	(6.2)	44.2%	(1.4)	(2.4)	71.4%
<b>Operating profit before financial results and taxes (EBIT)</b>	<b>376.3</b>	<b>417.3</b>	<b>452.8</b>	<b>456.2</b>	<b>538.4</b>	<b>630.9</b>	<b>17.2%</b>	<b>630.9</b>	<b>463.0</b>	<b>580.8</b>	<b>25.4%</b>	<b>158.4</b>	<b>191.4</b>	<b>20.8%</b>
Financial expenses, net	(0.1)	(1.1)	(1.6)	(1.6)	(0.5)	(0.6)	20.0%	(0.7)	(0.5)	(0.4)	-20.0%	(0.2)	(0.1)	-50.0%
Income tax and social contribution	(90.5)	(90.4)	(102.8)	(103.6)	(136.5)	(143.5)	5.1%	(140.3)	(101.0)	(177.5)	75.7%	(34.4)	(62.3)	52.0%
<b>Net income for the period</b>	<b>285.7</b>	<b>325.8</b>	<b>348.8</b>	<b>351.0</b>	<b>401.4</b>	<b>486.8</b>	<b>21.3%</b>	<b>489.9</b>	<b>361.5</b>	<b>402.9</b>	<b>11.5%</b>	<b>123.8</b>	<b>139.0</b>	<b>12.3%</b>
<b>Net Margin</b>	<b>47.0%</b>	<b>50.0%</b>	<b>46.9%</b>	<b>47.3%</b>	<b>47.3%</b>	<b>47.5%</b>	<b>0.2 p.p.</b>	<b>52.1%</b>	<b>52.5%</b>	<b>51.5%</b>	<b>-1.0 p.p.</b>	<b>51.3%</b>	<b>52.7%</b>	<b>1.4 p.p.</b>
<b>EBITDA</b>	<b>378.5</b>	<b>420.2</b>	<b>456.3</b>	<b>453.3</b>	<b>543.3</b>	<b>636.2</b>	<b>17.1%</b>	<b>636.6</b>	<b>467.3</b>	<b>587.0</b>	<b>25.6%</b>	<b>159.8</b>	<b>193.8</b>	<b>21.3 p.p.</b>
<b>EBITDA Margin</b>	<b>62.2%</b>	<b>64.5%</b>	<b>61.5%</b>	<b>61.9%</b>	<b>64.0%</b>	<b>62.1%</b>	<b>-1.9 p.p.</b>	<b>67.7%</b>	<b>67.9%</b>	<b>75.1%</b>	<b>7.2 p.p.</b>	<b>66.2%</b>	<b>73.4%</b>	<b>7.2 p.p.</b>

USED CAR SALES RESULTS (SEMINOVOS)	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	9M19 with reclassification of PIS/COFINS credits	9M20	Var.	3Q19 with reclassification of PIS/COFINS credits	3Q20	Var.
Gross revenues, net of discounts and cancellations	368.6	347.8	466.5	466.5	599.5	742.4	23.8%	742.4	507.9	761.3	49.9%	176.0	362.5	106.0%
Taxes on revenues	(0.4)	(0.4)	(0.4)	(0.4)	(0.9)	(1.5)	66.7%	(1.5)	(1.1)	(0.4)	-63.6%	(0.6)	(0.2)	-66.7%
<b>Net revenues</b>	<b>368.2</b>	<b>347.4</b>	<b>466.1</b>	<b>466.1</b>	<b>598.6</b>	<b>740.9</b>	<b>23.8%</b>	<b>740.9</b>	<b>506.8</b>	<b>760.9</b>	<b>50.1%</b>	<b>175.4</b>	<b>362.3</b>	<b>106.6%</b>
Book value of cars sold and preparation for sale	(286.7)	(279.4)	(392.1)	(392.1)	(525.9)	(650.2)	23.6%	(650.1)	(443.9)	(686.9)	50.3%	(151.9)	(309.7)	103.9%
<b>Gross profit</b>	<b>81.5</b>	<b>68.0</b>	<b>74.0</b>	<b>74.0</b>	<b>72.7</b>	<b>90.7</b>	<b>24.8%</b>	<b>90.8</b>	<b>162.9</b>	<b>74.0</b>	<b>-49.2%</b>	<b>23.5</b>	<b>52.6</b>	<b>123.8%</b>
Operating expenses (SG&A)	(33.6)	(31.0)	(32.7)	(32.7)	(36.6)	(41.4)	13.1%	(35.0)	(23.3)	(37.4)	60.5%	(8.7)	(13.6)	56.3%
Cars depreciation	(124.7)	(118.5)	(114.3)	(114.3)	(159.9)	(218.7)	36.8%	(218.7)	(158.4)	(102.7)	-35.2%	(50.8)	(33.7)	-33.7%
Other assets depreciation and amortization	(2.0)	(1.8)	(1.7)	(1.7)	(1.7)	(1.5)	-11.8%	(6.7)	(4.7)	(7.8)	66.0%	(1.6)	(2.9)	81.3%
<b>Operating profit (loss) before financial results and taxes (EBIT)</b>	<b>(78.8)</b>	<b>(83.3)</b>	<b>(74.7)</b>	<b>(74.7)</b>	<b>(125.5)</b>	<b>(170.9)</b>	<b>36.2%</b>	<b>(169.6)</b>	<b>(123.4)</b>	<b>(53.9)</b>	<b>-56.3%</b>	<b>(37.6)</b>	<b>2.4</b>	<b>-106.4%</b>
Financial expenses, net	(63.8)	(68.7)	(80.0)	(80.0)	(79.6)	(100.2)	25.9%	(102.3)	(80.8)	(56.8)	-29.7%	(17.7)	(9.2)	-48.0%
Income tax and social contribution	33.7	32.3	35.1	35.1	52.0	61.7	18.7%	60.6	44.9	35.6	-20.7%	11.9	1.8	-84.9%
<b>Net loss for the period</b>	<b>(108.9)</b>	<b>(119.7)</b>	<b>(119.6)</b>	<b>(119.6)</b>	<b>(153.1)</b>	<b>(209.4)</b>	<b>36.8%</b>	<b>(211.3)</b>	<b>(159.3)</b>	<b>(75.1)</b>	<b>-52.9%</b>	<b>(43.4)</b>	<b>(5.0)</b>	<b>-85.5%</b>
<b>Net Margin</b>	<b>-29.8%</b>	<b>-34.9%</b>	<b>-25.7%</b>	<b>-25.7%</b>	<b>-25.6%</b>	<b>-28.3%</b>	<b>-21 p.p.</b>	<b>-28.9%</b>	<b>-31.4%</b>	<b>-9.9%</b>	<b>21.5 p.p.</b>	<b>-1.4%</b>	<b>23.3 p.p.</b>	
<b>EBITDA</b>	<b>47.9</b>	<b>37.0</b>	<b>41.3</b>	<b>41.3</b>	<b>36.1</b>	<b>49.3</b>	<b>36.6%</b>	<b>55.8</b>	<b>39.7</b>	<b>56.6</b>	<b>42.6%</b>	<b>14.8</b>	<b>39.0</b>	<b>163.5%</b>
<b>EBITDA Margin</b>	<b>13.0%</b>	<b>10.7%</b>	<b>8.9%</b>	<b>8.9%</b>	<b>6.0%</b>	<b>6.7%</b>	<b>0.7 p.p.</b>	<b>7.5%</b>	<b>7.8%</b>	<b>7.4%</b>	<b>-0.4 p.p.</b>	<b>8.4%</b>	<b>10.8%</b>	<b>2.4 p.p.</b>

