

Hertz Investor Presentation

November 12, 2013
Barclays Global Automotive Conference
New York City, NY

Hertz

Forward-Looking Statements

Certain statements contained in this presentation are “forward-looking statements” within the meaning of the Private Securities Litigation Reform Act of 1995. These statements give our current expectations or forecasts of future events and our future performance and do not relate directly to historical or current events or our historical or current performance. Most of these statements contain words that identify them as forward looking, such as “anticipate”, “estimate”, “expect”, “project”, “intend”, “plan”, “believe”, “seek”, “will”, “may”, “opportunity”, “target” or other words that relate to future events, as opposed to past or current events.

Forward-looking statements are based on the then-current expectations, forecasts and assumptions of our management and involve risks and uncertainties, some of which are outside of our control, that could cause actual outcomes and results to differ materially from current expectations. For some of the factors that could cause such differences, please see the sections of our annual report on Form 10-K for the year ended December 31, 2012 and quarterly reports on Form 10-Q for the first and second quarters of 2013 entitled “Risk Factors” and “Cautionary Note Regarding Forward-Looking Statements.” Copies of these reports are available from the Securities and Exchange Commission, our website or our Investor Relations department.

We cannot assure you that the assumptions under any of the forward-looking statements will prove accurate or that any projections will be realized. We expect that there will be differences between projected and actual results. These forward-looking statements speak only as of the date of this presentation, and we do not undertake any obligation to update or revise any forward-looking statements, whether as a result of new information, future events or otherwise. We caution prospective purchasers not to place undue reliance on forward-looking statements. All forward-looking statements attributable to us are expressly qualified in their entirety by the cautionary statements contained herein and in our annual and quarterly reports described above.

Disclosure on Financials in Presentation

Amounts shown in this presentation, unless otherwise indicated, are for Hertz Global Holdings, Inc., (HGH), the ultimate parent company of The Hertz Corporation (THC). GAAP and non-GAAP profitability metrics for THC, the wholly owned operating subsidiary, are different from those of HGH.

During 2006, the results of HGH and THC varied primarily due to the \$1.0 billion loan facility on the books of HGH which was repaid with the proceeds from HGH's initial public offering. In 2007, THC had lower total expenses than HGH primarily due to \$2.0 million of secondary offering costs incurred at the HGH level. In 2009, 2010, 2011, 2012, and nine months ended September 30, 2013 HGH also had interest expense relating to the 5.25% Convertible Senior Notes issued in May 2009, as well as debt extinguishment costs related to the early conversion of a portion of the Convertible Senior Notes during the third quarter of 2013.

Other minor differences in the various profit metrics for HGH and THC, presented on both a GAAP and non-GAAP basis, exist relating to additional audit fees and interest income relating to additional cash on hand at the HGH level.

TRANSFORMING HERTZ

Investment Proposition

Diverse,
Global
Portfolio

Superior
Growth
Strategies

Culture of
Operational
Excellence

Advanced
Technology
Leader

Accelerating
Cash Flow
Generation

Hertz®

Hertz
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DOLLAR®

RENT A CAR

DONLEN
A HERTZ COMPANY

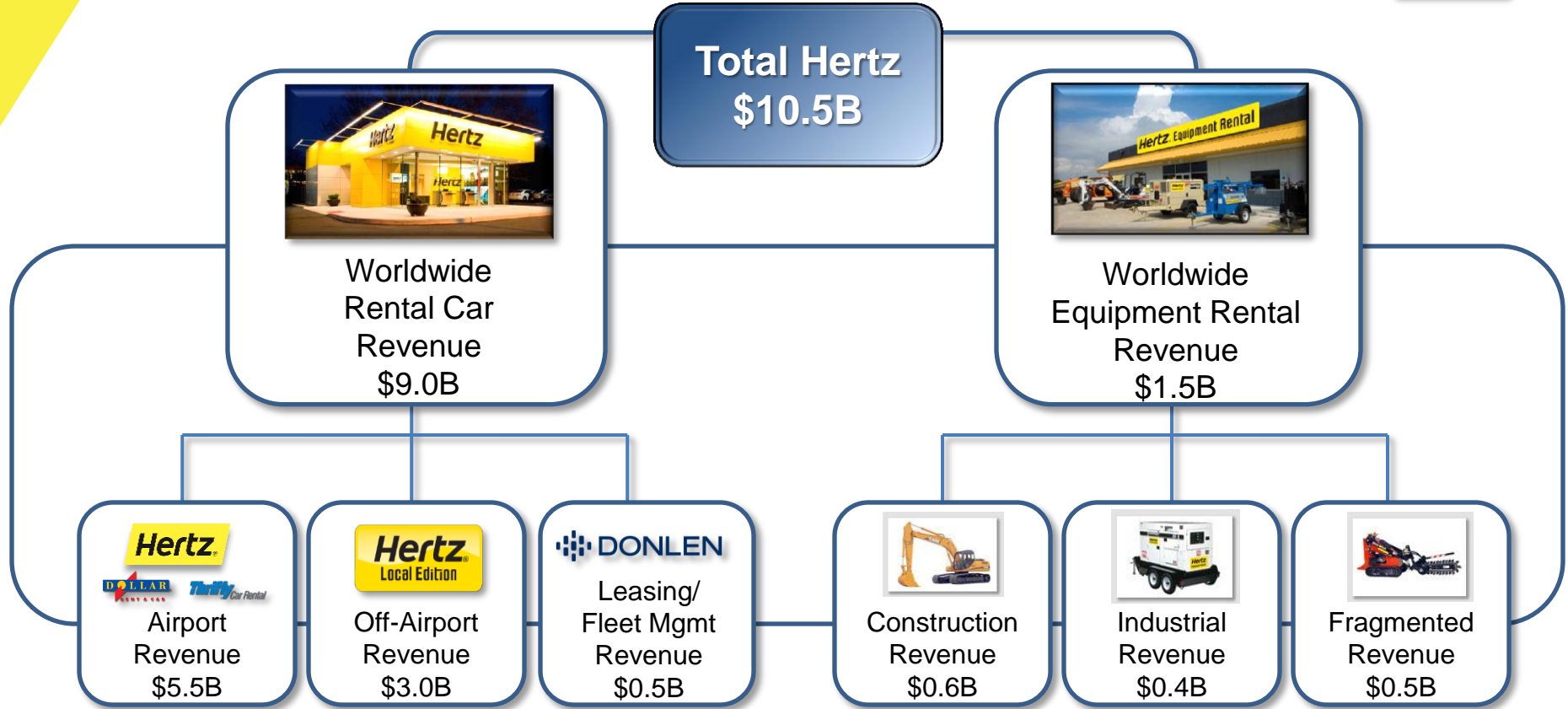
Thrifty

Car Rental

Hertz
ON Demand.

