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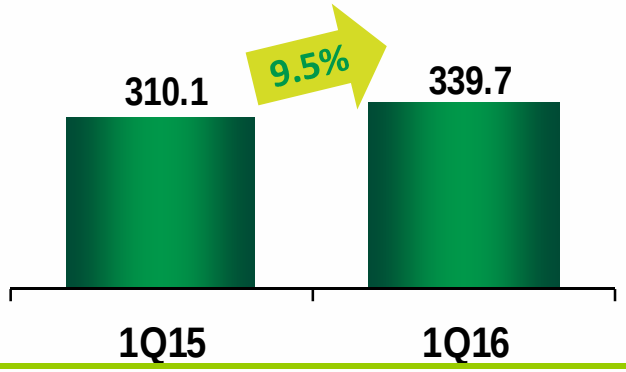
April 26, 2016

1Q16 Earnings Release

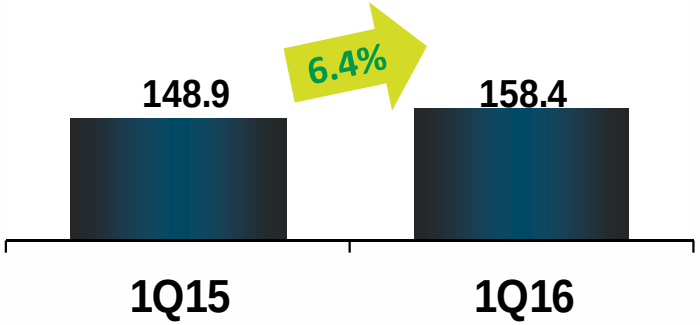
R$ million

Highlights

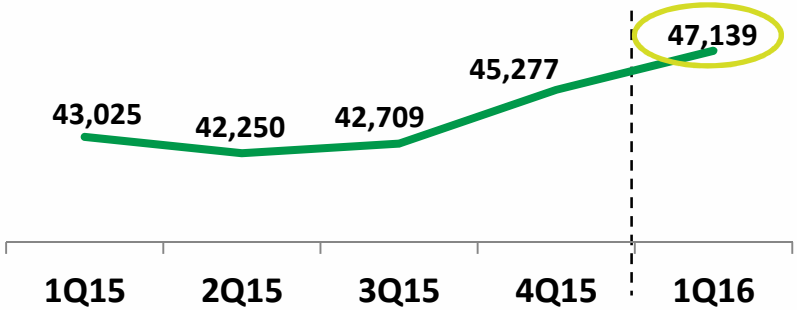
Net Revenues - Car Rental Division (R$ million)



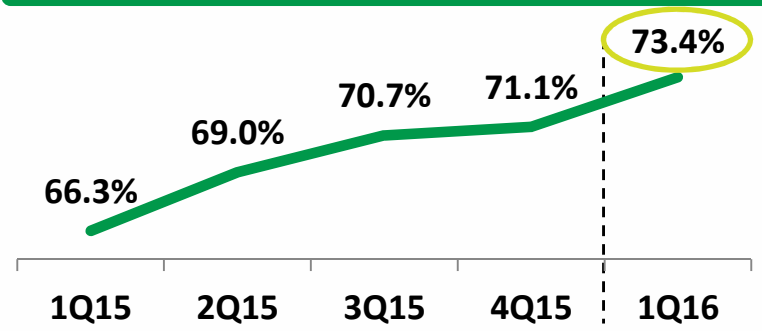
Net Revenues - Fleet Rental Division (R$ million)



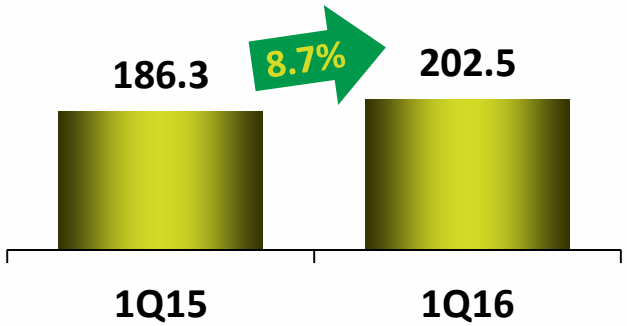
Rented cars – Car Rental



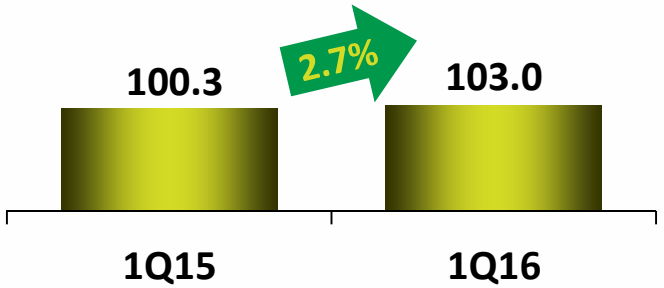
Utilization rate evolution – Car Rental



Consolidated EBIT (R$ million)

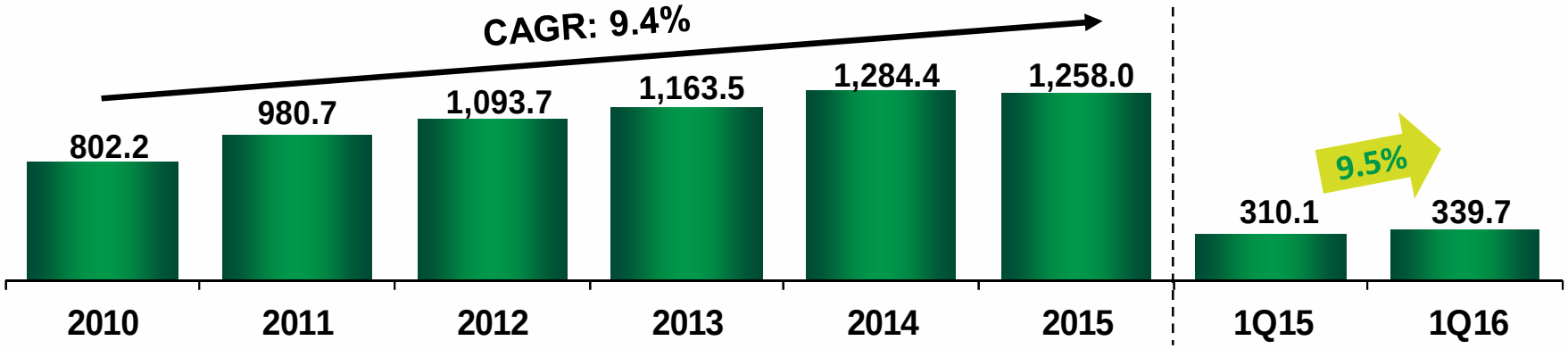


Consolidated Net Income (R$ million)

