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**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, DC 20549**

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**FORM 8-K**

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**CURRENT REPORT**

Pursuant to Section 13 or 15(d) of the Securities Exchange Act of 1934

Date of Report (Date of Earliest Event Reported): July 31, 2023

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**Avis Budget Group, Inc.**

(Exact Name of Registrant as Specified in its Charter)

**Delaware**  
(State or Other Jurisdiction of Incorporation)

**001-10308**  
(Commission File Number)

**06-0918165**  
(IRS Employer Identification Number)

**6 Sylvan Way**  
**Parsippany, NJ**  
(Address of Principal Executive Offices)

**07054**  
(Zip Code)

Registrant's telephone number, including area code (973) 496-4700

N/A

(Former name or former address if changed since last report)

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Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, Par Value \$0.01	CAR	The Nasdaq Global Select Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

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**Item 2.02 Results of Operations and Financial Condition.**

On July 31, 2023, Avis Budget Group, Inc. (the "Company") reported its second quarter 2023 results. The second quarter 2023 results are discussed in detail in the press release attached hereto as Exhibit 99.1, which is incorporated herein by reference.

The information in this item, including Exhibit 99.1, is being furnished, not filed. Accordingly, the information in this item will not be incorporated by reference into any registration statement filed by the Company under the Securities Act of 1933, as amended, unless specifically identified therein as being incorporated therein by reference.

**Item 9.01 Financial Statements and Exhibits.**

(d) Exhibits.

Exhibit No.	Description
99.1	<a href="#">Press Release dated July 31, 2023.</a>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document).

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**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

AVIS BUDGET GROUP, INC.

By: /s/ Cathleen DeGenova

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Cathleen DeGenova  
Vice President and Chief Accounting Officer

Date: July 31, 2023



## Avis Budget Group Reports Second Quarter Results

**PARSIPPANY, N.J., July 31, 2023** - Avis Budget Group, Inc. (**NASDAQ: CAR**) announced financial results for second quarter 2023 today.

We ended the quarter with revenues of \$3.1 billion, driven by strong demand and seasonal revenue per day increase.

Net income was \$436 million and our Adjusted EBITDA<sup>1</sup> was \$737 million. Utilization was up 50 basis points compared to second quarter 2022, at 70.5%, as our fleet continues to be well positioned to meet growing demand.

Our liquidity position at the end of the quarter was approximately \$1.1 billion, with an additional \$1.1 billion of fleet funding capacity. We have well-laddered corporate debt, and after giving effect to our euro note repayment in September 2023, will have no meaningful maturities until mid-2025.

“Our strong second quarter results continued to showcase the earnings power of our Company. These results reflect the hard work of our team and their exceptional ability to capitalize on a strong and increasing travel demand environment,” said Joe Ferraro, Avis Budget Group Chief Executive Officer. “Summer travel has continued to be robust with elevated peak period demand and seasonally improved pricing. Our teams remain focused and ready as we transition into our busiest season of the year.”

### Q2 HIGHLIGHTS

- Revenues were \$3.1 billion with rental days up 4% compared to second quarter 2022.
- Adjusted EBITDA in the Americas was \$631 million, driven by strong demand and improved utilization.
- Adjusted EBITDA in International was \$126 million, driven by strong seasonally increasing volume.
- Voluntary cash contribution of nearly \$400 million to vehicle programs in the quarter.
- In July 2023, we issued €400 million Senior Notes due July 2030 primarily to redeem our outstanding €300 million Senior Notes due November 2024.

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<sup>1</sup>Adjusted EBITDA and certain other measures in this release are non-GAAP financial measures. See “Non-GAAP Financial Measures and Key Metrics” and the tables that accompany this release for the definitions and reconciliations of these non-GAAP measures to the most comparable GAAP measures.

## INVESTOR CONFERENCE CALL

We will host a conference call to discuss our second quarter results on August 1, 2023, at 8:30 a.m. (ET). Investors may access the call on our investor relations website at [ir.avisbudgetgroup.com](http://ir.avisbudgetgroup.com) or by dialing (877) 407-2991 and a replay of the call will be available on our website and at (877) 660-6853 using conference code 13739954.

