UNITED STATES
SECURITIES AND EXCHANGE COMMISSION

WASHINGTON, D.C. 20549

FORM 10-Q

☒ **QUARTERLY REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the quarterly period ended September 30, 2026

OR

☐ **TRANSITION REPORT PURSUANT TO SECTION 13 OR 15(d) OF THE SECURITIES EXCHANGE ACT OF 1934**

For the transition period from _____ to _____

Commission File Number	Exact Name of Registrant as Specified in its Charter, Principal Executive Office Address, Zip Code and Telephone Number	State of Incorporation	I.R.S. Employer Identification No.
001-37665	**HERTZ GLOBAL HOLDINGS, INC.** 8501 Williams Road, Estero, Florida 33928 (239) 301-7000	**Delaware**	**61-1770902**
001-07541	**THE HERTZ CORPORATION** 8501 Williams Road, Estero, Florida 33928 (239) 301-7000	**Delaware**	**13-1938568**

Securities registered pursuant to Section 12(b) of the Act:

	Title of each class		Trading Symbol(s)	Name of each exchange on which registered
Hertz Global Holdings, Inc.	Common Stock	Par value $0.01 per share	HTZ	The Nasdaq Stock Market LLC
Hertz Global Holdings, Inc.	Warrants to purchase Common Stock	Each exercisable for one share of Hertz Global Holdings, Inc. common stock at an exercise price of $12.81 per share, subject to adjustment	HTZWW	The Nasdaq Stock Market LLC
The Hertz Corporation	None		None	None

Indicate by check mark whether the registrant (1) has filed all reports required to be filed by Section 13 or 15(d) of the Securities Exchange Act of 1934 during the preceding 12 months (or for such shorter period that the registrant was required to file such reports), and (2) has been subject to such filing requirements for the past 90 days.

Hertz Global Holdings, Inc. Yes ☒ No ☐

The Hertz Corporation[1] Yes ☐ No ☒

[1]As a voluntary filer, The Hertz Corporation is not subject to the filing requirements of Section 13 or 15(d) of the Securities Exchange Act of 1934 (the "Exchange Act"). The Hertz Corporation has filed all reports pursuant to Section 13 or 15(d) of the Exchange Act during the preceding 12 months as if it was subject to such filing requirements.

Indicate by check mark whether the registrant has submitted electronically every Interactive Data File required to be submitted pursuant to Rule 405 of Regulation S-T (§232.405 of this chapter) during the preceding 12 months (or for such shorter period that the registrant was required to submit such files).

Hertz Global Holdings, Inc. Yes ☒ No ☐
The Hertz Corporation Yes ☒ No ☐

Indicate by check mark whether the registrant is a large accelerated filer, an accelerated filer, a non-accelerated filer, a smaller reporting company, or an emerging growth company. See the definitions of "large accelerated filer," "accelerated filer," "smaller reporting company" and "emerging growth company" in Rule 12b-2 of the Exchange Act.

Hertz Global Holdings, Inc.	Large accelerated filer	☒	Accelerated filer	☐	Non-accelerated filer	☐
	Smaller reporting company	☐	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.	☐				
The Hertz Corporation	Large accelerated filer	☐	Accelerated filer	☐	Non-accelerated filer	☒
	Smaller reporting company	☐	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.	☐				

Indicate by check mark whether the registrant is a shell company (as defined in Rule 12b-2 of the Exchange Act).

Hertz Global Holdings, Inc. Yes ☐ No ☒
The Hertz Corporation Yes ☐ No ☒

Indicate by check mark whether the registrant has filed all documents and reports required to be filed by Sections 12, 13 or 15(d) of the Securities Exchange Act of 1934 subsequent to the distribution of securities under a plan confirmed by a court. Yes ☒ No ☐

Indicate the number of shares outstanding of each of the registrant's classes of common stock, as of the latest practicable date.

	Class	Shares Outstanding as of October 29, 2026
Hertz Global Holdings, Inc.	Common Stock, par value $0.01 per share	357,465,791
The Hertz Corporation[1]	Common Stock, par value $0.01 per share	100

[1](100% owned by Rental Car Intermediate Holdings, LLC)

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

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HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

PART I. FINANCIAL INFORMATION

ITEM 1. CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (UNAUDITED)

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HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
Unaudited
(In millions, except par value and share data)

	September 30, 2026	December 31, 2025
ASSETS		
Cash and cash equivalents	$ 531	$ 565
Restricted cash and cash equivalents:		
Vehicle	318	317
Non-vehicle	274	285
Total restricted cash and cash equivalents	592	602
Total cash and cash equivalents and restricted cash and cash equivalents	1,123	1,167
Receivables:		
Vehicle	416	381
Non-vehicle, net of allowance of $100 and $91, respectively	878	729
Total receivables, net	1,294	1,110
Prepaid expenses and other assets	707	782
Revenue earning vehicles:		
Vehicles	14,640	14,039
Less: accumulated depreciation	(1,673)	(1,513)
Total revenue earning vehicles, net	12,967	12,526
Property and equipment, net	497	566
Operating lease right-of-use assets	2,226	2,257
Intangible assets, net	2,887	2,858
Goodwill	1,045	1,045
Total assets[(1)]	$ 22,746	$ 22,311
LIABILITIES AND STOCKHOLDERS' EQUITY		
Accounts payable:		
Vehicle	$ 209	$ 342
Non-vehicle	663	517
Total accounts payable	872	859
Accrued liabilities	989	1,231
Accrued taxes, net	132	131
Debt:		
Vehicle	11,958	11,629
Non-vehicle	5,953	5,425
Total debt	17,911	17,054
Public Warrants	72	222
Operating lease liabilities	2,260	2,275
Self-insured liabilities	633	648
Deferred income taxes, net	366	350
Total liabilities[(1)]	23,235	22,770
Commitments and contingencies		
Stockholders' equity:		
Preferred stock, $0.01 par value, no shares issued and outstanding	—	—
Common stock, $0.01 par value, 531,373,578 and 486,543,836 shares issued, respectively, and 356,561,534 and 311,731,792 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	6,576	6,447
Retained earnings (Accumulated deficit)	(3,402)	(3,249)
Accumulated other comprehensive income (loss)	(238)	(232)
Total stockholders' equity (deficit)	(489)	(459)
Total liabilities and stockholders' equity (deficit)	$ 22,746	$ 22,311

(1) Hertz Global Holdings, Inc.'s consolidated total assets as of September 30, 2026 and December 31, 2025 include total assets of variable interest entities ("VIEs") of $1.4 billion and $1.3 billion, respectively, which can only be used to settle obligations of the VIEs. Hertz Global Holdings, Inc.'s consolidated total liabilities as of September 30, 2026 and December 31, 2025 include total liabilities of VIEs of $1.4 billion and $1.3 billion, respectively, for which the creditors of the VIEs have no recourse to Hertz Global Holdings, Inc. See "Pledges Related to Vehicle Financing" in Note 5, "Debt," for further information.

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Unaudited
(In millions, except per share data)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues	$ 2,617	$ 2,478	$ 7,017	$ 6,476
Expenses:				
Direct vehicle and operating	1,547	1,454	4,345	4,122
Depreciation of revenue earning vehicles and lease charges, net	468	457	1,436	1,407
Non-vehicle depreciation and amortization	28	29	80	88
Selling, general and administrative	256	241	750	706
Interest expense, net:				
Vehicle	163	161	474	453
Non-vehicle	88	86	292	445
Interest expense, net	251	247	766	898
Other (income) expense, net	5	3	6	14
(Gain) on sale of non-vehicle capital assets	—	(39)	(64)	(128)
Legal settlement	(6)	(154)	(6)	(154)
Change in fair value of Public Warrants	(19)	6	(150)	130
Total expenses	2,530	2,244	7,163	7,083
Income (loss) before income taxes	87	234	(146)	(607)
Income tax (provision) benefit	29	(50)	(7)	54
Net income (loss)	$ 116	$ 184	$ (153)	$ (553)
Weighted-average common shares outstanding:				
Basic	320	311	317	309
Diluted	475	364	396	309
Earnings (loss) per common share:				
Basic	$ 0.36	$ 0.59	$ (0.48)	$ (1.79)
Diluted	$ 0.20	$ 0.42	$ (0.59)	$ (1.79)

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
Unaudited
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ 116	$ 184	$ (153)	$ (553)
Other comprehensive income (loss):				
Foreign currency translation adjustments	4	(8)	(6)	47
Total comprehensive income (loss)	$ 120	$ 176	$ (159)	$ (506)

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
Unaudited
(In millions)

Balance as of:	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings (Accumulated deficit)	Accumulated Other Comprehensive Income (Loss)	Treasury Stock Shares	Treasury Stock Amount	Total Stockholders' Equity (Deficit)
December 31, 2024	—	$ —	307	$ 5	$ 6,396	$ (2,502)	$ (316)	175	$ (3,430)	$ 153
Net income (loss)	—	—	—	—	—	(443)	—	—	—	(443)
Other comprehensive income (loss)	—	—	—	—	—	—	15	—	—	15
Net settlement on vesting of restricted stock	—	—	1	—	(3)	—	—	—	—	(3)
Stock-based compensation charges	—	—	—	—	16	—	—	—	—	16
March 31, 2025	—	—	308	5	6,409	(2,945)	(301)	175	(3,430)	(262)
Net income (loss)	—	—	—	—	—	(294)	—	—	—	(294)
Other comprehensive income (loss)	—	—	—	—	—	—	40	—	—	40
Net settlement on vesting of restricted stock	—	—	2	—	(4)	—	—	—	—	(4)
Stock-based compensation charges	—	—	—	—	16	—	—	—	—	16
June 30, 2025	—	—	310	5	6,421	(3,239)	(261)	175	(3,430)	(504)
Net income (loss)	—	—	—	—	—	184	—	—	—	184
Other comprehensive income (loss)	—	—	—	—	—	—	(8)	—	—	(8)
Net settlement on vesting of restricted stock	—	—	1		(3)	—	—	—	—	(3)
Stock-based compensation charges	—	—	—	—	14	—	—	—	—	14
September 30, 2025	—	$ —	311	$ 5	$ 6,432	$ (3,055)	$ (269)	175	$ (3,430)	$ (317)

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDERS' EQUITY (DEFICIT)
Unaudited
(In millions)

Balance as of:	Preferred Stock Shares	Preferred Stock Amount	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Retained Earnings (Accumulated deficit)	Accumulated Other Comprehensive Income (Loss)	Treasury Stock Shares	Treasury Stock Amount	Total Stockholders' Equity (Deficit)
December 31, 2025	—	$ —	312	$ 5	$ 6,447	$ (3,249)	$ (232)	175	$ (3,430)	$ (459)
Net income (loss)	—	—	—	—	—	(333)	—	—	—	(333)
Other comprehensive income (loss)	—	—	—	—	—	—	(4)	—	—	(4)
Net settlement on vesting of restricted stock	—	—	3	—	(7)	—	—	—	—	(7)
Stock-based compensation charges	—	—	—	—	17	—	—	—	—	17
March 31, 2026	—	—	315	5	6,457	(3,582)	(236)	175	(3,430)	(786)
Net income (loss)	—	—	—	—	—	64	—	—	—	64
Other comprehensive income (loss)	—	—	—	—	—	—	(6)	—	—	(6)
Net settlement on vesting of restricted stock	—	—	3	—	(6)	—	—	—	—	(6)
Stock-based compensation charges	—	—	—	—	21	—	—	—	—	21
Shares issued under the ATM Program	—	—	1	—	3	—	—	—	—	3
Share Lending Agreement[(1)]	—	—	37	—	82	—	—	—	—	82
June 30, 2026	—	—	356	5	6,557	(3,518)	(242)	175	(3,430)	(628)
Net income (loss)	—	—	—	—	—	116	—	—	—	116
Other comprehensive income (loss)	—	—	—	—	—	—	4	—	—	4
Net settlement on vesting of restricted stock	—	—	1	—	(1)	—	—	—	—	(1)
Stock-based compensation charges	—	—	—	—	18	—	—	—	—	18
Share Lending Agreement	—	—	—	—	2	—	—	—	—	2
September 30, 2026	—	$ —	357	$ 5	$ 6,576	$ (3,402)	$ (238)	175	$ (3,430)	$ (489)

(1) In June 2026, Hertz Global entered into the Share Lending Agreement, as defined and disclosed in Note 5, "Debt." The borrowed shares are excluded for purposes of basic and diluted earnings (loss) per share. Refer to Note 8, "Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global," for further details.

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Unaudited
(In millions)

	Nine Months Ended September 30,	
	2026	2025
Cash flows from operating activities:		
Net income (loss)	$ (153)	$ (553)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and reserves for revenue earning vehicles, net	1,600	1,585
Depreciation and amortization, non-vehicle	80	88
Amortization of deferred financing costs and debt discount (premium)	61	55
Accreted interest on Exchangeable Notes	27	6
Non-cash paid-in-kind ("PIK") interest on Exchangeable Notes	22	21
Stock-based compensation charges	56	46
Provision for receivables allowance	120	86
Deferred income taxes, net	10	(88)
(Gain) loss on sale of non-vehicle capital assets	(64)	(128)
Change in fair value of Public Warrants	(150)	130
Unrealized (gain) loss on financial instruments	(163)	72
Other	3	5
Changes in assets and liabilities:		
Non-vehicle receivables	(274)	(22)
Prepaid expenses and other assets	(53)	(30)
Operating lease right-of-use assets	327	323
Non-vehicle accounts payable	117	43
Accrued liabilities	(246)	59
Accrued taxes, net	3	3
Operating lease liabilities	(311)	(304)
Self-insured liabilities	(12)	35
Net cash provided by (used in) operating activities	1,000	1,432
Cash flows from investing activities:		
Revenue earning vehicles expenditures	(8,845)	(7,799)
Proceeds from disposal of revenue earning vehicles	6,778	5,970
Non-vehicle capital asset expenditures	(84)	(70)
Proceeds from disposal of non-vehicle capital assets	125	177
Return of (investment in) equity investments	(1)	—
Net cash provided by (used in) investing activities	(2,027)	(1,722)
Cash flows from financing activities:		
Proceeds from issuance of vehicle debt	4,165	4,624
Repayments of vehicle debt	(3,825)	(4,285)
Proceeds from issuance of non-vehicle debt	2,621	1,831
Repayments of non-vehicle debt	(1,894)	(1,378)
Payment of financing costs	(66)	(68)

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Unaudited
(In millions)

	Nine Months Ended September 30,	
	2026	2025
Purchase of Capped Call Transactions 2030, net	—	(38)
Proceeds from the issuance of stock, net	3	—
Other	(13)	(9)
Net cash provided by (used in) financing activities	991	677
Effect of foreign currency exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	(8)	29
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents during the period	(44)	416
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period	1,167	1,133
Cash and cash equivalents and restricted cash and cash equivalents at end of period	$ 1,123	$ 1,549
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest, net of amounts capitalized:		
Vehicle	$ 458	$ 400
Non-vehicle	355	349
Income taxes, net of refunds	29	54
Supplemental disclosures of non-cash information:		
Purchases of revenue earning vehicles included in accounts payable, net of incentives	$ 122	$ 200
Sales of revenue earning vehicles included in vehicle receivables	330	347
Purchases of non-vehicle capital assets included in accounts payable	29	12
Revenue earning vehicles and non-vehicle capital assets acquired through finance lease	44	39

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED BALANCE SHEETS
Unaudited
(In millions, except par value and share data)

	September 30, 2026	December 31, 2025
ASSETS		
Cash and cash equivalents	$ 531	$ 565
Restricted cash and cash equivalents:		
Vehicle	318	317
Non-vehicle	274	285
Total restricted cash and cash equivalents	592	602
Total cash and cash equivalents and restricted cash and cash equivalents	1,123	1,167
Receivables:		
Vehicle	416	381
Non-vehicle, net of allowance of $100 and $91, respectively	878	729
Total receivables, net	1,294	1,110
Prepaid expenses and other assets	706	779
Revenue earning vehicles:		
Vehicles	14,640	14,039
Less: accumulated depreciation	(1,673)	(1,513)
Total revenue earning vehicles, net	12,967	12,526
Property and equipment, net	497	566
Operating lease right-of-use assets	2,226	2,257
Intangible assets, net	2,887	2,858
Goodwill	1,045	1,045
Total assets[(1)]	$ 22,745	$ 22,308
LIABILITIES AND STOCKHOLDER'S EQUITY		
Accounts payable:		
Vehicle	$ 209	$ 342
Non-vehicle	663	517
Total accounts payable	872	859
Accrued liabilities	989	1,231
Accrued taxes, net	132	131
Debt:		
Vehicle	11,958	11,629
Non-vehicle	6,035	5,425
Total debt	17,993	17,054
Operating lease liabilities	2,260	2,275
Self-insured liabilities	633	648
Deferred income taxes, net	367	353
Total liabilities[(1)]	23,246	22,551
Commitments and contingencies		
Stockholder's equity:		
Common stock, $0.01 par value, 3,000 shares authorized and 100 shares issued and outstanding	—	—
Additional paid-in capital	4,697	4,648
Retained earnings (Accumulated deficit)	(4,960)	(4,659)
Accumulated other comprehensive income (loss)	(238)	(232)
Total stockholder's equity (deficit)	(501)	(243)
Total liabilities and stockholder's equity (deficit)	$ 22,745	$ 22,308

(1) The Hertz Corporation's consolidated total assets as of September 30, 2026 and December 31, 2025 include total assets of VIEs of $1.4 billion and $1.3 billion, respectively, which can only be used to settle obligations of the VIEs. The Hertz Corporation's consolidated total liabilities as of September 30, 2026 and December 31, 2025 include total liabilities of VIEs of $1.4 billion and $1.3 billion, respectively, for which the creditors of the VIEs have no recourse to The Hertz Corporation. See "Pledges Related to Vehicle Financing" in Note 5, "Debt," for further information.

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
Unaudited
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Revenues	$ 2,617	$ 2,478	$ 7,017	$ 6,476
Expenses:				
Direct vehicle and operating	1,547	1,454	4,345	4,122
Depreciation of revenue earning vehicles and lease charges, net	468	457	1,436	1,407
Non-vehicle depreciation and amortization	28	29	80	88
Selling, general and administrative	256	241	748	706
Interest expense, net:				
Vehicle	163	161	474	453
Non-vehicle	88	86	292	445
Interest expense, net	251	247	766	898
Other (income) expense, net	5	3	6	14
(Gain) on sale of non-vehicle capital assets	—	(39)	(64)	(128)
Legal settlement	(6)	(154)	(6)	(154)
Total expenses	2,549	2,238	7,311	6,953
Income (loss) before income taxes	68	240	(294)	(477)
Income tax (provision) benefit	30	(50)	(7)	54
Net income (loss)	$ 98	$ 190	$ (301)	$ (423)

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF COMPREHENSIVE INCOME (LOSS)
Unaudited
(In millions)

	Three Months Ended September 30,		Nine Months Ended September 30,	
	2026	2025	2026	2025
Net income (loss)	$ 98	$ 190	$ (301)	$ (423)
Other comprehensive income (loss):				
Foreign currency translation adjustments	4	(8)	(6)	47
Total comprehensive income (loss)	$ 102	$ 182	$ (307)	$ (376)

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY (DEFICIT)
Unaudited
(In millions, except share data)

Balance as of:	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholder's Equity (Deficit)
December 31, 2024	100	$ —	$ 4,598	$ (3,956)	$ (316)	$ 326
Net income (loss)	—	—	—	(434)	—	(434)
Other comprehensive income (loss)	—	—	—	—	15	15
Stock-based compensation charges	—	—	16	—	—	16
Dividends paid to Hertz Holdings	—	—	(3)	—	—	(3)
March 31, 2025	100	—	4,611	(4,390)	(301)	(80)
Net income (loss)	—	—	—	(179)	—	(179)
Other comprehensive income (loss)	—	—	—	—	40	40
Stock-based compensation charges	—	—	16	—	—	16
Dividends paid to Hertz Holdings	—	—	(4)	—	—	(4)
June 30, 2025	100	—	4,623	(4,569)	(261)	(207)
Net income (loss)	—	—	—	190	—	190
Other comprehensive income (loss)	—	—	—	—	(8)	(8)
Stock-based compensation charges	—	—	14	—	—	14
Dividends paid to Hertz Holdings	—	—	(4)	—	—	(4)
September 30, 2025	100	$ —	$ 4,633	$ (4,379)	$ (269)	$ (15)

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CHANGES IN STOCKHOLDER'S EQUITY (DEFICIT)
Unaudited
(In millions, except share data)

Balance as of:	Common Stock Shares	Common Stock Amount	Additional Paid-In Capital	Accumulated Deficit	Accumulated Other Comprehensive Income (Loss)	Total Stockholder's Equity (Deficit)
December 31, 2025	100	$ —	$ 4,648	$ (4,659)	$ (232)	$ (243)
Net income (loss)	—	—	—	(365)	—	(365)
Other comprehensive income (loss)	—	—	—	—	(4)	(4)
Stock-based compensation charges	—	—	17	—	—	17
Dividends paid to Hertz Holdings	—	—	(7)	—	—	(7)
March 31, 2026	100	—	4,658	(5,024)	(236)	(602)
Net income (loss)	—	—	—	(34)	—	(34)
Other comprehensive income (loss)	—	—	—	—	(6)	(6)
Stock-based compensation charges	—	—	21	—	—	21
Dividends paid to Hertz Holdings	—	—	(6)	—	—	(6)
June 30, 2026	100	—	4,673	(5,058)	(242)	(627)
Net income (loss)	—	—	—	98	—	98
Other comprehensive income (loss)	—	—	—	—	4	4
Stock-based compensation charges	—	—	18	—	—	18
Share Lending Agreement amortization	—	—	3	—	—	3
Contributions from Hertz Holdings	—	—	3	—	—	3
September 30, 2026	100	$ —	$ 4,697	$ (4,960)	$ (238)	$ (501)

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Unaudited
(In millions)

	Nine Months Ended September 30,	
	2026	2025
Cash flows from operating activities:		
Net income (loss)	$ (301)	$ (423)
Adjustments to reconcile net income (loss) to net cash provided by (used in) operating activities:		
Depreciation and reserves for revenue earning vehicles, net	1,600	1,585
Depreciation and amortization, non-vehicle	80	88
Amortization of deferred financing costs and debt discount (premium)	61	55
Accreted interest on Exchangeable Notes	27	6
Non-cash PIK interest on Exchangeable Notes	22	21
Stock-based compensation charges	56	46
Provision for receivables allowance	120	86
Deferred income taxes, net	10	(88)
(Gain) loss on sale of non-vehicle capital assets	(64)	(128)
Unrealized (gain) loss on financial instruments	(163)	72
Other	2	6
Changes in assets and liabilities:		
Non-vehicle receivables	(274)	(22)
Prepaid expenses and other assets	(54)	(28)
Operating lease right-of-use assets	327	323
Non-vehicle accounts payable	117	43
Accrued liabilities	(246)	59
Accrued taxes, net	3	3
Operating lease liabilities	(311)	(304)
Self-insured liabilities	(12)	35
Net cash provided by (used in) operating activities	1,000	1,435
Cash flows from investing activities:		
Revenue earning vehicles expenditures	(8,845)	(7,799)
Proceeds from disposal of revenue earning vehicles	6,778	5,970
Non-vehicle capital asset expenditures	(84)	(70)
Proceeds from disposal of non-vehicle capital assets	125	177
Return of (investment in) equity investments	(1)	—
Net cash provided by (used in) investing activities	(2,027)	(1,722)
Cash flows from financing activities:		
Proceeds from issuance of vehicle debt	4,165	4,624
Repayments of vehicle debt	(3,825)	(4,285)
Proceeds from issuance of non-vehicle debt	2,621	1,831
Repayments of non-vehicle debt	(1,894)	(1,378)
Payment of financing costs	(66)	(68)
Purchase of Capped Call Transactions 2030, net	—	(38)

The accompanying notes are an integral part of these financial statements.

THE HERTZ CORPORATION AND SUBSIDIARIES
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS
Unaudited
(In millions)

	Nine Months Ended September 30,	
	2026	2025
Dividends paid to Hertz Holdings	(13)	(11)
Contributions from (distributions to) affiliates, net	3	—
Net cash provided by (used in) financing activities	991	675
Effect of foreign currency exchange rate changes on cash and cash equivalents and restricted cash and cash equivalents	(8)	29
Net increase (decrease) in cash and cash equivalents and restricted cash and cash equivalents during the period	(44)	417
Cash and cash equivalents and restricted cash and cash equivalents at beginning of period	1,167	1,132
Cash and cash equivalents and restricted cash and cash equivalents at end of period	$ 1,123	$ 1,549
Supplemental disclosures of cash flow information:		
Cash paid during the period for:		
Interest, net of amounts capitalized:		
Vehicle	$ 458	$ 400
Non-vehicle	355	349
Income taxes, net of refunds	29	54
Supplemental disclosures of non-cash information:		
Purchases of revenue earning vehicles included in accounts payable, net of incentives	$ 122	$ 200
Sales of revenue earning vehicles included in vehicle receivables	330	347
Purchases of non-vehicle capital assets included in accounts payable	29	12
Revenue earning vehicles and non-vehicle capital assets acquired through finance lease	44	39

The accompanying notes are an integral part of these financial statements.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS
Unaudited

Note 1—Background

Hertz Global Holdings, Inc. ("Hertz Global" when including its subsidiaries and VIEs and "Hertz Holdings" when excluding its subsidiaries and VIEs) was incorporated in Delaware in 2015 to serve as the top-level holding company for Rental Car Intermediate Holdings, LLC, which wholly owns The Hertz Corporation ("Hertz" and interchangeably with Hertz Global, the "Company"), Hertz Global's primary operating company. Hertz was incorporated in Delaware in 1967 and is a successor to corporations that have been engaged in the vehicle rental and leasing business since 1918.

Hertz operates its vehicle rental business globally primarily through the Hertz, Dollar and Thrifty brands from company-operated and franchisee locations in the United States ("U.S."), Europe, Africa, Asia, Australia, Canada, the Caribbean, Latin America, the Middle East and New Zealand. The Company also sells vehicles through Hertz Car Sales.

Note 2—Basis of Presentation and Recently Issued Accounting Pronouncements

Basis of Presentation

This Quarterly Report on Form 10-Q ("Quarterly Report") combines the quarterly reports on Form 10-Q for the quarterly period ended September 30, 2026 of Hertz Global and Hertz. Hertz Global consolidates Hertz for financial statement purposes and, therefore, disclosures that relate to activities of Hertz also apply to Hertz Global. In the sections that combine disclosure of Hertz Global and Hertz, this Quarterly Report refers to actions as being actions of the Company, or Hertz Global, which is appropriate because the business is one enterprise and Hertz Global operates the business through Hertz. When appropriate, Hertz Global and Hertz are named specifically for their individual disclosures and any significant differences between the operations and results of Hertz Global and Hertz are separately disclosed and explained.

The accompanying unaudited condensed consolidated financial statements have been prepared in accordance with accounting principles generally accepted in the U.S. (“U.S. GAAP”). In the opinion of management, the unaudited condensed consolidated financial statements reflect all adjustments of a normal recurring nature that are necessary for a fair presentation of the results for the interim periods presented. Interim results are not necessarily indicative of results for a full year. The Company's vehicle rental operations are typically a seasonal business, with decreased levels of business in the winter months and heightened activity during the spring and summer months for the majority of countries where the Company generates revenues.

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and footnotes. Actual results could differ materially from those estimates.

The December 31, 2025 unaudited condensed consolidated balance sheet data is derived from the audited financial statements at that date but does not include all disclosures required by U.S. GAAP. The information included in this Quarterly Report should be read in conjunction with information included in the Company's Annual Report on Form 10-K for the year ended December 31, 2025 ("2025 Form 10-K"), as filed with the Securities and Exchange Commission ("SEC") on February 26, 2026.

