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Moderator: Olivier Gernandt
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Operator: Good day and welcome to the Full-Year 2016 Results of Europcar Group. Today's conference is being recorded. I would now like to hand the call over to Olivier Gernandt, Investor Relations Director. Please go ahead Sir.

Olivier Gernandt: Hello everyone and welcome to our full year 2016 results conference call. I am Olivier Gernandt, Europcar's new Investor Relations Director. In a moment I will hand you over to Caroline Parot our CEO and Jean-Claude Poupard, our CFO who will take you through the presentation. And then we will open up the lines for questions. As today's presentations may contain some forward-looking statements, we invite to read the important legal disclaimer on slide 2 of this presentation. This presentation is available on the company's website and a replay of this call will be available on our website later today. And with that it is my pleasure to hand you over to our CEO Caroline Parot.

Caroline Parot: Thank you Olivier and welcome everyone to our 2016 earnings call. Before I start the presentation of these results I wanted to mention that we were very pleased to hear from the French Antitrust Authority yesterday as they announced their intention to dismiss the case against the French Car Rental Industry. Its investigation concerned events that occurred before 2006. So we are pleased that this news concerning our distant past is now behind us and that we can now focus on our bright future.

So starting with highlights of the year 2016 on slide 5. 2016 has been an important year for Europcar. Before I go into some of the operational and financial highlights let me briefly emphasize that we are very pleased with the position we are in and the progress we have made since our IPO

in 2015. And we also feel good about 2017 as we will increase our focus on operations, investments and innovation to capture the large growth opportunities lying ahead.

So what we did achieve in 2016?

Jean-Claude will run you through our financial performance in detail in a few minutes. But we delivered some really good numbers in 2016 with 3% revenue growth, 3.2% adjusted corporate EBITDA growth and an 82% increase in operating free cash flow.

This is particularly satisfactory as these numbers were delivered in a challenging environment and are once again proof of the strength and robustness of our business model. We also delivered a record €119 million in net income, which confirms what we had anticipated at the IPO, and clearly shows that Europcar now has more normative P&L and cash flow structures. We have continued to work on some of our major customer journey initiatives. And we are pleased with the strong five point improvement in our net promoter score as it reflects our hard work and strong belief that improving our customer service is absolutely key to our future success.

We have continued to improve our utilization rate which increased by 40 basis points in 2016 and have opportunistically improved the terms of our fleet financing in September. Our M&A got off to a slow but good start in 2016 with the acquisition of two of our franchisees, Locaraise and our Irish franchisee as well as the several small but smart investments into the new mobility market. Our strong free cash flow generation means that even after all the 47 million we spent on acquisitions we ended the year with a flat leverage year on year at 0.9 times. Finally, we implemented a new corporate organization on 1st January 2017.

This is an important change for our company and is a key enabler to deliver the stronger organic and non-organic growth targets we have set ourselves for each of our five business units. On slide 6 you will see that we delivered on all four of the revised targets we set ourselves at the time of our half year results in July. We are particularly pleased with the 62% free cash flow conversion level

reached in 2016, which sets us on a new and more normative course of free cash flow generation. I now want to switch to our operations and talk you through some of our major 2016 achievements.

On slide 8 we outline some of the initiatives we have carried out as part of our customer journey improvement strategy which is absolutely key for us at Europcar. Here, I will discuss the success of Air Force One, our dedicated airport customer service improvement program. I will also update you on the progress we made with regards to our net promoter score. And we will also mention the new station concept we have recently been testing in Brussels and that we will be rolling out more broadly in 2017. In terms of organization we have now implemented a new structure by business unit and I will spend more time to explain the rationale and benefits of this important change. Finally I will come back on some of the major acquisitions we made in 2016 all fully line with our M&A strategy.