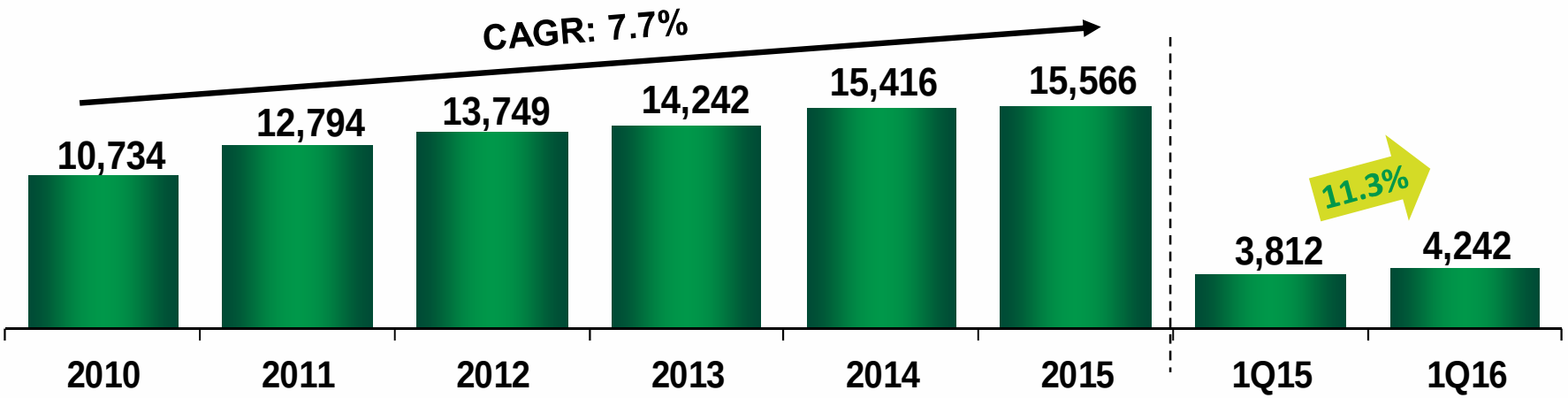


Car Rental

Net Revenues (R$ million)



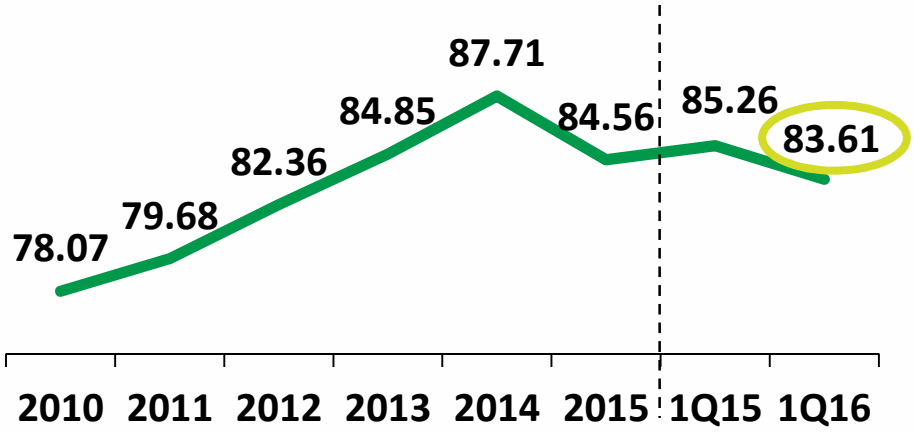
Daily Rentals (thousands)



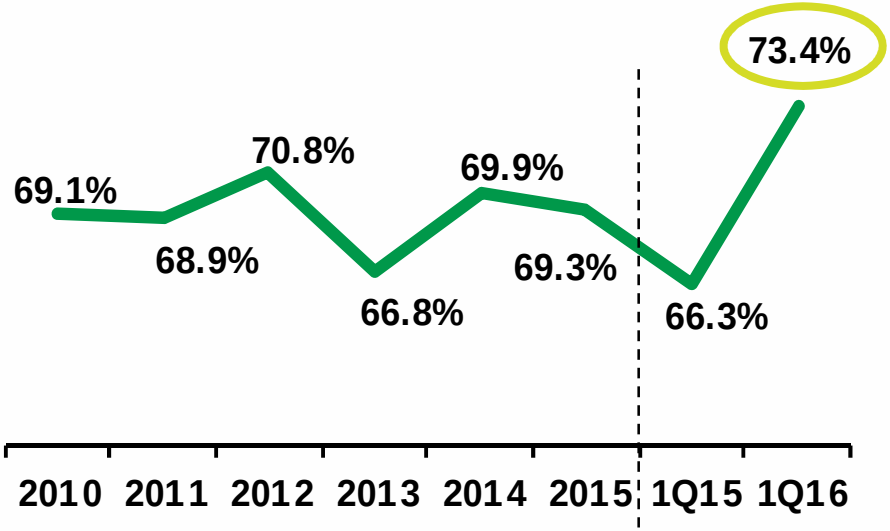
Volume growth of 11.3% even in an adverse macro scenario

Average daily rental evolution and utilization rate
Car Rental

Average daily rental – In R$



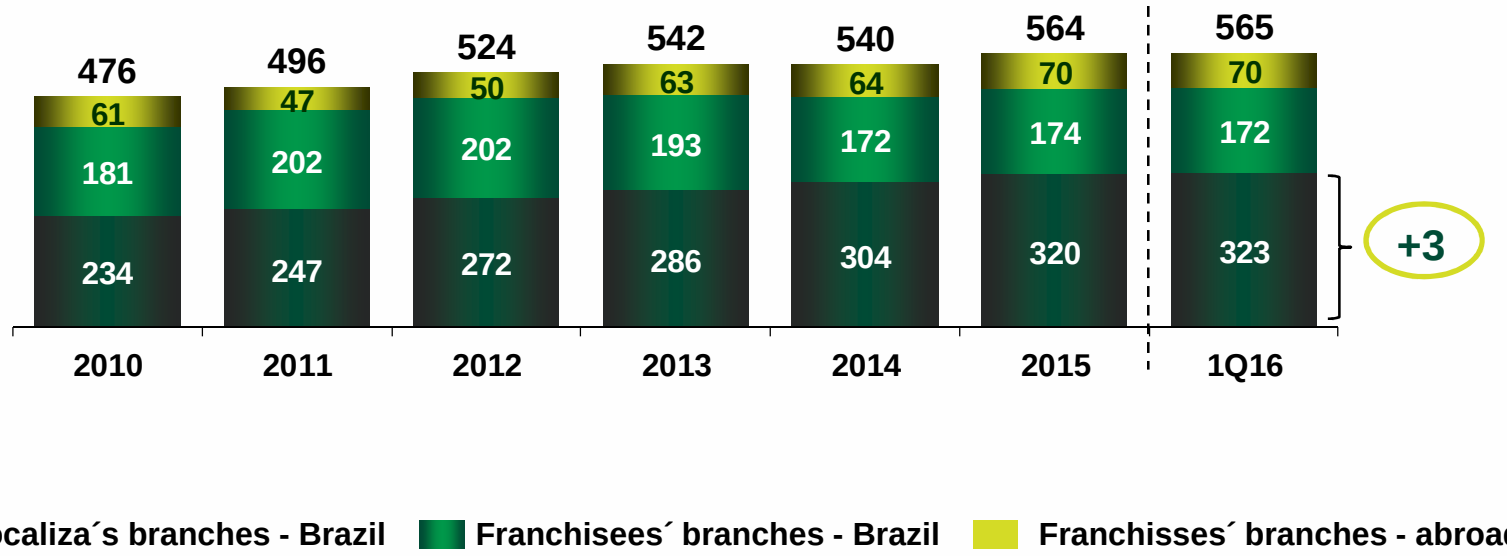
Utilization rate



Competitive and commercial intelligence to stimulate demand and increase utilization rate

