

EARNINGS RELEASE 1Q20



Localiza's headquarters in Belo Horizonte, Minas Gerais, Brazil. Special lighting with a message of hope for the community.

Dear Investors,

In 1Q20 we showed solid results, although we started to feel, in the last weeks of March, the effects of the Covid-19 pandemic in Brazil. Growth remained accelerated in the **Car Rental** and **Fleet Rental** divisions, with the average rented fleet in 1Q20 increasing 36.4% and 20.2%, respectively, compared to 1Q19. **Seminovos** sold 38,361 cars, already reflecting the impact of the closed stores in the last two weeks of March. The total fleet increased 31.3% YoY, with 325 thousand cars in a network of 608 branches in 6 countries in South America.

Our consolidated net revenues totaled R\$2,794.6 million in 1Q20, 17.7% higher than in 1Q19 and net income was R\$230.9 million in the quarter.

In March 2020, Localiza Fleet concluded the acquisition of 100% of the shares of Mobi7 Tecnologia em Mobilidade S.A., a telematics solutions company. This acquisition brings several opportunities for Localiza, as we expand fleet monitoring.

In the context of the Covid-19 pandemic, in March 2020, the Company instituted a crisis management committee acting on 5 main fronts: taking care of our employees, our customers, our operations, our liquidity and with a communication plan supporting all of our actions, enabling excellence in the alignment with all our employees. Subsequently, we added another front of social responsibility with an estimated contribution of around R\$10 million, aimed at managing community support initiatives, with three pillars: assistance to the most vulnerable, contribution to the health system and support to the most affected stakeholders.

From the perspective of our employees, we have complied with the health and safety protocols, instituted the working from home policy, started offering online consultations with doctors and nurses for employees on a 24-hour online channel and created the “welcome” channel for psychological, financial and legal support. To add more, we have been doing weekly surveys to understand how our employees are absorbing the effects of the crisis, the social distancing, as well as the routine of working from home. We maintained team’s meeting routines and provided office supplies to the employees, so that working from home is as productive as working from our offices.

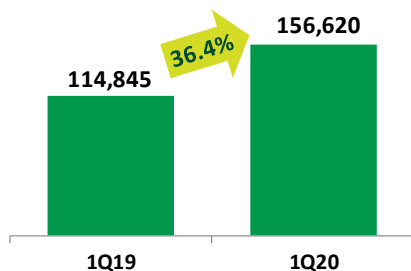
Regarding our customers and operations, and complying with the Health Ministry guidelines and local legislation, we reduced the **Car Rental** operations to few branches and closed all **Seminovos** stores. Gradually, we are adjusting the opening of branches and stores according to the local and state enactment and the demand. Today, we are operating with 401 **Car Rental** branches and 108 **Seminovos** stores with in-person and online sales. Furthermore, we mapped the risks and opportunities, continue monitoring demand and adjusting prices and the size of the fleet. We are close to our customers and being proactive in negotiating with suppliers, adapting ourselves to the current scenario. We ended the quarter with approximately R\$3.9 billion in cash and financial assets and had approximately R\$1.9 billion to be paid to OEMs, which leaves us with an adequate cash position to overcome the crisis.

Given the Covid-19 pandemic and the consequent reduction in the **Car Rental** and **Seminovos** revenues, Management has also been working on several initiatives in all lines of costs and expenses in order to preserve the Company's results.

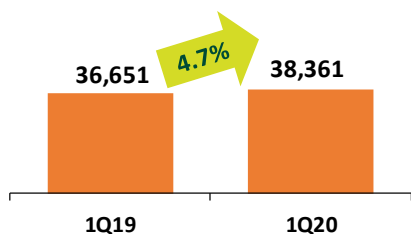
We reaffirm the Company's financial strength, agility in crisis management and the ability to adapt and execute to face the challenges brought by Covid-19 to our business. We remain optimistic about the drivers of future growth and investing in the competences needed for the post-pandemic scenario.

1Q20 operating highlights

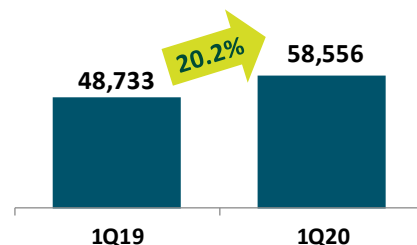
Average rented fleet – Car Rental



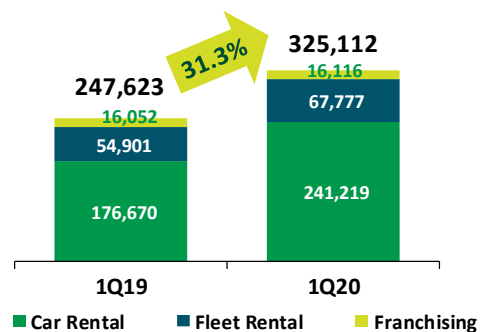
Cars Sold



Average rented fleet – Fleet Rental

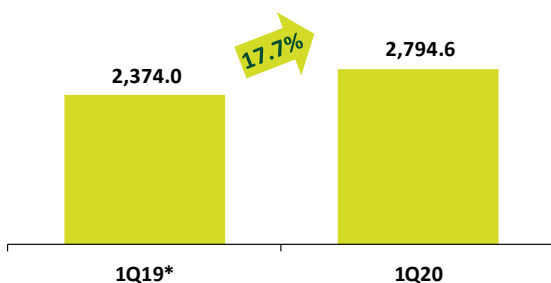


End of period fleet



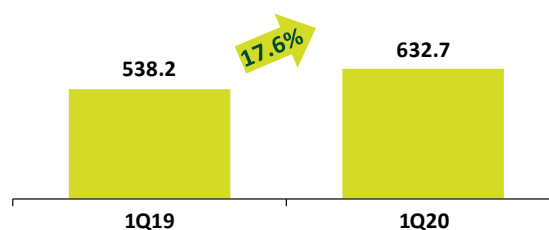
1Q20 financial highlights

Net revenues (R\$ millions)

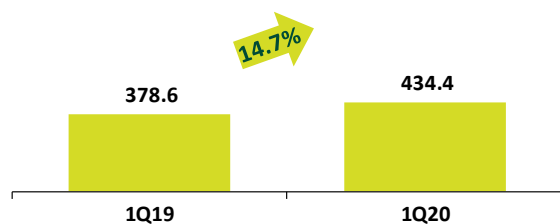


(*) GAAP revenue including the effects of the reclassification of PIS and COFINS credits

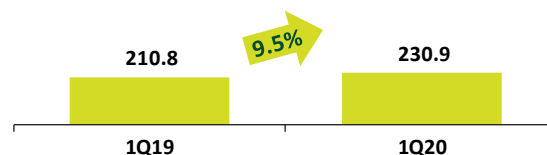
EBITDA (R\$ millions)



EBIT (R\$ millions)

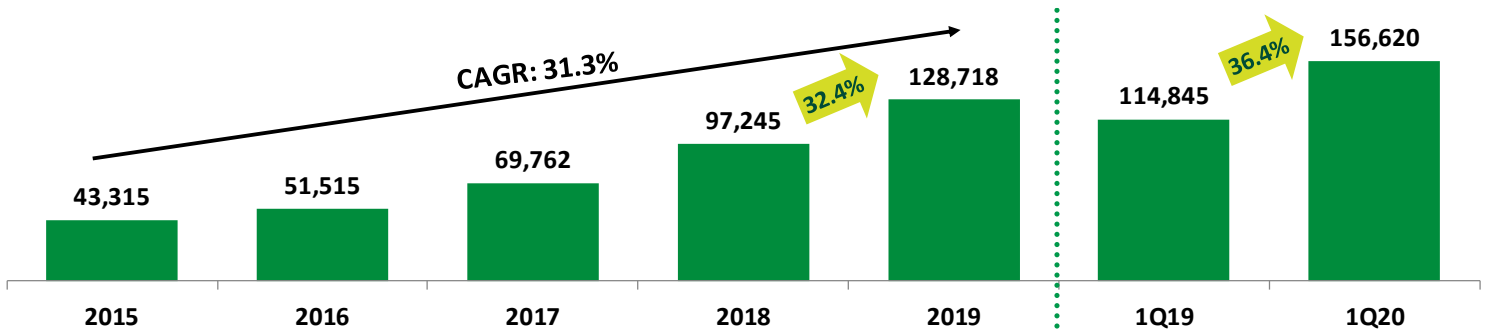


Net Income (R\$ millions)

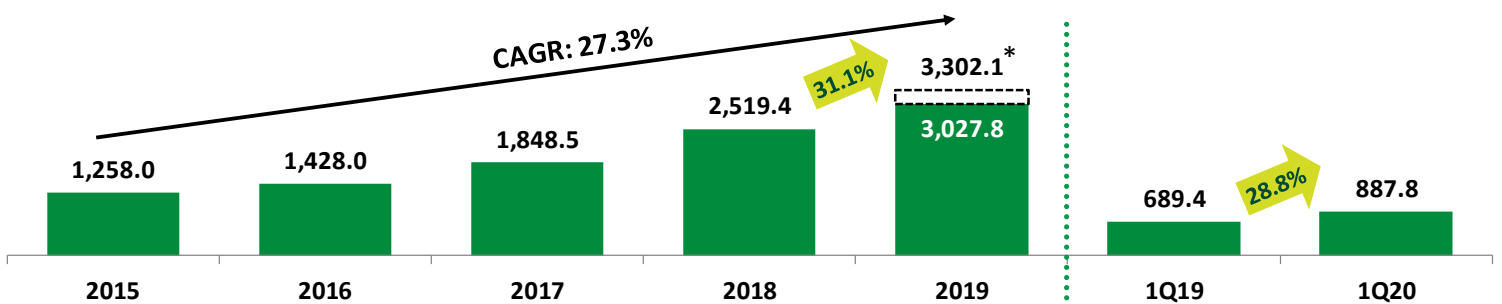


1 - Rent a Car

Average rented fleet



Net revenues (R\$ million)



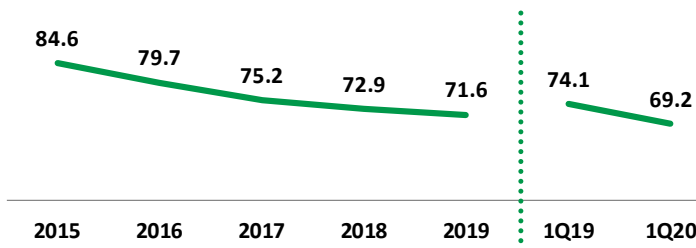
(*) Excluding the effects of the reclassification of PIS and COFINS credits

In 1Q20, the **Car Rental** division's average rented fleet increased 36.4% versus 1Q19. In the same period, net revenues rose 28.8% with a reduction of 6.5% in the average rental rate.

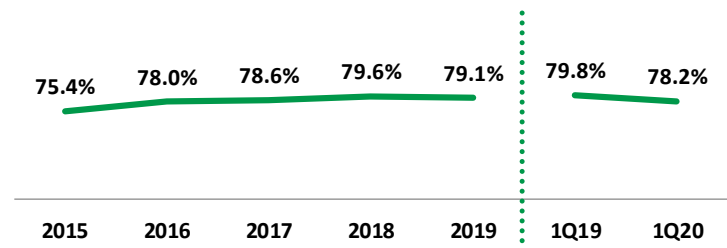
The lower rental rates already reflect the quarantine that affected, in 1Q20, the demand for short-term segments, which have higher average ticket, as well as the ride hailing segment.

The utilization rate remained at healthy levels in 1Q20. The greater impact on the utilization rate should be seen in 2Q20, due to the mobility restriction.

Average rental rate (in R\$)



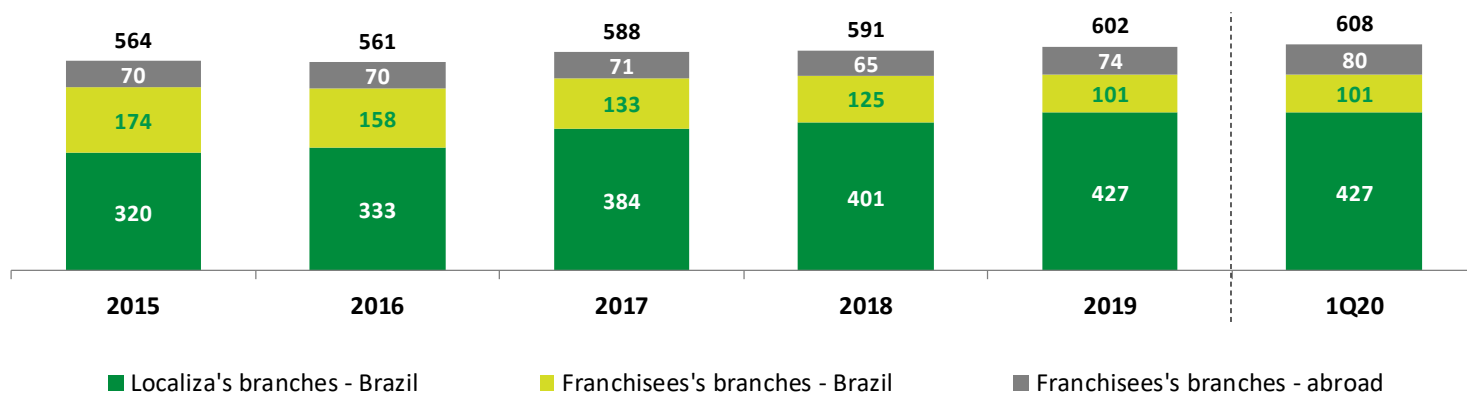
Operating fleet utilization rate (%)



The **Car Rental** division has been experiencing different impacts in each segment due to the pandemic: a) monthly rentals are more resilient given the longer rental duration, b) short-term segments are more exposed to the quarantine; and c) ride hailing, with volume resilience, but more sensitive to price. Thus, the impacts on volumes have been much less relevant than that of international peers, more exposed to airports.

