

# avis budget group

**Investor Day Presentation** 

Tom Gartland President, North America

May 2012

### Key Messages

- Well-positioned in the North American vehicle rental market
- Strategic initiatives driving accelerated profit growth
- Investing to drive sustainable long-term growth
- Focused on improving the customer experience







The business today

- Competitive strengths
- Growth drivers







### The Business Today

#### Car

- **\$4.5 billion annual revenue**
- 81 million rental days
- Approximately 2,600 locations<sup>(a)</sup>
- Airport share: 27%

#### Truck

- **\$375 million annual revenue**
- 4 million rental days
- Approximately 2,200 locations

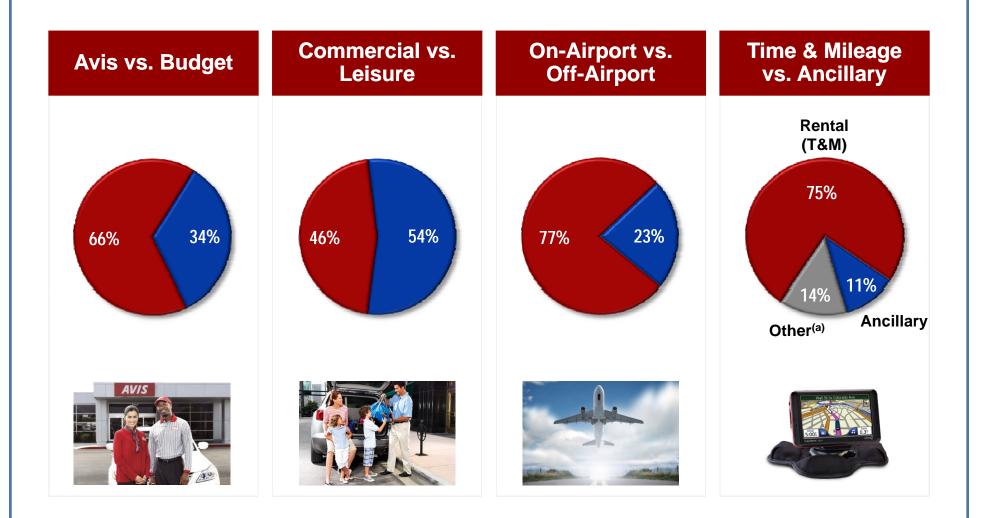




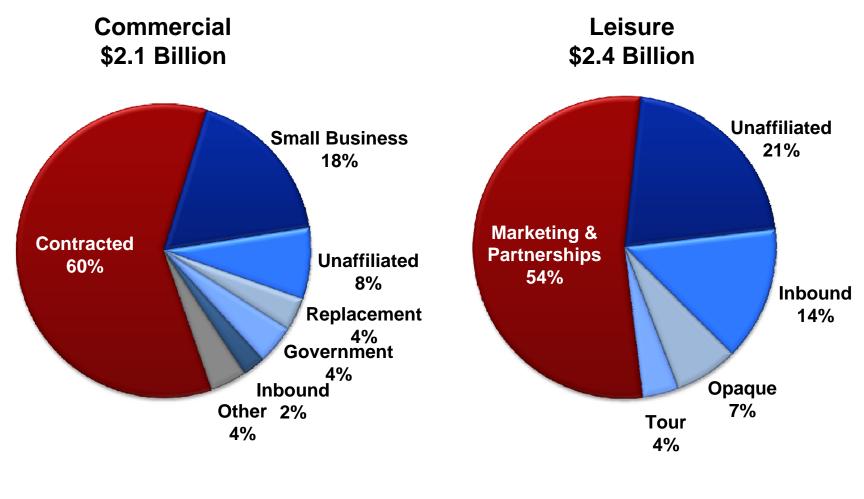


(a) Including licensee locations

#### **Diversified Revenue Sources**

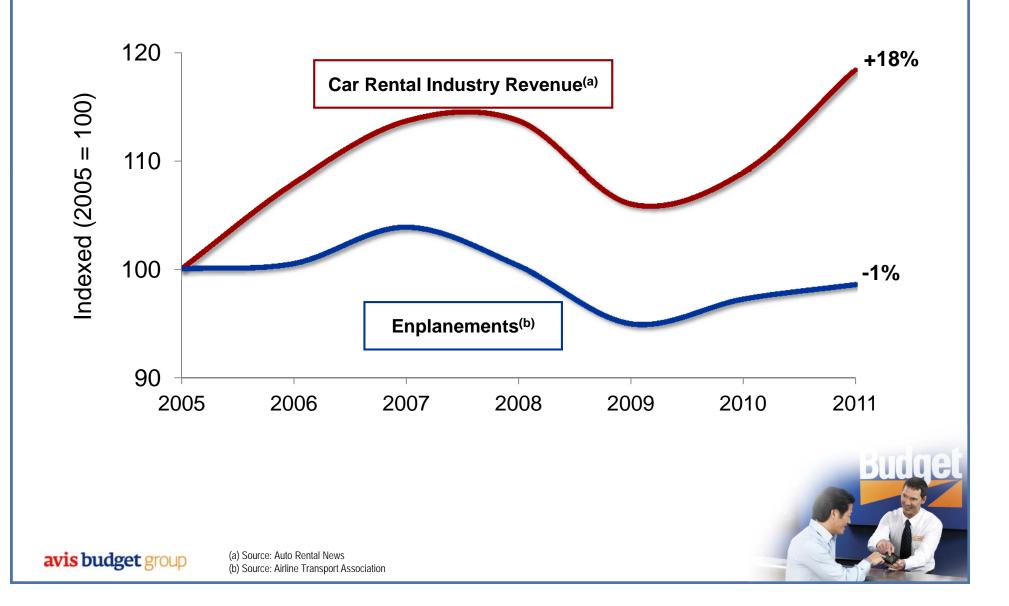