Segment Information

The Oro Mobility transactions, as further disclosed in Note 15, "Subsequent Events," along with the implementation of the Company's new Platform Operating Model, as defined in Note 15, "Subsequent Events," are expected to impact the Company's operating and reportable segments. As a result, the Company expects to revise its reportable segments effective in the fourth quarter of 2026.

Effective in the first quarter of 2026, the Company revised its definition of Adjusted EBITDA, the Company's measure of segment profitability, to better reflect the Company's chief operating decision maker's ("CODM") view of ongoing operations and assessment of the Company's operational performance. The presentation of the prior periods has been recast to conform to the current period presentation. See Note 14, "Segment Information," for further information.

Principles of Consolidation

The unaudited condensed consolidated financial statements of Hertz Global include the accounts of Hertz Global, its wholly owned and majority owned U.S. and international subsidiaries and its VIEs, as applicable. The unaudited condensed consolidated financial statements of Hertz include the accounts of Hertz, its wholly owned and majority owned U.S. and international subsidiaries and its VIEs, as applicable. The Company consolidates a VIE when it is deemed the primary beneficiary of the VIE. All significant intercompany transactions have been eliminated in consolidation.

Recently Issued Accounting Pronouncements

Not Yet Adopted

Disaggregation of Income Statement Expenses

In November 2024, the Financial Accounting Standards Board (the "FASB") issued guidance to enhance disclosures related to, among other items, specified information about certain costs and expenses for commonly presented expense captions included in the financial statements. The guidance is effective for annual periods beginning after December 15, 2026, and interim reporting periods beginning after December 15, 2027, using either a prospective or retrospective transition method. Early adoption is permitted. The Company expects to adopt the guidance when it becomes effective, and the Company further expects that adoption of the guidance will result in expanded disclosures with no material impact on its consolidated financial statements. The Company is in the process of determining the method of adoption.

Targeted Improvements to the Accounting for Internal-Use Software

In September 2025, the FASB issued guidance to modernize the accounting for internal-use software costs. The guidance removes references to prescriptive and sequential software development stages, and requires an entity to start capitalizing software costs when both of the following occur: (i) management has authorized and committed to funding the project and (ii) it is probable that the project will be completed and the software will be used to perform the function intended. The guidance also specifies that disclosures in Accounting Standards Codification ("ASC") Topic 360, *Property, Plant and Equipment*, are required for all capitalized internal-use software costs, regardless of how those costs are presented in the financial statements.

The guidance is effective for annual periods beginning after December 15, 2027, and interim reporting periods within those annual reporting periods, using either a prospective, retrospective or modified transition approach. Early adoption is permitted. The Company expects to adopt the guidance when it becomes effective using a prospective or modified transition application. The Company is in the process of assessing the overall impact of adopting this guidance on its financial position, results of operations and cash flows.

Note 3—Divestitures

Sale-Leasebacks of Non-Vehicle Capital Assets

In the second quarter of 2026, the Company sold and leased back certain real estate associated with sites in its Americas RAC segment. The table below reflects the results of these transactions ($ in millions), in which a total pre-tax gain of $64 million was recognized on the sales and is included in the (Gain) on sale of non-vehicle capital assets in the accompanying unaudited condensed consolidated statements of operations for the nine months ended September 30, 2026.

Period of Sale	Location Type	Lease Classification	Lease Terms	Pre-tax Gain[1]	Financial Liability
April 2026	Operating site	Operating lease[2]	18 years	$ 9	$ —
June 2026	Operating site	Operating lease[2]	< one year	15	—
June 2026	Operating sites	Operating lease[2]	13 years	14	—
June 2026	Operating site	Operating lease[2]	15 years	7	—
June 2026	Various[3]	Various[4]	15 years	4	3
June 2026	Operating sites	Operating lease[2]	20 years	10	—
June 2026	Operating site	Various[4]	20 years	5	3
				$ 64	$ 6

(1) Recorded in (Gain) on sale of non-vehicle capital assets in the accompanying unaudited condensed consolidated statements of operations for the nine months ended September 30, 2026.

(2) The sale qualified for sale-leaseback accounting and is accounted for as an operating lease.

(3) Includes the sales of an airport rental location and operating sites.

(4) The land portions of the sales qualified for sale-leaseback accounting and are accounted for as operating leases. The buildings portions of the sales, inclusive of site improvements, did not meet the criteria for a sale and are considered financial liabilities. The financial liabilities are classified as other non-vehicle debt and recorded in Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheet as of September 30, 2026.

The Company expects to continue to evaluate and complete, when deemed appropriate, sales and lease backs of certain non-vehicle capital assets through the end of 2026.

In June 2025, the Company sold and leased back certain land and buildings, inclusive of site improvements, associated with operating sites in its Americas RAC segment. The Company recognized a total pre-tax gain of $89 million on the sales, which is included in (Gain) on sale of non-vehicle capital assets in the accompanying unaudited condensed consolidated statements of operations for the nine months ended September 30, 2025. The land portions of the sales qualified for sale-leaseback accounting, and were accounted for as operating leases with then expected terms of 40 years, inclusive of extensions the Company intends to exercise. The Company accounted for $6 million of proceeds associated with the buildings portion of the sales as financial liabilities, as the criteria for a sale were not met. The financial liabilities are classified as other non-vehicle debt and included in Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheets as of September 30, 2026 and December 31, 2025.

In July 2025, the Company sold and leased back certain real estate associated with two operating sites in its Americas RAC segment. The Company recognized a pre-tax gain of $39 million on the sales, which is included in (Gain) on sale of non-vehicle capital assets in the accompanying unaudited condensed consolidated statements of operations for the three and nine months ended September 30, 2025. The sales qualified for sale-leaseback accounting, in which the leasebacks were classified as operating leases with then expected terms of 50 years, inclusive of extensions the Company currently intends to exercise, and 15 years, respectively.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Unaudited

Note 4—Revenue Earning Vehicles

The components of revenue earning vehicles, net are as follows:

(In millions)	September 30, 2026	December 31, 2025
Revenue earning vehicles	$ 14,548	$ 13,848
Less accumulated depreciation	(1,673)	(1,513)
	12,875	12,335
Revenue earning vehicles held for sale, net[1]	92	191
Revenue earning vehicles, net	$ 12,967	$ 12,526

(1) Represents the carrying amount of non-program vehicles classified as held for sale as of the respective balance sheet date.

Depreciation of revenue earning vehicles and lease charges, net includes the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Depreciation of revenue earning vehicles	$ 410	$ 420	$ 1,299	$ 1,317
(Gain) loss on disposal of revenue earning vehicles[1]	19	4	47	25
Rents paid for vehicles leased	39	33	90	65
Depreciation of revenue earning vehicles and lease charges, net	$ 468	$ 457	$ 1,436	$ 1,407

(1) Includes costs associated with the sales of vehicles of $38 million and $140 million for the three and nine months ended September 30, 2026, respectively. Includes costs associated with the sales of vehicles of $49 million and $203 million for the three and nine months ended September 30, 2025, respectively.

Note 5—Debt

The Company's debt, including its credit facilities, consists of the following ($ in millions) as of September 30, 2026 and December 31, 2025:

Facility	Weighted-Average Interest Rate as of September 30, 2026	Fixed or Floating Interest Rate	Maturity	September 30, 2026	December 31, 2025
Non-Vehicle Debt					
First Lien RCF	7.42%	Floating	3/2028	$ 750	$ 395
Term B Loan	7.58%	Floating	6/2028	1,232	1,242
Incremental Term B Loan	7.57%	Floating	6/2028	486	490
Term C Loan	7.58%	Floating	6/2028	245	245
First Lien Senior Notes	12.63%	Fixed	7/2029	1,250	1,250
Exchangeable First Lien Notes Due 2030[1]	6.75%	Fixed	7/2030	380	—
Exchangeable Notes Due 2029[2]	8.00%	Fixed	7/2029	294	271
Exchangeable Notes Due 2030[3]	5.50%	Fixed	10/2030	425	425
Senior Notes Due 2026[4]	4.63%	Fixed	12/2026	199	200
Senior Notes Due 2029	5.00%	Fixed	12/2029	1,000	1,000
Other Non-Vehicle Debt[5][6]	7.48%	Fixed	Various	12	6
Fair Value of the Exchange Features 2029[7]	N/A	N/A	N/A	13	78

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Unaudited

Facility	Weighted-Average Interest Rate as of September 30, 2026	Fixed or Floating Interest Rate	Maturity	September 30, 2026	December 31, 2025
Fair Value of the Exchange Feature 2030[8]	N/A	N/A	N/A	11	54
Fair Value of the First Lien Exchangeable Feature 2030[9]	N/A	N/A	N/A	68	—
Unamortized Debt Issuance Costs[10] and Net (Discount) Premium[11][12]				(330)	(231)
Total Non-Vehicle Debt - Hertz				6,035	5,425
Unamortized Debt Issuance Cost - Share Lending Agreement[13]				(82)	—
Total Non-Vehicle Debt - Hertz Global				5,953	5,425
Vehicle Debt					
HVF III U.S. ABS Program					
HVF III U.S. Vehicle Variable Funding Notes					
HVF III Series 2021-A Class A[14]	5.43%	Floating	5/2028	877	1,237
HVF III Series 2021-A Class B[14]	9.28%	Fixed	8/2027	300	300
				1,177	1,537
HVF III U.S. Vehicle Medium Term Notes					
HVF III Series 2021-2[14]	2.12%	Fixed	12/2026	1,000	2,000
HVF III Series 2022-2[14]	2.78%	Fixed	6/2027	750	750
HVF III Series 2022-5[14]	4.67%	Fixed	9/2027	381	364
HVF III Series 2023-1[14]	N/A	N/A	N/A	—	500
HVF III Series 2023-2[14]	6.52%	Fixed	9/2028	314	300
HVF III Series 2023-3[14]	6.46%	Fixed	2/2027	417	500
HVF III Series 2023-4[14]	6.88%	Fixed	3/2029	524	500
HVF III Series 2024-1[14]	6.21%	Fixed	1/2028	393	375
HVF III Series 2024-2[14]	6.31%	Fixed	1/2030	393	375
HVF III Series 2025-1[14]	5.62%	Fixed	9/2028	524	500
HVF III Series 2025-2[14]	5.92%	Fixed	9/2030	524	500
HVF III Series 2025-3[14]	5.81%	Fixed	12/2028	393	375
HVF III Series 2025-4[14]	6.21%	Fixed	12/2030	325	310
HVF III Series 2025-5[14]	5.32%	Fixed	5/2029	472	450
HVF III Series 2025-6[14]	5.65%	Fixed	5/2031	577	550
HVF III Series 2026-1[14]	5.74%	Fixed	11/2029	500	—
HVF III Series 2026-2[14]	6.12%	Fixed	11/2031	500	—
HVF III Series 2026-3[14]	6.10%	Fixed	2/2030	358	—
HVF III Series 2026-4[14]	6.53%	Fixed	2/2032	477	—
				8,822	8,349
Vehicle Debt - Other					
European ABS[14]	4.89%	Floating	4/2028	1,047	965
Hertz Canadian Securitization[14]	4.07%	Floating	4/2028	406	307
Australian Securitization[14]	6.00%	Floating	9/2028	236	228
New Zealand RCF	5.79%	Floating	8/2028	62	64
U.K. ABS	5.56%	Floating	3/2028	137	109

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Unaudited

Facility	Weighted-Average Interest Rate as of September 30, 2026	Fixed or Floating Interest Rate	Maturity	September 30, 2026	December 31, 2025
Other Vehicle Debt[15]	6.21%	Floating	10/2026 - 8/2028	140	120
				2,028	1,793
Unamortized Debt Issuance Costs and Net (Discount) Premium				(69)	(50)
Total Vehicle Debt - Hertz and Hertz Global				11,958	11,629
Total Debt - Hertz				$ 17,993	$ 17,054
Total Debt - Hertz Global				$ 17,911	$ 17,054

(1) The effective interest rate of the Exchangeable First Lien Notes Due 2030, as defined and disclosed below, inclusive of the bifurcated First Lien Exchangeable Feature 2030, as defined and disclosed below, and PIK interest, was approximately 17.5% as of September 30, 2026.

(2) The effective interest rate of the Exchangeable Notes Due 2029, inclusive of the bifurcated Exchange Features 2029, as defined and disclosed in Note 11, "Fair Value Measurements," and PIK interest, was approximately 17.0% and 16.4% as of September 30, 2026 and December 31, 2025, respectively.

(3) The effective interest rate of the Exchangeable Notes Due 2030, inclusive of the bifurcated Exchange Feature 2030, as defined and disclosed in Note 11, "Fair Value Measurements," was approximately 12.0% as of September 30, 2026 and December 31, 2025.

(4) In December 2025, Hertz redeemed $300 million aggregate principal outstanding.

(5) Other non-vehicle debt is comprised of financial liabilities recognized from the sales of certain non-vehicle capital assets in the second quarters of 2026 and 2025, as disclosed in Note 3, "Divestitures."

(6) Reflects the effective interest rate of other non-vehicle debt.

(7) Reflects the fair value of the Exchange Features 2029, as defined and disclosed in Note 11, "Fair Value Measurements."

(8) Reflects the fair value of the Exchange Feature 2030, as defined and disclosed in Note 11, "Fair Value Measurements."

(9) Reflects the fair value of the First Lien Exchangeable Feature 2030, as disclosed in Note 11, "Fair Value Measurements."

(10) Includes unamortized debt issuance costs of $6 million and $8 million associated with the Exchangeable Notes Due 2029 as of September 30, 2026 and December 31, 2025, respectively. Also, includes $17 million and $20 million of unamortized debt issuance costs associated with the Exchangeable Notes Due 2030 as of September 30, 2026 and December 31, 2025, respectively. Additionally, includes unamortized debt issuance costs, exclusive of the Share Lending Agreement, of $14 million associated with the Exchangeable First Lien Notes Due 2030 as of September 30, 2026.

(11) Includes $83 million and $79 million as of September 30, 2026 and December 31, 2025, respectively, of unamortized debt discounts associated with the initial recognition of the Exchange Features 2029, as defined and disclosed in Note 11, "Fair Value Measurements." Also, includes $103 million as of September 30, 2026 and December 31, 2025, of unamortized debt discount associated with the initial recognition of the Exchange Feature 2030, as defined and disclosed in Note 11, "Fair Value Measurements." Additionally, includes $123 million as of September 30, 2026, of unamortized debt discount associated with the initial recognition of the First Lien Exchangeable Feature 2030, including the amount recognized in association with the Greenshoe Option as defined and further disclosed below and in Note 11, "Fair Value Measurements."

(12) Includes $4 million of unamortized debt discount associated with the Exchangeable Notes Due 2029 as of September 30, 2026 and December 31, 2025.

(13) Reflects the initial fair value of the Share Lending Agreement entered into concurrently with the Exchangeable First Lien Notes Due 2030, which is amortized over the term of the Exchangeable First Lien Notes Due 2030 using the effective interest method.

(14) Maturity reference is to the earlier "expected final maturity date" as opposed to the subsequent "legal final maturity date." The expected final maturity date is the date by which Hertz and investors in the relevant indebtedness originally expect the outstanding principal of the relevant indebtedness to be repaid in full. The legal final maturity date is the date on which the outstanding principal of the relevant indebtedness is legally due and payable in full.

(15) Other vehicle debt is primarily comprised of $100 million and $105 million in finance lease obligations as of September 30, 2026 and December 31, 2025, respectively.

Non-Vehicle Debt

Exchangeable Notes Due 2029

In June 2024, Hertz issued $250 million in aggregate principal amount of 8.000% Exchangeable Senior Second-Lien Secured PIK Notes due 2029 (the "Exchangeable Notes Due 2029"). The Exchangeable Notes Due 2029 bear PIK interest payable semi-annually in arrears on January 15 and July 15 (the "Semi-annual PIK Event"), which began in January 2025, where PIK interest increases the principal amount of the Exchangeable Notes Due 2029 upon each Semi-annual PIK Event. In connection with the Semi-annual PIK Event in each of the first and third quarters of 2026, the Company increased the principal amount of the Exchangeable Notes Due 2029 by $11 million.

Additionally, for each Semi-annual PIK Event, the Company bifurcates an associated embedded derivative (the "Exchange Feature 2029 PIK") from the Exchangeable Notes Due 2029 for accounting purposes utilizing applicable guidance. As a result of the Semi-annual PIK Event in the first quarter of 2026, the Company recognized an additional debt discount of $4 million within Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheet as of September 30, 2026, representing its initial fair value. Refer to Note 11, "Fair Value Measurements," for further details.

The net carrying amount of the Exchangeable Notes Due 2029 consists of the following as of:

(In millions)	September 30, 2026	December 31, 2025
Principal	$ 250	$ 250
Non-cash PIK interest	44	21
Unamortized debt discounts and issuance costs[1]	(10)	(12)
Unamortized discounts associated with the Exchange Features 2029[2]	(61)	(67)
Fair value of the Exchange Features 2029[3]	13	78
Net carrying amount	$ 236	$ 270

(1) Debt issuance costs are amortized to non-vehicle interest expense over the term of the Exchangeable Notes Due 2029 using the effective interest method.

(2) Reflects the unamortized discount associated with the Exchange Features 2029, as defined and disclosed in Note 11, "Fair Value Measurements," net of accretive interest, which is amortized to non-vehicle interest expense over the term of the Exchangeable Notes Due 2029 using the effective interest method.

(3) As defined and further disclosed in Note 11, "Fair Value Measurements."

Interest expense recognized for the Exchangeable Notes Due 2029 consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Non-cash PIK interest	$ 6	$ 6	$ 17	$ 16
Amortization of debt discounts and issuance costs	—	—	2	1
Accretive interest	3	2	10	6
(Gain) loss on fair value of the Exchange Features 2029[1]	(13)	(38)	(69)	73
Total	$ (4)	$ (30)	$ (40)	$ 96

(1) As defined and further disclosed in Note 11, "Fair Value Measurements."

Exchangeable Notes Due 2030

In September 2025, Hertz issued $425 million in aggregate principal amount of 5.500% Exchangeable Unsecured Senior Notes due 2030 (the "Exchangeable Notes Due 2030"). The Exchangeable Notes Due 2030 bear interest payable semi-annually in arrears on April 1 and October 1 of each year, beginning on April 1, 2026.

The net carrying amount of the Exchangeable Notes Due 2030 consists of the following as of:

(In millions)	September 30, 2026	December 31, 2025
Principal	$ 425	$ 425
Unamortized debt issuance costs[1]	(17)	(20)
Unamortized discounts associated with the Exchange Feature 2030[2]	(87)	(99)
Fair value of the Exchange Feature 2030[3]	11	54
Net carrying amount	$ 332	$ 360

(1) Debt issuance costs are amortized to non-vehicle interest expense over the term of the Exchangeable Notes Due 2030 using the effective interest method.

(2) Reflects the unamortized discount associated with the Exchange Feature 2030, as defined and disclosed in Note 11, "Fair Value Measurements," net of accretive interest, which is amortized to non-vehicle interest expense over the term of the Exchangeable Notes Due 2030 using the effective interest method.

(3) As defined and further disclosed in Note 11, "Fair Value Measurements."

Interest expense recognized for the Exchangeable Notes Due 2030 consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Contractual interest expense	$ 6	$ —	$ 18	$ —
Amortization of debt issuance costs	1	—	3	—
Accretive interest	4	—	12	—
(Gain) loss on fair value of the Exchange Feature 2030[1]	(10)	1	(43)	1
Total	$ 1	$ 1	$ (10)	$ 1

(1) As defined and further disclosed in Note 11, "Fair Value Measurements."

Exchangeable First Lien Notes Due 2030

In June 2026, Hertz issued $350 million in aggregate principal amount of 6.75% Exchangeable Senior First-Lien Secured PIK Notes due 2030 (the "Exchangeable First Lien Notes Due 2030"). Hertz also granted the initial purchasers an option to purchase (the "Greenshoe Option"), for settlement within a limited period of time from the initial issuance of the Exchangeable First Lien Notes Due 2030, up to an additional $50 million aggregate principal amount of Exchangeable First Lien Notes Due 2030. In July 2026, Hertz issued an additional $30 million aggregate principal amount of Exchangeable First Lien Notes Due 2030 pursuant to the Greenshoe Option. The remainder of the Greenshoe Option has expired.

The Exchangeable First Lien Notes Due 2030 bear interest payable semi-annually in arrears on January 1 and July 1 of each year, beginning in January 2027. Each payment of interest will consist of 3.375% per annum of such interest to be paid in cash and 3.375% per annum of such interest to be paid in the form of PIK interest. The Exchangeable First Lien Notes Due 2030 will mature on July 1, 2030, unless earlier repurchased, redeemed or exchanged (the "First Lien Exchangeable Feature 2030") in accordance with their terms prior to maturity.

The Exchangeable First Lien Notes Due 2030 will be exchangeable at any time until the close of business on the second scheduled trading day immediately preceding the maturity date. The Exchangeable First Lien Notes Due 2030 will be exchangeable by holders into shares of Hertz Global common stock, cash or a combination of Hertz Global common stock and cash, at Hertz's election. The aggregate number of shares of Hertz Global common stock that may be issued upon exchange of the Exchangeable First Lien Notes Due 2030 may not exceed 63,457,320 shares, unless and until the shareholders of Hertz Global approve the issuance of the Exchangeable First Lien Notes Due 2030. The exchange rate will initially be 279.5248 shares per $1,000 principal amount of Exchangeable First Lien Notes Due 2030, corresponding to an initial exchange price of approximately $3.58 per share of Hertz Global common stock. The exchange rate and exchange price will be subject to adjustment upon the occurrence of certain events.

Holders of the Exchangeable First Lien Notes Due 2030 will have the right to require Hertz to repurchase all or a portion of the Exchangeable First Lien Notes Due 2030 at 100% of their capitalized principal amount of the Exchangeable First Lien Notes Due 2030 plus accrued and unpaid cash interest up to, but excluding, the date of such repurchase, upon the occurrence of certain corporate events constituting a “fundamental change” as defined in the indenture governing the Exchangeable First Lien Notes Due 2030. Hertz may not redeem the Exchangeable First Lien Notes Due 2030 prior to January 6, 2029. On or after January 6, 2029 and on or prior to the 31st scheduled trading day immediately preceding the maturity date, if the last reported sale price per share of Hertz Global common stock has been at least 130% of the exchange price for the Exchangeable First Lien Notes Due 2030 for certain specified periods, and certain other conditions are satisfied, Hertz may redeem all or any portion (subject to certain limitations) of the Exchangeable First Lien Notes Due 2030. The redemption will be at a cash redemption price equal to the capitalized principal amount of the Exchangeable First Lien Notes Due 2030 to be redeemed plus accrued and unpaid cash interest to, but excluding, the date of such redemption.

Upon issuance, the Company bifurcated the First Lien Exchangeable Feature 2030 from the Exchangeable First Lien Notes Due 2030 for accounting purposes utilizing applicable guidance, and recognized a debt discount of $115 million, representing the initial fair value. In July 2026, in connection with the Greenshoe Option, an additional $8 million of the First Lien Exchangeable Feature 2030 was bifurcated for accounting purposes utilizing applicable guidance. The debt discounts are recognized within Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheet as of September 30, 2026. As of September 30, 2026, the fair value of the First Lien Exchangeable Feature 2030 was $68 million. Refer to Note 11, "Fair Value Measurements," for further details.

Concurrently with the issuance of the Exchangeable First Lien Notes Due 2030, Hertz Global agreed to lend a financial institution (the "Share Borrower"), acting as an underwriter of a public offering, a total of 37,037,037 shares of Hertz Global common stock (the "Borrowed Shares") pursuant to a share lending agreement (the "Share Lending Agreement") to help facilitate the successful completion of the Exchangeable First Lien Notes Due 2030 offering. Hertz Global received a one-time nominal lending fee for the Borrowed Shares equal to the par value of Hertz Global's common stock. The Share Borrower was obligated to furnish collateral equal in value to the market value of the Borrowed Shares as of the closing date of the Share Lending Agreement. The share loan under the Share Lending Agreement will terminate, and the Borrowed Shares must be returned to Hertz Global within five business days of such termination (subject to the Share Borrower's right to extend the settlement due date of the Borrowed Shares in certain circumstances), under the following circumstances: (i) the Share Borrower may terminate all or any portion of the loan at any time and (ii) on the earliest to occur of (a) October 1, 2030; (b) the date that is three months after the first date following the closing date of the Exchangeable First Lien Notes Due 2030 offering when none of the Exchangeable First Lien Notes Due 2030 remains outstanding; and (c) the date, if any, on which the Share Lending Agreement is terminated by the parties upon mutual agreement or by one party upon a default with respect to the other party. Cash repayment is not required by the Share Lending Agreement; however, it may be elected in certain instances involving default, legal prohibitions or a court order.

The Share Lending Agreement qualified for equity classification, and, as such, Hertz Global recognized a debt issuance cost of $85 million, representing the initial fair value of the Share Lending Agreement, as determined by the market value of the Borrowed Shares as of the closing date of the Share Lending Agreement. As of September 30, 2026, the fair value of the Borrowed Shares was $62 million, as determined by the market value of the Borrowed Shares as of such date. The shares borrowed under the Share Lending Agreement are excluded from the calculation of basic and diluted earnings (loss) per share. Refer to Note 8, "Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global," for further details.

The net carrying amount of the Exchangeable First Lien Notes Due 2030 consists of the following as of:

(In millions)	September 30, 2026
Principal	$ 380
Unamortized debt issuance costs[1]	(14)
Unamortized discounts associated with the First Lien Exchangeable Feature 2030[2]	(118)
Fair value of the First Lien Exchangeable Feature 2030[3]	68
Net carrying amount - Hertz	316
Unamortized debt issuance cost - Share Lending Agreement[4]	(82)
Net carrying amount - Hertz Global	$ 234

(1) Debt issuance costs, exclusive of the Share Lending Agreement, are amortized to non-vehicle interest expense over the term of the Exchangeable First Lien Notes Due 2030 using the effective interest method.

(2) Reflects the unamortized discount associated with the First Lien Exchangeable Feature 2030, net of accretive interest, which is amortized to non-vehicle interest expense over the term of the Exchangeable First Lien Notes Due 2030 using the effective interest method.

(3) As further disclosed in Note 11, "Fair Value Measurements."

(4) The initial fair value of the Share Lending Agreement is recognized by Hertz Global as a debt issuance cost of the Exchangeable First Lien Notes Due 2030 and is amortized to non-vehicle interest expense over the term of the Exchangeable First Lien Notes Due 2030 using the effective interest method.

Interest expense recognized for the Exchangeable First Lien Notes Due 2030 consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Non-cash PIK interest	$ 7	$ —	$ 7	$ —
Amortization of debt discounts and issuance costs	1	—	1	—
Amortization of debt discounts and issuance costs - Share Lending Agreement	3	—	3	—
Accretive interest	5	—	5	—
(Gain) loss on fair value of the First Lien Exchangeable Feature 2030[1]	(50)	—	(55)	—
Total	$ (34)	$ —	$ (39)	$ —

(1) As further disclosed in Note 11, "Fair Value Measurements."

Vehicle Debt

HVF III U.S. Vehicle Variable Funding Notes

In April 2026, Hertz Vehicle Financing III LLC ("HVF III"), a wholly owned, special-purpose and bankruptcy-remote subsidiary of Hertz, amended the HVF III Series 2021-A Notes to extend the maturity date of the Class A Notes to May 2028. The maximum principal of the Class A Notes is $3.2 billion until May 2027 and thereafter is $3.0 billion until May 2028, after giving effect to the terms of the amendment.

In November 2026, HVF III amended the HVF III Series 2021-A Notes to extend the maturity date of the Class B Notes to November 2028, as further disclosed in Note 15, "Subsequent Events."

HVF III U.S. Vehicle Medium Term Notes ("MTN")

In April 2026, HVF III issued Class E notes for certain of the outstanding series of notes under the HVF III MTN program (the "Class E Notes") in an aggregate principal amount of $221 million as detailed in the table below.

