

HERTZ LOGS BEST QUARTERLY RESULTS IN NEARLY TWO YEARS, DRIVEN BY HALF A BILLION DOLLAR PROFITABILITY IMPROVEMENT

“Our transformation is taking hold,” said Gil West, CEO of Hertz. “Through smarter fleet management, improved utilization, enhanced customer experience, disciplined cost control, and the hard work of our people, it’s clear our strategy is working. We’re building a stronger, more resilient Hertz – one that’s operationally sound, financially disciplined, and positioned to lead in the future of mobility.”

ESTERO, Fla, August 7, 2025 – Hertz Global Holdings, Inc. (NASDAQ: HTZ) ("Hertz," "Hertz Global," or the "Company") today reported results for its second quarter 2025.

HIGHLIGHTS

- Net income and Adjusted Corporate EBITDA both improved ~\$0.5 billion year-over-year, marking the Company's first quarter of positive Adjusted Corporate EBITDA in nearly two years, a result of its disciplined fleet management, operational efficiency, and rigorous cost management
- The Company's "Buy Right, Hold Right, Sell Right" strategy continued to deliver results:
 - Hertz achieved depreciation per unit per month (DPU) of \$251, exceeding its North Star target of sub \$300 by 16% and building on the momentum from the first quarter of 2025. The Company has secured all of its Model Year 2025 fleet at pre-tariff pricing
 - Vehicle Utilization reached 83%, a year-over-year increase of 300 basis points, as the Company executed on fleet optimization with greater precision and agility. Nearly 80% of the core U.S. rental fleet is less than a year old
 - Hertz achieved its highest second-quarter retail vehicle sales volume in five years, including through its direct-to-consumer Hertz Car sales, highlighting strong demand
- Direct operating expenses (DOE) declined 3% year-over-year. DOE per transaction day improved both sequentially and year-over-year, reflecting disciplined cost control and operational agility
- The Company's global Net Promoter Score improved by 11 points year-over-year, underscoring its commitment to service excellence and digital innovation
- The Company ended the quarter with over \$1.45 billion in liquidity

EARNINGS WEBCAST INFORMATION

Hertz Global's live webcast and conference call to discuss its second quarter 2025 results will be held on August 7, 2025 at 9:00 a.m. Eastern Time. The conference call will be broadcast live in listen-only mode on the Company's Investor Relations website at [IR.Hertz.com](https://ir.hertz.com). If you would like to access the call by phone and ask a question, please go to ***Hertz Q2 2025 earnings teleco registration***, and you will be provided with dial in details. Investors are encouraged to dial in approximately 15 minutes prior to the call. A web replay will remain available on the website for approximately one year. The earnings release and related supplemental schedules containing the reconciliations of non-GAAP measures will be available on the Hertz website, [IR.Hertz.com](https://ir.hertz.com).

ABOUT HERTZ

Hertz Global Holdings, Inc. is one of the world's leading car rental and mobility solutions providers. Its subsidiaries, including The Hertz Corporation, and licensees operate the Hertz, Dollar, Thrifty, and Firefly vehicle rental brands, with more than 11,000 rental locations in 160 countries around the globe. The Company also operates the Hertz Car Sales brand, which offers a range of quality, competitively priced used cars for sale online and at locations across the United States, and the Hertz 24/7 car-sharing business in Europe. For more information about Hertz, visit www.hertz.com.

SUMMARY RESULTS

(\$ in millions, except earnings per share or where noted)	Three Months Ended June 30,		Percent Inc/ (Dec) 2025 vs 2024
	2025	2024	
Hertz Global - Consolidated			
Total revenues	\$ 2,185	\$ 2,353	(7)%
Net income (loss)	\$ (294)	\$ (865)	(66)%
Diluted earnings (loss) per share	\$ (0.95)	\$ (2.82)	(66)%
Net income (loss) margin	(13)%	(37)%	
Adjusted net income (loss) ^(a)	\$ (104)	\$ (440)	(76)%
Adjusted diluted earnings (loss) per share ^(a)	\$ (0.34)	\$ (1.44)	(76)%
Adjusted Corporate EBITDA ^(a)	\$ 1	\$ (460)	NM
Adjusted Corporate EBITDA Margin ^(a)	— %	(20)%	
Average Vehicles (in whole units)	542,532	577,224	(6)%
Average Rentable Vehicles (in whole units)	512,854	546,187	(6)%
Vehicle Utilization	83 %	80 %	
Transaction Days (in thousands)	38,695	39,721	(3)%
Total RPD (in dollars) ^(b)	\$ 55.65	\$ 58.80	(5)%
Total RPU Per Month (in whole dollars) ^(b)	\$ 1,400	\$ 1,425	(2)%
Depreciation Per Unit Per Month (in whole dollars) ^(b)	\$ 251	\$ 595	(58)%
Americas RAC Segment			
Total revenues	\$ 1,738	\$ 1,928	(10)%
Adjusted EBITDA	\$ 42	\$ (403)	NM
Adjusted EBITDA Margin	2 %	(21)%	
Average Vehicles (in whole units)	435,737	467,863	(7)%
Average Rentable Vehicles (in whole units)	407,336	439,284	(7)%
Vehicle Utilization	83 %	81 %	
Transaction Days (in thousands)	30,935	32,216	(4)%
Total RPD (in dollars) ^(b)	\$ 56.08	\$ 59.73	(6)%
Total RPU Per Month (in whole dollars) ^(b)	\$ 1,420	\$ 1,460	(3)%
Depreciation Per Unit Per Month (in whole dollars) ^(b)	\$ 248	\$ 644	(61)%
International RAC Segment			
Total revenues	\$ 447	\$ 425	5%
Adjusted EBITDA	\$ 42	\$ (6)	NM
Adjusted EBITDA Margin	9 %	(1)%	
Average Vehicles (in whole units)	106,795	109,361	(2)%
Average Rentable Vehicles (in whole units)	105,518	106,903	(1)%
Vehicle Utilization	81 %	77 %	
Transaction Days (in thousands)	7,760	7,505	3%
Total RPD (in dollars) ^(b)	\$ 53.93	\$ 54.78	(2)%
Total RPU Per Month (in whole dollars) ^(b)	\$ 1,322	\$ 1,282	3%
Depreciation Per Unit Per Month (in whole dollars) ^(b)	\$ 261	\$ 384	(32)%

NM = Not meaningful

(a) Represents a non-GAAP measure. See the accompanying reconciliations included in Supplemental Schedule II for 2025 and 2024.