### **Serving Both Commercial and Leisure Travelers**

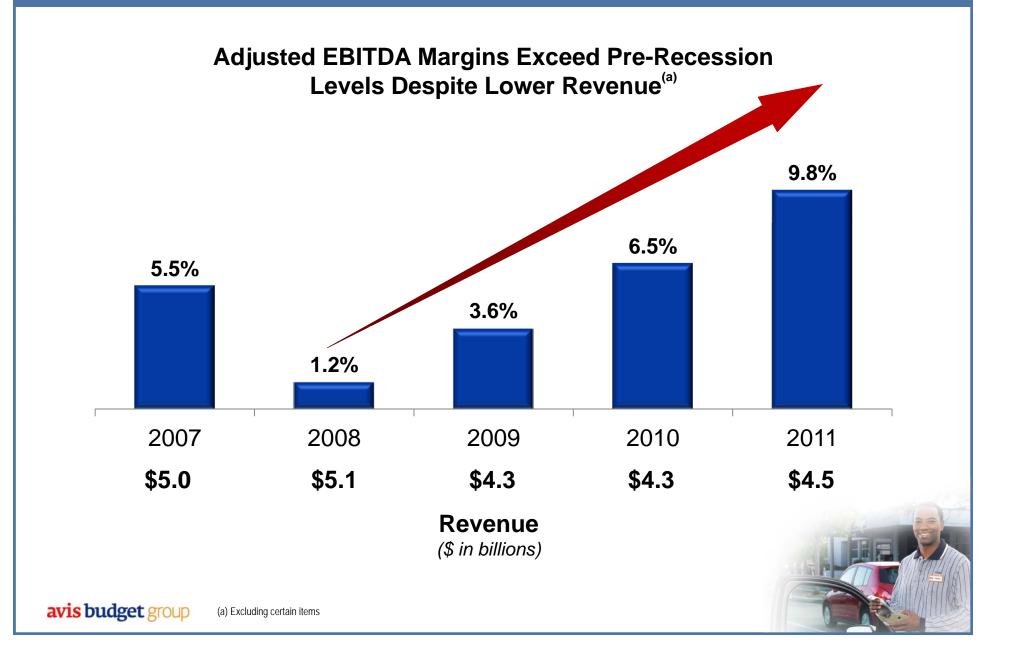




#### Industry Revenue Has Rebounded Faster Than Enplanements . . .



### . . . and Our Profitability Has Improved Substantially





The business today

Competitive strengths

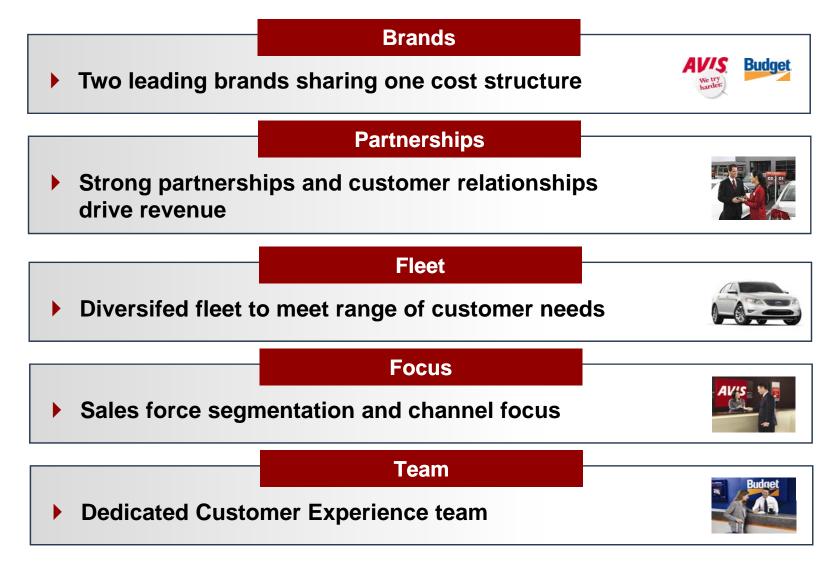
Growth drivers







## **Competitive Strengths**



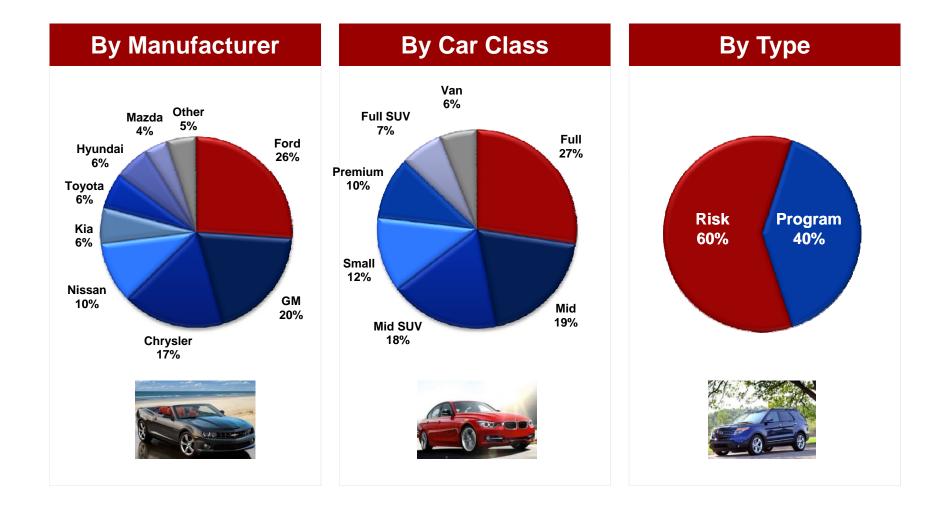
### **Strong Industry Partnerships Drive Incremental Revenues**

