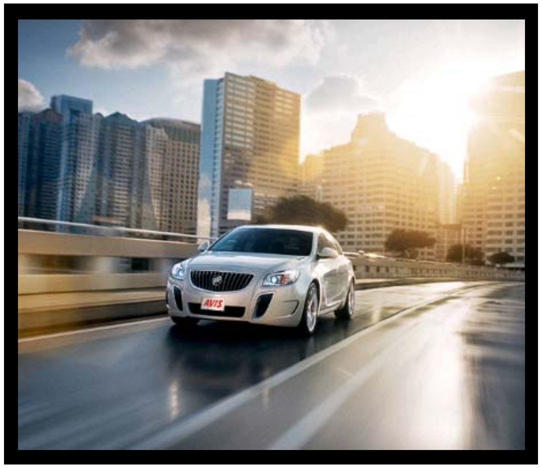


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Fourth Quarter 2012 Earnings Call

February 14, 2013

Webcast: ir.avisbudgetgroup.com
Dial-in: (415) 228-4734
Replay: (203) 369-1542
Passcode: Avis Budget

FORWARD-LOOKING STATEMENTS

Statements about future results made in this presentation constitute forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Such forward-looking statements include projections.

These statements are based on current expectations and the current economic environment. Forward-looking statements and projections are inherently subject to significant economic, competitive and other uncertainties and contingencies, many of which are beyond the control of management. The Company cautions that these statements are not guarantees of future performance. Actual results may differ materially from those expressed or implied in the forward-looking statements.

There can be no assurance that the proposed acquisition of Zipcar will occur as currently contemplated or that the expected benefits from the transaction will be realized. Additional risks and uncertainties relating to the proposed acquisition of Zipcar can be referenced in our previous Form 8-Ks related to the acquisition.

Important assumptions and other important factors that could cause actual results to differ materially from those in the forward-looking statements and projections are specified in the Company's most recently filed Form 10-Q and Form 10-K.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date stated, or if no date is stated, the date of our last earnings conference call.

This presentation includes certain non-GAAP financial measures as defined under SEC rules. Important information regarding such measures is contained within this presentation, including in the Glossary section.

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Ron Nelson

Chairman and Chief Executive Officer

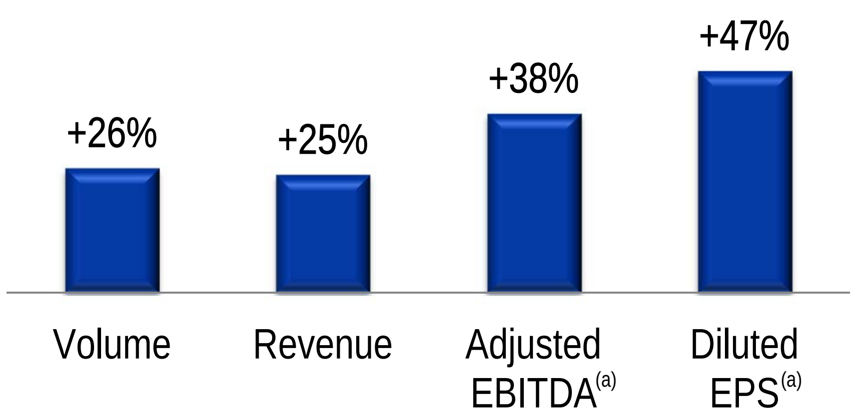
FULL-YEAR 2012 HIGHLIGHTS

Organic volume growth of 5%

Record Results in 2012

- **Strong revenue growth**
- **Continued margin expansion**
- **Record earnings per share**

Year-over-Year Growth



(a) Excluding certain items

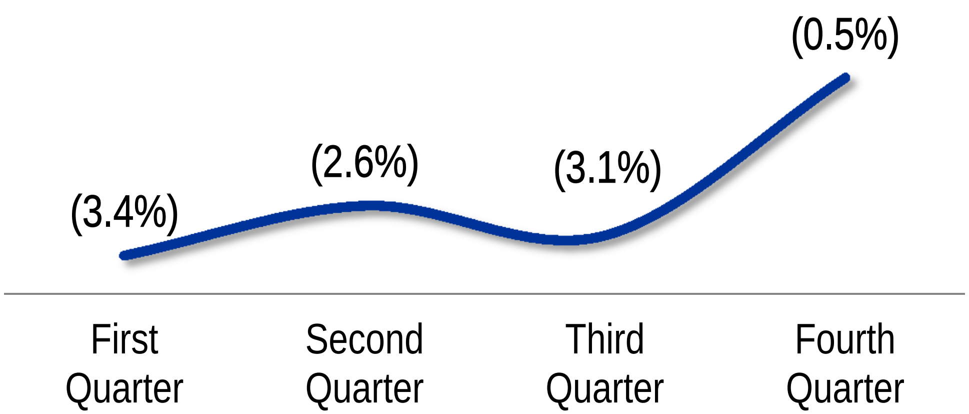
NORTH AMERICA

Pricing Trends Have Improved

- **Pricing strengthened over the course of the fourth quarter**
  - **Increased year-over-year in both December and January**
- **Pricing could be up slightly in first quarter 2013**

Launched successive price increases in fourth quarter 2012 and first quarter 2013