(b) Based on December 31, 2024 foreign exchange rates.

UNAUDITED FINANCIAL DATA, SUPPLEMENTAL SCHEDULES, NON-GAAP MEASURES AND DEFINITIONS

In this earnings release, we include select unaudited financial data of Hertz Global, Supplemental Schedules, which are provided to present segment results, and reconciliations of non-GAAP measures to their most comparable GAAP measures. Following the Supplemental Schedules, the Company provides definitions for terminology used throughout the earnings release and the Company's rationale regarding the importance and usefulness of non-GAAP measures for investors and management.

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this release, and in related comments by the Company's management, include "forward-looking statements." Forward-looking statements are identified by words such as "believe," "expect," "project," "potential," "anticipate," "intend," "plan," "estimate," "seek," "will," "may," "would," "should," "could," "forecasts," "guidance" or similar expressions, and include information concerning our liquidity, our results of operations, our business strategies, economic and industry conditions and other information. These forward-looking 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. The Company believes these judgments are reasonable, but you should understand that these forward-looking statements are not guarantees of future performance or results, and that 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, that may be revised or supplemented in subsequent reports, such as Annual Reports on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K filed or furnished to the SEC.

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 other things,

- *mix of program and non-program vehicles in the Company's fleet, which can lead to increased exposure to residual value risk upon disposition;*
- *the potential for residual values associated with non-program vehicles in the Company's fleet to decline, including suddenly or unexpectedly, or fail to follow historical seasonal patterns;*
- *the Company's ability to purchase adequate supplies of competitively priced vehicles at a reasonable cost in order to efficiently service rental demand, including upon any disruptions in the global supply chain;*
- *the Company's ability to effectively dispose of vehicles, at the times and through the channels, that maximize the Company's returns;*
- *the age of the Company's fleet, and its impact on vehicle carrying costs, customer service scores, as well as on the Company's ability to sell vehicles at acceptable prices and times;*
- *disruptions in the supply chain, including in connection with any increases in tariffs or changes in tariff policies or trade agreements;*
- *whether a manufacturer of the Company's program vehicle fulfills its repurchase obligations;*
- *the frequency or extent of manufacturer safety recalls;*
- *levels of travel demand, particularly business and leisure travel in the U.S. and in global markets;*
- *seasonality and other occurrences that disrupt rental activity during the Company's peak periods, including in critical geographies;*
- *the Company's ability to accurately estimate future levels of rental activity and adjust the number, location and mix of vehicles used in the Company's rental operations accordingly;*
- *the Company's ability to implement its business strategy or strategic transactions, including the Company's ability to implement plans to support a modern mobility ecosystem;*
- *the Company's ability to achieve cost savings and normalized depreciation levels, as well as revenue enhancements from its profitability initiatives and other operational programs;*

- *the Company's ability to adequately respond to changes in technology impacting the mobility industry;*
- *significant changes in the competitive environment and the effect of competition in the Company's markets on rental volume and pricing;*
- *the Company's reliance on third-party distribution channels and related prices, commission structures and transaction volumes;*
- *the Company's ability to offer services for a favorable customer experience, and to retain and develop customer loyalty and market share;*
- *the Company's ability to maintain its network of leases and vehicle rental concessions at airports and other key locations 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 attract and retain effective front-line employees, senior management and other key employees;*
- *the Company's ability to effectively manage its union relations and labor agreement negotiations;*
- *the Company's ability to manage and respond to cybersecurity threats and cyber attacks on the Company's information technology systems or those of the Company's third-party providers;*
- *the Company's ability, and that of the Company's key third-party partners, to prevent the misuse or theft of information the Company possesses, including as a result of cyber attacks and other security threats;*
- *the Company's ability to evaluate, maintain, upgrade and consolidate its information technology systems;*
- *the Company's ability to comply with current and future laws and regulations in the U.S. and internationally regarding data protection, data security and privacy risks;*
- *risks associated with operating in many different countries, including the risk of a violation or alleged violation of applicable anti-corruption or anti-bribery laws and the Company's ability to repatriate cash from non-U.S. affiliates without adverse tax consequences;*
- *risks relating to tax laws, including the elimination of tax credits for EVs purchased after September 30, 2025 and those tax laws that affect the Company's ability to recapture accelerated tax depreciation and expensing, as well as any adverse determinations or rulings by tax authorities;*
- *the Company's ability to utilize its net operating loss carryforwards;*
- *the Company's exposure to uninsured liabilities relating to personal injury, death and property damage, or otherwise, including material litigation;*
- *the potential for adverse changes in laws, regulations, policies or other activities of governments, agencies and similar organizations, including those related to environmental matters, optional insurance products or policies, franchising and licensing matters, the ability to pass-through rental car related expenses or taxes, among others, that affect the Company's operations, the Company's costs or applicable tax rates;*
- *the risk of an impairment of the Company's long-lived assets, which risk could be impacted by, among other things, the timing of our fleet rotation;*
- *the Company's ability to recover its goodwill and indefinite-lived intangible assets when performing impairment analysis;*
- *the potential for changes in management's best estimates and assessments;*
- *the Company's ability to maintain an effective compliance program;*
- *the availability of earnings and funds from the Company's subsidiaries;*
- *the Company's ability to comply, and the cost and burden of complying, with corporate and social responsibility regulations or expectations of stakeholders, and otherwise advance the Company's corporate responsibility priorities;*

- *the availability of additional, or continued sources, of financing at acceptable rates for the Company's revenue earning vehicles and to refinance the Company's existing indebtedness, and the Company's ability to comply with the covenants in the agreements governing its indebtedness;*
- *the extent to which the Company's consolidated assets secure its outstanding indebtedness;*
- *volatility in the Company's share price, the Company's ownership structure and certain provisions of the Company's charter documents, which could, among other things, negatively affect the market price of the Company's common stock;*
- *the Company's ability to implement an effective business continuity plan to protect the business in exigent circumstances;*
- *the Company's ability to effectively maintain effective internal control over financial reporting; and*
- *the Company's ability to execute strategic transactions.*

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 of this release, 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.