($ in millions)	Principal	Interest Rate	Maturity
Class E Notes			
HVF III Series 2022-5	$ 17	10.67 %	9/2027
HVF III Series 2023-2	14	10.99 %	9/2028
HVF III Series 2023-4	24	11.48 %	3/2029
HVF III Series 2024-1	18	10.95 %	1/2028
HVF III Series 2024-2	18	11.99 %	1/2030
HVF III Series 2025-1	24	10.99 %	9/2028
HVF III Series 2025-2	24	12.26 %	9/2030
HVF III Series 2025-3	18	11.47 %	12/2028
HVF III Series 2025-4	15	12.28 %	12/2030
HVF III Series 2025-5	22	11.72 %	5/2029
HVF III Series 2025-6	27	12.54 %	5/2031
Total Class E Notes	$ 221		

In May 2026, HVF III issued the Series 2026-1 Notes (Class A, Class B, Class C, Class D and Class E) and Series 2026-2 Notes (Class A, Class B, Class C, Class D and Class E) each in aggregate principal amount of $500 million with maturity dates of November 2029 and November 2031, respectively.

In August 2026, HVF III issued the Series 2026-3 Notes (Class A, Class B, Class C, Class D and Class E) and Series 2026-4 Notes (Class A, Class B, Class C, Class D and Class E) in aggregate principal amounts of $375 million and $500 million with maturity dates of February 2030 and February 2032, respectively. In addition, at the time of issuance, Hertz, an affiliate of HVF III, purchased the Class E Notes of the Series 2026-3 Notes and the Series 2026-4 Notes in aggregate principal amounts of $17 million and $23 million, respectively.

There is subordination within each of the preceding series based on class.

Vehicle Debt—Other

European ABS

In April 2026, International Fleet Financing No. 2 BV ("IFF No. 2"), an indirect, special-purpose subsidiary of Hertz, amended the European ABS, inclusive of Class A Notes, Class B Notes and Class C Notes, to extend the maturity date to April 2028. The aggregate maximum principal of the European ABS is €1.4 billion until April 2027 and thereafter is €1.1 billion until April 2028, after giving effect to terms of the amendment.

Hertz Canadian Securitization

In April 2026, TCL Funding Limited Partnership, a bankruptcy-remote, indirect, wholly owned and special-purpose subsidiary of Hertz, amended the Hertz Canadian Securitization to increase the aggregate maximum borrowings from CAD$475 million to CAD$625 million until November 2026, reverting to CAD$475 million thereafter until the extended maturity date of April 2028.

Australian Securitization

In July 2026, HA Fleet Pty Limited, an indirect wholly-owned subsidiary of Hertz, amended the Australian Securitization to provide for aggregate maximum borrowings of AUD$400 million and to extend the maturity date to September 2028.

New Zealand RCF

In August 2026, Hertz New Zealand Holdings, an indirect wholly-owned subsidiary of Hertz, amended the New Zealand RCF to extend the maturity date to August 2028. The aggregate maximum principal of the New Zealand RCF is NZD$150 million until April 2027 and thereafter is NZD$130 million until August 2028, after giving effect to terms of the amendment.

Maturities

The table below reflects the nominal amounts of the Company's debt maturities for each of the years ending December 31 as of September 30, 2026.

(In millions)	Total	2026	2027	2028	2029	2030	After 2030
Exchangeable Notes Due 2029	$ 294	$ —	$ —	$ —	$ 294	$ —	$ —
Exchangeable Notes Due 2030	425	—	—	—	—	425	—
Exchangeable First Lien Notes Due 2030	380	—	—	—	—	380	—
Other Non-Vehicle Debt	5,174	203	18	2,691	2,250	—	12
Total Non-Vehicle Debt	6,273	203	18	2,691	2,544	805	12
Vehicle Debt	12,027	1,272	2,020	4,427	1,721	1,130	1,457
Total	$ 18,300	$ 1,475	$ 2,038	$ 7,118	$ 4,265	$ 1,935	$ 1,469

Borrowing Capacity and Availability

Borrowing capacity and availability come from the Company's revolving credit facilities, which are a combination of variable funding asset-backed securitization facilities, cash-flow based revolving credit facilities and the First Lien RCF. Creditors under each such asset-backed securitization facility have a claim on a specific pool of assets as collateral. With respect to each such asset-backed securitization facility, the Company refers to the amount of debt it can borrow given a certain pool of assets as the borrowing base.

The Company refers to "Remaining Capacity" as the maximum principal amount of debt permitted to be outstanding under the respective facility (i.e., with respect to a variable funding asset-backed securitization facility, the amount of debt the Company could borrow, assuming it possessed sufficient assets as collateral) less the principal amount of debt then-outstanding under such facility and, in the case of the First Lien RCF, less any issued standby letters of credit. With respect to a variable funding asset-backed securitization facility, the Company refers to "Availability Under Borrowing Base Limitation" as the lower of Remaining Capacity or the borrowing base less the principal amount of debt then-outstanding under such facility (i.e., the amount of debt that can be borrowed given the collateral possessed at such time).

The following facilities were available to the Company as of September 30, 2026 and are presented net of any outstanding letters of credit:

(In millions)	Remaining Capacity	Availability Under Borrowing Base Limitation
Non-Vehicle Debt		
First Lien RCF	$ 415	$ 415
Total Non-Vehicle Debt	415	415
Vehicle Debt		
HVF III Series 2021-A	2,363	—
European ABS	570	—
Hertz Canadian Securitization	35	—
Australian Securitization	45	—
New Zealand RCF	23	—
U.K. ABS	148	—
Other Vehicle Debt	15	—
Total Vehicle Debt	3,199	—
Total	$ 3,614	$ 415

Letters of Credit

As of September 30, 2026, there were outstanding letters of credit totaling $1.1 billion comprised primarily of $500 million issued under the First Lien RCF, $326 million of various unsecured letter of credit facilities ("Standby LCs") and $245 million issued under the Term C Loan. As of September 30, 2026, no capacity remained to issue additional letters of credit under the Term C Loan. Such letters of credit have been issued primarily to provide credit enhancement for the Company's asset-backed securitization facilities and to support the Company's insurance programs, as well as to support the Company's vehicle rental concessions and leaseholds. As of September 30, 2026, none of the issued letters of credit have been drawn upon.

The Standby LCs provide that, at Hertz's option and under the terms of the facilities, Hertz may request letters of credit be issued for itself and on behalf of certain of its subsidiaries up to the committed amounts of the facilities. During the nine months ended September 30, 2026, Hertz increased the amounts committed under its Standby LCs by approximately $300 million, in which approximately $200 million occurred in February 2026.

Pledges Related to Vehicle Financing

Substantially all of the Company's revenue earning vehicles and certain related assets are owned by special purpose entities or are encumbered in favor of the lenders under the various credit facilities, other secured financings or asset-backed securities programs. None of the value of such assets (including the assets owned by Hertz Vehicle Financing III LLC, TCL Funding LP and each of the domestic and international subsidiaries that pledge vehicle and vehicle related assets as part of the Company's securitization programs) will be available to satisfy the claims of non-vehicle secured or unsecured creditors, unless the vehicle related secured creditors under the securitization programs are paid in full.

The Company has a 25% ownership interest in IFF No. 2, whose sole purpose is to provide commitments to lend under the European ABS in various currencies, subject to borrowing bases comprised of revenue earning vehicles and related assets of certain of Hertz International, Ltd.'s subsidiaries. IFF No. 2 is a VIE, and the Company is the primary beneficiary; therefore, the assets, liabilities and results of operations of IFF No. 2 are included in the accompanying unaudited condensed consolidated financial statements. As of September 30, 2026 and December 31, 2025, IFF No. 2 had total assets of $1.2 billion and $1.1 billion, respectively, comprised primarily of intercompany receivables, and total liabilities of $1.2 billion and $1.1 billion, respectively, comprised primarily of debt.

The Company incorporates HFF as a special-purpose orphan entity. HFF provides a vehicle financing facility for the Company's vehicle rental fleet in the U.K. through the U.K. ABS. HFF is a VIE, and the Company is the primary beneficiary; therefore, the assets, liabilities and results of operations of HFF are included in the accompanying unaudited condensed consolidated financial statements. As of September 30, 2026 and December 31, 2025, HFF had total assets of $178 million and $135 million, respectively, comprised primarily of intercompany receivables, and total liabilities of $178 million and $135 million, respectively, comprised primarily of debt.

Covenant Compliance

The First Lien Credit Agreement requires Hertz to comply with the following financial covenant: a First Lien Ratio, which requires a ratio of less than or equal to 3.0x in the first and last quarters of the calendar year and 3.5x in the second and third quarters of the calendar year. Hertz is also subject to a minimum liquidity covenant, which requires $400 million for each month ending in the second and third quarters of the calendar year and $500 million for each month ending in the first and fourth quarter of the calendar year. As of September 30, 2026, Hertz was in compliance with the First Lien Ratio and the minimum liquidity covenant.

Additionally, the First Lien Credit Agreement, the First Lien Senior Notes, the Exchangeable Notes Due 2029, the Exchangeable Notes Due 2030, the Exchangeable First Lien Notes Due 2030, the Senior Notes Due 2026 and the Senior Notes Due 2029 (collectively, the "Corporate Indebtedness") contain customary affirmative covenants, including, among other things, the delivery of quarterly and annual financial statements and/or compliance certificates, and covenants related to conduct of business, maintenance of property and insurance, compliance with environmental laws and, where applicable, the granting of security interests for the benefit of the secured parties under the applicable agreements on after-acquired real property, fixtures and future subsidiaries.

The terms of the Corporate Indebtedness contain covenants limiting the ability of Hertz and its restricted subsidiaries to: incur or guarantee additional indebtedness; incur or guarantee secured indebtedness; pay dividends or distributions on, or redeem or repurchase, Hertz Global capital stock; make certain investments or other restricted payments; sell certain assets; transfer intellectual property to unrestricted subsidiaries; merge, consolidate or sell all or substantially all of its assets; and create restrictions on the ability of Hertz’s restricted subsidiaries to pay dividends or other amounts to Hertz. As per the terms of the Corporate Indebtedness, these covenants are subject to a number of important and significant limitations, qualifications and exceptions.

As of September 30, 2026, the Company was in compliance with all covenants under the terms of the agreements governing the respective Corporate Indebtedness.

Note 6—Revenues and Costs from Leases

The Company recognizes two types of revenue: (i) revenue from leases and (ii) revenue from contracts with customers.

The Company's operating leases for vehicle rentals have rental periods that are typically short term in nature. Rental charges are computed on a limited or unlimited mileage rate, or on a time rate plus a mileage charge. In connection with the vehicle rental, the Company offers supplemental equipment rentals (e.g., child seats and ski racks) which are deemed lease components. The Company also offers value-added services in connection with the vehicle rental, which are deemed non-lease components, such as loss or collision damage waiver, theft protection, liability and personal accident/effects insurance coverage, premium emergency roadside service and satellite radio. Additionally, the Company charges for variable services primarily consisting of tolls, refueling and recharging and collections for vehicle damage during the rental period. The Company combines lease and non-lease components in its contracts under ASC Topic 842, *Leases* ("Topic 842"), when permissible.

The Company recognizes other revenues from contracts with its customers under ASC Topic 606, *Revenue from Contracts with Customers* ("Topic 606"), which primarily consist of fees generated from franchise agreements and revenues associated with the Company's retail car sales operations.

The following table summarizes the amount of operating lease income and other income sources included in total revenues in the accompanying unaudited condensed consolidated statements of operations:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Operating lease income from vehicle rentals	$ 2,359	$ 2,232	$ 6,290	$ 5,846
Variable operating lease income	173	170	514	440
Revenues from leases accounted for under Topic 842	2,532	2,402	6,804	6,286
Other revenues accounted for under Topic 606	85	76	213	190
Total revenues	$ 2,617	$ 2,478	$ 7,017	$ 6,476

Lease Costs (as Lessee)

In the second quarter of 2026, the Company sold and leased back certain real estate associated with sites in its Americas RAC segment. The table below reflects certain results of these transactions ($ in millions). See Note 3, "Divestitures," for additional information.

Period of Sale	Location Type	Lease Classification	Lease Terms	Future Minimum Payments
April 2026	Operating site	Operating lease[1]	18 years	$ 19
June 2026	Operating site	Operating lease[1]	< one year	—
June 2026	Operating sites	Operating lease[1]	13 years	22
June 2026	Operating site	Operating lease[1]	15 years	12
June 2026	Various[2]	Various[3]	15 years	29
June 2026	Operating sites	Operating lease[1]	20 years	43
June 2026	Operating site	Various[3]	20 years	24
				$ 149

(1) The sale qualified for sale-leaseback accounting and is accounted for as an operating lease.

(2) Includes the sales of an airport rental location and operating sites.

(3) The land portions of the sales qualified for sale-leaseback accounting and are accounted for as operating leases. The buildings portions of the sales, inclusive of site improvements, did not meet the criteria for a sale and are considered financial liabilities. The financial liabilities are classified as other non-vehicle debt and recorded in Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheet as of September 30, 2026.

The Company expects to continue to evaluate and complete, when deemed appropriate, sales and lease backs of certain non-vehicle capital assets through the end of 2026.

In June 2025, the Company sold and leased back certain land and buildings, inclusive of site improvements, associated with operating sites in its Americas RAC segment. The land portions of the sales qualified for sale-leaseback accounting, and were accounted for as operating leases with then expected terms of 40 years, inclusive of extensions the Company intends to exercise, and aggregate future minimum lease payments of $483 million. See Note 3, "Divestitures," for additional information.

In July 2025, the Company sold and leased back certain real estate associated with two operating sites in its Americas RAC segment. The sales qualified for sale-leaseback accounting, and were accounted for as operating leases with then expected terms of 50 years, inclusive of extensions the Company intends to exercise, and 15 years, respectively. The operating leases have aggregate future minimum lease payments of $384 million. See Note 3, "Divestitures," for additional information.

The following summarizes the weighted-average remaining lease term and weighted-average discount rate for the Company's operating leases as a lessee as of September 30, 2026:

Weighted-average remaining lease term (in years)	11.3
Weighted-average discount rate	14.00 %

The following table summarizes the Company's minimum fixed lease obligations under existing agreements as a lessee, excluding variable concession obligations in excess of minimum annual guarantees and short-term leases, as of September 30, 2026:

(In millions)	
Remainder 2026	$ 172
2027	629
2028	527
2029	450
2030	328
After 2030	2,944
Total lease payments	5,050
Interest	(2,790)
Operating lease liabilities as of September 30, 2026	$ 2,260

Note 7—Income Tax (Provision) Benefit

Hertz Global

For the three months ended September 30, 2026, Hertz Global recorded a tax benefit of $29 million, which resulted in an effective tax rate of (33)%. For the three months ended September 30, 2025, Hertz Global recorded a tax provision of $50 million, which resulted in an effective tax rate of 21%.

The change in taxes for the three months ended September 30, 2026 compared to the same period in 2025 was driven primarily by decreases in valuation allowances on deferred tax assets and lower pretax results.

For the nine months ended September 30, 2026, Hertz Global recorded a tax provision of $7 million, which resulted in an effective tax rate of (5)%. For the nine months ended September 30, 2025, Hertz Global recorded a tax benefit of $54 million, which resulted in an effective tax rate of 9%.

The change in taxes in the nine months ended September 30, 2026 compared to the same period in 2025 was driven primarily by lower pretax losses and increases in valuation allowances on deferred tax assets, partially offset by the nontaxable year-over-year fluctuations in the fair value adjustments of Public Warrants.

Hertz

For the three months ended September 30, 2026, Hertz recorded a tax benefit of $30 million, which resulted in an effective tax rate of (44)%. For the three months ended September 30, 2025, Hertz recorded a tax provision of $50 million, which resulted in an effective tax rate of 21%.

The change in taxes for the three months ended September 30, 2026 compared to the same period in 2025 was driven primarily by lower pretax income and decreases in valuation allowances on deferred tax assets.

For the nine months ended September 30, 2026, Hertz recorded a tax provision of $7 million, which resulted in an effective tax rate of (3)%. For the nine months ended September 30, 2025, Hertz recorded a tax benefit of $54 million, which resulted in an effective tax rate of 11%.

The change in taxes in the nine months ended September 30, 2026 compared to the same period in 2025 was driven primarily by lower pretax losses and increases in valuation allowances on deferred tax assets.

Note 8—Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global

Public Warrants

As of September 30, 2026, approximately 82,700,000 Public Warrants remain outstanding with an exercise price of $12.81. There have been approximately 6,300,000 Public Warrants exercised since their original issuance in June 2021. The Public Warrants are recorded at fair value in the accompanying unaudited condensed consolidated balance sheets as of September 30, 2026 and December 31, 2025. See Note 11, "Fair Value Measurements."

In connection with the issuance of the Exchangeable First Lien Notes Due 2030, as disclosed in Note 5, "Debt," an anti-dilution provision in the agreement governing the Public Warrants required that the exercise price and warrant number be adjusted. This resulted in the exercise price of the Public Warrants decreasing from $13.61 to $12.81, effective upon the issuance of the Exchangeable First Lien Notes Due 2030 on June 29, 2026. Effective concurrently with the change in exercise price, the number of shares of Hertz Global common stock to which a holder of a Public Warrant is entitled upon exercise of a Public Warrant increased from 1.0140 shares to 1.0772 shares.

At-the-Market ("ATM") Equity Offering Program

In May 2025, Hertz Global filed a Registration Statement on Form S-3 as well as a prospectus supplement covering the offering, issuance and sale of up to a maximum aggregate offering price of $250 million of shares of Hertz Global common stock, par value $0.01 per share, that may be issued and sold from time to time under an equity distribution agreement with various banking institutions, acting as the Company's agents, through an ATM offering program (the "ATM Program"). During the three months ended September 30, 2026, no shares of Hertz Global common stock were sold under the ATM Program. As of September 30, 2026, approximately $247 million worth of shares of Hertz Global common stock remained available under the ATM Program.

Computation of Earnings (Loss) Per Common Share

Basic earnings (loss) per common share has been computed based upon the weighted-average number of common shares outstanding. Diluted earnings (loss) per common share has been computed based upon the weighted-average number of common shares outstanding plus the effect of all potentially dilutive common stock equivalents, including Public Warrants, Exchangeable Notes Due 2029, Exchangeable Notes Due 2030 and Exchangeable First Lien Notes Due 2030, except when the effect would be antidilutive. Dilutive shares for stock-based instruments and Public Warrants are computed using the treasury stock method and dilutive shares for Exchangeable Notes Due 2029, Exchangeable Notes Due 2030 and Exchangeable First Lien Notes Due 2030 are computed using the if-converted method. Additionally, the Company removes the income or expense impacts related to Public Warrants, Exchangeable Notes Due 2029, Exchangeable Notes Due 2030 and Exchangeable First Lien Notes Due 2030 when computing diluted earnings (loss) per common share, when the impacts are dilutive.

Concurrently with the issuance of the Exchangeable First Lien Notes Due 2030, Hertz Global lent the Borrowed Shares pursuant to the Share Lending Agreement, as disclosed in Note 5, "Debt." The Share Lending Agreement qualified for equity classification in accordance with ASC 815-40, *Contracts on an Entity's Own Equity*, and as such, the Borrowed Shares are excluded from the calculation of basic and diluted earnings (loss) per share.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Unaudited

The following table sets forth the computation of basic and diluted earnings (loss) per common share:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions, except per share data)[1]	2026	2025	2026	2025
Numerator:				
Net income (loss) available to Hertz Global common stockholders, basic	$ 116	$ 184	$ (153)	$ (553)
Impact of Exchangeable Notes Due 2029	(4)	(30)	(41)	—
Impact of Exchangeable Notes Due 2030	1	—	—	—
Impact of Exchangeable First Lien Notes Due 2030	(20)	—	(38)	—
Net income (loss) available to Hertz Global common stockholders, diluted	$ 94	$ 154	$ (232)	$ (553)
Denominator:				
Basic weighted-average common shares outstanding	320	311	317	309
Dilutive effect of stock options, RSUs and PSUs	2	12	—	—
Dilutive effect of Exchangeable Notes Due 2029	44	41	43	—
Dilutive effect of Exchangeable Notes Due 2030	46	—	—	—
Dilutive effect of Exchangeable First Lien Notes Due 2030[2]	63	—	36	—
Diluted weighted-average common shares outstanding	475	364	396	309
Antidilutive:				
Antidilutive Public Warrants	89	83	89	83
Antidilutive stock options, RSUs and PSUs	27	5	20	17
Antidilutive shares related to Exchangeable Notes Due 2029	—	—	—	40
Antidilutive shares related to Exchangeable Notes Due 2030	—	1	46	—
Total antidilutive	116	88	155	140
Earnings (loss) per common share:				
Basic	$ 0.36	$ 0.59	$ (0.48)	$ (1.79)
Diluted	$ 0.20	$ 0.42	$ (0.59)	$ (1.79)

(1) This table is denoted in millions, excluding earnings (loss) per common share. Amounts are calculated from the underlying numbers in thousands and in full shares, and, as a result, may not agree to the amounts shown in the table when calculated in millions.

(2) The Exchangeable First Lien Notes Due 2030 are subject to a limitation as to the number of shares of Hertz Global common stock that may be issued upon the exchange of the Exchangeable First Lien Notes Due 2030, unless and until the shareholders of Hertz Global approve the issuance, as further disclosed in Note 5, "Debt."

Note 9—Stock-Based Compensation

The stock-based compensation expense associated with the Hertz Holdings stock-based compensation plans is pushed down from Hertz Global and recorded at Hertz. In 2021, Hertz Global's Board of Directors (the "Board") approved the Hertz Global Holdings, Inc. 2021 Omnibus Incentive Plan (the "2021 Omnibus Plan"). As of September 30, 2026, 24,104,426 shares of the Company's common stock were authorized and remain available for future grants under the 2021 Omnibus Plan. Vesting of the outstanding equity awards is also subject to accelerated vesting as set forth in the 2021 Omnibus Plan.

A summary of the total employee compensation expense and related income tax benefits recognized for grants made under the 2021 Omnibus Plan is as follows:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Employee compensation expense	$ 18	$ 14	$ 55	$ 45
Income tax (benefit) expense	—	(2)	—	(5)
Employee compensation expense, net	$ 18	$ 12	$ 55	$ 40

As of September 30, 2026, there was $102 million of total unrecognized employee compensation expense expected to be recognized over the remaining 1.4 years, on a weighted average basis, of the requisite service period that began on the grant dates of the outstanding awards.

Stock Options and Stock Appreciation Rights

A summary of stock option activity under the 2021 Omnibus Plan for the nine months ended September 30, 2026 is presented below.

Options	Shares	Weighted-Average Exercise Price	Weighted-Average Remaining Contractual Term (years)	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2026[1]	1,158,270	$ 26.17	5.8	$ —
Granted	—	$ —	0.0	$ —
Exercised	—	$ —	0.0	$ —
Forfeited or Expired	(85,080)	$ 26.17	0.0	$ —
Outstanding as of September 30, 2026	1,073,190	$ 26.17	4.7	$ —
Exercisable as of September 30, 2026	(1,073,190)	$ 26.17	4.7	$ —
Non-vested as of September 30, 2026	—			

(1) All shares outstanding as of January 1, 2026 were vested.

Performance Stock Awards ("PSAs"), Performance Stock Units ("PSUs") and Performance Units ("PUs")

A summary of the PSU activity for the nine months ended September 30, 2026 under the 2021 Omnibus Plan is presented below. As of September 30, 2026, there were no issued or outstanding grants of PSAs or PUs under the 2021 Omnibus Plan.

	Shares	Weighted-Average Fair Value	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2026	5,471,438	$ 4.04	$ 28
Granted[1]	3,561,854	$ 4.97	$ —
Vested	(790)	$ 9.00	$ —
Forfeited or Expired	(1,198,984)	$ 4.35	$ —
Outstanding as of September 30, 2026	7,833,518	$ 4.42	$ 13

(1) Presented assuming the issuance at the original target award amount (100%).

Compensation expense for PSUs is based on the grant date fair value of Hertz Global common stock. For grants issued in 2026, vesting eligibility is based on market, performance and service conditions of primarily three years. Accordingly, the number of shares issued at the end of the performance period could range between 0% and 200% of the original target award amount (100%) disclosed in the table above.

Restricted Stock and Restricted Stock Units ("RSUs")

A summary of RSU activity as of and for the nine months ended September 30, 2026 under the 2021 Omnibus Plan is presented below. RSU grants issued in 2026 vest ratably over a period of primarily three years.

	Shares	Weighted-Average Fair Value	Aggregate Intrinsic Value (In millions)
Outstanding as of January 1, 2026	26,017,278	$ 4.96	$ 134
Granted	14,689,307	$ 4.29	$ —
Vested	(9,942,575)	$ 5.10	$ —
Forfeited or Expired	(3,164,171)	$ 4.52	$ —
Outstanding as of September 30, 2026	27,599,839	$ 4.61	$ 46

Additional information pertaining to RSU activity under the 2021 Omnibus Plan is as follows:

	Nine Months Ended September 30,	
	2026	2025
Total fair value of awards that vested (in millions)	$ 51	$ 39
Weighted-average grant-date fair value of awards granted	$ 4.29	$ 4.24

Deferred Stock Units

As of September 30, 2026, there were approximately 287,000 outstanding shares of deferred stock units under the 2021 Omnibus Plan.

Note 10—Financial Instruments

The Company employs established risk management policies and procedures, and, under the terms of our ABS facilities, may be required to enter into interest rate derivatives, which seek to reduce the Company's commercial risk exposure to fluctuations in interest rates and currency exchange rates. Although the instruments utilized involve varying degrees of credit, market and interest risk, the Company contracts with multiple counterparties to mitigate concentrations of risk and the counterparties to the agreements are expected to perform fully under the terms of the agreements. The Company monitors counterparty credit risk, including lenders, on a regular basis, but cannot be certain that all risks will be discerned or that its risk management policies and procedures will always be effective. Additionally, upon the occurrence of an event of default under the Company's International Swaps and Derivatives Association ("ISDA") master derivative agreements, the non-defaulting party generally has the right, but not the obligation, to set-off any early termination amounts under any such agreements against any other amounts owed with regard to any other agreements between the parties to each such agreement.

None of the Company's financial instruments have been designated as hedging instruments as of September 30, 2026 and December 31, 2025. The Company classifies cash flows from financial instruments according to the classification of the cash flows of the economically hedged item(s).

Interest Rate Risk

The Company uses a combination of interest rate caps and swaps to manage its exposure to interest rate movements and to manage its mix of floating and fixed-rate debt.

Currency Exchange Rate Risk

The Company uses foreign currency exchange rate derivative financial instruments to manage its currency exposure resulting from intercompany transactions and other cross currency obligations.

Equity Price Risk

The Company has entered into privately negotiated cash-settled capped call transactions (the "Capped Call Transactions 2030") to manage its exposure to market price movements of Hertz Global common stock in connection with the Exchangeable Notes Due 2030.

Fair Value

The following table summarizes the estimated fair value of financial instruments:

	Fair Value of Financial Instruments			
	Asset Derivatives		Liability Derivatives	
(In millions)	September 30, 2026	December 31, 2025	September 30, 2026	December 31, 2025
Interest rate instruments[1]	$ 9	$ 1	$ —	$ —
Foreign currency forward contracts[1]	1	2	2	—
Exchange Features 2029 related to Exchangeable Notes Due 2029[2]	—	—	13	78
Exchange Feature 2030 related to Exchangeable Notes Due 2030[3]	—	—	11	54
First Lien Exchangeable Feature 2030 related to Exchangeable First Lien Notes Due 2030[4]	—	—	68	—
Capped Call Transactions 2030[5]	5	21	—	—
Total	$ 15	$ 24	$ 94	$ 132

(1) Asset derivatives are recorded in Prepaid expenses and other assets and liability derivatives are recorded in Accrued liabilities in the accompanying unaudited condensed consolidated balance sheets.