Year-over-Year Price Change



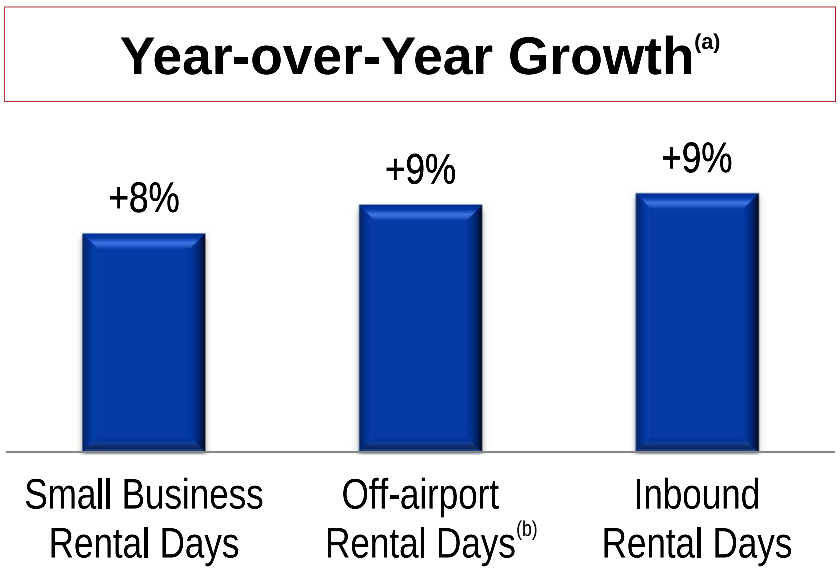
NORTH AMERICA

North America volume increased 5% in 2012

Customer satisfaction scores improved throughout the year

Multiple 2012 Accomplishments

- **Launched *Avis Preferred Select & Go* at more than 40 airports**
- **National advertising and marketing affiliations helped drive over 9% growth in Avis leisure volume in the fourth quarter**



(a) Full year
(b) Excluding insurance replacement

INTERNATIONAL

In 2012, Budget volume grew by 150% in Europe

Solid 2012 Results Despite Headwinds

- **Volume growth in all regions**
  - **EMEA volume increased 3% in 2012[a]**
  - **Latin America / Asia-Pacific volume increased 7%**
- **Phase I EMEA synergies came in at $45 million, 50% above our original plan[b]**
- **Acquired New Zealand-based Apex Car Rentals**
- **Added over 50 new locations in China**

(a) Pro forma
(b) Annual run-rate

ZIPCAR UPDATE

Agreement to acquire Zipcar announced on January 2

Transaction Proceeding as Planned

- **Received U.S. regulatory clearance**
- **Zipcar shareholder vote scheduled for March 7**
- **Continue to expect \$50 to \$70 million of annual synergies**
- **Committed to maintaining all the elements that create the Zipcar experience**

zipcar®
wheels when you want them

North America

- Plan to grow our rental volumes faster than enplanements
- Focus on the fastest-growing and most profitable segments
  - International inbound
  - Small business
  - Specialty and premium car classes
  - Prepaid rentals
  - General-use off-airport volume

International

- **Europe**
  - **Volumes should benefit from strong Budget growth and new commercial business**
  - **Expect more than $20 million year-over-year benefit from Phase I integration synergies**
  - **Increasing brand investment by $10 million**
- **Latin America / Asia-Pacific**
  - **Continued focus on strong margins**
  - **Expand Apex' presence in Australia**
  - **Accelerate growth in China**
  - **Drive international inbound and outbound revenue across <u>all</u> territories**

STRATEGIC PLAN

Driving Sustained, Profitable Growth

Strategically Accelerate Growth

Expand Our Global Footprint

Put the Customer First

Drive Efficiency Throughout the Organization

Opportunity to Reach $1 Billion Adjusted EBITDA by 2015

STRATEGIC PLAN

Strategically Accelerate Growth

- **Continue to focus on faster-growing and higher-margin segments in our developed markets**
- **View the world from a global perspective**
  - **Increase Budget's share in Europe**
- **Leverage our scale in relatively unclaimed territories**
  - **Capture a greater share of China daily rental business**

STRATEGIC PLAN

Expanding our Global Footprint

- **Further expand Budget, particularly in Europe and Asia**
- **Expand Apex in Australia and potentially elsewhere**
- **Help accelerate our licensees' growth**
- **Evaluate 'tuck-in' acquisition opportunities**

Putting the Customer First

- **Expand *Select & Go* to more airport locations**
  - **Introduce similiar program for Budget**
- **Redevelop and strengthen our loyalty program throughout the world**
- **Leverage our new CRM system to increase share of wallet**
- **Continue to increase customer-satisfaction scores**

STRATEGIC PLAN

Drive Efficiency Throughout the Organization

- **Integrated demand/fleet/pricing system**
  - **Expected to generate more than $50 million of benefits**
- **Increase fleet maintenance and repair efficiency**
- **Expand use of alternative vehicle disposition channels**
- **EMEA Phase II integration benefits of $55 to $75 million**
- **Incremental productivity savings through Performance Excellence efforts**

STRATEGIC PLAN

What You Should Expect by 2015

Strategically Accelerate Growth

- We will grow our revenue and profits, particularly in faster-growing, higher-margin segments

Expand Our Global Footprint

- International operations will be increasingly important to our results

Put the Customer First

- We will provide a consistently excellent rental experience globally

Drive Efficiency Throughout the Organization

- We will leverage technology and process improvement to increase productivity and lower costs

