

**UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION**  
Washington, D.C. 20549

**FORM 8-K**

**CURRENT REPORT**

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

Date of Report (Date of earliest event reported) **February 25, 2020 (February 24, 2020)**

**HERTZ GLOBAL HOLDINGS, INC.  
THE HERTZ CORPORATION**

(Exact name of registrant as specified in its charter)

**Delaware**  
**Delaware**  
(State or other jurisdiction of  
incorporation)

**001-37665**  
**001-07541**  
(Commission File Number)

**61-1770902**  
**13-1938568**  
(I.R.S. Employer Identification No.)

**8501 Williams Road**  
**Estero, Florida 33928**  
**239 301-7000**  
(Address, including Zip Code, and  
telephone number, including area code,  
of registrant's principal executive offices)

**Not Applicable**  
**Not Applicable**  
(Former name, former address and  
former fiscal year, if changed since last report.)

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:**

|                             | <b>Title of Each Class</b>              | <b>Trading Symbol(s)</b> | <b>Name of Each Exchange on which Registered</b> |
|-----------------------------|---|--------------------------|--|
| Hertz Global Holdings, Inc. | Common Stock par value \$0.01 per share | HTZ                      | New York Stock Exchange                          |
| The Hertz Corporation       | None                                    | None                     | None   |

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.

## ITEM 2.02 RESULTS OF OPERATIONS AND FINANCIAL CONDITION

The information set forth in Item 7.01 is incorporated by reference into this Item 2.02.

## ITEM 7.01 REGULATION FD DISCLOSURE

On February 24, 2020, Hertz Global Holdings, Inc. and The Hertz Corporation (collectively, "Hertz" or the "Company") issued a press release announcing the Company's fourth quarter and full-year 2019 financial results.

On February 25, 2020, the Company will conduct an earnings webcast relating to the Company's financial results for the fourth quarter and full-year 2019. The earnings webcast will be made available to the public via a link on the Investor Relations section of the Hertz website, IR.Hertz.com, and the slides that will accompany the presentation will be available to the public at the time of the earnings webcast through the Company's website. Certain financial information relating to completed fiscal periods that will be part of the earnings webcast is included in the set of slides that will accompany the earnings webcast, a copy of which is attached hereto as Exhibit 99.2. The press release and the financial supplement are furnished as Exhibits 99.1 and 99.2 to this current report and are hereby incorporated by reference into this Item 7.01.

This information shall not be deemed "filed" for purposes of Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"), or incorporated by reference in any filing under the Securities Act of 1933, as amended (the "Securities Act"), except as shall be expressly set forth by specific reference in such a filing.

## ITEM 9.01 FINANCIAL STATEMENTS AND EXHIBITS.

(d) Exhibits.

[Exhibit 99.1 - Press Release of Hertz Global Holdings, Inc. and The Hertz Corporation dated February 24, 2020.](#)

[Exhibit 99.2 - Set of slides that will accompany the February 25, 2020 earnings webcast.](#)

Exhibit 101.1 - Pursuant to Rule 406 of Regulation S-T, the cover page to this Current Report on Form 8-K is formatted in Inline XBRL.

Exhibit 104.1 - Cover Page Interactive Data File (Embedded within the Inline XBRL document and included in Exhibit 101.1)

Exhibits 99.1 and 99.2 shall not be deemed filed for purposes of Section 18 of the Exchange Act, nor shall they be deemed incorporated by reference in any filing under the Securities Act, except as shall be expressly set forth by specific reference in a filing.



**Hertz Global Holdings Reports  
Record Fourth Quarter and Full-Year 2019 Revenue**

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**ESTERO, Fla, February 24, 2020** - Hertz Global Holdings, Inc. (NYSE: HTZ) ("Hertz Global" or the "Company") today reported results for its fourth quarter and year ended December 31, 2019.

- Record U.S. RAC revenue, up 6% for the fourth quarter, 7% for the full year on pricing and volume
- Record global revenue, up 1% for the fourth quarter, 3% for the full year
- Global revenue, excluding Donlen adjustments and fx, increased 5% for the fourth quarter and full year
- Net loss attributable to Hertz Global was \$118 million for the fourth quarter, \$58 million for the full year
- Adjusted Corporate EBITDA up 11% for the fourth quarter, 50% for the full year

"We have made tremendous progress over the past three years in re-igniting topline growth, driving margin expansion and improving customer satisfaction. Our latest results reflect 10 straight quarters of year-over-year revenue growth and nine consecutive quarters of year-over-year adjusted corporate EBITDA growth," said Kathryn Marinello, Hertz's Chief Executive Officer. "We are leveraging our existing capabilities to drive new revenue opportunities and continuing our focus on operational efficiencies to ensure sustainable earnings improvement over the long-term."

For the fourth quarter 2019, total revenues were \$2.3 billion, a 1% increase versus the fourth quarter 2018. Net loss attributable to Hertz Global was \$118 million, or \$0.83 loss per diluted share, compared with net loss attributable to Hertz Global of \$101 million for the fourth quarter 2018, or \$1.05 loss per diluted share. The Company reported Adjusted Net Loss for the fourth quarter 2019 of \$34 million, or \$0.24 Adjusted Diluted Loss Per Share, compared with Adjusted Net Loss of \$46 million for the fourth quarter 2018, or \$0.48 Adjusted Diluted Loss Per Share. Adjusted Corporate EBITDA for the fourth quarter 2019 was \$54 million versus \$49 million for the same period last year.

For the full-year 2019, total revenues were \$9.8 billion, a 3% increase versus 2018. Net loss attributable to Hertz Global was \$58 million, or \$0.49 loss per diluted share, compared with net loss attributable to Hertz Global of \$225 million for 2018, or \$2.35 loss per diluted share. The Company reported Adjusted Net Income for 2019 of \$168 million, or \$1.44 Adjusted Diluted Earnings Per Share, compared with Adjusted Net Loss of \$14 million for 2018, or \$0.15 Adjusted Diluted Loss Per Share. Adjusted Corporate EBITDA for 2019 was \$649 million versus \$433 million for 2018.



**U.S. RENTAL CAR ("U.S. RAC") SUMMARY**

| U.S. RAC<br>(\$ in millions, except where noted)   | Three Months Ended<br>December 31, |          | Percent Inc/(Dec) |
|--|------------------------------------|----------|-------------------|
|  | 2019                               | 2018     |                   |
| Total revenues                                     | \$ 1,673                           | \$ 1,575 | 6%                |
| Adjusted EBITDA                                    | \$ 48                              | \$ 48    | —%                |
| Adjusted EBITDA Margin                             | 3%                                 | 3%       |                   |
| Average Vehicles (in whole units)                  | 516,726                            | 498,100  | 4%                |
| Vehicle Utilization                                | 79%                                | 81%      |                   |
| Transaction Days (in thousands)                    | 37,706                             | 37,036   | 2%                |
| Total RPD (in whole dollars)                       | \$ 43.54                           | \$ 41.88 | 4%                |
| Total RPU Per Month (in whole dollars)             | \$ 1,059                           | \$ 1,038 | 2%                |
| Depreciation Per Unit Per Month (in whole dollars) | \$ 283                             | \$ 256   | 11%               |

Total U.S. RAC revenues of \$1.7 billion were a fourth quarter record for the Company and up 6% on higher volume and pricing. Revenue per day was up 4% as pricing improved across all brands, in both business and leisure categories, and in on- and off-airport rentals. Transaction days grew 2% driven by solid demand from the Company's growth initiatives in TNC and delivery rentals. Vehicle utilization was negatively impacted by a significant number of units on safety recall compared to a year ago and the continued ramp up of trucks and vans to meet future demand for delivery rentals.

Depreciation Per Unit Per Month increased 11%, reflecting lower residual values on certain vehicles sold by the Company during the quarter. The Company continues to benefit from dispositions through its higher returning retail car-sales channel.

Adjusted Corporate EBITDA of \$48 million was flat versus the fourth quarter of 2018. These results were driven by strong revenue growth and a 270-basis point improvement in operating expenses and SG&A as a percentage of revenue were offset by higher per-unit depreciation in the quarter.

**INTERNATIONAL RENTAL CAR ("INTERNATIONAL RAC") SUMMARY**

| International RAC<br>(\$ in millions, except where noted) | Three Months Ended<br>December 31, |          | Percent Inc/(Dec) |
|---|------------------------------------|----------|-------------------|
|   | 2019                               | 2018     |                   |
| Total revenues  | \$ 474                             | \$ 487   | (3)%              |
| Adjusted EBITDA   | \$ (10)                            | \$ 8     | NM                |
| Adjusted EBITDA Margin                                    | (2)%                               | 2%       |                   |
| Average Vehicles (in whole units)                         | 169,971                            | 170,600  | —%                |
| Vehicle Utilization                                       | 72%                                | 72%      |                   |
| Transaction Days (in thousands)                           | 11,256                             | 11,342   | (1)%              |
| Total RPD (in whole dollars)                              | \$ 42.98                           | \$ 42.58 | 1%                |
| Total RPU Per Month (in whole dollars)                    | \$ 949                             | \$ 943   | 1%                |
| Depreciation Per Unit Per Month (in whole dollars)        | \$ 221                             | \$ 204   | 8%                |

NM - Not meaningful

Total International RAC revenues decreased 3% year-over-year and were flat on a constant currency basis. Total RPD was up 1% driven by improved pricing in Asia Pacific and Europe, offset by a volume decline of 1% due to continued softness in Europe.

Depreciation Per Unit Per Month increased 8% driven by residual value declines on certain vehicles that were disposed of during the quarter.

Adjusted EBITDA loss of \$10 million reflected lower revenue and higher per-unit depreciation versus the fourth quarter of 2018.

#### ALL OTHER OPERATIONS SUMMARY

| All Other Operations<br>(\$ in millions, except where noted) | Three Months Ended<br>December 31, |         | Percent Inc/(Dec) |
|--|------------------------------------|---------|-------------------|
|  | 2019                               | 2018    |                   |
| Total revenues   | \$ 179                             | \$ 232  | (23)%             |
| Adjusted EBITDA  | \$ 30                              | \$ 22   | 36 %              |
| Adjusted EBITDA Margin                                       | 17%                                | 9%      |                   |
| Average Vehicles (in whole units) - Donlen                   | 222,400                            | 188,100 | 18 %              |

All Other Operations primarily is comprised of the Company's Donlen leasing operations. Revenue was unfavorably impacted by a change in presentation for certain leased vehicles in 2019, which lowered revenue by \$18 million during the quarter. In addition, in the prior year quarter, Donlen experienced higher than normal capital lease volume, resulting in a \$53 million increase in revenue and depreciation. Excluding these items, Donlen revenues grew 10% in the quarter which drove a 36% increase in Adjusted EBITDA for the segment behind strong growth in leasing and fleet management.

