

HERTZ GLOBAL HOLDINGS INC. Q3 2023 EARNINGS PRESENTATION

October 26, 2023



Hertz
CAR RENTAL

dollar.
CAR RENTAL

Thrifty
CAR RENTAL

IMPORTANT DISCLOSURES

FORWARD LOOKING STATEMENTS

Certain statements made within this presentation contain forward looking statements. Forward looking statements are not guarantees of performance and by their nature are subject to inherent uncertainties. Actual results may differ materially. Any forward-looking information relayed in this presentation speaks only as of October 26, 2023, and Hertz Global Holdings, Inc. (“Hertz” or the “Company”) undertakes no obligation to update that information to reflect changed circumstances.

Additional information concerning these statements is contained in the Company’s press release regarding its third quarter 2023 results issued on October 26, 2023, and the note on forward-looking statements contained in the Company’s 2022 Annual Report on Form 10-K, Quarterly reports on Form 10-Q and other filings available from the SEC, the Hertz website, or the Company’s Investor Relations Department.

NON-GAAP MEASURES AND KEY METRICS

The following non-GAAP measures and key metrics will be used in the presentation:

- Adjusted Corporate EBITDA
- Adj. Corp. EBITDA Margin
- Adjusted Free Cash Flow
- DOE per Transaction Day
- Net Corporate Leverage
- Net Non-Vehicle Debt
- Average Rentable Vehicles
- Average Vehicles
- Depreciation Per Unit (DPU)
- Total Revenue Per Day (RPD)
- Transaction Days
- Vehicle Utilization

See Appendix for definitions of key metrics and reconciliations of non-GAAP measures to the most directly comparable GAAP measure where applicable.

HERTZ - GLOBAL LEADER IN CAR RENTAL



105 years of operations

11,600
locations

\$9B
annual revenue

>500k
vehicles










160
countries

25,000
employees

>22M
annual rentals

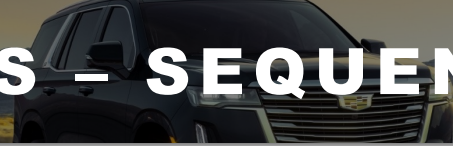
GLOBAL RESULTS – YEAR OVER YEAR












	Q3 2022	Q3 2023		DRIVERS
 REVENUE	\$2.5B	\$2.7B	+8%	We continue to experience a strong overall demand environment
 TRANSACTION DAYS	37.1M	43.1M	+16%	Sustained volume growth in Q3 2023 across leisure, rideshare and corporate channels
 RPD	\$67.48	\$62.46	(7%)	Q3 2022 reflected acute supply/demand imbalance following pandemic, leading to very elevated RPD
 AVERAGE FLEET	533k	590k	+11%	Demand-driven growth in leisure, rideshare and corporate in Q3 2023
 UTILIZATION	80%	83%	320 bps	Improved fleet management, lower out-of-service
 DPU	\$185	\$282	+52%	Lower per unit disposition gains
 DOE/TRANSACTION DAY	\$34.53	\$34.78	+1%	Excluding net collision and damage costs in both periods, DOE per transaction day was down 10%
 ADJ. CORP. EBITDA	\$618M	\$359M	(42%)	Margins are currently impacted by specific issues which are being addressed
 ADJ. FREE CASH FLOW	\$505M	\$313M	(38%)	Impacted by reduced net gain on disposition of vehicles and materially lower EBITDA

See Appendix for definitions of key metrics and reconciliations of non-GAAP measures to the most directly comparable GAAP measure where applicable.

GLOBAL RESULTS – SEQUENTIAL



	Q2 2023	Q3 2023		DRIVERS
 REVENUE	\$2.4B	\$2.7B	+11%	Seasonal demand strength in Q3 led to strong volume
 TRANSACTION DAYS	39.7M	43.1M	+9%	Strength in Q3 leisure volumes
 RPD	\$61.14	\$62.46	+2%	Seasonal rate improvement
 AVERAGE FLEET	561k	590k	+5%	Seasonal growth led by leisure demand
 UTILIZATION	82%	83%	160 bps	Strong seasonal demand
 DPU	\$195	\$282	+45%	Lower per unit disposition gains
 DOE/TRANSACTION DAY	\$33.93	\$34.78	+2%	Excluding collision and damage cost in both periods, DOE per transaction day was down 1%
 ADJ. CORP. EBITDA	\$347M	\$359M	+3%	Margins relatively consistent quarter over quarter, but burdened by collision and damage costs and impact of EV fleet
 ADJ. FREE CASH FLOW	(\$423M)	\$313M	NM	Seasonal free cash flow improvement

See Appendix for definitions of key metrics and reconciliations of non-GAAP measures to the most directly comparable GAAP measure where applicable.