## ABOUT AVIS BUDGET GROUP

We are a leading global provider of mobility solutions, both through our Avis and Budget brands, which have more than 10,000 rental locations in approximately 180 countries around the world, and through our Zipcar brand, which is the world's leading car sharing network. We operate most of our car rental locations in North America, Europe and Australasia directly, and operate primarily through licensees in other parts of the world. We are headquartered in Parsippany, N.J. More information is available at [avisbudgetgroup.com](http://avisbudgetgroup.com).

## NON-GAAP FINANCIAL MEASURES AND KEY METRICS

*This release includes financial measures such as Adjusted EBITDA and Adjusted Free Cash Flow, as well as other financial measures, that are not considered generally accepted accounting principle ("GAAP") measures as defined under SEC rules. Important information regarding such non-GAAP measures is contained in the tables within this release and in Appendix I, including the definitions of these measures and reconciliations to the most comparable GAAP measures.*

*We measure performance principally using the following key metrics: (i) rental days, (ii) revenue per day, (iii) vehicle utilization, and (iv) per-unit fleet costs. Our rental days, revenue per day and vehicle utilization metrics are all calculated based on the actual rental of the vehicle during a 24-hour period. We believe that this methodology provides management with the most relevant metrics in order to effectively manage the performance of our business. Our calculations may not be comparable to the calculations of similarly-titled metrics by other companies. We present currency exchange rate effects on our key metrics to provide a method of assessing how our business performed excluding the effects of foreign currency rate fluctuations. Currency exchange rate effects are calculated by translating the current-period's results at the prior-period average exchange rates plus any related gains and losses on currency hedges.*

## FORWARD-LOOKING STATEMENTS

*Certain statements in this press release constitute "forward-looking statements" as that term is defined in the Private Securities Litigation Reform Act of 1995. The forward-looking statements contained herein are subject to known and unknown risks, uncertainties, assumptions and other factors that may cause our actual results, performance or achievements to be materially different from those expressed or implied by any such forward-looking statements. Forward-looking statements include information concerning our future financial performance, business strategy, projected plans and objectives. These statements may be identified by the fact that they do not relate to historical or current facts and may use words such as "believes," "expects," "anticipates," "will," "should," "could," "may," "would," "intends," "projects," "estimates," "plans," "forecasts," "guidance," and similar words, expressions or phrases. The following important factors and assumptions could affect our future results and could cause actual results to differ materially from those expressed in such forward-looking statements. These factors include, but are not limited to:*

- the high level of competition in the mobility industry, including from new companies or technology, and the impact such competition may have on pricing and rental volume;*
- a change in our fleet costs, including as a result of a change in the cost of new vehicles, resulting from inflation or otherwise, manufacturer recalls, disruption in the supply of new vehicles, shortages in semiconductors used in new vehicle production, and/or a change in the price at which we dispose of used vehicles either in the used vehicle market or under repurchase or guaranteed depreciation programs;*