1.1 - Distribution network

Number of car rental locations - Brazil and abroad

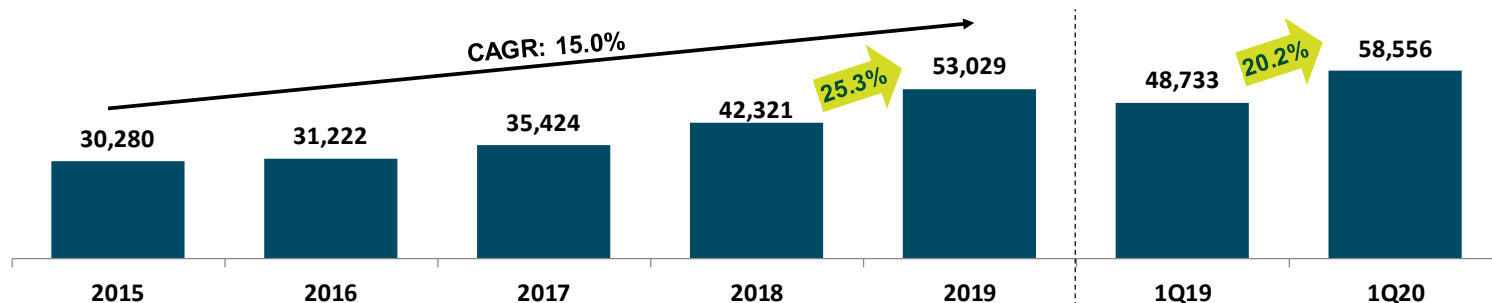


As 1Q20, Localiza's network included 608 rental locations, being 528 in Brazil and 80 in 6 other South American countries.

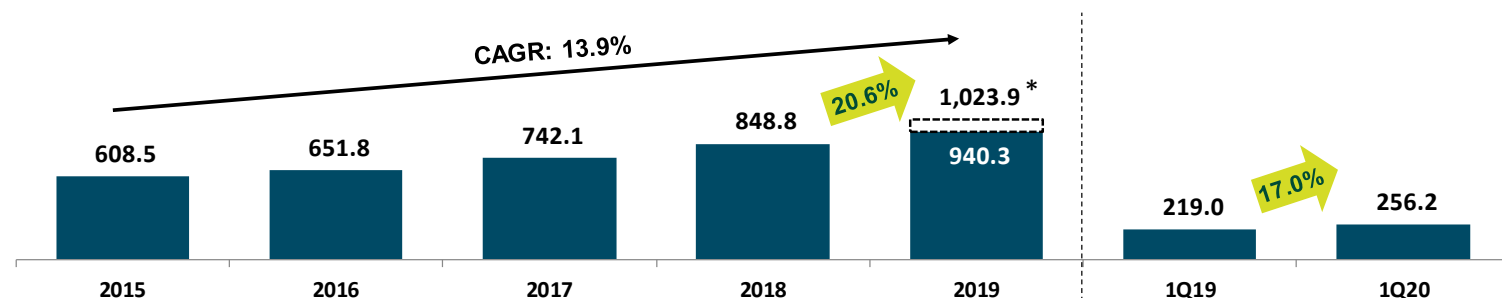
In 1Q20, we reached the number of 80 branches abroad, opening 6 branches in Chile, 1 in Colombia and closing 1 in Argentina.

2 – Fleet Rental

Average rented fleet



Net revenues (R\$ million)



(*) Excluding the effects of the reclassification of PIS and COFINS credits

In 1Q20, the **Fleet Rental** division registered a 20.2% increase in the average rented fleet and 17.0% in net revenues compared to the same period of the prior year, with 3.0% reduction in the average rental rate.

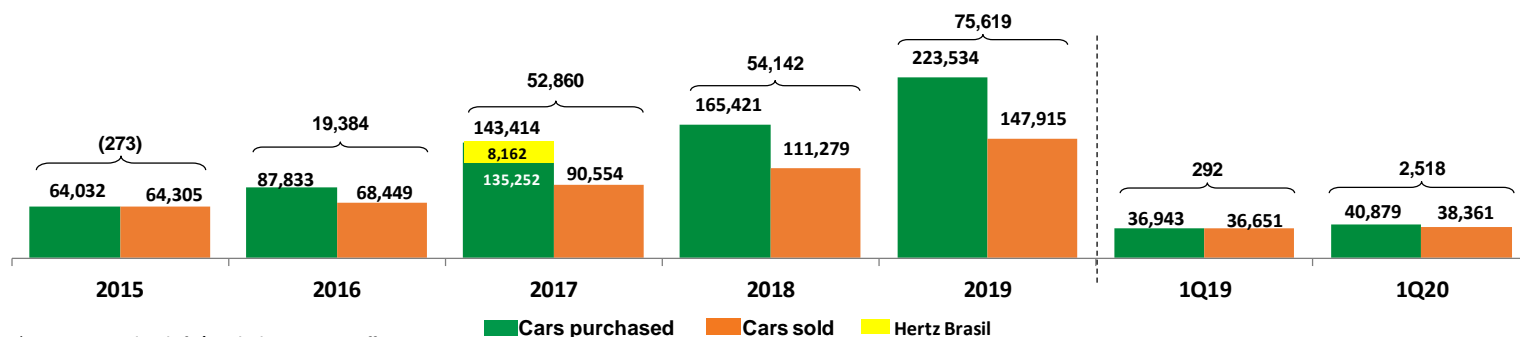
The lower average rental rate of the **Fleet Rental** division reflects the pricing of new contracts and the renewal of existing ones in a context of lower interest rates.

Due to the conditions and duration of the contracts, the Fleet Rental division tends to be more resilient to the crisis.

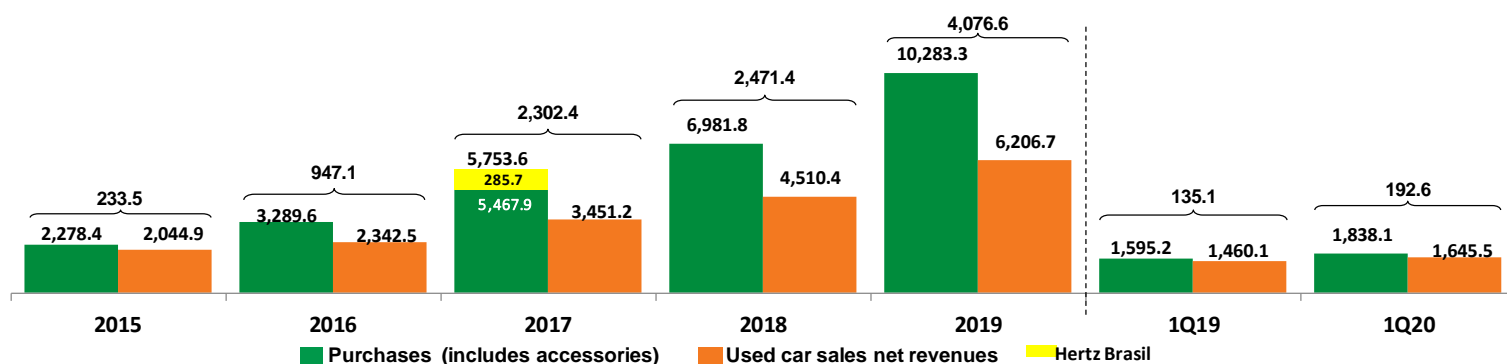
3 - Fleet

3.1 – Net investment in the fleet

Car purchase and sales (quantity)*



Net investment in fleet (R\$ million)

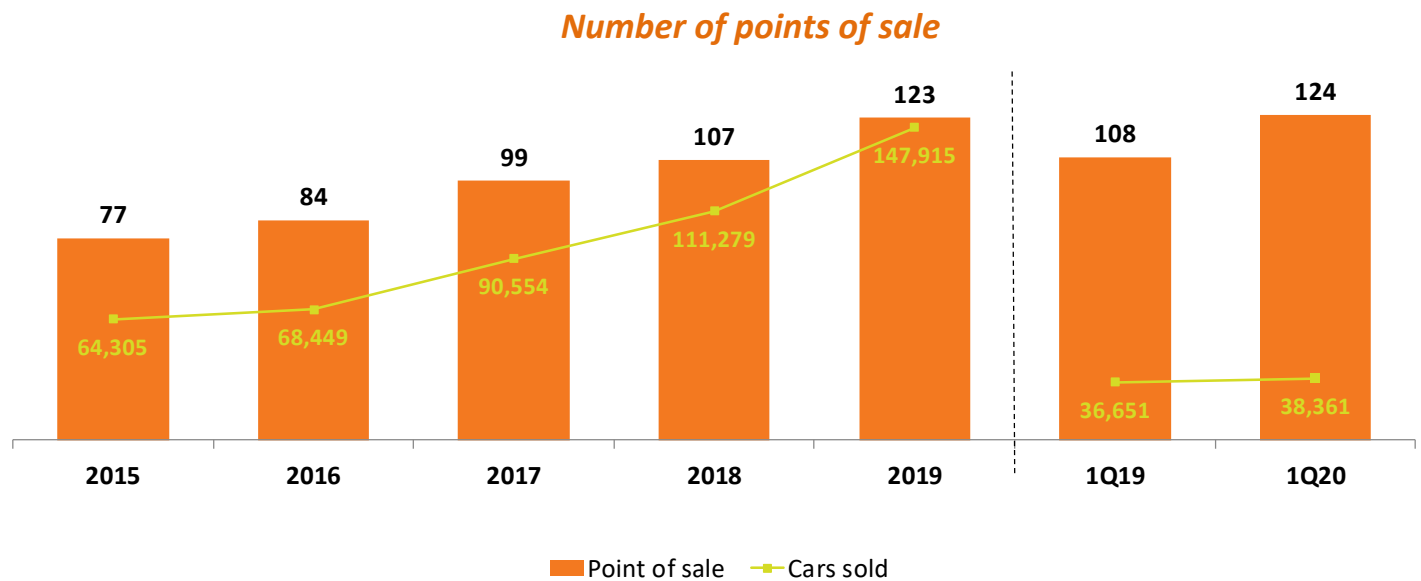


In 1Q20, Localiza purchased 40,879 cars, and sold 38,361, resulting in a positive balance of 2,518 cars added to the fleet and a net investment of R\$192.6 million.

On March 23, as informed to the market, Localiza closed all **Seminovos** stores. We estimate that sales for the month were reduced by approximately 10,000 units, impacting the results of the quarter. With the reduction in sales, the Company also adjusted the pace of car purchases as of April.

In the week of April 20, following the flexibilization of regulations regarding social distancing and complying with the safety and health protocols, the Company reopened part of its **Seminovos** stores, with in-person and online sales. We expect a gradual resumption of sales over the year.

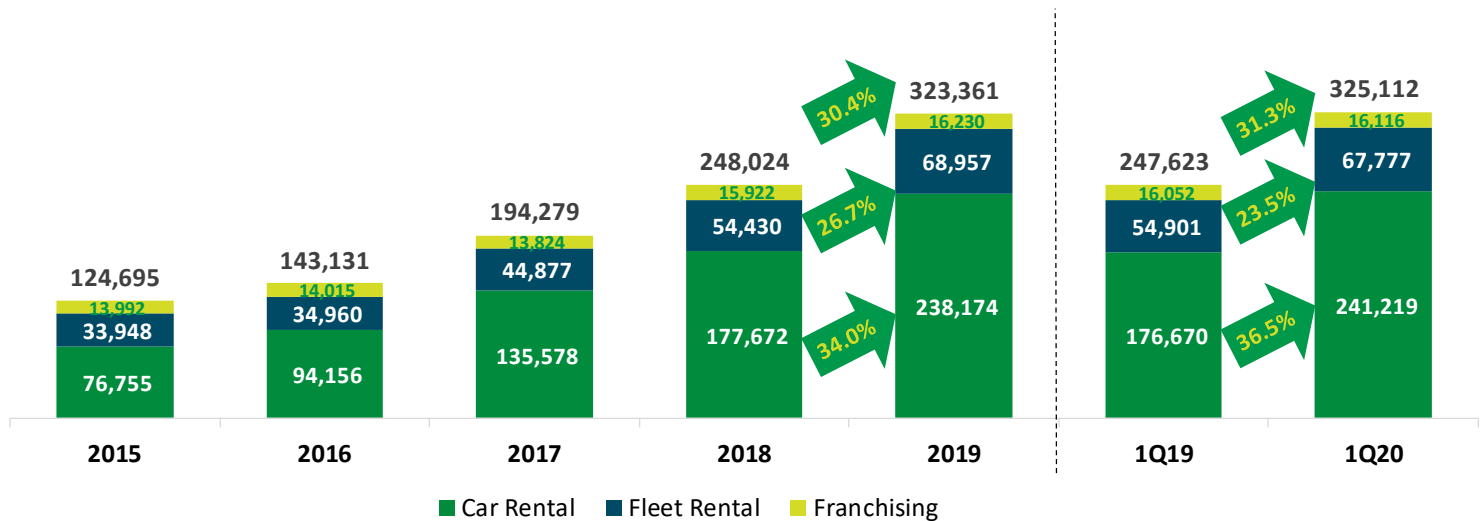
4 – Seminovos – Number of points of sale



In 1Q20, **Seminovos** network was expanded by 1 new store, totaling 124 stores in 85 cities in Brazil.