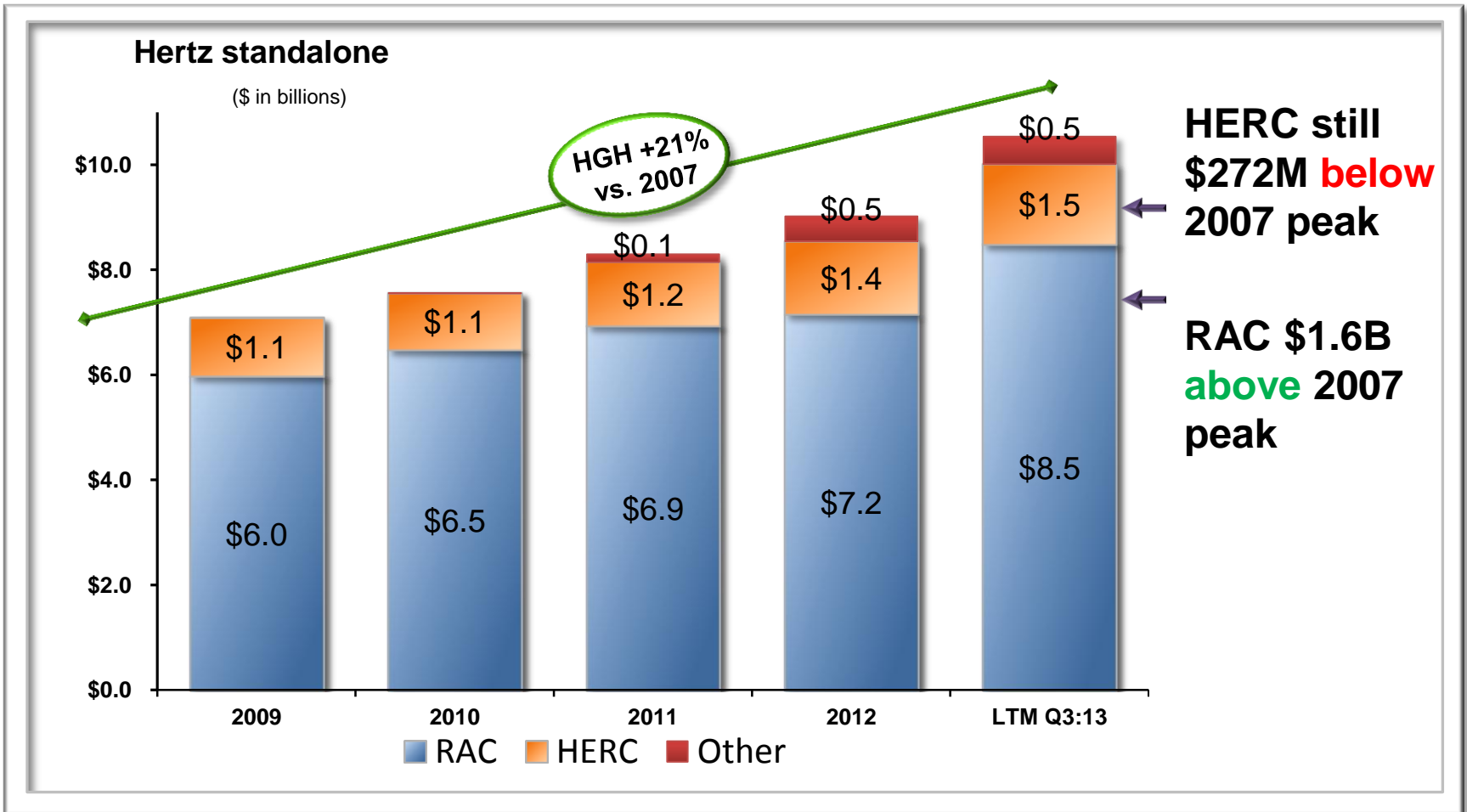
Hertz
Equipment
Rental®

A Market Leader with the Most Diversified Offering



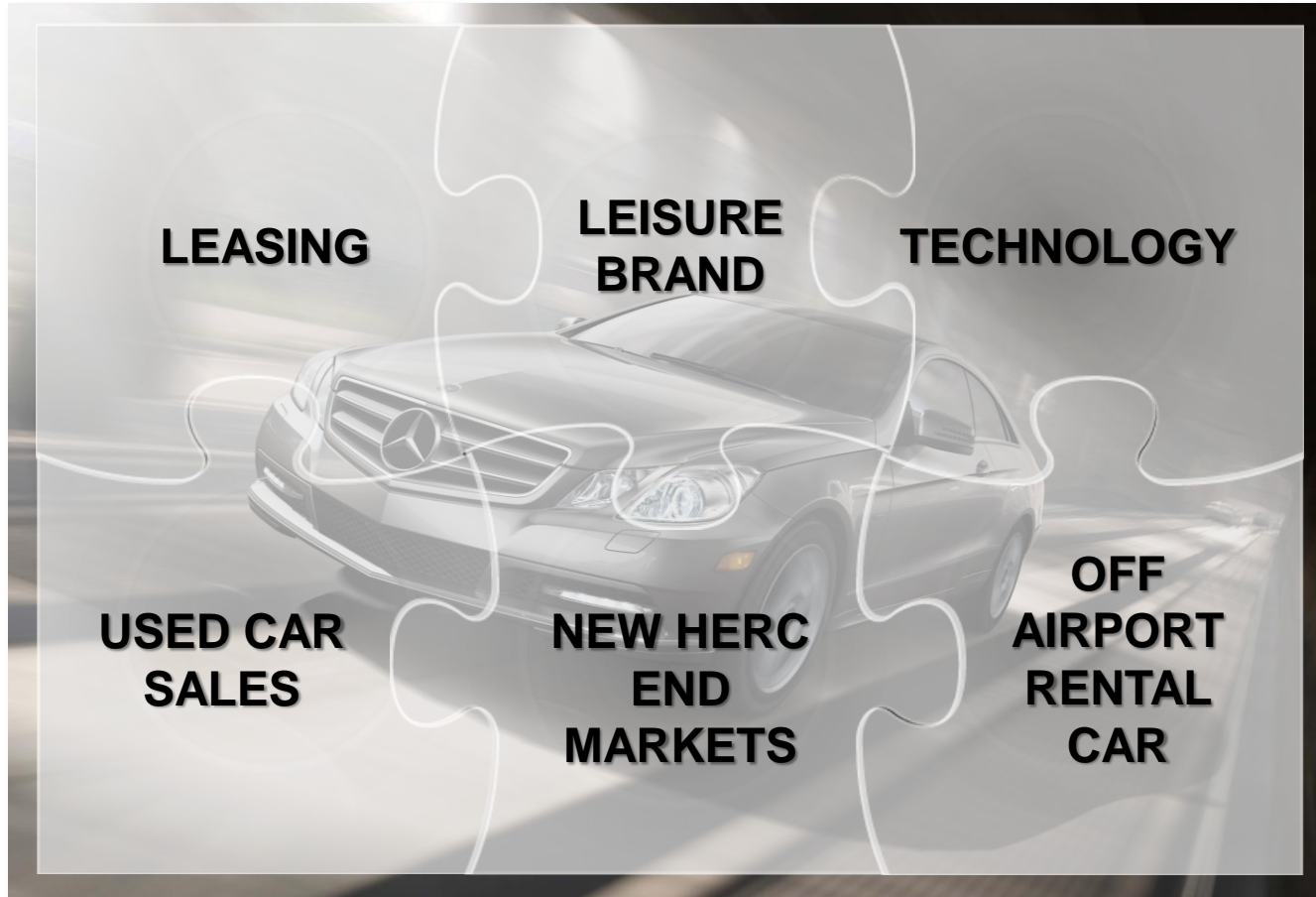
LTM Q3:13 Total Revenue +20.9%; Adj. Pre-tax Income +39.4%