- *the results of operations or financial condition of the manufacturers of our vehicles, which could impact their ability to perform their payment obligations under our agreements with them, including repurchase and/or guaranteed depreciation arrangements, and/or their willingness or ability to make vehicles available to us or the mobility industry as a whole on commercially reasonable terms or at all;*
- *levels of and volatility in travel demand, including future volatility in airline passenger traffic;*
- *a deterioration in economic conditions, resulting in a recession or otherwise, particularly during our peak season or in key market segments;*
- *an occurrence or threat of terrorism, the current and any future pandemic diseases, natural disasters, military conflict, including the ongoing military conflict between Russia and Ukraine, or civil unrest in the locations in which we operate, and the potential effects of sanctions on the world economy and markets and/or international trade;*
- *any substantial changes in the cost or supply of fuel, vehicle parts, energy, labor or other resources on which we depend to operate our business, including as a result of COVID-19, inflation, the ongoing military conflict between Russia and Ukraine, and any embargos on oil sales imposed on or by the Russian government;*
- *our ability to continue to successfully implement or achieve our business plans and strategies, achieve and maintain cost savings and adapt our business to changes in mobility;*
- *political, economic or commercial instability in the countries in which we operate, and our ability to conform to multiple and conflicting laws or regulations in those countries;*
- *our ability to dispose of vehicles in the used-vehicle market on attractive terms;*
- *our dependence on third-party distribution channels, third-party suppliers of other services and co-marketing arrangements with third parties;*
- *risks related to completed or future acquisitions or investments that we may pursue, including the incurrence of incremental indebtedness to help fund such transactions and our ability to promptly and effectively integrate any acquired businesses or capitalize on joint ventures, partnerships and other investments;*
- *our ability to utilize derivative instruments, and the impact of derivative instruments we utilize, which can be affected by fluctuations in interest rates, gasoline prices and exchange rates, changes in government regulations and other factors;*
- *our exposure to uninsured or unpaid claims in excess of historical levels and our ability to obtain insurance at desired levels and the cost of that insurance;*
- *risks associated with litigation or governmental or regulatory inquiries, or any failure or inability to comply with laws, regulations or contractual obligations or any changes in laws, regulations or contractual obligations, including with respect to personally identifiable information and consumer privacy, labor and employment, and tax;*
- *risks related to protecting the integrity of, and preventing unauthorized access to, our information technology systems or those of our third-party vendors, licensees, dealers, independent operators and independent contractors, and protecting the confidential information of our employees and customers against security breaches, including physical or cybersecurity breaches, attacks, or other disruptions, compliance with privacy and data protection regulation, and the effects of any potential increase in cyberattacks on the world economy and markets and/or international trade;*
- *any impact on us from the actions of our third-party vendors, licensees, dealers, independent operators and independent contractors and/or disputes that may arise out of our agreements with such parties;*
- *any major disruptions in our communication networks or information systems;*
- *risks related to tax obligations and the effect of future changes in tax laws and accounting standards;*

- risks related to our indebtedness, including our substantial outstanding debt obligations, recent and future interest rate increases, which increase our financing costs, downgrades by rating agencies and our ability to incur substantially more debt;
- our ability to obtain financing for our global operations, including the funding of our vehicle fleet through the issuance of asset-backed securities and use of the global lending markets;
- our ability to meet the financial and other covenants contained in the agreements governing our indebtedness, or to obtain a waiver or amendment of such covenants should we be unable to meet such covenants;
- significant changes in the assumptions and estimates that are used in our impairment testing for goodwill or intangible assets, which could result in a significant impairment of our goodwill or intangible assets; and
- other business, economic, competitive, governmental, regulatory, political or technological factors affecting our operations, pricing or services.

We operate in a continuously changing business environment and new risk factors emerge from time to time. New risk factors, factors beyond our control, or changes in the impact of identified risk factors may cause actual results to differ materially from those set forth in any forward-looking statements. Accordingly, forward-looking statements should not be relied upon as a prediction of actual results. Moreover, we do not assume responsibility if future results are materially different from those forecasted or anticipated. Other factors and assumptions not identified above, including those discussed in "Management's Discussion and Analysis of Financial Condition and Results of Operations," in Item 2 and "Risk Factors" in Item 1A in our quarterly report and in similarly titled sections set forth in Item 7 and in Item 1A and in other portions of our 2022 Annual Report on Form 10-K filed with the Securities and Exchange Commission on February 16, 2023 (the "2022 Form 10-K"), may cause actual results to differ materially from those projected in any forward-looking statements.

Although we believe that our assumptions are reasonable, any or all of our forward-looking statements may prove to be inaccurate and we can make no guarantees about our future performance. Should unknown risks or uncertainties materialize or underlying assumptions prove inaccurate, actual results could differ materially from past results and/or those anticipated, estimated or projected. We undertake no obligation to release any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events. For any forward-looking statements contained in any document, we claim the protection of the safe harbor for forward-looking statements contained in the Private Securities Litigation Reform Act of 1995. For additional information concerning forward-looking statements and other important factors, refer to our most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and other filings with the Securities and Exchange Commission (the "SEC").