David Wyshner

Senior Executive Vice President

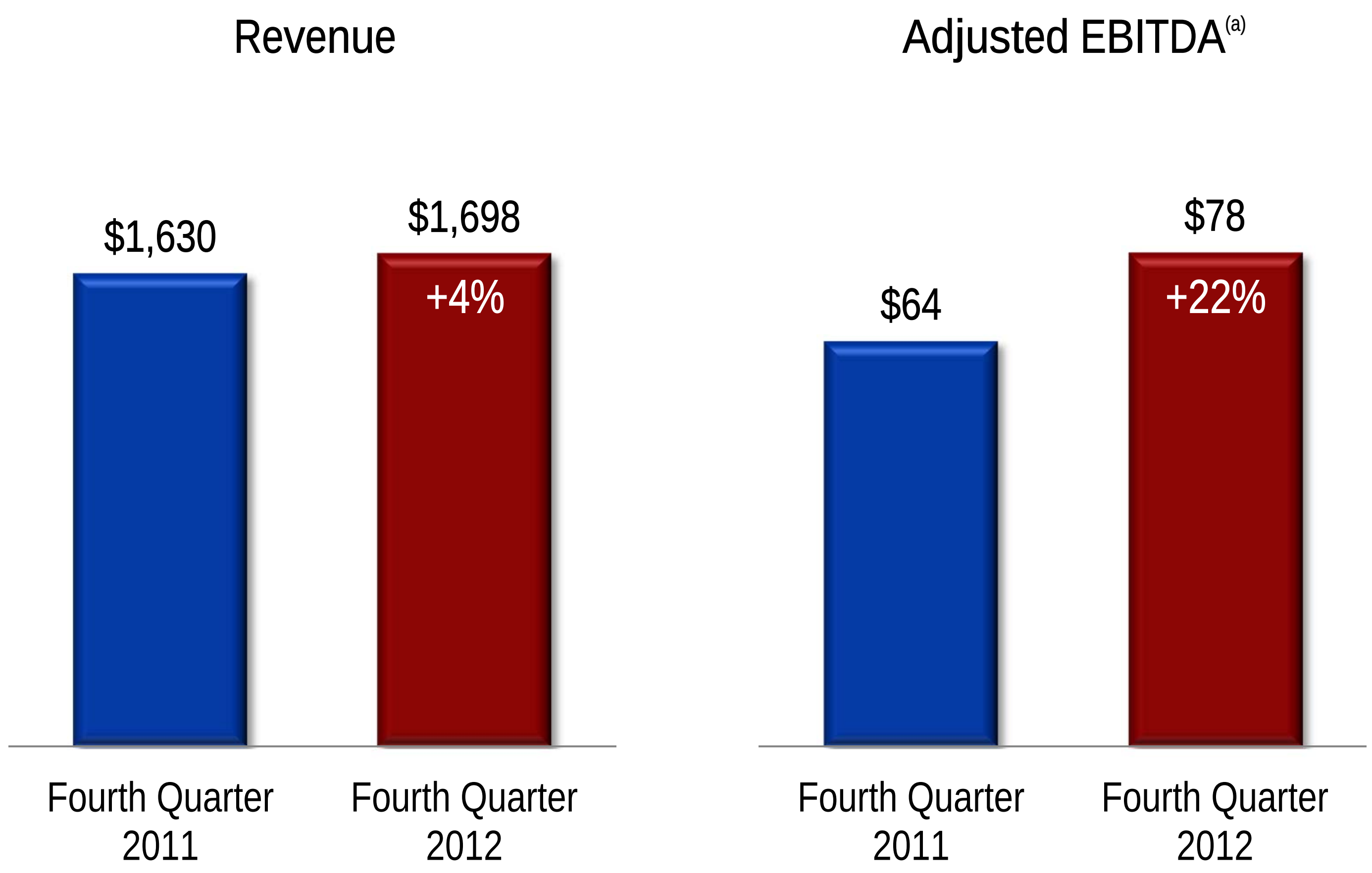
and Chief Financial Officer

FOURTH QUARTER 2012 RESULTS

Ten consecutive quarters of year-over-year revenue growth

Fourteen Consecutive Quarters of Year-over-year Adjusted EBITDA[a] Growth

($ in millions)