Car Rental network evolution

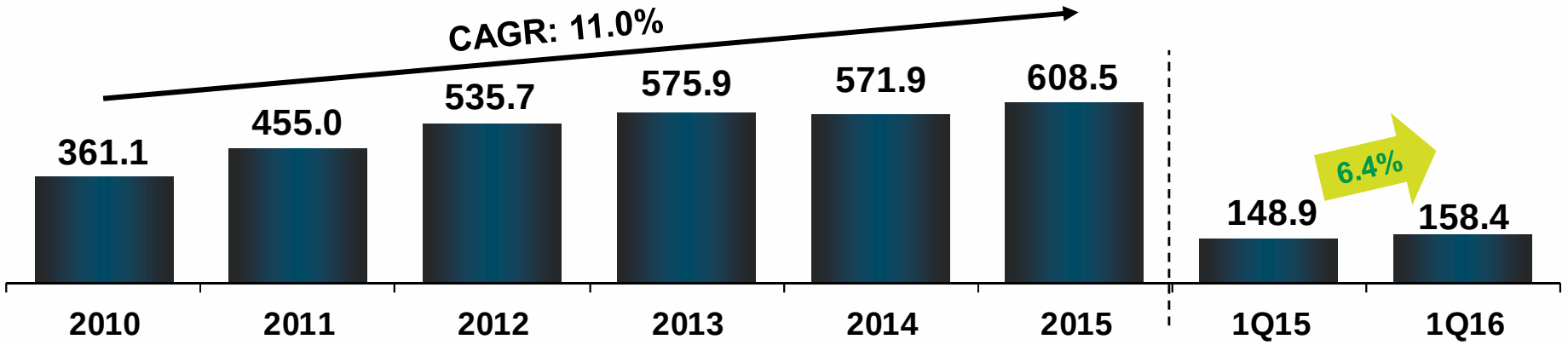
# of car rental locations (Brazil and abroad)



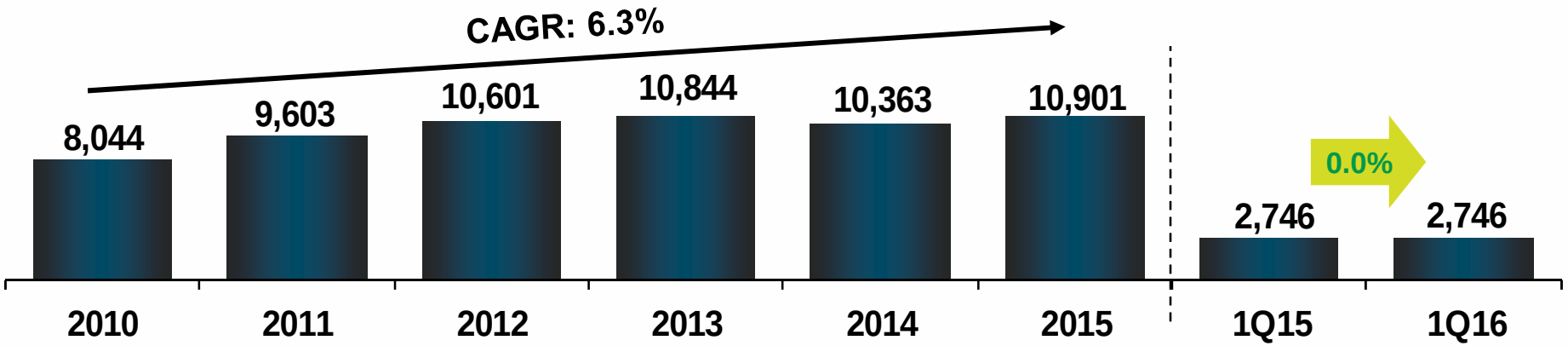
3 new corporate locations were added to the network

Fleet Rental

Net Revenues (R$ million)



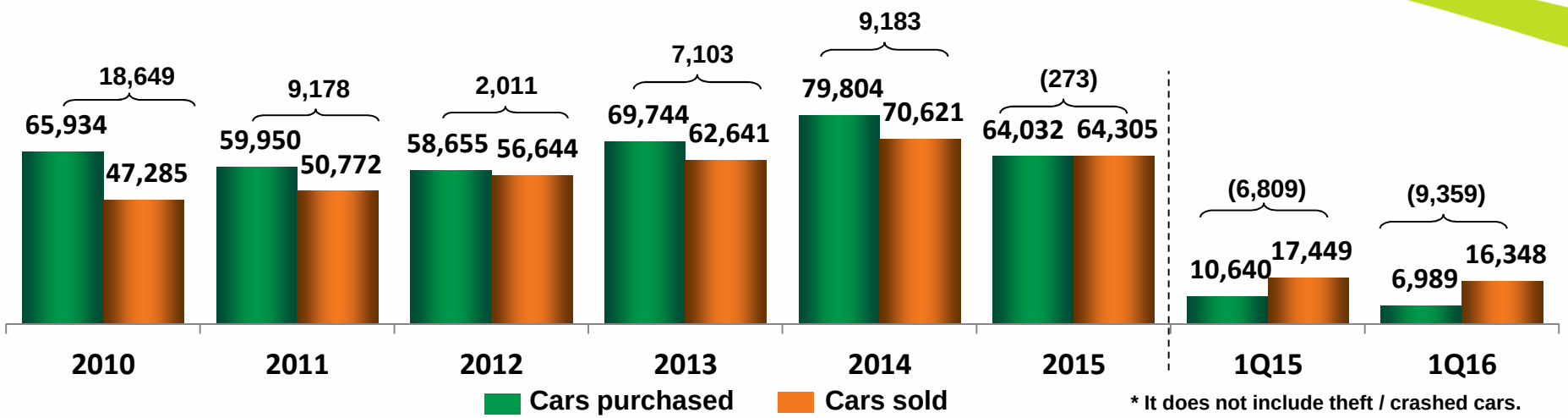
Daily Rentals (thousands)



6.4% increase in net revenues due to higher average rental rate

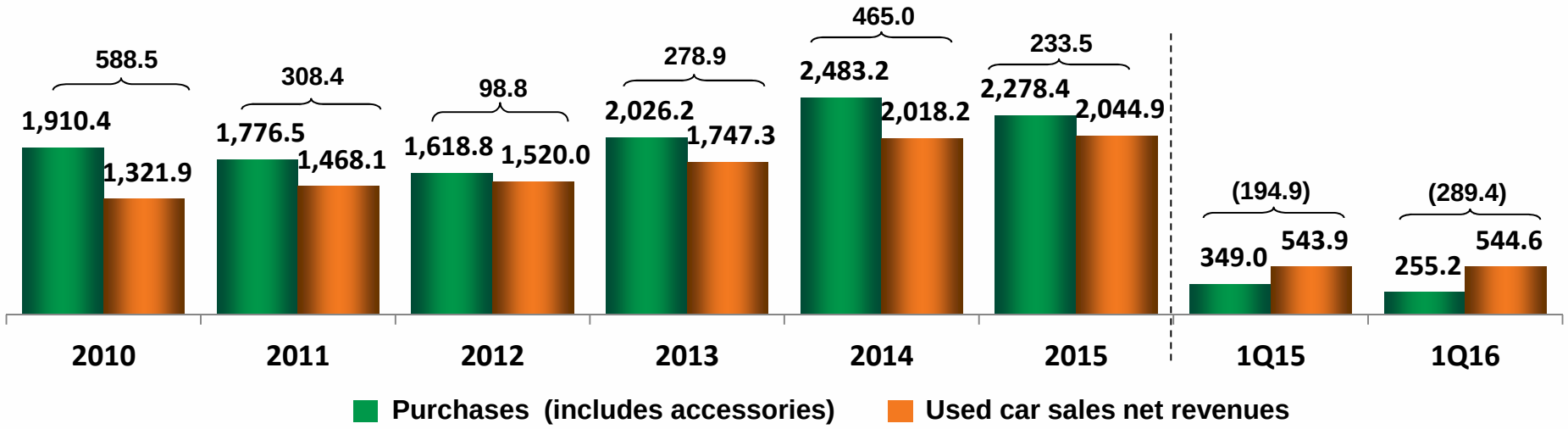
Net investment

Fleet Expansion* (quantity)



* It does not include theft / crashed cars.