I am now on slide 9. At our Investor Day last October we told you about Air Force One which was launched in the summer of 2016 and focused on our top twenty airports in terms of transactions. As we presented to you at the time Air Force One delivered some pretty good results in terms of NPS and queuing times in Q3 2016. And these trends continued to improve into Q4 during which as you can see average waiting times fell to seven minutes and with now almost 85% of our customers having to wait less than fifteen minutes to be served. Seasonality should be taken into account when looking at these quarterly numbers, but the key takeaway is that Air Force One has enabled significant progress in our service. And the program is being rolled out at our top forty airports from January this year and will focus on a few more important customer initiatives. They are: (1) rolling out our online checking procedure. (2) increase our focus on our best customers. (3) leverage our ability to sell more ancillary products with a particular focus on up sells and (4) better leverage of CRM tools across all operations, an area where we have been investing heavily since the beginning of 2016. What is clear is that the group is very committed to the Air Force One program. And that they have become a core element in the transformation of our operational platform.

Now switching to slide 10 Air Force One but more importantly our overall drive to improve our customer satisfaction has delivered a significant improvement of our Net Promoter Score across the Group. Here we wanted to show you that throughout the year, even during the peak summer season our teams have delivered a much better NPS than last year. On average almost five points of improvement year on year is clearly ground for satisfaction. Having said that, our customer satisfaction is an absolute key priority for the Group. And the good progression in 2016 is by no means the end of the exercise, far from it.

You might be interested to know that NPS improvement is the only group KPI on which every single employee in the company is incentivized on. As a result you can imagine that we have much higher NPS targets in mind as we execute our 2020 ambition plan. And we will continue to update you on our progress on that front on a regular basis.

Finally on slide 11 we wanted to show you a few pictures of our new station concept which we opened in Brussels in the fourth quarter. This new concept as you can see ends up creating a new environment for our customers more in line with our brand promise and values.

We believe providing a more seamless and simple experience to our customers in a more open environment should be another element of differentiation versus our competition in terms of customer experience. This new concept has received praise from our customers. And we have hence decided to progressively roll it out across the Group.

I am now on slide 12. We have already presented to you our new group organization with its five business units. This has now been implemented. Each business unit now has its own divisional head and roadmap. As mentioned at our Investor Day in October this new organization by business unit is an important step for us to accelerate our go to market strategy and support our growth engine story.

As we have stated previously several times before operational excellence is the number one priority for the Europcar Group. Our new organization will be a key enabler of that priority. It will help us serve our customers better and deliver our ambitious organic growth plans for each of our business units. I will discuss this further later in the presentation. But we are the number one player in Europe with only 18% market share in our core cars business. We believe we can expand our business in that segment and continue to grow our market share. We feel the same about our Van & Trucks business where we also believe we can deliver strong organic growth and capture a larger market share than our current 9%.

Our Low Cost business where we currently only have a small 6% market share. This is probably our business unit with the highest market share gain potential. And we see no reason why we cannot reach a market share in Low Cost that will be at par with our market share in our cars business. Our New Mobility business unit aims to provide an answer to our clients' fast evolving, daily and urban mobility needs. The density of our network and our ability to manage large-scale operations means that we are particularly well positioned to address this growing demand with our portfolio of new mobility solutions.

Finally, our International Coverage business unit will aim to expand our footprint globally. And we will benefit from the growth momentum of all our four business units mentioned previously. Switching to slide 13, I wish to come back to some of the major acquisitions we realized in 2016. Firstly, we acquired two important franchisees, Locaraise in Northern France in July and our Irish franchisee in December. These were two good deals as they will enable us to increase our footprints and positively contribute to the group profitability through the generation of significant cost and revenue synergies.

Secondly, we have continued to expand our portfolio of new mobility services with an increase in our fleet at Ubeeqo which has gone from 900 to close to 2000 vehicles over the course of the year. Ubeeqo alongside Brunel, our chauffeur service company now enables us to serve both B2B and

B2B customers through a wide range of services. And with that let me hand over to Jean-Claude, our Group CFO who will run you through the financial performance.

Jean-Claude Poupard: Thank you Caroline. Good afternoon and good morning everyone. This is Jean-Claude Poupard, the group CFO. We are now on slide 14 which shows you the four key indicators of our financial performance i.e., our revenue, adjusted corporate EBITDA, net income and adjusted corporate operating free cash flow performance. For instance first in terms of group revenue, we delivered in 2016 a solid 3% growth versus last year at constant exchange rates, and 2.6% on a organic basis. This solid growth was boosted by a strong performance in the second half of the year with revenues growing by 5.1% in Q3 and 5.2% in Q4. Yet again in 2016 our revenue growth was supported by a strong performance of our Leisure business particularly in Southern Europe.

