



**AVIS BUDGET GROUP COMMENCES TENDER OFFER FOR
\$450 MILLION 9 5/8% SENIOR NOTES DUE 2018 AND
9.75% SENIOR NOTES DUE 2020**

PARSIPPANY, N.J., March 19, 2013 — Avis Budget Group, Inc. (NASDAQ: CAR) (the “Company”) announced today that its wholly-owned subsidiaries, Avis Budget Car Rental, LLC and Avis Budget Finance, Inc. (collectively, the “Issuers”), have commenced cash tender offers (the “Offers”) to purchase any and all of the Issuers’ outstanding \$450 million in aggregate principal amount of 9 5/8% Senior Notes due 2018 (the “2018 Notes”) and to purchase in an aggregate purchase price up to the Modified Dutch Auction Cap (as defined below) of their 9.75% Senior Notes due 2020 (the “2020 Notes” and together with the 2018 Notes, the “Notes”) on the terms and subject to the conditions set forth in the Offer to Purchase, dated the date hereof (as it may be amended or supplemented from time to time, the “Offer to Purchase”). The Offers are scheduled to expire at 11:59 p.m., New York City Time, on April 16, 2013, unless extended (such time and date, as the same may be extended, the “Expiration Date”), and are expected to be funded primarily with the net proceeds of a concurrent offering of \$450 million of senior notes due 2023.

Information relating to the Notes subject to the Offers is set forth in the table below.

Title of Notes	CUSIP Number	Outstanding Principal Amount	Early Tender Premium (1)	Total Consideration (Bid Price Range)(1)(2)
9 5/8% Senior Notes due 2018	053773 ALI	\$450,000,000	\$30.00	\$1,127.50
9.75% Senior Notes due 2020	053773 AQ0	\$250,000,000	\$30.00	\$1,165.00 - \$1,190.00

(1) Per \$1,000 principal amount of Notes validly tendered (and not validly withdrawn) at or prior to the applicable Early Tender Deadline and accepted for purchase.
 (2) Includes the applicable Early Tender Premium.

Holders who validly tender (and do not validly withdraw) 2018 Notes at or prior to 5:00 p.m., New York City time, on April 2, 2013, unless extended (the “Early Tender Deadline”), will receive the “2018 Notes Total Consideration,” which for each \$1,000 principal amount of 2018 Notes is equal to \$1,127.50, including an “Early Tender Premium” of \$30.00 per \$1,000 principal amount of 2018 Notes. Holders who validly tender 2018 Notes after the Early Tender Deadline will not be eligible to receive the Early Tender Premium, and instead will be entitled to receive only the “2018 Notes Offer Consideration” which is equal to the 2018 Notes Total Consideration minus the Early Tender Premium.

The consideration payable for each \$1,000 principal amount of 2020 Notes will be determined based on a modified “Dutch Auction” procedure subject to a limit on the aggregate purchase price to be paid for the 2020 Notes to be repurchased by the Issuers (the “Modified Dutch Auction Cap”) equal to \$450.0 million minus the aggregate purchase price paid for all 2018 Notes accepted for purchase in the 2018 Notes Offer. Holders who validly tender (and do not validly withdraw) 2020 Notes at or prior to the Early Tender Deadline, will receive the

applicable “2020 Notes Total Consideration,” including an Early Tender Premium of \$30.00 per \$1,000 principal amount of 2020 Notes. Holders who validly tender 2020 Notes after the Early Tender Deadline will not be eligible to receive the Early Tender Premium, and will be entitled to receive only the “2020 Notes Offer Consideration” which is equal to the 2020 Notes Total Consideration minus the Early Tender Premium.

As more fully described in the Offer to Purchase, the 2020 Notes Total Consideration for each \$1,000 principal amount of the 2020 Notes validly tendered (and not validly withdrawn) at or prior to the Early Tender Deadline and accepted for purchase will be equal to the sum of: (1) the “Base Price” for the 2020 Notes, which is also equal to the minimum “bid price” and (2) the “Clearing Premium”, which will be determined pursuant to a modified “Dutch Auction” by consideration of the “bid price” specified by each holder that tenders 2020 Notes pursuant to the Offers. The bid price for tendered 2020 Notes represents the minimum consideration a holder is willing to receive for those 2020 Notes and must fall within the acceptable bid price range specified in the table above and be in increments of \$1.25.

The 2020 Notes Offer Consideration for each \$1,000 principal amount of the 2020 Notes validly tendered (and not validly withdrawn) after the Early Tender Deadline and at or prior to the Expiration Date and accepted for purchase will consist of the 2020 Notes Total Consideration for the 2020 Notes less the Early Tender Payment.