CONTACTS:

Hertz Investor Relations:
investorrelations@hertz.com

Hertz Media Relations:
mediarelations@hertz.com

UNAUDITED FINANCIAL INFORMATION

UNAUDITED CONSOLIDATED STATEMENTS OF OPERATIONS

	Three Months Ended June 30,		Six Months Ended June 30,	
(In millions, except per share data)	2025	2024	2025	2024
Revenues	\$ 2,185	\$ 2,353	\$ 3,998	\$ 4,433
Expenses:				
Direct vehicle and operating	1,394	1,440	2,668	2,806
Depreciation of revenue earning vehicles and lease charges, net	415	1,035	950	2,004
Depreciation and amortization of non-vehicle assets	29	41	59	73
Selling, general and administrative	246	243	465	405
Interest expense, net:				
Vehicle	152	149	292	290
Non-vehicle	232	88	359	163
Total interest expense, net	384	237	651	453
Other (income) expense, net	7	(5)	11	(3)
(Gain) on sale of non-vehicle capital assets	(89)	—	(89)	—
Change in fair value of Public Warrants	115	(165)	124	(251)
Total expenses	2,501	2,826	4,839	5,487
Income (loss) before income taxes	(316)	(473)	(841)	(1,054)
Income tax (provision) benefit	22	(392)	104	3
Net income (loss)	\$ (294)	\$ (865)	\$ (737)	\$ (1,051)
Weighted average number of shares outstanding:				
Basic	309	306	308	306
Diluted	309	306	308	306
Earnings (loss) per share:				
Basic	\$ (0.95)	\$ (2.82)	\$ (2.39)	\$ (3.44)
Diluted	\$ (0.95)	\$ (2.82)	\$ (2.39)	\$ (3.44)

UNAUDITED CONSOLIDATED BALANCE SHEETS

(In millions, except par value and share data)		June 30, 2025	December 31, 2024
ASSETS			
Cash and cash equivalents	\$	503	\$ 592
Restricted cash and cash equivalents:			
Vehicle		341	258
Non-vehicle		285	283
Total restricted cash and cash equivalents		626	541
Total cash and cash equivalents and restricted cash and cash equivalents		1,129	1,133
Receivables:			
Vehicle		276	389
Non-vehicle, net of allowance of \$63 and \$58, respectively		874	816
Total receivables, net		1,150	1,205
Prepaid expenses and other assets		739	894
Revenue earning vehicles:			
Vehicles		14,468	12,714
Less: accumulated depreciation		(1,173)	(751)
Total revenue earning vehicles, net		13,295	11,963
Property and equipment, net		586	623
Operating lease right-of-use assets		2,286	2,088
Intangible assets, net		2,853	2,852
Goodwill		1,045	1,044
Total assets	\$	23,083	\$ 21,802
LIABILITIES AND STOCKHOLDERS' EQUITY			
Accounts payable:			
Vehicle	\$	367	\$ 161
Non-vehicle		531	481
Total accounts payable		898	642
Accrued liabilities		1,336	1,174
Accrued taxes, net		168	158
Debt:			
Vehicle		12,202	11,231
Non-vehicle		5,434	5,104
Total debt		17,636	16,335
Public Warrants		302	178
Operating lease liabilities		2,280	2,073
Self-insured liabilities		640	617
Deferred income taxes, net		327	472
Total liabilities		23,587	21,649
Commitments and contingencies			
Stockholders' equity:			
Preferred stock, \$0.01 par value, no shares issued and outstanding		—	—
Common stock, \$0.01 par value, 484,708,939 and 481,502,623 shares issued, respectively, and 309,896,895 and 306,690,579 shares outstanding, respectively		5	5
Treasury stock, at cost, 174,812,044 and 174,812,044 common shares, respectively		(3,430)	(3,430)
Additional paid-in capital		6,421	6,396
Retained earnings (Accumulated deficit)		(3,239)	(2,502)
Accumulated other comprehensive income (loss)		(261)	(316)
Total stockholders' equity (deficit)		(504)	153
Total liabilities and stockholders' equity (deficit)	\$	23,083	\$ 21,802

UNAUDITED CONSOLIDATED STATEMENTS OF CASH FLOWS

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Cash flows from operating activities:				
Net income (loss)	\$ (294)	\$ (865)	\$ (737)	\$ (1,051)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:				
Depreciation and reserves for revenue earning vehicles, net	458	1,124	1,082	2,194
Depreciation and amortization, non-vehicle	29	41	59	73
Amortization of deferred financing costs and debt discount (premium)	20	15	40	33
PIK Interest on Exchangeable Notes	—	—	11	—
Stock-based compensation charges	16	16	32	32
Stock-based compensation forfeitures	—	—	—	(68)
Provision for receivables allowance	28	32	53	63
Deferred income taxes, net	(24)	349	(148)	(65)
(Gain) loss on sale of non-vehicle capital assets	(89)	—	(89)	—
Change in fair value of Public Warrants	115	(165)	124	(251)
Changes in financial instruments	104	2	104	8
Other	8	8	9	(1)
Changes in assets and liabilities:				
Non-vehicle receivables	(127)	(165)	(84)	(201)
Prepaid expenses and other assets	(19)	(3)	(53)	(59)
Operating lease right-of-use assets	105	90	218	190
Non-vehicle accounts payable	21	67	28	63
Accrued liabilities	117	40	138	71
Accrued taxes, net	(34)	31	4	52
Operating lease liabilities	(95)	(100)	(208)	(200)
Self-insured liabilities	7	29	14	33
Net cash provided by (used in) operating activities	346	546	597	916
Cash flows from investing activities:				
Revenue earning vehicles expenditures	(3,049)	(3,723)	(5,896)	(5,627)
Proceeds from disposal of revenue earning vehicles	2,126	1,669	4,250	2,902
Non-vehicle capital asset expenditures	(22)	(26)	(44)	(59)
Proceeds from non-vehicle capital assets disposed of	99	4	126	7
Return of (investment in) equity investments	—	(1)	—	(3)
Net cash provided by (used in) investing activities	(846)	(2,077)	(1,564)	(2,780)
Cash flows from financing activities:				
Proceeds from issuance of vehicle debt	2,648	1,149	3,774	1,683
Repayments of vehicle debt	(1,606)	(229)	(2,990)	(1,121)
Proceeds from issuance of non-vehicle debt	156	1,950	1,056	2,885
Repayments of non-vehicle debt	(579)	(1,245)	(859)	(1,735)
Payment of financing costs	(28)	(42)	(41)	(42)
Other	(4)	(1)	(7)	(3)
Net cash provided by (used in) financing activities	587	1,582	933	1,667
Effect of foreign currency exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	21	(2)	30	(15)
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents during the period	108	49	(4)	(212)
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period	1,021	945	1,133	1,206
Cash and cash equivalents and restricted cash and cash equivalents at end of period	\$ 1,129	\$ 994	\$ 1,129	\$ 994