NM = Not meaningful

KEY DRIVERS IN Q3



REVENUE GROWTH

- Record reported quarterly revenue
- Strong sequential leisure pricing in Hertz brand
- Meaningful growth in transaction days across customer channels



RIDESHARE

- Year-over-year volume growth of 50%
- Growth across both EV and ICE vehicles
- Rideshare companies continued to promote EV adoption
- Driver economics remained compelling



RPD

- Market shares and pricing stable in quarter across the industry
- Strong leisure RPD in premium Hertz brand
- Sequential growth in value brands – Dollar/Thrifty
- Strategy in place to drive better customer experience in value brands to improve pricing

See Appendix for definitions of key metrics and reconciliations of non-GAAP measures to the most directly comparable GAAP measure where applicable.

EV DYNAMICS



VEHICLE DEPRECIATION

- Significant EV price reductions by OEMs throughout 2023 have resulted in lower EV residual values, increasing vehicle depreciation expense and negatively impacting salvage cost



DAMAGE AND COLLISION

- Elevated incidence of damage/collision and higher cost of repairs have impacted results
- Re-underwriting the rideshare driver cohort
- Activated a comprehensive damage and collections program



UTILIZATION / MIX

- Oversupply of EVs in RAC negatively impacted RPU in Q3
- Actively shifting EV fleet to rideshare in Q4
- RAC EV opportunity still attractive at appropriate fleet scale

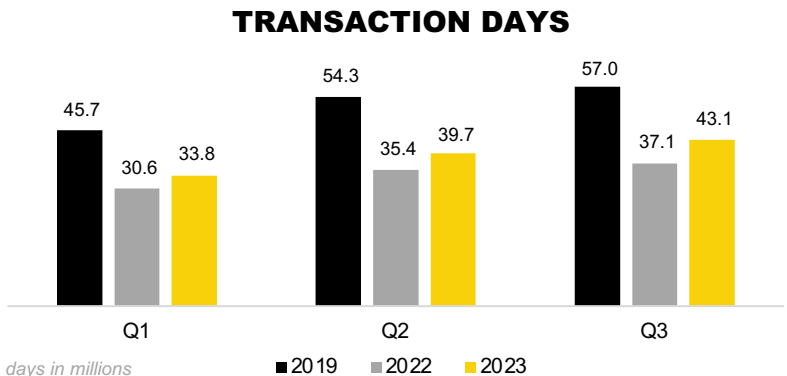
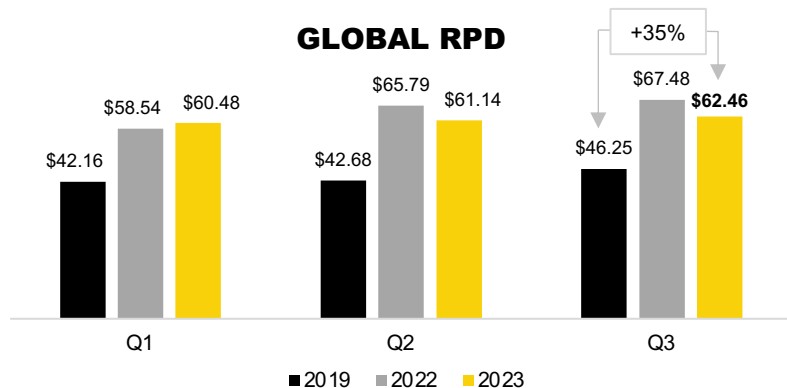


FIRST MOVER BENEFITS

- Advantageous positioning for coming rideshare requirements
- Enabling unique partnerships - charging, fleet management, autonomous vehicles
- Capturing early corporate and government demand
- Capitalizing on growth in EV ownership
- Building differentiated fleet management capabilities

See Appendix for definitions of key metrics and reconciliations of non-GAAP measures to the most directly comparable GAAP measure where applicable.