FLEET RENTAL TOTAL FIGURES	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	9M19 with reclassification of PIS/COFINS credits	9M20	Var.	3Q19 with reclassification of PIS/COFINS credits	3Q20	Var.
Fleet rental gross revenues, net of discounts and cancellations	619.6	664.1	757.4	757.4	857.8	1,039.1	21.1%	1,039.1	760.3	863.7	13.6%	266.6	291.6	9.4%
Car sales for fleet renewal - gross revenues, net of discounts and cancellations	368.6	347.8	466.5	466.5	599.5	742.4	23.8%	742.4	507.9	761.3	49.9%	176.0	362.5	106.0%
<b>Total gross revenues</b>	<b>988.2</b>	<b>1,011.9</b>	<b>1,223.9</b>	<b>1,223.9</b>	<b>1,457.3</b>	<b>1,781.5</b>	<b>22.2%</b>	<b>1,781.5</b>	<b>1,268.2</b>	<b>1,625.0</b>	<b>28.1%</b>	<b>442.6</b>	<b>654.1</b>	<b>47.8%</b>
Taxes on revenues	(11.1)	(12.3)	(15.3)	(15.3)	(9.0)	(15.2)	68.9%	(98.8)	(72.2)	(81.8)	13.3%	(25.3)	(27.6)	9.1%
Fleet rental (*)	(0.4)	(0.4)	(0.4)	(0.4)	(0.4)	(0.9)	66.7%	(1.5)	(1.1)	(0.4)	-63.6%	(0.6)	(0.2)	-66.7%
Car sales for fleet renewal	(0.4)	(0.4)	(0.4)	(0.4)	(0.9)	(1.5)	66.7%	(1.5)	(1.1)	(0.4)	-63.6%	(0.6)	(0.2)	-66.7%
Fleet rental - net revenues	608.5	651.8	742.1	742.1	848.8	1,023.9	20.6%	940.3	688.1	781.9	13.6%	241.3	264.0	9.4%
Car sales for fleet renewal - net revenues	368.2	347.4	466.1	466.1	598.6	740.9	23.8%	740.9	506.8	760.9	50.1%	175.4	362.3	106.6%
<b>Total net revenues (**)</b>	<b>976.7</b>	<b>999.2</b>	<b>1,208.2</b>	<b>1,208.2</b>	<b>1,447.4</b>	<b>1,764.8</b>	<b>21.9%</b>	<b>1,681.2</b>	<b>1,194.9</b>	<b>1,542.8</b>	<b>29.1%</b>	<b>416.7</b>	<b>626.3</b>	<b>50.3%</b>
Direct costs	(189.3)	(193.7)	(220.4)	(220.4)	(245.9)	(304.1)	23.7%	(220.5)	(163.0)	(152.3)	-6.6%	(59.2)	(60.9)	-14.0%
Fleet rental	(86.7)	(86.7)	(86.7)	(86.7)	(86.7)	(86.7)	0.0%	(86.7)	(86.7)	(86.7)	0.0%	(86.7)	(86.7)	0.0%
Car sales for fleet renewal	(102.6)	(107.0)	(133.7)	(133.7)	(159.2)	(217.4)	36.8%	(213.8)	(158.4)	(102.7)	-35.2%	(50.8)	(33.7)	-33.7%
<b>Gross profit</b>	<b>787.4</b>	<b>805.5</b>	<b>987.8</b>	<b>987.8</b>	<b>1,201.5</b>	<b>1,460.7</b>	<b>20.0%</b>	<b>1,460.7</b>	<b>1,031.9</b>	<b>1,390.5</b>	<b>33.9%</b>	<b>357.5</b>	<b>565.4</b>	<b>57.3%</b>
Operating expenses (SG&A)	(40.7)	(37.9)	(65.4)	(62.3)	(59.6)	(83.6)	40.3%	(83.2)	(57.8)	(42.6)	-26.3%	(22.3)	(19.3)	-13.5%
Fleet rental	(33.6)	(31.0)	(32.7)	(32.7)	(36.6)	(41.4)	13.1%	(35.0)	(23.3)	(37.4)	60.5%	(8.7)	(13.6)	56.3%
Car sales for fleet renewal	(7.1)	(6.0)	(9.7)	(9.7)	(13.0)	(16.2)	33.3%	(18.2)	(14.3)	(15.2)	-1.1%	(4.6)	(0.7)	-84.4%
Cars depreciation	(124.7)	(118.5)	(114.3)	(114.3)	(159.9)	(218.7)	36.8%	(218.7)	(158.4)	(102.7)	-35.2%	(50.8)	(33.7)	-33.7%
Other assets depreciation and amortization	(2.2)	(2.9)	(3.5)	(3.5)	(4.9)	(5.3)	8.2%	(5.7)	(4.3)	(6.2)	44.2%	(1.4)	(2.4)	71.4%
Car sales for fleet renewal	(2.0)	(1.8)	(1.7)	(1.7)	(1.7)	(1.5)	-11.8%	(6.7)	(4.7)	(7.8)	66.0%	(1.6)	(2.9)	81.3%
<b>Operating profit before financial results and taxes (EBIT)</b>	<b>297.5</b>	<b>334.0</b>	<b>378.1</b>	<b>381.5</b>	<b>412.9</b>	<b>460.0</b>	<b>11.4%</b>	<b>461.3</b>	<b>339.6</b>	<b>526.9</b>	<b>55.2%</b>	<b>120.8</b>	<b>193.8</b>	<b>60.4%</b>
Financial expenses, net	(63.9)	(69.8)	(81.6)	(81.6)	(80.1)	(100.8)	25.8%	(103.0)	(81.3)	(57.2)	-29.6%	(17.9)	(9.3)	-48.0%
Income tax and social contribution	(56.8)	(58.1)	(67.7)	(67.7)	(84.5)	(81.8)	-3.2%	(79.7)	(56.1)	(141.9)	152.9%	(22.5)	(50.5)	124.4%
<b>Net income for the period</b>	<b>176.8</b>	<b>206.1</b>	<b>228.8</b>	<b>231.4</b>	<b>248.3</b>	<b>277.4</b>	<b>11.7%</b>	<b>278.6</b>	<b>202.2</b>	<b>327.8</b>	<b>62.1%</b>	<b>80.4</b>	<b>134.0</b>	<b>66.7%</b>
<b>Net margin</b>	<b>18.1%</b>	<b>20.6%</b>	<b>18.9%</b>	<b>19.2%</b>	<b>17.2%</b>	<b>15.7%</b>	<b>-1.5 p.p.</b>	<b>16.6%</b>	<b>16.9%</b>	<b>21.2%</b>	<b>4.3 p.p.</b>	<b>19.3%</b>	<b>21.4%</b>	<b>2.1 p.p.</b>
<b>EBITDA</b>	<b>426.4</b>	<b>457.2</b>	<b>497.6</b>	<b>501.0</b>	<b>579.4</b>	<b>685.5</b>	<b>18.3%</b>	<b>692.4</b>	<b>507.0</b>	<b>643.6</b>	<b>26.9%</b>	<b>174.6</b>	<b>232.8</b>	<b>33.3%</b>
<b>EBITDA margin</b>	<b>43.7%</b>	<b>45.8%</b>	<b>41.2%</b>	<b>41.5%</b>	<b>40.0%</b>	<b>38.8%</b>	<b>-1.2 p.p.</b>	<b>41.2%</b>	<b>42.4%</b>	<b>40.1%</b>	<b>-0.7 p.p.</b>	<b>41.9%</b>	<b>37.2%</b>	<b>-4.7 p.p.</b>

OPERATING DATA	2015	2016	2017	2017 adjusted	2018	2019	Var.	2019	9M19	9M20	Var.	3Q19	3Q20	Var.
Average operating fleet	31,676	31,908	36,804	36,804	44,404	55,726	25.5%	55,726	53,858	60,396	12.1%	67,350	58,310	1.7%
Total Average rented fleet	30,280	31,222	35,424	35,424	42,321	53,029	25.3%	53,029	51,512	58,816	14.2%	54,569	59,260	8.6%
Average rented fleet	30,280	31,222	35,424	35,424	42,321	53,029	25.3%	53,029	51,512	57,989	12.6%	54,569	56,779	4.0%
Average rented fleet - sublease Car Rental	-	-	-	-	-	-	-	-	-	827	-	-	2,481	-
Average operating fleet age (in months)	16.7	18.0	18.1	18.1	15.1	15.1	0.0%	15.1	15.2	16.8	10.5%	15.1	18.2	20.5%
End of period fleet														
Rented Fleet	33,948	34,960	44,877	44,877	54,430	68,957	26.7%	68,957	67,589	60,637	-10.3%	67,589	60,637	-10.3%
Managed Fleet	207	145	94	94	57	32	-43.9%	32	30	111	270.0%</			



