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# Hertz Global Holdings, Inc.

Q3 2021 Earnings Presentation

Image Courtesy of Tesla, Inc.

# Forward Looking Statements

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 October 28, 2021, and Hertz Global Holdings, Inc. (“Hertz” or 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 third quarter 2021 results issued on October 28, 2021, and the note on forward-looking statements contained in the Company’s 2020 Annual Report on Form 10-K filed on February 26, 2021 and other filings available from the SEC, the Hertz website, or the Company’s Investor Relations Department.

# Non-GAAP Measures and Key Metrics

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
- Total Revenue Per Unit
- Depreciation Per Unit Per Month
- Average Vehicles



**Note:**

1. Definitions and reconciliations of non-GAAP measures and definitions of key metrics are provided in the Company's third quarter 2021 press release issued on October 28, 2021 and as an exhibit to the Company's Form 8-K filed on October 28, 2021.

# Agenda



## **BUSINESS OVERVIEW**

### **Mark Fields**

Interim Chief Executive Officer  
Hertz Global Holdings, Inc.

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## **FINANCIAL RESULTS OVERVIEW**

### **Kenny Cheung**

Chief Financial Officer  
Hertz Global Holdings, Inc.

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The New Hertz ... *Accelerating Forward*

# Executive Summary

**Record Q3 results of \$860M Adj. Corp. EBITDA** driven by structural improvements in top line, cost reductions and market dynamics

Actively performing a **central role in the modern mobility ecosystem** by leveraging Hertz's vast platform and capabilities

**Reimagining the customer experience and optimizing revenue** by implementing technology investments

**Leading the adoption of electric vehicles (EVs)** through new relationships with **Tesla and Uber**, executing on our commitment to being an environmentally forward company

**National agreement with Carvana** will increase downstream profitability and enable proactive management of vehicles across their lifecycles

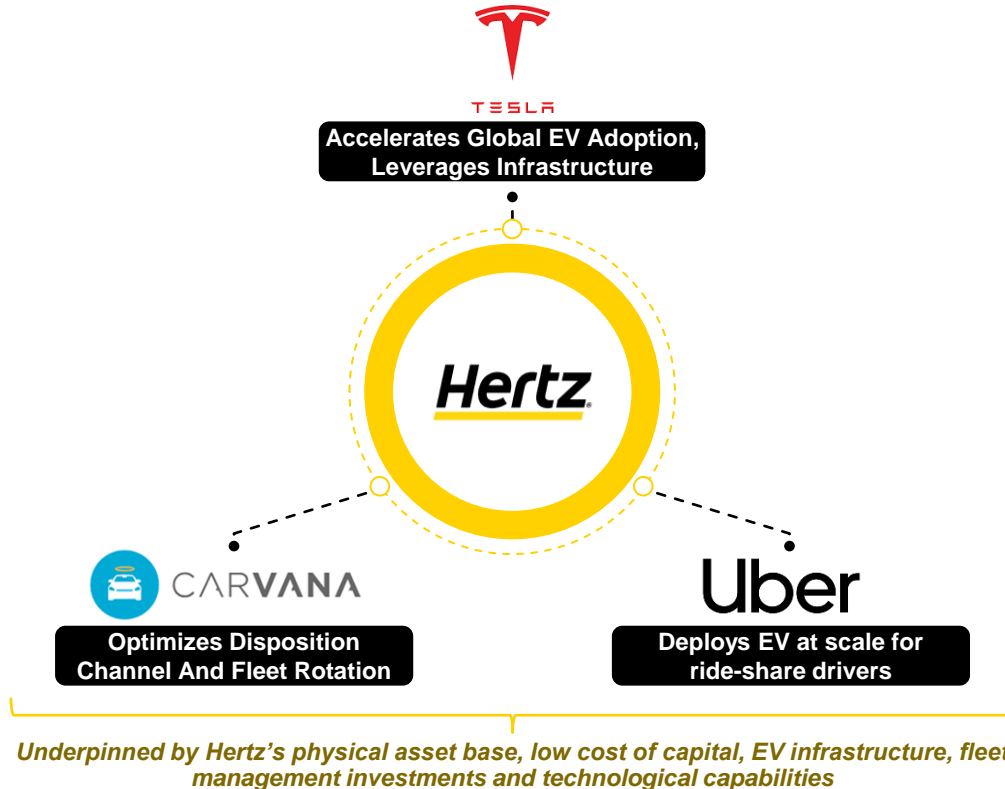
Initiatives underpinned by Hertz's **industry-leading balance sheet** and nearly **\$4B of liquidity**