**Investor Relations Contact:**

David Calabria, IR@avisbudget.com

**Media Relations Contact:**

James Tomlinson, ABGPress@edelman.com

\*\*\* Tables 1 - 6 and Appendix I attached \*\*\*

**Avis Budget Group, Inc.**  
**SUMMARY DATA SHEET (Unaudited)**  
(In millions, except per share data)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	% Change	2023	2022	% Change
<b>Income Statement and Other Items</b>						
Revenues	\$ 3,123	\$ 3,244	(4)%	\$ 5,680	\$ 5,676	— %
Income before income taxes	598	1,083	(45)%	995	1,778	(44)%
Net income	436	774	(44)%	748	1,301	(43)%
Earnings per share - diluted	11.01	15.71	(30)%	18.93	25.14	(25)%
Adjusted EBITDA <sup>(A)</sup>	737	1,205	(39)%	1,272	2,015	(37)%

	As of	
	June 30, 2023	December 31, 2022
<b>Balance Sheet Items</b>		
Cash and Cash Equivalents	\$ 571	\$ 570
Program cash and restricted cash	111	72
Vehicles, net	20,625	15,961
Debt under vehicle programs	17,774	13,809
Corporate debt	4,702	4,671
Stockholders' equity attributable to Avis Budget Group, Inc.	(129)	(703)

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	% Change	2023	2022	% Change
<b>Segment Results</b>						
<b>Revenues</b>						
Americas	\$ 2,428	\$ 2,567	(5)%	\$ 4,444	\$ 4,567	(3)%
International	695	677	3 %	1,236	1,109	11 %
Corporate and Other	—	—	n/m	—	—	n/m
Total Company	\$ 3,123	\$ 3,244	(4)%	\$ 5,680	\$ 5,676	— %
<b>Adjusted EBITDA<sup>(A)</sup></b>						
Americas	\$ 631	\$ 1,041	(39)%	\$ 1,147	\$ 1,851	(38)%
International	126	183	(31)%	176	206	(15)%
Corporate and Other	(20)	(19)	(5)%	(51)	(42)	(21)%
Total Company	\$ 737	\$ 1,205	(39)%	\$ 1,272	\$ 2,015	(37)%

**n/m** Not meaningful.

**(A)** Refer to Table 5 for the reconciliation of net income to Adjusted EBITDA and Appendix I for the related definition of the non-GAAP financial measure.

**Avis Budget Group, Inc.**  
**CONSOLIDATED STATEMENTS OF OPERATIONS (Unaudited)**  
(In millions, except per share data)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
<b>Revenues</b>	\$ 3,123	\$ 3,244	\$ 5,680	\$ 5,676
<b>Expenses</b>				
Operating	1,475	1,349	2,782	2,496
Vehicle depreciation and lease charges, net	375	234	640	345
Selling, general and administrative	378	359	702	642
Vehicle interest, net	172	97	305	174
Non-vehicle related depreciation and amortization	52	51	108	109
Interest expense related to corporate debt, net:				
Interest expense	68	64	141	117
Restructuring and other related charges	1	6	5	14
Transaction-related costs, net	—	1	—	1
Other (income) expense, net	4	—	2	—
<b>Total expenses</b>	<b>2,525</b>	<b>2,161</b>	<b>4,685</b>	<b>3,898</b>
<b>Income before income taxes</b>	<b>598</b>	<b>1,083</b>	<b>995</b>	<b>1,778</b>
Provision for income taxes	162	309	247	477
<b>Net income</b>	<b>436</b>	<b>774</b>	<b>748</b>	<b>1,301</b>
Less: net income (loss) attributable to non-controlling interests	1	(4)	1	(6)
<b>Net income attributable to Avis Budget Group, Inc</b>	<b>\$ 435</b>	<b>\$ 778</b>	<b>\$ 747</b>	<b>\$ 1,307</b>
<b>Earnings per share</b>				
Basic	\$ 11.13	\$ 16.05	\$ 19.16	\$ 25.74
Diluted	\$ 11.01	\$ 15.71	\$ 18.93	\$ 25.14
<b>Weighted average shares outstanding</b>				
Basic	39.1	48.5	39.0	50.8
Diluted	39.5	49.5	39.5	52.0