## 16.3 – Table 3 – Franchising – R\$ million

FRANCHISING RESULTS	2015	2016	2017	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	9M19 with reclassification of PIS/COFINS credits	9M20	Var.	3Q19 with reclassification of PIS/COFINS credits	3Q20	Var.
Gross revenues	17.8	18.0	17.6	18.1	21.8	20.4%	21.8	16.5	13.2	-20.0%	4.9	4.2	-14.3%
Taxes on revenues (*)	(1.2)	(1.0)	(1.1)	(1.0)	(1.0)	0.0%	(1.0)	(0.7)	(0.6)	-14.3%	(0.2)	(0.2)	0.0%
<b>Net revenues</b>	<b>16.6</b>	<b>17.0</b>	<b>16.5</b>	<b>17.1</b>	<b>20.8</b>	<b>21.6%</b>	<b>20.8</b>	<b>15.8</b>	<b>12.6</b>	<b>-20.3%</b>	<b>4.7</b>	<b>4.0</b>	<b>-14.9%</b>
Costs	(9.2)	(9.7)	(8.9)	(9.6)	(8.3)	-13.5%	(6.5)	(4.9)	(5.8)	18.4%	(1.3)	(1.8)	-38.5%
<b>Gross profit</b>	<b>7.4</b>	<b>7.3</b>	<b>7.6</b>	<b>7.5</b>	<b>12.5</b>	<b>66.7%</b>	<b>14.3</b>	<b>10.9</b>	<b>6.8</b>	<b>-37.6%</b>	<b>3.4</b>	<b>2.2</b>	<b>-35.3%</b>
Operating expenses (SG&A)	(0.6)	(1.5)	(1.8)	(0.5)	(0.4)	-20.0%	(0.4)	(0.4)	(1.0)	150.0%	(0.2)	(0.4)	100.0%
Other assets depreciation and amortization	(0.4)	(0.5)	(0.6)	(0.5)	(0.3)	-40.0%	(2.1)	(1.7)	(1.2)	-29.4%	(0.5)	(0.4)	-20.0%
<b>Operating profit before financial results and taxes (EBIT)</b>	<b>6.4</b>	<b>5.3</b>	<b>5.2</b>	<b>6.5</b>	<b>11.8</b>	<b>81.5%</b>	<b>11.8</b>	<b>8.8</b>	<b>4.6</b>	<b>-47.7%</b>	<b>2.7</b>	<b>1.4</b>	<b>-48.1%</b>
Financial expenses, net	1.6	2.1	1.8	1.3	0.5	-61.5%	0.5	0.4	(0.1)	-125.0%	(0.4)	-	-100.0%
Income tax and social contribution	(1.3)	(1.5)	(1.2)	(1.2)	(2.8)	133.3%	(2.6)	(2.0)	(1.6)	-20.0%	(0.4)	(0.5)	25.0%
<b>Net income for the period</b>	<b>6.7</b>	<b>5.9</b>	<b>5.8</b>	<b>6.6</b>	<b>9.5</b>	<b>43.9%</b>	<b>9.7</b>	<b>7.2</b>	<b>2.9</b>	<b>-59.7%</b>	<b>1.9</b>	<b>0.9</b>	<b>-52.6%</b>
<b>Net Margin</b>	<b>40.4%</b>	<b>34.7%</b>	<b>35.2%</b>	<b>38.6%</b>	<b>45.7%</b>	<b>7.1 p.p.</b>	<b>46.6%</b>	<b>45.6%</b>	<b>23.0%</b>	<b>-22.6 p.p.</b>	<b>40.4%</b>	<b>22.5%</b>	<b>-17.9 p.p.</b>
<b>EBITDA</b>	<b>6.8</b>	<b>5.8</b>	<b>5.8</b>	<b>7.0</b>	<b>12.1</b>	<b>72.9%</b>	<b>13.9</b>	<b>10.5</b>	<b>5.8</b>	<b>-44.8%</b>	<b>3.2</b>	<b>1.8</b>	<b>-43.8%</b>
<b>EBITDA Margin</b>	<b>41.0%</b>	<b>34.1%</b>	<b>35.2%</b>	<b>40.9%</b>	<b>58.2%</b>	<b>17.3 p.p.</b>	<b>66.8%</b>	<b>66.5%</b>	<b>46.0%</b>	<b>-20.5 p.p.</b>	<b>68.1%</b>	<b>45.0%</b>	<b>-23.1 p.p.</b>

(\*) 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.