Our operations in Spain, Italy and to a lesser extent Portugal have continued to benefit from a shutdown in European tourist flows to North Africa. This solid 3% revenue growth for the group has been delivered despite a softer than expected performance of our B2B business particularly in the UK and Germany. Secondly we grew our adjusted corporate EBITDA by 3.2% on an organic basis thanks to good control of our cost base, and despite additional cost pressure coming from increasing distribution fees. We were able to deliver a 10 basis points increase in our adjusted corporate EBITDA margin to reach 11.8% as a result of a 40 basis points improvement in our fleet utilization, and good control of our average fleet cost per unit per month basically flat year-on-year.

Thirdly our net income reached a record of €119 million. Our share of profit in associates had a negative 16 million impact on our net income split between Car2Go for 10 million and Ubeeqo for six million. As mentioned by Caroline earlier we are obviously very pleased with the fact that Europcar now has a more normative P&L structure with a positive net income. And despite the fact that it was boosted by an exceptionally low level of corporate income tax. Last but not least, our corporate operating free cash flow reached €157 million reflecting the good performance across

our operations. This enables us to increase further our CapEx investment into both our network and IT systems. All in all we delivered a record 62% operating free cash flow conversion way above our initial target of 50%.

Now onto slide 15, some of our key operation KPI's. Volumes were up a solid 4.9% on a full year basis again boosted by strong value growth in the second half of the year. Rental revenue growth was respectively 6.5% and 6.8% in the third and fourth quarters of 2016. This performance is particularly satisfactory as it showed that we were able to capture solid growth trends in our Leisure business despite the significant headwinds coming from the Brexit and several terror attacks. Our Group Blended RPD was down 1.7% mostly due to the negative impact of our RPD in Van & Trucks as we will show you in our next slide.

As mentioned previously financial utilization of our fleet was up 40 basis points due to good improvements in Germany, France and Italy. Finally our fleet costs per unit per month were kept under tight control thanks to good control of our depreciation costs as well as our fleet acquisition and disposal costs.

Now on slide 16, where we break down some rental revenue KPI's for our three major business units. Cars first, here rental revenues were up 1.7% in 2016 supported by both 1.5% growth in volume and a 0.1% growth in pricing. Our Van & Trucks delivered 0.7% growth in rental revenue with a solid 5.3% growth in volume but a -4.4% price effect. This negative effect is due to a shift in strategy and focus on extending the duration of our rental and increasing utilization level, and hence the profitability of our Van & Trucks business unit.

Finally, our Low Cost business unit delivered a strong performance with rental revenues up 73% supported by growth in volume of 75%, and a slight 0.8% decline in pricing due to its current deployment in several markets. Starting at our upcoming 2017 half year results we will provide you with utilization level as well as EBITDA analysis for each of our business units.

On slide 17 we wanted to illustrate the good control we have kept on our overall cost base, and show you how the flexibility of our cost base can help us deliver operating leverage. All of our key buckets of cost declined in 2016 i.e., our fleet holding costs, our personal network and headquarter costs as well as our financing costs.

Our fleet operating rental and revenue related costs tend to grow in line with our rental volumes. And we are pleased with the good control of that cost line as well. The good control of our cost base has enabled us to invest €10 million in our IT, our CRM and the InterRent network.

Now onto slide 18 and our corporate operating free cash flow which in 2016 reached a record of €157 million. This is our key operating free cash flow metric as it excludes any impact of the fleet and its financing, any interest payments on our corporate debt, and any impact on our investment or acquisitions. This is a pure organic free cash flow figure which truly reflects the intrinsic performance of the company in terms of operating free cash flow generation.