(2) The Exchange Features 2029, as defined and further disclosed in Note 11, "Fair Value Measurements," were bifurcated as derivatives from the Exchangeable Notes Due 2029 and are recorded in Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheets.

(3) The Exchange Feature 2030, as defined and further disclosed in Note 11, "Fair Value Measurements," was bifurcated as a derivative from the Exchangeable Notes Due 2030 and is recorded in Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheet as of September 30, 2026.

(4) The First Lien Exchangeable Feature 2030, as further disclosed in Note 5, "Debt," was bifurcated as a derivative from the Exchangeable First Lien Notes Due 2030 and is recorded in Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheet as of September 30, 2026.

(5) The Capped Call Transactions 2030 were entered into in connection with the Exchangeable Notes Due 2030 and are recorded in Prepaid expenses and other assets in the accompanying unaudited condensed consolidated balance sheet as of September 30, 2026.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES
NOTES TO CONDENSED CONSOLIDATED FINANCIAL STATEMENTS (CONTINUED)
Unaudited

The following table summarizes the gains or (losses) on financial instruments for the period indicated:

	Location of Gain (Loss) Recognized on Derivatives	Amount of Gain (Loss) Recognized in Income on Derivatives			
		Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)		2026	2025	2026	2025
Interest rate instruments	Vehicle interest expense, net	$ 5	$ (1)	$ 6	$ (4)
Foreign currency forward contracts	Selling, general and administrative expense	1	7	—	9
Exchange Features 2029 related to Exchangeable Notes Due 2029[1]	Non-vehicle interest expense, net	13	38	69	(73)
Exchange Feature 2030 related to Exchangeable Notes Due 2030[2]	Non-vehicle interest expense, net	10	(1)	43	(1)
First Lien Exchangeable Feature 2030 related to Exchangeable First Lien Notes Due 2030[3]	Non-vehicle interest expense, net	50	—	55	—
Capped Call Transactions 2030	Non-vehicle interest expense, net	(3)	—	(17)	—
Total		$ 76	$ 43	$ 156	$ (69)

(1) The Exchange Features 2029, as defined and further disclosed in Note 11, "Fair Value Measurements," were bifurcated as derivatives from the Exchangeable Notes Due 2029.

(2) The Exchange Feature 2030, as defined and further disclosed in Note 11, "Fair Value Measurements," was bifurcated as a derivative from the Exchangeable Notes Due 2030.

(3) The First Lien Exchangeable Feature 2030 was bifurcated as a derivative from the Exchangeable First Lien Notes Due 2030, as further disclosed in Note 5, "Debt."

The Company's foreign currency forward contracts and certain interest rate instruments are subject to enforceable master netting agreements with their counterparties. The Company does not offset such derivative assets and liabilities in its unaudited condensed consolidated balance sheets, and the potential effect of the Company's use of the master netting arrangements is not material.

Note 11—Fair Value Measurements

Under U.S. GAAP, entities are allowed to measure certain financial instruments and other items at fair value. The Company has not elected the fair value measurement option for any of its assets or liabilities that meet the criteria for this option. Irrespective of the fair value option previously described, U.S. GAAP requires certain financial and non-financial assets and liabilities of the Company to be measured on either a recurring basis or on a nonrecurring basis.

Fair Value Disclosures

The fair value of cash, restricted cash, accounts receivable, accounts payable and accrued liabilities, to the extent the underlying liability will be settled in cash, approximates the carrying values because of the short-term nature of these instruments.

Debt Obligations

The fair value of the debt facilities is estimated based on quoted market rates as well as borrowing rates currently available to the Company for loans with similar terms and average maturities (i.e., Level 2 inputs).

	September 30, 2026		December 31, 2025	
(In millions)	Nominal Unpaid Principal Balance	Aggregate Fair Value	Nominal Unpaid Principal Balance	Aggregate Fair Value
Exchangeable Notes Due 2029	$ 294	$ 97	$ 271	$ 311
Exchangeable Notes Due 2030	425	113	425	324
Exchangeable First Lien Notes Due 2030	380	262	—	—
Other Non-Vehicle Debt	5,174	3,260	4,828	4,187
Total Non-Vehicle Debt	6,273	3,732	5,524	4,822
Vehicle Debt	12,027	12,068	11,679	11,662
Total	$ 18,300	$ 15,800	$ 17,203	$ 16,484

Assets and Liabilities Measured at Fair Value on a Recurring Basis

The following table summarizes the Company's assets and liabilities that are measured at fair value on a recurring basis and are categorized using the fair value hierarchy as follows:

	September 30, 2026				December 31, 2025			
(In millions)	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
Assets:								
Cash equivalents and restricted cash equivalents	$ 206	$ —	$ —	$ 206	$ 287	$ —	$ —	$ 287
Capped Call Transactions 2030	—	—	5	5	—	—	21	21
Liabilities:								
Public Warrants	$ 72	$ —	$ —	$ 72	$ 222	$ —	$ —	$ 222
Exchange Features 2029	—	—	13	13	—	—	78	78
Exchange Feature 2030	—	—	11	11	—	—	54	54
First Lien Exchangeable Feature 2030	—	—	68	68	—	—	—	—

Cash Equivalents and Restricted Cash Equivalents

The Company’s cash equivalents and restricted cash equivalents primarily consist of investments in money market funds and bank money market and interest-bearing accounts. The Company determines the fair value of cash equivalents and restricted cash equivalents using a market approach based on quoted prices in active markets (i.e., Level 1 inputs).

Public Warrants – Hertz Global

Hertz Global's Public Warrants are classified as liabilities and recorded at fair value in the accompanying unaudited condensed consolidated balance sheets as of September 30, 2026 and December 31, 2025 in accordance with the provisions of ASC 480, *Distinguishing Liabilities from Equity*. See Note 8, "Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global," for additional information. The Company calculates the fair value based on the end-of-day quoted market price (i.e., a Level 1 input). For the three and nine months ended September 30, 2026, the fair value adjustments included gains of $19 million and $150 million, respectively. For the three and nine months ended September 30, 2025, the fair value adjustments included losses of $6 million and $130 million, respectively. These amounts are recorded in Change in fair value of Public Warrants in the accompanying unaudited condensed consolidated statements of operations for Hertz Global for the three and nine months ended September 30, 2026 and 2025.

Exchangeable Notes Due 2029 – Bifurcated Derivatives

The Exchangeable Notes Due 2029 contain an embedded conversion feature (the "Exchange Feature 2029") that was required to be bifurcated and accounted for separately from the Exchangeable Notes Due 2029 as a derivative liability at fair value. Upon issuance in June 2024, the Company recognized a debt discount within non-vehicle debt representing the initial fair value of the Exchange Feature 2029.

As disclosed in Note 5, "Debt," the Exchangeable Notes Due 2029 bear PIK interest payable semi-annually on January 15 and July 15. Upon the Semi-annual PIK Event in the first quarter of 2026, the Company bifurcated the Exchange Feature 2029 PIK and recognized a debt discount of $4 million within non-vehicle debt, representing the initial fair value.

As of September 30, 2026, the fair value of the Exchange Feature 2029 and the Exchange Feature 2029 PIK (collectively, the "Exchange Features 2029") was $13 million. Refer also to Note 10, "Financial Instruments," for further information.

The fair value of the Exchange Features 2029 was determined using a lattice model and a “with-and-without” valuation methodology. The inputs used to estimate the fair value of the Exchange Features 2029 include the probability of potential settlement scenarios, the expected timing of such settlement and an expected volatility. Expected volatility is based on historical and company-specific implied equity volatility data and adjusted to reflect market participant expectations observed in arm's length trading. As the expected volatility input is considered unobservable, the Company has categorized the Exchange Features 2029 as Level 3 in the fair value hierarchy.

The estimated fair values of the Exchange Features 2029 were computed using the following key inputs as of September 30, 2026 and December 31, 2025:

	September 30, 2026	December 31, 2025
Hertz Global common share price	$ 1.67	$ 5.14
Expected term (years)	2.79	3.54
Risk-free interest rate	4.98 %	3.60 %
Credit spread	42.94 %	11.26 %
Expected volatility	70.00 %	35.00 %

The significant unobservable input used in the fair value measurement of the Exchange Features 2029 is expected volatility. Holding other inputs constant, an increase (decrease) in expected volatility would have resulted in a higher (lower) fair value measurement, respectively.

The following table summarizes the activity related to the Exchange Features 2029 measured at fair value utilizing significant unobservable inputs (Level 3):

(In millions)	Exchange Features 2029
Balance as of December 31, 2024	$ 61
Initial recognition of derivative liability[1]	11
(Gain) loss in fair value recognized in earnings	6
Balance as of December 31, 2025	78
Initial recognition of derivative liability[2]	4
(Gain) loss in fair value recognized in earnings[3]	(19)
Balance as of March 31, 2026	63
(Gain) loss in fair value recognized in earnings[3]	(37)
Balance as of June 30, 2026	26
(Gain) loss in fair value recognized in earnings[4]	(13)
Balance as of September 30, 2026	$ 13

(1) Represents the initial debt discounts recognized in association with the Semi-annual PIK Events occurring in the first and third quarters of 2025.

(2) Represents the initial debt discount recognized in association with the Semi-annual PIK Event in the first quarter of 2026. See Note 5, "Debt," for further details.

(3) Included in Non-vehicle interest expense, net in the accompanying unaudited condensed consolidated statements of operations for the nine months ended September 30, 2026.

(4) Included in Non-vehicle interest expense, net in the accompanying unaudited condensed consolidated statements of operations for the three and nine months ended September 30, 2026.

Exchangeable Notes Due 2030 – Bifurcated Derivative

The Exchangeable Notes Due 2030 contain an embedded conversion feature (the "Exchange Feature 2030") that was required to be bifurcated and accounted for separately from the Exchangeable Notes Due 2030 as a derivative liability at fair value. Upon issuance in September 2025, the Company recognized a debt discount within non-vehicle debt representing the initial fair value of the Exchange Feature 2030.

As of September 30, 2026, the fair value of the Exchange Feature 2030 was $11 million. Refer also to Note 10, "Financial Instruments," for further information.

The fair value of the Exchange Feature 2030 was determined using a lattice model and a “with-and-without” valuation methodology. The inputs used to estimate the fair value of the Exchange Feature 2030 include the probability of potential settlement scenarios, the expected timing of such settlement and an expected volatility. Expected volatility is based on historical and company-specific implied equity volatility data and adjusted to reflect market participant expectations observed in arm's length trading. As the expected volatility input is considered unobservable, the Company has categorized the Exchange Feature 2030 as Level 3 in the fair value hierarchy.

The estimated fair value of the Exchange Feature 2030 was computed using the following key inputs as of September 30, 2026 and December 31, 2025:

	September 30, 2026	December 31, 2025
Hertz Global common share price	$ 1.67	$ 5.14
Expected term (years)	4.00	4.75
Risk-free interest rate	5.05 %	3.71 %
Credit spread	44.61 %	12.45 %
Expected volatility	70.00 %	35.00 %

The significant unobservable input used in the fair value measurement of the Exchange Feature 2030 is expected volatility. Holding other inputs constant, an increase (decrease) in expected volatility would have resulted in a higher (lower) fair value measurement, respectively.

The following table summarizes the activity related to the Exchange Feature 2030 measured at fair value utilizing significant unobservable inputs (Level 3):

(In millions)	Exchange Feature 2030
Balance as of December 31, 2024	$ —
Initial recognition of derivative liability	103
(Gain) loss in fair value recognized in earnings	(49)
Balance as of December 31, 2025	54
(Gain) loss in fair value recognized in earnings[1]	(14)
Balance as of March 31, 2026	40
(Gain) loss in fair value recognized in earnings[1]	(19)
Balance as of June 30, 2026	21
(Gain) loss in fair value recognized in earnings[2]	(10)
Balance as of September 30, 2026	$ 11

(1) Included in Non-vehicle interest expense, net in the accompanying unaudited condensed consolidated statements of operations for the nine months ended September 30, 2026.

(2) Included in Non-vehicle interest expense, net in the accompanying unaudited condensed consolidated statements of operations for the three and nine months ended September 30, 2026.

Exchangeable First Lien Notes Due 2030 - Bifurcated Derivative

The Exchangeable First Lien Notes Due 2030 contain an embedded conversion feature, the First Lien Exchangeable Feature 2030, that is required to be bifurcated and accounted for separately from the Exchangeable First Lien Notes Due 2030 as a derivative liability at fair value. Refer to Note 5, "Debt," and Note 10, "Financial Instruments," for further information.

As of September 30, 2026, the fair value of the First Lien Exchangeable Feature 2030 was $68 million. Refer also to Note 10, "Financial Instruments," for further information.

The fair value of the First Lien Exchangeable Feature 2030 was determined using a lattice model and a “with-and-without” valuation methodology. The inputs used to estimate the fair value of the First Lien Exchangeable Feature 2030 include the probability of potential settlement scenarios, the expected timing of such settlement and an expected volatility. Expected volatility is based on historical and company-specific implied equity volatility data and adjusted to reflect market participant expectations observed in arm's length trading. As the expected volatility input is considered unobservable, the Company has categorized the First Lien Exchangeable Feature 2030 as Level 3 in the fair value hierarchy.

The estimated fair value of the First Lien Exchangeable Feature 2030 was computed using the following key inputs as of September 30, 2026 and upon issuance:

	September 30, 2026	Issuance
Hertz Global common share price	$ 1.67	$ 2.30
Expected term (years)	3.75	4.01
Risk-free interest rate	5.03 %	4.12 %
Credit spread	22.76 %	13.91 %
Expected volatility	70.00 %	70.00 %

The following table summarizes the activity related to the First Lien Exchangeable Feature 2030 measured at fair value utilizing significant unobservable inputs (Level 3):

(In millions)	First Lien Exchangeable Feature 2030
Balance as of December 31, 2025	$ —
Initial recognition of derivative liability	115
(Gain) loss in fair value recognized in earnings[1]	(5)
Balance as of June 30, 2026	110
Initial recognition of derivative liability - Greenshoe Option	8
(Gain) loss in fair value recognized in earnings[2]	(50)
Balance as of September 30, 2026	$ 68

(1) Included in Non-vehicle interest expense, net in the accompanying unaudited condensed consolidated statements of operations for the nine months ended September 30, 2026.

(2) Included in Non-vehicle interest expense, net in the accompanying unaudited condensed consolidated statements of operations for the three and nine months ended September 30, 2026.

Capped Call Transactions 2030

The fair value of the Capped Call Transactions 2030 was determined using a Monte Carlo simulation model. The key inputs used to estimate the fair value of the Capped Call Transactions 2030 include the share price of Hertz Global common stock, remaining contractual term, risk-free interest rate and an expected volatility. Expected volatility is based on historical and company-specific implied equity volatility data and adjusted to reflect market participant expectations observed in arm's length trading. As the expected volatility input is considered unobservable, the Company has categorized the Capped Call Transactions 2030 as Level 3 in the fair value hierarchy.

As of September 30, 2026, the fair value of the Capped Call Transactions 2030 was $5 million. Refer also to Note 10, "Financial Instruments," for further information.

The estimated fair value of the Capped Call Transactions 2030 was computed using the following key inputs as of September 30, 2026 and December 31, 2025:

	September 30, 2026	December 31, 2025
Hertz Global common share price	$ 1.67	$ 5.14
Expected term (years)	4.00	4.75
Risk-free interest rate	5.05 %	3.71 %
Dividend yield	— %	— %
Expected volatility	70.00 %	36.00 %

The significant unobservable input used in the fair value measurement of the Capped Call Transactions 2030 is expected volatility. Holding other inputs constant, an increase (decrease) in expected volatility would have resulted in a higher (lower) fair value measurement, respectively.

The following table summarizes the activity related to the Capped Call Transactions 2030 measured at fair value utilizing significant unobservable inputs (Level 3):

(In millions)	Capped Call Transactions 2030
Balance as of December 31, 2024	$ —
Initial recognition of derivative asset	37
Gain (loss) in fair value recognized in earnings	(16)
Balance as of December 31, 2025	21
Gain (loss) in fair value recognized in earnings[1]	(5)
Balance as of March 31, 2026	16
Gain (loss) in fair value recognized in earnings[1]	(8)
Balance as of June 30, 2026	8
Gain (loss) in fair value recognized in earnings[2]	(3)
Balance as of September 30, 2026	$ 5

(1) Included in Non-vehicle interest expense, net in the accompanying unaudited condensed consolidated statements of operations for the nine months ended September 30, 2026.

(2) Included in Non-vehicle interest expense, net in the accompanying unaudited condensed consolidated statements of operations for the three and nine months ended September 30, 2026.

Financial Instruments

The fair value of the Company's financial instruments as of September 30, 2026 and December 31, 2025 is disclosed in Note 10, "Financial Instruments." The Company's financial instruments are priced using quoted market prices for similar assets or liabilities in active markets (i.e., Level 2 inputs), excluding the Exchange Features 2029, the Exchange Feature 2030, First Lien Exchangeable Feature 2030 and the Capped Call Transactions 2030, each as disclosed above, which are categorized as Level 3 in the fair value hierarchy.

Assets and Liabilities Measured at Fair Value on a Non-Recurring Basis

Concurrently with the issuance of the Exchangeable First Lien Notes Due 2030, Hertz Global lent the Borrowed Shares pursuant to the Share Lending Agreement, as disclosed in Note 5, "Debt." The Share Lending Agreement had an initial fair value of $85 million, as determined by the market value (i.e., a Level 1 input) of the Borrowed Shares as of the closing date of the Share Lending Agreement.

Note 12—Contingencies and Off-Balance Sheet Commitments

Legal Proceedings

Self-Insured Liabilities

The Company is currently a defendant in numerous actions and has received numerous claims on which actions have not yet commenced for self-insured liabilities arising from the operation of motor vehicles rented from the Company. The obligation for self-insured liabilities on self-insured U.S. and international vehicles, as stated in the accompanying unaudited condensed consolidated balance sheets, represents an estimate for both reported accident claims not yet paid and claims incurred but not yet reported. The related liabilities are recorded on an undiscounted basis and are based on actuarially determined estimates using historical claims experience. These

estimates include judgment about severity of claims, frequency and volume of claims. As of September 30, 2026 and December 31, 2025, the Company's liability recorded for self-insured liabilities was $633 million and $648 million, of which $490 million and $508 million relate to liabilities incurred by the Company's Americas RAC operations, respectively. The Company believes that its analysis is based on the most relevant information available, combined with reasonable assumptions. The liability is subject to significant uncertainties. The adequacy of the liability is monitored quarterly based on evolving accident claim history. If the Company's estimates change or if actual results differ from these assumptions, the amount of the recorded liability is adjusted to reflect these results.

Loss Contingencies

From time to time, the Company is a party to various legal proceedings, typically involving operational issues common to the vehicle rental business. The Company has summarized below the material legal proceedings to which the Company was a party during the three months ended September 30, 2026 or the period after September 30, 2026, but before the filing of this Quarterly Report.

Make-Whole and Post-Petition Interest Claims – On July 1, 2021, Wells Fargo Bank, N.A. ("Wells Fargo"), in its capacity as indenture trustee of (1) 6.250% Unsecured Notes due 2022 (the "2022 Notes"), (2) 5.500% Unsecured Notes due 2024 (the "2024 Notes"), (3) 7.125% Unsecured Notes due 2026 (the "2026 Notes") and (4) 6.000% Unsecured Notes due 2028 (the "2028 Notes") issued by The Hertz Corporation (collectively, the “Unsecured Notes”), filed a complaint against The Hertz Corporation and multiple direct and indirect subsidiaries thereof (collectively referred to in this paragraph summary as “defendants”). The filing of the complaint initiated the adversary proceeding captioned *Wells Fargo Bank, N.A. v. The Hertz Corp., et al.* in the United States Bankruptcy Court for the District of Delaware (the "Delaware Bankruptcy Court"), Adv. Pro. No. 21-50995 (MFW). The complaint seeks a declaratory judgment that the holders of the Unsecured Notes are entitled to payment of certain redemption premiums and post-petition interest that the holders assert total approximately $272 million or, in the alternative, are entitled to payment of post-petition interest at a contractual rate that they assert totals approximately $125 million. The complaint also asserts the right to pre-judgment interest from July 1, 2021 to the date of any judgment. On December 22, 2021, the Delaware Bankruptcy Court dismissed Wells Fargo’s claims with respect to (i) the redemption premium allegedly owed on the 2022 Notes and the 2024 Notes and (ii) post-petition interest at the contract rate. *See Wells Fargo Bank, N.A. v. The Hertz Corp., et al.*, 637 B.R. 781 (Bankr. D. Del. Dec. 22, 2021). On November 9, 2022, the Delaware Bankruptcy Court ruled that the make-whole premium is the same as unmatured interest and is disallowed under the U.S. Bankruptcy Code, granting summary judgment in the defendants’ favor. The Delaware Bankruptcy Court certified the matter directly to the U.S. Court of Appeals for the Third Circuit (the “Third Circuit”) and, on January 25, 2023, the Third Circuit accepted Wells Fargo’s appeal. The Third Circuit held an oral argument for this appeal on October 25, 2023, and on September 10, 2024, the Third Circuit issued its opinion in *Wells Fargo Bank, N.A. v. The Hertz Corp., et al.*, 117 F.4th 109 (3d Cir. 2024). In a 2-1 decision, a panel of the Third Circuit held that the "absolute priority rule" required Hertz to pay the make-whole premium on the 2026 Notes and on the 2028 Notes, and post-petition interest at the contract rate rather than the federal judgment rate on all Unsecured Notes, even though those amounts were disallowed under the Bankruptcy Code. On October 15, 2024, the Company filed a petition with the Third Circuit for a rehearing en banc, which the Third Circuit denied on November 6, 2024. The Company filed a petition for writ of certiorari with the Supreme Court of the United States ("U.S. Supreme Court") on April 4, 2025. On June 2, 2025, the U.S. Supreme Court issued a docket entry calling for the views of the Solicitor General of the United States ("Solicitor General") on whether it should grant the petition for a writ of certiorari. Subsequently, the Solicitor General filed its brief of the United States recommending that the U.S. Supreme Court deny the Company's petition for writ of certiorari. On January 12, 2026, the U.S. Supreme Court denied the Company's petition for writ of certiorari and remanded the case back to the Delaware Bankruptcy Court for entry of final judgment. On January 27, 2026, Hertz paid Wells Fargo, as indenture trustee, the previously reserved amount of $346 million, including the interest to date, which is the amount that was not disputed by the parties. The Delaware Bankruptcy Court subsequently denied Wells Fargo's request for additional pre-judgment interest, but awarded Wells Fargo a nominal amount as a correction to the principal owed.

Share Repurchase Program Litigation – On May 11, 2023, Angelo Cascia, a purported stockholder of Hertz Global, filed a putative class and derivative lawsuit in the Delaware Court of Chancery (the "Delaware Chancery Court") against certain current and former directors of Hertz Global, Knighthead Capital Management, LLC ("Knighthead"), Certares Opportunities LLC ("Certares") and CK Amarillo. The claims in the complaint relate to the Company's share repurchase programs approved in November 2021 and June 2022. Among other allegations, the plaintiff claims Board members breached their fiduciary duties in approving these share repurchase programs and that Knighthead, Certares, and CK Amarillo were unjustly enriched because they gained a majority stake in Hertz Global as a result of share repurchases. Defendants filed their motion to dismiss the complaint on July 24, 2023. On March 11, 2024, the Delaware Chancery Court held a hearing on defendants' motion to dismiss. On June 20, 2024, the Delaware Chancery Court granted in part and denied in part the defendants' motion to dismiss. The Delaware Chancery Court dismissed the claims against directors Feikin, Fields, Intrieri and Vougessis with prejudice, dismissed the claims related to the 2021 buyback without prejudice and allowed the remaining claims to proceed. On August 26, 2024, the Board formed a Special Litigation Committee (the "SLC"), made up of two independent directors, to evaluate and take any necessary actions related to the remaining claims. On October 21, 2024, the Delaware Chancery Court granted a motion to stay the litigation, including all discovery, until March 21, 2025. On March 26, 2025, the Delaware Chancery Court extended the stay for an additional 30 days. On April 25, 2025, the SLC filed its report under seal with the Delaware Chancery Court. On May 9, 2025, the SLC filed an unopposed motion to terminate the derivative claims in the litigation. In response, the plaintiff informed the Delaware Chancery Court that he would not oppose the SLC's motion to terminate the derivative claims, declared his intention to continue to prosecute the direct claims only and reserved his right to seek an award of fees based on the alleged benefit conferred to the Company. The Court scheduled a hearing on the SLC's unopposed motion to terminate the derivative claims for November 10, 2025. The parties then settled the direct and derivative claims, subject to approval of the Delaware Chancery Court. On July 23, 2026, the Delaware Chancery Court approved the settlement agreement, including the plaintiff's approximate $3 million fee petition.

Doller Securities Class Action Complaint – On May 31, 2024, a complaint was filed in the United States District Court for the Middle District of Florida (the "Florida Middle District Court"), captioned *Edward M. Doller v. Hertz Global Holdings, Inc. et al*. (No. 2:24-CV-00513). On September 30, 2024, an amended complaint was filed, following the Florida Middle District Court's appointment of a lead plaintiff and a lead counsel. The amended complaint asserts claims against Hertz Global, former Company CEO, Stephen M. Scherr ("Defendant Scherr"), and former Company Chief Financial Officer ("CFO"), Alexandra Brooks, alleging violations of Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder, including concerning statements regarding demand for EVs. Plaintiffs assert claims on behalf of a putative class, consisting of all persons and entities that purchased or otherwise acquired Hertz Global's securities between January 6, 2023 and April 24, 2024. The amended complaint seeks unspecified damages, together with interest, attorneys' fees and other costs. Hertz Global filed a motion to dismiss the complaint on October 30, 2024. On December 19, 2024, the Florida Middle District Court stayed all proceedings, pending a ruling on the motion to dismiss. On October 16, 2025, the Court granted the motion to dismiss in part, dismissing all claims except those based on two statements by Defendant Scherr in January and April of 2023. The Court directed the clerk to lift the stay. The parties settled in principle during a mediation on March 12, 2026, subject to approval of the Court. The Court preliminarily approved the settlement on October 2, 2026.

Data Breach Claims – On April 15, 2025, Zain Jiwani filed a class action complaint against Cleo Communications U.S., LLC ("Cleo") and the Company in the U.S. District Court for the Northern District of Illinois, Western Division (Rockford, IL) (the "Illinois Northern District, Western Division Court"). Plaintiff alleges that Cleo, a file-transfer vendor for the Company, experienced a data breach event that may have impacted the personal information of certain individuals during the secure file transfer process from the Company's systems to third-party systems and that Company data may have been acquired by an unauthorized third party that exploited zero-day vulnerabilities within Cleo's platform in October and December of 2024. Plaintiff alleges that the Company was negligent in failing to secure the data, breached implied contracts and was unjustly enriched. Ten similar class action complaints were filed against the Company shortly thereafter and eventually transferred to the same court, the Illinois Northern District, Western Division Court. The class actions generally seek injunctive relief and unspecified damages. The defendants' responses to the complaints were stayed until the conclusion of a mediation between the plaintiffs and Cleo on June 30, 2026. The plaintiffs and Cleo conditionally settled all claims against all defendants at the

mediation. Plaintiffs filed a consolidated complaint on July 31, 2026, that dropped the Company as a defendant. Plaintiffs' motion for preliminary approval of the classwide settlement agreement was granted on September 28, 2026.