As more fully described in the Offer to Purchase, the Clearing Premium for the Offer for the 2020 Notes will be the lowest single bid premium (the amount by which bid price exceeds the Base Price) at which the Issuers will be able to purchase 2020 Notes in an aggregate principal amount equal to the Modified Dutch Auction Cap. If the aggregate amount of 2020 Notes validly tendered (and not validly withdrawn) at or below the Clearing Premium would cause the Issuers to purchase more than the Modified Dutch Auction Cap for the Offer for the 2020 Notes, then holders of 2020 Notes tendered at the Clearing Premium will be subject to proration as described in the Offer to Purchase.

In addition, the Issuers will pay accrued and unpaid interest on all Notes tendered and accepted for payment in the Offers from the last interest payment date up to, but not including, the applicable settlement date.

Tenders for Notes may be validly withdrawn at any time prior to 5:00 p.m., New York City time, or April 2, 2013, unless extended (the “Withdrawal Deadline”), but not thereafter unless otherwise required by applicable law.

The Issuers reserve the right, in their sole discretion, to increase the Modified Dutch Auction Cap for the 2020 Notes. If the Issuers increase the Modified Dutch Auction Cap, they do not currently intend to extend the Withdrawal Deadline or otherwise reinstate withdrawal rights.

The consummation of the Offers is conditioned upon, among other things, the Issuers receiving proceeds from their proposed notes offering, which has been launched concurrently with the Offers, in an aggregate principal amount of at least \$450.0 million. If any of the conditions are not satisfied, the Issuers may terminate one or both of the Offers and return tendered Notes. The Issuers have the right to waive any of the foregoing conditions with

respect to the Notes and to consummate the Offers. In addition, the Issuers have the right, in their sole discretion, to terminate either of the Offers at any time, subject to applicable law.

Additional Information

The Issuers have retained Barclays Capital Inc. to act as the Dealer Manager for the Offers. D.F. King & Co., Inc. is the Information Agent and Tender Agent for the Offers. Questions regarding the Offers should be directed to Barclays Capital Inc. at (800) 438-3242 (toll free) or (212) 528-7581 (collect). Requests for documentation should be directed to D.F. King & Co., Inc. at (212) 269-5550 (banks and brokers) and (800) 967-4617 (all others). This press release is for informational purposes only. This press release is not an offer to purchase or a solicitation of an offer to purchase with respect to any Notes or any other securities. The Offers are being made solely pursuant to the Offer to Purchase and related documents. The Offers are not being made to holders of Notes in any jurisdiction in which the making or acceptance thereof would not be in compliance with the securities, blue sky or other laws of such jurisdiction. In any jurisdiction in which the securities laws or blue sky laws require the Offers to be made by a licensed broker or dealer, the Offers will be deemed to be made on behalf of the Issuers by the Dealer Manager, or one or more registered brokers or dealers that are licensed under the laws of such jurisdiction. None of the Company, the Issuers, the Dealer Manager, the Information Agent or the Tender Agent makes any recommendation as to whether holders should tender or refrain from tendering their Notes. Holders must make their own decision as to whether to tender Notes and, if so, the principal amount of the Notes to tender.

About Avis Budget Group, Inc.

Avis Budget Group, Inc. is a leading global provider of vehicle rental services, both through its Avis and Budget brands, which have more than 10,000 rental locations in approximately 175 countries around the world, and through its Zipcar brand, which is the world's leading car sharing network, with more than 775,000 members. Avis Budget Group operates most of its car rental offices in North America, Europe and Australia directly, and operates primarily through licensees in other parts of the world. Avis Budget Group has approximately 29,000 employees and is headquartered in Parsippany, N.J. More information is available at www.avisbudgetgroup.com.

Forward-Looking Statements

Certain statements in this press release constitute "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements involve known and unknown risks, uncertainties and other factors which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. Statements preceded by, followed by or that otherwise include the words "believes," "expects," "anticipates," "intends," "projects," "estimates," "plans," "may increase," "may fluctuate," "will," "should," "would," "may" and "could" or similar words or expressions are generally forward-looking in nature and not historical facts. Important risks, assumptions and other important factors that could cause future results to differ materially from those expressed in the forward-looking statements are specified in Avis Budget Group's Annual Report on Form 10-K for the year ended December 31, 2012, including under headings such as "Forward-Looking Statements", "Risk Factors" and "Management's Discussion and Analysis of Financial Condition and Results of Operations" and in other filings and furnishings

made by the Company with the Securities and Exchange Commission from time to time. The Company undertakes no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events.

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