Revenue Back to Peak Level



Despite Headwinds in Europe and Slower HERC Recovery

All Pieces In Place For Transformation



All Pieces In Place For Transformation



Next Step: Optimize Strategies; Maximize Profit & Cash Flow

Strategic Revenue Drivers

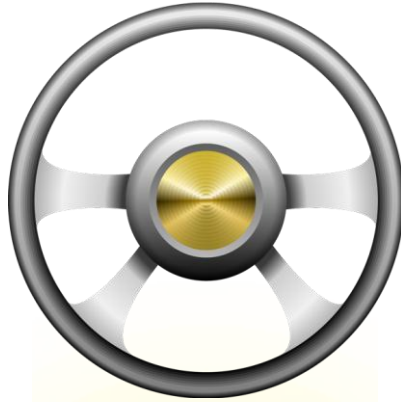
Rental Car
Off Airport



Insurance
Replacement

Technology

Vehicle
Leasing



Rental Car
Leisure Segment



Equipment
Rental



Non-res
Construction
Recovery


Tuck-in
Acquisitions

Each with Double-Digit Growth Potential

U.S. Off Airport Rental Car

- \$11B off-airport rental car market*
- Hertz share at only ~14% represents significant potential growth

Greatest incremental revenue growth opportunity:

- Capture share in insurance replacement; double digit growth over last 2 years
 - Recession proof business
- Offer 24/7 rentals “in your neighborhood”  **Hertz**
ON Demand.
- Broaden network coverage; targeting 300+ net new locations annually
- Locations 2007 = 1,580 vs. Q3:13 = 2,710; +72%

*Auto Rental News 2012 & Company Reports

U.S. Off Airport Rental Car Strong Margin Contribution

Off Airport Margin Analysis – Locations Open > 2 Years

(Per Transaction Day)	<u>Mature Off Airport Location</u>	<u>Average Airport Location</u>	<u>Comparison</u>
Labor Costs	\$4.09	\$4.47	8% lower
DOE	\$18.54	\$28.00	34% lower
SG&A	\$1.63	\$3.12	48% lower
Utilization	84.3%	82.1%	220 bps higher

- Lower RPD
- Low cost infrastructure
- Longer length rental
- Video kiosks drive down labor costs; reduce need for brick & mortar expansion
- Rapidly expanding by co-locating with body shops, hotels, etc.

Longer rentals & lower cost structure drive off-airport margins

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Donlen Fleet Leasing & Management

Vehicle Leasing

- Vehicle acquisition
- License and title management
- Vehicle remarketing

Fleet Management Services

- Vehicle Maintenance
- Accident management
- Fuel management



Telematics

- Reduces fuel use and resulting CO₂ emissions
- Improves safety
- Improves productivity