Schweitzer Securities Class Action Complaint – On July 24, 2026, Cameron Schweitzer, a purported stockholder of Hertz Global, filed a class action against Hertz Global and individual defendants Company CEO Gil West and Company CFO Scott Haralson in the Florida Middle District Court. The plaintiff purports to represent a class of all persons who purchased Hertz Global securities between May 7, 2026, and June 23, 2026, seeking to recover damages caused by the defendants' alleged violations of the federal securities laws and to pursue remedies under Sections 10(b) and 20(a) of the Exchange Act and Rule 10b-5 promulgated thereunder. The plaintiff generally alleges that the defendants misrepresented in May 2026 that the Company had sufficient liquidity to fund future operating activities and that the softness in the used car market was transitory, but that the stock price declined more than 40% in June 2026 when the Company announced a capital raise using the Exchangeable First Lien Notes Due 2030 and announced that unexpected softness in the used car market caused losses on the sales of vehicles. In addition, on September 17, 2026, Angelo Cascia, purportedly on behalf of Hertz Global, filed a derivative action in the Florida Middle District that essentially mirrors the *Schweitzer* class action. At this early stage of the litigation, the Company does not believe that the ultimate resolution of these actions will have a material adverse effect on its financial condition, results of operations or liquidity.

The Company has established reserves for matters where the Company believes that losses are probable and can be reasonably estimated. Other than the aggregate reserve established for claims for self-insured liabilities and the bankruptcy-related litigation, none of those reserves are material. For matters where the Company has not established a reserve, the ultimate outcome or resolution cannot be predicted at this time, or the amount of ultimate loss, if any, cannot be reasonably estimated. These matters are subject to many uncertainties, and the outcome of the individual litigated matters is not predictable with assurance. It is possible that certain of the actions, claims, inquiries or proceedings could be decided unfavorably to the Company or any of its subsidiaries involved. Accordingly, it is possible that an adverse outcome from such a proceeding could exceed the amount accrued in an amount that could be material to the Company's consolidated financial condition, results of operations or cash flows in any particular reporting period.

Antitrust Litigation Settlements

In July 2026, the Company entered into a claim sale agreement (the "Claim Sale Agreement") pursuant to which it sold its claim to an additional settlement distribution in connection with its participation in a class action settlement in the In re Automotive Parts Antitrust Litigation, No. 2:12-md-02311 (E.D. Mich.). In August 2026, in connection with the proceeds that were escrowed under the Claim Sale Agreement, the Company received $6 million, which is recorded in Legal settlement in the accompanying unaudited condensed consolidated statement of operations for the three and nine months ended September 30, 2026.

In September 2025, the Company received notice that, in connection with its participation in a class action settlement in the In re Automotive Parts Antitrust Litigation, No. 2:12-md-02311 (E.D. Mich.), the Company would receive a pro rata settlement distribution in the amount of $154 million. The Company received the settlement distribution on September 30, 2025, in which the associated gain is recorded in Legal settlement in the accompanying unaudited condensed consolidated statements of operations for the three and nine months ended September 30, 2025.

Indemnification Obligations

In the ordinary course of business, the Company has executed contracts involving indemnification obligations customary in the relevant industry and indemnifications specific to a transaction, such as the sale of a business. These indemnification obligations might include claims relating to the following: environmental matters; intellectual property rights; governmental regulations and employment-related matters; customer, supplier and other commercial contractual relationships and financial matters. Specifically, the Company has indemnified various parties for the costs associated with remediating numerous hazardous substance storage, recycling or disposal

sites in many states and, in some instances, for natural resource damages. The amount of any such expenses or related natural resource damages for which the Company may be held responsible could be substantial. In addition, Hertz entered into customary indemnification agreements with Hertz Holdings and certain of the Company's stockholders and their affiliates pursuant to which Hertz Holdings and Hertz will indemnify those entities and their respective affiliates, directors, officers, partners, members, employees, agents, representatives and controlling persons, against certain liabilities arising out of performance of a consulting agreement with Hertz Holdings and each of such entities and certain other claims and liabilities, including liabilities arising out of financing arrangements or securities offerings. The Company has entered into customary indemnification agreements with each of its directors and certain of its officers. Performance under these indemnification obligations would generally be triggered by a breach of terms of the contract or by a third-party claim. In connection with the separation of the car rental business in 2016, the Company executed an agreement with Herc Holdings Inc. that contains mutual indemnification clauses and a customary indemnification provision with respect to liability arising out of, or resulting from, assumed legal matters. The Company regularly evaluates the probability of having to incur costs associated with these indemnification obligations and has accrued for expected losses that are probable and estimable.

Note 13—Related Party Transactions

In October 2026, Hertz and certain investors (the "JV Investors"), including certain funds or accounts affiliated with Certares Opportunities LLC ("Certares") and/or Knighthead Capital Management, LLC ("Knighthead"), entered into a joint venture arrangement (the "Joint Venture") related to Oro Mobility Holdings LLC ("Oro"). As part of the Joint Venture, Hertz and the JV Investors entered into a purchase agreement (the "Purchase Agreement") pursuant to which the JV Investors agreed to purchase Class A Common Units of Oro from Hertz for approximately $81 million, of which Certares and/or Knighthead contributed approximately $39 million. Concurrently, Hertz agreed to repurchase approximately $51 million aggregate principal of Exchangeable Notes Due 2029 from Certares and/or Knighthead for approximately $21 million, representing a 60% discount to par. Additionally, Hertz, Hertz Transporting, Inc. ("HTI") and the JV Investors entered into a limited liability agreement of Oro (the "LLC Agreement") effective as of October 19, 2026. See Note 15, "Subsequent Events," for further information.

Note 14—Segment Information

The Company's CODM is its Chief Executive Officer. The CODM uses Adjusted EBITDA to determine segment profitability, which aids the CODM in the assessment of segment operating performance and assists in the evaluation of resource needs and the allocation of resources to the Company's reportable segments. The CODM conducts regular meetings with finance and operational leaders to review targeted results versus actual results to facilitate the evaluation of Adjusted EBITDA. The Company has identified two reportable segments, which are consistent with its operating segments and organized based primarily on the geographic areas in which business is conducted, as follows:

- Americas RAC – Rental of vehicles (cars, crossovers, vans and light trucks), as well as sales of value-added services, in the U.S., Canada, Latin America and the Caribbean. The Company maintains a network of company-operated rental locations in this segment and has franchisees and partners that operate rental locations under the Company's brands; and

- International RAC – Rental of vehicles (cars, crossovers, vans and light trucks), as well as sales of value-added services, in locations other than the U.S., Canada, Latin America and the Caribbean. The Company maintains a network of company-operated rental locations, a majority of which are in Europe, and has franchisees and partners that operate rental locations under the Company's brands.

In addition to its reportable segments, the Company has corporate operations ("Corporate"), which includes general corporate assets and expenses and net interest expense on non-vehicle debt. Corporate includes other items necessary to reconcile the reportable segments to the Company's total amounts.

The Oro Mobility transactions, as further disclosed in Note 15, "Subsequent Events," along with the implementation of the Company's new Platform Operating Model, as defined in Note 15, "Subsequent Events," are expected to

impact the Company's operating and reportable segments. As a result, the Company expects to revise its reportable segments effective in the fourth quarter of 2026.

The following tables provide revenue, significant expenses, other segment expenses and the segment measure of profitability, Adjusted EBITDA, by reportable segment, including a reconciliation of Adjusted EBITDA to consolidated income (loss) before income taxes for Hertz Global and Hertz.

Effective in the first quarter of 2026, the Company revised its definition of Adjusted EBITDA to adjust for realized (gains) losses from financial instruments, share-based compensation expense and foreign currency (gains) losses. The update to Adjusted EBITDA is to better reflect the CODM's view of ongoing operations and assessment of the Company's operational performance. The presentation of the prior periods has been recast to conform to the current period presentation.

	Three Months Ended September 30, 2026		
(In millions)	Americas RAC	International RAC	Total
Revenues	$ 2,045	$ 572	$ 2,617
Significant segment expenses:			
Direct vehicle and operating	1,242	303	
Depreciation of revenue earning vehicles and lease charges, net[1]	358	110	
Selling, general and administrative	137	71	
Other segment items[2]	120	(6)	
Segment profit (loss): Adjusted EBITDA	$ 188	$ 94	$ 282
Adjustments:			
Corporate[3]			(49)
Non-vehicle depreciation and amortization			(28)
Non-vehicle debt interest, net[4]			(158)
Vehicle debt-related charges[5]			(11)
Restructuring and restructuring related charges[6]			(21)
Net gains (losses) on financial instruments[7]			76
Share-based compensation expense[8]			(18)
Foreign currency gains (losses)[9]			(2)
Legal settlement[10]			6
Other items[11]			(9)
Income (loss) before income taxes - Hertz			68
Change in fair value of Public Warrants[12]			19
Income (loss) before income taxes - Hertz Global			$ 87

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	Three Months Ended September 30, 2025		
(In millions)	Americas RAC	International RAC	Total
Revenues	$ 1,910	$ 568	$ 2,478
Significant segment expenses:			
Direct vehicle and operating	1,155	298	
Depreciation of revenue earning vehicles and lease charges, net[1]	355	102	
Selling, general and administrative	127	80	
Other segment items[2]	120	(15)	
Segment profit (loss): Adjusted EBITDA	$ 153	$ 103	$ 256
Adjustments:			
Corporate[3]			(53)
Non-vehicle depreciation and amortization			(29)
Non-vehicle debt interest, net[4]			(123)
Vehicle debt-related charges[5]			(12)
Restructuring and restructuring related charges[6]			(4)
Net gains (losses) on financial instruments[7]			43
Share-based compensation expense[8]			(14)
Foreign currency gains (losses)[9]			(8)
Legal settlement[10]			154
Gain on sale of non-vehicle capital assets[13]			39
Other items[11]			(9)
Income (loss) before income taxes - Hertz			240
Change in fair value of Public Warrants[12]			(6)
Income (loss) before income taxes - Hertz Global			$ 234

	Nine Months Ended September 30, 2026		
(In millions)	Americas RAC	International RAC	Total
Revenues	$ 5,591	$ 1,426	$ 7,017
Significant segment expenses:			
Direct vehicle and operating	3,523	815	
Depreciation of revenue earning vehicles and lease charges, net[1]	1,151	285	
Selling, general and administrative	398	193	
Other segment items[2]	346	(6)	
Segment profit (loss): Adjusted EBITDA	$ 173	$ 139	$ 312
Adjustments:			
Corporate[3]			(159)
Non-vehicle depreciation and amortization			(80)
Non-vehicle debt interest, net[4]			(443)
Vehicle debt-related charges[5]			(33)
Restructuring and restructuring related charges[6]			(37)
Net gains (losses) on financial instruments[7]			156
Share-based compensation expense[8]			(55)
Foreign currency gains (losses)[9]			(2)

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	Nine Months Ended September 30, 2026		
(In millions)	Americas RAC	International RAC	Total
Legal settlement[10]			6
Gain on sale of non-vehicle capital assets[13]			64
Other items[11]			(23)
Income (loss) before income taxes - Hertz			(294)
Change in fair value of Public Warrants[12]			150
Other			(2)
Income (loss) before income taxes - Hertz Global			$ (146)

	Nine Months Ended September 30, 2025		
(In millions)	Americas RAC	International RAC	Total
Revenues	$ 5,138	$ 1,338	$ 6,476
Significant segment expenses:			
Direct vehicle and operating	3,353	768	
Depreciation of revenue earning vehicles and lease charges, net[1]	1,142	265	
Selling, general and administrative	373	184	
Other segment items[2]	310	(10)	
Segment profit (loss): Adjusted EBITDA	$ (40)	$ 131	$ 91
Adjustments:			
Corporate[3]			(173)
Non-vehicle depreciation and amortization			(88)
Non-vehicle debt interest, net[4]			(371)
Vehicle debt-related charges[5]			(35)
Restructuring and restructuring related charges[6]			(11)
Net gains (losses) on financial instruments[7]			(69)
Share-based compensation expense[8]			(45)
Foreign currency gains (losses)[9]			(10)
Legal settlement[10]			154
Gain on sale of non-vehicle capital assets[13]			128
Other items[11]			(48)
Income (loss) before income taxes - Hertz			(477)
Change in fair value of Public Warrants[12]			(130)
Income (loss) before income taxes - Hertz Global			$ (607)

(1) Includes the write-down to carrying value of non-program vehicles classified as held for sale. See Note 4, "Revenue Earning Vehicles."

(2) Represents certain other segment items that are not deemed significant segment expenses, which primarily consist of vehicle interest expense, net and other adjustments, such as intercompany royalty assessment fees, vehicle-debt related charges, restructuring and restructuring related charges and certain other miscellaneous items as described in footnote 11 below.

(3) Represents other reconciling items primarily consisting of general corporate expenses as well as other business activities.

(4) Excludes gains (losses) related to the fair value of the Exchange Features 2029, the Exchange Feature 2030, the First Lien Exchangeable Feature 2030 and the Capped Call Transactions 2030, which are included in footnote 7 below.

(5) Represents vehicle debt-related charges relating to the amortization of deferred financing costs and debt discounts and premiums which are recorded within vehicle interest expense.

(6) Represents charges incurred under restructuring actions as defined in U.S. GAAP. Also includes restructuring related charges such as incremental costs incurred related primarily to consulting fees, personnel reductions, litigation and closures of underperforming locations. Charges are recorded within selling, general and administrative expense.

(7) Represents total realized and unrealized gains (losses) on derivative financial instruments in which interest rate instrument gains (losses) are recorded within vehicle interest expense, net and foreign currency forward contract gains (losses) are recorded within selling, general and administrative expense. Also includes gains (losses) associated with the Exchange Features 2029, the Exchange Feature 2030, the First Lien Exchangeable Feature 2030 and the Capped Call Transactions 2030, which are recorded within non-vehicle interest expense, net. See Note 10, "Financial Instruments." As a result of the revision to Adjusted EBITDA, the three months ended September 30, 2026 and 2025, includes a realized loss of $3 million and a realized gain of $10 million, respectively, on derivative financial instruments, and the nine months ended September 30, 2026 and 2025, includes a realized loss of $7 million and a realized gain of $3 million, respectively, on derivative financial instruments.

(8) Represents total employee compensation expense associated with grants made under the 2021 Omnibus Plan. See Note 9, "Stock-Based Compensation."

(9) Represents (gains) losses recognized on the remeasurement and settlement of foreign currency transactions, excluding gains (losses) related to foreign currency derivative financial instruments, which are included in footnote 7 above.

(10) Represents the gain related to the receipt of legal settlement distributions in August 2026 and September 2025 in connection with the Company's participation in a class action settlement. See Note 12, "Contingencies and Off-Balance Sheet Commitments."

(11) Represents miscellaneous items. For the three months ended September 30, 2026, primarily includes certain IT-related charges, certain environmental remediation costs and cloud computing costs. For the three months ended September 30, 2025, primarily includes an unfavorable litigation ruling and an increase to an existing bankruptcy-related litigation reserve, partially offset by certain other litigation adjustments. For the nine months ended September 30, 2026, primarily includes certain IT-related charges, cloud computing costs and certain environmental remediation costs. For the nine months ended September 30, 2025, primarily includes an increase to an existing bankruptcy-related litigation reserve, certain IT-related charges, an unfavorable litigation ruling, cloud computing costs, certain concession-related adjustments and certain other litigation charges and adjustments.

(12) Represents the change in fair value during the reporting period for Hertz Global's outstanding Public Warrants. See Note 11, "Fair Value Measurements."

(13) Represents the gain recognized on the sales of certain non-vehicle capital assets sold in the second quarter of 2026 and in June and July 2025. See Note 3, "Divestitures."

The following tables provide other significant segment statement of operations, balance sheet and cash flow information for each of Hertz Global and Hertz.

	Three Months Ended September 30,			
(In millions)	Americas RAC	International RAC	Unallocated[1]	Total Hertz Global and Hertz
2026				
Depreciation and amortization, non-vehicle assets	$ 23	$ 3	$ 2	$ 28
Vehicle interest expense, net[2]	139	24	—	163
Non-vehicle interest expense, net[2]	4	(3)	87	88
2025				
Depreciation and amortization, non-vehicle assets	$ 23	$ 3	$ 3	$ 29
Vehicle interest expense, net[2]	134	27	—	161
Non-vehicle interest expense, net[2]	1	(4)	89	86

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	Nine Months Ended September 30,			
(In millions)	Americas RAC	International RAC	Unallocated[1]	Total Hertz Global and Hertz
2026				
Depreciation and amortization, non-vehicle assets	$ 65	$ 10	$ 5	$ 80
Vehicle interest expense, net[2]	401	73	—	474
Non-vehicle interest expense, net[2]	9	(10)	293	292
2025				
Depreciation and amortization, non-vehicle assets	$ 72	$ 10	$ 6	$ 88
Vehicle interest expense, net[2]	380	73	—	453
Non-vehicle interest expense, net[2]	1	(12)	456	445

(1) Includes expenses associated with the Company's corporate operations which are not attributable to a particular reportable segment.

(2) The Company's CODM relies primarily on interest expense, net when reviewing targeted results versus actual results to facilitate in the evaluation of segment results.

(In millions)	Americas RAC	International RAC	Unallocated[1]	Total Hertz Global	Unallocated - Hertz[2]	Total Hertz
As of September 30, 2026						
Revenue earning vehicles, net[3]	$ 11,125	$ 1,842	$ —	$ 12,967	$ —	$ 12,967
Property and equipment, net	347	64	86	497	—	497
Total assets[4]	18,004	3,570	1,172	22,746	(1)	22,745
As of December 31, 2025						
Revenue earning vehicles, net[3]	$ 10,844	$ 1,682	$ —	$ 12,526	$ —	$ 12,526
Property and equipment, net	415	63	88	566	—	566
Total assets[4]	17,809	3,357	1,145	22,311	(3)	22,308

(1) Includes assets associated with the Company's corporate operations, which are not attributable to a particular reportable segment.

(2) Includes assets associated with Hertz's corporate operations, which are not attributable to a particular reportable segment.

(3) Includes the carrying amount of vehicles classified as held for sale as of the respective balance sheet date. See Note 4, "Revenue Earning Vehicles."

(4) The consolidated total assets of Hertz Global and Hertz as of September 30, 2026 and December 31, 2025 include total assets of VIEs of $1.4 billion and $1.3 billion, respectively, which can only be used to settle obligations of the VIEs. See "Pledges Related to Vehicle Financing" in Note 5, "Debt," for further information.

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	Nine Months Ended September 30,			
(In millions)	Americas RAC	International RAC	Unallocated[1]	Total Hertz Global and Hertz
2026				
Expenditures	$ (7,556)	$ (1,364)	$ (9)	$ (8,929)
Proceeds from disposals	5,947	956	—	6,903
Net expenditures	$ (1,609)	$ (408)	$ (9)	$ (2,026)
2025				
Expenditures	$ (6,492)	$ (1,376)	$ (1)	$ (7,869)
Proceeds from disposals	5,084	1,066	(3)	6,147
Net expenditures	$ (1,408)	$ (310)	$ (4)	$ (1,722)

(1) Includes assets associated with the Company's corporate operations which are not attributable to a particular reportable segment.

The Company operates in the U.S. and in international countries. International operations are substantially in Europe. The operations within major geographic areas for each of Hertz Global and Hertz are summarized below:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Revenues				
U.S.	$ 1,910	$ 1,779	$ 5,315	$ 4,865
International	707	699	1,702	1,611
Total Hertz Global and Hertz	$ 2,617	$ 2,478	$ 7,017	$ 6,476

(In millions)	U.S.	International	Total Hertz Global	U.S. - Hertz	Total Hertz
As of September 30, 2026					
Revenue earning vehicles, net[1]	$ 10,623	$ 2,344	$ 12,967	$ —	$ 12,967
Property and equipment, net	417	80	497	—	497
Operating lease right-of-use assets	1,856	370	2,226	—	2,226
Total assets	18,317	4,429	22,746	(1)	22,745
As of December 31, 2025					
Revenue earning vehicles, net[1]	$ 10,473	$ 2,053	$ 12,526	$ —	$ 12,526
Property and equipment, net	484	82	566	—	566
Operating lease right-of-use assets	1,927	330	2,257	—	2,257
Total assets	18,242	4,069	22,311	(3)	22,308

(1) Includes the carrying amount of vehicles classified as held for sale as of the respective balance sheet date. See Note 4, "Revenue Earning Vehicles."

Note 15—Subsequent Events

Oro Mobility

In October 2026, Hertz and the JV Investors entered into the Joint Venture in which the JV Investors agreed to purchase Class A Common Units of Oro from Hertz for aggregate cash consideration of approximately $81 million (the "JV Investor Purchase"), representing 50% of the voting units of Oro and approximately 16% of the common units of Oro. Concurrently, Hertz agreed to repurchase approximately $51 million aggregate principal of Exchangeable Notes Due 2029 from certain funds or accounts affiliated with Certares and/or Knighthead for approximately $21 million, as further disclosed in Note 13, "Related Party Transactions." In connection with the formation of the Joint Venture, but prior to the JV Investor Purchase, Oro, Hertz and HTI entered into certain agreements pursuant to which Oro became the owner of, or acquired the right to use, certain assets related to Hertz's Oro Mobility business (the "Oro Business") not already owned by Oro, and Hertz assigned a 5% interest in Oro to HTI. In addition to the transfer of assets relating to the Oro Business, Hertz contributed approximately $60 million in cash to Oro. Hertz, HTI and the JV Investors entered into the LLC Agreement effective as of October 19, 2026, pursuant to which Oro will be governed by a six-person board, with Hertz and the JV Investors each entitled to designate three members.

Services Agreement

In connection with the formation of the Joint Venture, Hertz, Oro and certain of their respective affiliates entered into a services agreement (the "Services Agreement") pursuant to which Hertz agreed to provide certain corporate, operational, fleet, technology and other services to Oro and its subsidiaries. Certain services under the Services Agreement are expected to be provided on an ongoing basis and certain services are expected to be provided on a short-term transitional basis. The Services Agreement also includes a transitional trademark license pursuant to which Hertz grants Oro a limited, sublicensable, non-transferable, royalty-bearing, non-exclusive license to use the Hertz names and marks in connection with certain Oro composite marks for an initial period of 24 months and subject to extension in accordance with the Services Agreement. The royalty-bearing license requires Oro to pay Hertz a royalty equal to 0.5% of new rental customer revenue, as determined in accordance with the Services Agreement.

Fleet Lease Agreements

Oro and certain of its subsidiaries entered into certain fleet leasing agreements (the "Fleet Lease Agreements") pursuant to which Hertz agreed to lease or sublease to Oro certain vehicles comprising the fleet used in the Oro Mobility business. The Fleet Lease Agreements provide for such vehicles to be leased or subleased, including lease payments of approximately $14 million per month, with an average term of approximately 4.5 years.

Segment Information

The Oro Mobility transactions disclosed above, along with the implementation of the Company's new platform operating model, which aligns the enterprise around the four business areas of its platform for growth consisting of Rental, Fleet, Service and Oro Mobility (the "Platform Operating Model"), are expected to impact the Company's operating and reportable segments. As a result, the Company expects to revise its reportable segments effective in the fourth quarter of 2026.

HVF III U.S. Vehicle Variable Funding Notes

On November 2, 2026, HVF III and Hertz entered into Amendment No. 3 to Third Amended and Restated Series 2021-A Supplement (“Amendment No. 3 to Third A&R Series 2021-A Supplement”) by and among HVF III, as issuer, Hertz, as administrator, Deutsche Bank AG, New York Branch, as program agent, and The Bank of New York Mellon Trust Company, N.A., as trustee. Amendment No. 3 to Third A&R Series 2021-A Supplement amends the Third Amended and Restated Series 2021-A Supplement, dated August 29, 2025.

Amendment No. 3 to Third A&R Series 2021-A Supplement was entered into primarily to extend the Series 2021-A Commitment Termination Date for the Class B Notes to November 2, 2028. The Series 2021-A Class B Notes will have a fixed interest rate of 12.46%. In addition, Amendment No. 3 to Third A&R Series 2021-A Supplement contains a condition that the funding of the Class B Notes thereunder shall not occur unless Hertz's 4.625% Senior Notes Due 2026 are paid off in full prior to December 31, 2026, as well as other administrative amendments.

The foregoing description of Amendment No. 3 to Third A&R Series 2021-A Supplement is qualified in its entirety by reference to Amendment No. 3 to Third A&R Series 2021-A Supplement, a copy of which is filed as Exhibit 10.2 to this Quarterly Report and is incorporated herein by reference.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

Hertz Global Holdings, Inc. is a holding company and its principal, wholly owned subsidiary is The Hertz Corporation. Hertz Global consolidates Hertz for financial statement purposes, and Hertz comprises approximately the entire balance of Hertz Global's assets, liabilities and operating cash flows. In addition, Hertz's operating revenues and operating expenses comprise nearly 100% of Hertz Global's revenues and operating expenses. As such, Management's Discussion and Analysis of Financial Condition and Results of Operations ("MD&A") that follows herein is for Hertz and also applies to Hertz Global in all material respects, unless otherwise noted. Differences between the operations and results of Hertz and Hertz Global are separately disclosed and explained. We sometimes use the words "we," "our," "us" and the "Company" in this MD&A for disclosures that relate to all of Hertz and Hertz Global.

The statements in this MD&A regarding industry outlook, our expectations regarding the performance of our business and the other non-historical statements are forward-looking statements. These forward-looking statements are subject to numerous risks and uncertainties. The following MD&A provides information that we believe to be relevant to an understanding of our consolidated financial condition and results of operations. Our actual results may differ materially from those contained in or implied by any forward-looking statements.

This MD&A should be read in conjunction with the MD&A presented in our 2025 Form 10-K together with the sections entitled "Cautionary Note Regarding Forward-Looking Statements and Summary of Risk Factors," Part I, Item 1A, "Risk Factors," and our unaudited condensed consolidated financial statements and accompanying notes included in Part I, Item 1 of this Quarterly Report on Form 10-Q for the quarterly period ended September 30, 2026 (this "Quarterly Report"), which include additional information about our accounting policies, practices and the transactions underlying our financial results. The preparation of our unaudited condensed consolidated financial statements in conformity with U.S. GAAP requires us to make estimates and assumptions that affect the reported amounts in our unaudited condensed consolidated financial statements and the accompanying notes including revenue earning vehicle depreciation and various claims and contingencies related to lawsuits, taxes, insurance and other matters arising during the normal course of business. We apply our best judgment, our knowledge of existing facts and circumstances and our knowledge of actions that we may undertake in the future in determining the estimates that will affect our unaudited condensed consolidated financial statements. We evaluate our estimates on an ongoing basis using our historical experience, as well as other factors we believe to be appropriate under the circumstances, such as current economic conditions, and adjust or revise our estimates as circumstances change. As future events and their effects cannot be determined with precision, actual results may differ from these estimates.