Now on slide 19 we show you that our corporate net debt has continued to decline for two main reasons. First our stronger operating free cash flow generation, and second the full impact of our capital restructuring which took place at the time of the IPO. Both elements allowed us to further deleverage the company while spending €47 million worth of strategic acquisitions. And with that I will turn over to Caroline who will tell you more about our future prospects and our 2020 ambition.

Caroline Parot: Thank you Jean-Claude. I am now on slide 21, and want to spend some time on our 2020 ambition plan. In summary, our aim is to generate long-term profitable and cash generative growth in a way that is commensurate with achieving best-in-class margins to deliver value to our shareholders. Now I want to tell you more about our vision about the growth opportunities that we see for each of our business units, and about how we plan to execute our dual ambition of reaching at least €3 billion of revenues and 14% of adjusted corporate EBITDA margin by 2020 excluding the impact of new mobility.

So let us start with our vision slide on slide 22. We are today the European leader with a powerful portfolio of businesses across the region, and number one or number two positions in most of our key markets. Our goal is to extend our lead over the competition and expand our number one position in Europe. This we will do by putting all of our key assets, our network, our fleet, our customer base and our new organization at work for one sole purpose, deliver better service to the end customer. We believe we can expand our number one position in Europe by focusing on growing our footprints in the Van & Trucks and the Low Cost segments.

In both those segments our market shares have significant potential to increase in the near future. We will continue to strive towards professional excellence through the activation of some key levers, volume growth, higher financial utilization, higher profitability, more cost optimization, and future investments to ensure sustained profitable growth. We will also expand our number one position in Europe through the acquisitions of further franchisees and through some strategic bolt-on acquisitions. We will continue to expand our global reach through further commercial partnerships and we are particularly pleased with the partnership we signed in January 2017 with Shouqi, a leading car rental and mobility player in China.

This means we can extend our client reach to yet another large region with an important inbound business potential. It will also contribute to further expand our brand's recognition globally. We will also continue to invest in new mobility services as we want to be a key player in that new market segment. Here our ambition is to scale up and gain customers. Our expansion strategy is built around four pillars: car sharing, ride hailing or chauffeur services, mobility platforms and car pooling. Technology is key and we will leverage our network to grow our presence in these markets. Finally we want our network to be dynamically optimized to capture some new market opportunities such as Network as a Service. Our network needs to evolve towards what we call a "customer touch points" approach ie evolve from a classic brick and mortar stations approach to a more virtual network which will service all business units with more mobile application base stations, self-service stations, and Van & Trucks specialized stations. In other words our network and product offering will evolve with the changing needs and behavior of our customers.

On slide 23 which we have already shared with you, we wanted to reiterate our ambition to reach at least €3 billion of revenue by 2020 and to confirm that this will come through a mix of organic growth and acquisitions. On slide 24, I wanted to spend some time on our 2020 corporate EBITDA margin target of above 14% excluding new mobility. This increase in margins will come from both our organic initiatives as well as the margin accretive effect of our acquisitions. Both represent a significant operating leverage opportunity.

Firstly our organic initiatives are centered around three classes of action. First, stabilizing our margin after variable costs. Second, continuing to improve our operational efficiency across all our key metrics such as our fleet and network costs and our utilization rates. Third, keeping our fixed cost base stable i.e. spreading our larger base of revenue on stable fixed costs will generate significant operating leverage.

Secondly we see significant scope for controlled margin expansion through our acquisitions. Our recent acquisition of Locaraise and our Irish franchisee will have a rapid positive effect on our group EBITDA margins. We see acquisitions, be it franchisee or bolt-on as an opportunity to not only grow our top line but more importantly our margin. When considering an acquisition we look at its potential to generate an accretive margin impact on the medium term. Again our business model is about creating long-term cash generative growth. It is not about growth for the sake of growth in the short term.

Now switching to slide 25 and our priorities for 2017. We have three key priorities: (1) Continue to work on placing the customer and the improvement of the customer experience at the heart of everything we do. (2) Build an efficient commercial platform across all the business units particularly those that have recently been implemented. (3) Accelerate our share of online sales (around 70% of our sales today) and continue to grow our share of the mobile business and the proportion of our direct to brand sales.