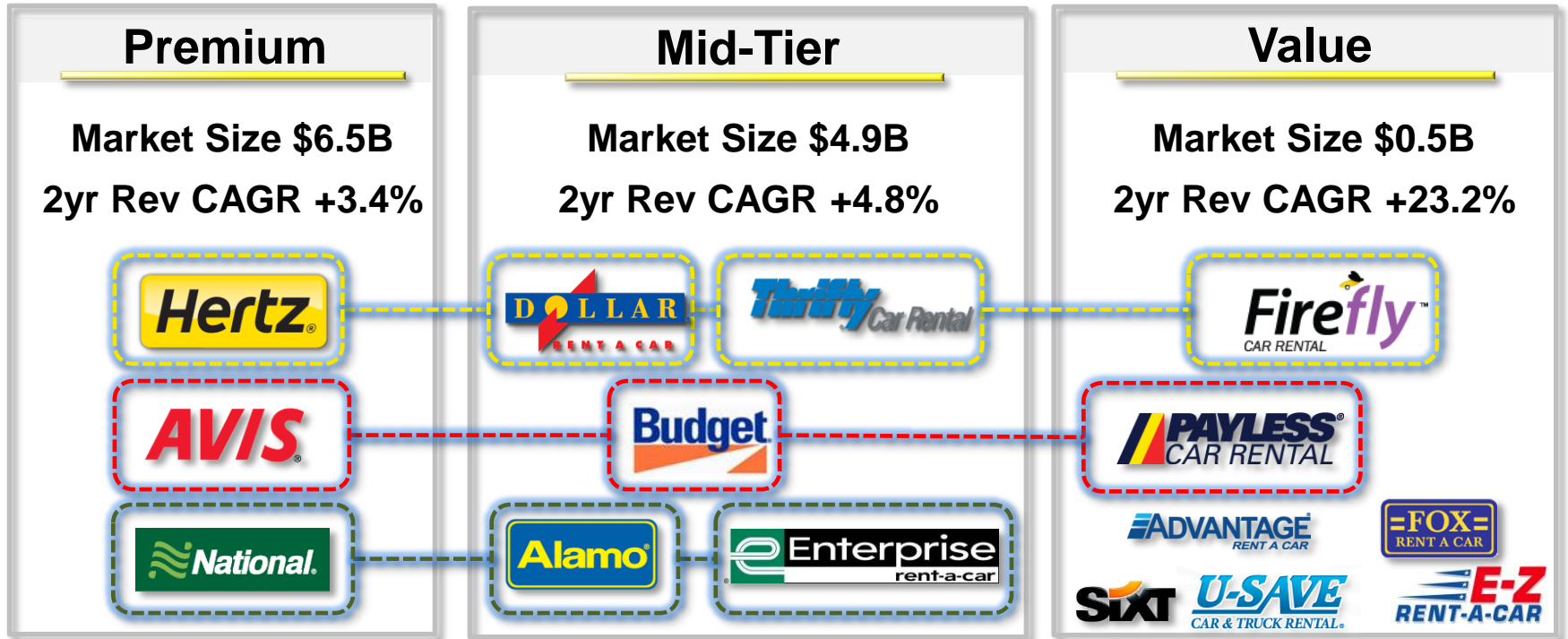
Equipment Financing

- Syndication model
- Longer term fixed financing
- Class 4+ trucks, trailers and material handling equipment

U.S. Rental Car Leisure Segment

\$11B Total U.S. Airport Market

Fastest growing U.S. airport markets
Limited Commercial Exposure



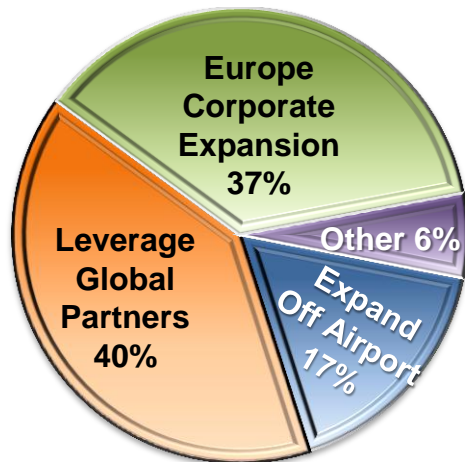
Similar 3-Tier Strategy in Europe

Note: Market data from U.S. airport concession reports
2yr CAGR is 2012E vs. 2010

Acquisition Synergies

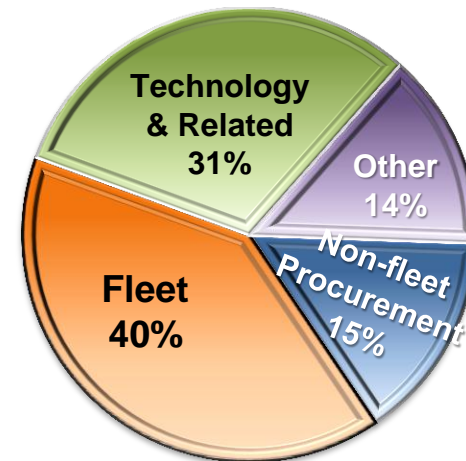
RECOGNIZED over 3 years

\$300M REVENUE Synergies



- EU opened 143 corporate Thrifty locations
- Negotiated DTG agreements with 150 HTZ corporate accounts; exclusive partners, including AAA, Marriott; airline partners like Jet Blue, Spirit
- DTG referrals to HTZ OAP underway

\$300M COST Synergies



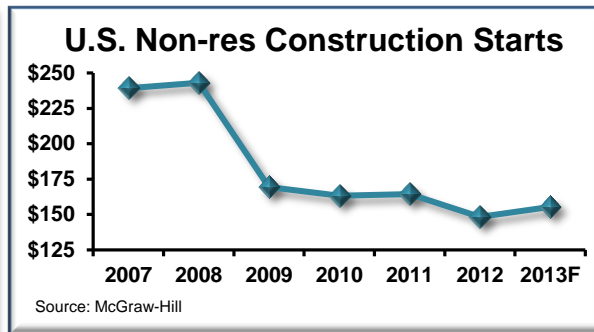
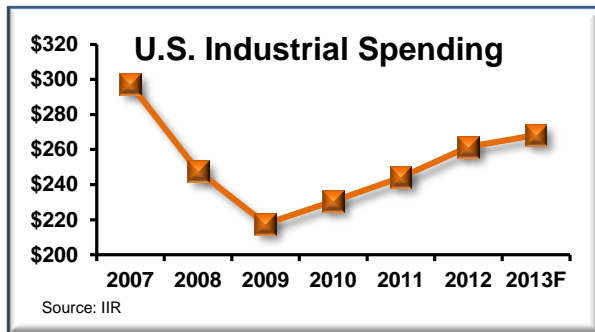
- Fleet - procurement, 3 pts utilization, alternative sales channels
- Technology – systems integration: fleet, counter, e-commerce, reservations, billing, HR, finance
- Non-fleet procurement – Centralize DTG spend, leverage combined scale

Equipment Rental Growth Drivers

Recovery of Non-Res Construction

U.S. industrial market leads equipment rental recovery

U.S. non-res construction industry awaiting recover



	Q3:13	FY:07
Construction	39%	50%
Industrial	24%	20%
Fragmented	37%	30%

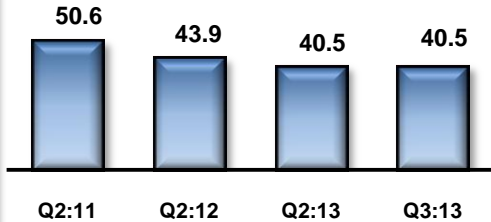
WWHERC contributed 54% of total company 2007 Corporate EBITDA vs. 32% LTM Q3:13

- 2007 peak revenue \$1.76B; Corporate EBITDA \$834M
- LTM Q3:13 actual revenue \$1.52B; Corporate EBITDA \$664M

Investments Drive Future Profit

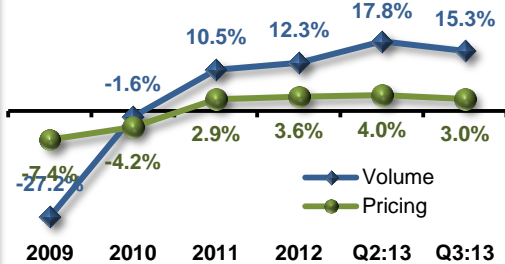
Fleet Capital

NA Fleet Age



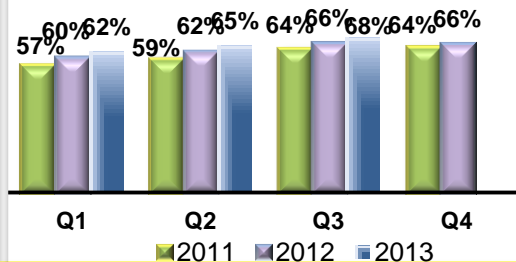
- Refreshed fleet
- New fleet for new-industry penetration