UNDER THE HOOD – RATE AND VOLUME



RATE PER DAY DYNAMICS

- Hertz brand showed RPD strength sequentially
- Customer channels like insurance replacement and rideshare tend to carry lower RPD than leisure, but have greater utilization and lower direct operating expenses (DOE), therefore can generate higher margins
- Value brands displayed higher sequential RPD, with forward momentum displaying strength

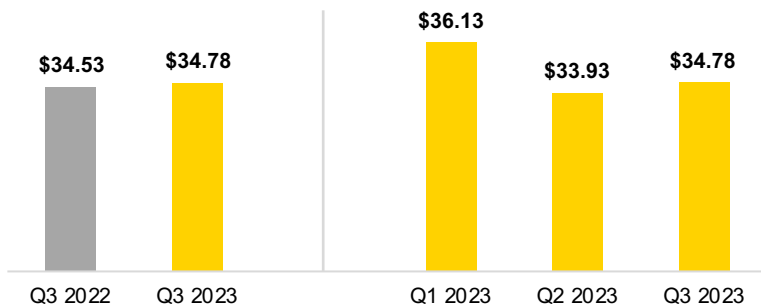
See Appendix for definitions of key metrics and reconciliations of non-GAAP measures to the most directly comparable GAAP measure where applicable.

UNDER THE HOOD - DOE

DIRECT OPERATING EXPENSES

- Total DOE increased by 17% year over year, driven by increase in volume
- DOE per transaction day was flat year over year; **down 10%** excluding net collision and damage in each period

DOE / TRANSACTION DAY – QUARTERLY



PRODUCTIVITY INITIATIVES HAVING IMPACT

Delivered unit basis productivity gains across key categories of DOE in the quarter – amounting to more than **\$100 million** in aggregate savings



Field personnel productivity



Fuel



Maintenance



Facilities



Transportation



Titling

See Appendix for definitions of key metrics and reconciliations of non-GAAP measures to the most directly comparable GAAP measure where applicable.

INITIATIVES IN FOCUS



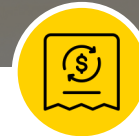
Technology

Investing in cloud migration, digital app enhancements, and revenue and fleet management systems



Operational Efficiency

Continuing focus on global cost base through improved productivity and fixed cost leverage



Vehicle Dispositions

Expanding use of retail channels, including Carvana, to capture net financial benefit versus wholesale auction



EVs

Pursuing first mover advantage, focus on customer experience, channel mix, and charging; working on damage and cost of repair, including with OEMs



Value Brand Revitalization

Improving customer service offering to enhance product pricing and achieve parity with competitive value products

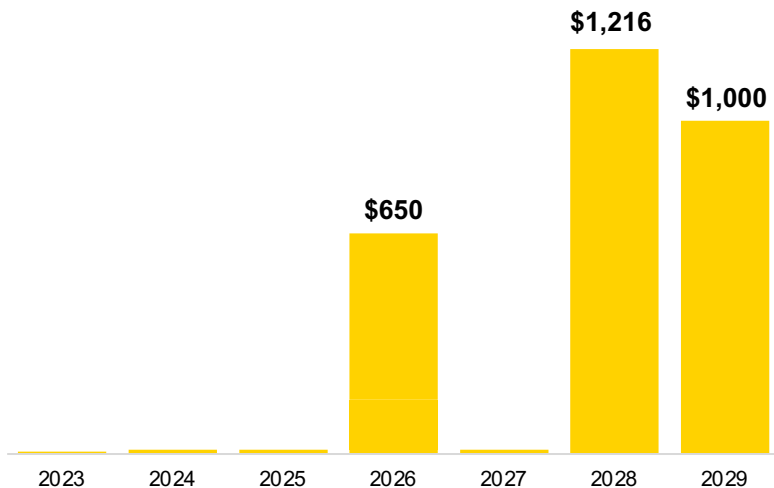


Rideshare Growth

Leading provider of EV and ICE rental vehicles to rideshare drivers; longer length of keep; expanding with Uber and Lyft as new markets open in U.S. and Europe

CORPORATE DEBT AND LIQUIDITY

NON-VEHICLE DEBT MATURITY PROFILE AT SEPTEMBER 30, 2023*



dollars in millions

*Excludes \$4M of other non-vehicle debt and the \$245 million Term C loan (maturing June 2028) since the cash is restricted to collateralize letters of credit.