#### Long-Standing Relationships with Leading Industry Participants

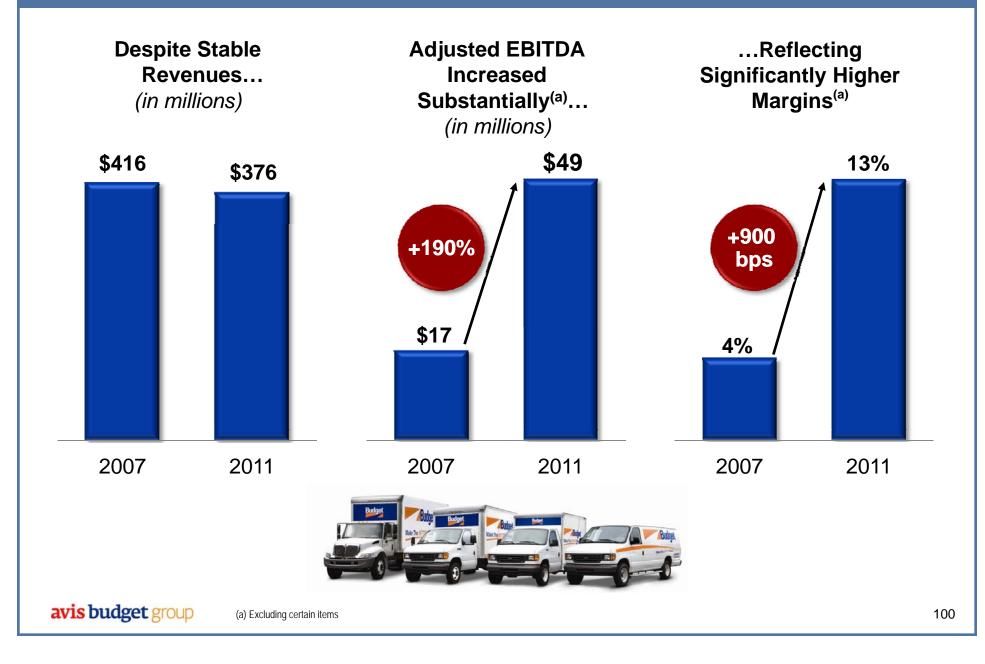


Over \$1 billion of revenue from travel and air partnerships

### **Diversified Fleet Mitigates Risk**

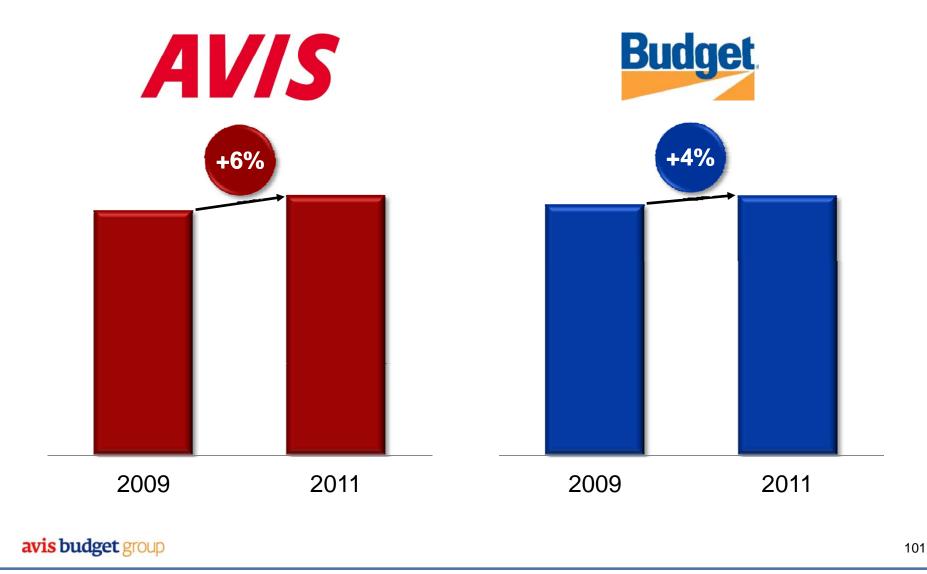


#### Segment Focus: Highly Profitable Truck Rental Business



#### **Customer Experience Team: Drives Brand Awareness and Customer Loyalty**

#### **Improved Customer