Price and Volume Growth



- 2010-2012 gross fleet investment ~\$1.7B resulted in higher price and market share

NA Time Utilization



- Utilization improvement will reduce future fleet growth requirements

Tuck – In Acquisitions

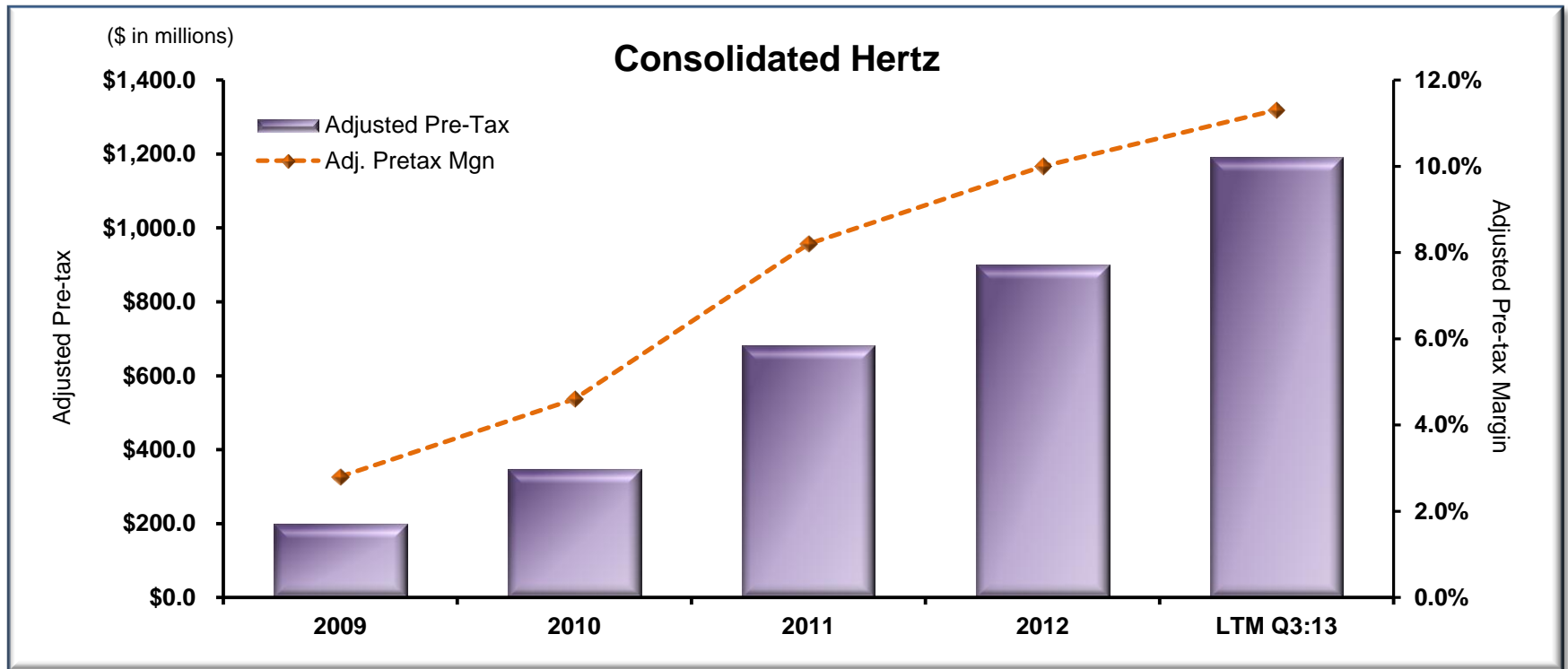


- 2010-2012 Investment ~\$240M
- 11 acquisitions; one joint venture completed since 2010

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Profitability Trend Accelerates Cash Flow

- Total company adjusted pre-tax income CAGR of 52% since 2009
- LTM Q3:13 adjusted pre-tax +80% over 2007 peak level
 - WW HERC profit 23% below peak – **Growth Opportunity**



Cash Flow Improvement

Cash Flow from Operations					
(\$ in billions)					
	<u>2009</u>	<u>2010</u>	<u>2011</u>	<u>2012</u>	<u>YoY chg</u>
Cash flow from operations	\$1.69	\$2.21	\$2.23	\$2.72	+\$0.49
One-time items (call premiums / HYN refinancing int. pmt timing)	-	-	0.10	-	-0.10
Cash flow from oper. excl. one-time items	\$1.69	\$2.21	\$2.33	\$2.72	+\$0.39

DTG and lower overall fleet investment requirements will drive future corporate cash flow:

- HERC fleet growth: 2013E investment declining YoY vs. increasing over past 3 years
- RAC fleet growth: 2013E stabilizing / declining due to initiatives: risk fleet, remarketing channels, and higher utilization
- DTG: positive cash flow + synergies more than offset incremental interest expense
- Non-fleet capital: increasing as we invest in technology and new / updated facilities – slight offset to cash flow

Expect 2013 Free Cash Flow of \$500M to \$600M

Cash Flow Acceleration



Improved Profit & Margin

- Revenue Growth
- Fleet Management
- Lean Six Sigma



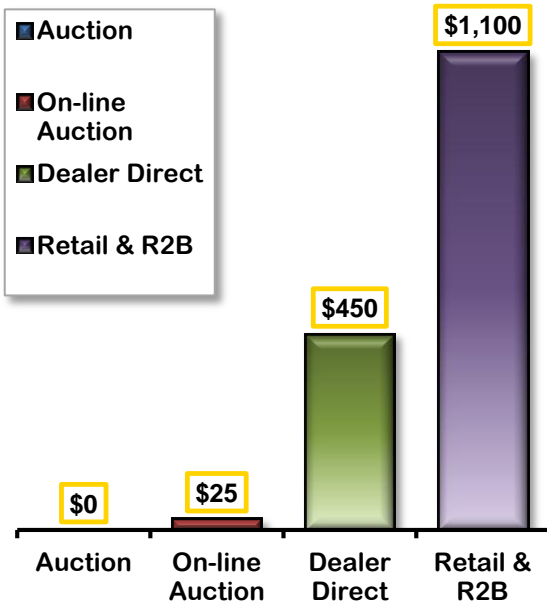
Better Capital Management

- Asset Light
 - ✓ Technology-led Expansion
 - ✓ Franchising
- Improved Balance Sheet