In this MD&A, we refer to the following non-GAAP measure and key metrics:

- *Adjusted Corporate EBITDA – important non-GAAP measure to management because it allows management to assess the operational performance of our business, exclusive of certain items, and allows management to assess the performance of the entire business on the same basis as the segment measure of profitability. Management believes that it is important to investors for the same reasons it is important to management and because it allows investors to assess our operational performance on the same basis that management uses internally. Adjusted EBITDA, the segment measure of profitability and accordingly a GAAP measure, is calculated exclusive of certain items which are largely consistent with those used in the calculation of Adjusted Corporate EBITDA. Effective in the first quarter of 2026, we revised our definition of Adjusted Corporate EBITDA to adjust for realized (gains) losses from financial instruments, share-based compensation expense and foreign currency (gains) losses in an effort to better reflect management's view of ongoing operations and its assessment of our operational performance. The presentation of the prior period has been recast to conform to the current period presentation.*
- *Vehicle Utilization – important key metric to management and investors as it is the measurement of the proportion of our vehicles that are being used to generate revenues relative to rentable fleet capacity. Higher Vehicle Utilization means more vehicles are being utilized to generate revenues.*

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

- *Depreciation Per Unit Per Month – important key metric to management and investors as depreciation of revenue earning vehicles and lease charges is one of our largest expenses for the vehicle rental business and is driven by the number of vehicles, expected residual values at the expected time of disposal and expected hold period of the vehicles. Depreciation Per Unit Per Month is reflective of how we are managing the costs of our vehicles and facilitates a comparison with other participants in the vehicle rental industry. Effective in the first quarter of 2026, we changed our definition of Average Vehicles to use a daily average of vehicles as opposed to a simple average of vehicles at the beginning and end of a period. We believe this is a better, more accurate measure of our vehicles. Accordingly, the prior period has been recast to reflect this change.*
- *Total Revenue Per Transaction Day ("Total RPD," also referred to as "pricing") – important key metric 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") – important key metric 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 ("Average Rentable Vehicles"). Average Rentable Vehicles excludes vehicles for sale on our retail lots or actively in the process of being sold through other disposition channels. Effective in the first quarter of 2026, we changed our definition of Average Rentable Vehicles to use a daily average of rentable vehicles as opposed to a simple average of rentable vehicles at the beginning and end of a period. We believe this is a better, more accurate measure of our rentable vehicles. Accordingly, the prior period has been recast to reflect this change.*
- *Transaction Days – important key metric to management and investors as it represents the number of revenue generating days ("volume"). It is used as a component to measure Total RPD and Vehicle Utilization. Transaction Days 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.*

Our non-GAAP measure and key metrics should not be considered in isolation and should not be considered superior to, or a substitute for, financial measures calculated in accordance with U.S. GAAP. The above non-GAAP measure and key metrics are defined, and the non-GAAP measure is reconciled to its most comparable U.S. GAAP measure, in the "Footnotes to the Results of Operations and Selected Operating Data by Segment Tables" section of this MD&A.

OUR COMPANY

Hertz Holdings was incorporated in Delaware in 2015 to serve as the top-level holding company for Rental Car Intermediate Holdings, LLC, which wholly owns Hertz, Hertz Global's primary operating company. Hertz was incorporated in Delaware in 1967 and is a successor to corporations that have been engaged in the vehicle rental and leasing business since 1918.

We operate our vehicle rental business globally from company-owned and franchisee locations in the U.S., Europe, Africa, Asia, Australia, Canada, the Caribbean, Latin America, the Middle East and New Zealand. We also sell vehicles through Hertz Car Sales.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

OVERVIEW OF OUR BUSINESS AND OPERATING ENVIRONMENT

Our Business

We are engaged principally in the business of renting vehicles primarily through our Hertz, Dollar and Thrifty brands. Our profitability is primarily a function of the volume, mix and pricing of rental transactions and the utilization of vehicles based on availability to rent, the related ownership cost of vehicles and other operating costs. Significant changes in the purchase price or residual values of vehicles or interest rates can have a significant effect on our profitability depending on our ability to adjust pricing for these changes. We continue to balance our mix of EVs, non-program vehicles and program vehicles based on market conditions, including residual values. Our business requires significant expenditures for vehicles, and, as such, we require substantial liquidity to finance such expenditures.

Through our "Back-to-Basics" roadmap, we are committed to executing a comprehensive strategy to transform our business, anchored by three financial pillars: disciplined fleet management, revenue optimization and rigorous cost control. Building on our brand strength, global network and fleet management expertise, we remain committed to operational excellence and keeping customers central to everything we do. We have strengthened our fleet by refining our capabilities by sourcing vehicles strategically, deploying them efficiently and monetizing them effectively. Our approach balances disciplined execution today with systematic innovation for tomorrow, leveraging industry experience to adapt to evolving market dynamics and position us for sustainable growth in the future of mobility.

Our revenues are primarily derived from rental and related charges and consist of worldwide vehicle rental revenues from all company-operated vehicle rental operations and charges to customers for the reimbursement of costs incurred relating to airport concession fees and vehicle license fees, the fueling and electric charging of vehicles and revenues associated with value-added services, including the sale of loss or collision damage waivers, theft protection, liability and personal accident/effects insurance coverage, premium emergency roadside service and other products and fees. Also included are collections from customers for vehicle damages, ancillary revenues associated with, but not limited to, retail vehicle sales and certain royalty fees from our franchisees (such fees are less than 3% of total revenues each period).

Our expenses primarily consist of:

- direct vehicle and operating expense ("DOE"), primarily wages and related benefits; commissions and concession fees paid to airport authorities, travel agents and others; facility, self-insurance and reservation costs; and other costs relating to the operation and rental of revenue earning vehicles, such as collision and damage, maintenance, fuel and electric charging costs;
- depreciation expense and lease charges, net relating to revenue earning vehicles, including gains and losses and related costs associated with the disposal of vehicles, including vehicle sales;
- depreciation and amortization expense relating to non-vehicle assets;
- selling, general and administrative expense ("SG&A"), which includes advertising costs and administrative personnel costs, along with costs for information technology and business transformation programs; and
- interest expense, net.

Our vehicle rental operations are a seasonal business, with decreased levels of business in the winter months and heightened activity during the spring and summer months ("our peak season") for the majority of countries where we generate our revenues. To accommodate increased demand, we seek to increase our available fleet and staff. As demand declines, we seek to reduce our fleet and staff accordingly. As a result, we strive to maintain a flexible workforce, with a significant number of part-time and seasonal workers. A number of our other major operating costs, including airport concession fees, commissions and vehicle liability expenses, are directly related to revenues or transaction volumes. Certain operating expenses, including real estate taxes, rent, insurance, utilities, maintenance and other facility-related expenses, and minimum staffing costs, remain fixed and cannot be adjusted for demand.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Our Reportable Segments

We have identified two reportable segments, which are consistent with our operating segments and organized based on the products and services provided and the geographic areas in which business is conducted, as follows:

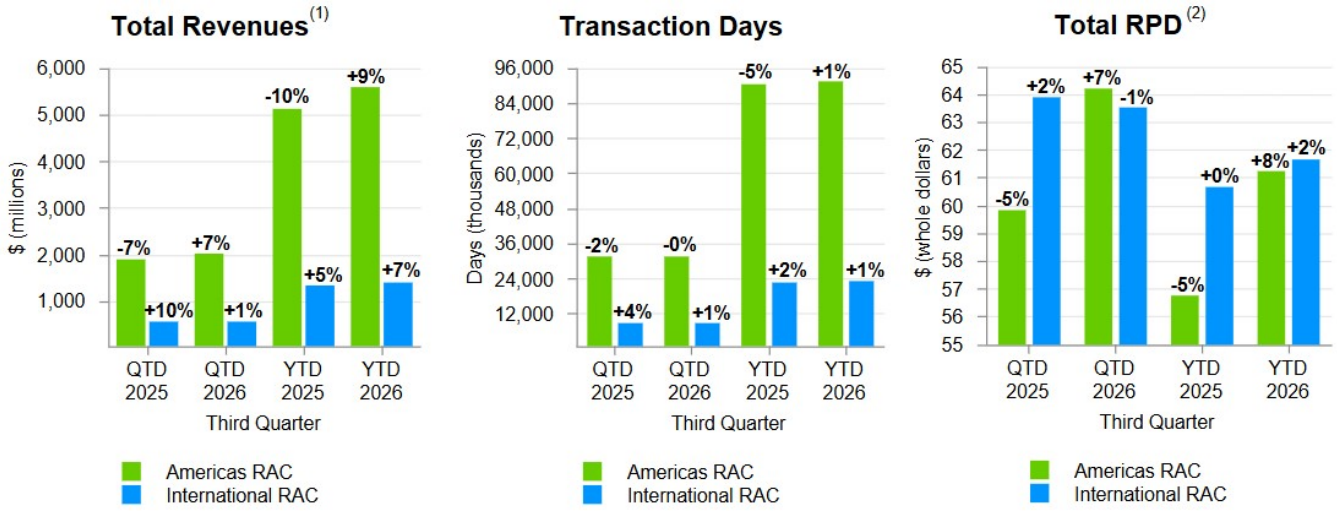
- Americas RAC – Rental of vehicles, as well as sales of value-added services, in the U.S., Canada, Latin America and the Caribbean; and
- International RAC – Rental of vehicles, as well as sales of value-added services, in locations other than the U.S., Canada, Latin America and the Caribbean.

In addition to the above reportable segments, we have corporate operations. We assess performance and allocate resources based upon the financial information for our operating segments.

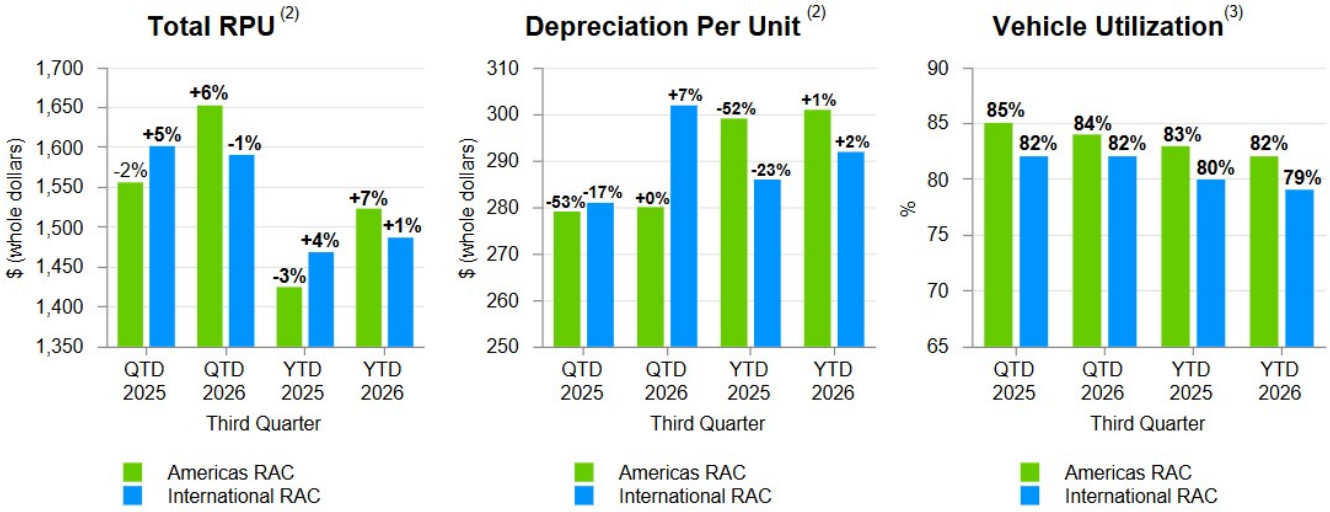
The Oro Mobility transactions, as further disclosed in Note 15, "Subsequent Events," in Part I, Item 1 of this Quarterly Report, along with the implementation of our new Platform Operating Model, are expected to impact our operating and reportable segments. As a result, we expect to revise our reportable segments effective in the fourth quarter of 2026.

Three and Nine Months Ended September 30, 2026 Operating Overview

The charts below provide the period-over-period change for several key factors influencing our results for the three and nine months ended September 30, 2026 and 2025.



ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)



(1) Includes impact of foreign currency exchange at average rates ("fx").

(2) Results shown are in constant currency as of December 31, 2025.

(3) The percentages shown in this chart reflect Vehicle Utilization versus period-over-period change.

For more information on the above, see the discussion of our results on a consolidated basis and by segment that follows herein. In this MD&A, certain amounts in the following tables are denoted in millions. Amounts such as percentages are calculated from the underlying numbers in thousands, and as a result, may not agree to the amount when calculated from the tables in millions.

Critical Accounting Estimates

Recoverability of Goodwill and Indefinite-lived Intangible Assets

The Oro Mobility transactions, as further disclosed in Note 15, "Subsequent Events," in Part I, Item 1 of this Quarterly Report, along with the implementation of our new Platform Operating Model, are expected to impact our operating and reportable segments. As a result, we expect to revise our reportable segments effective in the fourth quarter of 2026. A change in our reporting unit composition could require us to reallocate goodwill and perform impairment testing. As this testing could incorporate changes to our reporting unit composition, as well as updates to our estimated future cash flows, among other assumptions, there is a risk that future impairment charges may occur.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

CONSOLIDATED RESULTS OF OPERATIONS – HERTZ

	Three Months Ended September 30,			Nine Months Ended September 30,		
($ in millions)	2026	2025	% Change	2026	2025	% Change
Total revenues	$ 2,617	$ 2,478	6%	$ 7,017	$ 6,476	8%
Depreciation of revenue earning vehicles and lease charges, net	468	457	2	1,436	1,407	2
Direct vehicle and operating expenses	1,547	1,454	6	4,345	4,122	5
Non-vehicle depreciation and amortization	28	29	—	80	88	(9)
Selling, general and administrative expenses	256	241	7	748	706	6
Interest expense, net:						
Vehicle	163	161	1	474	453	5
Non-vehicle	88	86	2	292	445	(34)
Interest expense, net	251	247	2	766	898	(15)
Other (income) expense, net	5	3	62	6	14	(60)
Legal settlement	(6)	(154)	96	(6)	(154)	96
(Gain) on sale of non-vehicle capital assets	—	(39)	100	(64)	(128)	50
Income (loss) before income taxes	68	240	(71)	(294)	(477)	38
Income tax (provision) benefit	30	(50)	NM	(7)	54	NM
Net income (loss)	$ 98	$ 190	(48)	$ (301)	$ (423)	29
Adjusted Corporate EBITDA[(a)]	$ 233	$ 203	15	$ 153	$ (82)	NM

NM - Not meaningful

The footnote in the table above is shown in the "Footnotes to the Results of Operations and Selected Operating Data by Segment Tables" section of this MD&A.

Three Months Ended September 30, 2026 Compared with Three Months Ended September 30, 2025

Total revenues increased $138 million in the third quarter of 2026 compared to the same period in 2025, resulting from increases of $135 million and $3 million in our Americas RAC and International RAC segments, respectively. The increase in total revenues was due primarily to improved pricing.

Depreciation of revenue earning vehicles and lease charges, net increased $11 million in the third quarter of 2026 compared to the same period in 2025, primarily attributable to our International RAC segment. Depreciation of revenue earning vehicles and lease charges, net increased due primarily to per unit losses recognized on vehicle dispositions in the third quarter of 2026 compared to per unit gains recognized in the same period in 2025.

DOE increased $93 million in the third quarter of 2026 compared to the same period in 2025, resulting primarily from an increase of $88 million in our Americas RAC segment. The increase in DOE was due primarily to higher collision, maintenance and variable revenue-related costs.

Non-vehicle depreciation and amortization was comparable in the third quarter of 2026 to the same period in 2025.

SG&A increased $16 million in the third quarter of 2026 compared to the same period in 2025 driven primarily by increases of $14 million and $11 million in our corporate operations and Americas RAC segment, respectively, partially offset by a decrease of $9 million in our International RAC segment. The increase in SG&A was due primarily to higher restructuring related charges associated with our corporate operations and increased marketing spend in our Americas RAC segment. SG&A in our International RAC segment decreased primarily due to expenses incurred in the third quarter of 2025 related to an unfavorable litigation ruling.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Vehicle interest expense, net was comparable in the third quarter of 2026 to the same period in 2025.

Non-vehicle interest expense, net was comparable in the third quarter of 2026 to the same period in 2025.

In the third quarters of 2026 and 2025, we recognized gains of $6 million and $154 million, respectively, related to the receipt of legal settlement distributions in connection with our participation in a class action settlement, as disclosed in Note 12, "Contingencies and Off-Balance Sheet Commitments," in Part I, Item 1 of this Quarterly Report.

In the third quarter of 2025, we recognized a gain of $39 million on the sale of certain non-vehicle capital assets in our Americas RAC segment, as disclosed in Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report. We expect to continue to evaluate and complete, when deemed appropriate, sales and lease backs of certain non-vehicle capital assets through the end of 2026.

In the third quarter of 2026, we recorded a tax benefit of $30 million, which resulted in an effective tax rate of (44)%. In the third quarter of 2025, we recorded a tax provision of $50 million, which resulted in an effective tax rate of 21%. The change in taxes in the third quarter of 2026 compared to the same period in 2025 was driven by lower pretax income and decreases in valuation allowances on deferred tax assets.

Nine Months Ended September 30, 2026 Compared with Nine Months Ended September 30, 2025

Total revenues increased $541 million in the nine months ended September 30, 2026 compared to the same period in 2025, resulting primarily from increases of $452 million and $89 million in our Americas RAC and International RAC segments, respectively. The increase in total revenues was due primarily to improved pricing.

Depreciation of revenue earning vehicles and lease charges, net increased $29 million in the nine months ended September 30, 2026 compared to the same period in 2025 with increases of $20 million and $9 million in our International RAC and Americas RAC segments, respectively. Depreciation of revenue earning vehicles and lease charges, net was negatively impacted from a reduction in per unit gains recognized on vehicle disposals, partially offset by a reduction in costs associated with the sales of vehicles resulting in part from the disposition channel mix in our Americas RAC segment. Depreciation of revenue earning vehicles and lease charges, net was impacted by an unfavorable $11 million fx impact in the nine months ended September 30, 2026 in our International RAC segment.

DOE increased $223 million in the nine months ended September 30, 2026 compared to the same period in 2025 with increases of $169 million and $47 million in our Americas RAC and International RAC segments, respectively. The increase in DOE was due primarily to higher collision, maintenance and variable revenue-related costs in our Americas RAC segment. DOE was also impacted by an unfavorable $34 million fx impact in the nine months ended September 30, 2026 in our International RAC segment.

Non-vehicle depreciation and amortization decreased $8 million in the nine months ended September 30, 2026 compared to the same period in 2025, resulting primarily from our Americas RAC segment. The decrease in non-vehicle depreciation and amortization was due primarily to an increase in assets that were fully depreciated in our Americas RAC segment.

SG&A increased $42 million in the nine months ended September 30, 2026 compared to the same period in 2025, driven primarily by increases of $25 million in our Americas RAC segment, $9 million in our corporate operations and $8 million in our International RAC segment. SG&A increased primarily from higher marketing spend in our Americas RAC segment and higher restructuring related charges associated with our corporate operations, partially offset by a reduction in personnel costs associated with our corporate operations and Americas RAC segment.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Vehicle interest expense, net increased $21 million in the nine months ended September 30, 2026 compared to the same period in 2025 due primarily to increased debt levels and higher average rates in our Americas RAC segment resulting largely from the issuances of HVF III Series 2025 Notes in 2025 and the issuances of HVF III Series 2026 Notes in May and August 2026.

Non-vehicle interest expense, net decreased $153 million in the nine months ended September 30, 2026 compared to the same period in 2025 due primarily to unrealized gains related to changes in the fair value of the embedded derivatives associated with the Exchangeable Notes Due 2029, the Exchangeable Notes Due 2030 and the Exchangeable First Lien Notes Due 2030, partially offset by increased debt levels.

In the nine months ended September 30, 2026 and 2025, we recognized gains of $6 million and $154 million, respectively, related to the receipt of legal settlement distributions in connection with our participation in a class action settlement, as disclosed in Note 12, "Contingencies and Off-Balance Sheet Commitments," in Part I, Item 1 of this Quarterly Report.

In the nine months ended September 30, 2026 and 2025, we recognized gains of $64 million and $128 million, respectively, on the sales of certain non-vehicle capital assets during the second quarter of 2026 and the second and third quarters of 2025, respectively, in our Americas RAC segment, as disclosed in Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report. We expect to continue to evaluate and complete, when deemed appropriate, sales and lease backs of certain non-vehicle capital assets through the end of 2026.

In the nine months ended September 30, 2026, we recorded a tax provision of $7 million, which resulted in an effective tax rate of (3)%. In the nine months ended September 30, 2025, we recorded a tax benefit of $54 million, which resulted in an effective tax rate of 11%. The change in taxes in the nine months ended September 30, 2026 compared to the same period in 2025 was driven primarily by lower pretax losses and increases in valuation allowances on deferred tax assets.

CONSOLIDATED RESULTS OF OPERATIONS – HERTZ GLOBAL

The above discussion for Hertz also applies to Hertz Global.

Hertz Global had income of $19 million and $150 million from the change in fair value of Public Warrants that was incremental to Hertz for the third quarter and nine months ended September 30, 2026, respectively, included in Hertz Global's unaudited condensed consolidated statements of operations in Part I, Item 1 of this Quarterly Report.

Hertz Global had losses of $6 million and $130 million from the change in fair value of Public Warrants that were incremental to Hertz for the third quarter and nine months ended September 30, 2025, respectively, included in Hertz Global's unaudited condensed consolidated statements of operations in Part I, Item 1 of this Quarterly Report.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

RESULTS OF OPERATIONS AND SELECTED OPERATING DATA BY SEGMENT

Americas RAC

($ in millions, except as noted)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	% Change	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025	% Change
Total revenues	$ 2,045	$ 1,910	7%	$ 5,591	$ 5,138	9%
Depreciation of revenue earning vehicles and lease charges, net	$ 358	$ 355	1	$ 1,151	$ 1,142	1
Direct vehicle and operating expenses	$ 1,242	$ 1,155	8	$ 3,523	$ 3,353	5
Direct vehicle and operating expenses as a percentage of total revenues	61 %	60 %		63 %	65 %	
Non-vehicle depreciation and amortization	$ 23	$ 23	—	$ 65	$ 72	(10)
Selling, general and administrative expenses	$ 137	$ 127	9	$ 398	$ 373	7
Selling, general and administrative expenses as a percentage of total revenues	7 %	7 %		7 %	7 %	
Vehicle interest expense	$ 139	$ 134	4	$ 401	$ 380	6
Legal settlement	$ (6)	$ (154)	96	$ (6)	$ (154)	96
(Gain) from the sale of non-vehicle capital assets	$ —	$ (39)	100	$ (64)	$ (128)	50
Adjusted EBITDA	$ 188	$ 153	23	$ 173	$ (40)	NM
Transaction Days (in thousands)[b]	31,893	31,923	—	91,350	90,616	1
Average Vehicles (in whole units)[f]	427,207	425,268	—	425,500	425,293	—
Average Rentable Vehicles (in whole units)[c]	412,911	409,371	1	408,285	400,825	2
Vehicle Utilization[c]	84 %	85 %		82 %	83 %	
Total RPD (in dollars)[d]	$ 64.21	$ 59.86	7	$ 61.24	$ 56.75	8
Total RPU Per Month (in whole dollars)[e]	$ 1,653	$ 1,556	6	$ 1,523	$ 1,425	7
Depreciation Per Unit Per Month (in whole dollars)[f]	$ 280	$ 279	—	$ 301	$ 299	1
Percentage of program vehicles as of period end	13 %	12 %		13 %	12 %	

NM - Not meaningful

Footnotes to the table above are shown in the "Footnotes to the Results of Operations and Selected Operating Data by Segment Tables" section of this MD&A.

Three Months Ended September 30, 2026 Compared with Three Months Ended September 30, 2025

Total Americas RAC revenues increased $135 million in the third quarter of 2026 compared to the same period in 2025 due primarily to higher pricing, in which Total RPD increased primarily across our leisure and business channels. Airport revenues comprised 70% of total revenues for the segment in the third quarter of 2026 compared to 69% in the same period in 2025.

Depreciation of revenue earning vehicles and lease charges, net for Americas RAC increased $2 million in the third quarter of 2026 compared to the same period in 2025 due primarily to a reduction in per unit gains on fewer vehicle dispositions, partially offset by a reduction in costs associated with the sales of vehicles resulting in part from our disposition channel mix.

DOE for Americas RAC increased $88 million in the third quarter of 2026 compared to the same period in 2025 due primarily to higher collision, maintenance and variable revenue-related costs.

Non-vehicle depreciation and amortization was comparable in the third quarter of 2026 to the same period in 2025.

SG&A for Americas RAC increased $11 million in the third quarter of 2026 compared to the same period in 2025 due primarily to increased marketing spend.

Vehicle interest expense for Americas RAC increased $5 million in the third quarter of 2026 compared to the same period in 2025 due primarily to higher average rates and increased debt levels driven by the issuance of HVF III 2025 Notes in December 2025 and the issuances of the HVF III 2026 Notes in May and August 2026.

Americas RAC recognized gains of $6 million and $154 million in the third quarters of 2026 and 2025, respectively, related to the receipt of legal settlement distributions in connection with our participation in a class action settlement, as disclosed in Note 12, "Contingencies and Off-Balance Sheet Commitments," in Part I, Item 1 of this Quarterly Report.

Americas RAC recognized a gain of $39 million in the third quarter of 2025 on the sales of certain non-vehicle capital assets, as disclosed in Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report. We expect to continue to evaluate and complete, when deemed appropriate, sales and lease backs of certain non-vehicle capital assets through the end of 2026.

Nine Months Ended September 30, 2026 Compared with Nine Months Ended September 30, 2025

Total Americas RAC revenues increased $452 million in the nine months ended September 30, 2026 compared to the same period in 2025 due primarily to higher pricing. Total RPD increased across all customer channels in the nine months ended September 30, 2026 compared to the same period in 2025. Airport revenues comprised 69% of total revenues for the segment in each of the nine months ended September 30, 2026 and 2025.

Depreciation of revenue earning vehicles and lease charges, net for Americas RAC increased $9 million in the nine months ended September 30, 2026 compared to the same period in 2025 primarily due to a reduction in per unit gains recognized on vehicle disposals, partially offset by a reduction in costs associated with the sales of vehicles resulting in part from our disposition channel mix.

DOE for Americas RAC increased $169 million in the nine months ended September 30, 2026 compared to the same period in 2025 due primarily to higher collision, maintenance and variable revenue-related costs.

Non-vehicle depreciation and amortization decreased $7 million in the nine months ended September 30, 2026 compared to the same period in 2025 due primarily to an increase in assets that are fully depreciated.

SG&A for Americas RAC increased $25 million in the nine months ended September 30, 2026 compared to the same period in 2025 due primarily to higher marketing spend, partially offset by lower personnel costs.

Vehicle interest expense for Americas RAC increased $21 million in the nine months ended September 30, 2026 compared to the same period in 2025 due primarily to increased debt levels and higher average rates resulting from the issuances of HVF III 2025 Notes in June and December 2025 and the issuance of the HVF III 2026 Notes in May and August 2026.

Americas RAC recognized gains of $6 million and $154 million in the nine months ended September 30, 2026 and 2025 related to the receipt of legal settlement distributions in connection with our participation in a class action settlement, as disclosed in Note 12, "Contingencies and Off-Balance Sheet Commitments," in Part I, Item 1 of this Quarterly Report.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Americas RAC recognized gains of $64 million and $128 million in the nine months ended September 30, 2026 and 2025, respectively, on the sales of certain non-vehicle capital assets during the second quarter of 2026 and the second and third quarters of 2025, respectively, as disclosed in Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report. We expect to continue to evaluate and complete, when deemed appropriate, sales and lease backs of certain non-vehicle capital assets through the end of 2026.

International RAC

	Three Months Ended September 30,			Nine Months Ended September 30,		
($ in millions, except as noted)	2026	2025	% Change	2026	2025	% Change
Total revenues	$ 572	$ 568	1%	$ 1,426	$ 1,338	7%
Depreciation of revenue earning vehicles and lease charges, net	$ 110	$ 102	8	$ 285	$ 265	8
Direct vehicle and operating expenses	$ 303	$ 298	1	$ 815	$ 768	6
Direct vehicle and operating expenses as a percentage of total revenues	53 %	53 %		57 %	57 %	
Non-vehicle depreciation and amortization	$ 3	$ 3	35	$ 10	$ 10	—
Selling, general and administrative expenses	$ 71	$ 80	(11)	$ 193	$ 184	5
Selling, general and administrative expenses as a percentage of total revenues	12 %	14 %		14 %	14 %	
Vehicle interest expense	$ 24	$ 27	(11)	$ 73	$ 73	—
Adjusted EBITDA	$ 94	$ 103	(9)	$ 139	$ 131	6
Transaction Days (in thousands)[b]	9,075	8,961	1	23,157	22,865	1
Average Vehicles (in whole units)[f]	123,027	121,633	1	109,004	107,178	2
Average Rentable Vehicles (in whole units)[c]	120,845	119,270	1	106,699	104,985	2
Vehicle Utilization[c]	82 %	82 %		79 %	80 %	
Total RPD (in dollars)[d]	$ 63.55	$ 63.91	(1)	$ 61.65	$ 60.67	2
Total RPU Per Month (in whole dollars)[e]	$ 1,591	$ 1,601	(1)	$ 1,487	$ 1,468	1
Depreciation Per Unit Per Month (in whole dollars)[f]	$ 302	$ 281	7	$ 292	$ 286	2
Percentage of program vehicles as of period end	25 %	30 %		25 %	30 %	

Footnotes to the table above are shown in the "Footnotes to the Results of Operations and Selected Operating Data by Segment Tables" section of this MD&A.