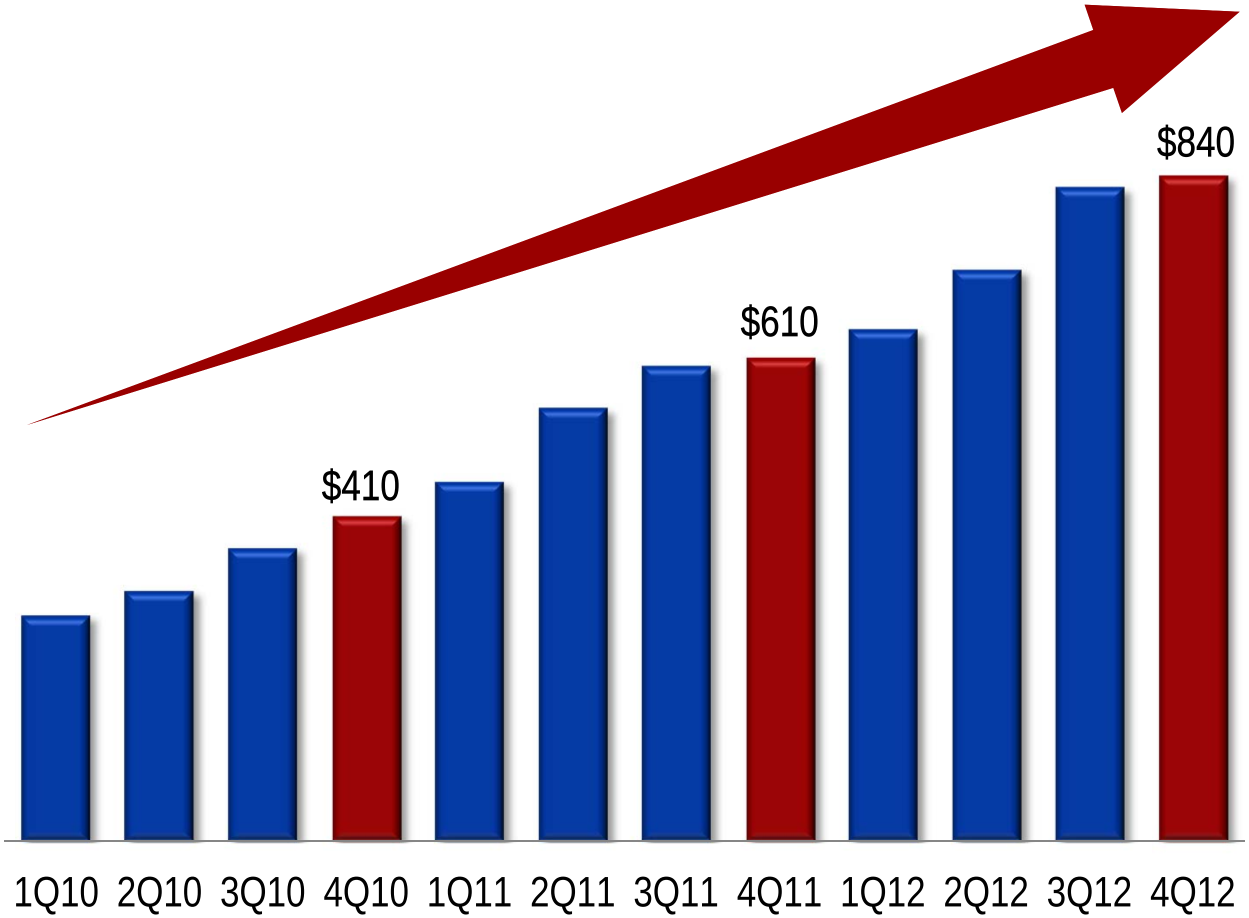


(a) Excluding certain items

FOURTH QUARTER 2012 RESULTS

Trailing 12-Month Adjusted EBITDA[a]

($ in millions)



LTM Adjusted EBITDA[a] of $879 million excluding financing fees and stock-based compensation expense

(a) Excluding certain items

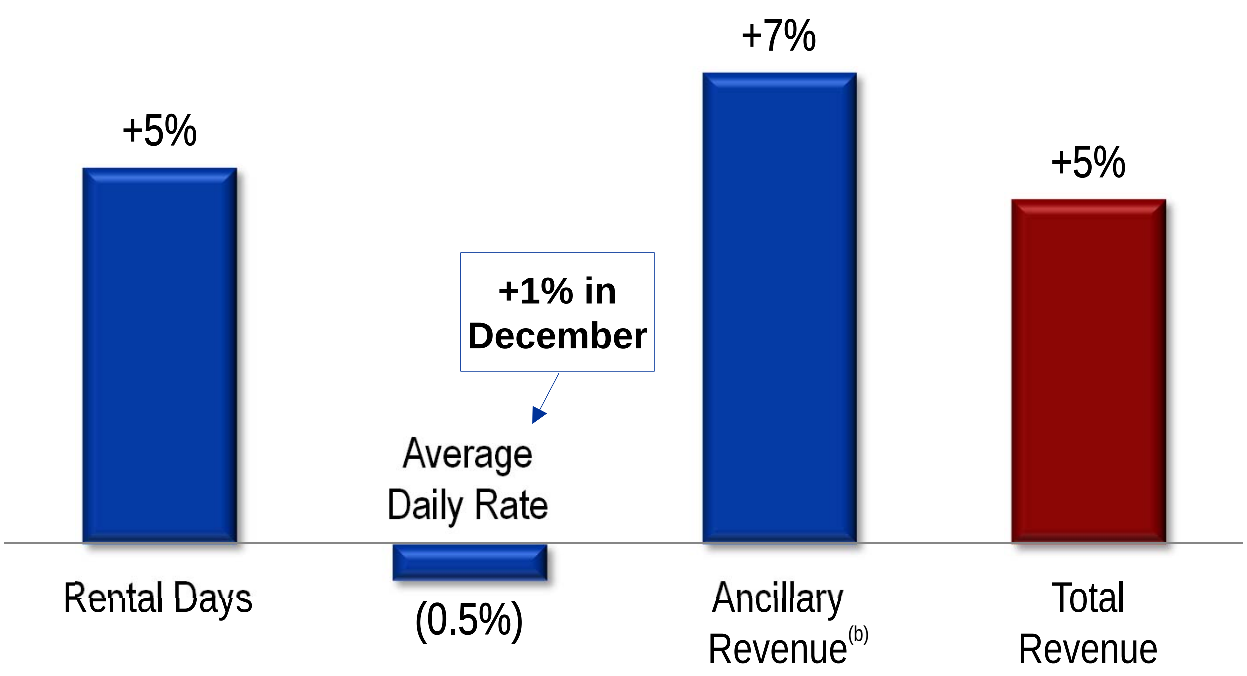
FOURTH QUARTER 2012 RESULTS – NORTH AMERICA