SOLID LIQUIDITY POSITION AT SEPTEMBER 30, 2023

- Liquidity of \$1.7B
 - ~\$600M of unrestricted cash
 - \$1.1B available under First Lien RCF
- Net Non-vehicle Debt of \$2.3B
 - No material non-fleet debt maturities until 2026
- Net corporate leverage of 1.9x
- ABS facility carries blended average cost of 4%, with 70% fixed rate, thereby mitigating future interest expense risk
- \$50M share repurchases during Q3; \$250M YTD

See Appendix for definitions of key metrics and reconciliations of non-GAAP measures to the most directly comparable GAAP measure where applicable.

CONTACT US

Hertz Global Holdings, Inc.

Investor Relations

8501 Williams Rd, Estero, FL 33928

Investorrelations@hertz.com

Johann Rawlinson

Vice President Investor Relations

Krista Carey

Senior Director Investor Relations

APPENDIX



Hertz
CAR RENTAL

dollar.
CAR RENTAL

Thrifty
CAR RENTAL

NON-GAAP RECONCILIATION

(In Millions)	Q3 2023	Q2 2023	Q3 2022
Adjusted Corporate EBITDA:			
Net Income (Loss)	\$629	\$139	\$577
Adjustments:			
Income Tax Provision (Benefit)	(70)	19	70
Non-vehicle Depreciation and Amortization	33	32	36
Non-vehicle Debt Interest, Net of Interest Income	63	56	43
Vehicle Debt-related Charges ^(A)	11	10	9
Restructuring and Restructuring Related Charges ^(B)	2	5	8
Unrealized (Gains) Losses on Financial Instruments ^(C)	1	(2)	(55)
Change in Fair Value of Public Warrants	(328)	100	(73)
Other Items ^(D)	18	(12)	3
Adjusted Corporate EBITDA	\$359	\$347	\$618
Revenues	\$2,703	\$2,437	\$2,496
Adjusted Corporate EBITDA Margin	13%	14%	25%

- A. Represents debt-related charges relating to the amortization of deferred financing costs and debt discounts and premiums.
 B. Represents charges incurred under restructuring actions as defined in U.S. GAAP. Also includes restructuring related charges such as incremental costs incurred directly supporting business transformation initiatives.
 C. Represents unrealized gains (losses) on derivative financial instruments.
 D. Represents miscellaneous items, including certain non-cash stock-based compensation charges.

HERTZ GLOBAL HOLDINGS, INC. RECONCILIATION OF GAAP TO NON-GAAP MEASURE – ADJUSTED CORPORATE EBITDA UNAUDITED

Adjusted Corporate EBITDA represents income or loss attributable to the Company as adjusted to eliminate the impact of GAAP income tax; non-vehicle depreciation and amortization; non-vehicle debt interest, net; vehicle debt-related charges; restructuring and restructuring related charges; change in fair value of Public Warrants; unrealized (gains) losses on financial instruments; gain on sale of non-vehicle capital assets and certain other miscellaneous items.

Adjusted Corporate EBITDA Margin is calculated as the ratio of Adjusted Corporate EBITDA to Revenues.

Management uses these measures as operating performance metrics for internal monitoring and planning purposes, including the preparation of the Company's annual operating budget and monthly operating reviews, and analysis of investment decisions, profitability and performance trends. These measurements enable management and investors to assess the performance of the entire business on the same basis as its reportable segments. Adjusted Corporate EBITDA is also utilized in the determination of certain executive compensation. 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 reconciliations to the most comparable consolidated U.S. GAAP measure are presented herein.