5 – End of period fleet

End of period fleet (quantity)

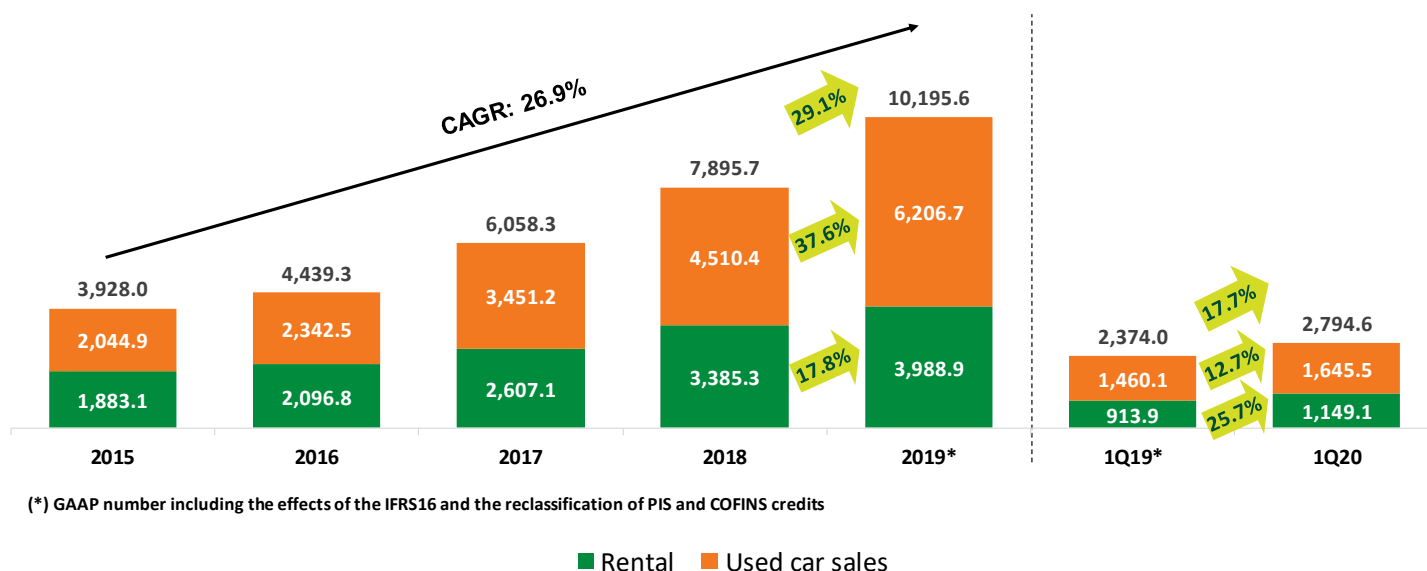


Localiza System (including franchisees) has 325,112 cars, an increase of 31.3% over the same period the previous year.

The fleet will be adjusted according to the rental demand and car sales capacity, respecting legal limitations and safety and health protocols.

6 – Net revenues - consolidated

Consolidated net revenues (R\$ million)



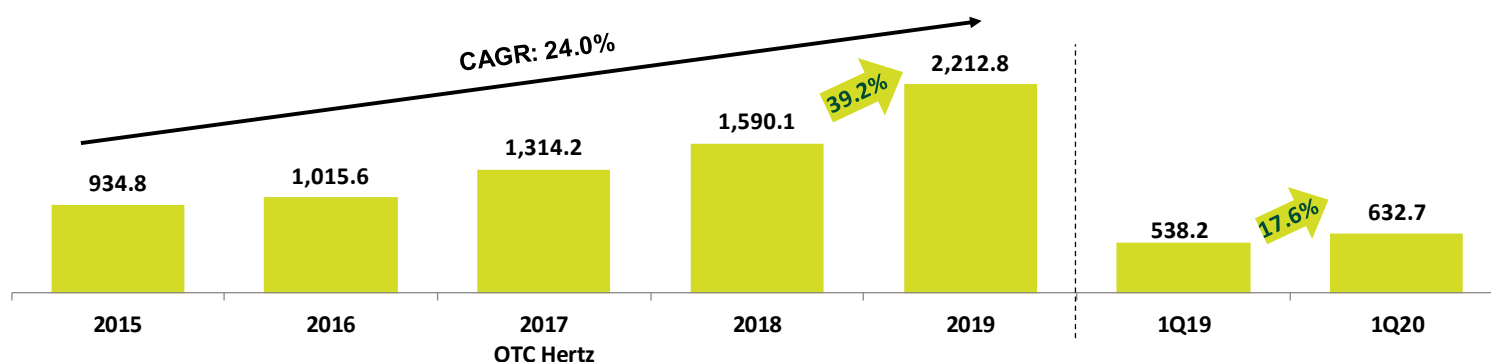
In 1Q20, consolidated net revenues grew 17.7% compared to 1Q19. Net rental revenues increased 25.7%, being 28.8% in the **Car Rental** division and 17.0% in the **Fleet Rental** division.

Seminovos net revenues in 1Q20 increased 12.7% compared to the same period last year, driven by a 7.7% increase in average selling prices and a 4.7% increase in the volume of cars sold, impacted by the lower volumes after the social distancing measures and the closed stores in the last week of March.

The strong cash position allows the Company to sell cars at the pace of demand, at market prices.

7 - EBITDA

Consolidated EBITDA (R\$ million)



EBITDA margin:

Activities	2015	2016	2017*	2018	2019**	1Q19	1Q20
Car Rental	31.8%	32.3%	34.9%	35.9%	45.5%	48.9%	47.8%
Fleet Rental	62.2%	64.5%	61.9%	64.0%	67.7%	72.7%	70.4%
Rental Consolidated	41.7%	42.3%	42.6%	43.0%	50.9%	54.7%	52.9%
Used Car Sales	7.3%	5.5%	5.9%	3.0%	3.0%	2.6%	1.5%

(*) 2017 adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation

(**) GAAP number including the reclassification of PIS and COFINS credits in Car Rental and Fleet Rental divisions

In 1Q20, consolidated EBITDA, totaled R\$632.7 million, 17.6% higher than the same period of the previous year.

As of 4Q19, we started to account for PIS and COFINS credits as cost reducers. This change does not affect EBITDA but reduces net revenues. For comparison purposes, 1Q19 revenues was adjusted by reclassification so that margins become comparable.

In the **Car Rental** division, the EBITDA margin was 47.8% in 1Q20, a reduction of only 1.1p.p. compared to 1Q19, even with the effects of decreases in volume and average rental rate due to the pandemic.

In the **Fleet Rental** division, the EBITDA margin stood at 70.4% in 1Q20, 2.3p.p. lower when compared to 1Q19, mainly due to the decrease in the average rental rate in a context of lower interest rates.

Even affected by the reduction in car sales volumes due to the pandemic, **Seminovos'** EBITDA margin was positive, at 1.5% in 1Q20.

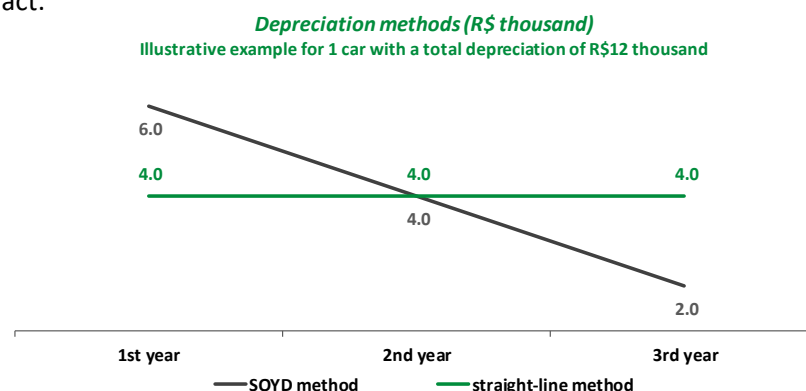
8 - Depreciation

Cars depreciation – Fleet Rental division (change from SOYD method to the straight-line method)

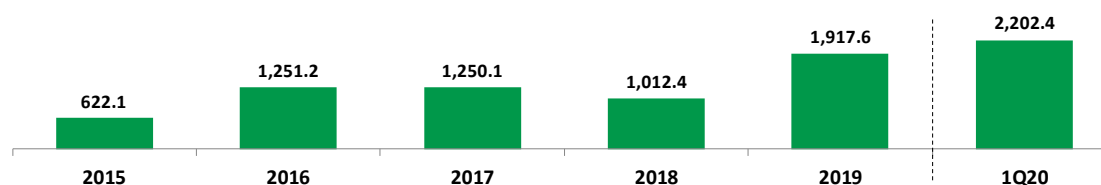
The Company reassessed the method used to appropriate the depreciation of cars in the **Fleet Rental** division to better reflect the equalization between maintenance and depreciation costs over the car's useful life. Accordingly, the Company decided to apply the straight-line method of depreciation to replace the SOYD¹ method, previously used.

This decision was based on internal studies that concluded that the changes in maintenance cost, average mileage and average contracts' duration, indicated the straight-line method as more appropriate to reflect the consumption pattern of economic benefits over the car's useful life.

Changing the depreciation method does not change the car's depreciable amount but changes its curve over its useful life in fleet rental activity. We demonstrate the two methods below, considering the total depreciation of R\$12 thousand per car over the contract:

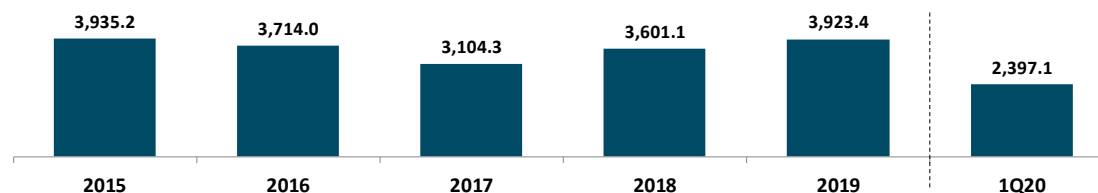


8.1 – Average annualized depreciation per car (R\$) - Rent a Car



In 1Q20, average depreciation per car in the **Car Rental** division was R\$2,202.4, 14.9% higher than the average depreciation of 2019 and in line with the depreciation reported in 4Q19.

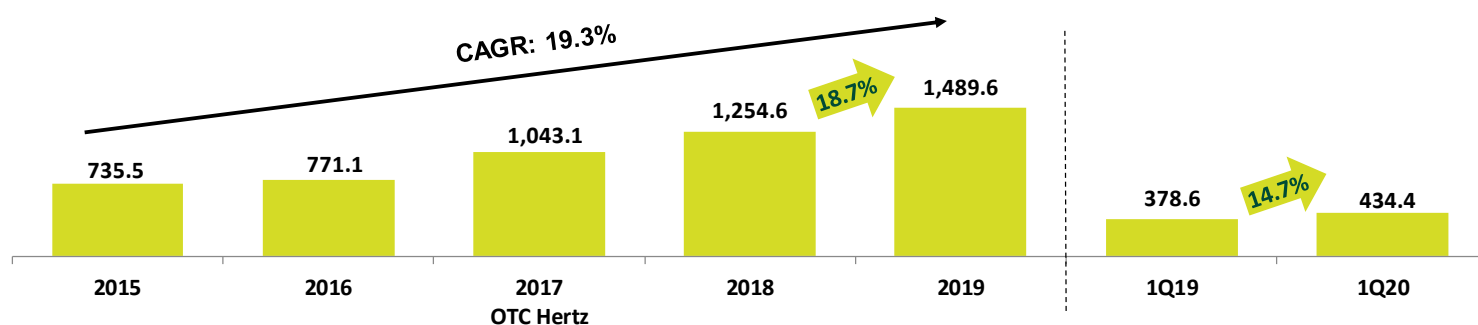
8.2 – Average annualized depreciation per car (R\$) - Fleet Rental



In the **Fleet Rental** division, the average depreciation per car in 1Q20 using the straight-line method was R\$2,397.1. If considered by the SOYD method it would be R\$3,646.3. Initially, depreciation will be lower, as there are already depreciated cars in the fleet, positively impacting the average.