Adjusted EBITDA increased 161% to $47 million[(a)]

Per-unit fleet costs declined 4%

Significant Improvement in Adjusted EBITDA[(a)]

(year-over-year change)



Adjusted EBITDA margin increased 270 basis points[(a)]

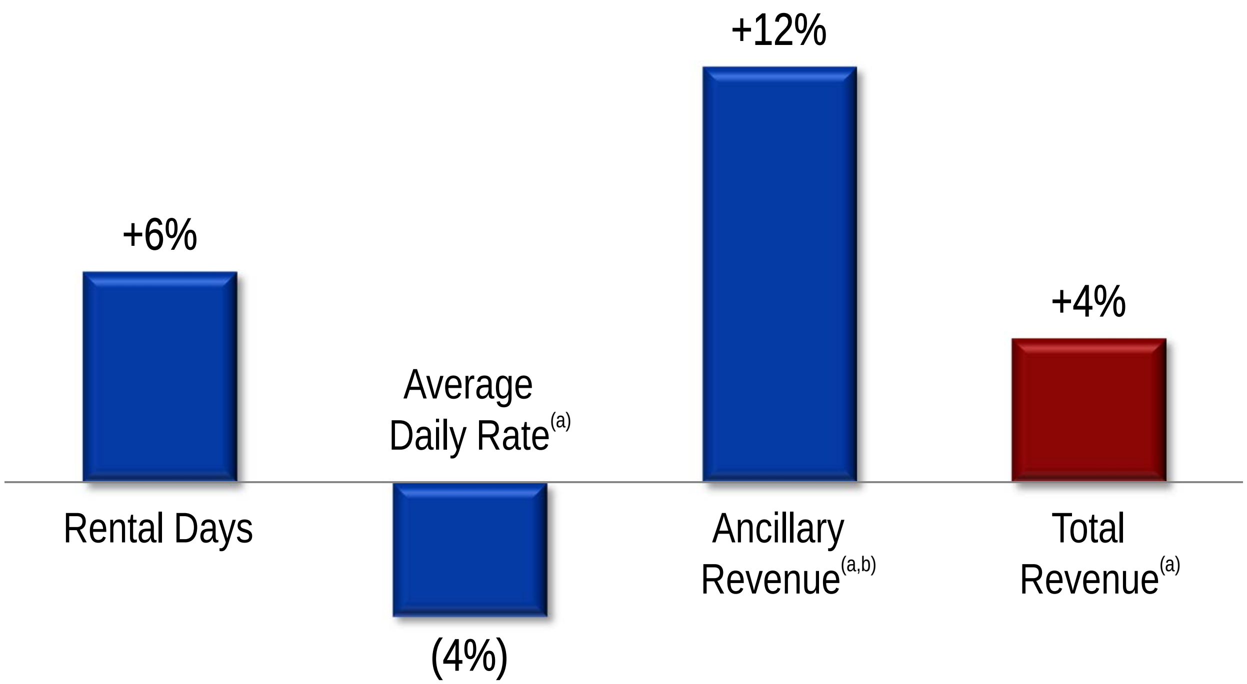
(a) Excluding certain items
(b) Excluding gas and customer recoveries

FOURTH QUARTER 2012 RESULTS – INTERNATIONAL

- EMEA volume increased 4%
  - Avis volume stayed constant
  - Budget volume increased 90%
- Latin America / Asia-Pacific volume increased 14%
  - Apex impacted volume by 10 points

Solid Results Despite Economic Headwinds

(year-over-year change, excluding currency effects)



Adjusted EBITDA increased $2 million excluding currency effects[a,c]

(a) Including currency effects, average daily rate declined 5%, ancillary revenue increased 10%, total revenue increased 3% and Adjusted EBITDA declined $5 million
(b) Excluding gas and customer recoveries
(c) Excluding certain items