Strong Foundation For Profitable Growth Opportunities

# Establishing Hertz as the Leader in the Evolving Mobility Ecosystem

## Strategic Choices and Relationships

## Critical Hertz Capabilities as Key Enablers



- ✓ Iconic brand
- ✓ Expansive global distribution network
- ✓ Steady access to vehicles at low cost of capital
- ✓ Fleet management at scale
- ✓ Large-scale repair and maintenance operations
- ✓ Building essential EV capabilities

Hertz's Assets And Capabilities Fill Critical Role In Mobility Ecosystem

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**Financial Results – Q3 2021**



# Q3 2021 Financial Highlights

## Global Business<sup>1</sup>

Measure	Q3 2021	Q3 2019	Change
Adjusted Corporate EBITDA	\$860 million	\$368 million	134%
Adjusted Corporate EBITDA margin	39%	14%	2,500bps
Total Revenue Per Unit Per Month (RPU)	\$1,573	\$1,165	35%
Average Vehicles	473k	780k	(39%)
Depreciation Per Unit Per Month	\$44	\$238	(82%)
Liquidity At Period End	\$3.8 billion	\$854 million	345%

Structural Improvements Drive Strong Operating Leverage and Liquidity

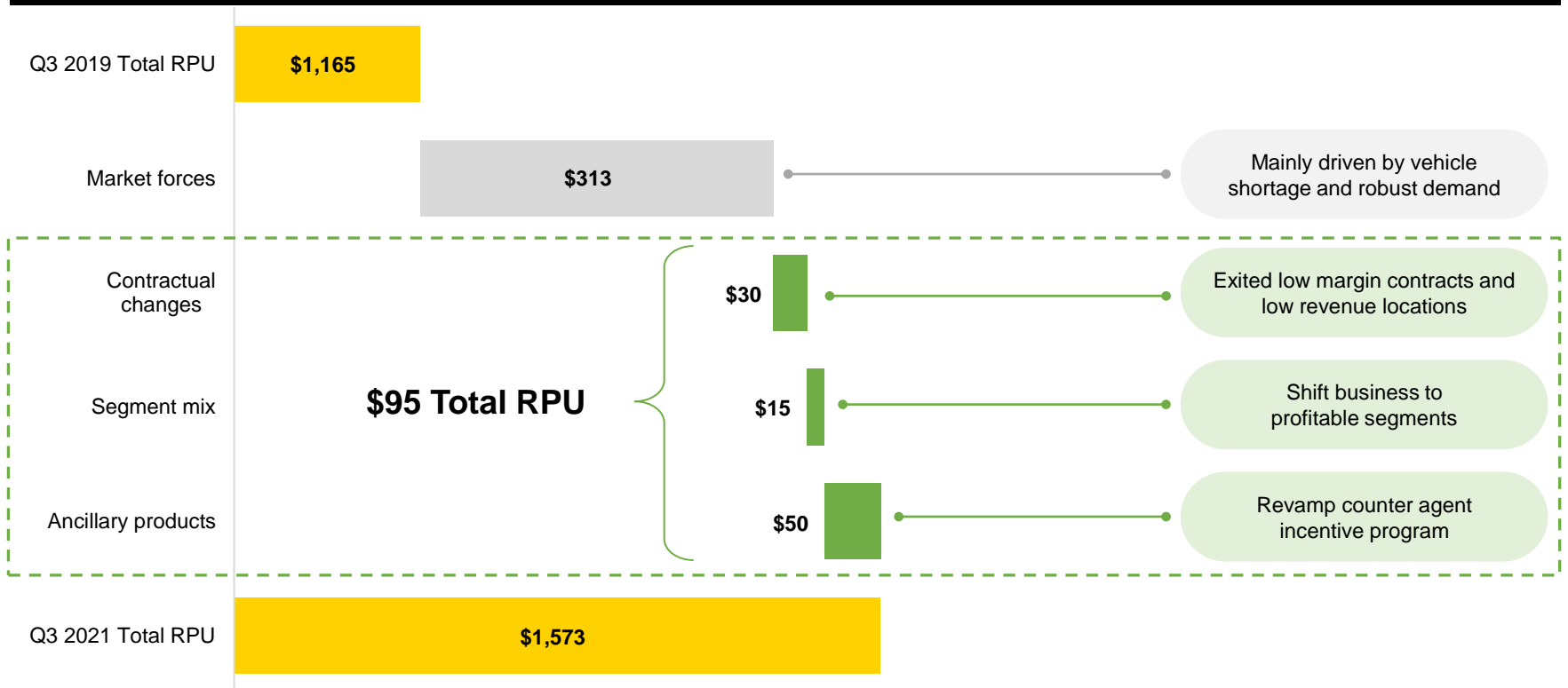


**Note:**

1. Adjusted Corporate EBITDA was \$392 million for Q3 2019, of which \$24 million was attributable to the Donlen business which we sold in March 2021. Corporate liquidity at September 30, 2019 was \$860 million of which \$6 million was attributable to Donlen. The other metrics shown are for Worldwide Rental Car Operations.