#### RIGHTS OFFERING

In June 2019, the Company distributed transferable subscription rights to its shareholders to purchase up to an aggregate of 57,915,055 new shares (the "Rights Offering"). The Rights Offering, which was fully subscribed, was consummated in July 2019. As a result of the timing of the subscription period, the rights generated a dilutive impact to the Company's 2019 basic and diluted earnings per share. The three and twelve months ended December 31, 2018 have been adjusted to reflect the impact of the Rights Offering, and the Company will continue to adjust prior periods for the impact, where necessary.

#### RESULTS OF THE HERTZ CORPORATION

The GAAP and non-GAAP profitability metrics for Hertz Global's operating subsidiary, The Hertz Corporation ("Hertz"), are materially the same as those for Hertz Global.

#### EARNINGS WEBCAST INFORMATION

Hertz Global's live webcast and conference call to discuss its fourth quarter 2019 results will be held on February 25, 2020, at 8:30 a.m. Eastern Time, and can be accessed through a link on the Investor Relations section of the Hertz website, [IR.Hertz.com](http://IR.Hertz.com), or by dialing (877) 692-8955 and providing access code 2258216. Investors are encouraged to dial-in approximately 10 minutes prior to the call. A web replay will remain available for approximately one year. A telephone replay will be available one hour following the conclusion of the call for one

year at (866) 207-1041 with access code 5425195. The earnings release and related supplemental schedules containing the reconciliations of non-GAAP measures will be available on the Hertz website, [IR.Hertz.com](http://IR.Hertz.com).

## **SELECTED FINANCIAL DATA, SUPPLEMENTAL SCHEDULES, NON-GAAP MEASURES AND DEFINITIONS**

Following are tables that present selected financial data of Hertz Global. Also included are Supplemental Schedules which are provided to present segment results and reconciliations of non-GAAP measures to their most comparable GAAP measure. Following the Supplemental Schedules, the Company provides definitions for terminology used throughout this earnings release and provides the usefulness of non-GAAP measures to investors and additional purposes for which management uses such measures.

### **ABOUT HERTZ**

The Hertz Corporation, a subsidiary of Hertz Global Holdings, Inc., operates the Hertz, Dollar and Thrifty vehicle rental brands in approximately 10,200 corporate and franchisee locations throughout North America, Europe, the Caribbean, Latin America, Africa, the Middle East, Asia, Australia and New Zealand. The Hertz Corporation is one of the largest worldwide vehicle rental companies, and the Hertz brand is one of the most recognized globally. Product and service initiatives such as Hertz Gold Plus Rewards, Ultimate Choice, Carfirmations, Mobile Wi-Fi and unique vehicles offered through its specialty collections set Hertz apart from the competition. Additionally, The Hertz Corporation owns the vehicle leasing and fleet management leader Donlen Corporation, operates the Firefly vehicle rental brand and Hertz 24/7 car sharing business in international markets and sells vehicles through Hertz Car Sales. For more information about The Hertz Corporation, visit: [www.hertz.com](http://www.hertz.com).

### **CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS**

Certain statements contained in this release, and in related comments by the Company's management, include "forward-looking statements." Forward-looking statements include information concerning the Company's liquidity and its possible or assumed future results of operations, including descriptions of its business strategies. These statements often include words such as "believe," "expect," "project," "potential," "anticipate," "intend," "plan," "estimate," "seek," "will," "may," "would," "should," "could," "forecasts" or similar expressions. These statements are based on certain assumptions that the Company has made in light of its experience in the industry as well as its perceptions of historical trends, current conditions, expected future developments and other factors it believes are appropriate in these circumstances. The Company believes these judgments are reasonable, but you should understand that these statements are not guarantees of performance or results, and the Company's actual results could differ materially from those expressed in the forward-looking statements due to a variety of important factors, both positive and negative.

Important factors that could affect the Company's actual results and cause them to differ materially from those expressed in forward-looking statements include, among others, those that may be disclosed, revised or supplemented from time to time in subsequent reports on Forms 10-K, 10-Q and 8-K filed with or furnished to the Securities and Exchange Commission ("SEC"). Among other items, such factors could include: levels of travel demand, particularly with respect to business and leisure travel in the United States and in global markets; significant changes in the competitive environment and the effect of competition in the Company's markets on rental volume and pricing, including on the Company's pricing policies or use of incentives; occurrences that disrupt rental activity during the Company's peak periods; the Company's ability to accurately estimate future levels of rental activity and adjust the number and mix of vehicles used in the Company's rental operations accordingly; increased vehicle costs due to declining value of the

Company's non-program vehicles; the Company's ability to maintain sufficient liquidity and the availability of additional or continued sources of financing for the Company's revenue earning vehicles and to refinance the Company's existing indebtedness; the Company's ability to adequately respond to changes in technology, customer demands and market competition; the Company's ability to purchase adequate supplies of competitively priced vehicles and risks relating to increases in the cost of the vehicles it purchases; the Company's recognition of previously deferred tax gains on the disposition of revenue earning vehicles; financial instability of the manufacturers of the Company's vehicles, which could impact their ability to fulfill obligations under repurchase or guaranteed depreciation programs; an increase in the Company's vehicle costs or disruption to the Company's rental activity, particularly during the Company's peak periods, due to safety recalls by the manufacturers of the Company's vehicles; the Company's ability to execute a business continuity plan; the Company's access to third-party distribution channels and related prices, commission structures and transaction volumes; the Company's ability to retain customer loyalty and market share; risks associated with operating in many different countries, including the risk of a violation or alleged violation of applicable anticorruption or antibribery laws, the Company's ability to repatriate cash from non-U.S. affiliates without adverse tax consequences, the Company's exposure to fluctuations in foreign currency exchange rates and the Company's ability to effectively manage the Company's international operations after the United Kingdom's withdrawal from the European Union; a major disruption in the Company's communication or centralized information networks; a failure to maintain, upgrade and consolidate the Company's information technology systems; the Company's ability to prevent the misuse or theft of information it possesses, including as a result of cyber security breaches and other security threats; costs and risks associated with litigation and investigations or any failure or inability to comply with laws and regulations or any changes in the legal and regulatory environment, including laws and regulations relating to environmental matters and consumer privacy and data security; the Company's ability to maintain its network of leases and vehicle rental concessions at airports in the U.S. and internationally; the Company's ability to maintain favorable brand recognition and a coordinated branding and portfolio strategy; the Company's ability to maintain an effective employee retention and talent management strategy and resulting changes in personnel and employee relations; changes in the existing, or the adoption of new laws, regulations, policies or other activities of governments, agencies and similar organizations, where such actions may affect the Company's operations, the cost thereof or applicable tax rates; risks relating to the Company's deferred tax assets, including the risk of an "ownership change" under the Internal Revenue Code of 1986; the Company's exposure to uninsured claims in excess of historical levels; risks relating to the Company's participation in multiemployer pension plans; risks related to the Company's indebtedness, including the Company's substantial amount of debt, the Company's ability to incur substantially more debt, the fact that substantially all of the Company's consolidated assets secure certain of the Company's outstanding indebtedness and increases in interest rates or in the Company's borrowing margins; the Company's ability to meet the financial and other covenants contained in the Company's senior credit facilities and letter of credit facility, the Company's outstanding unsecured senior notes, the Company's outstanding senior second priority secured notes and certain asset-backed and asset-based arrangements; the Company's ability to access financial markets, including the financing of the Company's vehicle fleet through the issuance of asset-backed securities; fluctuations in interest rates and commodity prices; the Company's ability to sustain operations during adverse economic cycles and unfavorable external events (including war, terrorist acts, natural disasters and epidemic disease); shortages of fuel and increases or volatility in fuel costs; changes in accounting principles, or their application or interpretation, and the Company's ability to make accurate estimates and the assumptions underlying the estimates, which could have an effect on operating results; and other risks and uncertainties described from time to time in periodic and current reports that the Company files with the SEC.

Additional information concerning these and other factors can be found in the Company's filings with the SEC, including its Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

You should not place undue reliance on forward-looking statements. All forward-looking statements attributable to the Company or persons acting on its behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date hereof, and except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

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| <b>CONTACTS:</b><br>Investor Relations:<br>Leslie Hunziker<br>(239) 301-6800<br>investorrelations@hertz.com | <b>Media:</b><br>Hertz Media Relations<br>(239) 301-6300<br>mediarelations@hertz.com |
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**FINANCIAL INFORMATION AND OPERATING DATA**