In conclusion and confident that our performance will continue to improve in 2017, we have set ourselves the following guidance :

First, an organic revenue growth target of at least 3%. Second, an increase in adjusted corporate EBITDA margin versus last year. Third, an operating corporate free cash flow conversion of above 50%. And finally a dividend payout ratio above 30%.

With that we wish to thank you for your attention. Jean-Claude and I are now available for any questions you may have. Operator it is over to you.

Operator: Thank you. So ladies and gentlemen it's star one to ask a question over the phone at this time.

We have our first person in the queue for questions is Raphael Veverka from Exane. Please go ahead. Your line is now open.

Raphael Veverka: Good afternoon and thank you for taking my questions. I would have three questions.

First wondering if you could provide us with a quick trading update for the beginning of 2017? How you see your activity in your major markets? My second question is about currencies. I'm wondering what would be the Forex impact on the topline if currency stays around their current levels? Is it fair to assume that revenue growth would be probably slightly weaker than the organic growth. And my last question is on your guidance and on the dividend payout guidance for 2017 where you're guiding for return to more than 30%. I'm wondering if this is also a function of the M&A activity for this year i.e., if the acquisition momentum was a little slower as it was last year, would you consider keeping it close to 50%? Thank you very much.

Caroline Parot: This is Caroline. Thank you for your questions. As for the trading update we currently see good developments which are comparable with what we faced during our H2 of 2016 supported by good Leisure trends that in all Europe, and our B2B commercial momentum which is continuing. For the last question on the dividend, you are perfectly right. We have always said that our current policy is a dividend of 30% payout ratio. 50% for the year 2016 was to take into account the total amount of M&A, which was probably slightly below expectations. And thanks to a strong free cash flow generation above 50% we are able to pay out an exceptional increase in the payout ratio. Next

year we have strong ambition in our M&A profile. And we will go for a dividend of at least 30%.

Jean Claude, on the currency?

Jean-Claude Poupard: On the currency, could you just please repeat the question.

Raphael Veverka: Yes I'm just wondering at this stage if we were right to assume that the main currencies remain around their current levels, what kind of impact on revenues could we expect for 2017 and is it fair to assume that it will remain negative partly because of the pound?

Caroline Parot: Yes for H1. For H1 there will be a slight negative currency impact due to the weak pound sterling but only in H1.

Raphael Veverka: Okay thank you very much.

Caroline Parot: Thank you.

Operator: Thanks. And now we will take our next question from Patrick Jousseume from Société Générale. Please go ahead. Your line is now open.

Patrick Jousseume: Regarding your corporate tax rate, could you come back to the French tax rate you had in 2016, and maybe give us some color as to what we should expect for 2017 and 2018? Could you comment also on the non-recurring items, it is €21 million negative for 2016, €23 million on the last quarter. And regarding this last quarter there were some strange evolution of costs linked to the fleet minus 9%. And on the other hand the personnel network and IT costs which are down 6%. So it's a bit strange on this quarter. Also while you used to give us a split between what is not rental revenue between franchise revenue and other revenue link to the rental revenue. So is it possible to have that? And maybe finally, you posed this morning a 5% RPD decline in international

division on Q4, So could you comment a bit on the pricing in your business in Q4 and also in the beginning of 2017, please?

Jean-Claude Poupard: Hello Patrick, this is Jean-Claude Poupard. I'll start by tax. We've effectively a very low tax rate this year 4.7%. This is mainly due to a change in the tax rate in France which has a positive impact of €20 million on the tax P&L. And probably some one-offs that we had also from the preceding years and this is only one-offs anyway. So overall we expect to keep maintaining a tax rate which will be probably between 20% and 25% as a normative rate.

Patrick Jousseume: Thank you.

Caroline Parot: Your second question I am sorry -- your second question, Patrick was what?

Patrick Jousseume: I think that the second one was on the non-recurring costs that you recorded which were mostly focused on Q3 or Q4 where there was a €23 million of negative non-recurring costs ? This is what you call other operating income and expenses in your management P&L.

Caroline Parot: Okay so Jean-Claude Poupard will answer you on that.