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

(In millions)	Three Months Ended June 30, 2025				Three Months Ended June 30, 2024			
	Americas RAC	International RAC	Corporate	Hertz Global	Americas RAC	International RAC	Corporate	Hertz Global
Revenues	\$ 1,738	\$ 447	\$ —	\$ 2,185	\$ 1,928	\$ 425	\$ —	\$ 2,353
Expenses:								
Direct vehicle and operating	1,132	263	(1)	1,394	1,199	244	(3)	1,440
Depreciation of revenue earning vehicles and lease charges, net	325	90	—	415	905	130	—	1,035
Depreciation and amortization of non-vehicle assets	23	4	2	29	28	3	10	41
Selling, general and administrative	132	57	57	246	137	46	60	243
Interest expense, net:								
Vehicle	129	23	—	152	123	26	—	149
Non-vehicle	1	(4)	235	232	—	(6)	94	88
Total interest expense, net	130	19	235	384	123	20	94	237
Other (income) expense, net	1	1	5	7	1	—	(6)	(5)
(Gain) on sale of non-vehicle capital assets	(89)	—	—	(89)	—	—	—	—
Change in fair value of Public Warrants	—	—	115	115	—	—	(165)	(165)
Total expenses	1,654	434	413	2,501	2,393	443	(10)	2,826
Income (loss) before income taxes	\$ 84	\$ 13	\$ (413)	(316)	\$ (465)	\$ (18)	\$ 10	(473)
Income tax (provision) benefit				22				(392)
Net income (loss)				\$ (294)				\$ (865)

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

(In millions)	Six Months Ended June 30, 2025				Six Months Ended June 30, 2024			
	Americas RAC	International RAC	Corporate	Hertz Global	Americas RAC	International RAC	Corporate	Hertz Global
Revenues	\$ 3,228	\$ 770	\$ —	\$ 3,998	\$ 3,667	\$ 766	\$ —	\$ 4,433
Expenses:								
Direct vehicle and operating	2,198	470	—	2,668	2,351	460	(5)	2,806
Depreciation of revenue earning vehicles and lease charges, net	787	163	—	950	1,781	223	—	2,004
Depreciation and amortization of non-vehicle assets	49	7	3	59	53	7	13	73
Selling, general and administrative	246	104	115	465	261	103	41	405
Interest expense, net:								
Vehicle	246	46	—	292	239	51	—	290
Non-vehicle	—	(8)	367	359	(2)	(10)	175	163
Total interest expense, net	246	38	367	651	237	41	175	453
Other (income) expense, net	1	(2)	12	11	—	1	(4)	(3)
(Gain) on sale of non-vehicle capital assets	(89)	—	—	(89)	—	—	—	—
Change in fair value of Public Warrants	—	—	124	124	—	—	(251)	(251)
Total expenses	3,438	780	621	4,839	4,683	835	(31)	5,487
Income (loss) before income taxes	\$ (210)	\$ (10)	\$ (621)	(841)	\$ (1,016)	\$ (69)	\$ 31	(1,054)
Income tax (provision) benefit				104				3
Net income (loss)				<u>\$ (737)</u>				<u>\$ (1,051)</u>

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 June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Adjusted Net Income (Loss) and Adjusted Diluted Earnings (Loss) Per Share:				
Net income (loss) ^(a)	\$ (294)	\$ (865)	\$ (737)	\$ (1,051)
Adjustments:				
Income tax provision (benefit)	(22)	392	(104)	(3)
Vehicle and non-vehicle debt-related charges ^(b)	26	16	51	34
Restructuring and restructuring related charges ^(c)	4	12	7	44
Acquisition accounting-related depreciation and amortization ^(d)	1	1	1	1
Unrealized (gains) losses on financial instruments ^(e)	104	2	104	8
(Gain) on sale of non-vehicle capital assets ^(f)	(89)	—	(89)	—
Change in fair value of Public Warrants	115	(165)	124	(251)
Other items ^{(g)(k)}	17	20	44	28
Adjusted pre-tax income (loss) ^(h)	(138)	(587)	(599)	(1,190)
Income tax (provision) benefit on adjusted pre-tax income (loss) ⁽ⁱ⁾	34	147	150	298
Adjusted Net Income (Loss)	<u>\$ (104)</u>	<u>\$ (440)</u>	<u>\$ (449)</u>	<u>\$ (892)</u>
Weighted-average number of diluted shares outstanding	309	306	308	306
Adjusted Diluted Earnings (Loss) Per Share ^(j)	<u>\$ (0.34)</u>	<u>\$ (1.44)</u>	<u>\$ (1.46)</u>	<u>\$ (2.92)</u>

Supplemental Schedule II (continued)

(In millions, except per share data)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
Adjusted Corporate EBITDA:				
Net income (loss)	\$ (294)	\$ (865)	\$ (737)	\$ (1,051)
Adjustments:				
Income tax provision (benefit)	(22)	392	(104)	(3)
Non-vehicle depreciation and amortization	29	41	59	73
Non-vehicle debt interest, net of interest income ^(k)	127	88	248	163
Vehicle debt-related charges ^(b)	12	10	23	22
Restructuring and restructuring related charges ^(c)	4	12	7	44
Unrealized (gains) losses on financial instruments ^(e)	104	2	104	8
(Gain) on sale of non-vehicle capital assets ^(f)	(89)	—	(89)	—
Non-cash stock-based compensation forfeitures ^(m)	—	—	—	(64)
Change in fair value of Public Warrants	115	(165)	124	(251)
Other items ^(g)	15	25	41	32
Adjusted Corporate EBITDA ⁽ⁿ⁾	<u>\$ 1</u>	<u>\$ (460)</u>	<u>\$ (324)</u>	<u>\$ (1,027)</u>
Adjusted Corporate EBITDA margin	— %	(20)%	(8)%	(23)%

(a) Net income (loss) margin for the three and six months ended June 30, 2025 was (13)% and (18)%, respectively. Net income (loss) margin for the three and six months ended June 30, 2024 was (37)% and (24)%, respectively.