9 - EBIT

Consolidated EBIT (R\$ million)



EBIT margins includes used car sales results, but is calculated over the rental revenues:

Activities	2015	2016	2017*	2018	2019**	1Q19	1Q20
Car Rental	34.3%	30.2%	35.5%	33.2%	33.6%	38.0%	31.1%
Fleet Rental	48.9%	51.2%	51.4%	48.6%	49.1%	51.7%	60.7%
Consolidated	39.1%	36.8%	40.0%	37.1%	37.3%	41.4%	37.8%

(*) 2017 adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation

(**) GAAP number including the reclassification of PIS and COFINS credits

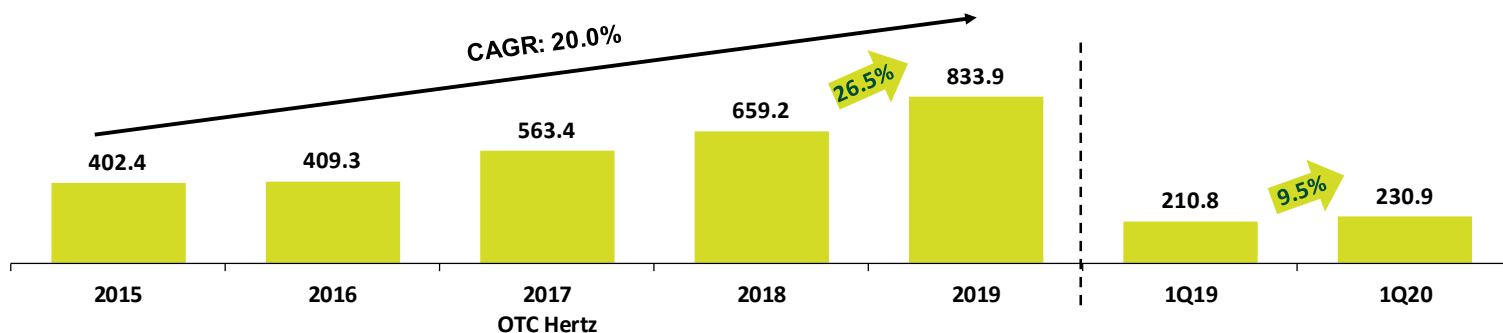
Consolidated EBIT in 1Q20 totaled R\$434.4 million, representing a growth of 14.7% compared to 1Q19.

In 1Q20, the EBIT margin of the **Car Rental** division, was 31.1%, representing a reduction of 6.9p.p. compared to 1Q19, mostly reflecting the reduction in average rental rate and the increase in average depreciation per car.

In the **Fleet Rental** division, the EBIT margin totaled 60.7%, an increase of 9.0p.p. compared to 1Q19. The improvement in the margin in this division is mainly due to the drop in the average annualized depreciation per car as a result of the change in the depreciation method from SOYD to straight-line.

10 - Consolidated net income

Consolidated net income (R\$ million)



Reconciliation EBITDA x Net income	2015	2016	2017*	2018	2019**	1Q19	1Q20	Var. R\$	Var. %
Consolidated EBITDA	934.8	1,015.6	1,314.2	1,590.1	2,212.8	538.2	632.7	94.5	17.6%
Cars depreciation	(163.6)	(206.3)	(232.0)	(291.6)	(551.5)	(117.1)	(153.2)	(36.1)	30.8%
Other property depreciation and amortization	(35.7)	(38.2)	(39.1)	(43.9)	(171.7)	(42.5)	(45.1)	(2.6)	6.1%
EBIT	735.5	771.1	1,043.1	1,254.6	1,489.6	378.6	434.4	55.8	14.7%
Financial expenses, net	(202.7)	(243.5)	(315.0)	(368.9)	(409.8)	(105.2)	(127.6)	(22.4)	21.3%
Income tax and social contribution	(130.4)	(118.3)	(164.7)	(226.5)	(245.9)	(62.6)	(75.9)	(13.3)	21.2%
Net income of the period	402.4	409.3	563.4	659.2	833.9	210.8	230.9	20.1	9.5%

Net income in 1Q20 was R\$230.9 million, representing an increase of 9.5% over 1Q19, as a result of:

(+) R\$94.5 million increase in EBITDA;

(-) R\$38.7 million increase in depreciation, due to the increase in the average operating fleet and higher average depreciation per car in the **Car Rental** division;

(-) R\$22.4 million more in net financial expenses, mainly due to the increase in the average balance of net debt in the quarter, partially offset by the lower interest rate; and

(-) R\$13.3 million increase in income tax and social contribution, due to higher taxable income and the higher effective tax rate, which increased from 22.9% in 1Q19 to 24.7% in 1Q20.

The composition of net income by rental and sales activities is shown below:

Activities	2015	2016	2017*	2018	2019	1Q19	1Q20
Car Rental+ franchising	292.5	346.5	483.5	642.0	959.5	231.7	299.8
Fleet Rental	285.7	325.8	351.0	401.4	489.8	122.4	141.3
Used Car Sales	(175.8)	(263.0)	(271.1)	(384.2)	(615.4)	(143.3)	(210.2)
Consolidated	402.4	409.3	563.4	659.2	833.9	210.8	230.9

(*) 2017 adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation

11 – Free cash flow (FCF)

Free cash flow - R\$ million		2015	2016	2017	2018	2019	1Q20
Operations	EBITDA	934.8	1,015.7	1,314.2 *	1590.1	2,212.8	632.7
	Used car sale revenue, net from taxes	(2,044.9)	(2,342.6)	(3,451.2)	(4,510.4)	(6,206.7)	(1,645.5)
	Depreciated cost of cars sold	1,769.1	2,102.5	3,106.6	4,198.5	5,863.6	1,546.2
	(-) Income tax and social contribution	(110.7)	(93.3)	(108.3)	(131.2)	(146.1)	(55.2)
	Change in working capital	(30.0)	(40.8)	(47.9)	(117.4)	(268.9)	(23.8)
	Cash generated by rental operations	518.3	641.5	813.4	1,029.6	1,454.7	454.4
Capex - renewal	Used car sale revenue, net from taxes – fleet renewal	2,036.3	2,342.6	3,451.2	4,510.4	6,206.7	1,645.5
	Fleet renewal investment	(2,278.4)	(2,563.6)	(3,660.9)	(4,696.7)	(6,804.6)	(1,724.8)
	Change in accounts payable to car suppliers for fleet renewal	(25.4)	219.8	227.6	250.1	468.7	352.0
	Net investment for fleet renewal	(267.5)	(1.2)	17.9	63.8	(129.2)	272.7
	Fleet renewal – quantity	64,032	68,449	90,554	111,279	147,915	38,361
Investment, property and intangible		(29.7)	(40.9)	(28.8)	(42.8)	(70.0)	(29.4)
Free cash flow from operations, before growth		221.1	599.4	802.5	1,050.6	1,255.5	697.7
Capex - Growth	(Investment) / Divestment in cars for fleet growth	8.6	(726.0)	(1,807.0)	(2,285.1)	(3,478.7)	(113.2)
	Change in accounts payable to car suppliers for fleet growth	(23.9)	26.8	168.7	509.4	23.6	(755.6)
	Acquisition of Hertz and franchisees (fleet value)	-	-	(285.7)	-	(105.5)	-
	Net investment for fleet growth	(15.3)	(699.2)	(1,924.0)	(1,775.7)	(3,560.6)	(868.8)
	Fleet increase / (reduction) – quantity	(273)	19,384	52,860	54,142	75,619	2,518
Free cash flow after growth		205.8	(99.8)	(1,121.5)	(725.1)	(2,305.0)	(171.1)
Capex - non-recurring	Acquisitions and franchisees acquisition- except fleet value	-	-	(121.5)	-	(18.2)	(7.8)
	New headquarters construction and furniture	(30.7)	(85.7)	(146.2)	-	-	-
Free cash generated before the cash effects of discounts and anticipation of payables to suppliers		175.1	(185.5)	(1,389.2)	(725.1)	(2,323.2)	(178.9)
Cash effects of receivables and anticipation of payables to suppliers (**)		(71.9)	98.0	88.3	(113.2)	(131.8)	274.3
Free cash flow before interest		103.2	(87.5)	(1,300.9)	(838.3)	(2,455.0)	95.4

In the free cash flow, short-term financial assets were considered as cash equivalents.

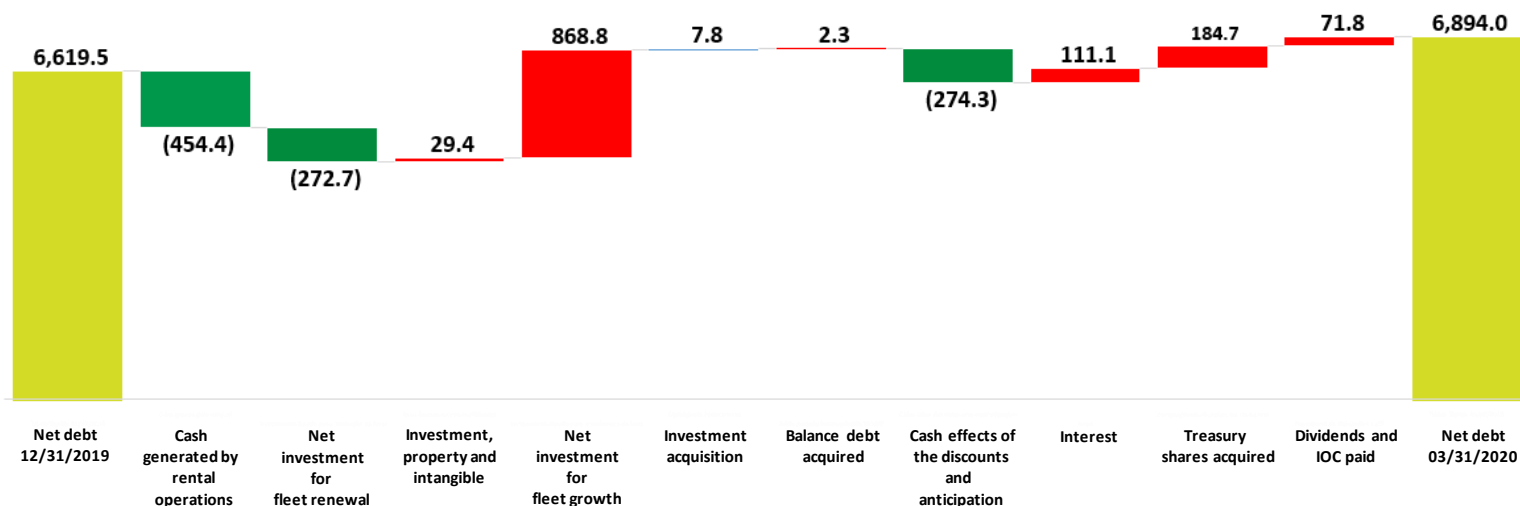
(*) 2017 adjusted by one-time costs incurred -Hertz Brasil acquisition and franchisees incorporation.

(**) Discount of credit card receivables and anticipation of accounts payable to suppliers were demonstrated in a different line so that the Free Cash Flow From Operations considered only the contractual terms, reflecting the Company's operation.

The cash generated before growth totaled R\$697.7 million in 1Q20. The net investment for fleet growth, considering payments related to the car purchased in 4Q19, represented a disbursement of R\$868.8 million.

12 – Net debt

12.1 – Change in net debt – R\$ million

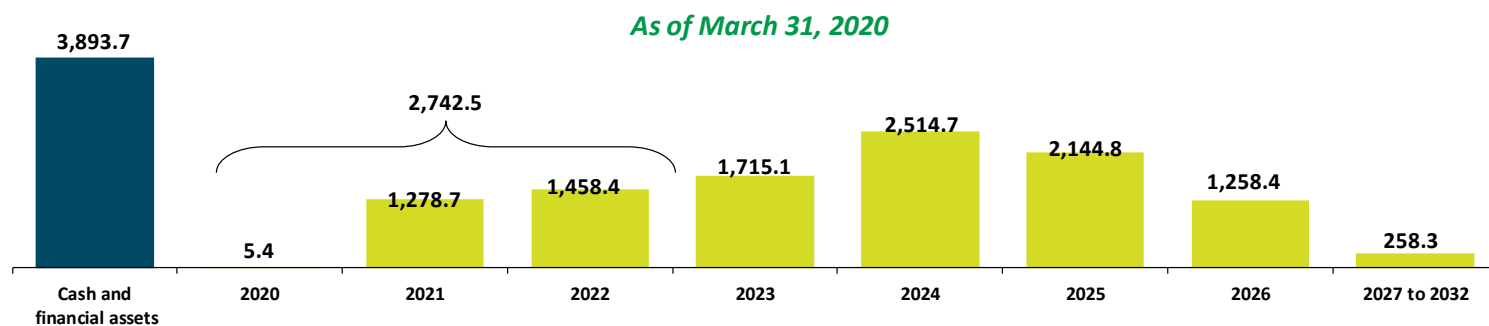


As of March 31, 2020, net debt totaled R\$6.9 billion, an increase of 4.1% or R\$274.5 million.