Patrick Jousseume: And the – let's say third one which was focusing on the P&L was about the fleet operating rental and revenue related costs which were up 9% in Q4. And on the other hand for this Q4 personnel costs, network and office overhead and IT was down 6%.

Caroline Parot: On the non-recurring we'll give you progressive details during the next year. But globally we've organized new activities around our business units that we're started to implement in the July period. So we're reorganizing the group with accelerating growth programs. So some costs have been incurred on that. And you know that in the past year we're just getting the Fast lane effect that we have continued to optimize to rationalize our network costs, either to rationalize some of

our headquarter costs. So we're – we've always said that there was timing issues during the year regarding restructuring costs and high organization costs. Your last question was on the competitor and then Jean-Claude will tell you about the costs of fleet and revenue. But on your last question, I am not commenting on the competition. I'm telling you that the group thanks to continuing improvement program on our topline evolution our revenue and capacity tool, our revenue and capacity management team where we have invested heavily over the last three years and are now really well in place to capture and to manage our seasonality and to yield depending on the capacity. So we are able to permanently as usual well advised our topline growth and our utilization both together thanks to continuing improvement and continuing processes. Because it is really the translation of our last three years effort on this scale. On the cost side I'll refer to Jean-Claude.

Jean-Claude Poupard: Yes the cost, by the fixed cost basically in Q4 we've done a lot of efforts. And basically there's a strong cost control plus the adaptability of the structure cost in Q4.

Patrick Jousseume: It's all for me. Thank you.

Operator: Thank you and now we'll take our from David Cerdan from Kepler. Please go ahead. Your line is now open.

David Cerdan: Yeah, good afternoon. This is David from Kepler. I've a few questions for you. First is on the profitability by segment, can you give us an idea of the profitability by segment between Cars, Van & Trucks and Low Cost. The second question is regarding new mobility, what is the net profit of this entity in 2016, and what do you expect for 2017? And I have also a question regarding the Low Cost. Your ambition is to be the number one. What is the right strategy to achieve this plan? Who are your competitors in the Low Cost? And the last question is just on the income tax rate. Can you explain why your income tax rate should be between 20% and 25% for the next year?

Jean-Claude Poupard: Maybe I can start on profitability by segment. I said during the presentation probably that we will prepare and disclose the profitability per Business Unit for our H1 results call. But we do not disclose any profitability per business unit at this stage.

Caroline Parot: So which will be true for new mobility as well in regards to your second question. On the Low cost ambition is really organic and non-organic. We will continue to focus on the deployment of inter-rent brands you know in many countries. We're well on track on our leisure in those countries and we're continuing to improve our footprints in Northern Europe. In the non-organic way we are contemplating by geography what could be added to our existing footprint. And the main competitors are more local, strong local position rather than international brands. And for the tax side I'll refer to Jean-Claude.

Jean-Claude Poupard: For the tax that you know basically 20% to 25% rate that we disclosed already during in the IPO which we maintained this tax as a normative tax rate globally for the group. Simply because we are in different countries and basically there's you know different tax rates within the countries. But as a whole the tax rate should be as we calculate internally around the 20% to 25%.

David Cerdan: But is it because you use some deferred tax?

Jean-Claude Poupard: Yes sometime.

Operator: Thank you. Ladies and gentlemen, as a reminder star one to ask a question over the phone. And we'll take our next question from Monique Pollard from Goldman Sachs. Please go ahead. Your line is now open.

Monique Pollard: Hello, afternoon everyone. Three questions for me. Firstly on UbeeQ so that would be as I understand consolidated into the accounts in 2017 and that you've acquired the remaining 25% stake. So you told us on the call those are six million net income losses in 2016. But could

you give us an understanding of the revenue and the EBITDA so we can model it through 2017. Secondly on the 45 million that you'd provisioned for the French antitrust case, what do you intend to do with that cash from the provision release in 2017? And then finally just in the leisure versus business split. So you said in the results release you know 58% of group revenues now coming from the leisure business. And so when I look then year-on-year at how leisure versus business revenues has grown, it seems that all of the growth came from leisure and none from business. Is that correct and if say what can be done to address and get business back to growing as well?