# 16.4 – Table 4 – Consolidated – R\$ million

CONSOLIDATED RESULTS	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	9M19 with reclassification of PIS/COFINS credits	9M20	Var.	3Q19 with reclassification of PIS/COFINS credits	3Q20	Var.
Car rental gross revenues, net of discounts and cancellations	1,316.9	1,486.9	1,898.7	1,898.7	2,570.8	3,345.6	30.1%	3,345.6	2,352.0	2,342.9	-0.4%	837.3	834.6	-0.3%
Franchising gross revenues, net of discounts and cancellations	17.8	18.0	17.6	17.6	18.1	21.8	20.4%	21.8	16.5	13.2	-20.0%	4.9	4.2	-14.3%
Car Rental and Franchising total gross revenues, net of discounts and cancellations	1,334.7	1,504.9	1,916.3	1,916.3	2,588.9	3,367.4	30.1%	3,367.4	2,368.5	2,356.1	-0.5%	842.2	838.8	-0.4%
Fleet Rental gross revenues, net of discounts and cancellations	619.6	664.1	757.4	757.4	857.8	1,039.1	21.1%	1,039.1	760.3	863.7	13.6%	266.6	291.6	9.4%
Car and Fleet Rentals and Franchising total gross revenues	1,954.3	2,169.0	2,673.7	2,673.7	3,446.7	4,406.5	27.8%	4,406.5	3,128.8	3,219.8	2.9%	1,108.8	1,130.4	1.9%
Taxes on revenues - Car and Fleet Rentals and Franchising (*)	(71.2)	(72.2)	(66.6)	(66.6)	(61.4)	(59.7)	-2.8%	(417.6)	(236.1)	(306.1)	3.4%	(105.2)	(107.1)	1.8%
<b>Car and Fleet Rentals and Franchising net revenues</b>	<b>1,883.1</b>	<b>2,096.8</b>	<b>2,607.1</b>	<b>2,607.1</b>	<b>3,385.3</b>	<b>4,346.8</b>	<b>28.4%</b>	<b>3,989.9</b>	<b>2,832.7</b>	<b>2,913.7</b>	<b>2.9%</b>	<b>1,003.6</b>	<b>1,023.3</b>	<b>2.0%</b>
Car sales gross revenues	-	-	-	-	-	-	-	-	-	-	-	-	-	-
Car sales for fleet renewal - Car Rental, net of discounts and cancellations	1,679.2	1,997.8	2,990.0	2,990.0	3,919.2	5,479.6	39.8%	5,479.6	3,925.1	3,764.2	-4.1%	1,406.0	1,684.5	19.8%
Car sales for fleet renewal - Fleet Rental, net of discounts and cancellations	368.6	347.8	466.5	466.5	599.5	742.4	23.8%	742.4	507.9	761.3	49.9%	176.0	362.5	106.0%
Car sales for fleet renewal - total gross revenues (*)	2,047.8	2,345.6	3,456.5	3,456.5	4,518.7	6,222.0	37.7%	6,222.0	4,433.0	4,525.5	2.1%	1,582.0	2,047.0	29.4%
Taxes on revenues - Car sales for fleet renewal	(2.9)	(3.1)	(5.3)	(5.3)	(8.3)	(15.3)	84.3%	(15.3)	(10.6)	(6.9)	-34.9%	(4.4)	(2.7)	-38.6%
<b>Car sales for fleet renewal - net revenues</b>	<b>2,044.9</b>	<b>2,342.5</b>	<b>3,451.2</b>	<b>3,451.2</b>	<b>4,510.4</b>	<b>6,206.7</b>	<b>37.6%</b>	<b>6,206.7</b>	<b>4,422.4</b>	<b>4,518.6</b>	<b>2.2%</b>	<b>1,577.6</b>	<b>2,044.3</b>	<b>29.6%</b>
<b>Total net revenues</b>	<b>3,928.0</b>	<b>4,439.3</b>	<b>6,058.3</b>	<b>6,058.3</b>	<b>7,895.7</b>	<b>10,553.5</b>	<b>33.7%</b>	<b>10,195.6</b>	<b>7,255.1</b>	<b>7,432.3</b>	<b>2.4%</b>	<b>2,581.2</b>	<b>3,067.6</b>	<b>18.8%</b>
Direct costs and expenses:														
Car rental	(618.1)	(707.4)	(926.4)	(926.4)	(1,178.1)	(1,476.2)	25.3%	(1,105.5)	(790.5)	(737.5)	-6.7%	(295.8)	(263.4)	-11.0%
Franchising	(9.2)	(9.7)	(8.9)	(8.9)	(9.6)	(8.3)	-13.5%	(6.5)	(4.9)	(5.8)	18.4%	(1.3)	(1.8)	38.5%
Total Car rental and Franchising	(627.3)	(717.1)	(935.3)	(935.3)	(1,187.7)	(1,484.5)	25.0%	(1,112.0)	(795.4)	(743.3)	-6.6%	(297.1)	(265.2)	-10.7%
Fleet Rental	(189.3)	(193.7)	(220.4)	(220.4)	(245.9)	(304.1)	23.7%	(220.5)	(163.0)	(152.3)	-6.6%	(59.2)	(50.9)	-14.0%
Total Car and Fleet Rentals and Franchising	(816.6)	(910.8)	(1,155.7)	(1,155.7)	(1,433.6)	(1,788.6)	24.8%	(1,332.5)	(958.4)	(895.6)	-6.6%	(356.3)	(316.1)	-11.3%
Car sales for fleet renewal - Car rental	(1,396.3)	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	42.3%	(5,037.8)	(3,601.2)	(3,479.0)	-3.4%	(1,283.3)	(1,524.2)	18.8%
Car sales for fleet renewal - Fleet Rental	(286.7)	(279.4)	(392.1)	(392.1)	(525.9)	(650.2)	23.6%	(650.1)	(443.8)	(666.9)	50.3%	(151.9)	(309.7)	103.9%
Total Car sales for fleet renewal (book value) and preparation for sale	(1,683.0)	(2,006.9)	(2,995.3)	(2,995.3)	(4,068.4)	(5,690.7)	39.9%	(5,687.9)	(4,045.0)	(4,145.9)	2.5%	(1,435.2)	(1,833.9)	27.8%
Total costs	(2,499.6)	(2,917.7)	(4,151.0)	(4,151.0)	(5,502.0)	(7,479.3)	35.9%	(7,020.4)	(5,003.4)	(5,041.5)	0.8%	(1,791.5)	(2,150.0)	20.0%
<b>Gross profit</b>	<b>1,428.4</b>	<b>1,521.6</b>	<b>1,907.3</b>	<b>1,907.3</b>	<b>2,393.7</b>	<b>3,074.2</b>	<b>28.4%</b>	<b>3,175.2</b>	<b>2,251.7</b>	<b>2,390.8</b>	<b>6.2%</b>	<b>789.7</b>	<b>917.6</b>	<b>16.2%</b>
Operating expenses														
Advertising, promotion and selling:														
Car rental	(127.9)	(148.6)	(199.6)	(199.6)	(285.8)	(357.4)	25.1%	(357.4)	(246.5)	(332.4)	34.8%	(89.4)	(120.3)	34.6%
Franchising	(0.6)	(0.6)	(1.1)	(1.1)	-	0.1	0.0%	0.1	(0.3)	(0.8)	166.7%	-	(0.2)	0.0%
Total Car rental and Franchising	(128.5)	(149.2)	(200.7)	(200.7)	(285.8)	(357.3)	25.0%	(357.3)	(246.8)	(333.2)	35.0%	(89.4)	(120.5)	34.8%
Fleet Rental	(18.2)	(14.0)	(18.8)	(18.8)	(27.7)	(36.0)	30.0%	(36.6)	(26.1)	(27.7)	6.1%	(9.8)	(8.9)	-9.2%
Car sales for fleet renewal	(191.1)	(191.6)	(232.3)	(232.3)	(279.5)	(357.1)	27.8%	(301.6)	(212.8)	(225.9)	6.2%	(78.2)	(73.2)	-6.4%
Total advertising, promotion and selling	(337.8)	(354.8)	(451.8)	(451.8)	(593.0)	(750.4)	26.5%	(694.5)	(485.7)	(586.8)	20.8%	(177.4)	(202.6)	14.2%
General, administrative and other expenses	(155.8)	(151.2)	(215.3)	(203.6)	(210.6)	(268.0)	27.3%	(267.9)	(182.8)	(88.4)	-51.6%	(67.2)	(66.9)	-0.4%
Total Operating expenses	(493.6)	(506.0)	(667.1)	(649.1)	(803.6)	(1,018.4)	26.7%	(962.4)	(668.5)	(675.2)	1.0%	(244.6)	(289.5)	10.2%
Depreciation expenses:														
Cars depreciation:														
Car rental	(38.9)	(87.8)	(117.7)	(117.7)	(131.7)	(332.8)	152.7%	(332.8)	(221.8)	(313.0)	41.1%	(94.4)	(61.3)	-35.1%
Fleet Rental	(124.7)	(118.5)	(114.3)	(114.3)	(159.9)	(218.7)	36.8%	(218.7)	(158.4)	(102.7)	-35.2%	(50.8)	(33.7)	-33.7%
Total cars depreciation expenses	(163.6)	(206.3)	(232.0)	(232.0)	(291.6)	(551.5)	89.1%	(551.5)	(380.2)	(415.7)	9.3%	(145.2)	(95.0)	-34.6%
Other assets depreciation and amortization	(35.7)	(38.2)	(39.1)	(39.1)	(43.9)	(46.3)	5.5%	(171.7)	(125.6)	(143.5)	14.3%	(43.1)	(49.5)	14.8%
Total depreciation and amortization expenses	(199.3)	(244.5)	(271.1)	(271.1)	(335.5)	(597.8)	78.2%	(723.2)	(505.8)	(559.2)	10.6%	(188.3)	(144.5)	-23.3%
<b>Operating profit before financial results and taxes (EBIT)</b>	<b>735.5</b>	<b>771.1</b>	<b>969.1</b>	<b>1,043.1</b>	<b>1,254.6</b>	<b>1,458.0</b>	<b>16.2%</b>	<b>1,489.6</b>	<b>1,077.4</b>	<b>1,156.4</b>	<b>7.3%</b>	<b>356.8</b>	<b>503.6</b>	<b>41.1%</b>
Financial expenses, net:														
Expense	(370.1)	(445.5)	(511.9)	(511.9)	(536.8)	(591.2)	10.1%	(630.0)	(474.0)	(398.9)	-15.8%	(158.1)	(90.1)	-43.0%
Income	167.4	202.0	196.9	196.9	167.9	230.6	37.3%	220.2	176.8	89.5	-49.4%	63.9	35.6	-44.3%
Financial (expenses) revenues, net	(202.7)	(243.5)	(315.0)	(315.0)	(368.9)	(360.6)	-2.2%	(409.8)	(297.2)	(309.4)	4.1%	(94.2)	(54.5)	-42.1%
<b>Income before tax and social contribution</b>	<b>532.8</b>	<b>527.6</b>	<b>654.1</b>	<b>728.1</b>	<b>885.7</b>	<b>1,097.4</b>	<b>23.9%</b>	<b>1,079.8</b>	<b>780.2</b>	<b>847.0</b>	<b>8.6%</b>	<b>262.6</b>	<b>449.1</b>	<b>71.0%</b>
Income tax and social contribution	(130.4)	(118.3)	(148.4)	(164.7)	(226.5)	(249.9)	10.3%	(245.9)	(174.6)	(200.6)	14.9%	(57.9)	(123.6)	113.5%
<b>Net income for the period</b>	<b>402.4</b>	<b>409.3</b>	<b>505.7</b>	<b>563.4</b>	<b>659.2</b>	<b>847.5</b>	<b>28.6%</b>	<b>833.9</b>	<b>605.6</b>	<b>646.4</b>	<b>6.7%</b>	<b>204.7</b>	<b>325.5</b>	<b>59.0%</b>
EBITDA	934.8	1,015.6	1,240.2	1,314.2	1,590.1	2,055.8	29.3%	2,212.8	1,583.2	1,715.6	8.4%	545.1	648.1	18.9%
EBIT	735.5	771.1	969.1	1,043.1	1,254.6	1,458.0	16.2%	1,489.6	1,077.4	1,156.4	7.3%	356.8	503.6	41.1%
<b>Consolidated EBIT Margin (calculated over rental revenues)</b>	<b>39.1%</b>	<b>36.8%</b>	<b>37.2%</b>	<b>40.0%</b>	<b>37.1%</b>	<b>33.5%</b>	<b>-3.5 p.p.</b>	<b>37.3%</b>	<b>38.0%</b>	<b>39.7%</b>	<b>1.7 p.p.</b>	<b>35.6%</b>	<b>49.2%</b>	<b>13.7 p.p.</b>
Car and Fleet Rentals and Franchising EBITDA	785.3	887.8	1,037.0	1,111.0	1,454.3	1,930.6	32.8%	2,029.2	1,439.9	1,595.1	10.8%	489.0	519.6	6.3%
<b>EBITDA Margin</b>	<b>41.7%</b>	<b>42.3%</b>	<b>39.8%</b>	<b>42.6%</b>	<b>43.0%</b>	<b>44.4%</b>	<b>1.4 p.p.</b>	<b>50.9%</b>	<b>50.8%</b>	<b>54.7%</b>	<b>3.9 p.p.</b>	<b>48.7%</b>	<b>50.8%</b>	<b>2.1 p.p.</b>
Used Car Sales (Seminovos) EBITDA	149.5	127.7	203.2	203.2	135.8	125.2	-7.8%	183.6	143.3	120.5	-15.9%	56.1	128.5	129.1%
<b>EBITDA Margin</b>	<b>7.3%</b>	<b>5.5%</b>	<b>5.9%</b>	<b>5.9%</b>	<b>3.0%</b>	<b>2.0%</b>	<b>-1.0 p.p.</b>	<b>3.0%</b>	<b>3.2%</b>	<b>2.7%</b>	<b>-0.5 p.p.</b>	<b>3.8%</b>	<b>6.3%</b>	<b>2.7 p.p.</b>