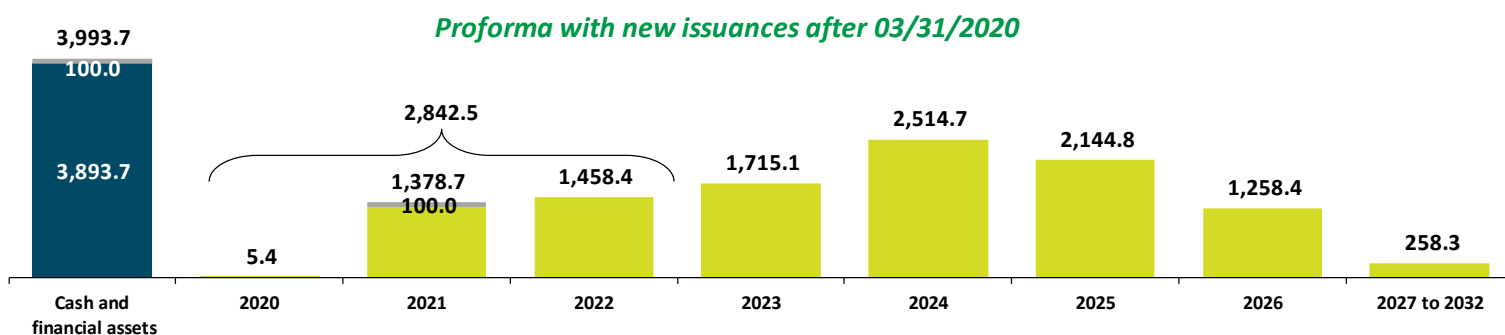
12.2 – Debt maturity profile – R\$ million

Debt	Issuance	Contract rate	2020	2021	2022	2023	2024	2025 to 2032	Total
Debentures 11th Issuance	12/12/2016	111.50% CDI	-	-	500.0	-	-	-	500.0
Debentures 12th Issuance	5/15/2017	107.25% CDI	-	-	-	-	700.0	-	700.0
Debentures 13th Issuance - 1st serie	12/15/2017	109.35% CDI	-	-	434.5	434.5	-	-	869.0
Debentures 13th Issuance - 2nd serie	12/15/2017	111.30% CDI	-	-	-	-	108.1	108.1	216.2
Debentures 14th Issuance - 1st serie	9/18/2018	107.90% CDI	-	-	-	-	200.0	-	200.0
Debentures 14th Issuance - 2nd serie	9/18/2018	112.32% CDI	-	-	-	-	200.0	600.0	800.0
Debentures 15th Issuance	4/15/2019	107.25% CDI	-	-	-	-	-	1,000.0	1,000.0
Debentures 16th Issuance	11/29/2019	CDI + 1.05%	-	-	-	-	333.3	666.7	1,000.0
Debentures 5th Issuance of Localiza Fleet	7/31/2018	112.00% CDI	-	-	-	-	-	300.0	300.0
Debentures 6th Issuance of Localiza Fleet	12/21/2018	110.40% CDI	-	-	-	-	400.0	-	400.0
Debentures 7th Issuance of Localiza Fleet	7/29/2019	109.00% CDI	-	-	-	100.0	100.0	100.0	300.0
Debentures 8th Issuance of Localiza Fleet	2/12/2020	CDI + 1.00%	-	-	-	333.3	333.3	333.3	999.9
Promissory Notes - 7th Issuance	9/24/2019	108.00% CDI	-	500.0	-	-	-	-	500.0
Foreign currency loan with swap	-	Several	-	773.1	215.0	465.0	-	250.0	1,703.1
Real State Receivables Certificate (CRI)	2/26/2018	99.00% CDI	4.3	5.6	9.0	12.3	15.0	303.5	349.7
Working Capital / Others	-	Several	1.0	-	300.0	370.0	125.0	-	796.0
Interest accrued	-	-	153.8	-	-	-	-	-	153.8
Cash and cash equivalents on 03/31/2020	-	-	(3,893.7)	-	-	-	-	-	(3,893.7)
Net debt	-	-	(3,734.6)	1,278.7	1,458.5	1,715.1	2,514.7	3,661.6	6,894.0

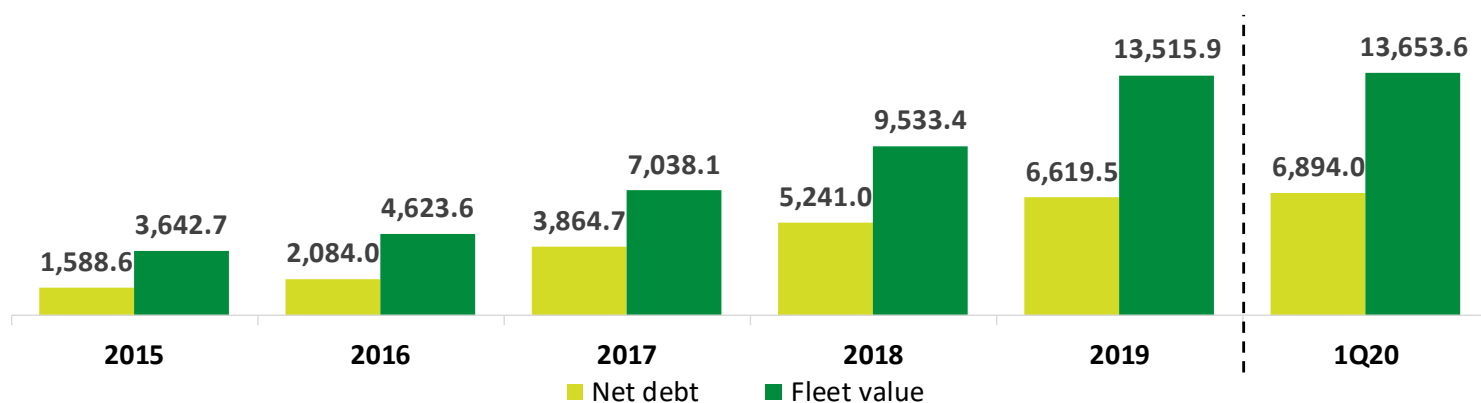
12.3 – Debt profile – R\$ million



In 1Q20, the Company raised funds totaling R\$2.7 billion in order to lengthen the debt profile and strengthen its cash position in the face of the pandemic scenario. In April, the Company raised an additional R\$100.0 million in a working capital credit line.

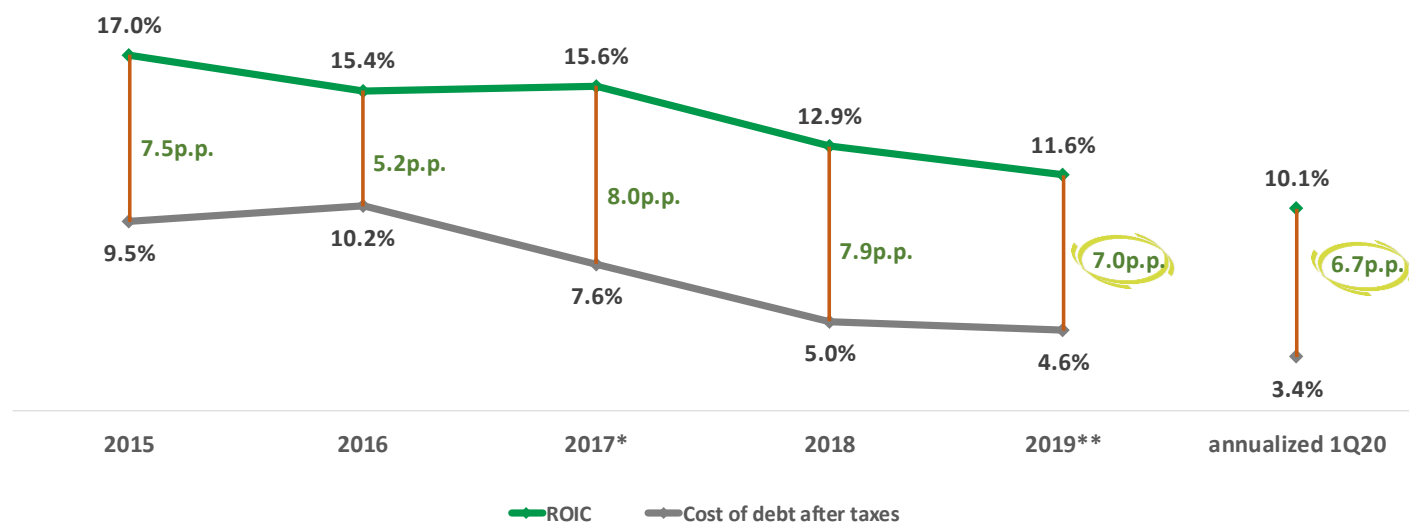


12.4 – Debt ratios – R\$ million



BALANCE AT THE END OF PERIOD	2015	2016	2017	2018	2019	1Q20
Net debt / Fleet value	44%	45%	55%	55%	49%	50%
Net debt / annualized EBITDA	1.7x	2.1x	2.9x	3.3x	3.0x	2.7x
Net debt / Equity	0.8x	0.9x	1.5x	1.7x	1.2x	1.3x
EBITDA / Net financial expenses	4.6x	4.2x	4.2x	4.3x	5.4x	5.0x

13 – Spread (ROIC minus cost of debt after taxes)



(*) 2017 adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation
 (**) Includes IFRS 16 accounting standard

ROIC considered each year's effective income tax and social contribution rate

EXPRESSIVE RESULTS IN THE QUARTER, STRENGTHENING THE SOLID FINANCIAL POSITION TO FACE THE CRISIS

14 – Dividends and interest on capital (IOC)

2019 interest on capital were approved as follow:

Nature	Reference period	Approval date	Shareholding position date	Payment date	Gross amount (R\$ million)	Gross amount per Share(*) (R\$)
IOC	2019	03/21/2019	03/26/2019	05/20/2019	69.2	0.091823
IOC	2019	06/18/2019	06/24/2019	08/16/2019	75.5	0.099983
IOC	2019	09/04/2019	09/09/2019	11/08/2019	74.6	0.098744
IOC	2019	12/12/2019	12/17/2019	02/14/2020	71.8	0.094993
Total					291.1	

2020 interest on capital were approved as follow:

Nature	Reference period	Approval date	Shareholding position date	Payment date	Gross amount (R\$ million)	Gross amount per Share(*) (R\$)
IOC	2020	03/10/2020	03/13/2020	01/05/2021	67.0	0.089006
Total					67.0	

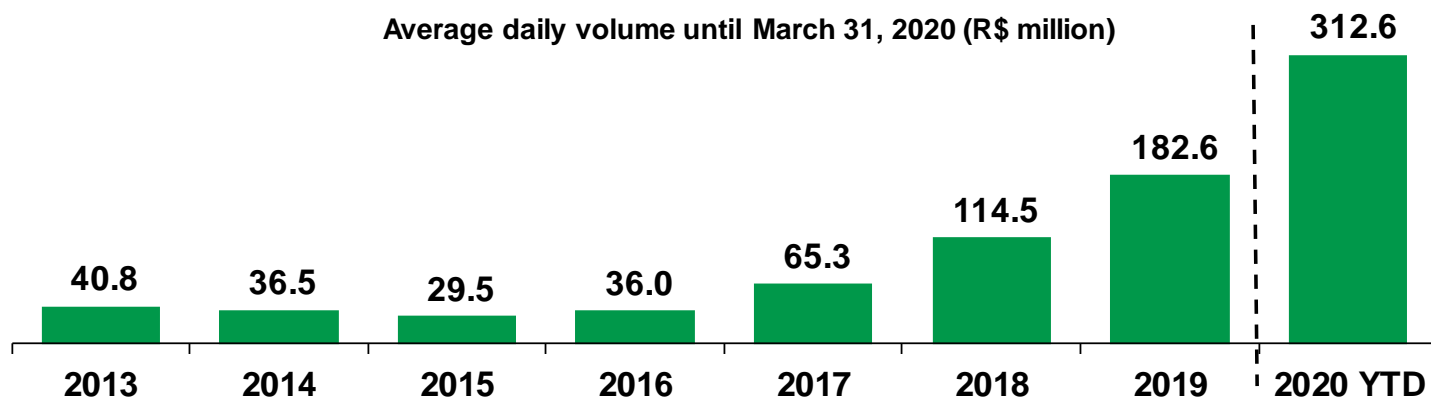
(*) Adjusted by the share bonus approved in the Board of Directors meeting held on 12/12/2019.

15 – RENT3

On March 31, 2020, the average daily traded volume of RENT3 was R\$312.6 million, 71.2% higher than the average volume of 2019.

Under the ADR level I program, the Company had 3,484,937 level I ADRs on March 31, 2020.

Since January 2020, Localiza integrates the Carbon Efficiency Index, ICO2, valid from January to April 2020.



16 – Covid-19

On March 23, as informed in a material fact, we closed most **Car Rental** branches and all **Seminovos** stores. Since then, we adjusted the opening of the rental branches to the local and state legislation and from April 20, we resume the operations of about half of the **Seminovos** stores.