Satisfaction Scores**



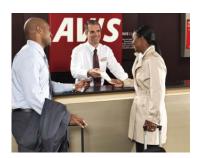
## Agenda

The business today

Competitive strengths

Growth drivers







### Four Underlying Strategies Drive Our Business Choices

#### **Driving Sustained, Profitable Growth**



Strategically Accelerate Growth



Expand Our Global Footprint



Put the Customer First



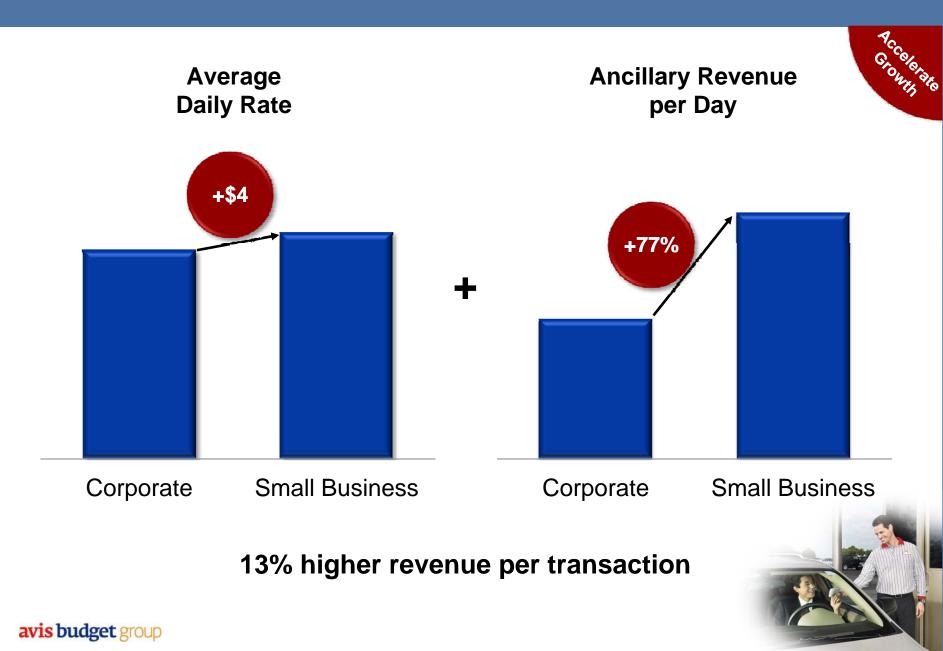
Drive Efficiency Throughout the Organization