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

## 16.5 – Table 5 – Operating data

SELECTED OPERATING DATA	2015	2016	2017	2018	2019	Var.	9M19	9M20	Var.	3Q19	3Q20	Var.
<b>Average operating fleet:</b>												
Car Rental	62,513	70,185	94,194	130,058	173,649	33.5%	164,346	203,062	23.6%	178,868	192,745	7.8%
Fleet Rental	31,676	31,908	36,804	44,404	55,726	25.5%	53,858	60,396	12.1%	57,350	58,310	1.7%
Total	94,189	102,093	130,998	174,462	229,375	31.5%	218,204	263,458	20.7%	236,218	251,055	6.3%
<b>Average rented fleet:</b>												
Car Rental	43,315	51,515	69,762	97,245	128,718	32.4%	121,485	134,663	10.8%	131,883	139,060	5.4%
Fleet Rental	30,280	31,222	35,424	42,321	53,029	25.3%	51,512	58,816	14.2%	54,569	59,260	8.6%
Total	73,595	82,737	105,186	139,566	181,747	30.2%	172,997	193,479	11.8%	186,452	198,320	6.4%
<b>Average age of operating fleet (months)</b>												
Car Rental	7.4	7.9	6.5	7.2	7.0	-2.8%	7.1	9.4	32.4%	6.8	11.2	64.7%
Fleet Rental	16.7	18.0	18.1	15.1	15.1	0.0%	15.2	16.8	10.5%	15.1	18.2	20.5%
Average age of total operating fleet	10.6	11.0	9.8	9.3	9.0	-3.2%	9.1	11.1	22.0%	8.9	12.9	44.9%
<b>Fleet at end of period:</b>												
Car Rental	76,755	94,156	135,578	177,672	238,174	34.1%	217,461	207,491	-4.6%	217,461	207,491	-4.6%
Fleet Rental	33,948	34,960	44,877	54,430	68,957	26.7%	67,589	60,637	-10.3%	67,589	60,637	-10.3%
Total	110,703	129,116	180,455	232,102	307,131	32.3%	285,050	268,128	-5.9%	285,050	268,128	-5.9%
Managed fleet at end period - Fleet Rental	207	145	94	57	32	-43.9%	30	111	270.0%	30	111	270.0%
<b>Fleet investment (R\$ million) (does not include accessories)</b>												
Car Rental	1,773.1	2,782.2	4,581.8	5,785.2	8,802.1	52.1%	6,053.5	2,450.3	-59.5%	2,333.0	859.7	-63.2%
Fleet Rental	502.0	503.4	881.5	1,189.2	1,472.6	23.8%	1,090.6	627.4	-42.5%	463.3	210.1	-54.7%
Total	2,275.1	3,285.6	5,463.3	6,974.4	10,274.7	47.3%	7,144.1	3,077.7	-56.9%	2,796.3	1,069.8	-61.7%
<b>Number of rental days (In thousands):</b>												
Car Rental - Total	15,815.8	18,864.8	25,494.0	35,514.6	47,029.0	32.4%	33,188.1	36,877.9	11.1%	12,129.8	12,780.4	5.4%
Rental days for Fleet Rental replacement service	(249.7)	(202.4)	(230.4)	(230.1)	(283.0)	23.0%	(212.7)	(416.6)	95.9%	(68.1)	(286.1)	320.1%
Car Rental - Net	15,566.1	18,662.4	25,263.6	35,284.5	46,745.9	32.5%	32,975.4	36,461.3	10.6%	12,061.7	12,494.3	3.6%
Fleet Rental	10,900.9	11,240.0	12,752.7	15,235.7	19,090.5	25.3%	13,908.2	15,880.3	14.2%	4,911.2	5,333.4	8.6%
Total	26,467.0	29,902.4	38,016.3	50,520.2	65,836.5	30.3%	46,883.6	52,341.6	11.6%	16,972.9	17,827.7	5.0%
<b>Annualized average depreciation per car (R\$)</b>												
Car Rental	622.1	1,251.2	1,250.1	1,012.4	1,917.6	89.4%	1,799.8	2,055.2	14.2%	2,110.2	1,271.6	-39.7%
Fleet Rental	3,935.2	3,714.0	3,104.3	3,601.1	3,923.4	9.0%	3,921.3	2,266.0	-42.2%	3,545.6	2,312.3	-34.8%
Total	1,736.3	2,020.9	1,771.0	1,671.2	2,405.2	43.9%	2,323.4	2,103.5	-9.5%	2,458.7	1,513.3	-38.5%
<b>Average annual gross revenues per operating car (R\$ thousand)</b>												
Car Rental	21.1	21.2	20.2	19.8	19.3	-2.5%	18.8	15.5	-17.6%	18.3	17.3	-5.5%
Fleet Rental	19.3	20.5	20.4	19.1	18.5	-3.2%	18.4	19.1	3.8%	18.1	20.0	10.5%
<b>Average daily rental (R\$)</b>												
Car Rental (*)	84.56	79.67	75.16	72.86	71.57	-1.8%	71.33	64.26	-9.9%	69.41	66.80	-3.8%
Fleet Rental	56.08	58.23	58.77	55.62	53.92	-3.1%	54.22	53.64	-1.1%	53.82	53.90	0.1%
<b>Utilization rate (does not include cars in preparation and decommissioning):</b>												
Car Rental	75.4%	78.0%	78.6%	79.6%	79.1%	-0.5 p.p.	79.0%	69.9%	-9.1 p.p.	78.6%	75.9%	-2.7 p.p.
Fleet Rental	98.4%	98.9%	98.2%	96.8%	96.6%	-0.2 p.p.	97.0%	97.0%	0.0 p.p.	96.7%	97.8%	1.1 p.p.
<b>Number of cars purchased - consolidated (**)</b>	64,032	87,833	135,252	165,421	223,534	35.1%	159,271	66,631	-58.2%	59,794	22,881	-61.7%
<b>Average price of cars purchased (R\$ thsd) - consolidated</b>	35.53	37.41	40.39	42.16	45.96	9.0%	44.85	46.19	3.0%	46.77	46.75	0.0%
<b>Numbers of cars sold - consolidated</b>	64,305	68,449	90,554	111,279	147,915	32.9%	106,550	103,633	-2.7%	36,804	45,536	23.7%
<b>Average price of cars sold (R\$ thsd) (***) - consolidated</b>	28.54	31.23	35.38	37.86	39.80	5.1%	39.41	41.23	4.6%	40.64	43.15	6.2%

(\*) 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.