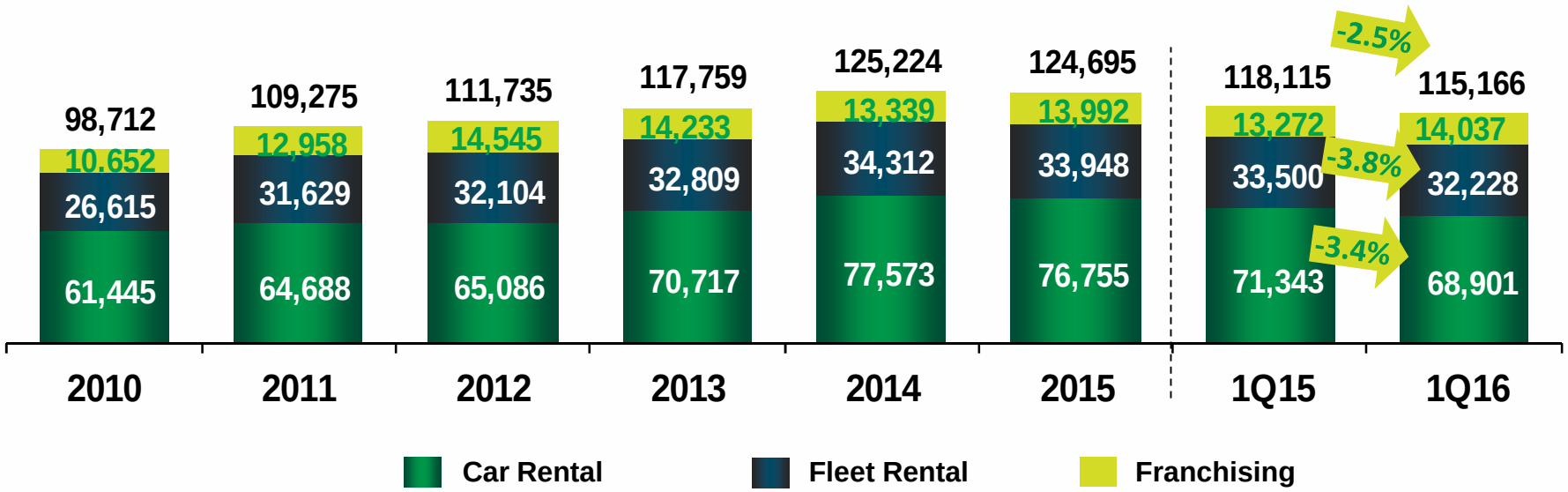
Net Investment in Fleet (R$ million)



Fleet was adjusted after the summer vacation peak of demand

End of period fleet

Quantity

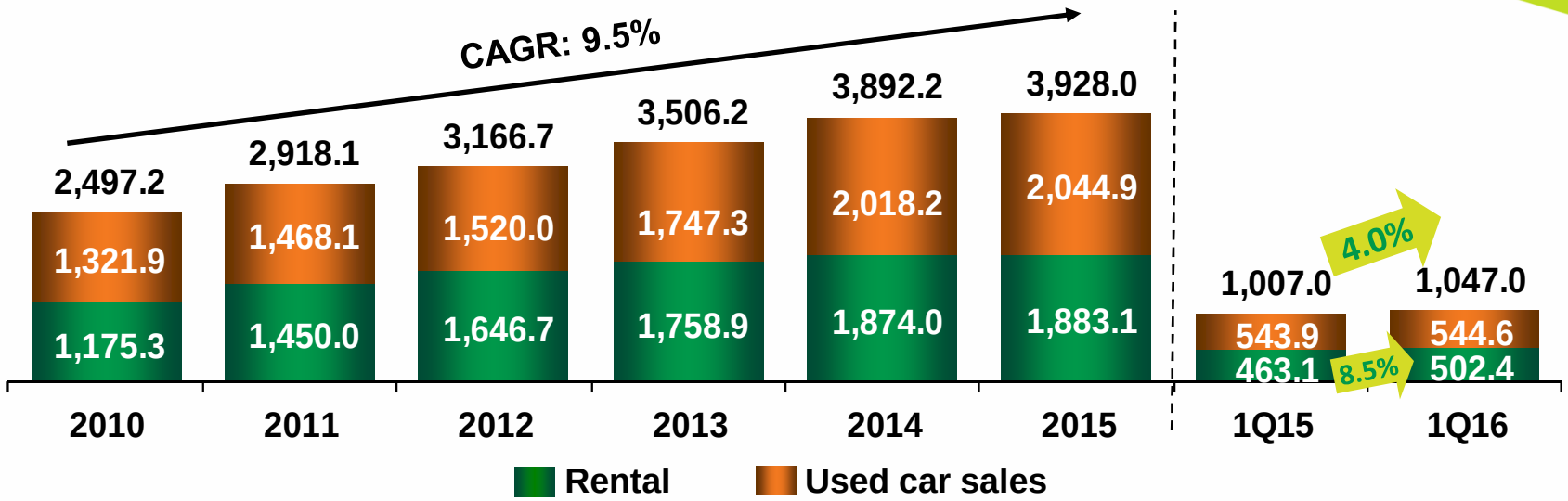


RAC Productivity:

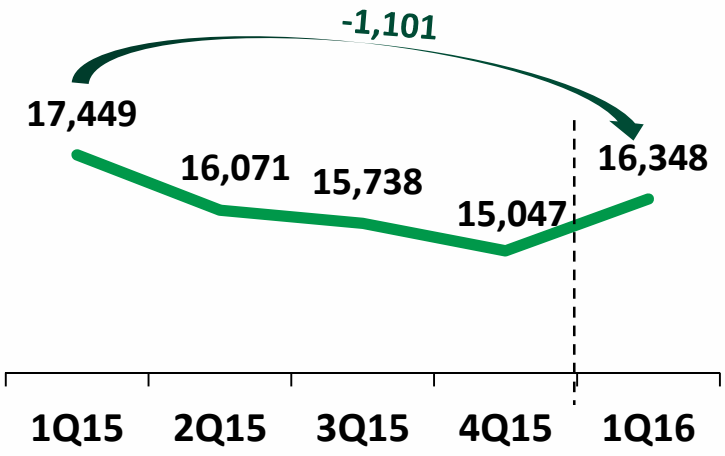
- **Rented fleet increased 9.6%**
- **Fleet reduction of 3.1%**