Caroline Parot: I'll take the last one and I'll let Jean-Claude answer the two first ones. You know that by focusing the group with values of business unit, InterRent which we classified in the leisure segments is growing at a soft pace. It does not mean that we are declining in the B2B space. But it's true that in Europe and which is supporting our strategy, so leisure trends are growing at a very healthy pace in every countries. And we're benefiting thanks to the brand Europcar and to the brand InterRent through these major macro trends. On the B2B we launched prior to the IPO as part of Fast Lane our commercial momentum. So there are some steps that we have to go for. SME's are looking well. You know that last year 2016 was probably less good commercial corporate momentum, and seems to fall. We are putting more efforts to regain momentum on that segments as well. So for us Leisure in Europe has a strong macro trend supporting our growth in the future. And corporate which will be -- which continue to be improved but more with internal activities.

Jean-Claude Poupard: And maybe I will take the point on Ubeeqo. Because Ubeeqo is not consolidated you know in the figures of Europcar for the reason that we had as of the 31st of December only 75% of Ubeeqo. Now we have acquired in the course of February a 100% of Ubeeqo. And basically we do not communicate any figures on Ubeeqo so far, maybe in 2017.

Monique Pollard: Okay sorry just but just to follow up but Ubeeqo will be consolidated into the accounts in 2017, right?

Jean-Claude Poupard: Exactly yes, exactly as we have 100% now of Ubeego.

Monique Pollard: Yeah. And so how should we look to then model EBITDA or are you just going to be keep reporting EBITDA ex new mobility?

Caroline Parot: Both, so we'll be looking for the full sets with our new mobility but we'll have a dedicated focus on new mobility as we have been engaged in the last months. So we will you both.

Jean-Claude Poupard: I think you had a question on the Antitrust authorities as well. You know that the Antitrust authorities did close the -- they closed the issue. And basically we had -- we do not have any cash effect so far. You know that the French authorities can basically appeal so that we will keep the provision in place until the issue is totally and definitely closed.

Monique Pollard: Okay understood.

Operator: Thank you. And now we'll take our last question from Anand Date from Deutsche Bank. Please go ahead. Your line is now open.

Anand Date: Yeah hi morning everyone. Several last questions actually. I'm looking into Q2 and Q3 2017. Do you have any comments to make around what competitor fleeting looks like. And how your own fleet plans are developing for the busy season?

Caroline Parot: A little bit early for us to come through to comment. We do have the trends of reservations which are on line with our expectations. As you know as the fleeting period for Q2 for everybody will be visible only probably starting late March, early April. So we cannot comment on what's happening in the markets. And we continue to see good leisure trends anyway on our side. And we are in line with our expectations.

Anand Date: Okay. On Hertz basically they seem to still be struggling a little bit. Have you had any discussions with them? Is any part of that business that could be of interest to you if you were to look at doing something a lot bigger?

Caroline Parot: On Hertz we are focusing not on them but focusing on our group program and on our bolt-on organic growth. So we do not comment on anything else. We do our business and we do our job in a very good manner in Europe. We are controlling our distribution channels. We are perfecting controlling our fleet and capacity across our geographies. It's very difficult to comment on the competition and we don't comment. We -- they are suffering because they're probably having issues. We are focusing our teams on growing on a profitable manner, and focusing on our acquisition plan which is bolt-on and franchisees.

Anand Date: Okay. Looking at the 2020 vision in really simple terms I think if we assume three billion of revenue and we put it on a 14% margin we get to 420m of corporate EBITDA from the 250m now. That's 68% over four years which feels like it's very, very good. So my question is you know that in itself seems like a very good story. Is there a risk that this focus on mobility solutions and you know various other things detracts from management's time in actually delivering what is quite a good it seems core story. So what's the risk that you know if more and more of your time goes to new mobility solutions?

Caroline Parot: I understand. For me we put new mobility solution as a division because it is the customer to move and the usage of today transforming the [inaudible]. So we've no lack of focus on what is our model today. Our model today is also to serve expanded customer base on the short, short time duration. And we do consider that we are the most well placed people in Europe thanks to our network and thanks to our know how to serve not only the six days average of rentals that we are doing with our current bases. But also to serve the less than one day demand from our customers.