# 17 – Consolidated financial statements – IFRS – R\$/million

ASSETS	2015	2016	2017	2018	2019 without IFRS 16	2019	9M20
<b>CURRENT ASSETS:</b>							
Cash and cash equivalents	1,385.1	1,692.3	1,338.2	2,175.3	2,220.1	2,220.1	2,846.8
Financial assets	-	-	1,275.7	267.5	610.8	610.8	1,577.6
Trade accounts receivable	486.1	424.5	585.1	1,016.5	1,274.7	1,274.7	971.6
Derivative financial instruments - swap	-	2.2	-	-	-	-	140.6
Other current assets	102.6	115.0	128.6	182.7	246.8	246.8	332.9
Decommissioning cars to fleet renewal	31.8	8.8	103.4	51.8	141.7	141.7	51.8
<b>Total current assets</b>	<b>2,005.6</b>	<b>2,242.8</b>	<b>3,431.0</b>	<b>3,693.8</b>	<b>4,494.1</b>	<b>4,494.1</b>	<b>5,921.3</b>
<b>NON CURRENT ASSETS:</b>							
Long-term assets:							
Marketable securities	-	-	-	-	-	-	-
Derivative financial instruments - swap	45.6	7.4	16.7	2.8	18.2	18.2	496.1
Trade accounts receivable	4.7	3.2	4.7	3.8	1.8	1.8	1.2
Escrow deposit	52.9	60.1	83.1	96.3	114.6	114.6	116.5
Deferred income tax and social contribution	-	-	42.0	42.2	32.4	32.4	26.4
Investments in restricted accounts	-	-	40.6	43.0	22.3	22.3	44.8
Other non current assets	0.1	0.1	0.7	0.1	0.1	0.1	0.1
<b>Total long-term assets</b>	<b>103.3</b>	<b>70.8</b>	<b>187.8</b>	<b>188.2</b>	<b>189.4</b>	<b>189.4</b>	<b>685.1</b>
Property and equipment							
Cars	3,610.9	4,614.8	6,934.7	9,481.6	13,374.1	13,374.1	11,887.6
Right of use	-	-	-	-	-	625.0	623.0
Other	314.1	405.8	549.3	550.3	570.5	570.5	595.0
Intangible:							
Software and others	67.1	61.1	52.8	47.8	49.9	49.9	47.5
Goodwill on acquisition of investments	22.0	22.0	30.6	30.7	90.0	90.0	105.4
<b>Total non current assets</b>	<b>4,117.4</b>	<b>5,174.5</b>	<b>7,755.2</b>	<b>10,298.6</b>	<b>14,273.9</b>	<b>14,898.9</b>	<b>13,943.6</b>
<b>TOTAL ASSETS</b>	<b>6,123.0</b>	<b>7,417.3</b>	<b>11,186.2</b>	<b>13,992.4</b>	<b>18,768.0</b>	<b>19,393.0</b>	<b>19,864.9</b>

LIABILITIES AND SHAREHOLDERS' EQUITY	2015	2016	2017	2018	2019 without IFRS 16	2019	9M20
<b>CURRENT LIABILITIES:</b>							
Trade accounts payable	690.6	910.9	1,331.7	2,202.6	2,565.4	2,565.4	998.4
Social and labor obligations	85.6	95.0	109.2	135.0	161.8	161.8	187.8
Loans, financing and debentures	422.4	654.6	537.2	616.6	144.3	144.3	745.5
Lease liability	-	-	-	-	-	116.0	129.7
Derivative financial instruments - swap	-	-	6.8	18.7	26.8	26.8	62.1
Income tax and social contribution	28.3	23.0	31.3	41.1	58.7	54.6	103.6
Dividends and interest on own capital	29.3	39.7	36.4	42.6	63.4	63.4	115.2
Other current liabilities	99.9	118.5	181.5	282.8	390.0	390.0	330.5
<b>Total current liabilities</b>	<b>1,356.1</b>	<b>1,841.7</b>	<b>2,234.1</b>	<b>3,339.4</b>	<b>3,410.4</b>	<b>3,522.3</b>	<b>2,672.8</b>
<b>NON CURRENT LIABILITIES:</b>							
Loans, financing and debentures	2,596.9	3,131.3	5,940.5	7,029.4	9,235.1	9,235.1	10,384.1
Lease liability	-	-	-	-	-	526.8	525.9
Derivative financial instruments - swap	-	-	10.8	21.9	62.3	62.3	36.6
Provisions	68.3	63.1	126.5	148.8	207.2	207.2	89.4
Deferred income tax and social contribution	141.6	171.9	219.7	297.3	352.7	352.7	356.9
Restricted Obligations	-	-	40.6	43.1	22.5	22.5	45.2
Other non current liabilities	18.5	12.3	13.3	18.0	16.6	16.6	29.9
<b>Total non current liabilities</b>	<b>2,825.3</b>	<b>3,378.6</b>	<b>6,351.4</b>	<b>7,558.5</b>	<b>9,896.4</b>	<b>10,423.2</b>	<b>11,468.0</b>
<b>Total liabilities</b>	<b>4,181.4</b>	<b>5,220.3</b>	<b>8,585.5</b>	<b>10,897.9</b>	<b>13,306.8</b>	<b>13,945.5</b>	<b>14,140.8</b>
<b>SHAREHOLDERS' EQUITY:</b>							
Capital	976.7	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	-	-	-	-	-	-	(188.3)
Capital Reserves	35.9	34.0	94.9	125.0	163.2	163.2	179.0
Earnings Reserves	929.0	1,186.3	1,005.8	1,469.5	1,341.1	1,327.4	1,776.5
<b>Total shareholders' equity</b>	<b>1,941.6</b>	<b>2,197.0</b>	<b>2,600.7</b>	<b>3,094.5</b>	<b>5,461.2</b>	<b>5,447.5</b>	<b>5,724.1</b>
<b>TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY</b>	<b>6,123.0</b>	<b>7,417.3</b>	<b>11,186.2</b>	<b>13,992.4</b>	<b>18,768.0</b>	<b>19,393.0</b>	<b>19,864.9</b>



## 18 – Consolidated financial statements – Income statements - R\$/million

STATEMENT OF INCOME	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	9M20
<b>Total net revenues</b>	<b>3,928.0</b>	<b>4,439.3</b>	<b>6,058.3</b>	<b>6,058.3</b>	<b>7,895.7</b>	<b>10,553.5</b>	<b>10,195.6</b>	<b>7,432.3</b>
COSTS AND EXPENSES:								
Direct costs	(2,499.6)	(2,917.7)	(4,151.0)	(4,095.0)	(5,502.0)	(7,479.3)	(7,020.4)	(5,041.5)
Selling, general, administrative and other expenses	(493.6)	(506.0)	(667.1)	(649.1)	(803.6)	(1,018.4)	(962.4)	(675.2)
Cars depreciation	(163.6)	(206.3)	(232.0)	(232.0)	(291.6)	(551.5)	(551.5)	(415.7)
Other assets depreciation and amortization	(35.7)	(38.2)	(39.1)	(39.1)	(43.9)	(46.3)	(171.7)	(143.5)
Total costs and expenses	(3,192.5)	(3,668.2)	(5,089.2)	(5,015.2)	(6,641.1)	(9,095.5)	(8,706.0)	(6,275.9)
<b>Income before financial results and taxes (EBIT)</b>	<b>735.5</b>	<b>771.1</b>	<b>969.1</b>	<b>1,043.1</b>	<b>1,254.6</b>	<b>1,458.0</b>	<b>1,489.6</b>	<b>1,156.4</b>
FINANCIAL EXPENSES, NET								
	(202.7)	(243.5)	(315.0)	(315.0)	(368.9)	(360.6)	(409.8)	(309.4)
<b>Income before taxes</b>	<b>532.8</b>	<b>527.6</b>	<b>654.1</b>	<b>728.1</b>	<b>885.7</b>	<b>1,097.4</b>	<b>1,079.8</b>	<b>847.0</b>
INCOME TAX AND SOCIAL CONTRIBUTION								
Current	(94.8)	(88.0)	(119.4)	(135.7)	(139.8)	(183.7)	(180.7)	(190.5)
Deferred	(35.6)	(30.3)	(29.0)	(29.0)	(86.7)	(66.2)	(65.2)	(10.1)
	(130.4)	(118.3)	(148.4)	(164.7)	(226.5)	(249.9)	(245.9)	(200.6)
<b>Net income</b>	<b>402.4</b>	<b>409.3</b>	<b>505.7</b>	<b>563.4</b>	<b>659.2</b>	<b>847.5</b>	<b>833.9</b>	<b>646.4</b>