Consolidated net revenues

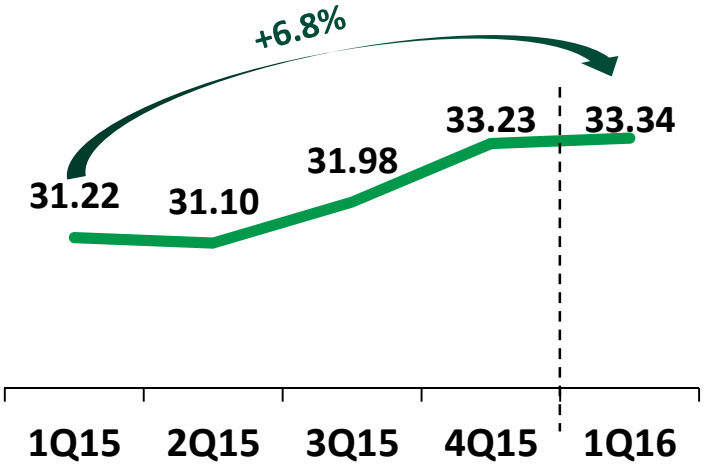
R$ million



Cars sold



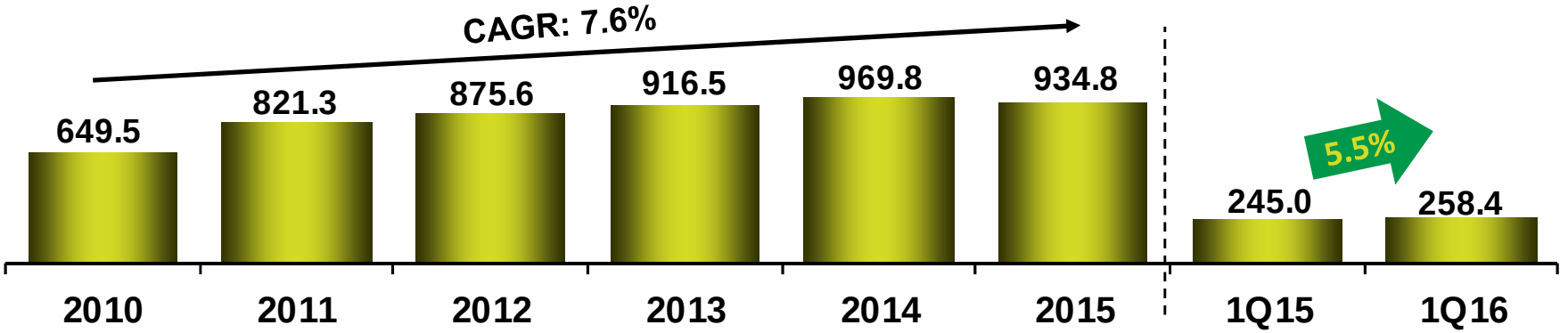
Average price of cars sold



Good level of sales with 6.8% increase in average car sales price in 1Q16 x 1Q15

Consolidated EBITDA

R$ million



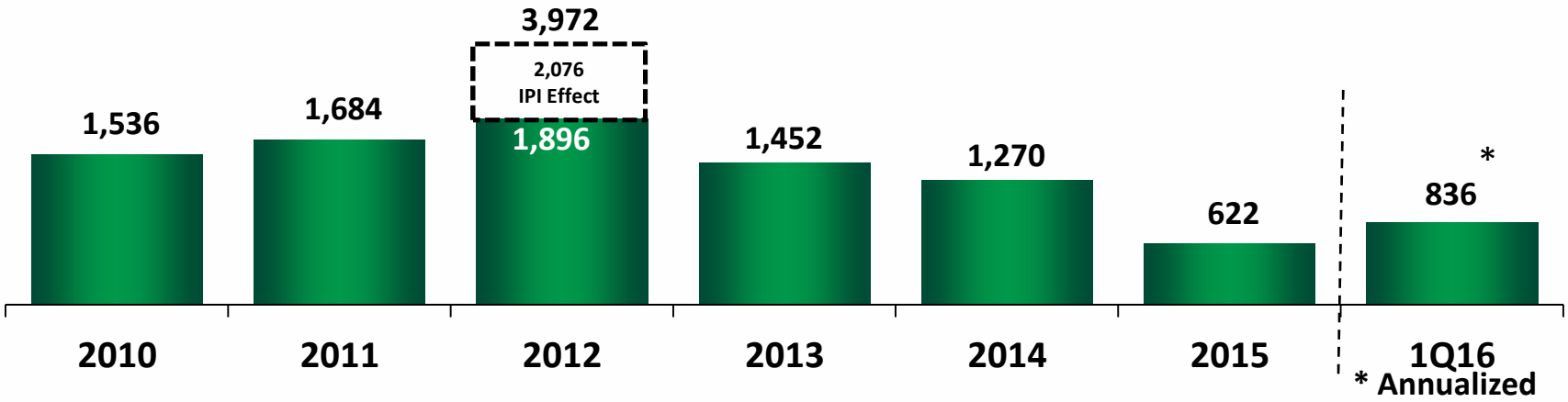
Divisions	2010*	2011*	2012	2013	2014**	2015	1Q15	1Q16
Car Rental	45.3%	46.9%	40.9%	36.8%	38.7%	31.8%	34.4%	34.5%
Fleet Rental	68.0%	68.6%	66.4%	65.5%	60.0%	62.2%	59.3%	64.5%
Rental Consolidated	52.3%	53.8%	49.3%	46.5%	45.3%	41.7%	42.5%	44.1%
Used Car Sales	2.6%	2.8%	4.2%	5.7%	6.0%	7.3%	8.8%	6.8%

(*)From 2012 on, accessories and freight of new cars have been accounted directly in the cost line, impacting EBITDA but reducing depreciation costs.
(**) It considers the new appropriation criteria of the overhead, which is also appropriated to Seminovos.

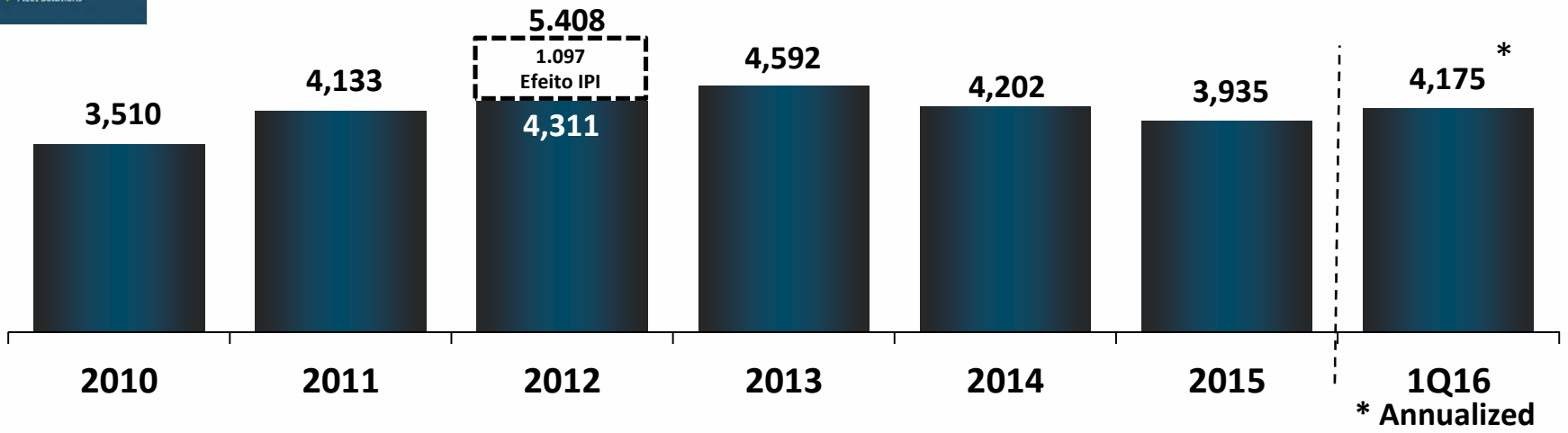
EBITDA increased R$13.4 million in the 1Q16 x 1Q15