We present the summary of the locations and stores opened as of May 12 (preliminary, unaudited numbers), as follows:

Network status as of May 12th	Fully operational	Operating with restrictions	Closed	Total
Car Rental (including franchisees)	355	46	127	528
Seminovos	38	40	46	124

April was strongly impacted by the effects of the pandemic. Below are preliminary, unaudited figures referring to our operations:

CAR RENTAL	1Q20	April, 2020
Average operating fleet	211,512	211,237
Average rented fleet	156,620	105,257
Utilization rate (does not include cars in preparation and decommissioning)	78.2%	53.0%
Average rental rate per car (in RS)	69.22	47.00

FLEET RENTAL	1Q20	April, 2020
Average operating fleet	61,193	61,596
Average rented fleet	58,556	59,055
Utilization rate (does not include cars in preparation and decommissioning)	96.7%	97.4%
Average rental rate per car (in RS)	53.16	54.10

CARS PURCHASE AND SALES	1Q20	April, 2020
Number of cars purchased	40,879	1,482
Number of cars sold	38,361	2,460

Due to the significant drop in the **Car Rental** and **Seminovos** volumes, the Company has been adopting measures to reduce costs, expenses and investments.

17 – Results per division

17.1 –Table 1 – Car Rental – R\$ million

CAR RENTAL RESULTS	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	1Q19 with reclassification of PIS/COFINS credits	1Q20	Var.
Car rental gross revenues, net of discounts and cancellations	1,316.9	1,486.9	1,898.7	1,898.7	2,570.8	3,345.6	30.1%	3,345.6	761.2	980.7	28.8%
Taxes on revenues (*)	(58.9)	(58.9)	(50.2)	(50.2)	(51.4)	(43.5)	-15.4%	(317.8)	(71.8)	(92.9)	29.4%
Car rental net revenues	1,258.0	1,428.0	1,848.5	1,848.5	2,519.4	3,302.1	31.1%	3,027.8	689.4	887.8	28.8%
Car rental costs	(618.1)	(707.4)	(926.4)	(870.7)	(1,178.1)	(1,476.2)	25.3%	(1,105.5)	(233.9)	(295.1)	26.2%
Gross profit	639.9	720.6	922.1	977.8	1,341.3	1,825.9	36.1%	1,922.3	455.5	592.7	30.1%
Operating expenses (SG&A)	(239.9)	(258.8)	(347.2)	(332.3)	(437.3)	(543.6)	24.3%	(543.6)	(118.6)	(167.9)	41.6%
Other assets depreciation and amortization	(22.3)	(23.9)	(23.6)	(23.6)	(26.6)	(30.8)	15.8%	(106.7)	(26.7)	(28.2)	5.6%
Operating profit before financial results and taxes (EBIT)	377.7	437.9	551.3	621.9	877.4	1,251.5	42.6%	1,272.0	310.2	396.6	27.9%
Financial expenses, net	(2.0)	(1.4)	(5.3)	(5.3)	(23.7)	(12.6)	-46.8%	(42.8)	(13.6)	(12.0)	-11.8%
Income tax and social contribution	(89.9)	(95.9)	(123.4)	(138.9)	(218.3)	(282.1)	29.2%	(279.4)	(67.8)	(86.4)	27.4%
Net income for the period	285.8	340.6	422.6	477.7	635.4	956.8	50.6%	949.8	228.8	298.2	30.3%
Net Margin	22.7%	23.9%	22.9%	25.2%	25.2%	29.0%	3.8 p.p.	31.4%	33.2%	33.6%	0.4 p.p.
EBITDA	400.0	461.8	574.9	645.5	904.0	1,282.3	41.8%	1,378.7	336.9	424.8	26.1%
EBITDA Margin	31.8%	32.3%	31.1%	34.9%	35.9%	38.8%	2.9 p.p.	45.5%	48.9%	47.8%	-1.1 p.p.

USED CAR SALES RESULTS (SEMINOVOS)	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	1Q19 with reclassification of PIS/COFINS credits	1Q20	Var.
Gross revenues, net of discounts and cancellations	1,679.2	1,997.8	2,990.0	2,990.0	3,919.2	5,479.6	39.8%	5,479.6	1,280.8	1,414.4	10.4%
Taxes on revenues	(2.5)	(2.7)	(4.9)	(4.9)	(7.4)	(13.8)	86.5%	(13.8)	(2.8)	(3.2)	14.3%
Net revenues	1,676.7	1,995.1	2,985.1	2,985.1	3,911.8	5,465.8	39.7%	5,465.8	1,278.0	1,411.2	10.4%
Book value of cars sold and preparation for sale	(1,396.3)	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	42.3%	(5,037.8)	(1,189.7)	(1,313.5)	10.4%
Gross profit	280.4	267.6	381.9	381.9	369.3	425.3	15.2%	428.0	88.3	97.7	10.6%
Operating expenses (SG&A)	(178.8)	(176.8)	(220.0)	(220.0)	(269.6)	(349.4)	29.6%	(300.2)	(62.6)	(88.6)	41.5%
Cars depreciation	(38.9)	(87.8)	(117.7)	(117.7)	(131.7)	(332.8)	152.7%	(332.8)	(61.7)	(116.5)	88.8%
Other assets depreciation and amortization	(8.8)	(9.1)	(9.7)	(9.7)	(10.2)	(8.4)	-17.6%	(50.5)	(12.2)	(12.7)	4.1%
Operating profit (loss) before financial results and taxes (EBIT)	53.9	(6.1)	34.5	34.5	(42.2)	(265.3)	528.7%	(255.5)	(48.2)	(120.1)	149.2%
Financial expenses, net	(138.4)	(174.4)	(229.9)	(229.9)	(266.5)	(247.7)	-7.1%	(264.5)	(70.2)	(92.1)	31.2%
Income tax and social contribution	17.6	37.2	43.9	43.9	77.5	116.8	50.7%	115.8	26.1	40.3	54.4%
Net loss for the period	(66.9)	(143.3)	(151.5)	(151.5)	(231.2)	(396.2)	71.4%	(404.2)	(92.3)	(171.9)	86.2%
Net Margin	-4.0%	-7.2%	-5.1%	-5.1%	-5.9%	-7.2%	-1.3 p.p.	-7.4%	-7.2%	-12.2%	-5.0 p.p.
EBITDA	101.6	90.8	161.9	161.9	99.7	75.9	-23.9%	127.8	25.7	9.1	-64.6%
EBITDA Margin	6.1%	4.6%	5.4%	5.4%	2.5%	1.4%	-1.1 p.p.	2.3%	2.0%	0.6%	-1.4 p.p.

CAR RENTAL TOTAL FIGURES	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	1Q19 with reclassification of PIS/COFINS credits	1Q20	Var.
Car rental gross revenues, net of discounts and cancellations	1,316.9	1,486.9	1,898.7	1,898.7	2,570.8	3,345.6	30.1%	3,345.6	761.2	980.7	28.8%
Car sales for fleet renewal - gross revenues, net of discounts and cancellations	1,679.2	1,997.8	2,990.0	2,990.0	3,919.2	5,479.6	39.8%	5,479.6	1,280.8	1,414.4	10.4%
Total gross revenues	2,996.1	3,484.7	4,888.7	4,888.7	6,490.0	8,825.2	36.0%	8,825.2	2,042.0	2,395.1	17.3%
Taxes on revenues	(58.9)	(58.9)	(50.2)	(50.2)	(51.4)	(43.5)	-15.4%	(317.8)	(71.8)	(92.9)	29.4%
Car sales for fleet renewal	(2.5)	(2.7)	(4.9)	(4.9)	(7.4)	(13.8)	86.5%	(13.8)	(2.8)	(3.2)	14.3%
Car rental revenues - net revenues	1,258.0	1,428.0	1,848.5	1,848.5	2,519.4	3,302.1	31.1%	3,027.8	689.4	887.8	28.8%
Car sales for fleet renewal - net revenues	1,676.7	1,995.1	2,985.1	2,985.1	3,911.8	5,465.8	39.7%	5,465.8	1,278.0	1,411.2	10.4%
Total net revenues	2,934.7	3,423.1	4,833.6	4,833.6	6,431.2	8,767.9	36.3%	8,493.6	1,967.4	2,299.0	16.9%
Direct costs	(618.1)	(707.4)	(926.4)	(870.7)	(1,178.1)	(1,476.2)	25.3%	(1,105.5)	(233.9)	(295.1)	26.2%
Car sales for fleet renewal	(1,396.3)	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	42.3%	(5,037.8)	(1,189.7)	(1,313.5)	10.4%
Gross profit	920.3	988.2	1,304.0	1,359.7	1,710.6	2,251.2	31.6%	2,350.3	543.8	690.4	27.0%
Operating expenses (SG&A)	(239.9)	(258.8)	(347.2)	(332.3)	(437.3)	(543.6)	24.3%	(543.6)	(118.6)	(167.9)	41.6%
Car rental	(178.8)	(176.8)	(220.0)	(220.0)	(269.6)	(349.4)	29.6%	(300.2)	(62.6)	(88.6)	41.5%
Cars depreciation	(38.9)	(87.8)	(117.7)	(117.7)	(131.7)	(332.8)	152.7%	(332.8)	(61.7)	(116.5)	88.8%
Other assets depreciation and amortization	(22.3)	(23.9)	(23.6)	(23.6)	(26.6)	(30.8)	15.8%	(106.7)	(26.7)	(28.2)	5.6%
Car sales for fleet renewal	(8.8)	(9.1)	(9.7)	(9.7)	(10.2)	(8.4)	-17.6%	(50.5)	(12.2)	(12.7)	4.1%
Operating profit before financial results and taxes (EBIT)	431.6	431.8	585.8	656.4	835.2	986.2	18.1%	1,016.5	262.0	276.5	5.5%
Financial expenses, net	(140.4)	(175.8)	(235.2)	(235.2)	(290.2)	(260.3)	-10.3%	(307.3)	(83.8)	(104.1)	24.2%
Income tax and social contribution	(72.3)	(58.7)	(79.5)	(79.5)	(140.8)	(163.3)	17.4%	(163.6)	(41.7)	(46.1)	10.6%
Net income for the period	218.9	197.3	271.1	326.2	404.2	560.6	38.7%	545.6	136.5	126.3	-7.5%
Net margin	7.5%	5.8%	5.6%	6.7%	6.3%	6.4%	0.1 p.p.	6.4%	6.9%	5.5%	-1.4 p.p.
EBITDA	501.6	552.6	736.8	807.4	1,003.7	1,358.2	35.3%	1,506.5	362.6	433.9	19.7%
EBITDA margin	17.1%	16.1%	15.2%	16.7%	15.6%	15.5%	-0.1 p.p.	17.7%	18.4%	18.9%	0.5 p.p.

OPERATING DATA	2015	2016	2017	2017	2018	2019	Var.	2019	1Q19	1Q20	Var.
Average operating fleet	62,513	70,185	94,194	94,194	130,058	173,649	33.5%	173,649	153,243	211,512	38.0%
Average rented fleet	43,315	51,515	69,762	69,762	97,245	128,718	32.4%	128,718	114,845	156,620	36.4%
Average operating fleet age (in months)	7.4	7.9	6.5	6.5	7.2	7.0	-2.8%	7.0	7.4	7.6	2.7%
End of period fleet	76,755	94,156	135,578	135,578	177,672	238,174	34.1%	238,174	176,670	241,219	36.5%
Number of rental days - in thousands	15,566.1	18,662.4	25,263.6	25,263.6	35,284.5	46,745.9	32.5%	46,745.9	10,277.8	14,167.6	37.8%
Average daily rental revenues per car (R\$)	84.56	79.67	75.16	75.16	72.86	71.57	-1.8%	71.57	74.06	69.22	-6.5%
Annualized average depreciation per car (R\$)	622.1	1,251.2	1,250.1	1,250.1	1,012.4	1,917.6	89.4%	1,917.6	1,610.5	2,202.4	36.8%
Utilization rate (Does not include cars in preparation and decommissioning)	75.4%	78.0%	78.6%	78.6%	79.6%	79.1%	-0.5 p.p.	79.1%	79.8%	78.2%	-1.6 p.p.
Number of cars purchased	52,343	76,071	114,966	114,966	139,273	192,292	38.1%	192,292	31,513	34,943	10.9%
Number of cars sold	52,508	57,596	76,901	76,901	94,945	128,677	35.5%	128,677	31,699	32,776	3.4%
Average sold fleet age (in months)	14.9	16.8	14.3	14.3	14.7	15.2	3.4%	15.2	15.9	15.7	-1.3%
Average total fleet	72,169	80,765	107,997	107,997	150,045	201,791	34.5%	201,791	171,438	233,448	36.2%
Average value of total fleet - R\$ million	2,205.9	2,790.2	4,100.6	4,100.6	6,005.7	8,652.7	44.1%	8,652.7	7,116.2	10,433.3	46.6%
Average value per car in the period - R\$ thsd	30.6	34.5	38.0	38.0	40.0	42.9	7.3%	42.9	41.5	44.7	7.7%

(*) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income tax line and started to be recorded in the rental cost line.