## SELECTED UNAUDITED CONSOLIDATED INCOME STATEMENT DATA

| (In millions, except per share data)                           | Three Months Ended December 31, |           | As a Percentage of Total Revenues |       | Twelve Months Ended December 31, |           | As a Percentage of Total Revenues |       |
|--|---------------------------------|-----------|-----------------------------------|-------|----------------------------------|-----------|-----------------------------------|-------|
|  | 2019                            | 2018      | 2019                              | 2018  | 2019                             | 2018      | 2019                              | 2018  |
| Total revenues   | \$ 2,326                        | \$ 2,294  | 100 %                             | 100 % | \$ 9,779                         | \$ 9,504  | 100 %                             | 100 % |
| Expenses:  |                                 |           |                                   |       |                                  |           |                                   |       |
| Direct vehicle and operating                                   | 1,339                           | 1,312     | 58 %                              | 57 %  | 5,486                            | 5,355     | 56 %                              | 56 %  |
| Depreciation of revenue earning vehicles and lease charges     | 672                             | 670       | 29 %                              | 29 %  | 2,565                            | 2,690     | 26 %                              | 28 %  |
| Selling, general and administrative                            | 248                             | 251       | 11 %                              | 11 %  | 969                              | 1,017     | 10 %                              | 11 %  |
| Interest expense, net:   |                                 |           |                                   |       |                                  |           |                                   |       |
| Vehicle  | 121                             | 113       | 5 %                               | 5 %   | 494                              | 448       | 5 %                               | 5 %   |
| Non-vehicle  | 98                              | 72        | 4 %                               | 3 %   | 311                              | 291       | 3 %                               | 3 %   |
| Total interest expense, net                                    | 219                             | 185       | 9 %                               | 8 %   | 805                              | 739       | 8 %                               | 8 %   |
| Other (income) expense, net                                    | (22)                            | (4)       | (1)%                              | — %   | (59)                             | (40)      | (1)%                              | — %   |
| Total expenses   | 2,456                           | 2,414     | 106 %                             | 105 % | 9,766                            | 9,761     | 100 %                             | 103 % |
| Income (loss) before income taxes                              | (130)                           | (120)     | (6)%                              | (5)%  | 13                               | (257)     | — %                               | (3)%  |
| Income tax (provision) benefit                                 | 15                              | 18        | 1 %                               | 1 %   | (63)                             | 30        | (1)%                              | — %   |
| Net income (loss)  | (115)                           | (102)     | (5)%                              | (4)%  | (50)                             | (227)     | (1)%                              | (2)%  |
| Net (income) loss attributable to noncontrolling interests     | (3)                             | 1         | — %                               | — %   | (8)                              | 2         | — %                               | — %   |
| Net income (loss) attributable to Hertz Global                 | \$ (118)                        | \$ (101)  | (5)%                              | (4)%  | \$ (58)                          | \$ (225)  | (1)%                              | (2)%  |
| Weighted average number of shares outstanding <sup>(a)</sup> : |                                 |           |                                   |       |                                  |           |                                   |       |
| Basic  | 142                             | 96        |                                   |       | 117                              | 96        |                                   |       |
| Diluted  | 142                             | 96        |                                   |       | 117                              | 96        |                                   |       |
| Earnings (loss) per share:                                     |                                 |           |                                   |       |                                  |           |                                   |       |
| Basic  | \$ (0.83)                       | \$ (1.05) |                                   |       | \$ (0.49)                        | \$ (2.35) |                                   |       |
| Diluted  | \$ (0.83)                       | \$ (1.05) |                                   |       | \$ (0.49)                        | \$ (2.35) |                                   |       |
| Adjusted Net Income (Loss) <sup>(b)</sup>                      | \$ (34)                         | \$ (46)   |                                   |       | \$ 168                           | \$ (14)   |                                   |       |
| Adjusted Diluted Earnings (Loss) Per Share <sup>(b)</sup>      | \$ (0.24)                       | \$ (0.48) |                                   |       | \$ 1.44                          | \$ (0.15) |                                   |       |
| Adjusted Corporate EBITDA <sup>(b)</sup>                       | \$ 54                           | \$ 49     |                                   |       | \$ 649                           | \$ 433    |                                   |       |

(a) Basic weighted-average shares and weighted-average shares used to calculate diluted earnings (loss) per share for the three and twelve months ended December 31, 2018 have been adjusted to give effect to the Rights Offering.

(b) Represents a non-GAAP measure, see the accompanying reconciliations included in Supplemental Schedule II.

SELECTED UNAUDITED CONSOLIDATED BALANCE SHEET DATA

| (In millions)                              | As of December 31, 2019 |        | As of December 31, 2018 |        |
|--|-------------------------|--------|-------------------------|--------|
|  |                         |        |                         |        |
| Cash and cash equivalents                  | \$                      | 865    | \$                      | 1,127  |
| Total restricted cash and cash equivalents |                         | 495    |                         | 283    |
| Revenue earning vehicles, net:             |                         |        |                         |        |
| U.S. Rental Car                            |                         | 9,820  |                         | 8,793  |
| International Rental Car                   |                         | 2,319  |                         | 2,146  |
| All Other Operations                       |                         | 1,650  |                         | 1,480  |
| Total revenue earning vehicles, net        |                         | 13,789 |                         | 12,419 |
| Total assets <sup>(a)</sup>                |                         | 24,627 |                         | 21,382 |
| Total debt                                 |                         | 17,089 |                         | 16,324 |
| Net Vehicle Debt <sup>(b)</sup>            |                         | 12,949 |                         | 11,688 |
| Net Non-vehicle Debt <sup>(b)</sup>        |                         | 2,890  |                         | 3,328  |
| Total stockholders' equity                 |                         | 1,888  |                         | 1,120  |

- (a) On January 1, 2019, the Company adopted new lease guidance under U.S. GAAP and recorded a net cumulative-effect adjustment of \$1.5 billion to recognize assets associated with the Company's leases as of that date.  
(b) Represents a non-GAAP measure, see the accompanying reconciliations included in Supplemental Schedule V.

SELECTED UNAUDITED CONSOLIDATED CASH FLOW DATA

| (In millions)   | Twelve Months Ended December 31, |         |      |         |
|---|----------------------------------|---------|------|---------|
|   | 2019                             |         | 2018 |         |
| Cash flows provided by (used in):   |                                  |         |      |         |
| Operating activities  | \$                               | 2,900   | \$   | 2,556   |
| Investing activities  |                                  | (4,425) |      | (4,197) |
| Financing activities  |                                  | 1,474   |      | 1,561   |
| Effect of exchange rate changes   |                                  | 1       |      | (14)    |
| Net change in cash, cash equivalents, restricted cash and restricted cash equivalents | \$                               | (50)    | \$   | (94)    |
| Fleet Growth <sup>(a)</sup>   | \$                               | (161)   | \$   | 215     |
| Adjusted Free Cash Flow <sup>(a)</sup>  | \$                               | (202)   | \$   | 153     |

- (a) Represents a non-GAAP measure, see the accompanying reconciliations included in Supplemental Schedules III and IV.

HERTZ GLOBAL HOLDINGS, INC.  
CONDENSED STATEMENT OF OPERATIONS BY SEGMENT  
Unaudited

| (In millions)  | Three Months Ended December 31, 2019 |                  |                      |           |              | Three Months Ended December 31, 2018 |                  |                      |           |              |
|--|--------------------------------------|------------------|----------------------|-----------|--------------|--------------------------------------|------------------|----------------------|-----------|--------------|
|  | U.S. Rental Car                      | Int'l Rental Car | All Other Operations | Corporate | Hertz Global | U.S. Rental Car                      | Int'l Rental Car | All Other Operations | Corporate | Hertz Global |
| Total revenues:  | \$ 1,673                             | \$ 474           | \$ 179               | \$ —      | \$ 2,326     | \$ 1,575                             | \$ 487           | \$ 232               | \$ —      | \$ 2,294     |
| Expenses:  |                                      |                  |                      |           |              |                                      |                  |                      |           |              |
| Direct vehicle and operating                               | 1,019                                | 312              | 8                    | —         | 1,339        | 998                                  | 300              | 11                   | 3         | 1,312        |
| Depreciation of revenue earning vehicles and lease charges | 439                                  | 111              | 122                  | —         | 672          | 383                                  | 106              | 181                  | —         | 670          |
| Selling, general and administrative                        | 126                                  | 51               | 11                   | 60        | 248          | 122                                  | 61               | 9                    | 59        | 251          |
| Interest expense, net:                                     |                                      |                  |                      |           |              |                                      |                  |                      |           |              |
| Vehicle  | 85                                   | 23               | 13                   | —         | 121          | 75                                   | 26               | 12                   | —         | 113          |
| Non-vehicle  | (47)                                 | —                | (5)                  | 150       | 98           | (42)                                 | (1)              | (5)                  | 120       | 72           |
| Total interest expense, net                                | 38                                   | 23               | 8                    | 150       | 219          | 33                                   | 25               | 7                    | 120       | 185          |
| Other (income) expense, net                                | (22)                                 | (1)              | —                    | 1         | (22)         | (1)                                  | (3)              | —                    | —         | (4)          |
| Total expenses   | 1,600                                | 496              | 149                  | 211       | 2,456        | 1,535                                | 489              | 208                  | 182       | 2,414        |
| Income (loss) before income taxes                          | \$ 73                                | \$ (22)          | \$ 30                | \$ (211)  | \$ (130)     | \$ 40                                | \$ (2)           | \$ 24                | \$ (182)  | \$ (120)     |
| Income tax (provision) benefit                             |                                      |                  |                      |           | 15           |                                      |                  |                      |           | 18           |
| Net income (loss)  |                                      |                  |                      |           | \$ (115)     |                                      |                  |                      |           | \$ (102)     |
| Net (income) loss attributable to noncontrolling interests |                                      |                  |                      |           | (3)          |                                      |                  |                      |           | 1            |
| Net income (loss) attributable to Hertz Global             |                                      |                  |                      |           | \$ (118)     |                                      |                  |                      |           | \$ (101)     |

HERTZ GLOBAL HOLDINGS, INC.  
CONDENSED STATEMENT OF OPERATIONS BY SEGMENT  
Unaudited

| (In millions)  | Twelve Months Ended December 31, 2019 |                  |                      |           |              | Twelve Months Ended December 31, 2018 |                  |                      |           |              |
|--|---------------------------------------|------------------|----------------------|-----------|--------------|---------------------------------------|------------------|----------------------|-----------|--------------|
|  | U.S. Rental Car                       | Int'l Rental Car | All Other Operations | Corporate | Hertz Global | U.S. Rental Car                       | Int'l Rental Car | All Other Operations | Corporate | Hertz Global |
|  | Total revenues:                       | \$ 6,938         | \$ 2,169             | \$ 672    | \$ —         | \$ 9,779                              | \$ 6,480         | \$ 2,276             | \$ 748    | \$ —         |
| Expenses:  |                                       |                  |                      |           |              |                                       |                  |                      |           |              |
| Direct vehicle and operating                               | 4,146                                 | 1,312            | 28                   | —         | 5,486        | 4,014                                 | 1,306            | 37                   | (2)       | 5,355        |
| Depreciation of revenue earning vehicles and lease charges | 1,656                                 | 440              | 469                  | —         | 2,565        | 1,678                                 | 448              | 564                  | —         | 2,690        |
| Selling, general and administrative                        | 490                                   | 221              | 35                   | 223       | 969          | 466                                   | 248              | 37                   | 266       | 1,017        |
| Interest expense, net:                                     |                                       |                  |                      |           |              |                                       |                  |                      |           |              |
| Vehicle  | 345                                   | 97               | 52                   | —         | 494          | 291                                   | 114              | 43                   | —         | 448          |
| Non-vehicle  | (188)                                 | (4)              | (21)                 | 524       | 311          | (147)                                 | (1)              | (16)                 | 455       | 291          |
| Total interest expense, net                                | 157                                   | 93               | 31                   | 524       | 805          | 144                                   | 113              | 27                   | 455       | 739          |
| Other (income) expense, net                                | (38)                                  | —                | —                    | (21)      | (59)         | (7)                                   | (5)              | —                    | (28)      | (40)         |
| Total expenses   | 6,411                                 | 2,066            | 563                  | 726       | 9,766        | 6,295                                 | 2,110            | 665                  | 691       | 9,761        |
| Income (loss) before income taxes                          | \$ 527                                | \$ 103           | \$ 109               | \$ (726)  | \$ 13        | \$ 185                                | \$ 166           | \$ 83                | \$ (691)  | \$ (257)     |
| Income tax (provision) benefit                             |                                       |                  |                      |           | (63)         |                                       |                  |                      |           | 30           |
| Net income (loss)  |                                       |                  |                      |           | \$ (50)      |                                       |                  |                      |           | \$ (227)     |
| Net (income) loss attributable to noncontrolling interests |                                       |                  |                      |           | (8)          |                                       |                  |                      |           | 2            |
| Net income (loss) attributable to Hertz Global             |                                       |                  |                      |           | \$ (58)      |                                       |                  |                      |           | \$ (225)     |