# 19 – Statements of Cash Flows – R\$/million

CONSOLIDATED CASH FLOW	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16	2019	9M20
<b>CASH FLOWS FROM OPERATING ACTIVITIES:</b>								
Net income	402.4	409.3	505.7	563.4	659.2	847.5	833.9	646.4
Adjustments to reconcile net income and cash and cash equivalents provided by operating activities:								
Depreciation and amortization	199.3	244.5	271.1	271.1	335.5	597.9	723.1	559.3
Net book value of vehicles written off	1,769.1	2,102.5	3,106.6	3,106.6	4,198.5	5,863.6	5,863.6	4,240.5
Deferred income tax and social contribution	35.6	30.3	29.1	29.1	86.7	65.2	65.2	10.1
Interest on loans, financing, debentures and swaps of fixed rates	406.6	438.1	476.2	476.2	529.8	552.9	552.9	346.5
Lease interest	-	-	-	-	-	-	49.40	45.20
Other	17.3	26.9	81.7	81.7	87.8	103.6	103.6	(64.2)
(Increase) decrease in assets:								
Trade receivable	(36.6)	56.8	(151.8)	(151.8)	(489.0)	(275.9)	(275.9)	257.3
Purchases of cars (see supplemental disclosure below)	(2,399.6)	(3,098.9)	(5,052.4)	(5,052.4)	(6,113.7)	(9,941.4)	(9,941.4)	(4,633.6)
Escrow deposits	(15.3)	(7.2)	(17.5)	(17.5)	(13.1)	(17.9)	(17.9)	(1.9)
Taxes recoverable	(5.2)	(6.0)	2.6	2.6	3.4	(1.6)	(1.6)	(16.6)
Prepaid expenses	0.0	0.0	2.7	2.7	1.3	(4.9)	(4.9)	(46.9)
Other assets	(1.3)	(3.6)	(8.8)	(8.8)	(71.9)	(44.7)	(44.7)	(14.2)
Increase (decrease) in liabilities:								
Accounts payable (except car manufacturers)	(16.7)	29.6	(4.8)	(4.8)	3.1	21.0	21.0	(16.6)
Social and labor obligations	(0.5)	9.4	7.5	7.5	25.8	26.8	26.8	25.9
Income tax and social contribution	94.8	88.0	119.4	135.7	139.8	184.7	180.7	190.5
Insurance premium	4.4	8.6	19.3	19.3	37.0	23.2	23.2	(9.4)
Other liabilities	5.9	(19.5)	40.1	40.1	60.1	52.0	52.0	(59.1)
<b>Cash provided by (used in) operating activities</b>	<b>460.2</b>	<b>308.8</b>	<b>(573.3)</b>	<b>(499.3)</b>	<b>(519.7)</b>	<b>(1,948.0)</b>	<b>(1,791.0)</b>	<b>1,459.2</b>
Income tax and social contribution paid	(110.7)	(93.3)	(108.3)	(108.3)	(131.2)	(146.1)	(146.1)	(142.9)
Interest on loans, financing and debentures paid	(352.9)	(442.3)	(485.7)	(485.7)	(424.7)	(562.2)	(562.2)	(286.8)
Lease interest paid	-	-	-	-	-	-	(53.5)	(30.0)
Financial assets	-	-	(1,275.8)	(1,275.8)	1,008.2	(343.4)	(343.4)	(966.8)
<b>Net cash provided by (used in) operating activities</b>	<b>(3.4)</b>	<b>(226.8)</b>	<b>(2,443.1)</b>	<b>(2,369.1)</b>	<b>(67.4)</b>	<b>(2,999.7)</b>	<b>(2,896.2)</b>	<b>32.7</b>
<b>CASH FLOWS FROM INVESTING ACTIVITIES:</b>								
(Investments) withdraw in marketable securities	92.6	-	-	-	-	-	-	-
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	(153.0)	(126.6)	(175.0)	(175.0)	(42.8)	(70.0)	(70.0)	(56.2)
<b>Net cash provided by (used in) investing activities</b>	<b>(60.4)</b>	<b>(126.6)</b>	<b>(508.2)</b>	<b>(508.2)</b>	<b>(42.8)</b>	<b>(193.7)</b>	<b>(193.7)</b>	<b>(64.1)</b>
<b>CASH FLOWS FROM FINANCING ACTIVITIES:</b>								
Loans and financings:								
Proceeds	747.1	266.3	950.1	950.1	742.8	1,351.5	1,351.5	1,250.3
Repayment	(368.4)	(297.9)	(510.1)	(510.1)	(518.5)	(930.2)	(930.2)	(10.0)
Debentures								
Proceeds	496.8	943.4	2,626.9	2,626.9	1,690.7	2,283.7	2,283.7	988.6
Repayment	(668.0)	(105.0)	(355.0)	(355.0)	(815.0)	(975.0)	(975.0)	(1,149.6)
Lease liability:								
Proceeds	-	-	-	-	-	-	-	-
Repayment	-	-	-	-	-	-	(103.5)	(101.3)
Capital Increase	-	-	-	-	-	1,821.6	1,821.6	-
Treasury shares (acquired)/ sold	(27.5)	(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	18.0	18.2	50.1	50.1	16.4	25.1	25.1	0.70
Dividends paid	(44.7)	(1.0)	-	-	-	(7.2)	(7.2)	-
Interest on own capital	(94.6)	(138.4)	(166.9)	(166.9)	(172.3)	(268.6)	(268.6)	(138.7)
<b>Net cash provided by (used in) financing activities</b>	<b>58.7</b>	<b>660.6</b>	<b>2,597.2</b>	<b>2,597.2</b>	<b>947.3</b>	<b>3,238.2</b>	<b>3,134.7</b>	<b>658.1</b>
<b>NET CASH FLOW PROVIDED (USED) IN THE YEAR</b>	<b>(5.1)</b>	<b>307.2</b>	<b>(354.1)</b>	<b>(280.1)</b>	<b>837.1</b>	<b>44.8</b>	<b>44.8</b>	<b>626.7</b>
Cash flow without incurred one-time costs Hertz and franchisees	-	-	-	(74.0)	-	-	-	-
<b>NET CASH FLOW PROVIDED (USED) IN THE YEAR AFTER ONE TIME COSTS</b>	<b>(5.1)</b>	<b>307.2</b>	<b>(354.1)</b>	<b>(354.1)</b>	<b>837.1</b>	<b>44.8</b>	<b>44.8</b>	<b>626.7</b>
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,390.2	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	1,385.1	1,692.3	1,338.2	1,338.2	2,175.3	2,220.1	2,220.1	2,846.8
<b>INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS</b>	<b>(5.1)</b>	<b>307.2</b>	<b>(354.1)</b>	<b>(354.1)</b>	<b>837.1</b>	<b>44.8</b>	<b>44.8</b>	<b>626.7</b>
Supplemental disclosure of cash flow information:								
Cash paid during the period for cars acquisition								
Cars acquisition in the year/period - renew al	(2,278.4)	(2,563.6)	(3,660.9)	(3,660.9)	(4,696.7)	(6,804.6)	(6,804.6)	(3,082.7)
Cars acquisition in the year/period - grow th	-	(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	591.3	782.0	1,197.5	1,197.5	2,065.6	2,407.5	2,407.5	856.6
Balance at the beginning of the year	(712.5)	(591.3)	(782.0)	(782.0)	(1,197.5)	(2,065.6)	(2,065.6)	(2,407.5)
Cash paid for cars purchased	(2,399.6)	(3,098.9)	(5,052.4)	(5,052.4)	(6,113.7)	(9,941.4)	(9,941.4)	(4,633.6)

## 20 – 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:** 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:** 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** - In order 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.
- **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.