So the two goes together. And in the new mobility you'll have digitalization, digital customer experience that will serve also the profitability of our core businesses as of today. The two are going together. And there are strong synergies that we can leverage on both sides, on customer acquisition and on cost development to be able to even grow faster. So there's no lack of focus. It is customer journey, customer retention, customer acquisition and different kind of efforts depending on the needs of our customers.

Anand Date: Okay I just have two more I promise. If we think about how you are investing your capital, at least I think to all of us it seems pretty clear that when you invest and you buy in the Irish business the return on invested capital story is really clear. It seems to make quite lot of sense. Can you outline maybe in the long term or the medium term therefore what you think the margins should be or could be in mobility solutions. And therefore because presumably they have to be very high because they're quite far out if they are going to meet the return on invested capital hurdle, let's say the Irish business is clearly going to meet. I mean when you are thinking about your capital allocation it's very obvious why the Irish business makes sense. It's not clear to us or it's not clear to me why some loss-making businesses unless you are very bullish about the margins make sense?

Caroline Parot: Listen it will be very simple. In fact on the new mobility we do not have to invest. We only invest in IT where we are already investing at the group level in IT and utilization. It will be the same investments. They are same teams and they are at the same customer journeys. What is different in the investment that we are doing for the new mobility is the cars which are on the streets have a lower utilizations than the cars we are using on the other segments. Because for the time being the customer acquisition and the customer intensive usage of the short, short rental duration less than one day is not at the level which is enough to other 76% classical utilization. But the only investment we are making is that because the teams we have, the IT we're investing for all the business needs together. So digitalization is a group utilization. So in your question it's a question

of how to improve the utilization of our car sharing businesses to be sure that they are getting to the level of the core uses of today. And this is all about utilization and customer acquisition. All the rest is part of what we are doing already. So I'm not comparing an acquisition with the same level of capital allocation because one is we have already acquired the platform. We've already the team and we are deploying [inaudible] the business model. Now we are optimizing the utilization and know-how from our customers for the new usages in new urban environments.

Anand Date: Okay and very finally, I appreciate the painful question because you get asked the same thing. Looking at slide 35 which is the cash flow slide you guys are clearly focused on the corporate free cash flow, so the 157. Can you just remind me why we should think of the 153 million outflow as below the line given that to get to three billion 2020 vision growing the fleet is almost certainly going to be – it's clearly necessary.

Jean-Claude Poupard: Basically this is a timing effect in our change asset base that we have our major tool, but it has to be taken parallel with the 130 million change in the corporate high yield bond as well.

Anand Date: So then is it more -- why is it not a better way to look at it as 157 minus 153 plus 130 i.e., to net out the timing?

Jean-Claude Poupard: But this is in relation with the 130 million cash inflow from our high yield bond versus the cash outflow of 153 million for the year which represent a change in fleet asset base.

Caroline Parot: I will add that we're an asset backed model. So the cash flow from the operations is the cash flow we are generating from our business. Then you have a balance sheet structure and you know there are timing differences by quarter. So the asset backed model should be linked quarter after quarter with increasing fleet or decreasing fleet, increasing debt or decreasing debt. So we're financing the fleet as a specific vehicle with an asset backed model. So we do consider the cash

flow from the operations is only impacted by the cash we are investing to continue to develop our operations and not impacted by the cash flows of the fleet which are financed by debt. So it is really as an asset backed model that we are rolling out which means that we are able to use our cash flow generation to support our growing business model.

Anand Date: Okay. Okay thank you.

Caroline Parot: Thank you. So we've no more questions. So thanks to all of you for attending our 2016 results conference call. We have made strong improvements in our operations and in our business model. We will continue to do so and 2017 is another important year for us. But what is important is that our long-term ambition to position the group as a global leader is what we will continue to work on in 2017 and years to come. Thank you very much.

Operator: Thank you, ladies and gentlemen. That will conclude the Full Year 2016 results of Europcar Group Conference Call. Thank you for participation. You may now disconnect.