## Key Initiatives Drive Underlying Strategies

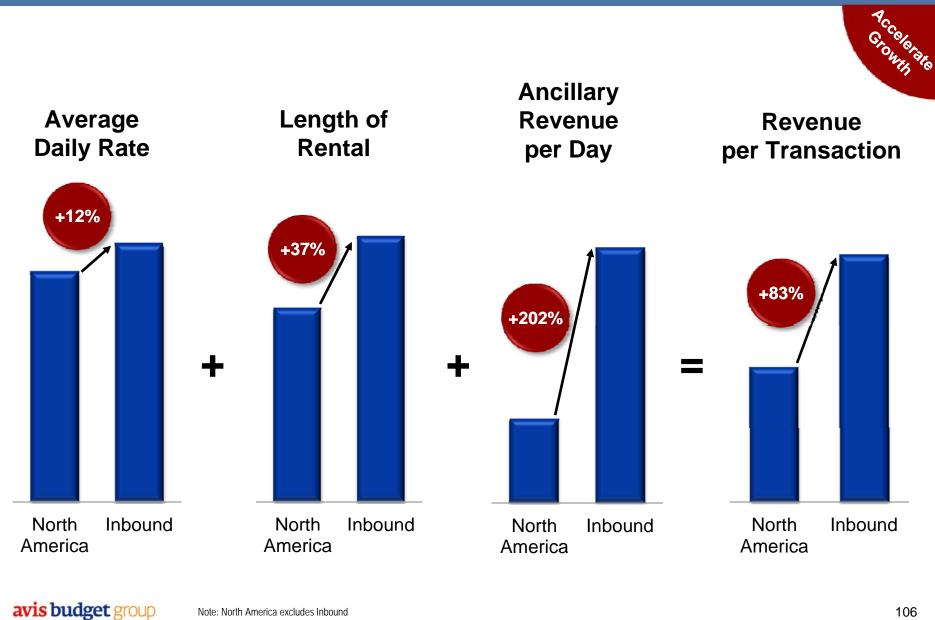




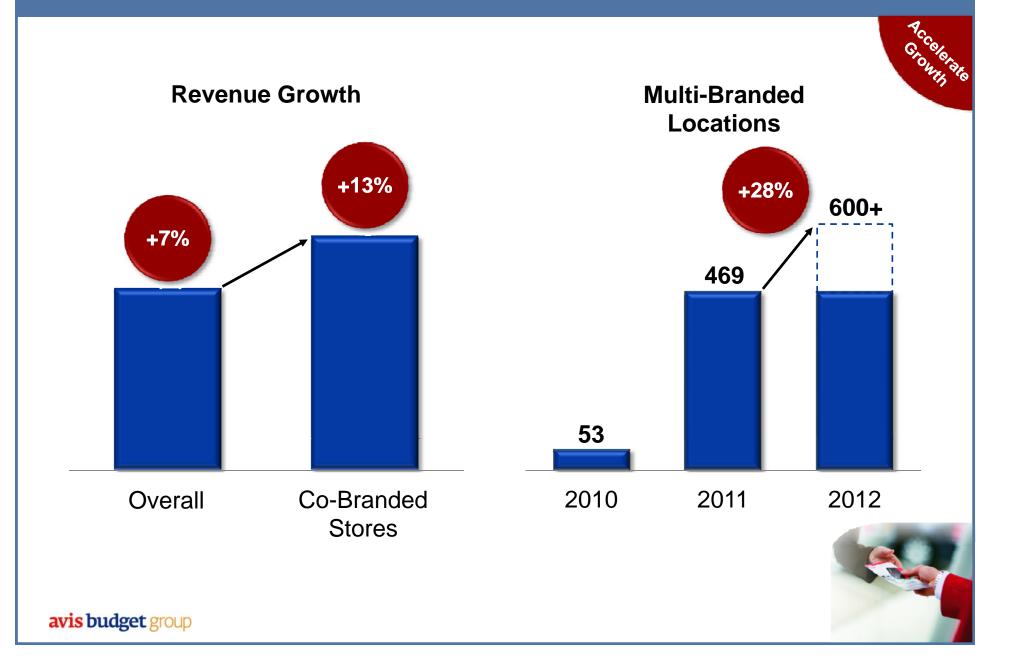
### **Grow Small Business**



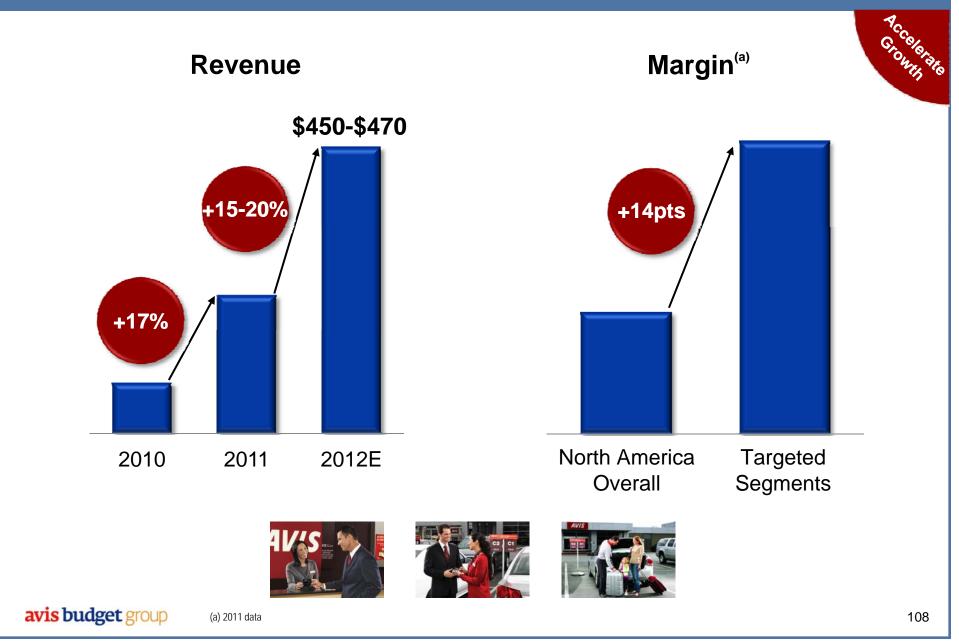