Table 3

**Avis Budget Group, Inc.**  
**KEY METRICS SUMMARY (Unaudited)**

	Three Months Ended June 30,			Six Months Ended June 30,		
	2023	2022	% Change	2023	2022	% Change
<b>Americas</b>						
Rental Days (000's)	32,708	31,788	3 %	60,982	59,270	3 %
Revenue per Day	\$ 74.23	\$ 80.76	(8)%	\$ 72.87	\$ 77.05	(5)%
Revenue per Day, excluding exchange rate effects	\$ 74.42	\$ 80.76	(8)%	\$ 73.06	\$ 77.05	(5)%
Average Rental Fleet	506,232	500,653	1 %	479,383	472,004	2 %
Vehicle Utilization	71.0 %	69.8 %	1.2 pps	70.3 %	69.4 %	0.9 pps
Per-Unit Fleet Costs per Month	\$ 168	\$ 85	98 %	\$ 149	\$ 55	171 %
Per-Unit Fleet Costs per Month, excluding exchange rate effects	\$ 168	\$ 85	98 %	\$ 149	\$ 55	171 %
<b>International</b>						
Rental Days (000's)	11,504	10,798	7 %	21,466	19,379	11 %
Revenue per Day	\$ 60.47	\$ 62.69	(4)%	\$ 57.60	\$ 57.26	1 %
Revenue per Day, excluding exchange rate effects	\$ 60.68	\$ 62.69	(3)%	\$ 59.21	\$ 57.26	3 %
Average Rental Fleet	183,251	168,108	9 %	175,774	159,448	10 %
Vehicle Utilization	69.0 %	70.6 %	(1.6) pps	67.5 %	67.1 %	0.4 pps
Per-Unit Fleet Costs per Month	\$ 219	\$ 212	3 %	\$ 200	\$ 200	0 %
Per-Unit Fleet Costs per Month, excluding exchange rate effects	\$ 217	\$ 212	2 %	\$ 203	\$ 200	1 %
<b>Total</b>						
Rental Days (000's)	44,212	42,586	4 %	82,448	78,649	5 %
Revenue per Day	\$ 70.65	\$ 76.18	(7)%	\$ 68.90	\$ 72.17	(5)%
Revenue per Day, excluding exchange rate effects	\$ 70.84	\$ 76.18	(7)%	\$ 69.45	\$ 72.17	(4)%
Average Rental Fleet	689,483	668,761	3 %	655,157	631,452	4 %
Vehicle Utilization	70.5 %	70.0 %	0.5 pps	69.5 %	68.8 %	0.7 pps
Per-Unit Fleet Costs per Month	\$ 182	\$ 117	56 %	\$ 163	\$ 91	79 %
Per-Unit Fleet Costs per Month, excluding exchange rate effects	\$ 181	\$ 117	55 %	\$ 164	\$ 91	80 %

Refer to Table 6 for key metrics calculations and Appendix I for key metrics definitions.

**Avis Budget Group, Inc.**  
**CONSOLIDATED CONDENSED SCHEDULE OF CASH FLOW AND ADJUSTED FREE CASH FLOW (Unaudited)**  
(In millions)

CONSOLIDATED CONDENSED SCHEDULE OF CASH FLOW	Six Months Ended June 30, 2023
<b>Operating Activities</b>	
Net cash provided by operating activities	\$ 1,782
<b>Investing Activities</b>	
Net cash used in investing activities exclusive of vehicle programs	(138)
Net cash used in investing activities of vehicle programs	(5,076)
Net cash used in investing activities	(5,214)
<b>Financing Activities</b>	
Net cash used in financing activities exclusive of vehicle programs	(214)
Net cash provided by financing activities of vehicle programs	3,680
Net cash provided by financing activities	3,466
Effect of changes in exchange rates on cash and cash equivalents, program and restricted cash	6
Net change in cash and cash equivalents, program and restricted cash	40
<b>Cash and cash equivalents, program and restricted cash, beginning of period</b>	<b>642</b>
<b>Cash and cash equivalents, program and restricted cash, end of period</b>	<b>\$ 682</b>