## HERTZ GLOBAL HOLDINGS, INC.

RECONCILIATION OF GAAP TO NON-GAAP MEASURE - ADJUSTED NET INCOME (LOSS), ADJUSTED DILUTED EARNINGS (LOSS) PER SHARE AND ADJUSTED CORPORATE EBITDA  
Unaudited

| (In millions, except per share data)  | Three Months Ended December 31, |           | Twelve Months Ended December 31, |           |
|---|---------------------------------|-----------|----------------------------------|-----------|
|   | 2019                            | 2018      | 2019                             | 2018      |
| <b>Adjusted Net Income (Loss) and Adjusted Diluted Earnings (Loss) Per Share:</b> |                                 |           |                                  |           |
| Net income (loss) attributable to Hertz Global                                    | \$ (118)                        | \$ (101)  | \$ (58)                          | \$ (225)  |
| Adjustments:  |                                 |           |                                  |           |
| Income tax provision (benefit)  | (15)                            | (18)      | 63                               | (30)      |
| Vehicle and non-vehicle debt-related charges <sup>(d)</sup>                       | 13                              | 14        | 52                               | 50        |
| Loss on extinguishment of debt <sup>(b)</sup>                                     | 39                              | —         | 43                               | 22        |
| Restructuring and restructuring related charges <sup>(c)</sup>                    | 3                               | 6         | 14                               | 32        |
| Information technology and finance transformation costs <sup>(d)</sup>            | 37                              | 24        | 114                              | 98        |
| Acquisition accounting-related depreciation and amortization <sup>(e)</sup>       | 14                              | 14        | 55                               | 62        |
| Other items <sup>(f)</sup>  | (18)                            | (1)       | (59)                             | (28)      |
| Adjusted pre-tax income (loss) <sup>(a)</sup>                                     | (45)                            | (62)      | 224                              | (19)      |
| Income tax (provision) benefit on adjusted pre-tax income (loss) <sup>(a)</sup>   | 11                              | 16        | (56)                             | 5         |
| Adjusted Net Income (Loss)  | \$ (34)                         | \$ (46)   | \$ 168                           | \$ (14)   |
| Weighted-average number of diluted shares outstanding                             | 142                             | 96        | 117                              | 96        |
| Adjusted Diluted Earnings (Loss) Per Share <sup>(i)</sup>                         | \$ (0.24)                       | \$ (0.48) | \$ 1.44                          | \$ (0.15) |
| <b>Adjusted Corporate EBITDA:</b>   |                                 |           |                                  |           |
| Net income (loss) attributable to Hertz Global                                    | \$ (118)                        | \$ (101)  | \$ (58)                          | \$ (225)  |
| Adjustments:  |                                 |           |                                  |           |
| Income tax provision (benefit)  | (15)                            | (18)      | 63                               | (30)      |
| Non-vehicle depreciation and amortization <sup>(g)</sup>                          | 52                              | 52        | 203                              | 218       |
| Non-vehicle debt interest, net  | 98                              | 72        | 311                              | 291       |
| Vehicle debt-related charges <sup>(d),(h)</sup>                                   | 9                               | 10        | 38                               | 36        |
| Loss on extinguishment of vehicle debt <sup>(b)</sup>                             | —                               | —         | —                                | 22        |
| Restructuring and restructuring related charges <sup>(c)</sup>                    | 3                               | 6         | 14                               | 32        |
| Information technology and finance transformation costs <sup>(d)</sup>            | 37                              | 24        | 114                              | 98        |
| Other items <sup>(f),(i)</sup>  | (12)                            | 4         | (36)                             | (9)       |
| Adjusted Corporate EBITDA   | \$ 54                           | \$ 49     | \$ 649                           | \$ 433    |

- (a) Represents debt-related charges relating to the amortization of deferred financing costs and debt discounts and premiums.
- (b) In 2019, represents \$39 million of early redemption premium and write-off of deferred financing costs associated with the partial redemption in the fourth quarter of the Senior Second Priority Secured Notes and a \$4 million write-off of deferred financing costs associated with the full redemption in the third quarter of the 5.675% Senior Notes due October 2020 and 7.375% Senior Notes due January 2021. In 2018, primarily represents \$20 million of early redemption premium and write-off of deferred financing costs associated with the full redemption of the 4.375% European Vehicle Senior Notes due January 2019.
- (c) Represents charges incurred under restructuring actions as defined in U.S. GAAP, excluding impairments and asset write-downs. Also includes restructuring related charges such as incremental costs incurred directly supporting business transformation initiatives. In 2018, also includes consulting costs, legal fees, and other expenses related to the previously disclosed accounting review and investigation.
- (d) Represents costs associated with the Company's information technology and finance transformation programs, both of which are multi-year initiatives to upgrade and modernize the Company's systems and processes. These costs relate primarily to the Company's corporate operations ("Corporate").
- (e) Represents incremental expense associated with the amortization of other intangible assets and depreciation of property and equipment relating to acquisition accounting.
- (f) Represents miscellaneous items. In 2019, includes a \$30 million gain on marketable securities in Corporate, of which \$5 million was recorded during the fourth quarter of 2019, and a \$39 million gain on the sale of non-vehicle capital assets in U.S. RAC, of which \$24 million was recorded in the fourth quarter of 2019. In 2018, includes a \$20 million gain on marketable securities, and a \$6 million legal settlement received related to an oil spill in the Gulf of Mexico in 2010, all of which relate to Corporate.
- (g) Adjustments by caption on a pre-tax basis are as follows:

| Increase (decrease) to expenses<br>(In millions) | Three Months Ended December 31, |         | Twelve Months Ended December 31, |          |
|--|---------------------------------|---------|----------------------------------|----------|
|  | 2019                            | 2018    | 2019                             | 2018     |
| Direct vehicle and operating                     | \$ (14)                         | \$ (15) | \$ (54)                          | \$ (63)  |
| Selling, general and administrative              | (42)                            | (28)    | (127)                            | (127)    |
| Interest expense, net:                           |                                 |         |                                  |          |
| Vehicle  | (9)                             | (10)    | (38)                             | (58)     |
| Non-vehicle                                      | (43)                            | (4)     | (57)                             | (14)     |
| Total interest expense, net                      | (52)                            | (14)    | (95)                             | (72)     |
| Other income (expense), net                      | 20                              | —       | 57                               | 26       |
| Noncontrolling interests                         | 3                               | (1)     | 8                                | (2)      |
| Total adjustments                                | \$ (85)                         | \$ (58) | \$ (211)                         | \$ (238) |

- (h) Derived utilizing a combined statutory rate of 25% for the periods ending December 31, 2019 and 2018 applied to the respective Adjusted Pre-tax Income (Loss).
- (i) Adjustments used to reconcile diluted earnings (loss) per share on a GAAP basis to Adjusted Diluted Earnings (Loss) Per Share are comprised of the same adjustments, inclusive of the tax impact, used to reconcile net income (loss) to Adjusted Net Income (Loss) divided by the weighted-average diluted shares outstanding during the period.
- (j) Non-vehicle depreciation and amortization expense for U.S. RAC, International RAC, All Other Operations and Corporate for the three months ended December 31, 2019 are \$40 million, \$5 million, \$2 million and \$5 million, respectively, and for the three months ended December 31, 2018 are \$38 million, \$7 million, \$3 million and \$4 million respectively. Non-vehicle depreciation and amortization expense for U.S. RAC, International RAC, All Other Operations and Corporate for the twelve months ended December 31, 2019 are \$156 million, \$23 million, \$10 million and \$14 million, respectively, and for the twelve months ended December 31, 2018 are \$159 million, \$32 million, \$10 million and \$17 million, respectively.
- (k) Vehicle debt related charges for U.S. RAC, International RAC and All Other Operations for the three months ended December 31, 2019 are \$6 million, \$2 million and \$1 million, respectively, and for the three months ended December 31, 2018 are \$5 million, \$4 million, and \$1 million, respectively. Vehicle debt related charges for U.S. RAC, International RAC and All Other Operations for the twelve months ended December 31, 2019 are \$22 million, \$12 million and \$4 million, respectively, and for the twelve months ended December 31, 2018 are \$22 million, \$10 million and \$4 million, respectively.
- (l) Also includes an adjustment for non-cash stock-based compensation charges in Corporate.