## 21 – 3Q20 Results Conference Call

**Date: Thursday, October 28, 2020.**

**Portuguese (with simultaneous translation to English)**

**12:00 p.m.** (BR time)

**11:00 a.m.** (Eastern time)

Dial-in Phone Numbers

Participants in Brazil: +55 11 4210 1803 | +55 11 3181 8565

Participants in other countries: +1 844 204-8942 | +1 412 717 9627

Code: Localiza

Replay: +55 (11) 3193-1012

Portuguese code: 7589099#

English code: 2657478#

Replay available from October 28 to November 03, 2020.

*For further investor relations information, please visit the investor relations section of the website at [ir.localiza.com](http://ir.localiza.com). IR Contact: (55 31) 3247-7024 – [ri@localiza.com](mailto:ri@localiza.com)*

*Press information: InPress Porter Novelli: Gustavo Monteiro +55 (31) 99838.9630.*

*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](http://www.localiza.com/ri)).*

## 22 – Reminder - Extraordinary General Meeting

### CALL NOTICE FOR THE EXTRAORDINARY GENERAL MEETING.

The shareholders of Localiza Rent a Car S.A. ("Company") are invited to meet at the Company's headquarters at Avenida Bernardo de Vasconcelos, nº 377, Bairro Cachoeirinha, CEP (Zipcode) 31.150-000, in Belo Horizonte, Minas Gerais, Brazil, for the Extraordinary General Meeting ("Meeting") to be held at 3 p.m. on November 12, 2020, to decide on the following agenda:

**1.** Approval of acts related to the merger of shares of Companhia de Locação das Américas, a publicly-held company with headquarters in the City of São Paulo, São Paulo, at Alameda Santos, nº 438, 7º andar, Bairro Cerqueira Cesar, enrolled with the CNPJ/ME under No. 10.215.988/0001-60 ("Unidas"), into the Company ("Merger of Shares"), as follows:

(i) to approve the "Protocol and Justification for the Merger of Shares of *Companhia de Locação das Américas* into *Localiza Rent a Car S.A.*", signed on October 8, 2020 by the management of Unidas and Localiza ("Protocol and Justification").

(ii) to ratify the hiring of *Apsis Consultoria Empresarial Ltda.*, in order to prepare the appraisal report for the economic value of Unidas shares to be merged into Localiza, pursuant to article 252, paragraph 1 of the Brazilian Corporation Law ("Appraisal Report").

(iii) to approve the Appraisal Report.

(iv) to approve the Merger of Shares, which the effectiveness shall be conditioned upon the satisfaction (or waiver, as the case may be) of the conditions precedent provided in the Protocol and Justification.

(v) to approve the capital increase to be subscribed and paid up by Unidas' managers in favor of its shareholders, with the amendment of article 5 of Localiza's Bylaws, which the effectiveness shall be conditioned upon the satisfaction (or waiver, as the case may be) of the conditions precedent provided in the Protocol and Justification; and

(vi) to authorize the Company's managers to perform all acts required for the consummation of the Merger of Shares.

**2.** Reduction in the number of members that will form the Company's Board of Directors in the current term of office from 7 to 6 members; and

**3.** Election of Mr. Irlau Machado Filho as an independent member of the Company's Board of Directors, to serve until the end of the current term of office.

**General Information:** We inform that the Manual of the Extraordinary General Meeting of Localiza Rent a Car S.A. ("Manual") and the Management's Proposal, as well as the other documents provided for by law and in the applicable regulation, remain available to the shareholders, at the Company's headquarters located at Avenida Bernardo de Vasconcelos, nº 377, Bairro Cachoeirinha, CEP 31.150-000, in Belo Horizonte, Minas Gerais, Brazil, on the Company's investor relations website (<https://ri.localiza.com>), and also on the websites of the Brazilian Securities Commission - CVM ([www.cvm.gov.br](http://www.cvm.gov.br)) and B3 S.A. - Brasil, Bolsa, Balcão ([www.b3.com.br](http://www.b3.com.br)), containing all the necessary information for a better understanding of the matters above,



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under paragraph 6 of article 124 and paragraph 3 of article 135 of the Brazilian Corporations Law and article 6 of CVM Instruction 481.

The Shareholder's participation may be personal or by a duly appointed attorney-in-fact, or via distance voting ballot, it being understood that the detailed instructions on the required documentation are provided in the Manual. Without prejudice to the information detailed in the Manual, the Company highlights the following information about the forms of participation in the Meetings:

**Attending Shareholder:** Shareholders who choose to personally attend the Meeting are requested to register by November 9, 2020. The Shareholder must attend the Meeting with the document proving his identity.

**Shareholders Represented by Attorneys-in-Fact:** Powers of attorney may be granted physically, subject to the provisions of article 126 of Law No. 6404/76 and the Manual. The shareholder's legal representative must attend the Meetings with the power of attorney and other documents indicated in the Manual, in addition to a document proving his identity.

**Via Distance Voting Ballot:** The Company will make the distance voting system available to the Meeting, under CVM Instruction 481/09, allowing its Shareholders to send distance voting ballot through their respective custody agents or the bookkeeper of the shares issued by the Company or, also, directly to the Company, according to the instructions provided in the Shareholders Participation Manual.

**Measures for the Meeting due to the Coronavirus (COVID-19):** The Company's Management, because of the consequences of the spread of the Coronavirus (COVID-19) and commitment to the health and well-being of people, will adopt the following measures for the Meeting:

- 1) In order to facilitate the participation of shareholders in the Meeting, the Company informs that (i) it will waive the fulfillment of the formalities for the signature certification, authentication, notarization, consularization or apostille of the documents listed in this Manual, necessary to allow the participation of its shareholders in the Meeting; (ii) it will not require the submission of a certified translation of the foreign shareholders' representation documents, as long as the shareholders send copies of the original versions of such documents, together with their respective free translations; and (iii) will allow documents related to shareholders' participation in the Meeting to be sent in digital format, exclusively to the e-mail address: [assembleia@localiza.com](mailto:assembleia@localiza.com).
- 2) Recommends and requests shareholders and their legal representatives to participate in the Meeting by completing and submitting the distance voting ballot.
- 3) Informs that it has intensified measures for the protection and hygiene of its environments, to receive at its headquarters those who choose to attend the Meeting in person and asks shareholders who intend to attend in person, to send confirmation of attendance to the email [assembleia@localiza.com](mailto:assembleia@localiza.com), so that it is possible to provide trained staff to ensure compliance with safety measures.
- 4) Exceptionally, the Company will also provide shareholders (or, in case of participation through power of attorney, their attorneys-in-fact) who have previously sent their votes, the possibility, if they wish so, to follow the Meeting through video transmission through the Microsoft Teams digital platform. The Company will not provide an electronic system for distance participation during the Meeting, which will take place exclusively in person. Therefore, it will not be possible to ask questions, discuss or vote through the digital platform.

To make the access to the digital platform operationally viable, shareholders who wish to follow the Meeting electronically must send such request to the Company by email to [assembleia@localiza.com](mailto:assembleia@localiza.com), at least seventy-

## 22 – Reminder - Extraordinary General Meeting

two (72) hours before the Meeting (that is, until 3:00 p.m. - Brasília time - on November 9, 2020). The Company will send the respective instructions for accessing the digital platform to shareholders who have previously submitted their votes and submitted their request within the term and according to the conditions above.

If the shareholder who has duly requested the participation in the Meeting by electronic means does not receive the e-mail with instructions for accessing the digital platform until 3:00 p.m. (Brasília time) on November 10, 2020 from the Company, should then contact the Company by phone +55 (31) 3247-7604 - in any scenario, before 12:00 p.m. on November 12, 2020 - to enable the sending (or provision by phone) of the respective instructions for access.

The Company, however, is not responsible for any operational or connection problems that the shareholder may face, as well as for any other issues outside the Company that may make it difficult or impossible for the shareholder to follow the Meeting through the digital platform.

The Company also recommends that shareholders who intend to follow the Meeting through video transmission be familiarized with the use of the Microsoft Teams digital platform in advance, and additionally ensure the compatibility of their respective electronic devices with the use of the platform (by video and audio).

In addition, the Company requests such shareholders to, on the day of the Meeting, access the platform at least thirty (30) minutes before the scheduled time for the beginning of the Meeting to allow the validation of access and participation of all shareholders using it.

Belo Horizonte, October 8, 2020.

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