Three Months Ended September 30, 2026 Compared with Three Months Ended September 30, 2025

Total revenues for International RAC in the third quarter of 2026 were comparable to the same period in 2025.

Depreciation of revenue earning vehicles and lease charges, net for International RAC in the third quarter of 2026 increased $9 million compared to the same period in 2025 due primarily to per unit losses recognized on vehicle dispositions in the third quarter of 2026 compared to per unit gains recognized in the same period in 2025, partially offset by changes in fleet mix.

DOE for International RAC increased $4 million in the third quarter of 2026 compared to the same period in 2025 primarily on volume.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

SG&A for International RAC in the third quarter of 2026 decreased $9 million compared to the same period in 2025 due primarily to expenses incurred in the third quarter of 2025 related to an unfavorable litigation ruling.

Vehicle interest expense for International RAC was comparable in the third quarter of 2026 to the same period in 2025.

Nine Months Ended September 30, 2026 Compared with Nine Months Ended September 30, 2025

Total revenues for International RAC increased $89 million in the nine months ended September 30, 2026 compared to the same period in 2025 due largely to higher pricing and increased volume. Total RPD increased in our business channels, with increased Transaction Days primarily across our leisure channels. Total revenues for International RAC were also impacted by a favorable $50 million fx impact in the nine months ended September 30, 2026.

Depreciation of revenue earning vehicles and lease charges, net for International RAC increased $20 million in the nine months ended September 30, 2026 compared to the same period in 2025 due primarily to per unit losses recognized on vehicle dispositions in the nine months ended September 30, 2026 compared to per unit gains recognized in the same period in 2025, partially offset by changes in fleet mix. Depreciation of revenue earning vehicles and lease charges, net was also impacted by an unfavorable $11 million fx impact in the nine months ended September 30, 2026.

DOE for International RAC increased $47 million in the nine months ended September 30, 2026 compared to the same period in 2025 primarily on volume and from an unfavorable $34 million fx impact in the nine months ended September 30, 2026.

SG&A for International RAC increased $8 million in the nine months ended September 30, 2026 compared to the same period in 2025 due primarily to an unfavorable $8 million fx impact in the nine months ended September 30, 2026.

Vehicle interest expense for International RAC was comparable in the nine months ended September 30, 2026 compared to the same period in 2025.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Footnotes to the Results of Operations and Selected Operating Data by Segment Tables

(a) Adjusted Corporate EBITDA is calculated as net income (loss), adjusted for income taxes; non-vehicle depreciation and amortization; non-vehicle debt interest, net; vehicle debt-related charges; restructuring and restructuring related charges; net (gains) losses from financial instruments; share-based compensation expense; foreign currency (gains) losses; change in fair value of Public Warrants and certain other miscellaneous items. When evaluating our operating performance, investors should not consider Adjusted Corporate EBITDA in isolation of, or as a substitute for, measures of our financial performance determined in accordance with U.S. GAAP. The reconciliation to the most comparable U.S. GAAP measure is presented below.

Effective in the first quarter of 2026, we revised our definition of Adjusted Corporate EBITDA to adjust for realized (gains) losses from financial instruments, share-based compensation expense and foreign currency (gains) losses. The update to Adjusted Corporate EBITDA is to better reflect management's view of ongoing operations and its assessment of our operational performance. The presentation of the prior periods has been recast to conform to the current period presentation.

Hertz

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	**2026**	**2025**	**2026**	**2025**
Net income (loss)	$ 98	$ 190	$ (301)	$ (423)
Adjustments:				
Income tax provision (benefit)	(30)	50	7	(54)
Non-vehicle depreciation and amortization	28	29	80	88
Non-vehicle debt interest, net[1]	158	123	443	371
Vehicle debt-related charges[2]	11	12	33	35
Restructuring and restructuring related charges[3]	21	4	37	11
Net (gains) losses on financial instruments[4]	(76)	(43)	(156)	69
Share-based compensation expense[5]	18	14	55	45
Foreign currency (gains) losses[6]	2	8	2	10
Gain on sale of non-vehicle capital assets[7]	—	(39)	(64)	(128)
Legal settlement[8]	(6)	(154)	(6)	(154)
Other items[9]	9	9	23	48
Adjusted Corporate EBITDA	$ 233	$ 203	$ 153	$ (82)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Hertz Global

(In millions)	Three Months Ended September 30, 2026	Three Months Ended September 30, 2025	Nine Months Ended September 30, 2026	Nine Months Ended September 30, 2025
Net income (loss)	$ 116	$ 184	$ (153)	$ (553)
Adjustments:				
Income tax provision (benefit)	(29)	50	7	(54)
Non-vehicle depreciation and amortization	28	29	80	88
Non-vehicle debt interest, net[1]	158	123	443	371
Vehicle debt-related charges[2]	11	12	33	35
Restructuring and restructuring related charges[3]	21	4	37	11
Net (gains) losses on financial instruments[4]	(76)	(43)	(156)	69
Share-based compensation expense[5]	18	14	55	45
Foreign currency (gains) losses[6]	2	8	2	10
Gain on sale of non-vehicle capital assets[7]	—	(39)	(64)	(128)
Legal settlement[8]	(6)	(154)	(6)	(154)
Change in fair value of Public Warrants[10]	(19)	6	(150)	130
Other items[9]	9	9	25	48
Adjusted Corporate EBITDA	$ 233	$ 203	$ 153	$ (82)

(1) Excludes gains (losses) related to the fair value of the Exchange Features 2029, the Exchange Feature 2030, the First Lien Exchangeable Feature 2030 and the Capped Call Transactions 2030, which are included in footnote 4 below.

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

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

(4) Represents total realized and unrealized (gains) losses on derivative financial instruments, including gains (losses) related to the fair value of the Exchange Features 2029, the Exchange Feature 2030, the First Lien Exchangeable Feature 2030 and the Capped Call Transactions 2030. See Note 10, "Financial Instruments," in Part I, Item 1 of this Quarterly Report. As a result of the revision to Adjusted Corporate EBITDA, the three months ended September 30, 2026 and 2025, includes a realized loss of $3 million and a realized gain of $10 million, respectively, on derivative financial instruments, and the nine months ended September 30, 2026 and 2025, includes a realized loss of $7 million and a realized gain of $3 million, respectively, on derivative financial instruments.

(5) Represents total employee compensation expense associated with grants made under the 2021 Omnibus Plan. See Note 9, "Stock-Based Compensation," in Part I, Item 1 of this Quarterly Report.

(6) Represents (gains) losses recognized on the remeasurement and settlement of foreign currency transactions, excluding gains (losses) related to foreign currency derivative financial instruments, which are included in footnote 4 above.

(7) Represents the gain recognized on the sales of certain non-vehicle capital assets sold in the second quarter of 2026 and in June and July 2025. See Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report.

(8) Represents the gain related to the receipt of legal settlement distributions in August 2026 and September 2025 in connection with the Company's participation in a class action settlement. See Note 12, "Contingencies and Off-Balance Sheet Commitments," in Part I, Item 1 of this Quarterly Report.

(9) Represents miscellaneous items. For the three months ended September 30, 2026, primarily includes certain IT-related charges, certain environmental remediation costs and cloud computing costs. For the three months ended September 30, 2025, primarily includes an unfavorable litigation ruling and an increase to an existing bankruptcy-related litigation reserve, partially offset by certain other litigation adjustments. For the nine months ended September 30, 2026, primarily includes certain IT-related charges, cloud computing costs and certain environmental remediation costs. For the nine months ended September 30, 2025, primarily includes an increase to an existing bankruptcy-related litigation reserve, certain IT-related charges, an unfavorable litigation ruling, cloud computing costs, certain concession-related adjustments and certain other litigation charges and adjustments.

(10) Represents the change in fair value during the reporting period for Hertz Global's outstanding Public Warrants. See Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report.

(b) 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.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

(c) Vehicle Utilization is calculated by dividing total Transaction Days by Available Car Days. Available Car Days represents Average Rentable Vehicles multiplied by the number of days in a given period. Average Rentable Vehicles excludes vehicles for sale on our retail lots or actively in the process of being sold through other disposition channels and is determined using a daily average of such vehicles. Effective in the first quarter of 2026, we changed our definition of Average Rentable Vehicles to use a daily average of rentable vehicles as opposed to a simple average of rentable vehicles at the beginning and end of a period. We believe this is a better, more accurate measure of our rentable vehicles. Accordingly, the prior periods have been recast to reflect this change.

	Americas RAC		International RAC	
	Three Months Ended September 30,			
	2026	2025	2026	2025
Transaction Days (in thousands)	31,893	31,923	9,075	8,961
Average Rentable Vehicles (in whole units)	412,911	409,371	120,845	119,270
Number of days in period (in whole units)	92	92	92	92
Available Car Days (in thousands)	37,994	37,665	11,121	10,977
Vehicle Utilization	84 %	85 %	82 %	82 %

	Americas RAC		International RAC	
	Nine Months Ended September 30,			
	2026	2025	2026	2025
Transaction Days (in thousands)	91,350	90,616	23,157	22,865
Average Rentable Vehicles (in whole units)	408,285	400,825	106,699	104,985
Number of days in period (in whole units)	273	273	273	273
Available Car Days (in thousands)	111,480	109,457	29,165	28,698
Vehicle Utilization	82 %	83 %	79 %	80 %

(d) Total RPD is calculated as revenues with all periods adjusted to eliminate the effect of fluctuations in foreign currency exchange rates ("Total Revenues - adjusted for foreign currency"), divided by the total number of Transaction Days. Our management believes eliminating the effect of fluctuations in foreign currency exchange rates is useful in analyzing underlying trends.

	Americas RAC		International RAC	
	Three Months Ended September 30,			
($ in millions, except as noted)	2026	2025	2026	2025
Revenues	$ 2,045	$ 1,910	$ 572	$ 568
Foreign currency adjustment[1]	3	1	5	5
Total Revenues - adjusted for foreign currency	$ 2,048	$ 1,911	$ 577	$ 573
Transaction Days (in thousands)	31,893	31,923	9,075	8,961
Total RPD (in dollars)	$ 64.21	$ 59.86	$ 63.55	$ 63.91

	Americas RAC		International RAC	
	Nine Months Ended September 30,			
($ in millions, except as noted)	2026	2025	2026	2025
Revenues	$ 5,591	$ 5,138	$ 1,426	$ 1,338
Foreign currency adjustment[1]	4	4	2	49
Total Revenues - adjusted for foreign currency	$ 5,595	$ 5,142	$ 1,428	$ 1,387
Transaction Days (in thousands)	91,350	90,616	23,157	22,865
Total RPD (in dollars)	$ 61.24	$ 56.75	$ 61.65	$ 60.67

(1) Based on December 31, 2025 foreign currency exchange rates for all periods presented.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

(e) Total RPU Per Month is calculated as Total Revenues - adjusted for foreign currency divided by the Average Rentable Vehicles in each period and then divided by the number of months in the period reported. Effective in the first quarter of 2026, we changed our definition of Average Rentable Vehicles to use a daily average of rentable vehicles as opposed to a simple average of rentable vehicles at the beginning and end of a period. We believe this is a better, more accurate measure of our rentable vehicles. Accordingly, the prior periods have been recast to reflect this change.

	Americas RAC		International RAC	
	Three Months Ended September 30,			
($ in millions, except as noted)	**2026**	**2025**	**2026**	**2025**
Total Revenues - adjusted for foreign currency	$ 2,048	$ 1,911	$ 577	$ 573
Average Rentable Vehicles (in whole units)	412,911	409,371	120,845	119,270
Total revenue per unit (in whole dollars)	$ 4,959	$ 4,668	$ 4,773	$ 4,802
Number of months in period (in whole units)	3	3	3	3
Total RPU Per Month (in whole dollars)	$ 1,653	$ 1,556	$ 1,591	$ 1,601

	Americas RAC		International RAC	
	Nine Months Ended September 30,			
($ in millions, except as noted)	**2026**	**2025**	**2026**	**2025**
Total Revenues - adjusted for foreign currency	$ 5,595	$ 5,142	$ 1,428	$ 1,387
Average Rentable Vehicles (in whole units)	408,285	400,825	106,699	104,985
Total revenue per unit (in whole dollars)	$ 13,703	$ 12,829	$ 13,380	$ 13,215
Number of months in period (in whole units)	9	9	9	9
Total RPU Per Month (in whole dollars)	$ 1,523	$ 1,425	$ 1,487	$ 1,468

(f) Depreciation Per Unit Per Month represents the amount of average depreciation expense and lease charges, per vehicle per month and is calculated as depreciation of revenue earning vehicles and lease charges, net, with all periods adjusted to eliminate the effect of fluctuations in foreign currency exchange rates, divided by the Average Vehicles in each period, which is determined using a daily average of vehicles, and then dividing by the number of months in the period reported. Our management believes eliminating the effect of fluctuations in foreign currency exchange rates is useful in analyzing underlying trends. Effective in the first quarter of 2026, we changed our definition of Average Vehicles to use a daily average of vehicles as opposed to a simple average of vehicles at the beginning and end of a period. We believe this is a better, more accurate measure of our vehicles. Accordingly, the prior periods have been recast to reflect this change.

	Americas RAC		International RAC	
	Three Months Ended September 30,			
($ in millions, except as noted)	**2026**	**2025**	**2026**	**2025**
Depreciation of revenue earning vehicles and lease charges, net	$ 358	$ 355	$ 110	$ 102
Foreign currency adjustment[(1)]	1	1	1	—
Adjusted depreciation of revenue earning vehicles and lease charges	$ 359	$ 356	$ 111	$ 102
Average Vehicles (in whole units)	427,207	425,268	123,027	121,633
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	$ 839	$ 837	$ 905	$ 843
Number of months in period (in whole units)	3	3	3	3
Depreciation Per Unit Per Month (in whole dollars)	$ 280	$ 279	$ 302	$ 281

(1) Based on December 31, 2025 foreign currency exchange rates for all periods presented.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

	Americas RAC		International RAC	
	Nine Months Ended September 30,			
($ in millions, except as noted)	2026	2025	2026	2025
Depreciation of revenue earning vehicles and lease charges, net	$ 1,151	$ 1,142	$ 285	$ 265
Foreign currency adjustment[1]	1	2	1	11
Adjusted depreciation of revenue earning vehicles and lease charges	$ 1,152	$ 1,144	$ 286	$ 276
Average Vehicles (in whole units)	425,500	425,293	109,004	107,178
Adjusted depreciation of revenue earning vehicles and lease charges divided by Average Vehicles (in whole dollars)	$ 2,707	$ 2,689	$ 2,626	$ 2,578
Number of months in period (in whole units)	9	9	9	9
Depreciation Per Unit Per Month (in whole dollars)	$ 301	$ 299	$ 292	$ 286

(1) Based on December 31, 2025 foreign currency exchange rates for all periods presented.

LIQUIDITY AND CAPITAL RESOURCES

Our U.S. and international operations are funded by cash provided by operating activities and by extensive financing arrangements in the U.S. and internationally.

Cash and Cash Equivalents

As of September 30, 2026, we had $531 million of cash and cash equivalents and $592 million of restricted cash and cash equivalents. As of September 30, 2026, $183 million of cash and cash equivalents and $73 million of restricted cash and cash equivalents were held by our subsidiaries outside of the U.S. We continue to assert no permanent reinvestment of foreign earnings that give rise to excess cash, provided such cash can be remitted in a tax efficient manner.

We believe that cash and cash equivalents generated by our operations and cash received on the disposal of vehicles, together with amounts available under various liquidity facilities and refinancing options available to us in the capital markets, will be sufficient to fund our operating activities and obligations for the next twelve months and for the foreseeable future thereafter.

Cash Flows – Hertz

As of September 30, 2026 and December 31, 2025, Hertz had cash and cash equivalents of $531 million and $565 million, respectively, and restricted cash and cash equivalents of $592 million and $602 million, respectively. The following table summarizes the net change in cash and cash equivalents and restricted cash and cash equivalents for the periods shown:

	Nine Months Ended September 30,		
(In millions)	2026	2025	$ Change
Cash provided by (used in):			
Operating activities	$ 1,000	$ 1,435	$ (435)
Investing activities	(2,027)	(1,722)	(305)
Financing activities	991	675	316
Effect of exchange rate changes	(8)	29	(37)
Net change in cash and cash equivalents and restricted cash and cash equivalents	$ (44)	$ 417	$ (461)

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

During the nine months ended September 30, 2026, cash flows from operating activities decreased $435 million period over period due primarily to a $559 million decrease from certain assets and liabilities, partially offset by a $124 million increase in net income, as adjusted for non-cash and non-operating items. Cash flows from changes in certain assets and liabilities decreased due primarily to the payment of an existing bankruptcy-related litigation reserve in the first quarter of 2026, an increase in receivables due primarily to timing of value added tax refunds and non-vehicle receivables.

Our primary investing activities relate to the acquisition and disposal of revenue earning vehicles. During the nine months ended September 30, 2026, there was a $305 million increase in the cash used in investing activities period over period due primarily to a $238 million increase in revenue earning vehicle expenditures, net. The increase in cash used by revenue earning vehicle expenditures, net, primarily resulted from increased vehicle acquisition costs.

Net financing cash inflows were $991 million in the nine months ended September 30, 2026 compared to $675 million in the 2025 period. The $316 million increase in cash inflows is due primarily to an increase of $274 million in net proceeds from non-vehicle debt largely resulting from the issuance of the Exchangeable First Lien Notes Due 2030 in the second quarter of 2026 and higher outstanding borrowings on the First Lien RCF in the nine months ended September 30, 2026 compared to the same period in 2025. Cash inflows were also positively impacted by $38 million resulting from cash outflows in the third quarter of 2025 associated with the Capped Call Transactions 2030 with no similar activity in the nine months ended September 30, 2026.

Cash Flows – Hertz Global

As of September 30, 2026 and December 31, 2025, Hertz Global had cash and cash equivalents of $531 million and $565 million, respectively, and restricted cash and cash equivalents of $592 million and $602 million, respectively. The following table summarizes the net change in cash and cash equivalents and restricted cash and cash equivalents for Hertz Global for the periods shown:

	Nine Months Ended September 30,		
(In millions)	2026	2025	$ Change
Cash provided by (used in):			
Operating activities	$ 1,000	$ 1,432	$ (432)
Investing activities	(2,027)	(1,722)	(305)
Financing activities	991	677	314
Effect of exchange rate changes	(8)	29	(37)
Net change in cash and cash equivalents and restricted cash and cash equivalents	$ (44)	$ 416	$ (460)

Fluctuations in operating, investing and financing cash flows from period to period were due to the same factors as those disclosed for Hertz above, with the exception of any cash inflows or outflows related to the issuance or repurchase of our common stock and the exercise of Public Warrants, as applicable. Also see Note 8, "Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global," in Part I, Item 1 of this Quarterly Report.

ATM Equity Offering Program

In May 2025, Hertz Global filed a Registration Statement on Form S-3 as well as a prospectus supplement covering the offering, issuance and sale of up to a maximum aggregate offering price of $250 million of shares of Hertz Global common stock, par value $0.01 per share, that may be issued and sold from time to time under the ATM Program. During the three months ended September 30, 2026, no shares of Hertz Global common stock were sold under the ATM Program. As of September 30, 2026, approximately $247 million worth of shares of Hertz Global common stock remained available under the ATM Program.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Debt Financing

Refer to Note 5, "Debt," in Part I, Item 1 of this Quarterly Report for information on our outstanding debt obligations and our borrowing capacity and availability under our revolving credit facilities as of September 30, 2026.

Cash paid for interest on vehicle debt during the nine months ended September 30, 2026 and 2025 was $458 million and $400 million, respectively. The $58 million increase in cash paid for vehicle debt interest is due primarily to issuances of HVF III Series Notes in the first half of 2026 and the second half of 2025, partially offset by lower outstanding borrowings and lower interest rate under the HVF III Series 2021-A Notes. Cash paid for interest on non-vehicle debt during the nine months ended September 30, 2026 and 2025 was $355 million and $349 million, respectively. The $6 million increase in cash paid for non-vehicle debt interest is due primarily to higher outstanding borrowings under the First Lien RCF in the nine months ended September 30, 2026 compared to the same period in 2025 and the initial payment of semi-annual interest for the Exchangeable Notes Due 2030, partially offset by lower market rates associated with our Term Loans and higher payments in the first quarter of 2025 resulting from the additional issuance of the First Lien Senior Notes in December 2024.

Our available corporate liquidity, which excludes unused commitments under our vehicle debt, was as follows:

(In millions)	September 30, 2026	December 31, 2025
Cash and cash equivalents	$ 531	$ 565
Availability under the First Lien RCF	415	924
Corporate liquidity	$ 946	$ 1,489

Non-Vehicle Debt

Exchangeable Notes Due 2029

In June 2024, Hertz issued $250 million in aggregate principal amount of the Exchangeable Notes Due 2029. The Exchangeable Notes Due 2029 bear PIK interest payable on the Semi-annual PIK Event, where PIK interest increases the principal amount of the Exchangeable Notes Due 2029 upon each Semi-annual PIK Event. In connection with Semi-annual PIK Event in each of the first and third quarters of 2026, we increased the principal amount of the Exchangeable Notes Due 2029 by $11 million.

Additionally, for each Semi-annual PIK Event, we bifurcate an Exchange Feature 2029 PIK from the Exchangeable Notes Due 2029 for accounting purposes utilizing applicable guidance. As a result of the Semi-annual PIK Event in the first quarter of 2026, we recognized an additional debt discount of $4 million within Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheet as of September 30, 2026 in Part I, Item 1 of this Quarterly Report, representing its initial fair value. Refer to Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report for further details.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

The net carrying amount of the Exchangeable Notes Due 2029 consists of the following:

(In millions)	September 30, 2026	December 31, 2025
Principal	$ 250	$ 250
Non-cash PIK interest	44	21
Unamortized debt discounts and issuance costs[1]	(10)	(12)
Unamortized discounts associated with the Exchange Features 2029[2]	(61)	(67)
(Gain) loss on fair value of the Exchange Features 2029[3]	13	78
Net carrying amount	$ 236	$ 270

(1) Debt issuance costs are amortized to non-vehicle interest expense over the term of the Exchangeable Notes Due 2029 using the effective interest method.

(2) Reflects the unamortized discount associated with the Exchange Features 2029, as disclosed in Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report, net of accretive interest, which is amortized to non-vehicle interest expense over the term of the Exchangeable Notes Due 2029 using the effective interest method.

(3) Refer also to Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report.

Interest expense recognized for the Exchangeable Notes Due 2029 consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Non-cash PIK interest	$ 6	$ 6	$ 17	$ 16
Amortization of debt discounts and debt issuance costs	—	—	2	1
Accretive interest	3	2	10	6
(Gain) loss on fair value of the Exchange Features 2029[1]	(13)	(38)	(69)	73
Total	$ (4)	$ (30)	$ (40)	$ 96

(1) Refer also to Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report.

Exchangeable Notes Due 2030

In September 2025, Hertz issued $425 million in aggregate principal amount of Exchangeable Notes Due 2030. The Exchangeable Notes Due 2030 bear interest payable semi-annually in arrears on April 1 and October 1 of each year, beginning on April 1, 2026.

The net carrying amount of the Exchangeable Notes Due 2030 consists of the following:

(In millions)	September 30, 2026	December 31, 2025
Principal	$ 425	$ 425
Unamortized debt issuance costs[1]	(17)	(20)
Unamortized discounts associated with the Exchange Feature 2030[2]	(87)	(99)
Fair value of the Exchange Feature 2030[3]	11	54
Net carrying amount	$ 332	$ 360

(1) Debt issuance costs are amortized to non-vehicle interest expense over the term of the Exchangeable Notes Due 2030 using the effective interest method.

(2) Reflects the unamortized discount associated with the Exchange Feature 2030, as disclosed in Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report, net of accretive interest, which is amortized to non-vehicle interest expense over the term of the Exchangeable Notes Due 2030 using the effective interest method.

(3) Refer also to Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Interest expense recognized for the Exchangeable Notes Due 2030 consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Contractual interest expense	$ 6	$ —	$ 18	$ —
Amortization of debt issuance costs	1	—	3	—
Accretive interest	4	—	12	—
(Gain) loss on fair value of the Exchange Feature 2030[1]	(10)	1	(43)	1
Total	$ 1	$ 1	$ (10)	$ 1

(1) Refer also to Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report.

Exchangeable First Lien Notes Due 2030

In June 2026, Hertz issued $350 million in aggregate principal amount of Exchangeable First Lien Notes Due 2030. Hertz also granted the initial purchasers the Greenshoe Option, for settlement within a limited period of time from the issuance of the Exchangeable First Lien Notes Due 2030, up to an additional $50 million aggregate principal amount of Exchangeable First Lien Notes Due 2030. In July 2026, Hertz issued an additional $30 million aggregate principal amount of Exchangeable First Lien Notes Due 2030 pursuant to the Greenshoe Option. The remainder of the Greenshoe Option has expired.

The Exchangeable First Lien Notes Due 2030 bear interest payable semi-annually in arrears on January 1 and July 1 of each year, beginning in January 2027. Each payment of interest will consist of 3.375% per annum of such interest to be paid in cash and 3.375% per annum of such interest to be paid in the form of PIK interest. The Exchangeable First Lien Notes Due 2030 will mature on July 1, 2030, unless earlier repurchased, redeemed or exchanged in accordance with their terms prior to maturity.

The Exchangeable First Lien Notes Due 2030 will be exchangeable at any time until the close of business on the second scheduled trading day immediately preceding the maturity date. The Exchangeable First Lien Notes Due 2030 will be exchangeable by holders into shares of Hertz Global common stock, cash or a combination of Hertz Global common stock and cash, at Hertz's election. The aggregate number of shares of Hertz Global common stock that may be issued upon exchange of the Exchangeable First Lien Notes Due 2030 may not exceed 63,457,320 shares, unless and until the shareholders of Hertz Global approve the issuance of the Exchangeable First Lien Notes Due 2030. The exchange rate will initially be 279.5248 shares per $1,000 principal amount of Exchangeable First Lien Notes Due 2030, corresponding to an initial exchange price of approximately $3.58 per share of Hertz Global common stock. The exchange rate and exchange price will be subject to adjustment upon the occurrence of certain events.

Holders of the Exchangeable First Lien Notes Due 2030 will have the right to require Hertz to repurchase all or a portion of their Exchangeable First Lien Notes Due 2030 at 100% of the capitalized principal amount of the Exchangeable First Lien Notes Due 2030 plus accrued and unpaid cash interest up to, but excluding, the date of such repurchase, upon the occurrence of certain corporate events constituting a “fundamental change” as defined in the indenture governing the Exchangeable First Lien Notes Due 2030. Hertz may not redeem the Exchangeable First Lien Notes Due 2030 prior to January 6, 2029. On or after January 6, 2029 and on or prior to the 31st scheduled trading day immediately preceding the maturity date, if the last reported sale price per share of Hertz Global common stock has been at least 130% of the exchange price for the Exchangeable First Lien Notes Due 2030 for certain specified periods, and certain other conditions are satisfied, Hertz may redeem all or any portion (subject to certain limitations) of the Exchangeable First Lien Notes Due 2030. The redemption will be at a cash redemption price equal to the capitalized principal amount of the Exchangeable First Lien Notes Due 2030 to be redeemed plus accrued and unpaid cash interest to, but excluding, the date of such redemption.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Upon issuance, we bifurcated the First Lien Exchangeable Feature 2030 from the Exchangeable First Lien Notes Due 2030 for accounting purposes utilizing applicable guidance, and recognized a debt discount of $115 million representing the initial fair value. In July 2026, in connection with the Greenshoe Option, an additional $8 million of the First Lien Exchangeable Feature 2030 was bifurcated for accounting purposes utilizing applicable guidance. The debt discounts are recognized within Non-vehicle debt in the accompanying unaudited condensed consolidated balance sheet as of September 30, 2026 in Part I, Item 1 of this Quarterly Report. As of September 30, 2026, the fair value of the First Lien Exchangeable Feature 2030 was $68 million. Refer to Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report for further details.