Average depreciation per car (in R$)

Car Rental



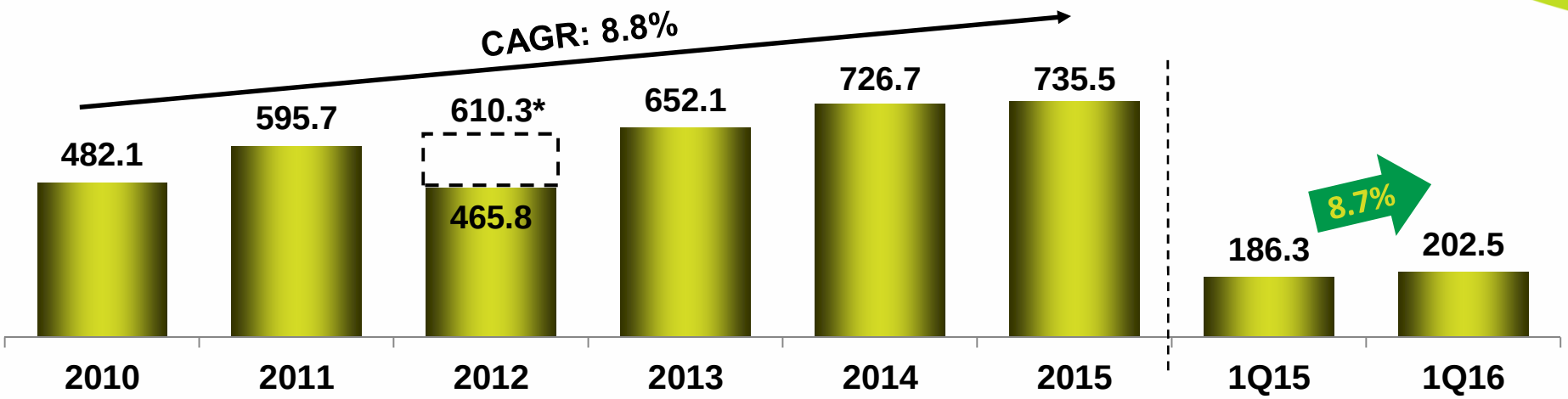
Fleet Rental



Higher depreciation reflects the expectation of lower new car prices increases

Consolidated EBIT

R$ million



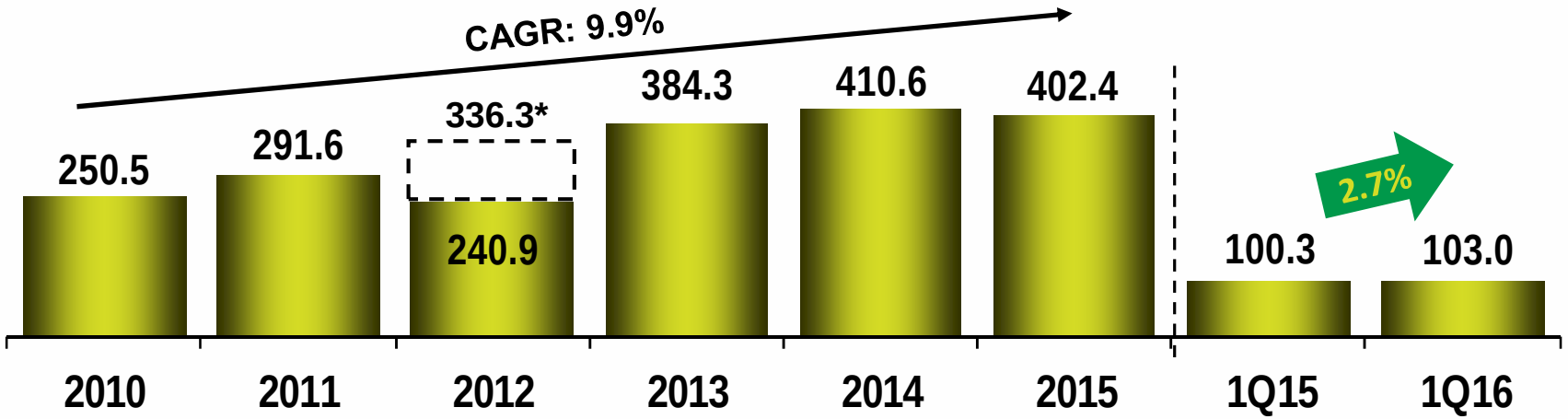
*2012 EBIT was impacted by R$144.5 million of additional depreciation related to IPI (sales tax) reduction.

Divisions	2010	2011	2012	2013	2014	2015	1Q15	1Q16
Car Rental	38.5%	38.8%	23.7%	32.8%	36.2%	34.3%	38.7%	35.6%
Fleet Rental	46.2%	45.6%	36.9%	45.1%	44.3%	48.9%	43.3%	50.3%
Consolidated	41.0%	41.1%	28.3%	37.1%	38.8%	39.1%	40.2%	40.3%

EBIT grew R$16.2 million in 1Q16 x 1Q15

Consolidated net income

R$ million



* Pro forma 2012 net income excluding additional depreciation related to the IPI tax reduction, net of income tax.

Reconciliation EBITDA x Net income	2010	2011	2012	2013	2014	2015	1Q15	1Q16	Var. R$	Var. %
Consolidated EBITDA	649.5	821.3	875.6	916.5	969.8	934.8	245.0	258.4	13.4	5.5%
Cars depreciation	(146.3)	(201.5)	(232.4)	(229.0)	(207.4)	(163.6)	(49.9)	(46.3)	3.6	-7.2%
Cars additional depreciation – IPI effect	-	-	(144.5)	-	-	-	-	-	-	-
Other property depreciation and amortization	(21.1)	(24.1)	(32.9)	(35.4)	(35.7)	(35.7)	(8.8)	(9.6)	(0.8)	9.1%
Financial expenses, net	(130.1)	(179.0)	(138.7)	(110.6)	(151.1)	(202.7)	(48.0)	(67.7)	(19.7)	41.0%
Income tax and social contribution	(101.5)	(125.1)	(135.3)	(157.2)	(165.0)	(130.4)	(38.0)	(31.8)	6.2	-16.3%
Income tax and social contribution – IPI effect	-	-	49.1	-	-	-	-	-	-	-
Net income of the period	250.5	291.6	240.9	384.3	410.6	402.4	100.3	103.0	2.7	2.7%

Net income increased 2.7% despite the R$19.7 million increase in financial expenses