17.2 – Table 2 – Fleet Rental – R\$ million

FLEET RENTAL RESULTS	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	1Q19 with reclassification of PIS/COFINS credits	1Q20	Var.
Fleet rental gross revenues, net of discounts and cancellations	619.6	664.1	757.4	757.4	857.8	1,039.1	21.1%	1,039.1	242.0	283.1	17.0%
Taxes on revenues (*)	(11.1)	(12.3)	(15.3)	(15.3)	(9.0)	(15.2)	68.9%	(98.8)	(23.0)	(26.9)	17.0%
Fleet rental net revenues	608.5	651.8	742.1	742.1	848.8	1,023.9	20.6%	940.3	219.0	256.2	17.0%
Fleet rental costs	(189.3)	(193.7)	(220.4)	(220.1)	(245.9)	(304.1)	23.7%	(220.5)	(45.3)	(53.4)	17.9%
Gross profit	419.2	458.1	521.7	522.0	602.9	719.8	19.4%	719.8	173.7	202.8	16.8%
Operating expenses (SG&A)	(40.7)	(37.9)	(65.4)	(62.3)	(59.6)	(83.6)	40.3%	(83.2)	(14.5)	(22.5)	55.2%
Other assets depreciation and amortization	(2.2)	(2.9)	(3.5)	(3.5)	(4.9)	(5.3)	8.2%	(5.7)	(1.4)	(1.7)	21.4%
Operating profit before financial results and taxes (EBIT)	376.3	417.3	452.8	456.2	538.4	630.9	17.2%	630.9	157.8	178.6	13.2%
Financial expenses, net	(0.1)	(1.1)	(1.6)	(1.6)	(0.5)	(0.6)	20.0%	(0.7)	(1.0)	(0.1)	-90.0%
Income tax and social contribution	(90.5)	(90.4)	(102.8)	(103.6)	(136.5)	(143.5)	5.1%	(140.3)	(34.4)	(37.2)	8.1%
Net income for the period	285.7	325.8	348.4	351.0	401.4	486.8	21.3%	489.9	122.4	141.3	15.4%
Net Margin	47.0%	50.0%	46.9%	47.3%	47.3%	47.5%	0.2 p.p.	52.1%	55.9%	55.2%	-0.7 p.p.
EBITDA	378.5	420.2	456.3	459.7	543.3	636.2	17.1%	636.6	159.2	180.3	13.3%
EBITDA Margin	62.2%	64.5%	61.5%	61.9%	64.0%	62.1%	-1.9 p.p.	67.7%	72.7%	70.4%	-2.3 p.p.

USED CAR SALES RESULTS (SEMINOVOS)	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	1Q19 with reclassification of PIS/COFINS credits	1Q20	Var.
Gross revenues, net of discounts and cancellations	368.6	347.8	466.5	466.5	599.5	742.4	23.8%	742.4	182.4	234.7	28.7%
Taxes on revenues	(0.4)	(0.4)	(0.4)	(0.4)	(0.9)	(1.5)	66.7%	(1.5)	(0.3)	(0.4)	33.3%
Net revenues	368.2	347.4	466.1	466.1	598.6	740.9	23.8%	740.9	182.1	234.3	28.7%
Book value of cars sold and preparation for sale	(286.7)	(279.4)	(392.1)	(392.1)	(525.9)	(650.2)	23.6%	(650.1)	(162.3)	(205.2)	26.4%
Gross profit	81.5	68.0	74.0	74.0	72.7	90.7	24.8%	90.7	19.8	29.1	47.0%
Operating expenses (SG&A)	(33.6)	(31.0)	(32.7)	(32.7)	(36.6)	(41.4)	13.1%	(35.0)	(7.3)	(13.4)	83.6%
Cars depreciation	(124.7)	(118.5)	(114.3)	(114.3)	(159.9)	(218.7)	36.8%	(218.7)	(55.4)	(36.7)	-33.8%
Other assets depreciation and amortization	(2.0)	(1.8)	(1.7)	(1.7)	(1.7)	(1.5)	-11.8%	(6.7)	(1.6)	(2.1)	31.3%
Operating profit (loss) before financial results and taxes (EBIT)	(78.8)	(83.3)	(74.7)	(74.7)	(125.5)	(170.9)	11.2%	(169.6)	(44.5)	(23.1)	-48.1%
Financial expenses, net	(63.8)	(68.7)	(80.0)	(80.0)	(79.6)	(100.2)	25.9%	(102.3)	(20.8)	(23.5)	13.0%
Income tax and social contribution	33.7	32.3	35.1	35.1	52.0	61.7	18.7%	60.6	14.3	8.1	-43.4%
Net loss for the period	(108.9)	(119.7)	(119.6)	(119.6)	(153.1)	(209.4)	36.8%	(211.3)	(51.0)	(38.5)	-24.5%
Net Margin	-29.6%	-34.5%	-25.7%	-25.7%	-25.6%	-28.3%	-2.7 p.p.	-28.5%	-28.0%	-16.4%	11.6 p.p.
EBITDA	47.9	37.0	41.3	41.3	36.1	49.3	36.6%	55.8	12.5	15.7	25.6%
EBITDA Margin	13.0%	10.7%	8.9%	8.9%	6.0%	6.7%	0.7 p.p.	7.5%	6.9%	6.7%	-0.2 p.p.

FLEET RENTAL TOTAL FIGURES	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	1Q19 with reclassification of PIS/COFINS credits	1Q20	Var.
Fleet rental gross revenues, net of discounts and cancellations	619.6	664.1	757.4	757.4	857.8	1,039.1	21.1%	1,039.1	242.0	283.1	17.0%
Car sales for fleet renewal - gross revenues, net of discounts and cancellations	368.6	347.8	466.5	466.5	599.5	742.4	23.8%	742.4	182.4	234.7	28.7%
Total gross revenues	988.2	1,011.9	1,223.9	1,223.9	1,457.3	1,781.5	22.2%	1,781.5	424.4	517.8	22.0%
Taxes on revenues	(11.1)	(12.3)	(15.3)	(15.3)	(9.0)	(15.2)	68.9%	(98.8)	(23.0)	(26.9)	17.0%
Fleet rental (*)	(0.4)	(0.4)	(0.4)	(0.4)	(0.9)	(1.5)	66.7%	(1.5)	(0.3)	(0.4)	33.3%
Car sales for fleet renewal	608.5	651.8	742.1	742.1	848.8	1,023.9	20.6%	940.3	219.0	256.2	17.0%
Fleet rental - net revenues	368.2	347.4	466.1	466.1	598.6	740.9	23.8%	740.9	182.1	234.3	28.7%
Car sales for fleet renewal - net revenues	368.2	347.4	466.1	466.1	598.6	740.9	23.8%	740.9	182.1	234.3	28.7%
Total net revenues (**)	976.7	999.2	1,208.2	1,208.2	1,447.4	1,764.8	21.9%	1,681.2	401.1	490.5	22.3%
Direct costs	(189.3)	(193.7)	(220.4)	(220.1)	(245.9)	(304.1)	23.7%	(220.5)	(45.3)	(53.4)	17.9%
Fleet rental	(189.3)	(193.7)	(220.4)	(220.1)	(245.9)	(304.1)	23.7%	(220.5)	(45.3)	(53.4)	17.9%
Car sales for fleet renewal	(0.4)	(0.4)	(0.4)	(0.4)	(0.9)	(1.5)	66.7%	(1.5)	(0.3)	(0.4)	33.3%
Gross profit	500.7	526.1	595.7	596.0	675.6	810.5	20.0%	810.6	193.5	231.9	19.8%
Operating expenses (SG&A)	(40.7)	(37.9)	(65.4)	(62.3)	(59.6)	(83.6)	40.3%	(83.2)	(14.5)	(22.5)	55.2%
Fleet rental	(40.7)	(37.9)	(65.4)	(62.3)	(59.6)	(83.6)	40.3%	(83.2)	(14.5)	(22.5)	55.2%
Car sales for fleet renewal	(33.6)	(31.0)	(32.7)	(32.7)	(36.6)	(41.4)	13.1%	(35.0)	(7.3)	(13.4)	83.6%
Cars depreciation	(124.7)	(118.5)	(114.3)	(114.3)	(159.9)	(218.7)	36.8%	(218.7)	(55.4)	(36.7)	-33.8%
Other assets depreciation and amortization	(2.2)	(2.9)	(3.5)	(3.5)	(4.9)	(5.3)	8.2%	(5.7)	(1.4)	(1.7)	21.4%
Fleet rental	(2.2)	(2.9)	(3.5)	(3.5)	(4.9)	(5.3)	8.2%	(5.7)	(1.4)	(1.7)	21.4%
Car sales for fleet renewal	(2.0)	(1.8)	(1.7)	(1.7)	(1.7)	(1.5)	-11.8%	(6.7)	(1.6)	(2.1)	31.3%
Operating profit before financial results and taxes (EBIT)	297.5	334.0	378.1	381.5	412.9	460.0	11.4%	461.3	113.3	155.5	37.2%
Financial expenses, net	(63.9)	(68.8)	(81.6)	(81.6)	(80.1)	(100.8)	25.8%	(103.0)	(21.8)	(23.6)	8.3%
Income tax and social contribution	(56.8)	(58.1)	(67.7)	(68.5)	(84.5)	(81.8)	-3.2%	(79.7)	(20.1)	(29.1)	44.8%
Net income for the period	176.8	206.1	228.8	231.4	248.3	277.4	11.7%	278.6	71.4	102.8	44.0%
Net margin	18.1%	20.6%	18.9%	19.2%	17.2%	15.7%	-1.5 p.p.	16.6%	17.8%	21.0%	3.2 p.p.
EBITDA	426.4	457.2	497.6	501.0	579.4	685.5	18.3%	692.4	171.7	196.0	14.2%
EBITDA margin	43.7%	45.8%	41.2%	41.5%	40.0%	38.8%	-1.2 p.p.	41.2%	42.8%	40.0%	-2.8 p.p.

OPERATING DATA	2015	2016	2017	2017 adjusted	2018	2019	Var.	2019	1Q19	1Q20	Var.
Average operating fleet	31,676	31,908	36,804	36,804	44,404	55,726	25.5%	55,726	51,183	61,193	19.6%
Average rented fleet	30,280	31,222	35,424	35,424	42,321	53,029	25.3%	53,029	48,733	58,556	20.2%
Average operating fleet age (in months)	16.7	18.0	18.1	18.1	15.1	15.1	0.0%	15.1	15.3	15.3	0.0%
End of period fleet											
Rented Fleet	33,948	34,960	44,877	44,877	54,430	68,957	26.7%	68,957	54,901	67,777	23.5%
Managed Fleet	207	145	94	94	57	32	-43.9%	32	46	27	-41.3%
Number of rental days - in thousands	10,900.9	11,240.0	12,752.7	12,752.7	15,235.7	19,090.5	25.3%	19,090.5	4,386.0	5,270.0	20.2%
Average daily rental revenues per car (R\$)	56.08	58.23	58.77	58.77	55.62	53.92	-3.1%	53.92	54.79	53.16	-3.0%
Annualized average depreciation per car (R\$)	3,935.2	3,714.0	3,104.3	3,104.3	3,601.1	3,923.4	9.0%	3,923.4	4,326.5	2,397.1	-44.6%
Utilization rate (Does not include cars in preparation and decommissioning) (**)	98.4%	98.9%	98.2%	98.2%	96.8%	96.6%	-0.2 p.p.	96.6%	96.4%	96.7%	0.3 p.p.
Number of cars purchased	11,689	11,762	20,286	20,286	26,148	31,242	19.5%	31,242	5,430	5,936	9.3%
Number of cars sold	11,797	10,853	13,653	13,653	16,334	19,238	17.8%	19,238	4,952	5,585	12.8%
Average sold fleet age (in months)	33.4	31.4	31.8	31.8	31.2	28.6	-8.3%	28.6	28.8	29.2	1.4%
Average total fleet	33,446	33,436	39,605	39,605	48,776	61,374	25.8%	61,374	54,690	65,998	20.7%
Average value of total fleet - R\$ million	1,067.1	1,130.4	1,482.5	1,482.5	1,943.1	2,520.6	29.7%	2,520.6	2,218.2	2,876.2	29.7%
Average value per car in the period - R\$ thsd	31.9	33.8	37.4	37.4	39.8	41.1	3.3%	41.1	40.6	43.6	7.4%

(**) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income tax line and started to be

(**) The 2015 utilization rate was calculated only on the basis of the fourth quarter of 2015.