HERTZ GLOBAL HOLDINGS, INC.  
RECONCILIATION OF GAAP TO NON-GAAP MEASURE - FLEET GROWTH  
Unaudited

| (In millions)  | Twelve Months Ended December 31, 2019 |                  |                      |              | Twelve Months Ended December 31, 2018 |                  |                      |              |
|--|---------------------------------------|------------------|----------------------|--------------|---------------------------------------|------------------|----------------------|--------------|
|  | U.S. Rental Car                       | Int'l Rental Car | All Other Operations | Hertz Global | U.S. Rental Car                       | Int'l Rental Car | All Other Operations | Hertz Global |
| Revenue earning vehicles expenditures                  | \$ (9,296)                            | \$ (3,379)       | \$ (1,039)           | \$ (13,714)  | \$ (8,519)                            | \$ (3,171)       | \$ (803)             | \$ (12,493)  |
| Proceeds from disposal of revenue earning vehicles     | 6,283                                 | 2,851            | 352                  | 9,486        | 5,527                                 | 2,749            | 176                  | 8,452        |
| Net revenue earning vehicles capital expenditures      | (3,013)                               | (528)            | (687)                | (4,228)      | (2,992)                               | (422)            | (627)                | (4,041)      |
| Depreciation and reserves for revenue earning vehicles | 1,923                                 | 399              | 469                  | 2,791        | 1,678                                 | 358              | 510                  | 2,546        |
| Financing activity related to vehicles:                |                                       |                  |                      |              |                                       |                  |                      |              |
| Borrowings   | 9,536                                 | 2,338            | 1,139                | 13,013       | 9,457                                 | 3,588            | 964                  | 14,009       |
| Payments   | (8,473)                               | (2,131)          | (926)                | (11,530)     | (8,179)                               | (3,411)          | (836)                | (12,426)     |
| Restricted cash changes                                | (58)                                  | (105)            | (44)                 | (207)        | 120                                   | 26               | (19)                 | 127          |
| Net financing activity related to vehicles             | 1,005                                 | 102              | 169                  | 1,276        | 1,398                                 | 203              | 109                  | 1,710        |
| Fleet Growth   | \$ (85)                               | \$ (27)          | \$ (49)              | \$ (161)     | \$ 84                                 | \$ 139           | \$ (8)               | \$ 215       |

**HERTZ GLOBAL HOLDINGS, INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP MEASURE - ADJUSTED FREE CASH FLOW**  
**Unaudited**

| (In millions)  | Twelve Months Ended December 31, |          |
|--|----------------------------------|----------|
|  | 2019                             | 2018     |
| Net cash provided by operating activities                                  | \$ 2,900                         | \$ 2,556 |
| Net change in restricted cash and cash equivalents, vehicle <sup>(a)</sup> | (207)                            | 127      |
| Revenue earning vehicles expenditures                                      | (13,714)                         | (12,493) |
| Proceeds from disposal of revenue earning vehicles                         | 9,486                            | 8,452    |
| Non-vehicle capital asset expenditures                                     | (224)                            | (177)    |
| Proceeds from non-vehicle capital assets disposed of or to be disposed of  | 27                               | 51       |
| Proceeds from issuance of vehicle debt                                     | 13,013                           | 14,009   |
| Repayments of vehicle debt   | (11,530)                         | (12,426) |
| Noncontrolling interests   | 47                               | 54       |
| Adjusted Free Cash Flow <sup>(b)</sup>                                     | \$ (202)                         | \$ 153   |

(a) Amounts presented for the twelve months ended December 31, 2019 and 2018 exclude a \$2 million non-cash impact of foreign currency exchange rates, respectively.

(b) During the third quarter 2019, the Company changed its definition of Adjusted Free Cash Flow and revised its reconciliation for the twelve months ended December 31, 2018 accordingly.

**HERTZ GLOBAL HOLDINGS, INC.**  
**RECONCILIATION OF GAAP TO NON-GAAP MEASURE - NET DEBT**  
**Unaudited**

| (In millions)                            | As of December 31, 2019 |             |           | As of December 31, 2018 |             |           |
|--|-------------------------|-------------|-----------|-------------------------|-------------|-----------|
|  | Vehicle                 | Non-Vehicle | Total     | Vehicle                 | Non-Vehicle | Total     |
| Debt as reported in the balance sheet    | \$ 13,368               | \$ 3,721    | \$ 17,089 | \$ 11,902               | \$ 4,422    | \$ 16,324 |
| Add:                                     |                         |             |           |                         |             |           |
| Debt issue costs, discounts and premiums | 47                      | 34          | 81        | 43                      | 33          | 76        |
| Less:                                    |                         |             |           |                         |             |           |
| Cash and cash equivalents                | —                       | 865         | 865       | —                       | 1,127       | 1,127     |
| Restricted cash                          | 466                     | —           | 466       | 257                     | —           | 257       |
| Net Debt                                 | \$ 12,949               | \$ 2,890    | \$ 15,839 | \$ 11,688               | \$ 3,328    | \$ 15,016 |



**HERTZ GLOBAL HOLDINGS, INC.**  
**RECONCILIATIONS OF KEY METRICS**  
**REVENUE, UTILIZATION AND DEPRECIATION**  
**Unaudited**

**U.S. Rental Car**

| (\$ in millions, except where noted)  | Three Months Ended<br>December 31, |          | Percent Inc/(Dec) | Twelve Months Ended December 31, |           | Percent Inc/(Dec) |
|---|------------------------------------|----------|-------------------|----------------------------------|-----------|-------------------|
|   | 2019                               | 2018     |                   | 2019                             | 2018      |                   |
| <b>Total RPD</b>  |                                    |          |                   |                                  |           |                   |
| Total Revenues  | \$ 1,673                           | \$ 1,575 |                   | \$ 6,938                         | \$ 6,480  |                   |
| Ancillary retail vehicle sales revenue  | (31)                               | (24)     |                   | (122)                            | (102)     |                   |
| Total Rental Revenues   | \$ 1,642                           | \$ 1,551 |                   | \$ 6,816                         | \$ 6,378  |                   |
| Transaction Days (in thousands)   | 37,706                             | 37,036   |                   | 155,859                          | 149,463   |                   |
| Total RPD (in whole dollars)  | \$ 43.54                           | \$ 41.88 | 4%                | \$ 43.73                         | \$ 42.67  | 2%                |
| <b>Total Revenue Per Unit Per Month</b>   |                                    |          |                   |                                  |           |                   |
| Total Rental Revenues   | \$ 1,642                           | \$ 1,551 |                   | \$ 6,816                         | \$ 6,378  |                   |
| Average Vehicles (in whole units)   | 516,726                            | 498,100  |                   | 534,879                          | 506,900   |                   |
| Total revenue per unit (in whole dollars)   | \$ 3,178                           | \$ 3,114 |                   | \$ 12,743                        | \$ 12,582 |                   |
| Number of months in period (in whole units)   | 3                                  | 3        |                   | 12                               | 12        |                   |
| Total RPU Per Month (in whole dollars)  | \$ 1,059                           | \$ 1,038 | 2%                | \$ 1,062                         | \$ 1,049  | 1%                |
| <b>Vehicle Utilization</b>  |                                    |          |                   |                                  |           |                   |
| Transaction Days (in thousands)   | 37,706                             | 37,036   |                   | 155,859                          | 149,463   |                   |
| Average Vehicles (in whole units)   | 516,726                            | 498,100  |                   | 534,879                          | 506,900   |                   |
| Number of days in period (in whole units)   | 92                                 | 92       |                   | 365                              | 365       |                   |
| Available Car Days (in thousands)   | 47,539                             | 45,825   |                   | 195,231                          | 185,019   |                   |
| Vehicle Utilization <sup>(a)</sup>  | 79%                                | 81%      |                   | 80%                              | 81%       |                   |
| <b>Depreciation Per Unit Per Month</b>  |                                    |          |                   |                                  |           |                   |
| Depreciation of revenue earning vehicles and lease charges  | \$ 439                             | \$ 383   |                   | \$ 1,656                         | \$ 1,678  |                   |
| Average Vehicles (in whole units)   | 516,726                            | 498,100  |                   | 534,879                          | 506,900   |                   |
| Depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars) | \$ 850                             | \$ 769   |                   | \$ 3,096                         | \$ 3,310  |                   |
| Number of months in period (in whole units)   | 3                                  | 3        |                   | 12                               | 12        |                   |
| Depreciation Per Unit Per Month (in whole dollars)  | \$ 283                             | \$ 256   | 11%               | \$ 258                           | \$ 276    | (7)%              |

(a) Calculated as Transaction Days divided by Available Car Days.

**HERTZ GLOBAL HOLDINGS, INC.**  
**RECONCILIATIONS OF KEY METRICS**  
**REVENUE, UTILIZATION AND DEPRECIATION**  
**Unaudited**

**International Rental Car**

| (\$ in millions, except where noted)   | Three Months Ended<br>December 31, |          | Percent Inc/(Dec) | Twelve Months Ended December 31, |           | Percent Inc/(Dec) |
|--|------------------------------------|----------|-------------------|----------------------------------|-----------|-------------------|
|  | 2019                               | 2018     |                   | 2019                             | 2018      |                   |
| <b>Total RPD</b>   |                                    |          |                   |                                  |           |                   |
| Total Revenues   | \$ 474                             | \$ 487   |                   | \$ 2,169                         | \$ 2,276  |                   |
| Ancillary retail vehicle sales revenue   | —                                  | —        |                   | —                                | (1)       |                   |
| Foreign currency adjustment <sup>(a)</sup>   | 10                                 | (4)      |                   | 24                               | (82)      |                   |
| Total Rental Revenues  | \$ 484                             | \$ 483   |                   | \$ 2,193                         | \$ 2,193  |                   |
| Transaction Days (in thousands)  | 11,256                             | 11,342   |                   | 50,139                           | 50,417    |                   |
| Total RPD (in whole dollars)   | \$ 42.98                           | \$ 42.58 | 1%                | \$ 43.73                         | \$ 43.49  | 1%                |
| <b>Total Revenue Per Unit Per Month</b>  |                                    |          |                   |                                  |           |                   |
| Total Rental Revenues  | \$ 484                             | \$ 483   |                   | \$ 2,193                         | \$ 2,193  |                   |
| Average Vehicles (in whole units)  | 169,971                            | 170,600  |                   | 180,723                          | 180,400   |                   |
| Total revenue per unit (in whole dollars)  | \$ 2,848                           | \$ 2,831 |                   | \$ 12,135                        | \$ 12,156 |                   |
| Number of months in period (in whole units)  | 3                                  | 3        |                   | 12                               | 12        |                   |
| Total RPU Per Month (in whole dollars)   | \$ 949                             | \$ 943   | 1%                | \$ 1,011                         | \$ 1,013  | —%                |
| <b>Vehicle Utilization</b>   |                                    |          |                   |                                  |           |                   |
| Transaction Days (in thousands)  | 11,256                             | 11,342   |                   | 50,139                           | 50,417    |                   |
| Average Vehicles (in whole units)  | 169,971                            | 170,600  |                   | 180,723                          | 180,400   |                   |
| Number of days in period (in whole units)  | 92                                 | 92       |                   | 365                              | 365       |                   |
| Available Car Days (in thousands)  | 15,637                             | 15,695   |                   | 65,964                           | 65,846    |                   |
| Vehicle Utilization <sup>(b)</sup>   | 72%                                | 72%      |                   | 76%                              | 77%       |                   |
| <b>Depreciation Per Unit Per Month</b>   |                                    |          |                   |                                  |           |                   |
| Depreciation of revenue earning vehicles and lease charges   | \$ 111                             | \$ 106   |                   | \$ 440                           | \$ 448    |                   |
| Foreign currency adjustment <sup>(a)</sup>   | 2                                  | (1)      |                   | 5                                | (17)      |                   |
| Adjusted depreciation of revenue earning vehicles and lease charges  | \$ 113                             | \$ 105   |                   | \$ 445                           | \$ 431    |                   |
| Average Vehicles (in whole units)  | 169,971                            | 170,600  |                   | 180,723                          | 180,400   |                   |
| Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars) | \$ 665                             | \$ 615   |                   | \$ 2,462                         | \$ 2,389  |                   |
| Number of months in period (in whole units)  | 3                                  | 3        |                   | 12                               | 12        |                   |
| Depreciation Per Unit Per Month (in whole dollars)   | \$ 221                             | \$ 204   | 8%                | \$ 205                           | \$ 199    | 3%                |

(a) Based on December 31, 2018 foreign exchange rates.