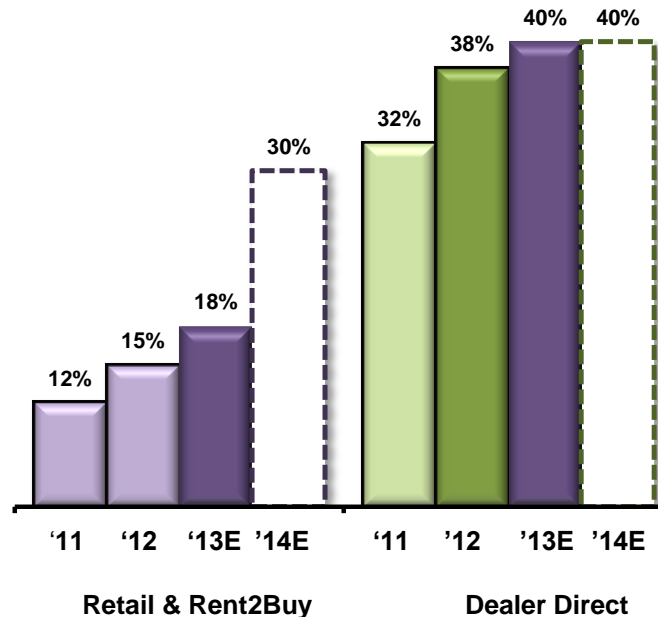
Better Fleet Management Drives Returns

Alternative Resale Channels

Incremental Return vs. Auction



% of Total Hertz Vehicle Sales



Incremental Profit Opportunity

DTG 2012
94% risk mix
64% auction sales

- Licensed 32 states
- Rent2buy.Com online sales
- Staff of used-car experts

Reduces cost of sale, improves sale price, keeps cars on rent longer

Lean Six Sigma Productivity Improvements

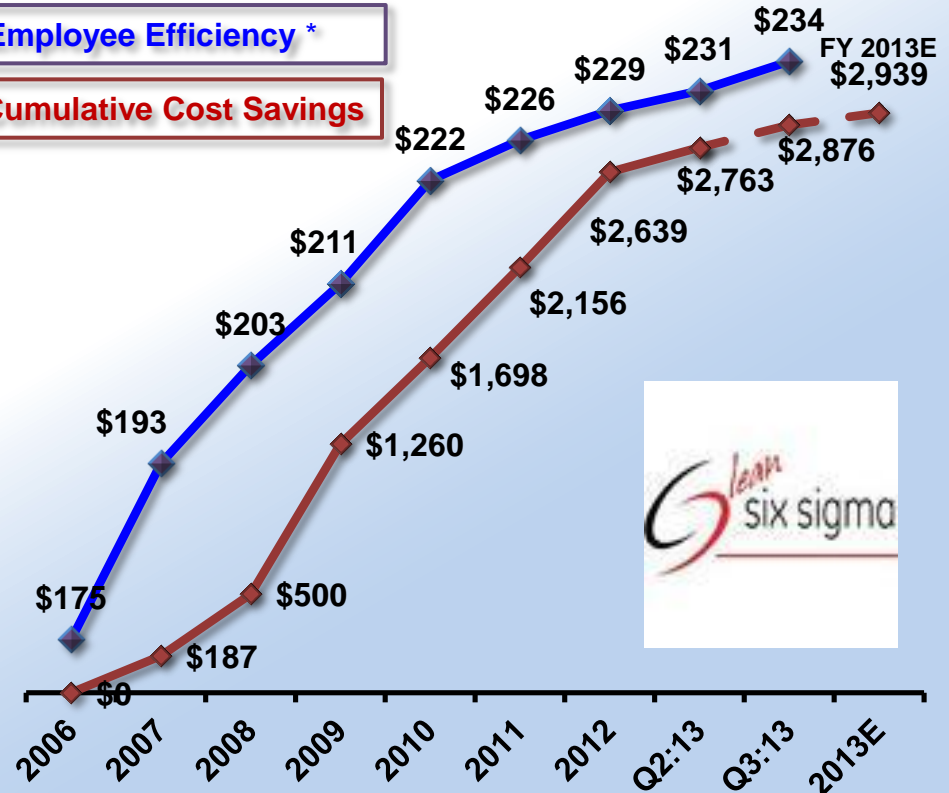
- Leveraging Lean Six Sigma across operations
- Corporate culture of operational excellence
- More than 225 black, yellow and green belts deployed worldwide
- Expanding Lean Six Sigma “Lighthouse” program to off-airport rental car locations
- Annual gross cost savings of ~\$300M targeted to offset inflation

Employee productivity 28 consecutive quarters of YoY improvement

(\$ in millions)

Employee Efficiency *

Cumulative Cost Savings



* Rental Revenue per Employee

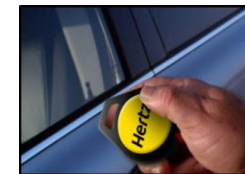
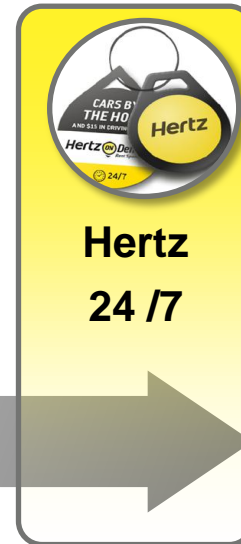
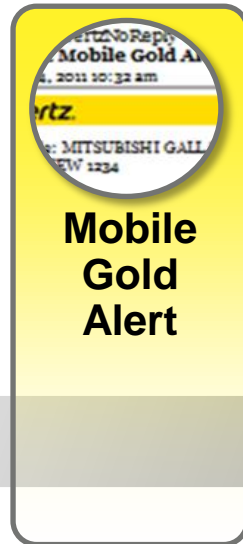
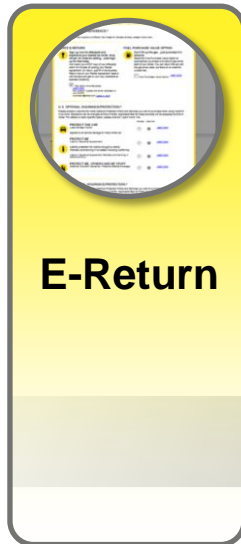
Higher Return Investments Technology & Innovation