Avis Europe Integration Proceeding Well

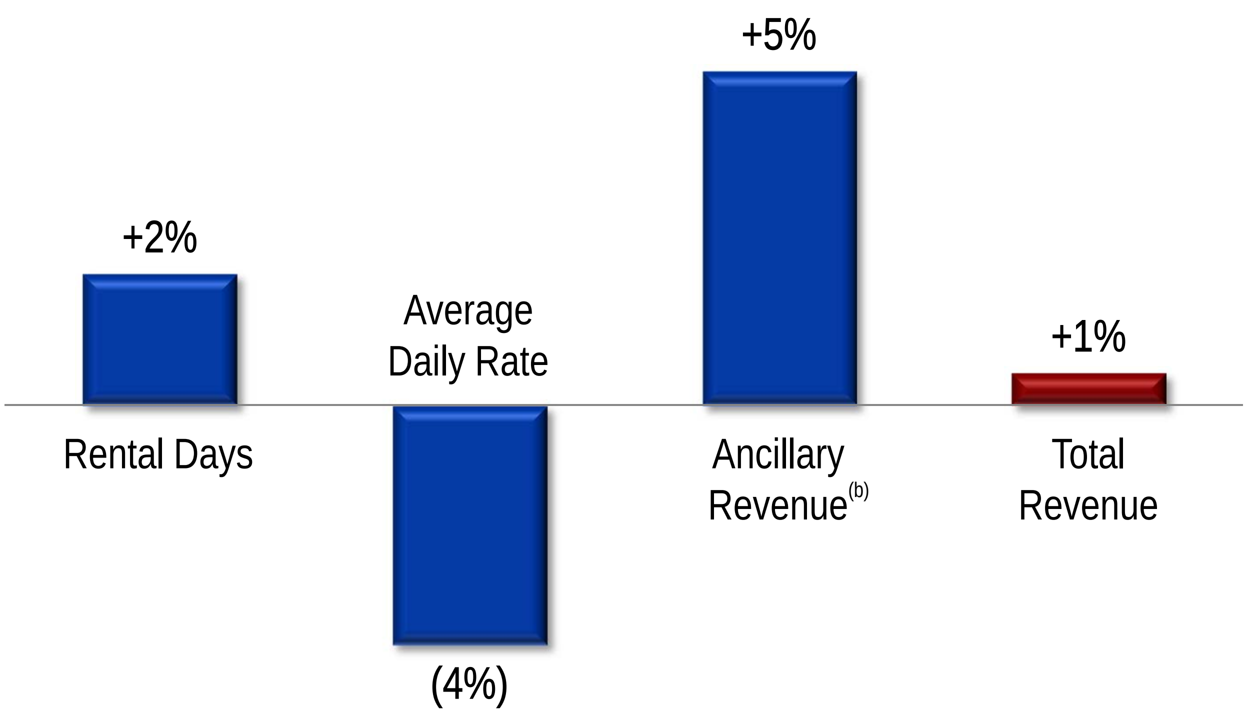
- Outsourced support for most of Europe's stand-alone IT applications
- Centralized certain telesales operations
- Combined four country teams in to a single Western region
- Launched more than 30 PEx projects in the fourth quarter, including:
  - Ancillary revenue initiatives
  - Dual-branding locations
  - Other cost-reduction efforts

FOURTH QUARTER RESULTS – TRUCK RENTAL

Adjusted EBITDA[a] declined $7 million primarily due to higher maintenance, insurance and fleet costs

Repositioning the Business for Improved Profitability

(year-over-year change)



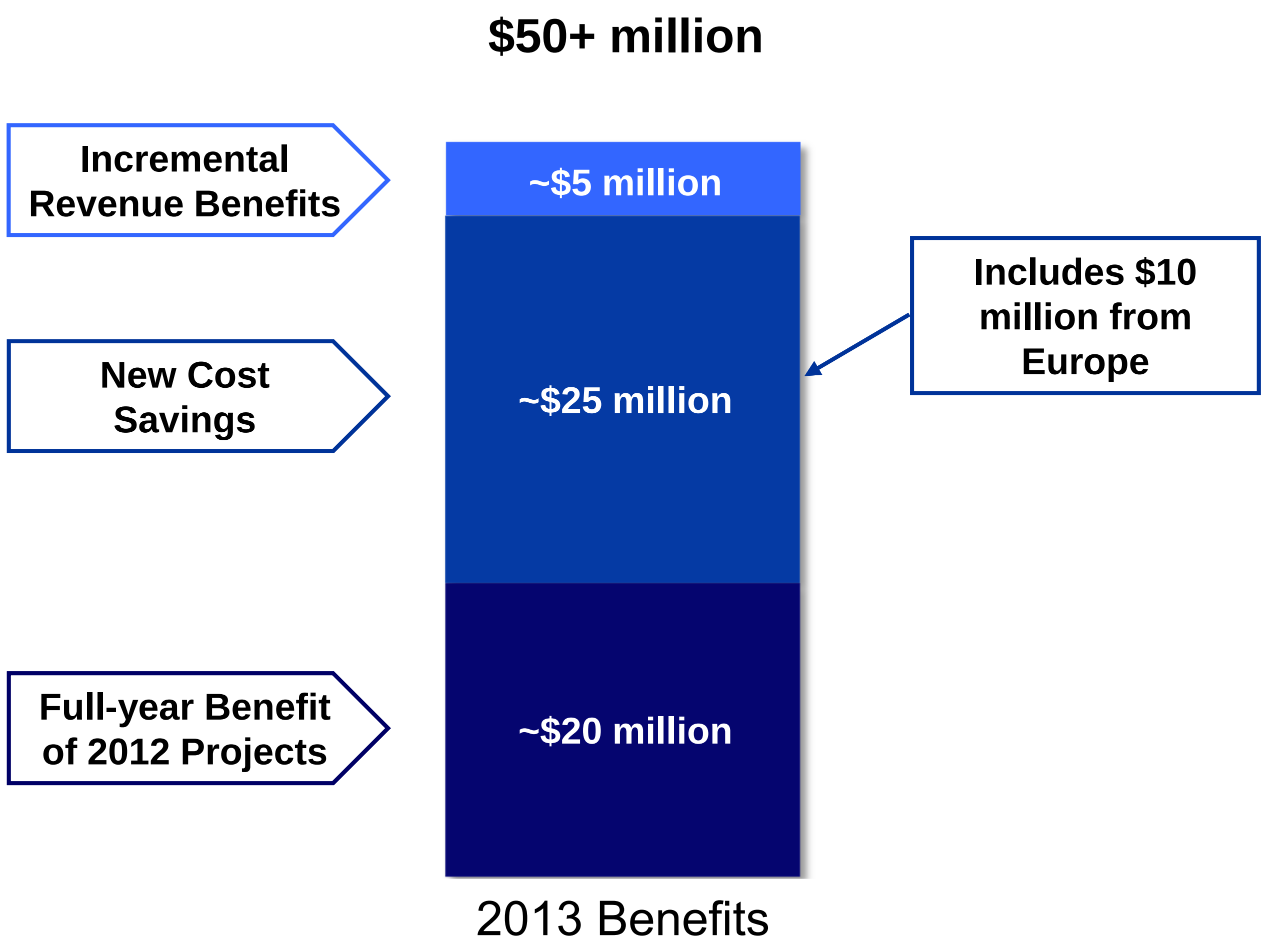
(a) Excluding certain items
(b) Excluding gas and customer recoveries