(b) Calculated as Transaction Days divided by Available Car Days.

**HERTZ GLOBAL HOLDINGS, INC.**  
**RECONCILIATIONS OF KEY METRICS**  
**REVENUE, UTILIZATION AND DEPRECIATION**  
**Unaudited**

**Worldwide Rental Car**

| (\$ in millions, except where noted)   | Three Months Ended<br>December 31, |          | Percent Inc/(Dec) | Twelve Months Ended December 31, |           | Percent Inc/(Dec) |
|--|------------------------------------|----------|-------------------|----------------------------------|-----------|-------------------|
|  | 2019                               | 2018     |                   | 2019                             | 2018      |                   |
| <b>Total RPD</b>   |                                    |          |                   |                                  |           |                   |
| Total Revenues   | \$ 2,147                           | \$ 2,062 |                   | \$ 9,107                         | \$ 8,756  |                   |
| Ancillary retail vehicle sales revenue   | (31)                               | (24)     |                   | (122)                            | (103)     |                   |
| Foreign currency adjustment <sup>(a)</sup>   | 10                                 | (4)      |                   | 24                               | (82)      |                   |
| Total Rental Revenues  | \$ 2,126                           | \$ 2,034 |                   | \$ 9,009                         | \$ 8,571  |                   |
| Transaction Days (in thousands)  | 48,962                             | 48,378   |                   | 205,998                          | 199,880   |                   |
| Total RPD (in whole dollars)   | \$ 43.41                           | \$ 42.03 | 3%                | \$ 43.73                         | \$ 42.88  | 2%                |
| <b>Total Revenue Per Unit Per Month</b>  |                                    |          |                   |                                  |           |                   |
| Total Rental Revenues  | \$ 2,126                           | \$ 2,034 |                   | \$ 9,009                         | \$ 8,571  |                   |
| Average Vehicles (in whole units)  | 686,697                            | 668,700  |                   | 715,602                          | 687,300   |                   |
| Total revenue per unit (in whole dollars)  | \$ 3,096                           | \$ 3,042 |                   | \$ 12,589                        | \$ 12,471 |                   |
| Number of months in period (in whole units)  | 3                                  | 3        |                   | 12                               | 12        |                   |
| Total RPU Per Month (in whole dollars)   | \$ 1,032                           | \$ 1,014 | 2%                | \$ 1,049                         | \$ 1,039  | 1%                |
| <b>Vehicle Utilization</b>   |                                    |          |                   |                                  |           |                   |
| Transaction Days (in thousands)  | 48,962                             | 48,378   |                   | 205,998                          | 199,880   |                   |
| Average Vehicles (in whole units)  | 686,697                            | 668,700  |                   | 715,602                          | 687,300   |                   |
| Number of days in period (in whole units)  | 92                                 | 92       |                   | 365                              | 365       |                   |
| Available Car Days (in thousands)  | 63,176                             | 61,520   |                   | 261,195                          | 250,865   |                   |
| Vehicle Utilization <sup>(b)</sup>   | 78%                                | 79%      |                   | 79%                              | 80%       |                   |
| <b>Depreciation Per Unit Per Month</b>   |                                    |          |                   |                                  |           |                   |
| Depreciation of revenue earning vehicles and lease charges   | \$ 550                             | \$ 489   |                   | \$ 2,096                         | \$ 2,126  |                   |
| Foreign currency adjustment <sup>(a)</sup>   | 2                                  | (1)      |                   | 5                                | (17)      |                   |
| Adjusted depreciation of revenue earning vehicles and lease charges  | \$ 552                             | \$ 488   |                   | \$ 2,101                         | \$ 2,109  |                   |
| Average Vehicles (in whole units)  | 686,697                            | 668,700  |                   | 715,602                          | 687,300   |                   |
| Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars) | \$ 804                             | \$ 730   |                   | \$ 2,936                         | \$ 3,069  |                   |
| Number of months in period (in whole units)  | 3                                  | 3        |                   | 12                               | 12        |                   |
| Depreciation Per Unit Per Month (in whole dollars)   | \$ 268                             | \$ 243   | 10%               | \$ 245                           | \$ 256    | (4)%              |

Note: Worldwide Rental Car represents U.S. Rental Car and International Rental Car segment information on a combined basis and excludes the All Other Operations segment, which is primarily comprised of the Company's Donlen leasing operations, and Corporate.

- (a) Based on December 31, 2018 foreign exchange rates.  
(b) Calculated as Transaction Days divided by Available Car Days.

## NON-GAAP MEASURES AND KEY METRICS

Hertz Global is the top-level holding company that indirectly wholly owns The Hertz Corporation (together, the "Company"). The term "GAAP" refers to accounting principles generally accepted in the United States of America. Adjusted EBITDA is the Company's segment measure of profitability and complies with GAAP when used in that context.

### NON-GAAP MEASURES

Non-GAAP measures are not recognized measurements under GAAP. When evaluating the Company's operating performance or liquidity, investors should not consider non-GAAP measures in isolation of, superior to, or as a substitute for measures of the Company's financial performance as determined in accordance with GAAP.

#### **Adjusted Net Income (Loss) and Adjusted Diluted Earnings (Loss) Per Share ("Adjusted Diluted EPS")**

Adjusted Net Income (Loss) represents income or loss attributable to the Company as adjusted to eliminate the impact of GAAP income tax, debt-related charges and losses, restructuring and restructuring related charges, intangible and tangible asset impairments and write-downs, information technology and finance transformation costs, non-cash acquisition accounting charges and certain other miscellaneous items on a pre-tax basis. Adjusted Net Income (Loss) includes a provision (benefit) for income taxes derived utilizing a combined statutory rate. The combined statutory rate is management's estimate of the Company's long-term tax rate. Its most comparable GAAP measure is net income (loss) attributable to the Company.

Adjusted Diluted EPS represents Adjusted Net Income (Loss) on a per diluted share basis using the weighted-average number of diluted shares outstanding for the period. Its most comparable GAAP measure is diluted earnings (loss) per share.

Adjusted Net Income (Loss) and Adjusted Diluted EPS are important to management because they allow management to assess operational performance of the Company's business, exclusive of the items mentioned above that are not operational in nature or comparable to those of the Company's competitors.

#### **Adjusted Corporate EBITDA and Adjusted Corporate EBITDA Margin**

Adjusted Corporate EBITDA represents income or loss attributable to the Company as adjusted to eliminate the impact of GAAP income tax, non-vehicle depreciation and amortization, net non-vehicle debt interest, vehicle debt-related charges and losses, restructuring and restructuring related charges, goodwill, intangible and tangible asset impairments and write-downs, information technology and finance transformation costs and certain other miscellaneous items. Adjusted Corporate EBITDA Margin is calculated as the ratio of Adjusted Corporate EBITDA to total revenues.

Management uses these measures as operating performance metrics for internal monitoring and planning purposes, including the preparation of the Company's annual operating budget and monthly operating reviews, and to facilitate analysis of investment decisions, profitability and performance trends. These measures enable management and investors to isolate the effects on profitability of operating metrics most meaningful to the business of renting and leasing vehicles. They also allow management to assess the performance of the entire business on the same basis as its reportable segments. Adjusted Corporate EBITDA is also utilized in the determination of certain executive compensation. Its most comparable GAAP measure is net income (loss) attributable to the Company.

#### **Adjusted Free Cash Flow**

Adjusted Free Cash Flow represents net cash provided by operating activities, including the change in restricted cash and cash equivalents related to vehicles, net revenue earning vehicle and capital asset expenditures and the net impact of vehicle financing activities. During the third quarter 2019, the Company changed its definition of Adjusted Free Cash Flow to exclude the impact of noncontrolling interests which primarily eliminates proceeds from vehicle sales upon consolidation of the Company, but not the associated repayment of vehicle debt. Adjusted Free Cash Flow is important to management and investors as it provides useful information about the amount of cash available for acquisitions and the reduction of non-vehicle debt.

### ***Fleet Growth***

Fleet Growth represents revenue earning vehicles expenditures, net of proceeds from disposals, plus vehicle depreciation and net vehicle financing which includes borrowings, repayments and the change in restricted cash associated with vehicles. Fleet Growth is important to management as it allows the Company to assess the cash flow required to support its investment in revenue earning vehicles.

### ***Net Non-vehicle Debt, Net Vehicle Debt and Total Net Debt***

Net Non-vehicle Debt represents non-vehicle debt as reported on the Company's balance sheet, excluding the impact of unamortized debt issue costs, discounts and premiums associated with non-vehicle debt, less cash and cash equivalents. This measure is important to management and investors as it helps measure the Company's net corporate leverage. It also assists in the evaluation of the Company's ability to service its non-vehicle debt without reference to the expense associated with the vehicle debt, which is collateralized by assets not available to lenders under the non-vehicle debt facilities.

Net Vehicle Debt represents vehicle debt as reported on the Company's balance sheet, excluding the impact of unamortized debt issue costs, discounts and premiums associated with vehicle debt, less restricted cash associated with vehicles. Restricted cash associated with vehicle debt is restricted for the purchase of revenue earning vehicles and other specified uses under the Company's vehicle debt facilities and its vehicle rental like-kind exchange program. Net Vehicle Debt is important to management, investors and ratings agencies as it helps measure the Company's leverage with respect to its vehicle assets.

Total Net Debt is the sum of Net Non-vehicle Debt and Net Vehicle debt and is important to management, investors and ratings agencies as it helps measure the Company's gross leverage.

## ***KEY METRICS***

### ***Available Car Days***

Available Car Days represents Average Vehicles multiplied by the number of days in a period.

### ***Average Vehicles ("Fleet Capacity" or "Capacity")***

Average Vehicles is determined using a simple average of the number of vehicles in the fleet whether owned or leased by the Company at the beginning and end of a given period.