Video Kiosks

- Cutting-edge rental kiosk technology
- Enables rapid expansion of off-airport network
- Expands hours of operation to virtually 24/7
- Increases productivity, enhances customer experience and improves revenue management

Hertz On Demand

- Virtual rental experience
- 24/7
- Reduces brick & mortar, labor investment



Reducing costs while enhancing customer experience

Consistently Improving Trends

(\$ in millions)	2009	2010	2011	2012	2013E ¹
Revenue	\$7,101.5	\$7,562.5	\$8,298.4	\$9,020.8	\$10,850
YoY Growth	(16.7%)	6.5%	9.7%	8.7%	20.3%
Corporate EBITDA	\$974.0	\$1,100.3	\$1,389.5	\$1,635.6	\$2,155
Margin	13.7%	14.5%	16.7%	18.1%	19.9%
YoY Growth		13.0%	26.3%	17.7%	31.8%
Adjusted PreTax	\$193.0	\$347.1	\$680.5	\$901.5	\$1,235
Adj. PreTax Mgn	2.7%	4.6%	8.2%	10.0%	11.4%
YoY Growth		79.8%	96.1%	32.5%	37.0%
Adjusted EPS	\$0.28	\$0.52	\$0.97	\$1.33	\$1.73
YoY Growth		85.7%	86.5%	37.1%	30.1%
Free Cash Flow	(\$347M)	\$463M	\$63M	\$162M	\$550M

¹Mid-point of 9/26/13 revised guidance

Have Exceeded All Pre-Recession Measures

All Pieces In Place For Transformation



Next Step: Optimize Strategies; Maximize Profit & Cash Flow

TRANSFORMING HERTZ

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Diverse,
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Superior
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Culture of
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Thrifty
Car Rental

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Non-GAAP Measures and Terms

- The following non-GAAP measures and terms were used in the presentation:

- EBITDA
- Corporate EBITDA
- Adjusted Pre-Tax Income
- Free Cash Flow

- Definitions, reconciliations and importance of the non-GAAP measures are provided in the slides or in the appendices of the presentation

Key Definitions

EBITDA*	Income (loss) before income taxes plus depreciation, amortization and other purchase accounting, interest (net of interest income) and impairment charges, less noncontrolling interest.
Corporate EBITDA*	EBITDA less car rental fleet interest and car rental fleet depreciation, plus non-cash expenses and charges and certain other non-recurring expenses.
Adjusted Pre-Tax Income*	Adjusted pre-tax income is calculated as income before income taxes and noncontrolling interest plus non-cash purchase accounting charges, non-cash debt charges and certain one-time charges and non-operational items.
Free Cash Flow	Free cash flow is calculated as Net cash provided by operating activities less revenue earning equipment expenditures, net of disposal proceeds and car rental fleet financing, less non-fleet capital expenditures, net of non-fleet disposals. Free cash flow is important to management and investors as it represents the cash available for acquisitions and the reduction of corporate debt.

* "EBITDA", "Corporate EBITDA", "Adjusted Pre-Tax Income" and "Free Cash Flow" are non-GAAP measures within the meaning of Regulation G. In conformity with Regulation G, information required to accompany the disclosure of non-GAAP financial measures, including a reconciliation of the non-GAAP measures discussed in this presentation to the most directly comparable financial measures calculated and presented in accordance with generally accepted accounting principles in the United States, appears within the slides or at the end of this presentation on the slides relating to the non-GAAP measures.

Non-GAAP Reconciliations

Corporate EBITDA

(\$ in millions)

	Years Ended December 31,				As Revised Years Ended December 31,	
	2012	2011	2010	2009	2008	2006
Income (loss) before income taxes	\$ 450.6	\$ 324.3	\$ (14.6)	\$ (176.9)	\$ (1,416.1)	\$ 197.2
Depreciation, amortization and other purchase accounting	2,405.7	2,136.0	2,092.3	2,164.9	2,436.0	2,019.5
Interest, net of interest income	645.0	694.2	761.1	664.3	845.2	900.7
Impairment charges	-	-	-	-	1,195.0	-
Noncontrolling interest	-	(19.6)	(17.4)	(14.7)	(20.8)	(16.7)
EBITDA	3,501.3	3,134.9	2,821.4	2,637.6	3,039.3	3,100.7
Adjustments:						
Car rental fleet interest	(297.4)	(306.2)	(384.4)	(319.0)	(450.7)	(400.0)
Car rental fleet depreciation	(1,876.1)	(1,651.4)	(1,594.6)	(1,616.7)	(1,843.8)	(1,479.6)
Non-cash expenses and charges	68.5	60.8	172.3	167.0	113.0	130.6
Sponsors' fees	-	-	-	-	-	3.2
Extraordinary, unusual or non-recurring gains and losses	239.3	151.4	85.6	105.1	237.9	23.8
Corporate EBITDA	<u>\$ 1,635.6</u>	<u>\$ 1,389.5</u>	<u>\$ 1,100.3</u>	<u>\$ 974.0</u>	<u>\$ 1,095.7</u>	<u>\$ 1,378.7</u>

Non-GAAP Reconciliations

Adjusted Pre-tax Income (Loss)

(\$ in millions)

	Years Ended December 31,				As Revised Years Ended December 31,	
	2012	2011	2010	2009	2008	2006
Income (loss) before income taxes	\$ 450.6	\$ 324.3	\$ (14.6)	\$ (176.9)	\$ (1,416.1)	\$ 197.2
Adjustments:						
Purchase accounting	109.6	87.6	90.3	90.3	101.0	90.4
Non-cash debt charges	83.6	130.4	182.6	171.9	100.2	99.5
Restructuring charges	38.0	56.4	54.7	106.8	216.2	-
Restructuring related charges	11.1	9.8	13.2	46.5	26.3	-
Impairment charges	-	-	-	-	1,195.0	-
Derivative (gains) losses	0.9	(0.1)	3.2	(2.4)	2.2	(1.0)
Pension adjustment	-	(13.1)	-	-	-	-
Third party bankruptcy reserve	-	-	-	4.3	-	-
Acquisition related costs and charges	163.7	18.8	17.7	-	-	-
Management transition costs	-	4.0	-	1.0	5.2	9.8
Premiums paid on debt	-	62.4	-	-	-	-
Gain on debt buyback	-	-	-	(48.5)	-	-
Stock purchase compensation charge	-	-	-	-	-	13.3
Sponsor termination fee	-	-	-	-	-	15.0
Unrealized transaction loss on Euro-denominated debt	-	-	-	-	-	19.2
Interest on HGH debt	-	-	-	-	-	39.9
Other	44.0	-	-	-	-	-
Adjusted pre-tax income	901.5	680.5	347.1	193.0	230.0	483.3
Assumed provision for income taxes (34% for 2012 - 2008; 35% for 2006)	(306.5)	(231.3)	(118.0)	(65.6)	(78.2)	(169.2)
Noncontrolling interest	-	(19.6)	(17.4)	(14.7)	(20.8)	(16.7)
Adjusted net income	\$ 595.0	\$ 429.6	\$ 211.7	\$ 112.7	\$ 131.0	\$ 297.4
Adjusted diluted number of shares outstanding	448.2	444.8	410.0	407.7	325.5	324.8
Adjusted diluted earnings per share	\$ 1.33	\$ 0.97	\$ 0.52	\$ 0.28	\$ 0.40	\$ 0.92