**ADJUSTED FREE CASH FLOW <sup>(A)</sup>**

<b>Adjusted EBITDA <sup>(B)</sup></b>	<b>\$ 1,272</b>
Interest expense related to corporate debt, net (excluding early extinguishment of debt)	(141)
Working capital and other	213
Capital expenditures <sup>(C)</sup>	(134)
Tax payments, net of refunds	(97)
Vehicle programs and related <sup>(D)</sup>	(881)
<b>Adjusted Free Cash Flow <sup>(B)</sup></b>	<b>\$ 232</b>
Acquisition and related payments, net of acquired cash <sup>(E)</sup>	(16)
Borrowings, net of debt repayments	(12)
Repurchases of common stock	(200)
Change in program and restricted cash	38
Other receipts (payments), net	(6)
Foreign exchange effects, financing costs and other	4
<b>Net change in cash and cash equivalents, program and restricted cash (per above)</b>	<b>\$ 40</b>

Refer to Appendix I for the definitions of non-GAAP financial measures Adjusted EBITDA and Adjusted Free Cash Flow.

- (A) This presentation demonstrates the relationship between Adjusted EBITDA and Adjusted Free Cash Flow. We believe it is useful to understand this relationship because it demonstrates how cash generated by our operations is used. This presentation is not intended to be reconciliations of these non-GAAP measures, which are provided on Table 5.
- (B) Refer to Table 5 for the reconciliations of net income to Adjusted EBITDA and net cash provided by operating activities to Adjusted Free Cash Flow.
- (C) Includes \$29 million of cloud computing implementation costs.
- (D) Includes vehicle-backed borrowings (repayments) that are incremental to amounts required to fund vehicle and vehicle-related assets.
- (E) Excludes \$20 million of vehicles purchased in licensee acquisitions, which were financed through incremental vehicle-backed borrowings.

**Avis Budget Group, Inc.**  
**RECONCILIATION OF NON-GAAP MEASURES (Unaudited)**  
(In millions)

	Three Months Ended June 30,		Six Months Ended June 30,	
	2023	2022	2023	2022
<b>Reconciliation of Net income to Adjusted EBITDA:</b>				
<b>Net income</b>	\$ 436	\$ 774	\$ 748	\$ 1,301
Provision for income taxes	162	309	247	477
<b>Income before income taxes</b>	<b>598</b>	<b>1,083</b>	<b>995</b>	<b>1,778</b>
Non-vehicle related depreciation and amortization	52	51	108	109
Interest expense related to corporate debt, net	68	64	141	117
Restructuring and other related charges	1	6	5	14
Transaction-related costs, net	—	1	—	1
Other (income) expense, net	4	—	2	—
Reported within operating expenses:				
Cloud computing costs	9	2	16	4
COVID-19 charges, net	—	(2)	—	(9)
Legal matters, net	5	—	5	1
<b>Adjusted EBITDA</b>	<b>\$ 737</b>	<b>\$ 1,205</b>	<b>\$ 1,272</b>	<b>\$ 2,015</b>

**Reconciliation of Net cash provided by operating activities  
to Adjusted Free Cash Flow:**

<b>Net cash provided by operating activities</b>	<b>\$ 1,782</b>
Net cash used in investing activities of vehicle programs	(5,076)
Net cash provided by financing activities of vehicle programs	3,680
Capital expenditures	(105)
Acquisition and disposition-related payments	(17)
Change in program and restricted cash	(38)
Other receipts (payments), net	6
<b>Adjusted Free Cash Flow</b>	<b>\$ 232</b>

Refer to Appendix I for the definitions of Adjusted EBITDA and Adjusted Free Cash Flow, non-GAAP financial measures. Adjusted EBITDA includes stock-based compensation expense and vehicle related deferred financing fee amortization in the aggregate totaling \$14 million and \$11 million in the three months ended June 30, 2023 and 2022, respectively, and \$29 million and \$23 million in the six months ended June 30, 2023 and 2022, respectively.