PERFORMANCE EXCELLENCE

Poised to Deliver More Than $50 Million of Incremental Benefits in 2013

More than 120 active or completed projects in Europe

3,800 total projects completed since inception, 600 original and 3,200 replications



STRENGTHENING THE BALANCE SHEET

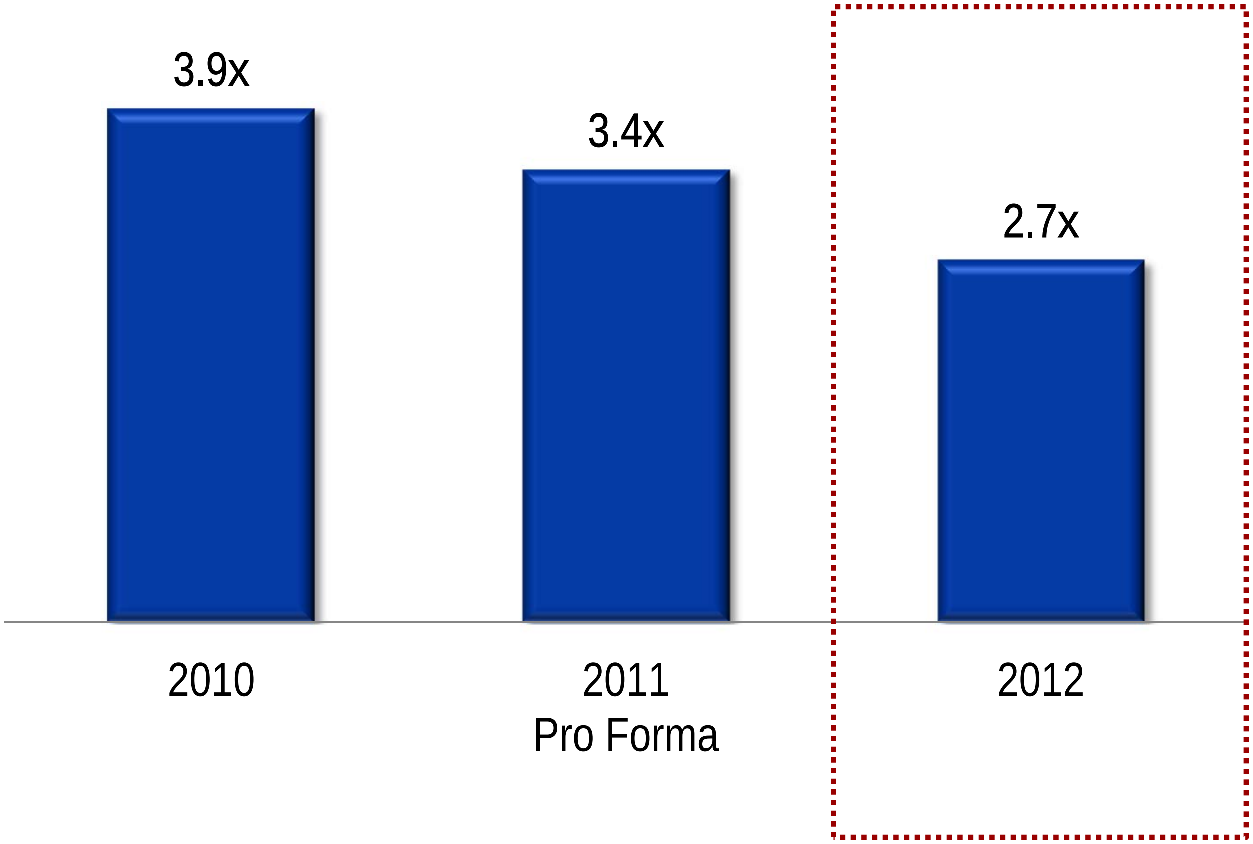
Cash balance of $606 million

Corporate debt balance declined $300 million from the end of 2011

Reduced potential equity dilution related to our convertible notes by more than 10% of diluted share count

We Have Reduced our Corporate Leverage Substantially

Net Corporate Debt / LTM Adjusted EBITDA[a]