NON-GAAP RECONCILIATION

(In Millions)	Q3 2023	Q2 2023	Q3 2022
Adjusted Operating Cash Flow And Adjusted Free Cash Flow:			
Net cash provided by (used in) operating activities	\$851	\$497	\$932
Depreciation and reserves for revenue earning vehicles, net	(606)	(418)	(366)
Bankruptcy related payments (post emergence) and other payments	(30)	12	6
Adjusted operating cash flow	215	91	572
Non-vehicle capital asset proceeds (expenditures), net	(26)	(77)	(41)
Adjusted operating cash flow before vehicle investment	189	14	531
Net fleet growth after financing	124	(437)	(26)
Adjusted free cash flow	\$313	\$(423)	\$505
Calculation Of Net Fleet Growth After Financing:			
Revenue earning vehicles expenditures	\$(1,769)	\$(3,719)	\$(1,764)
Proceeds from disposal of revenue earning vehicles	1,412	1,560	1,583
Revenue earning vehicles capital expenditures, net	(357)	(2,159)	(181)
Depreciation and reserves for revenue earning vehicles, net	606	418	366
Financing activity related to vehicles:			
Borrowings	1,720	1,960	903
Payment	(1,867)	(682)	(1,130)
Restricted cash changes, vehicles	22	26	16
Net financing activity related to vehicles	(125)	1,304	(211)
Net fleet growth after financing	\$124	\$(437)	\$(26)

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

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

Adjusted free cash flow represents adjusted operating cash flow plus the impact of net non-vehicle capital expenditures and net fleet growth after financing. Adjusted free cash flow is important to management and investors as it provides useful information about the amount of cash available for, but not limited to, the reduction of non-vehicle debt, share repurchase and acquisition. When evaluating our operating performance, investors should not consider Adjusted Corporate Operating Cash Flow or Adjusted Free Cash Flow in isolation of, or as a substitute for, measures of our financial performance determined in accordance with U.S. GAAP. The most comparable GAAP measure for adjusted operating cash flow and adjusted free cash flow is net cash provided by (used in) operating activities.

GLOBAL KEY METRICS

(\$ In Millions, Except Where Noted)	Q3 2023	Q3 2022	YoY % Inc/(Dec)	Q2 2023	QoQ % Inc/(Dec)
Total RPD					
Revenues	\$2,703	\$2,496		\$2,437	
Foreign Currency Adjustment ^(A)	(11)	9		(9)	
Total Revenues – Adjusted for Foreign Currency	\$2,692	\$2,505		\$2,428	
Transaction Days (In Thousands)	43,095	37,123		39,705	
Total RPD (In Dollars)	\$62.46	\$67.48	(7)%	\$61.14	2%
Total Revenue Per Unit Per Month					
Total Revenues – Adjusted for Foreign Currency	\$2,692	\$2,505		\$2,428	
Average Rentable Vehicles (In Whole Units)	562,267	503,508		533,813	
Total Revenue Per Unit (In Whole Dollars)	\$4,788	\$4,975		\$4,548	
Number of Months in Period (In Whole Units)	3	3		3	
Total RPU Per Month (In Whole Dollars)	\$1,596	\$1,658	(4)%	\$1,516	5%

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

(A) Based on December 31, 2022 foreign exchange rates

YoY = year over year; QoQ = quarter over quarter

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

Transaction Days represents the total number of 24-hour periods, with any partial period counted as one Transaction Day, that vehicles were on rent (the period between when a rental contract is opened and closed) in a given period. Thus, it is possible for a vehicle to attain more than one Transaction Day in a 24-hour period. This metric is important to management and investors as it represents the number of revenue-generating days.

Total Revenue Per Transaction Day ("Total RPD" or "RPD"; also referred to as "pricing")

Total RPD represents revenue generated per transaction day, excluding the impact of foreign currency exchange rates so as not to affect the comparability of underlying trends. This metric is important to management and investors as it represents a measure of changes in the underlying pricing in the vehicle rental business and encompasses the elements in vehicle rental pricing that management has the ability to control.

Total Revenue Per Unit Per Month ("Total RPU", "RPU" or "Total RPU Per Month")

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

GLOBAL KEY METRICS

(\$ In Millions, Except Where Noted)	Q3 2023	Q3 2022	YoY % Inc/(Dec)	Q2 2023	QoQ % Inc/(Dec)
Vehicle Utilization					
Transaction Days (In Thousands)	43,095	37,123		39,705	
Average Rentable Vehicles (In Whole Units)	562,267	503,508		533,813	
Number of Days in Period (In Whole Units)	92	92		91	
Available Car Days (In Thousands)	51,744	46,339		48,576	
Vehicle Utilization^(B)	83%	80%		82%	
Depreciation Per Unit Per Month					
Depreciation of Revenue Earning Vehicles and Lease Charges, Net	\$501	\$294		\$329	
Foreign Currency Adjustment ^(A)	(2)	2		(1)	
Adjusted Depreciation of Revenue Earning Vehicles and Lease Charges	\$499	\$296		\$328	
Average Vehicles (In Whole Units)	590,489	532,740		561,277	
Adjusted Depreciation of Revenue Earning Vehicles and Lease Charges Divided by Average Vehicles (In Whole Dollars)	\$845	\$556		\$584	
Number of Months in Period (In Whole Units)	3	3		3	
Depreciation Per Unit Per Month (In Whole Dollars)	\$282	\$185	52%	\$195	45%