**Avis Budget Group, Inc.**  
**KEY METRICS CALCULATIONS (Unaudited)**  
(\$ in millions, except as noted)

	Three Months Ended June 30, 2023			Three Months Ended June 30, 2022		
	Americas	International	Total	Americas	International	Total
<b>Revenue per Day (RPD)</b>						
Revenue	\$ 2,428	\$ 695	\$ 3,123	\$ 2,567	\$ 677	\$ 3,244
Currency exchange rate effects	6	3	9	—	—	—
Revenue excluding exchange rate effects	\$ 2,434	\$ 698	\$ 3,132	\$ 2,567	\$ 677	\$ 3,244
Rental days (000's)	32,708	11,504	44,212	31,788	10,798	42,586
RPD excluding exchange rate effects (in \$'s)	\$ 74.42	\$ 60.68	\$ 70.84	\$ 80.76	\$ 62.69	\$ 76.18
<b>Vehicle Utilization</b>						
Rental days (000's)	32,708	11,504	44,212	31,788	10,798	42,586
Average rental fleet	506,232	183,251	689,483	500,653	168,108	668,761
Number of days in period	91	91	91	91	91	91
Available rental days (000's)	46,067	16,676	62,743	45,559	15,298	60,857
Vehicle utilization	71.0 %	69.0 %	70.5 %	69.8 %	70.6 %	70.0 %
<b>Per-Unit Fleet Costs</b>						
Vehicle depreciation and lease charges, net	\$ 255	\$ 120	\$ 375	\$ 128	\$ 106	\$ 234
Currency exchange rate effects	1	(1)	—	—	—	—
	\$ 256	\$ 119	\$ 375	\$ 128	\$ 106	\$ 234
Average rental fleet	506,232	183,251	689,483	500,653	168,108	668,761
Per-unit fleet costs (in \$'s)	\$ 504	\$ 650	\$ 543	\$ 256	\$ 636	\$ 351
Number of months in period	3	3	3	3	3	3
Per-unit fleet costs per month excluding exchange rate effects (in \$'s)	\$ 168	\$ 217	\$ 181	\$ 85	\$ 212	\$ 117
<b>Six Months Ended June 30, 2023</b>						
<b>Revenue per Day (RPD)</b>						
Revenue	\$ 4,444	\$ 1,236	\$ 5,680	\$ 4,567	\$ 1,109	\$ 5,676
Currency exchange rate effects	11	35	46	—	—	—
Revenue excluding exchange rate effects	\$ 4,455	\$ 1,271	\$ 5,726	\$ 4,567	\$ 1,109	\$ 5,676
Rental days (000's)	60,982	21,466	82,448	59,270	19,379	78,649
RPD excluding exchange rate effects (in \$'s)	\$ 73.06	\$ 59.21	\$ 69.45	\$ 77.05	\$ 57.26	\$ 72.17
<b>Vehicle Utilization</b>						
Rental days (000's)	60,982	21,466	82,448	59,270	19,379	78,649
Average rental fleet	479,383	175,774	655,157	472,004	159,448	631,452
Number of days in period	181	181	181	181	181	181
Available rental days (000's)	86,768	31,815	118,583	85,433	28,860	114,293
Vehicle utilization	70.3 %	67.5 %	69.5 %	69.4 %	67.1 %	68.8 %
<b>Per-Unit Fleet Costs</b>						
Vehicle depreciation and lease charges, net	\$ 429	\$ 211	\$ 640	\$ 154	\$ 191	\$ 345
Currency exchange rate effects	1	4	5	—	—	—
	\$ 430	\$ 215	\$ 645	\$ 154	\$ 191	\$ 345
Average rental fleet	479,383	175,774	655,157	472,004	159,448	631,452
Per-unit fleet costs (in \$'s)	\$ 897	\$ 1,220	\$ 983	\$ 327	\$ 1,198	\$ 547
Number of months in period	6	6	6	6	6	6
Per-unit fleet costs per month excluding exchange rate effects (in \$'s)	\$ 149	\$ 203	\$ 164	\$ 55	\$ 200	\$ 91