### **Expand International Inbound**



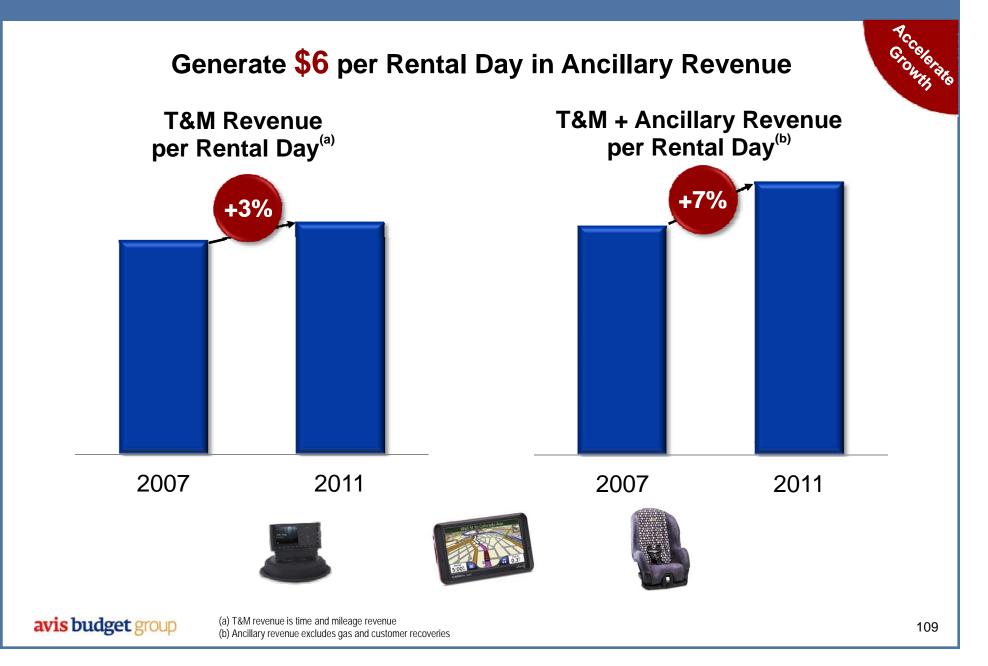
### **Co-Branding Local Market Locations Increases Profits**



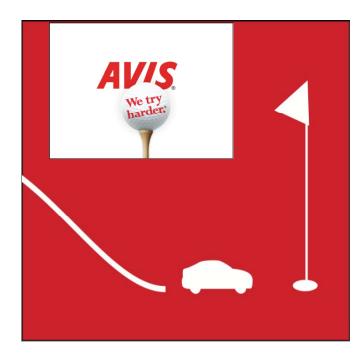
#### **Growing Revenues in Other Strategically Targeted Segments**