### ***Depreciation Per Unit Per Month***

Depreciation Per Unit Per Month represents the amount of average depreciation expense and lease charges per vehicle per month, exclusive of the impacts of foreign currency exchange rates. Management believes eliminating the effect of fluctuations in foreign currency exchange rates is appropriate so as not to affect the comparability of underlying trends. This metric is important to management and investors as it is reflective of how the Company is managing the costs of its vehicles and facilitates in comparison with other participants in the vehicle rental industry.

### ***Time and Mileage Revenue Per Transaction Day ("Time and Mileage pricing" or "T&M Rate")***

Time and Mileage ("T&M") pricing represents the ratio of Total Rental Revenues, less ancillary revenue from value-added services, such as charges to the customer for the fueling of vehicles, loss damage waivers, insurance products, supplemental equipment and other consumables, to Transaction Days. This metric is important to management and investors as it represents a measurement of the changes in base rental fees, which comprise the majority of the Company's Total RPD.

**Total Rental Revenues**

Total Rental Revenues represents total revenues less ancillary retail vehicle sales revenues, with all periods adjusted to eliminate the effect of fluctuations in foreign currency exchange rates. Management believes eliminating the effect of fluctuations in foreign currency exchange rates is appropriate so as not to affect the comparability of underlying trends. This metric is important to management and investors as it represents a measurement that excludes the impact of revenues generated from non-vehicle rental activity, such as ancillary revenues resulting from vehicle sales and facilitates in comparisons with other participants in the vehicle rental industry.

**Total Revenue Per Transaction Day ("Total RPD" or "RPD"; also referred to as "pricing")**

Total RPD represents the ratio of Total Rental Revenues to Transaction Days. This metric is important to management and investors as it represents a measurement of the changes in underlying pricing in the vehicle rental business and encompasses the elements in vehicle rental pricing that management has the ability to control.

**Total Revenue Per Unit Per Month ("Total RPU" or "Total RPU Per Month")**

Total RPU Per Month represents the amount of average Total Rental Revenues per vehicle per month. This metric is important to management and investors as it provides a measure of revenue productivity relative to fleet capacity, or asset efficiency.

**Transaction Days ("Days"; also referred to as "volume")**

Transaction Days, also known as volume, represent the total number of 24-hour periods, with any partial period counted as one Transaction Day, that vehicles were on rent (the period between when a rental contract is opened and closed) in a given period. Thus, it is possible for a vehicle to attain more than one Transaction Day in a 24-hour period. This metric is important to management and investors as it represents the number of revenue generating days.

**Vehicle Utilization ("Utilization")**

Vehicle Utilization represents the ratio of Transaction Days to Available Car Days. This metric is important to management and investors as it is the measurement of the proportion of vehicles that are being used to generate revenues relative to fleet capacity.

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# HERTZ GLOBAL HOLDINGS, INC.

4Q 2019 Earnings Call | February 25, 2020 | 8:30 am ET

## Forward Looking Statements

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Certain statements made within this presentation contain forward-looking statements. Forward-looking statements are not guarantees of performance and by their nature are subject to inherent uncertainties. Actual results may differ materially. Any forward-looking information relayed in this presentation speaks only as of February 25, 2020, and Hertz Global Holdings, Inc. (the “Company”) undertakes no obligation to update that information to reflect changed circumstances.

Additional information concerning these statements is contained in the Company’s press release regarding its fourth quarter 2019 results issued on February 24, 2020, and the note on forward-looking statements contained in the Company’s 2019 Annual Report on Form 10-K to be filed on February 25, 2020 and other filings available from the SEC, the Hertz website, or the Company’s Investor Relations Department.



## Non-GAAP Measures and Key Metrics

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The following non-GAAP measures<sup>1</sup> and key metrics<sup>1</sup> will be used in the presentation:

- Adjusted Corporate EBITDA
- Adjusted Corporate EBITDA Margin
- Adjusted Net Income (Loss)
- Adjusted Diluted EPS
- Adjusted Free Cash Flow
- Total RPD
- Total RPU
- T&M Rate
- Depreciation Per Unit Per Month
- Average Vehicles
- Vehicle Utilization
- Transaction Days



# Agenda

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## BUSINESS OVERVIEW

**Kathryn Marinello**

President & Chief Executive Officer

Hertz Global Holdings, Inc.

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## FINANCIAL RESULTS OVERVIEW

**Jamere Jackson**

Chief Financial Officer

Hertz Global Holdings, Inc.

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# 2019 Initiatives Delivered

## Topline Growth

- U.S. RAC revenue +7%
- Price and volume growth, all brands
- Ranked #1 by JD Power
- TNC revenue +42%
- Value-Added Services improved
- AI-enabled revenue management

## Margin Expansion

- 2019 Adj. Corp EBITDA +50%
- DOE/SG&A margin (100) bps
- Disciplined fleet management
- U.S. digital direct channel growth
- Connected cars

## Long Term Growth Focus

- Brand segmentation
- Customer service excellence
- International improvement
- Vehicle connectivity
- TNC and delivery rentals



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# QUARTERLY OVERVIEW

Jamere Jackson - Chief Financial Officer

## 4Q:19 and FY:19 Consolidated Results

\$ in millions, except per share data

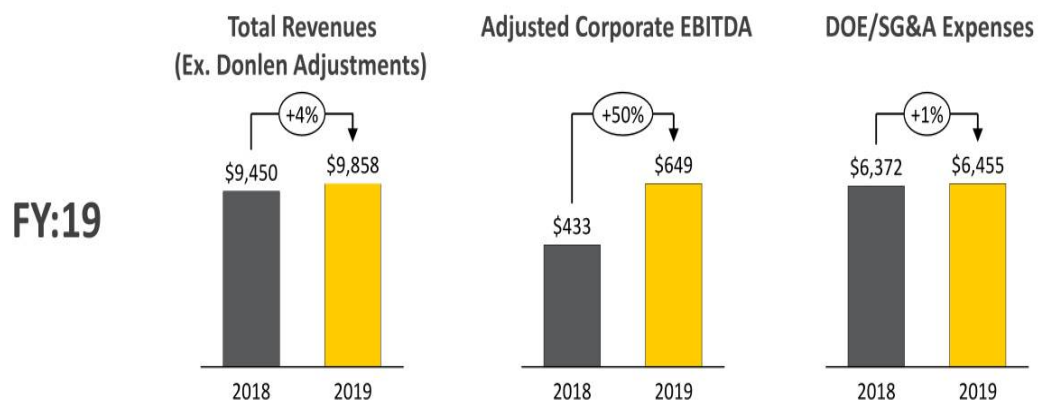
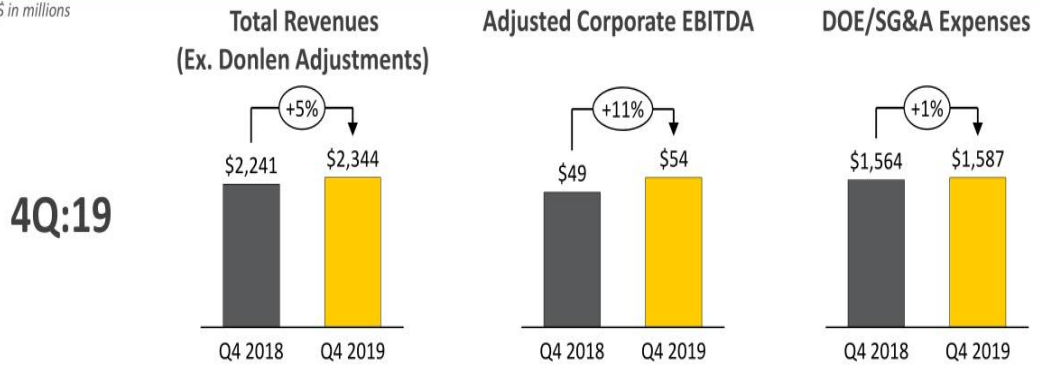
|  | 4Q:19<br>Results | 4Q:18<br>Results | YoY<br>Better/(Worse) | FY:19<br>Results | FY:18<br>Results | YoY<br>Better/(Worse) |
|--|------------------|------------------|-----------------------|------------------|------------------|-----------------------|
| <b>GAAP</b>                              |                  |                  |                       |                  |                  |                       |
| Total revenues                           | \$2,326          | \$2,294          | 1%                    | \$9,779          | \$9,504          | 3%                    |
| Income (loss) before income taxes        | (\$130)          | (\$120)          | (8%)                  | \$13             | (\$257)          | NM                    |
| Net loss attributable to Hertz Global    | (\$118)          | (\$101)          | (17%)                 | (\$58)           | (\$225)          | 74%                   |
| Diluted loss per share                   | (\$0.83)         | (\$1.05)         | 21%                   | (\$0.49)         | (\$2.35)         | 79%                   |
| Wtd. average shares outstanding: diluted | 142M             | 96M              |                       | 117M             | 96M              |                       |
| <b>Non-GAAP</b>                          |                  |                  |                       |                  |                  |                       |
| Adjusted Corporate EBITDA                | \$54             | \$49             | 11%                   | \$649            | \$433            | 50%                   |
| Adjusted Corporate EBITDA Margin         | 2%               | 2%               | 20 bps                | 7%               | 5%               | 210 bps               |
| Adjusted Net Income (Loss)               | (\$34)           | (\$46)           | 26%                   | \$168            | (\$14)           | NM                    |
| Adjusted Diluted EPS                     | (\$0.24)         | (\$0.48)         | 50%                   | \$1.44           | (\$0.15)         | NM                    |