Our calculation of rental days and revenue per day may not be comparable to the calculation of similarly-titled metrics by other companies. Currency exchange rate effects are calculated by translating the current-period's results at the prior-period average exchange rates plus any related gains and losses on currency hedges.

**Avis Budget Group, Inc.**  
**DEFINITIONS OF NON-GAAP MEASURES AND KEY METRICS**

**Adjusted EBITDA**

The accompanying press release presents Adjusted EBITDA, which is a non-GAAP measure most directly comparable to net income (loss). Adjusted EBITDA is defined as income (loss) from continuing operations before non-vehicle related depreciation and amortization; any impairment charges; restructuring and other related charges; early extinguishment of debt costs; non-vehicle related interest; transaction-related costs, net; charges for legal matters, net, which includes amounts recorded in excess of \$5 million related to class action lawsuits and personal injury matters; non-operational charges related to shareholder activist activity, which includes third party advisory, legal and other professional fees; COVID-19 charges, net; cloud computing costs; other (income) expense, net; and income taxes.

We believe Adjusted EBITDA is useful to investors as a supplemental measure in evaluating the performance of our operating businesses and in comparing our results from period to period. We also believe that Adjusted EBITDA is useful to investors because it allows them to assess our results of operations and financial condition on the same basis that management uses internally. Adjusted EBITDA is a non-GAAP measure and should not be considered in isolation or as a substitute for net income or other income statement data prepared in accordance with GAAP. Our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies. A reconciliation of Adjusted EBITDA from net income (loss) recognized under GAAP is provided on Table 5.

**Adjusted Free Cash Flow**

Represents net cash provided by operating activities adjusted to reflect the cash inflows and outflows relating to capital expenditures, the investing and financing activities of our vehicle programs, asset sales, if any, and to exclude debt extinguishment costs, transaction-related costs, restructuring and other related charges, charges for unprecedented personal-injury and other legal matters, COVID-19 charges, other (income) expense, and non-operational charges related to shareholder activist activity. We believe that Adjusted Free Cash Flow is useful to management and investors in measuring the cash generated that is available to be used to repay debt obligations, repurchase stock, pay dividends and invest in future growth through new business development activities or acquisitions. Adjusted Free Cash Flow should not be construed as a substitute in measuring operating results or liquidity, and our presentation of Adjusted Free Cash Flow may not be comparable to similarly-titled measures used by other companies. A reconciliation of Adjusted Free Cash Flow from net cash provided by operating activities recognized under GAAP is provided on Table 5.

**Adjusted EBITDA Margin**

Represents Adjusted EBITDA as a percentage of revenues.

**Available Rental Days**

Defined as Average Rental Fleet times the numbers of days in a given period.

**Average Rental Fleet**

Represents the average number of vehicles in our fleet during a given period of time.

**Currency Exchange Rate Effects**

Represents the difference between current-period results as reported and current-period results translated at the prior-period average exchange rates plus any related currency hedges.

**Net Corporate Debt**

Represents corporate debt minus cash and cash equivalents.

**Net Corporate Leverage**

Represents Net Corporate Debt divided by Adjusted EBITDA for the twelve months prior to the date of calculation.

**Per-Unit Fleet Costs**

Represents vehicle depreciation, lease charges and gain or loss on vehicles sales, divided by Average Rental Fleet.

**Rental Days**

Represents the total number of days (or portion thereof) a vehicle was rented during a 24-hour period.

**Revenue per Day**

Represents revenues divided by Rental Days.

**Vehicle Utilization**

Represents Rental Days divided by Available Rental Days.