(b) Represents debt-related charges relating to the amortization of deferred financing costs and debt discounts and premiums.

(c) Represents charges incurred under restructuring actions as defined in U.S. GAAP. Also includes restructuring related charges such as incremental costs incurred related to personnel reductions, litigation and closure of underperforming locations.

(d) Represents incremental expense associated with the amortization of other intangible assets and depreciation of property and equipment relating to acquisition accounting.

(e) Represents unrealized gains (losses) on derivative financial instruments, including the Exchange Feature.

(f) Represents gain on the sale of certain non-vehicle assets in June 2025.

(g) Represents miscellaneous items. For the three months ended June 30, 2025, primarily includes certain litigation charges, certain IT-related charges and cloud computing costs. For the three months ended June 30, 2024, primarily includes certain IT-related charges, cloud computing costs and certain storm-related damages. For the six months ended June 30, 2025, primarily includes certain litigation charges, certain IT-related charges, cloud computing costs and certain concession-related adjustments. For the six months ended June 30, 2024, primarily includes certain IT-related charges, cloud computing costs and certain storm-related damages, partially offset by certain litigation settlements.

- (h) The table below reconciles expenses as reported in the condensed consolidated unaudited statement of operations to adjusted expenses utilized in calculating Adjusted Pretax Income (Loss) and Adjusted Net Income (Loss), all of which are deemed non-GAAP measures.

(in millions) Expenses:	Three Months Ended June 30, 2025			Three Months Ended June 30, 2024		
	As Reported	Adjustment	As Adjusted	As Reported	Adjustment	As Adjusted
Direct vehicle and operating	\$ 1,394	\$ (6)	\$ 1,388	\$ 1,440	\$ (10)	\$ 1,430
Depreciation of revenue earning vehicles and lease charges, net	415	—	415	1,035	—	1,035
Depreciation and amortization of non-vehicle assets	29	—	29	41	—	41
Selling, general and administrative	246	(4)	242	243	(16)	227
Interest expense, net:						
Vehicle	152	(12)	140	149	(13)	136
Non-vehicle	232	(124)	108	88	(10)	78
Total interest expense, net	384	(136)	248	237	(23)	214
Other (income) expense, net	7	(6)	1	(5)	(2)	(7)
(Gain) on sale of non-vehicle capital assets	(89)	89	—	—	—	—
Change in fair value of Public Warrants	115	(115)	—	(165)	165	—
Total	<u>\$ 2,501</u>	<u>\$ (178)</u>	<u>\$ 2,323</u>	<u>\$ 2,826</u>	<u>\$ 114</u>	<u>\$ 2,940</u>

(in millions) Expenses:	Six Months Ended June 30, 2025			Six Months Ended June 30, 2024		
	As Reported	Adjustment	As Adjusted	As Reported	Adjustment	As Adjusted
Direct vehicle and operating	\$ 2,668	\$ (22)	\$ 2,646	\$ 2,806	\$ (16)	\$ 2,790
Depreciation of revenue earning vehicles and lease charges, net	950	—	950	2,004	5	2,009
Depreciation and amortization of non-vehicle assets	59	—	59	73	—	73
Selling, general and administrative	465	(7)	458	405	(55)	350
Interest expense, net:						
Vehicle	292	(23)	269	290	(26)	264
Non-vehicle	359	(148)	211	163	(20)	143
Total interest expense, net	651	(171)	480	453	(46)	407
Other (income) expense, net	11	(7)	4	(3)	(3)	(6)
(Gain) on sale of non-vehicle capital assets	(89)	89	—	—	—	—
Change in fair value of Public Warrants	124	(124)	—	(251)	251	—
Total	<u>\$ 4,839</u>	<u>\$ (242)</u>	<u>\$ 4,597</u>	<u>\$ 5,487</u>	<u>\$ 136</u>	<u>\$ 5,623</u>

- (i) Derived utilizing a combined statutory rate of 25% for the three and six months ended June 30, 2025 and 2024, respectively, applied to the respective Adjusted Pre-tax Income (Loss).
- (j) 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.
- (k) Also includes letter of credit fees.
- (l) Excludes gains (losses) related to the fair value of the Exchange Feature.
- (m) Represents former CEO awards forfeited in March 2024.

- (n) The table below reconciles expenses as reported in the condensed consolidated unaudited statement of operations to adjusted expenses utilized in calculating Adjusted Corporate EBITDA, both of which are deemed non-GAAP measures.

(in millions)	Three Months Ended June 30, 2025			Three Months Ended June 30, 2024		
Expenses:	As Reported	Adjustment	As Adjusted	As Reported	Adjustment	As Adjusted
Direct vehicle and operating	\$ 1,394	\$ (6)	\$ 1,388	\$ 1,440	\$ (10)	\$ 1,430
Depreciation of revenue earning vehicles and lease charges, net	415	—	415	1,035	—	1,035
Depreciation and amortization of non-vehicle assets	29	(29)	—	41	(41)	—
Selling, general and administrative	246	(4)	242	243	(17)	226
Interest expense, net:						
Vehicle	152	(12)	140	149	(13)	136
Non-vehicle	232	(232)	—	88	(88)	—
Total interest expense, net	384	(244)	140	237	(101)	136
Other (income) expense, net	7	(8)	(1)	(5)	(9)	(14)
(Gain) on sale of non-vehicle capital assets	(89)	89	—	—	—	—
Change in fair value of Public Warrants	115	(115)	—	(165)	165	—
Total expenses	<u>\$ 2,501</u>	<u>\$ (317)</u>	<u>\$ 2,184</u>	<u>\$ 2,826</u>	<u>\$ (13)</u>	<u>\$ 2,813</u>