# Structural Revenue Per Unit Gains

## Total RPU Walk Q3 2019 to Q3 2021

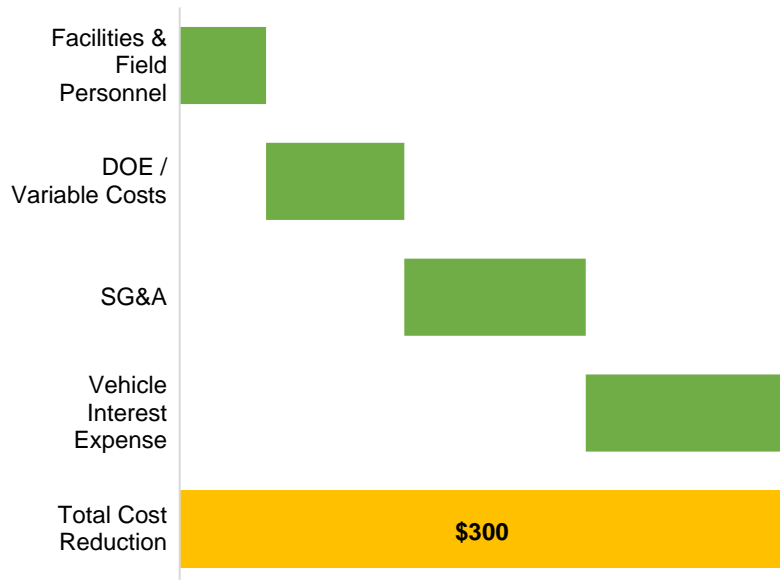


Management Actions Drive Structural Improvement

# Transformed Cost Structure with Additional Opportunity

## Summary of Cost Reduction During Restructuring

in \$ millions



## Achievements

- Achieved \$500 million of cost reduction during restructuring of which \$200M may return with volume recovery
  - Closed low margin sites
  - Improved partnership agreement economics
  - ~50% reduction in corporate function headcount
  - Simplified organization – combined on- and off-airport functions to compete by region
  - Improved ABS<sup>1</sup> funding structure and terms
- Approx. net \$300 million of the cost reduction is structural

## Additional Opportunities

- Incremental opportunities identified and in progress
  - Optimizing business processes
  - Driving efficiencies
  - Vendor and partner optimization

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Q4 and Full Year 2021 Guidance

# Q4 and Full Year 2021 Guidance

## Global Business

Measure	Q4	2021
Adjusted Corporate EBITDA	\$500 – \$600 million	\$2.0 - \$2.1 billion
Total Revenue Per Unit Per Month (RPU)	\$1,355 – \$1,445	\$1,400 – \$1,430
Depreciation Per Unit Per Month	\$60 – \$70	\$95 – \$105
Liquidity at December 31, 2021	\$3.9 - \$4.1 billion	\$3.9 - \$4.1 billion

Continued Momentum Expected to Drive Results