### **Driving Increased Profits Through Ancillary Sales**



### **Brand Investments Drive Revenue and Improve Loyalty**





#### **Improve the Customer Experience to Drive Profits**



### **Example – New Rental Agreement**

#### **Old Rental Agreement**

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A DOCLAENT 415012695 5-131NT 1203	ED: 3140810/140	5 AT: LASUARDIA APO	NY PHONE: 718-507-34	500 314E22
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	1.781	6.00/DAY DECLINED	NERO Y:	\$24.00
ETHED OF PAYNENT: DIRECT 9955	PAL	2.00/DAY DELLINED	NONDAY	2296.00
-OP2: ANEX 1003 AUTH: 067472/21		1.00/DAY DECLINED		INLIGITED
MINERS LICE USIASSISS		14.55/DAY DELLINED	FUEL SERVICE: -	4975/MJ 989/GAL
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#### New Rental Agreement

	<b>AVIS</b> We are proud to feature				D/1
RENTAL AGREEMENT NUMBER 137722245			RESERVATION NUMBER 12345678US1		04
Your Information		Li.	Your Vehicle Informati		
Customer Name: Customer Loyalty Level: Wizard Number;	John Smith Avis First x110800		Vehicle Number: Plate Number: Vehicle Group Rented:	12345678 NJ XYZ123 SUV	Vehicle Exchange Area
Avis Worldwide Discount: Method of Payment:	Hans Inc./Costco VISA XX1234		Vehicle Description: Vehicle Group Charged:		
Secondary Method of Payment: Travel Partner Number:	MC XX1234 CO/12345		Fuel Gauge Reading: Odometer Out:	Full 23345 Miles	
Your Rental					
Pickup Date/Time: Pickup Location:	Jan 17, 2011@8:30am 310 E64 Street NY, NY 10017 (212) 593-8363		Return Date/Time: Return Location:	Jan 18, 2011@8:30am 310 E64 Street NY, NY 10017 (212) 593-6363	Additional fees may apply if changes are made to your return date, time and/or location.
Your Estimated Vehicle Charges	s (Min: 1 Day/Max: 28 Days)		Your Optional Product	s/Services	
	nd Mileage: Discount: (Coupon Value If Appl			with the same amount ved it. oply:	W FUEL
Daily: \$ 37.60 Less 5 Weekly: \$ 180.00 Agree	at \$37.60 = \$ 37. 5% discount = (1 d upgrade (per day) = \$ 20.	.88)	<ul> <li>a) If you chive 74 miles or less, a \$13.99 flat rate will be automatically added to your rental unless you show a roceipt.</li> <li>b) If you chive 75 miles or more, a fee of \$.3631 per mile or \$7.99 per gallon applies.</li> </ul>		
Monthly: \$ 752.00 Your Es	stimated Time and Mileage: \$55	5.72	Loss Damage Waiver:		Per Day Accepted
Your Estimated Taxable Fees			Additional Liability Insura Personal Accident Insura	ance: \$ 2.00/	/Per Day Declined /Per Day Declined
Energy Recovery Fee: \$.47/Per Da Vehicle Licensing Fee: \$.85/Per Da Concession Recovery Fee: 10.00%	ay \$ 0.	.47 .85 .77	Personal Effects Protect Roadside SafetyNet: ESP:		/Per Day Declined /Per Day Declined
Travel Partner Surcharge: \$.75/Per	Day \$ 0.	.75	Where2 GPS:		

- Customer-friendly language
- Transparency
- Branding

#### avis budget group

CLISCO

#### Introducing "Select & Go"

#### Available from Avis at 50 Major U.S. and Canadian Airports by Year-End







#### Vehicle choice increases customer satisfaction



### 2012 Outlook

- Volume expected to increase mid-single-digits
- Increased penetration of high-margin ancillary products
- Continued used car market strength
- Laser focus on productivity, revenue generation and sustained profitability



### Key Messages

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