(in millions)	Six Months Ended June 30, 2025			Six Months Ended June 30, 2024		
Expenses:	As Reported	Adjustment	As Adjusted	As Reported	Adjustment	As Adjusted
Direct vehicle and operating	\$ 2,668	\$ (22)	\$ 2,646	\$ 2,806	\$ (16)	\$ 2,790
Depreciation of revenue earning vehicles and lease charges, net	950	—	950	2,004	5	2,009
Depreciation and amortization of non-vehicle assets	59	(59)	—	73	(73)	—
Selling, general and administrative	465	(7)	458	405	8	413
Interest expense, net:						
Vehicle	292	(23)	269	290	(26)	264
Non-vehicle	359	(359)	—	163	(163)	—
Total interest expense, net	651	(382)	269	453	(189)	264
Other (income) expense, net	11	(12)	(1)	(3)	(13)	(16)
(Gain) on sale of non-vehicle capital assets	(89)	89	—	—	—	—
Change in fair value of Public Warrants	124	(124)	—	(251)	251	—
Total	<u>\$ 4,839</u>	<u>\$ (517)</u>	<u>\$ 4,322</u>	<u>\$ 5,487</u>	<u>\$ (27)</u>	<u>\$ 5,460</u>

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

(In millions)	Three Months Ended June 30,		Six Months Ended June 30,	
	2025	2024	2025	2024
ADJUSTED OPERATING CASH FLOW AND ADJUSTED FREE CASH FLOW:				
Net cash provided by (used in) operating activities	\$ 346	\$ 546	\$ 597	\$ 916
Depreciation and reserves for revenue earning vehicles, net	(458)	(1,124)	(1,082)	(2,194)
Bankruptcy related payments (post emergence) and other payments	12	2	12	5
Adjusted operating cash flow	(100)	(576)	(473)	(1,273)
Non-vehicle capital asset proceeds (expenditures), net	77	(22)	82	(52)
Adjusted operating cash flow before vehicle investment	(23)	(598)	(391)	(1,325)
Net fleet growth after financing	350	45	140	43
Adjusted free cash flow	<u>\$ 327</u>	<u>\$ (553)</u>	<u>\$ (251)</u>	<u>\$ (1,282)</u>
CALCULATION OF NET FLEET GROWTH AFTER FINANCING:				
Revenue earning vehicles expenditures	\$ (3,049)	\$ (3,723)	\$ (5,896)	\$ (5,627)
Proceeds from disposal of revenue earning vehicles	2,126	1,669	4,250	2,902
Revenue earning vehicles capital expenditures, net	(923)	(2,054)	(1,646)	(2,725)
Depreciation and reserves for revenue earning vehicles, net	458	1,124	1,082	2,194
Financing activity related to vehicles:				
Borrowings	2,648	1,149	3,774	1,683
Payments	(1,606)	(229)	(2,990)	(1,121)
Restricted cash changes, vehicle	(227)	55	(80)	12
Net financing activity related to vehicles	815	975	704	574
Net fleet growth after financing	<u>\$ 350</u>	<u>\$ 45</u>	<u>\$ 140</u>	<u>\$ 43</u>

HERTZ GLOBAL HOLDINGS, INC.
NET DEBT CALCULATION
Unaudited

(In millions)	As of June 30, 2025			As of December 31, 2024		
	Vehicle	Non-Vehicle	Total	Vehicle	Non-Vehicle	Total
First Lien RCF	\$ —	\$ 375	\$ 375	\$ —	\$ 175	\$ 175
Term loans	—	1,986	1,986	—	1,995	1,995
First lien senior notes	—	1,250	1,250	—	1,250	1,250
Exchangeable notes	—	261	261	—	250	250
Senior unsecured notes	—	1,500	1,500	—	1,500	1,500
U.S. vehicle financing (HVF III)	10,089	—	10,089	9,431	—	9,431
International vehicle financing (Various)	2,022	—	2,022	1,752	—	1,752
Other debt	145	6	151	97	—	97
Fair Value of the Exchange Features	—	175	175	—	61	61
Debt issue costs, discounts and premiums	(54)	(119)	(173)	(49)	(127)	(176)
Debt as reported in the balance sheet	12,202	5,434	17,636	11,231	5,104	16,335
Add:						
Debt issue costs, discounts and premiums	54	119	173	49	127	176
Less:						
Cash and cash equivalents	—	503	503	—	592	592
Restricted cash	341	—	341	258	—	258
Restricted cash and restricted cash equivalents associated with Term C Loan	—	245	245	—	245	245
Net Debt	\$ 11,915	\$ 4,805	\$ 16,720	\$ 11,022	\$ 4,394	\$ 15,416
LTM Adjusted Corporate EBITDA ^(a)		(838)			(1,541)	
Net Corporate Leverage		(5.7)x			(2.9)x	

(a) Reconciliation of LTM Adjusted Corporate EBITDA for the six months ended June 30, 2025 and twelve months ended December 31, 2024 are as follows:

(In millions)	Six Months Ended June 30, 2025	Twelve Months Ended December 31, 2024
Net income (loss) three months ended:		
September 30, 2024	\$ (1,332)	n/a
December 31, 2024	(479)	n/a
March 31, 2025	(443)	n/a
June 30, 2025	(294)	n/a
LTM net income (loss)	(2,548)	\$ (2,862)
Adjustments:		
Income tax provision (benefit)	(476)	(375)
Non-vehicle depreciation and amortization	125	139
Non-vehicle debt interest, net of interest income	460	375
Vehicle debt-related charges	46	45
Restructuring and restructuring related charge	29	66
Unrealized (gains) losses on financial instruments	103	7
(Gain) on sale of non-vehicle capital assets	(89)	—
Non-cash stock-based compensation forfeitures	—	(64)
Bankruptcy-related litigation reserve	292	292
Long-Lived Assets impairment	1,048	1,048
Change in fair value of Public Warrants	100	(275)
Other items	72	63
LTM Adjusted Corporate EBITDA	\$ (838)	\$ (1,541)