Concurrently with the issuance of the Exchangeable First Lien Notes Due 2030, Hertz Global agreed to lend the Share Borrower a total of 37,037,037 shares of Hertz Global common stock pursuant to the Share Lending Agreement to help facilitate the successful completion of the Exchangeable First Lien Notes Due 2030 offering. Hertz Global received a one-time nominal lending fee for the Borrowed Shares equal to the par value of Hertz Global's common stock. The Share Borrower was obligated to furnish collateral equal in value to the market value of the Borrowed Shares as of the closing date of the Share Lending Agreement. The share loan under the Share Lending Agreement will terminate, and the Borrowed Shares must be returned to Hertz Global within five business days of such termination (subject to the Share Borrower's right to extend the settlement due date of the Borrowed Shares in certain circumstances), under the following circumstances: (i) the Share Borrower may terminate all or any portion of the loan at any time and (ii) on the earliest to occur of (a) October 1, 2030; (b) the date that is three months after the first date following the closing date of the Exchangeable First Lien Notes Due 2030 offering when none of the Exchangeable First Lien Notes Due 2030 remains outstanding; and (c) the date, if any, on which the Share Lending Agreement is terminated by the parties upon mutual agreement or by one party upon a default with respect to the other party. Cash repayment is not required by the Share Lending Agreement; however, it may be elected in certain instances involving default, legal prohibitions or a court order.

The Share Lending Agreement qualified for equity classification, and, as such, Hertz Global recognized a debt issuance cost of $85 million, representing the initial fair value of the Share Lending Agreement, as determined by the market value of the Borrowed Shares as of the closing date of the Share Lending Agreement. As of September 30, 2026, the fair value of the Borrowed Shares was $62 million, as determined by the market value of the Borrowed Shares as of such date. The shares borrowed under the Share Lending Agreement are excluded from the calculation of basic and diluted earnings (loss) per share. Refer to Note 8, "Public Warrants, Equity and Earnings (Loss) Per Common Share – Hertz Global," in Part I, Item 1 of this Quarterly Report for further details.

The net carrying amount of the Exchangeable First Lien Notes Due 2030 consists of the following as of:

(In millions)	September 30, 2026
Principal	$ 380
Unamortized debt discounts and issuance costs[1]	(14)
Unamortized discounts associated with the First Lien Exchangeable Feature 2030[2]	(118)
Fair value of the First Lien Exchangeable Feature 2030[3]	68
Net carrying amount - Hertz	316
Unamortized debt issuance cost - Share Lending Agreement[4]	(82)
Net carrying amount - Hertz Global	$ 234

(1) Debt issuance costs, exclusive of the Share Lending Agreement, are amortized to non-vehicle interest expense over the term of the Exchangeable First Lien Notes Due 2030 using the effective interest method.

(2) Reflects the unamortized discount associated with the First Lien Exchangeable Feature 2030, net of accretive interest, which is amortized to non-vehicle interest expense over the term of the Exchangeable First Lien Notes Due 2030 using the effective interest method.

(3) As further disclosed in Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report.

(4) The initial fair value of the Share Lending Agreement recognized as a debt issuance cost of the Exchangeable First Lien Notes Due 2030 is amortized to non-vehicle interest expense over the term of the Exchangeable First Lien Notes Due 2030 using the effective interest method.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Interest expense recognized for the Exchangeable First Lien Notes Due 2030 consists of the following:

	Three Months Ended September 30,		Nine Months Ended September 30,	
(In millions)	2026	2025	2026	2025
Non-cash PIK interest	$ 7	$ —	$ 7	$ —
Amortization of debt discounts and debt issuance costs	1	—	1	—
Amortization of debt discounts and issuance costs - Share Lending Agreement	3	—	3	—
Accretive interest	5	—	5	—
(Gain) loss on fair value of the First Lien Exchangeable Feature 2030[1]	(50)	—	(55)	—
Total	$ (34)	$ —	$ (39)	$ —

(1) Refer also to Note 11, "Fair Value Measurements," in Part I, Item 1 of this Quarterly Report.

Letters of Credit

As of September 30, 2026, there were outstanding standby letters of credit totaling $1.1 billion comprised primarily of $500 million issued under the First Lien RCF, $326 million of various Standby LCs and $245 million issued under the Term C Loan. As of September 30, 2026, no capacity remained to issue additional letters of credit under the Term C Loan. Such letters of credit have been issued primarily to provide credit enhancement for our asset-backed securitization facilities and to support our insurance programs, as well as to support our vehicle rental concessions and leaseholds. As of September 30, 2026, none of the issued letters of credit have been drawn upon.

The Standby LCs provide that, at Hertz's option and under the terms of the facilities, Hertz may request letters of credit be issued for itself and on behalf of certain of its subsidiaries up to the committed amounts of the facilities. During the nine months ended September 30, 2026, Hertz increased the amounts committed under its Standby LCs by approximately $300 million, in which approximately $200 million occurred in February 2026.

Vehicle Debt

Americas RAC

HVF III U.S. Vehicle Variable Funding Notes

In April 2026, HVF III, a wholly owned, special-purpose and bankruptcy-remote subsidiary of Hertz, amended the HVF III Series 2021-A Notes to extend the maturity date of the Class A Notes to May 2028. The maximum principal of the Class A Notes is $3.2 billion until May 2027 and thereafter is $3.0 billion until May 2028, after giving effect to the terms of the amendment.

In November 2026, HVF III amended the HVF III Series 2021-A Notes to extend the maturity date of the Class B Notes to November 2028, as further disclosed in Note 15, "Subsequent Events," in Part I, Item 1 of this Quarterly Report.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

HVF III U.S. Vehicle Medium Term Notes

In April 2026, HVF III issued Class E notes for certain of the outstanding series of notes under the HVF III MTN program in an aggregate principal amount of $221 million as detailed in the table below.

($ in millions)	Principal	Interest Rate	Maturity
Class E Notes			
HVF III Series 2022-5	$ 17	10.67 %	9/2027
HVF III Series 2023-2	14	10.99 %	9/2028
HVF III Series 2023-4	24	11.48 %	3/2029
HVF III Series 2024-1	18	10.95 %	1/2028
HVF III Series 2024-2	18	11.99 %	1/2030
HVF III Series 2025-1	24	10.99 %	9/2028
HVF III Series 2025-2	24	12.26 %	9/2030
HVF III Series 2025-3	18	11.47 %	12/2028
HVF III Series 2025-4	15	12.28 %	12/2030
HVF III Series 2025-5	22	11.72 %	5/2029
HVF III Series 2025-6	27	12.54 %	5/2031
Total Class E Notes	$ 221		

In May 2026, HVF III issued the Series 2026-1 Notes (Class A, Class B, Class C, Class D and Class E) and Series 2026-2 Notes (Class A, Class B, Class C, Class D and Class E) each in aggregate principal amount of $500 million with maturity dates of November 2029 and November 2031, respectively.

In August 2026, HVF III issued the Series 2026-3 Notes (Class A, Class B, Class C, Class D and Class E) and Series 2026-4 Notes (Class A, Class B, Class C, Class D and Class E) in aggregate principal amounts of $375 million and $500 million with maturity dates of February 2030 and February 2032, respectively. In addition, at the time of issuance, Hertz, an affiliate of HVF III, purchased the Class E Notes of the Series 2026-3 Notes and the Series 2026-4 Notes in aggregate principal amounts of $17 million and $23 million, respectively.

There is subordination within each of the preceding series based on class.

Hertz Canadian Securitization

In April 2026, TCL Funding Limited Partnership, a bankruptcy-remote, indirect, wholly owned and special-purpose subsidiary of Hertz, amended the Hertz Canadian Securitization to increase the aggregate maximum borrowings from CAD$475 million to CAD$625 million until November 2026, reverting to CAD$475 million thereafter until the extended maturity date of April 2028.

International RAC

European ABS

In April 2026, IFF No. 2, an indirect, special-purpose subsidiary of Hertz, amended the European ABS, inclusive of Class A Notes, Class B Notes and Class C Notes, to extend the maturity date to April 2028. The aggregate maximum principal of the European ABS is €1.4 billion until April 2027 and thereafter is €1.1 billion until April 2028, after giving effect to terms of the amendment.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Australian Securitization

In July 2026, HA Fleet Pty Limited, an indirect wholly-owned subsidiary of Hertz, amended the Australian Securitization to provide for aggregate maximum borrowings of AUD$400 million and to extend the maturity date to September 2028.

New Zealand RCF

In August 2026, Hertz New Zealand Holdings, an indirect wholly-owned subsidiary of Hertz, amended the New Zealand RCF to extend the maturity date to August 2028. The aggregate maximum principal of the New Zealand RCF is NZD$150 million until April 2027 and thereafter is NZD$130 million until August 2028, after giving effect to terms of the amendment.

Covenants

The First Lien Credit Agreement requires us to comply with the following financial covenant: a First Lien Ratio, which requires a ratio of less than or equal to 3.0x in the first and last quarters of the calendar year and 3.5x in the second and third quarters of the calendar year. We are also subject to a minimum liquidity covenant, which requires $400 million for each month ending in the second and third quarters of the calendar year and $500 million for each month ending in the first and fourth quarter of the calendar year. As of September 30, 2026, we were in compliance with the First Lien Ratio and the minimum liquidity covenant.

Additionally, our Corporate Indebtedness contains customary affirmative covenants, including, among other things, the delivery of quarterly and annual financial statements and/or compliance certificates, and covenants related to conduct of business, maintenance of property and insurance, compliance with environmental laws and, where applicable, the granting of security interests for the benefit of the secured parties under the applicable agreements on after-acquired real property, fixtures and future subsidiaries.

The terms of our Corporate Indebtedness contain covenants limiting the ability of Hertz and its restricted subsidiaries to: incur or guarantee additional indebtedness; incur or guarantee secured indebtedness; pay dividends or distributions on, or redeem or repurchase, Hertz Global capital stock; make certain investments or other restricted payments; sell certain assets; transfer intellectual property to unrestricted subsidiaries; merge, consolidate or sell all or substantially all of its assets; and create restrictions on the ability of Hertz's restricted subsidiaries to pay dividends or other amounts to Hertz. As per the terms of the Corporate Indebtedness, these covenants are subject to a number of important and significant limitations, qualifications and exceptions.

As of September 30, 2026, we were in compliance with all covenants under the terms of agreements governing the respective Corporate Indebtedness.

Vehicle Financing Risks

Substantially all of our revenue earning vehicles and certain related assets are owned by special-purpose entities or are encumbered in favor of the lenders under the various credit facilities, other secured financings or asset-backed securities programs. None of the value of such assets (including the assets owned by Hertz Vehicle Financing III LLC, TCL Funding LP and each of the domestic and international subsidiaries that pledge vehicle and vehicle related assets as part of our securitization programs) will be available to satisfy the claims of non-vehicle secured or unsecured creditors, unless the vehicle related secured creditors under the securitization programs are paid in full.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Capital Expenditures

Revenue Earning Vehicles Expenditures and Disposals

The table below sets forth our revenue earning vehicles expenditures and related disposal proceeds for the periods shown.

Cash inflow (cash outflow) (In millions)	Revenue Earning Vehicles		
	Capital Expenditures	Disposal Proceeds	Net Capital Expenditures
2026			
First Quarter	$ (3,602)	$ 2,527	$ (1,075)
Second Quarter	(3,615)	2,556	(1,059)
Third Quarter	(1,628)	1,695	67
Total	$ (8,845)	$ 6,778	$ (2,067)
2025			
First Quarter	$ (2,847)	$ 2,124	$ (723)
Second Quarter	(3,049)	2,126	(923)
Third Quarter	(1,903)	1,720	(183)
Total	$ (7,799)	$ 5,970	$ (1,829)

The table below sets forth expenditures for revenue earning vehicles, net of disposal proceeds, by segment.

Cash inflow (cash outflow) ($ in millions)	Nine Months Ended September 30,			
	2026	2025	$ Change	% Change
Americas RAC	$ (1,672)	$ (1,507)	$ (165)	11
International RAC	(395)	(322)	(73)	23
Total	$ (2,067)	$ (1,829)	$ (238)	13

Revenue earning vehicle expenditures increased $1.0 billion, or 13%, in the nine months ended September 30, 2026 compared to the same period in 2025, resulting primarily from higher vehicle acquisition costs in our Americas RAC segment and changes to fleet working capital due to timing. Proceeds from disposal of revenue earning vehicles increased $808 million, or 14%, in the nine months ended September 30, 2026 compared to the same period in 2025, primarily in our Americas RAC segment, resulting from increased vehicle dispositions mostly through our dealer direct and Hertz Car Sales channels.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

Non-Vehicle Capital Asset Expenditures and Disposals

The table below sets forth our non-vehicle capital asset expenditures and related disposal proceeds from non-vehicle capital assets disposed of or to be disposed of for the periods shown.

Cash inflow (cash outflow)	Non-Vehicle Capital Assets		
(In millions)	Capital Expenditures	Disposal Proceeds	Net Capital Expenditures
2026			
First Quarter	$ (29)	$ 6	$ (23)
Second Quarter	(28)	116	88
Third Quarter	(27)	3	(24)
Total	$ (84)	$ 125	$ 41
2025			
First Quarter	$ (22)	$ 27	$ 5
Second Quarter	(22)	99	77
Third Quarter	(26)	51	25
Total	$ (70)	$ 177	$ 107

The table below sets forth non-vehicle capital asset expenditures, net of disposal proceeds, by segment.

Cash inflow (cash outflow)	Nine Months Ended September 30,			
($ in millions)	2026	2025	$ Change	% Change
Americas RAC	$ 63	$ 99	$ (36)	(36)
International RAC	(13)	12	(25)	NM
Corporate	(9)	(4)	(5)	NM
Total	$ 41	$ 107	$ (66)	(62)

NM - Not meaningful

In the nine months ended September 30, 2026, expenditures for non-vehicle capital assets increased $14 million, or 20%, compared to the same period in 2025, driven in part by increased IT-related spend. In the nine months ended September 30, 2026, proceeds for non-vehicle capital assets decreased $52 million, or 29%, compared to the same period in 2025 resulting from a reduction in proceeds received on the dispositions of certain non-vehicle capital assets in our Americas RAC and International RAC segments.

We continually evaluate and will complete, when deemed appropriate, sales and lease backs of certain non-vehicle capital assets during 2026.

CONTRACTUAL AND OTHER OBLIGATIONS

In the second quarter of 2026, we sold and leased back certain real estate associated with an airport rental location and certain operating sites in our Americas RAC segment. The sales qualified for sale-leaseback accounting, with the exception of certain buildings, and are accounted for as operating leases and have aggregate future minimum lease payments of approximately $149 million. Refer to Note 6, "Revenues and Costs from Leases," in Part I, Item 1 of this Quarterly Report for our minimum fixed lease obligations under existing agreements as a lessee as of September 30, 2026. Refer also to Note 3, "Divestitures," in Part I, Item 1 of this Quarterly Report.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

The table below reflects the nominal amounts of our debt maturities and related estimated commitment fees and interest payments for each of the years ending December 31 as of September 30, 2026. Refer to Note 5, "Debt," in Part I, Item 1 of this Quarterly Report for further details regarding our aggregate indebtedness, including new issuances.

		Payments Due by Period					
(In millions)	Total	2026	2027	2028	2029	2030	After 2030
Non-Vehicle:							
Debt obligation	$ 6,273	$ 203	$ 18	$ 2,691	$ 2,544	$ 805	$ 12
Interest on debt[1]	1,311	119	483	337	277	69	26
Vehicle:							
Debt obligation	12,027	1,272	2,020	4,427	1,721	1,130	1,457
Interest on debt[1]	1,556	163	595	400	214	127	57
Total	$ 21,167	$ 1,757	$ 3,116	$ 7,855	$ 4,756	$ 2,131	$ 1,552

(1) Amounts represent the estimated commitment fees and interest payments based on the principal amounts, minimum non-cancelable maturity dates and interest rates on the debt as of September 30, 2026.

Except as discussed above, as of September 30, 2026, there have been no material changes outside of the ordinary course of business with respect to our material cash requirements for our contractual and other obligations as set forth in the table included in Part II, Item 7 of our 2025 Form 10-K.

OFF-BALANCE SHEET COMMITMENTS AND ARRANGEMENTS

Indemnification Obligations

There have been no significant changes to our indemnification obligations as compared to those disclosed in Note 15, "Contingencies and Off-Balance Sheet Commitments," in Part II, Item 8 of our 2025 Form 10-K.

We regularly evaluate the probability of having to incur costs associated with these indemnification obligations and have accrued for expected losses that are probable and estimable.

RECENTLY ISSUED ACCOUNTING PRONOUNCEMENTS

There have been no material changes to our significant accounting policies due to the adoption of any recently issued accounting pronouncements as compared to those disclosed in Note 2, "Significant Accounting Policies," in Part II, Item 8 of our 2025 Form 10-K.

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

CAUTIONARY NOTE REGARDING FORWARD-LOOKING STATEMENTS

Certain statements contained or incorporated by reference in this Quarterly Report 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 we have made in light of our experience in the industry, as well as our perceptions of historical trends, current conditions, expected future developments and other factors. We believe these judgments are reasonable, but you should understand that these forward-looking statements are not guarantees of future performance or results, and our 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 our actual results and cause them to differ materially from those expressed in forward-looking statements include, among other things, those that may be disclosed from time to time in subsequent reports filed with, or furnished to, the SEC, those described under Part I, Item 1A, "Risk Factors," in our 2025 Form 10-K and set forth in this Quarterly Report, and the following, which also summarizes the principal risks of our business:

- *mix of program and non-program vehicles in our fleet, which can lead to increased exposure to residual value risk upon disposition;*
- *the potential for residual values associated with non-program vehicles in our fleet to decline, including suddenly or unexpectedly, or fail to follow historical seasonal patterns;*
- *our 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;*
- *our ability to effectively dispose of vehicles, at the times and through the channels, that maximize our returns;*
- *the age of our fleet and its impact on vehicle carrying costs and customer service scores, as well as on our 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 our 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 our peak periods, including in critical geographies;*
- *our ability to accurately estimate future levels of rental activity and adjust the number, location and mix of vehicles used in our rental operations accordingly;*
- *our ability to implement our business strategy or strategic transactions, as well as our ability to implement plans to support a modern mobility ecosystem, including the success of the Joint Venture and Oro's partnership with Uber;*
- *our ability to achieve cost savings and normalized depreciation levels, as well as revenue enhancements from our profitability initiatives and other operational programs;*
- *our ability to adequately respond to changes in technology impacting the mobility industry;*
- *significant changes in the competitive environment and the effect of competition in our markets on rental volume and pricing;*
- *our reliance on third-party distribution channels and related prices, commission structures and transaction volumes;*

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

- *our ability to offer services for a favorable customer experience, and to retain and develop customer loyalty and market share;*
- *our ability to maintain our network of leases and vehicle rental concessions at airports and other key locations in the U.S. and internationally;*
- *our ability to maintain favorable brand recognition and a coordinated branding and portfolio strategy;*
- *our ability to attract and retain effective front-line employees, senior management and other key employees;*
- *our ability to effectively manage our union relations and labor agreement negotiations;*
- *our ability to manage and respond to cybersecurity threats and cyber attacks on our information technology systems or those of our third-party providers;*
- *our ability, and that of our key third-party partners, to prevent the misuse or theft of information we possess, including as a result of cyber attacks and other security threats;*
- *our ability to evaluate, maintain, upgrade and consolidate our information technology systems;*
- *our 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 our ability to repatriate cash from non-U.S. affiliates without adverse tax consequences;*
- *risks relating to tax laws and those tax laws that affect our ability to recapture accelerated tax depreciation and expensing, as well as any adverse determinations or rulings by tax authorities;*
- *our ability to utilize our net operating loss carryforwards;*
- *our 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 our operations, our costs or applicable tax rates;*
- *the risk of an impairment of our long-lived assets, which risk could be impacted by, among other things, the timing of our fleet rotation;*
- *our ability to recover our goodwill and indefinite-lived intangible assets when performing impairment analysis;*
- *the potential for changes in management's best estimates and assessments;*
- *our ability to maintain an effective compliance program;*
- *the availability of earnings and funds from our subsidiaries;*
- *our ability to comply, and the cost and burden of complying, with corporate and social responsibility regulations or expectations of stakeholders, and otherwise advance our corporate responsibility priorities;*
- *the availability of additional, or continued sources, of financing at acceptable rates for our revenue earning vehicles and to refinance our existing indebtedness, and our ability to comply with the covenants in the agreements governing our indebtedness;*
- *the extent to which our consolidated assets secure our outstanding indebtedness;*

ITEM 2. MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS (CONTINUED)

- *volatility in our share price, our ownership structure and certain provisions of our charter documents, which could, among other things, negatively affect the market price of our common stock;*
- *our ability to implement an effective business continuity plan to protect the business in exigent circumstances;*
- *our ability to maintain effective internal control over financial reporting; and*
- *our ability to execute strategic transactions.*

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

ITEM 3. QUANTITATIVE AND QUALITATIVE DISCLOSURES ABOUT MARKET RISK

We are exposed to a variety of market risks, including the effects of changes in interest rates (including credit spreads), foreign currency exchange rates, equity price risks and fluctuations in fuel prices. We manage our exposure to these market risks through our regular operating and financing activities and, when deemed appropriate, through the use of derivative financial instruments. Derivative financial instruments are viewed as risk management tools and have not been used for speculative or trading purposes. In addition, derivative financial instruments are entered into with a diversified group of major financial institutions in order to manage our exposure to counterparty nonperformance on such instruments.

As of September 30, 2026, there have been no material changes to the information reported under Part II, Item 7A of our 2025 Form 10-K.

ITEM 4. CONTROLS AND PROCEDURES

HERTZ GLOBAL

Evaluation of Disclosure Controls and Procedures

Our senior management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined under Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Quarterly Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of September 30, 2026, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended September 30, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

HERTZ

Evaluation of Disclosure Controls and Procedures

Our senior management has evaluated the effectiveness of the design and operation of our disclosure controls and procedures (as defined under Exchange Act Rules 13a-15(e) and 15d-15(e)) as of the end of the period covered by this Quarterly Report. Based upon that evaluation, our Chief Executive Officer and Chief Financial Officer have concluded that as of September 30, 2026, our disclosure controls and procedures were effective.

Changes in Internal Control over Financial Reporting

There were no changes in our internal control over financial reporting that occurred during the three months ended September 30, 2026 that materially affected, or are reasonably likely to materially affect, our internal control over financial reporting.

PART II. OTHER INFORMATION

ITEM 1. LEGAL PROCEEDINGS

For a description of certain pending legal proceedings, see Note 12, "Contingencies and Off-Balance Sheet Commitments," in Part I, Item 1 of this Quarterly Report.

ITEM 1A. RISK FACTORS

Part I, Item 1A of our 2025 Form 10-K includes certain risk factors that could materially affect our business, financial condition or future results. There have been no material changes to those risk factors.

ITEM 2. UNREGISTERED SALES OF EQUITY SECURITIES AND USE OF PROCEEDS

None.

ITEM 3. DEFAULTS UPON SENIOR SECURITIES

None.

ITEM 5. OTHER INFORMATION

During the quarter ended September 30, 2026, no director or officer (as defined in Rule 16a-1(f) under the Exchange Act) entered into any (i) contract or written plan for the purchase or sale of securities of Hertz Global intended to satisfy the affirmative defense conditions of Rule 10b5-1(c) under the Exchange Act or (ii) non-Rule 10b5-1 trading arrangement.

ITEM 6. EXHIBITS

(a) Exhibits:
The attached list of exhibits in the "Exhibit Index" immediately preceding the signature page to this Quarterly Report is filed as part of this Quarterly Report and is incorporated herein by reference in response to this item.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

EXHIBIT INDEX

Exhibit Number		Description
10.1	Hertz Holdings Hertz	Amended and Restated Voting Agreement, dated as of August 20, 2026, by and between Hertz Global Holdings, Inc. and CK Amarillo LP (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on August 20, 2026).
10.2	Hertz Holdings Hertz	Amendment No. 3, dated as of November 2, 2026, to Third Amended and Restated Series 2021-A Supplement, dated as of August 29, 2025, by and among Hertz Vehicle Financing III LLC, as issuer, The Hertz Corporation, as administrator, Deutsche Bank AG, New York Branch, as program agent, and The Bank of New York Mellon Trust Company, N.A., as trustee.*
10.3	Hertz Holdings Hertz	Series 2026-3 Supplement, dated as of August 27, 2026, among Hertz Vehicle Financing III LLC, as issuer, The Hertz Corporation, as administrator, and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.1 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on August 28, 2026).
10.4	Hertz Holdings Hertz	Series 2026-4 Supplement, dated as of August 27, 2026, among Hertz Vehicle Financing III LLC, as issuer, The Hertz Corporation, as administrator, and The Bank of New York Mellon Trust Company, N.A., as trustee (incorporated by reference to Exhibit 10.2 to the Current Report on Form 8-K of Hertz Global Holdings, Inc. (File No. 001-37665) and The Hertz Corporation (File No. 001-07541), as filed on August 28, 2026).
10.5	Hertz Holdings Hertz	Offer Letter, dated September 9, 2026, between Michael Moore and Hertz Global Holdings, Inc.†*
10.6	Hertz Holdings Hertz	Offer Letter, dated September 9, 2026, between Christopher G. Berg and Hertz Global Holdings, Inc.†*
31.1	Hertz Holdings	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a).*
31.2	Hertz Holdings	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a).*
31.3	Hertz	Certification of Chief Executive Officer pursuant to Rule 13a-14(a)/15d-14(a).*
31.4	Hertz	Certification of Chief Financial Officer pursuant to Rule 13a-14(a)/15d-14(a).*
32.1	Hertz Holdings	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.**
32.2	Hertz Holdings	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.**
32.3	Hertz	Certification of Chief Executive Officer pursuant to 18 U.S.C. Section 1350.**
32.4	Hertz	Certification of Chief Financial Officer pursuant to 18 U.S.C. Section 1350.**
101.INS	Hertz Holdings Hertz	Inline XBRL Instance Document - the instance document does not appear in the Interactive Data File because its XBRL tags are embedded within the Inline XBRL document.
101.SCH	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Schema Document*
101.CAL	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Calculation Linkbase Document*
101.DEF	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Definition Linkbase Document*

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

EXHIBIT INDEX (Continued)

Exhibit Number		Description
101.LAB	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Label Linkbase Document*
101.PRE	Hertz Holdings Hertz	Inline XBRL Taxonomy Extension Presentation Linkbase Document*
104	Hertz Holdings Hertz	Cover Page Interactive Data File (Embedded within the Inline XBRL document)

† Indicates management contract or compensatory plan or arrangement.
* Filed herewith.
** Furnished herewith.

HERTZ GLOBAL HOLDINGS, INC. AND SUBSIDIARIES
THE HERTZ CORPORATION AND SUBSIDIARIES

SIGNATURE

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrants have duly caused this report to be signed on their behalf by the undersigned thereunto duly authorized.

Date: November 5, 2026

HERTZ GLOBAL HOLDINGS, INC.
THE HERTZ CORPORATION
(Registrants)

By: /s/ SCOTT M. HARALSON

Scott M. Haralson
Executive Vice President and Chief Financial Officer
(Principal Financial Officer and Authorized Signatory)