(a) Excluding certain items

2013 GUIDANCE

Expect cash taxes of approximately $75 million

Expect diluted share count of approximately 120 million

Expect to Generate Substantial Free Cash Flow

($ in millions, except EPS)	Projection[a]
Revenue	$7,600 – $7,800
Adjusted EBITDA	725 – 825
Non-vehicle D&A	125 – 130
Interest expense	230 – 235
Pretax income	360 – 470
Income taxes[b]	135 – 176
Net income	$225 – $294
Diluted EPS	$1.90 – $2.45

Expect Free Cash Flow of Approximately $300 Million[c]

Note: Guidance excludes the pending acquisition of Zipcar
(a) Excluding certain items
(b) Based on midpoint of range of 37% to 38%
(c) Excluding any significant timing differences

FLEET COSTS

2013 International per-unit fleet costs expected to be similar to 2012

Expect Per-unit Fleet Costs to Normalize in 2013

- **North America per-unit fleet costs expected to be $275 to $290 per month**
  - **Increase of 15% to 20% largely due to 2012's fleet-sale gains and depreciation adjustments**
- **Risk component of our North America fleet expected to be around 65%**
  - **Increase of approximately three points compared to 2012**
- **Total Company monthly per-unit fleet costs estimated to be $275 to $290 in 2013**
  - **Increase of 11% to 17% compared to 2012**

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GLOSSARY

This presentation includes certain non-GAAP (generally accepted accounting principles) financial measures as defined under SEC rules. We have provided below reasons we present these non-GAAP financial measures, a description of what they represent and a reconciliation to the most comparable financial measure calculated and presented in accordance with GAAP.

Adjusted EBITDA

Adjusted EBITDA represents income (loss) before non-vehicle related depreciation and amortization, any impairment charge, transaction-related costs, non-vehicle related interest and income taxes. Adjusted EBITDA excluding certain items represents Adjusted EBTIDA excluding restructuring-related expenses, costs related to early extinguishment of debt and other certain items as such items are not representative of the results of operations of our business. We believe that Adjusted EBITDA and Adjusted EBITDA excluding certain items are useful as supplemental measures in evaluating the aggregate performance of our operating businesses. Adjusted EBITDA is the measure that is used by our management, including our chief operating decision maker, to perform such evaluation. It is also a component of our financial covenant calculations under our credit facilities, subject to certain adjustments. Adjusted EBITDA should not be considered in isolation or as a substitute for net income (loss) or other income statement data prepared in accordance with GAAP and our presentation of Adjusted EBITDA may not be comparable to similarly-titled measures used by other companies. We believe that the measures referred to above are useful as supplemental measures in evaluating the aggregate performance of the Company.

Reconciliation of Adjusted EBITDA to income before income taxes (in millions):

	Year Ended December 31,		Quarter Ended December 30,	
	2011	2012	2011	2012
Adjusted EBITDA excluding certain items	$ 610	$ 840	$ 64	$ 78
Less: Non-vehicle related depreciation and amortization	91	109	25	30
Interest expense related to corporate debt, net (excluding pre-closing interest related to acquisition financing)	195	268	74	59
Income before income taxes, excluding certain items	$ 324	$ 463	$ (35)	$ (11)
Less certain items:				
Early extinguishment of debt	-	75	-	23
Restructuring expense	5	38	5	12
Transaction-related costs	255	34	153	13
Acquisition-relation amortization expense	4	16	4	4
Acquisition-related interest	24	-	3	-
Avis Budget Group, Inc. income (loss) before income taxes	$ 36	$ 300	$ (200)	$ (63)

GLOSSARY

Reconciliation of Net Corporate Debt (in millions):

	Year Ended December 31,		
	2010	2011	2012
Corporate debt	$ 2,502	$ 3,205	$ 2,905
Less: Cash and cash equivalents	911	534	606
Net corporate debt	$ 1,591	$ 2,671	$ 2,299

Reconciliation of Adjusted EBITDA excluding certain items, amortization of deferred financing fees and stock-based compensation (in millions):

	Year Ended December 31,		
	2010	2011	2012
Pro forma Adjusted EBITDA excluding certain items	$ 410	$ 781	$ 840
Avis Europe pro forma EBITDA	-	171	-
Adjusted EBITDA excluding certain items	$ 410	$ 610	$ 840
Less: Non-vehicle related depreciation and amortization	90	91	109
Interest expense related to corporate debt, net (excluding pre-closing interest related to acquisition financing)	162	195	268
Income before income taxes, excluding certain items	$ 158	$ 324	$ 463
Less certain items:			
Early extinguishment of debt	52	-	75
Restructuring expense	11	5	38
Transaction-related costs	14	255	34
Acquisition-relation amortization expense	-	4	16
Acquisition-related interest	8	24	-
Litigation costs	1	-	-
Income before income taxes	$ 72	$ 36	$ 300

Reconciliation of net income, excluding certain items to net income:

	Year Ended December 31,	
	2011	2012
Earnings per share, excluding certain items (diluted)	$ 1.02	$ 2.43
Shares used to calculate Earnings per share, excluding certain items (diluted)	128.9	121.6
Net income, excluding certain items	$ 206	$ 291
Less certain items, net of tax:		
Early extinguishment of debt	-	61
Restructuring expense	3	27
Transaction-related costs	215	30
Acquisition-relation amortization expense	3	11
Non-cash benefit from income taxes for pre-Separation taxes	-	(128)
Acquisition-related interest	14	-
Net income	$ (29)	$ 290