HERTZ GLOBAL HOLDINGS, INC.
KEY METRICS CALCULATIONS
REVENUE, UTILIZATION AND DEPRECIATION
Unaudited

Global RAC

	Three Months Ended June 30,		Percent Inc/(Dec)	Six Months Ended June 30,		Percent Inc/(Dec)
(\$ in millions, except where noted)	2025	2024		2025	2024	
Total RPD						
Revenues	\$ 2,185	\$ 2,353		\$ 3,998	\$ 4,433	
Foreign currency adjustment ^(a)	(32)	(17)		(35)	(36)	
Total Revenues - adjusted for foreign currency	\$ 2,153	\$ 2,336		\$ 3,963	\$ 4,397	
Transaction Days (in thousands)	38,695	39,721		72,597	76,575	
Total RPD (in dollars)	\$ 55.65	\$ 58.80	(5)%	\$ 54.59	\$ 57.42	(5)%
Total Revenue Per Unit Per Month						
Total Revenues - adjusted for foreign currency	\$ 2,153	\$ 2,336		\$ 3,963	\$ 4,397	
Average Rentable Vehicles (in whole units)	512,854	546,187		495,064	537,710	
Total revenue per unit (in whole dollars)	\$ 4,199	\$ 4,276		\$ 8,005	\$ 8,178	
Number of months in period (in whole units)	3	3		6	6	
Total RPU Per Month (in whole dollars)	\$ 1,400	\$ 1,425	(2)%	\$ 1,334	\$ 1,363	(2)%
Vehicle Utilization						
Transaction Days (in thousands)	38,695	39,721		72,597	76,575	
Average Rentable Vehicles (in whole units)	512,854	546,187		495,064	537,710	
Number of days in period (in whole units)	91	91		181	182	
Available Car Days (in thousands)	46,670	49,701		89,607	97,882	
Vehicle Utilization ^(b)	83%	80%		81%	78%	
Depreciation Per Unit Per Month						
Depreciation of revenue earning vehicles and lease charges, net	\$ 415	\$ 1,035		\$ 950	\$ 2,004	
Foreign currency adjustment ^(a)	(7)	(5)		(8)	(9)	
Adjusted depreciation of revenue earning vehicles and lease charges	\$ 408	\$ 1,030		\$ 942	\$ 1,995	
Average Vehicles (in whole units)	542,532	577,224		523,628	562,358	
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	\$ 752	\$ 1,784		\$ 1,800	\$ 3,548	
Number of months in period (in whole units)	3	3		6	6	
Depreciation Per Unit Per Month (in whole dollars)	\$ 251	\$ 595	(58)%	\$ 300	\$ 591	(49)%

Note: Global RAC represents Americas RAC and International RAC segment information on a combined basis and excludes Corporate

(a) Based on December 31, 2024 foreign exchange rates.

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

HERTZ GLOBAL HOLDINGS, INC.
KEY METRICS CALCULATIONS
REVENUE, UTILIZATION AND DEPRECIATION
Unaudited

Americas RAC

	Three Months Ended June 30,			Six Months Ended June 30,		
(\$ in millions, except where noted)	2025	2024	Percent Inc/(Dec)	2025	2024	Percent Inc/(Dec)
Total RPD						
Revenues	\$ 1,738	\$ 1,928		\$ 3,228	\$ 3,667	
Foreign currency adjustment ^(a)	(3)	(4)		(3)	(7)	
Total Revenues - adjusted for foreign currency	\$ 1,735	\$ 1,924		\$ 3,225	\$ 3,660	
Transaction Days (in thousands)	30,935	32,216		58,693	62,776	
Total RPD (in dollars)	\$ 56.08	\$ 59.73	(6)%	\$ 54.94	\$ 58.30	(6)%
Total Revenue Per Unit Per Month						
Total Revenues - adjusted for foreign currency	\$ 1,735	\$ 1,924		\$ 3,225	\$ 3,660	
Average Rentable Vehicles (in whole units)	407,336	439,284		397,047	436,553	
Total revenue per unit (in whole dollars)	\$ 4,259	\$ 4,381		\$ 8,122	\$ 8,383	
Number of months in period (in whole units)	3	3		6	6	
Total RPU Per Month (in whole dollars)	\$ 1,420	\$ 1,460	(3)%	\$ 1,354	\$ 1,397	(3)%
Vehicle Utilization						
Transaction Days (in thousands)	30,935	32,216		58,693	62,776	
Average Rentable Vehicles (in whole units)	407,336	439,284		397,047	436,553	
Number of days in period (in whole units)	91	91		181	182	
Available Car Days (in thousands)	37,068	39,974		71,865	79,470	
Vehicle Utilization ^(b)	83%	81 %		82 %	79 %	
Depreciation Per Unit Per Month						
Depreciation of revenue earning vehicles and lease charges, net	\$ 325	\$ 905		\$ 787	\$ 1,781	
Foreign currency adjustment ^(a)	(1)	(1)		(1)	(1)	
Adjusted depreciation of revenue earning vehicles and lease charges	\$ 324	\$ 904		\$ 786	\$ 1,780	
Average Vehicles (in whole units)	435,737	467,863		424,559	459,224	
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	\$ 744	\$ 1,932		\$ 1,852	\$ 3,875	
Number of months in period (in whole units)	3	3		6	6	
Depreciation Per Unit Per Month (in whole dollars)	\$ 248	\$ 644	(61)%	\$ 309	\$ 646	(52)%

(a) Based on December 31, 2024 foreign exchange rates.

