



# Hertz Global Holdings, Inc. Q2 2023 Earnings Presentation

July 27, 2023



# IMPORTANT DISCLOSURES

## 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 July 27, 2023, 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 second quarter 2023 results issued on July 27, 2023, and the note on forward-looking statements contained in the Company’s 2022 Annual Report on Form 10-K, Quarterly reports on Form 10-Q 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 and key metrics will be used in the presentation:

- Adjusted Corporate EBITDA
- Adjusted Corporate EBITDA Margin
- Adjusted Net Income
- Adjusted EPS
- Adjusted Operating Cash Flow
- Adjusted Free Cash Flow
- Average Vehicles
- Average Rentable Vehicles
- Vehicle Utilization
- Transaction Days
- Total RPD
- Total Revenue Per Unit Per Month
- Depreciation Per Unit Per Month

# AGENDA

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## BUSINESS OVERVIEW



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**Stephen Scherr**

Chair and Chief Executive Officer

## FINANCIAL RESULTS OVERVIEW



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**Alexandra Brooks**

Chief Financial Officer

**Hertz**

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## Business Overview

# FINANCIAL HIGHLIGHTS

## Q2 2023 RESULTS

REVENUE	ADJUSTED CORPORATE EBITDA	ADJUSTED EPS	MONTHLY REVENUE PER UNIT
<b>\$2.4B</b>	<b>\$347M</b>	<b>\$0.72</b>	<b>\$1,516</b>

NET CORP. LEVERAGE	LIQUIDITY	ADJUSTED OPERATING CASH FLOW
<b>1.7x</b>	<b>\$1.4B</b>	<b>\$91M</b>

Strong results reflect positive momentum in the business

# STRATEGIC INITIATIVES

## Leading EV Platform

- Growing EV fleet across multiple OEM's
- Expanding EV offerings across channels – variety of models at multiple price points
- Uber EV partnership across North America and Europe
- Scaling proprietary and public charging network

## Progress on Initiatives

- Reposition Dollar and Thrifty brands
  - New digital properties
  - Improved customer experience
  - Lower delivery cost
  - Prepaid VAS products
- Continued rideshare growth
  - Volumes and revenue up YoY
  - Subscription model for drivers
  - Joint pursuit with Uber/Lyft
- Technology and Product
  - Cloud migration progressing
  - Pricing tools and revenue management in development
  - AI customer care project
  - App improvements

## Excellence in Execution

- Increasing dispositions through retail and Carvana
- Enhancing fleet and operational management capabilities with data driven optimization and automation
- Scaling profitable European operations
- Leveraging telematics for operational efficiency and expense reduction

Strategies that promote profitable long-term growth

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# Financial Results Overview

# GLOBAL FINANCIAL HIGHLIGHTS AND KEY METRICS

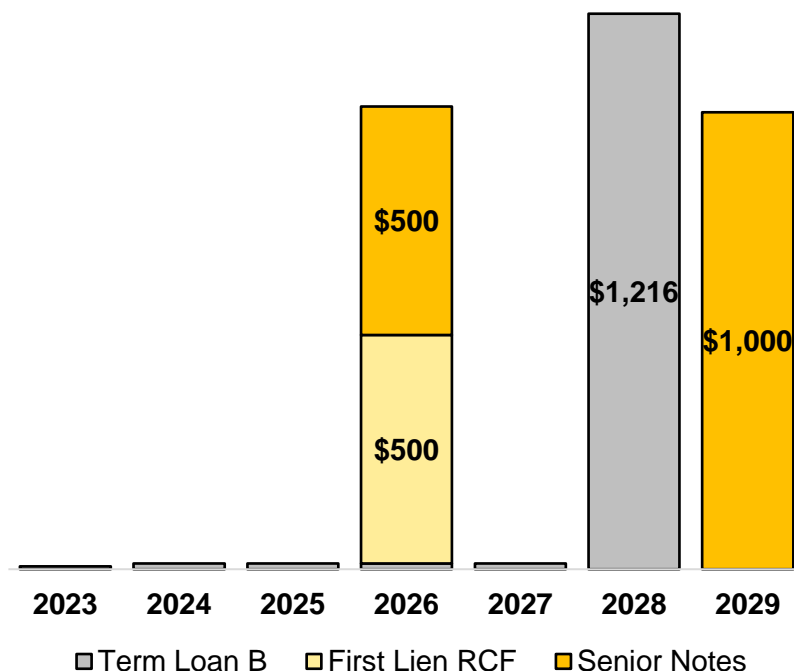
\$ in millions, except per share data and key metrics

<b>GAAP</b>	<b>Q2 2023</b>	<b>Q2 2022</b>	<b>1H 2023</b>	<b>1H 2022</b>
Total revenues	\$2,437	\$2,344	\$4,484	\$4,154
Net income	\$139	\$940	\$335	\$1,366
Diluted earnings per share	\$0.44	\$1.13	\$1.05	\$1.93
Weighted-average diluted shares outstanding	315M	424M	319M	443M
Cash flows from operating activities	\$497	\$708	\$1,059	\$1,329
Liquidity at period end	\$1,427	\$2,490	\$1,427	\$2,490
<b>Non-GAAP</b>	<b>Q2 2023</b>	<b>Q2 2022</b>	<b>1H 2023</b>	<b>1H 2022</b>
Adjusted Corporate EBITDA	\$347	\$764	\$584	\$1,378
Adjusted Corporate EBITDA Margin	14%	33%	14%	33%
Adjusted Net Income	\$227	\$520	\$360	\$923
Adjusted Diluted Earnings Per Share	\$0.72	\$1.22	\$1.13	\$2.08
Adjusted operating cash flow	\$91	\$585	\$195	\$1,262
Adjusted free cash flow	(\$423)	\$484	(\$506)	\$563
<b>Key Metrics</b>	<b>Q2 2023</b>	<b>Q2 2022</b>	<b>1H 2023</b>	<b>1H 2022</b>
Average Vehicles	561,277	513,307	532,903	497,259
Average Rentable Vehicles	533,813	490,236	508,550	472,871
Vehicle Utilization	82%	79%	80%	77%
Transaction Days (in thousands)	39,705	35,444	73,493	66,065
Total RPD	\$61.14	\$65.79	\$60.84	\$62.43
Total Revenue Per Unit Per Month (RPU)	\$1,516	\$1,586	\$1,465	\$1,454
Depreciation Per Unit Per Month	\$195	\$68	\$222	\$15



# DEBT AND LIQUIDITY

## Non-vehicle Debt Maturity Profile\*



- Liquidity of \$1.4B at June 30, 2023
  - \$682M unrestricted cash
  - \$745M available under First Lien RCF
- Q2 2023 cash flows reflect fleet investment for peak demand
  - Adjusted operating cash flow of \$91M
  - Adjusted free cash outflow of \$423M
- Net Non-vehicle Debt of \$2.6B at June 30, 2023
  - First Lien RCF - \$500M drawn, to repay H2 2023
  - No other material non-fleet debt maturities until 2026
- Stock repurchase program
  - 6.3M shares repurchased in Q2 2023
  - ~\$950M remaining under plan as of July 20th

Modest Net Corporate Leverage of 1.7X

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# Q&A