NM = Not meaningful

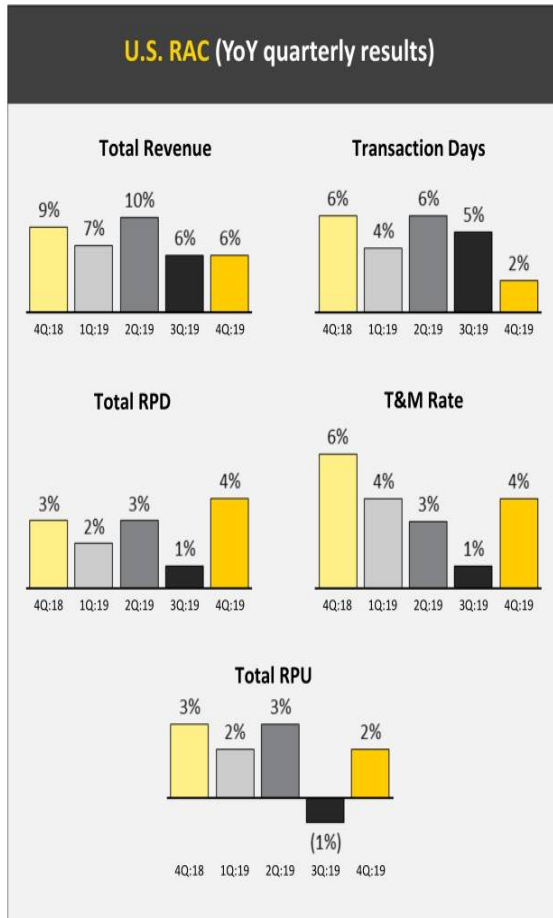


# 4Q:19 and FY:19 Operating Results Summary

\$ in millions



# 4Q:19 U.S. RAC

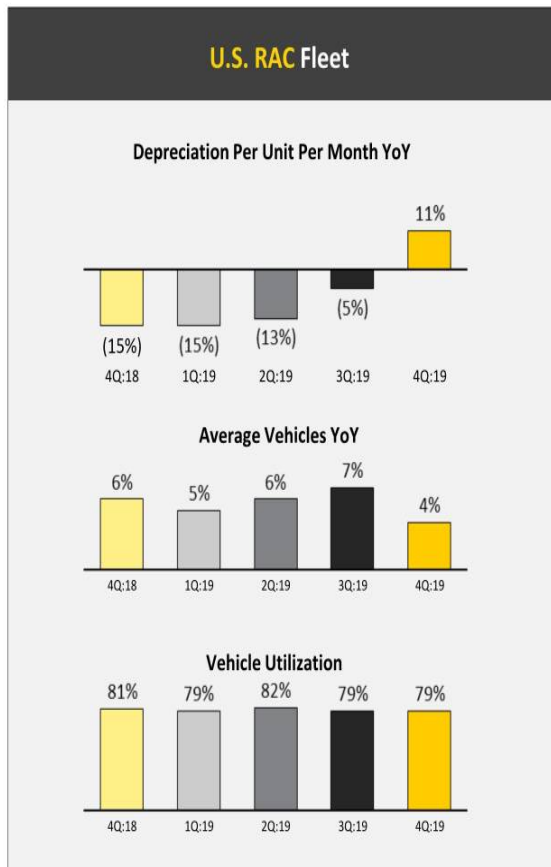


## Performance Overview:

- Revenue up on both pricing and volume growth
  - All brands
  - Business and leisure
  - Airport and off-airport
  - Value-added services
  - TNC<sup>1</sup> and delivery rentals
- Growth drivers
  - JD Power #1 ranked customer service
  - Revenue management capabilities
  - Brand-building marketing
  - Preferred fleet
- Adjusted EBITDA \$48M
  - 4Q:19 DOE/SGA as % revenue improved 270 bps
  - FY:19 Adjusted EBITDA \$480M versus FY:18 \$226M

<sup>1</sup>TNC is transportation network companies that provide ride-hailing services.

# 4Q:19 U.S. RAC Fleet

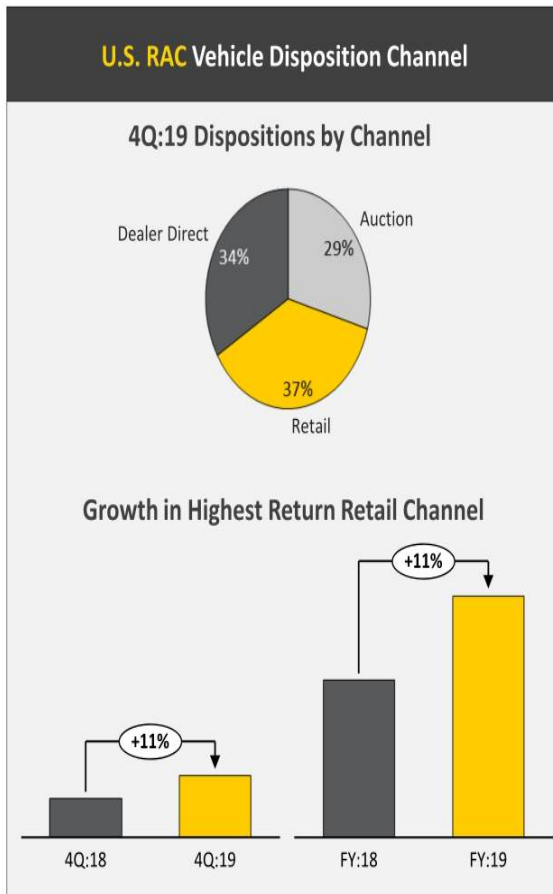


## Fleet Management:

- FY:19 unit depreciation (7%), 4Q:19 +11%
  - 4Q impacted by residuals on certain makes/models
- Maximizing depreciation outcomes through the cycles
  - Disciplined fleet acquisitions
  - Retail car sales channel unit growth
  - Residual value market strength
  - Opportunistic fleet rotations
  - Growth in TNC extends asset life
- 4Q:19 Utilization (150 bps) YoY
  - Impact of safety recalls on out-of-service levels
  - Delivery vehicle ramp up to meet future demand



# 4Q:19 U.S. RAC Retail Vehicle Sales Initiative



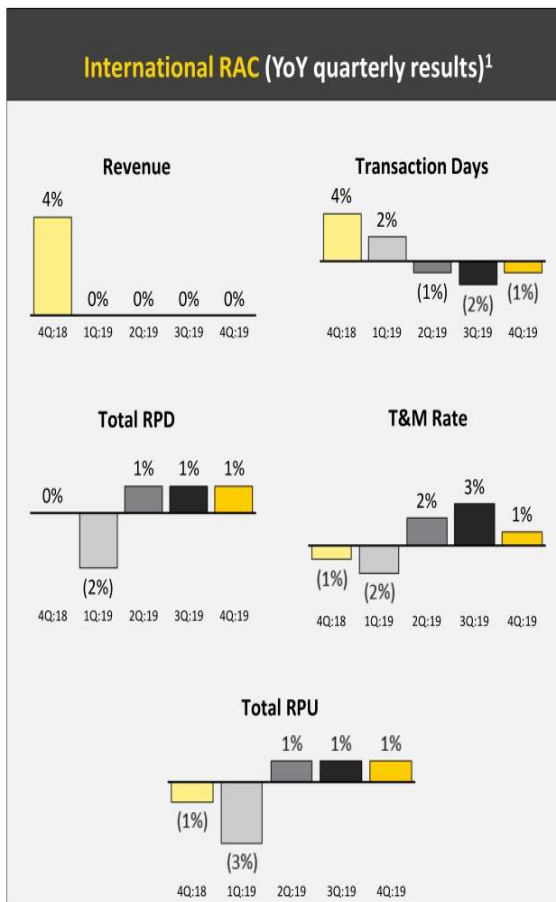
## Top 10 Used-Vehicle Retailer Nationally<sup>1</sup>

- Retail unit sales vol. +11%, same-store unit sales +4%
- High-margin ancillary retail sales revenue +28%
- 87 Retail locations in the U.S. and growing
- Now offering home delivery
- Opportunity to grow beyond Hertz fleet dispositions
- World-class sales team and capability



<sup>1</sup>Source: Automotive News – Top 150 dealer groups based in the U.S. (based on number of units)

# 4Q:19 International RAC



## Performance Overview:

- Revenue flat on a constant currency basis
  - RPD +1%, Days (1%)
  - Improved pricing in APAC and Europe
  - Europe volume softness
- Adjusted EBITDA (\$10M)
  - Higher unit depreciation on flat revenue
- Key focus areas:
  - Reigniting topline growth
  - Brand-building marketing
  - Driving operating productivity
  - Improving customer service



<sup>1</sup>Results shown are in constant currency. Constant currency for 2019 periods are based on December 31, 2018, foreign currency exchange rates. Constant currency for 2018 periods are based on December 31, 2017, foreign currency exchange rates.

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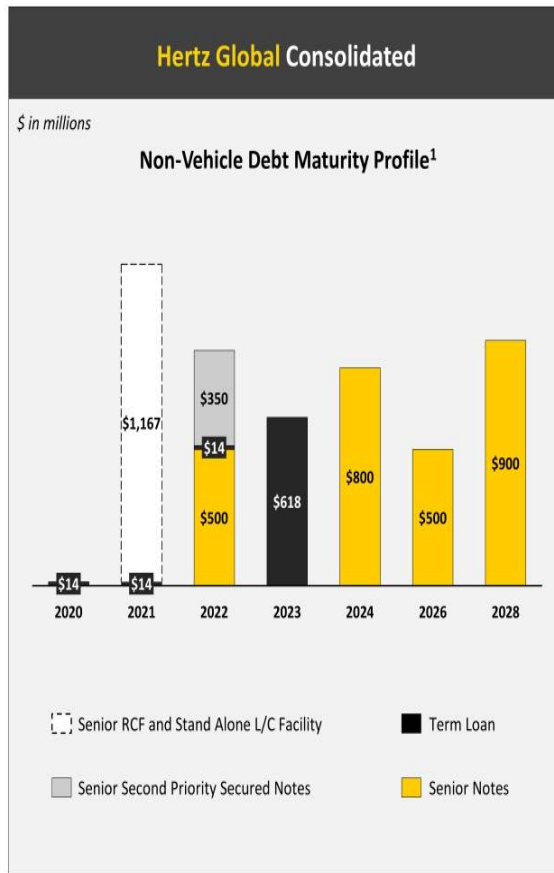
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# DEBT, LIQUIDITY & CASH FLOW OVERVIEW

Jamere Jackson - Chief Financial Officer

# YE:19 Debt, Liquidity and Cash Flow



## Overview:

- Liquidity of \$1.4B at December 31, 2019
- November 2019 refinance of \$900M of 2<sup>nd</sup> Lien Notes
- Net Corporate Leverage 4.5x vs. 7.7x at YE:18
- FY:19 Adjusted Free Cash Flow reflects:
  - Strong operating cash flows
  - Vehicle receivables timing
  - Negative ABS fair market value marks

## 2020 Outlook

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- Revenue Expectations
  - U.S. – Industry grows low to mid single-digits
  - International – Industry remains flat to up slightly
  - Hertz tailwinds:
    - Revenue management
    - Marketing
    - Customer service
    - Growth initiatives...TNC and delivery rentals
- Depreciation – Residual values projected to decline low single-digit
- DOE/SG&A – Rate should grow slower than revenue...driving operating leverage
- Adjusted Free Cash Flow – Strong operating cash flow, lower non-vehicle debt interest

### Driving Sustainable Growth & Margin Expansion



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Q&A