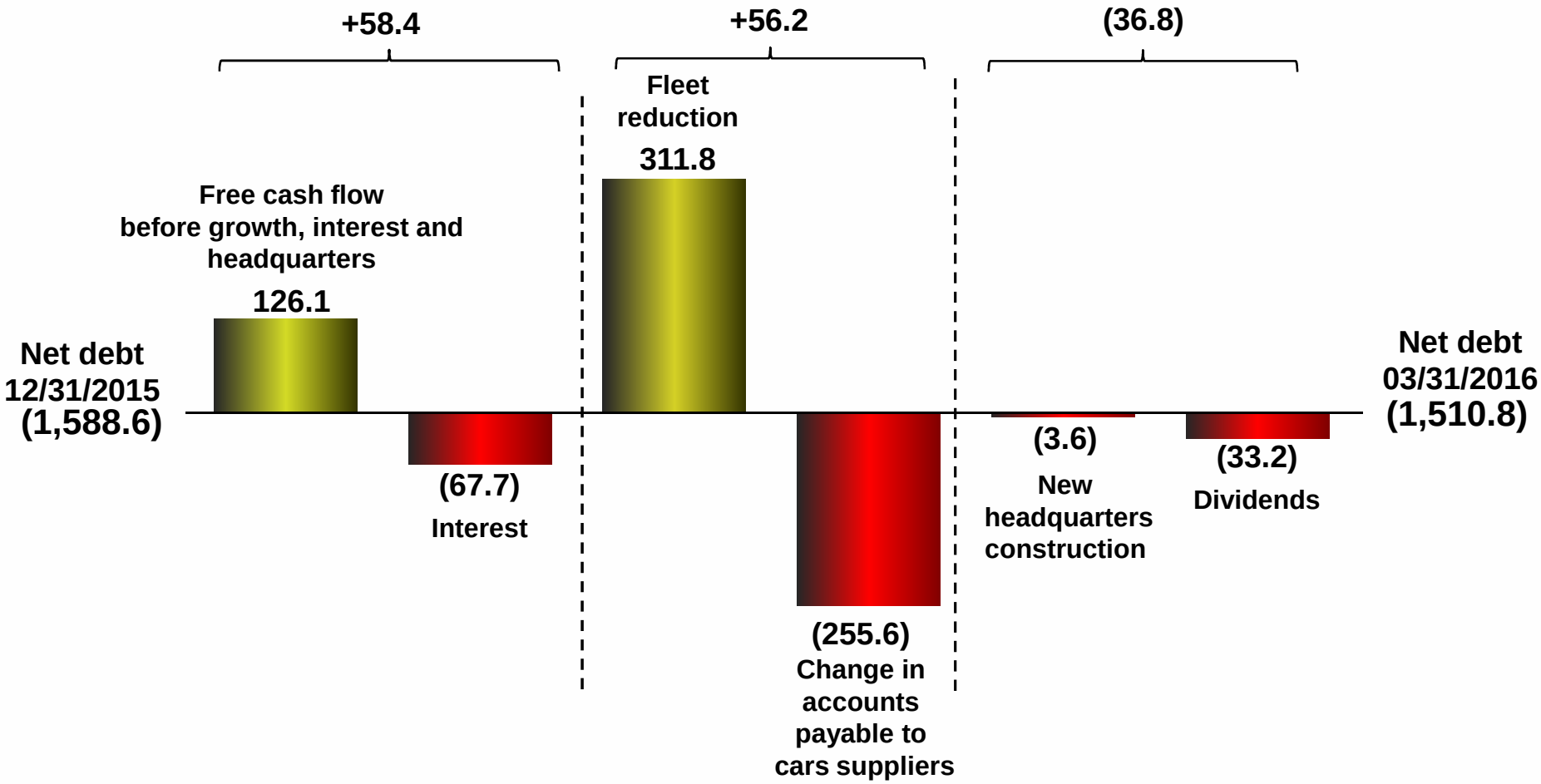
Free cash flow

	Free cash flow - R$ million	2010	2011	2012	2013	2014	2015	1Q16
Operations	EBITDA	649.5	821.3	875.6	916.5	969.8	934.8	258.4
	Used car sale revenue, net from taxes	(1,321.9)	(1,468.1)	(1,520.0)	(1,747.3)	(2,018.2)	(2,044.9)	(544.6)
	Depreciated cost of cars sold (*)	1,203.2	1,328.6	1,360.2	1,543.8	1,777.0	1,769.1	477.3
	(-) Income tax and social contribution	(57.8)	(83.0)	(100.9)	(108.5)	(113.1)	(110.7)	(28.8)
	Change in working capital	54.5	(83.9)	37.1	2.9	(27.1)	(30.0)	(8.8)
	Cash generated by rental operations	527.5	514.9	652.0	607.4	588.4	518.3	153.5
Capex - Renewals	Used car sale revenue, net from taxes	1,321.9	1,468.1	1,520.0	1,747.3	2,018.2	2,036.3	232.8
	Fleet renewal investment	(1,370.1)	(1,504.5)	(1,563.3)	(1,819.7)	(2,197.7)	(2,278.4)	(255.2)
	Net investment for fleet renewal	(48.2)	(36.4)	(43.3)	(72.4)	(179.5)	(242.1)	(22.4)
	Fleet renewal – quantity	47,285	50,772	56,644	62,641	70,621	64,032	6,989
	Investment, other property and intangibles investments	(50.6)	(59.9)	(77.8)	(47.5)	(46.3)	(29.7)	(5.0)
	Free cash flow from operations, net of fleet renewal capex	428.7	418.6	530.9	487.5	362.6	246.5	126.1
Capex - Growth	Fleet growth (investment)	(540.3)	(272.0)	(55.5)	(209.4)	(286.8)	8.6	311.8
	Change in accounts payable to car suppliers	111.3	32.7	(116.9)	89.7	334.4	(121.2)	(255.6)
	Fleet growth	(429.0)	(239.3)	(172.4)	(119.7)	47.6	(112.6)	56.2
	Fleet increase / (reduction) – quantity	18,649	9,178	2,011	7,103	9,183	(273)	(9,359)
	Free cash flow after growth, and before interest and new HQ	(0.3)	179.3	358.5	367.8	410.2	133.9	182.3
Capex – HQ	Investment in the construction of the new HQ	(0.5)	(3.1)	(2.4)	(6.5)	(55.7)	(123.3)	(3.6)
	Marketable securities – new HQ	-	-	-	-	(92.6)	92.6	-
	New headquarters construction	(0.5)	(3.1)	(2.4)	(6.5)	(148.3)	(30.7)	(3.6)
	Free cash flow before interest	(0.8)	176.2	356.1	361.3	261.9	103.2	178.7