Non-GAAP Reconciliations

Free Cash Flow

(\$ in millions)

	Years Ended December 31,			
	2012	2011	2010	2009
EBITDA	3,501.3	3,134.9	2,821.4	2,637.6
Adjustments:				
Cash paid during the period for:				
Interest (net of amounts capitalized)	(560.0)	(640.6)	(533.0)	(635.2)
Income taxes	(71.7)	(49.6)	(50.7)	(31.3)
Net change in working capital and other net cash (used in) operating activities	(151.6)	(211.4)	(29.0)	(277.8)
Net cash provided by operating activities	2,718.0	2,233.3	2,208.7	1,693.3
Revenue earning equipment expenditures, net of disposal proceeds and car rental fleet financing	(2,510.2)	(1,942.5)	(1,605.4)	(1,963.6)
Non-fleet capital expenditures, net	(175.1)	(227.9)	(140.3)	(77.0)
Dollar Thrifty acquisition costs expensed and capitalized	129.6	-	-	-
Free cash flow	\$ 162.3	\$ 62.9	\$ 463.0	\$ (347.3)

Non-GAAP Reconciliations

Corporate EBITDA

(\$ in millions)

	Nine Months Ended September 30, 2013
<u>Car Rental</u>	
Income before income taxes	\$ 964.3
Depreciation and amortization	
Interest, net of interest income	
EBITDA	<hr/>
Adjustments:	
Car rental fleet interest	
Car rental fleet depreciation	
Non-cash expenses and charges	
Extraordinary, unusual or non-recurring gains and losses	
Corporate EBITDA	<hr/> <u>\$ 1,362.2</u>
<u>Equipment Rental</u>	
Income before income taxes	\$ 209.4
Depreciation and amortization	
Interest, net of interest income	
EBITDA	<hr/>
Adjustments:	
Extraordinary, unusual or non-recurring gains and losses	
Corporate EBITDA	<hr/> <u>\$ 647.0</u>
<u>Other Reconciling Items</u>	
Loss before income taxes	\$ (560.8)
Depreciation and amortization	
Interest, net of interest income	
EBITDA	<hr/>
Adjustments:	
Non-cash expenses and charges	
Extraordinary, unusual or non-recurring gains and losses	
Corporate EBITDA	<hr/> <u>\$ (84.5)</u>
<u>Consolidated</u>	
Income before income taxes	\$ 612.9
Depreciation and amortization	
Interest, net of interest income	
EBITDA	<hr/>
Adjustments:	
Car rental fleet interest	
Car rental fleet depreciation	
Non-cash expenses and charges	
Extraordinary, unusual or non-recurring gains and losses	
Corporate EBITDA	<hr/> <u>\$ 1,924.7</u>

Non-GAAP Reconciliations

Adjusted Pre-tax Income (Loss)

(\$ in millions)

Nine Months Ended
September 30, 2013

<u>Car Rental</u>	
Total Revenues	\$ 8,499.4
Total Expenses	
Income before income taxes	
Adjustments:	
Purchase accounting	
Non-cash debt charges	
Restructuring charges	
Restructuring related charges	
Derivative losses	
Acquisition related costs and charges	
Integration expenses	
Other	
Adjusted pre-tax income	<u>\$ 1,225.3</u>
<u>Equipment Rental</u>	
Total Revenues	\$ 1,483.7
Total Expenses	
Income before income taxes	
Adjustments:	
Purchase accounting	
Non-cash debt charges	
Restructuring charges	
Restructuring related charges	
Other	
Adjusted pre-tax income	<u>\$ 278.5</u>
<u>Other Reconciling Items</u>	
Total Revenues	\$ 2.48
Total Expenses	
Loss before income taxes	
Adjustments:	
Purchase accounting	
Non-cash debt charges	
Restructuring charges	
Restructuring related charges	
Derivative losses	
Acquisition related costs and charges	
Integration expenses	
Other	
Adjusted pre-tax loss	<u>\$ (403.7)</u>
<u>Consolidated</u>	
Total Revenues	\$ 9,985.9
Total Expenses	
Income before income taxes	
Adjustments:	
Purchase accounting	
Non-cash debt charges	
Restructuring charges	
Restructuring related charges	
Derivative losses	
Acquisition related costs and charges	
Integration expenses	
Other	
Adjusted pre-tax income	<u>\$ 1,097.3</u>

Importance of Non-GAAP Measures

- EBITDA and Corporate EBITDA provide investors with supplemental measures of operating performance and liquidity.
- Corporate EBITDA provides supplemental information utilized in the calculation of the financial covenants under Hertz's senior credit facilities.
- Management uses EBITDA and Corporate EBITDA as performance and cash flow metrics for internal monitoring and planning purposes, including the preparation of Hertz's annual operating budget and monthly operating reviews, as well as to facilitate analysis of investment decisions. These measures are important to allow Hertz to evaluate profitability and make performance trend comparisons between Hertz and its competitors.
- Management also believes that EBITDA and Corporate EBITDA are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industries. EBITDA is also used by management and investors to evaluate our operating performance exclusive of financing costs and depreciation policies.
- EBITDA and Corporate EBITDA are not recognized measurements under GAAP. When evaluating Hertz's operating performance or liquidity, investors should not consider EBITDA and Corporate EBITDA in isolation of, or as a substitute for, measures of Hertz's financial performance and liquidity as determined in accordance with GAAP, such as net income, operating income or net cash provided by operating activities.
- Adjusted pre-tax income is important to management because it allows management to assess operational performance of our business, exclusive of the items mentioned above. It also 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 the operational performance of the Company on the same basis that management uses internally.