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

HERTZ GLOBAL HOLDINGS, INC.
KEY METRICS CALCULATIONS
REVENUE, UTILIZATION AND DEPRECIATION
Unaudited

International RAC

	Three Months Ended June 30,		Percent Inc/(Dec)	Six Months Ended June 30,		Percent Inc/(Dec)
(\$ in millions, except where noted)	2025	2024		2025	2024	
Total RPD						
Revenues	\$ 447	\$ 425		\$ 770	\$ 766	
Foreign currency adjustment ^(a)	(28)	(14)		(32)	(28)	
Total Revenues - adjusted for foreign currency	\$ 419	\$ 411		\$ 738	\$ 738	
Transaction Days (in thousands)	7,760	7,505		13,904	13,799	
Total RPD (in dollars)	\$ 53.93	\$ 54.78	(2)%	\$ 53.11	\$ 53.46	(1)%
Total Revenue Per Unit Per Month						
Total Revenues - adjusted for foreign currency	\$ 419	\$ 411		\$ 738	\$ 738	
Average Rentable Vehicles (in whole units)	105,518	106,903		98,017	101,156	
Total revenue per unit (in whole dollars)	\$ 3,967	\$ 3,846		\$ 7,534	\$ 7,293	
Number of months in period (in whole units)	3	3		6	6	
Total RPU Per Month (in whole dollars)	\$ 1,322	\$ 1,282	3 %	\$ 1,256	\$ 1,216	3 %
Vehicle Utilization						
Transaction Days (in thousands)	7,760	7,505		13,904	13,799	
Average Rentable Vehicles (in whole units)	105,518	106,903		98,017	101,156	
Number of days in period (in whole units)	91	91		181	182	
Available Car Days (in thousands)	9,601	9,727		17,752	18,413	
Vehicle Utilization ^(b)	81%	77%		78%	75%	
Depreciation Per Unit Per Month						
Depreciation of revenue earning vehicles and lease charges, net	\$ 90	\$ 130		\$ 163	\$ 223	
Foreign currency adjustment ^(a)	(6)	(4)		(7)	(7)	
Adjusted depreciation of revenue earning vehicles and lease charges	\$ 84	\$ 126		\$ 156	\$ 216	
Average Vehicles (in whole units)	106,795	109,361		99,069	103,134	
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	\$ 782	\$ 1,153		\$ 1,575	\$ 2,090	
Number of months in period (in whole units)	3	3		6	6	
Depreciation Per Unit Per Month (in whole dollars)	\$ 261	\$ 384	(32)%	\$ 262	\$ 348	(25)%

(a) Based on December 31, 2024 foreign exchange rates.

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

NON-GAAP MEASURES AND KEY METRICS

The term “GAAP” refers to accounting principles generally accepted in the United States. 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 EPS")

Adjusted Net Income (Loss) represents income or loss attributable to the Company as adjusted to eliminate the impact of GAAP income tax; vehicle and non-vehicle debt-related charges; restructuring and restructuring related charges; acquisition accounting-related depreciation and amortization; unrealized (gains) losses on financial instruments; change in fair value of Public Warrants and certain other miscellaneous or non-recurring 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 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 EPS are important operating metrics because they allow management and investors 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; non-vehicle debt interest, net; vehicle debt-related charges; restructuring and restructuring related charges; unrealized (gains) losses on financial instruments; change in fair value of Public Warrants and certain other miscellaneous or non-recurring 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 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 and investors 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 operating cash flow and adjusted free cash flow

Adjusted operating cash flow represents net cash provided by operating activities net of the non-cash add back for vehicle depreciation and reserves, and exclusive of bankruptcy related payments made post emergence. Adjusted operating cash flow is an important performance measure to management and investors as it provides useful information about the amount of cash generated from operations when fully burdened by fleet costs.

Adjusted free cash flow represents adjusted operating cash flow plus the impact of net non-vehicle capital expenditures and net fleet growth after financing. Adjusted free cash flow is an important performance measure to

management and investors as it provides useful information about the amount of cash available for, but not limited to, the reduction of non-vehicle debt, share repurchase and acquisition.

The most comparable GAAP measure for adjusted operating cash flow and adjusted free cash flow is net cash provided by (used in) operating activities.

Net Fleet Growth After Financing

U.S. and International Rental Car segments Fleet Growth is defined as 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 as it allows the Company to assess the cash flow required to support its investment in revenue earning vehicles.

Net Non-vehicle Debt

Net Non-vehicle Debt is calculated as non-vehicle debt as reported on the Company's balance sheet, excluding the impact of unamortized debt issuance costs associated with non-vehicle debt, less cash and cash equivalents. Non-vehicle debt consists of the Company's Senior Term Loans, Senior RCF, First Lien Senior Notes, Second Lien Exchangeable Notes, Senior Unsecured Notes, Promissory Notes and certain other non-vehicle indebtedness of its domestic and foreign subsidiaries. Net Non-vehicle Debt is important to management and investors as it helps measure the Company's corporate leverage. Net Non-vehicle Debt 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

Net Vehicle Debt is calculated as vehicle debt as reported on the Company's balance sheet, excluding the impact of unamortized debt issue costs 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. 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

Total Net Debt is calculated as total debt, excluding the impact of unamortized debt issuance costs, less total cash and cash equivalents and restricted cash associated with vehicle debt. Unamortized debt issuance costs are required to be reported as a deduction from the carrying amount of the related debt obligation under GAAP. Management believes that eliminating the effects that these costs have on debt will more accurately reflect the Company's net debt position. Total Net Debt is important to management, investors and ratings agencies as it helps measure the Company's gross leverage.

Net Corporate Leverage

Net Corporate Leverage is calculated as non-vehicle net debt divided by Adjusted Corporate EBITDA for the last twelve months. Net Corporate Leverage is important to management and investors as it measures the Company's corporate leverage net of unrestricted cash. Net Corporate Leverage also assists in the evaluation of the Company's ability to service its non-vehicle debt with reference to the generation of Adjusted Corporate EBITDA.

KEY METRICS

Available Car Days

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

Average Rentable Vehicles

Average Rentable Vehicles reflects Average Vehicles excluding vehicles for sale on the Company's retail lots or actively in the process of being sold through other disposition channels.

Depreciation Per Unit Per Month ("Depreciation Per Unit" or "DPU")

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 so as not to affect the comparability of underlying trends. This metric is important to management and investors as it reflects how effectively the Company is managing the costs of its vehicles and facilitates 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 revenue generated per transaction day, excluding the impact of foreign currency exchange rates so as not to affect the comparability of underlying trends. This metric is important to management and investors as it represents a measure of changes in the 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", "RPU" or "Total RPU Per Month")

Total RPU Per Month represents the amount of revenue generated per vehicle in the rental fleet each month, excluding the impact of foreign currency exchange rates so as not to affect the comparability of underlying trends. This metric is important to management and investors as it provides a measure of revenue productivity relative to the number of vehicles in our rental fleet whether owned or leased, or asset efficiency.

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

Transaction Days represents 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 rentable fleet capacity.