(*) without the technical discounts reduction up to 2010

Changes in net debt

R$ million

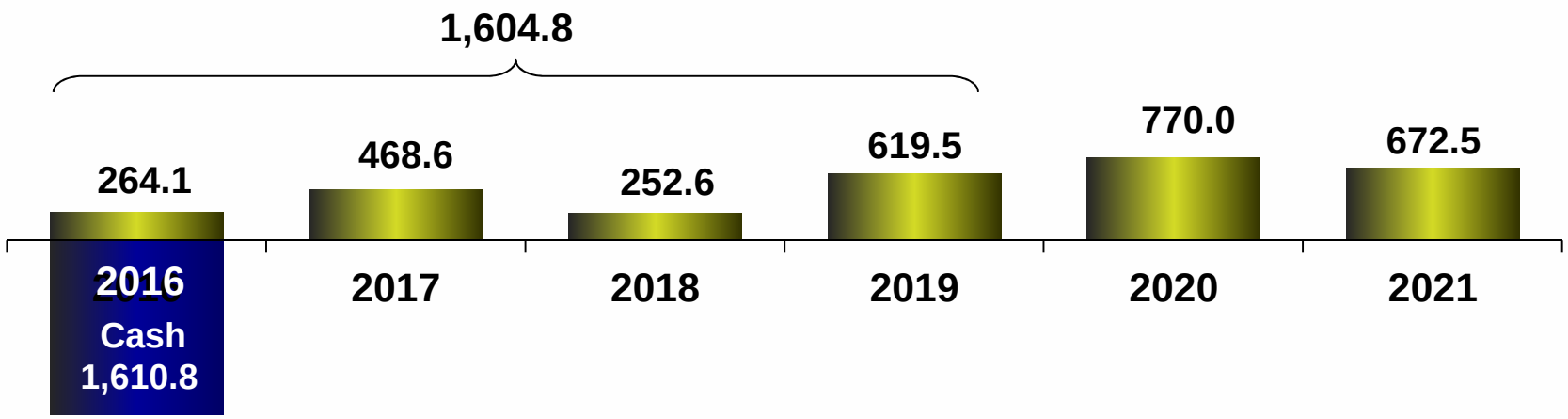


Reduction of R$77.8 million in net debt due to cash generation

Debt maturity profile (principal)

R$ million

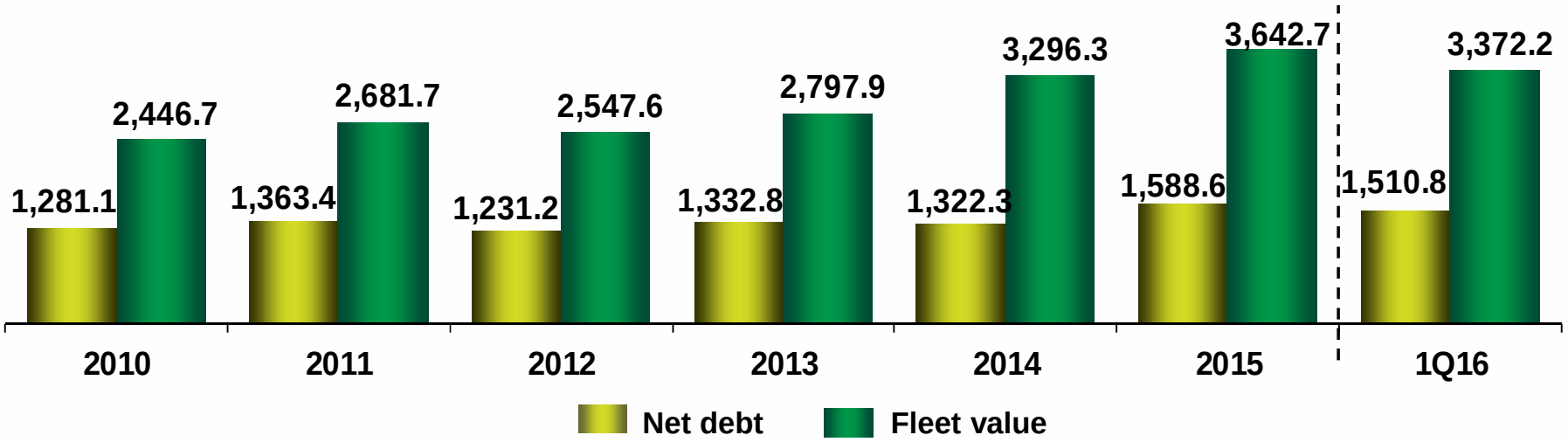
As of March 31, 2016



Comfortable debt profile and strong cash position

Debt - ratios

Net debt vs. Fleet value

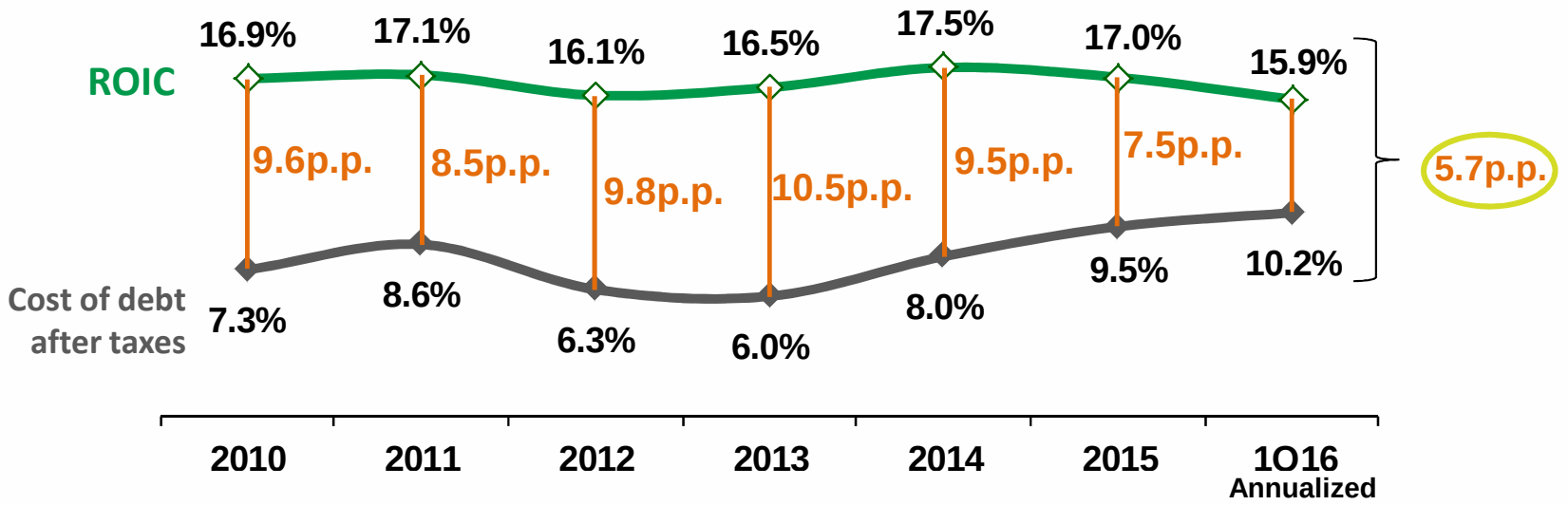


BALANCE AT THE END OF PERIOD	2010(*)	2011	2012	2013	2014	2015	1Q16
Net debt / Fleet value	52%	51%	48%	48%	40%	44%	45%
Net debt / EBITDA(**)	2.0x	1.7x	1.4x	1.5x	1.4x	1.7x	1.5x
Net debt / Equity	1.4x	1.2x	0.9x	1.0x	0.8x	0.8x	0.8x
EBITDA / Net financial expenses	5.0x	4.6x	6.3x	8.3x	6.4x	4.6x	3.8x

(*) 2010 ratios based on USGAAP financial statements
(**) Annualized

Comfortable debt ratios

ROIC *versus* cost of debt after taxes



2010 to 2014 ROIC considered income tax rate of 30.0%
2015 and 1Q16 ROIC considered income tax rate of 24.5%

**The Company presented a positive spread of 5.7p.p.
despite the adverse scenario and a significant increase in the interest rate**

Thank You!

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