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

(A) Based on December 31, 2022 foreign exchange rates

(B) Calculated as Transaction Days divided by Available Car Days

YoY = year over year; QoQ = quarter over quarter

Available Rental Car Days

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

Average Vehicles ("Fleet Capacity" or "Capacity")

Average Vehicles is determined using a simple average of the number of vehicles in the fleet whether owned or leased by the Company at the beginning and end of a given period.

Average Rentable Vehicles

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

Vehicle Utilization ("Utilization")

Vehicle Utilization represents the ratio of Transaction Days to Available Rental Car Days. This metric is important to management and investors as it is the measurement of the proportion of vehicles that are being used to generate revenues relative to rentable fleet capacity.

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

Depreciation Per Unit Per Month represents the amount of average depreciation expense and lease charges per vehicle per month, exclusive of the impacts of foreign currency exchange rates so as not to affect the comparability of underlying trends. This metric is important to management and investors as it reflects how effectively the Company is managing the costs of its vehicles and facilitates comparisons with other participants in the vehicle rental industry.

DOE PER DAY



(\$ In Millions, Except Where Noted)	Q3 2023	Q3 2022	YoY % Inc/(Dec)	Q2 2023	QoQ % Inc/(Dec)
DOE per Transaction Day – as reported					
Direct Operating Expense (DOE) – as reported	\$1,499	\$1,282	17%	\$1,347	
Transaction Days (In Thousands)	43,095	37,123		39,705	
DOE per Transaction Day	\$34.78	\$34.53	1%	\$33.93	2%

Direct Operating Expense per Transaction Day (“DOE per Day”)

DOE per Day is calculated as Direct Operating Expenses divided by the number of Transaction Days during the period. DOE per Day is important to management and investors as it measures the Company’s cost efficiency on a per unit basis excluding the impact of variable direct operating expense fluctuations attributable to changes in volume, so as not to affect the comparability of underlying trends.

YoY = year over year; QoQ = quarter over quarter

NET CORPORATE LEVERAGE

(In Millions)	As of September 30, 2023		
	Vehicle	Non-Vehicle	Total
Term Loans	\$ -	\$1,516	\$1,516
First Lien RCF	-	150	150
Senior Notes	-	1,500	1,500
U.S. Vehicle Financing (HVF III)	10,785	-	10,785
International Vehicle Financing (Various)	2,105	-	2,105
Other Debt	83	4	87
Debt Issue Costs, Discounts and Premiums	(79)	(51)	(130)
Debt as Reported in the Balance Sheet	\$12,894	\$3,119	\$16,013
Add:			
Debt Issue costs, Discounts and Premiums	79	51	130
Less:			
Cash and Cash Equivalents	-	594	594
Restricted Cash	168	-	168
Restricted Cash and Restricted Cash Equivalents Associated with Term C Loan	-	245	245
Net Debt	\$12,805	\$2,331	\$15,136
LTM Adjusted Corp EBITDA ^(A)		\$1,252	
Net Corporate Leverage		1.9x	

Net Corporate Leverage

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

LTM Adjusted Corporate EBITDA:	
Net Income (Loss) Three Months Ended:	
December 31, 2022	\$116
March 31, 2023	196
June 30, 2023	139
September 30, 2023	629
LTM Net Income (Loss)	1,080
Adjustments:	
Income Tax Provision (Benefit)	(174)
Non-vehicle Depreciation and Amortization	137
Non-vehicle Debt Interest, Net of Interest Income	216
Vehicle Debt-related Charges	41
Restructuring and Restructuring Related Charges	26
Unrealized (Gains) Losses on Financial Instruments	116
(Gain) on Sale of Non-vehicle Capital Assets	(162)
Change in Fair Value of Public Warrants	(230)
Litigation Settlements	168
Other Items	34
LTM Adjusted Corporate EBITDA	\$1,252