17.3 – Table 3 – *Franchising* – R\$ million

FRANCHISING RESULTS	2015	2016	2017	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	1Q19 with reclassification of PIS/COFINS credits	1Q20	Var.
Gross revenues	17.8	18.0	17.6	18.1	21.8	20.4%	21.8	5.9	5.3	-10.2%
Taxes on revenues (*)	(1.2)	(1.0)	(1.1)	(1.0)	(1.0)	0.0%	(1.0)	(0.4)	(0.2)	-50.0%
Net revenues	16.6	17.0	16.5	17.1	20.8	21.6%	20.8	5.5	5.1	-7.3%
Costs	(9.2)	(9.7)	(8.9)	(9.6)	(8.3)	-13.5%	(6.5)	(1.4)	(1.7)	21.4%
Gross profit	7.4	7.3	7.6	7.5	12.5	66.7%	14.3	4.1	3.4	-17.1%
Operating expenses (SG&A)	(0.6)	(1.5)	(1.8)	(0.5)	(0.4)	-20.0%	(0.4)	(0.2)	(0.6)	200.0%
Other assets depreciation and amortization	(0.4)	(0.5)	(0.6)	(0.5)	(0.3)	-40.0%	(2.1)	(0.6)	(0.4)	-33.3%
Operating profit before financial results and taxes (EBIT)	6.4	5.3	5.2	6.5	11.8	81.5%	11.8	3.3	2.4	-27.3%
Financial expenses, net	1.6	2.1	1.8	1.3	0.5	-61.5%	0.5	0.4	0.1	-75.0%
Income tax and social contribution	(1.3)	(1.5)	(1.2)	(1.2)	(2.8)	133.3%	(2.6)	(0.8)	(0.7)	-12.5%
Net income for the period	6.7	5.9	5.8	6.6	9.5	43.9%	9.7	2.9	1.8	-37.9%
Net Margin	40.4%	34.7%	35.2%	38.6%	45.7%	7.1 p.p.	46.6%	52.7%	35.3%	-17.4 p.p.
EBITDA	6.8	5.8	5.8	7.0	12.1	72.9%	13.9	3.9	2.8	-28.2%
EBITDA Margin	41.0%	34.1%	35.2%	40.9%	58.2%	17.3 p.p.	66.8%	70.9%	54.9%	-16.0 p.p.

(*) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income tax line and started to be recorded in the rental cost line.

17.4 – Table 4 – Consolidated – R\$ million

CONSOLIDATED RESULTS	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	Var.	2019	1Q19 with reclassification of PIS/COFINS credits	1Q20	Var.
Car rental gross revenues, net of discounts and cancellations	1,316.9	1,486.9	1,898.7	1,898.7	2,570.8	3,345.6	30.1%	3,345.6	761.2	980.7	28.8%
Franchising gross revenues, net of discounts and cancellations	17.8	18.0	17.6	17.6	18.1	21.8	20.4%	21.8	5.9	5.3	-10.2%
Car Rental and Franchising total gross revenues, net of discounts and cancellations	1,334.7	1,504.9	1,916.3	1,916.3	2,588.9	3,367.4	30.1%	3,367.4	767.1	986.0	28.5%
Fleet Rental gross revenues, net of discounts and cancellations	619.6	664.1	757.4	757.4	857.8	1,039.1	21.1%	1,039.1	242.0	283.1	17.0%
Car and Fleet Rentals and Franchising total gross revenues	1,954.3	2,169.0	2,673.7	2,673.7	3,446.7	4,406.5	27.8%	4,406.5	1,009.1	1,269.1	25.8%
Taxes on revenues - Car and Fleet Rentals and Franchising (*)	(71.2)	(72.2)	(66.6)	(66.6)	(61.4)	(59.7)	-2.8%	(417.6)	(95.2)	(120.0)	26.1%
Car and Fleet Rentals and Franchising net revenues	1,883.1	2,096.8	2,607.1	2,607.1	3,385.3	4,346.8	28.4%	3,988.9	913.9	1,149.1	25.7%
Car sales gross revenues	-	-	-	-	-	-	-	-	-	-	-
Car sales for fleet renewal - Car Rental, net of discounts and cancellations	1,679.2	1,997.8	2,990.0	2,990.0	3,919.2	5,479.6	39.8%	5,479.6	1,280.8	1,414.4	10.4%
Car sales for fleet renewal - Fleet Rental, net of discounts and cancellations	368.6	347.8	466.5	466.5	599.5	742.4	23.8%	742.4	182.4	234.7	28.7%
Car sales for fleet renewal - total gross revenues (*)	2,047.8	2,345.6	3,456.5	3,456.5	4,518.7	6,222.0	37.7%	6,222.0	1,463.2	1,649.1	12.7%
Taxes on revenues - Car sales for fleet renewal	(2.9)	(3.1)	(5.3)	(5.3)	(8.3)	(15.3)	84.3%	(15.3)	(3.1)	(3.6)	16.1%
Car sales for fleet renewal - net revenues	2,044.9	2,342.5	3,451.2	3,451.2	4,510.4	6,206.7	37.6%	6,206.7	1,460.1	1,645.5	12.7%
Total net revenues	3,928.0	4,439.3	6,058.3	6,058.3	7,895.7	10,553.5	33.7%	10,195.6	2,374.0	2,794.6	17.7%
Direct costs and expenses:	-	-	-	-	-	-	-	-	-	-	-
Car rental	(618.1)	(707.4)	(926.4)	(870.7)	(1,178.1)	(1,476.2)	25.3%	(1,105.5)	(233.9)	(295.1)	26.2%
Franchising	(9.2)	(9.7)	(8.9)	(8.9)	(9.6)	(8.3)	-13.5%	(6.5)	(1.4)	(1.7)	21.4%
Total Car rental and Franchising	(627.3)	(717.1)	(935.3)	(879.6)	(1,187.7)	(1,484.5)	25.0%	(1,112.0)	(235.3)	(296.8)	26.1%
Fleet Rental	(189.3)	(193.7)	(220.4)	(220.1)	(245.9)	(304.1)	23.7%	(220.5)	(45.3)	(53.4)	17.9%
Total Car and Fleet Rentals and Franchising	(816.6)	(910.8)	(1,155.7)	(1,099.7)	(1,433.6)	(1,788.6)	24.8%	(1,332.5)	(280.6)	(350.2)	24.8%
Car sales for fleet renewal - Car rental	(1,396.3)	(1,727.5)	(2,603.2)	(2,603.2)	(3,542.5)	(5,040.5)	42.3%	(5,037.8)	(1,189.7)	(1,313.5)	10.4%
Car sales for fleet renewal - Fleet Rental	(286.7)	(279.4)	(392.1)	(392.1)	(525.9)	(650.2)	23.6%	(650.1)	(162.3)	(205.2)	26.4%
Total Car sales for fleet renewal (book value) and preparation for sale	(1,683.0)	(2,006.9)	(2,995.3)	(2,995.3)	(4,068.4)	(5,690.7)	39.9%	(5,687.9)	(1,352.0)	(1,518.7)	12.3%
Total costs	(2,499.6)	(2,917.7)	(4,151.0)	(4,095.0)	(5,502.0)	(7,479.3)	35.9%	(7,020.4)	(1,632.6)	(1,868.9)	14.5%
Gross profit	1,428.4	1,521.6	1,907.3	1,963.3	2,393.7	3,074.2	28.4%	3,175.2	741.4	925.7	24.9%
Operating expenses	-	-	-	-	-	-	-	-	-	-	-
Advertising, promotion and selling:	-	-	-	-	-	-	-	-	-	-	-
Car rental	(127.9)	(148.6)	(199.6)	(193.3)	(285.8)	(357.4)	25.1%	(357.4)	(79.9)	(109.7)	37.3%
Franchising	(0.6)	(0.6)	(1.1)	(1.1)	-	0.1	0.0%	0.1	-	(0.5)	0.0%
Total car rental and Franchising	(128.5)	(149.2)	(200.7)	(194.4)	(285.8)	(357.3)	25.0%	(357.3)	(79.9)	(110.2)	37.9%
Fleet Rental	(18.2)	(14.0)	(18.8)	(18.8)	(27.7)	(36.0)	30.0%	(35.6)	(6.4)	(9.4)	46.9%
Car sales for fleet renewal	(191.1)	(191.6)	(232.3)	(232.3)	(279.5)	(357.1)	27.8%	(301.6)	(64.1)	(93.0)	45.1%
Total advertising, promotion and selling	(337.8)	(354.8)	(451.8)	(445.5)	(593.0)	(750.4)	26.5%	(694.5)	(150.4)	(212.6)	41.4%
General, administrative and other expenses	(155.8)	(151.2)	(215.3)	(203.6)	(210.6)	(268.0)	27.3%	(267.9)	(52.8)	(80.4)	52.3%
Total Operating expenses	(493.6)	(506.0)	(667.1)	(649.1)	(803.6)	(1,018.4)	26.7%	(962.4)	(203.2)	(293.0)	44.2%
Depreciation expenses:	-	-	-	-	-	-	-	-	-	-	-
Cars depreciation:	-	-	-	-	-	-	-	-	-	-	-
Car rental	(38.9)	(87.8)	(117.7)	(117.7)	(131.7)	(332.8)	152.7%	(332.8)	(61.7)	(116.5)	88.8%
Fleet Rental	(124.7)	(118.5)	(114.3)	(114.3)	(159.9)	(218.7)	36.8%	(218.7)	(55.4)	(36.7)	-33.8%
Total cars depreciation expenses	(163.6)	(206.3)	(232.0)	(232.0)	(291.6)	(551.5)	89.1%	(551.5)	(117.1)	(153.2)	30.8%
Other assets depreciation and amortization	(35.7)	(38.2)	(39.1)	(39.1)	(43.9)	(46.3)	5.5%	(171.7)	(42.5)	(45.1)	6.1%
Total depreciation and amortization expenses	(199.3)	(244.5)	(271.1)	(271.1)	(335.5)	(597.8)	78.2%	(723.2)	(159.6)	(198.3)	24.2%
Operating profit before financial results and taxes (EBIT)	735.5	771.1	969.1	1,043.1	1,254.6	1,458.0	16.2%	1,489.6	378.6	434.4	14.7%
Financial expenses, net:	-	-	-	-	-	-	-	-	-	-	-
Expense	(370.1)	(445.5)	(511.9)	(511.9)	(536.8)	(591.2)	10.1%	(630.0)	(158.2)	(163.1)	3.1%
Income	167.4	202.0	196.9	196.9	167.9	230.6	37.3%	220.2	53.0	35.5	-33.0%
Financial (expenses) revenues, net	(202.7)	(243.5)	(315.0)	(315.0)	(368.9)	(360.6)	-2.2%	(409.8)	(105.2)	(127.6)	21.3%
Income before tax and social contribution	532.8	527.6	654.1	728.1	885.7	1,097.4	23.9%	1,079.8	273.4	306.8	12.2%
Income tax and social contribution	(130.4)	(118.3)	(148.4)	(164.7)	(226.5)	(249.9)	10.3%	(245.9)	(62.6)	(75.9)	21.2%
Net income for the period	402.4	409.3	505.7	563.4	659.2	847.5	28.6%	833.9	210.8	230.9	9.5%
EBITDA	934.8	1,015.6	1,240.2	1,314.2	1,590.1	2,055.8	29.3%	2,212.8	538.2	632.7	17.6%
EBIT	735.5	771.1	969.1	1,043.1	1,254.6	1,458.0	16.2%	1,489.6	378.6	434.4	14.7%
Consolidated EBIT Margin (calculated over rental revenues)	39.1%	36.8%	37.2%	40.0%	37.1%	33.5%	-3.5 p.p.	37.3%	41.4%	37.8%	-3.6 p.p.
Car and Fleet Rentals and Franchising EBITDA	785.3	887.8	1,037.0	1,111.0	1,454.3	1,930.6	32.8%	2,029.2	500.0	607.9	21.6%
EBITDA Margin	41.7%	42.3%	39.8%	42.6%	43.0%	44.4%	1.4 p.p.	50.9%	54.7%	52.9%	-1.8 p.p.
Used Car Sales (Seminovos) EBITDA	149.5	127.7	203.2	203.2	135.8	125.2	-7.8%	183.6	38.2	24.8	-35.1%
EBITDA Margin	7.3%	5.5%	5.9%	5.9%	3.0%	2.0%	-1.0 p.p.	3.0%	2.6%	1.5%	-1.1 p.p.

(*) In 4Q19, PIS and COFINS credits were reclassified, which were recorded as credits in the rental income tax line and started to be recorded

17.5 – Table 5 – Operating data

SELECTED OPERATING DATA	2015	2016	2017	2018	2019	Var.	1Q19	1Q20	Var.
Average operating fleet:									
Car Rental	62,513	70,185	94,194	130,058	173,649	33.5%	153,243	211,512	38.0%
Fleet Rental	31,676	31,908	36,804	44,404	55,726	25.5%	51,183	61,193	19.6%
Total	94,189	102,093	130,998	174,462	229,375	31.5%	204,426	272,705	33.4%
Average rented fleet:									
Car Rental	43,315	51,515	69,762	97,245	128,718	32.4%	114,845	156,620	36.4%
Fleet Rental	30,280	31,222	35,424	42,321	53,029	25.3%	48,733	58,556	20.2%
Total	73,595	82,737	105,186	139,566	181,747	30.2%	163,578	215,176	31.5%
Average age of operating fleet (months)									
Car Rental	7.4	7.9	6.5	7.2	7.0	-2.8%	7.4	7.6	2.7%
Fleet Rental	16.7	18.0	18.1	15.1	15.1	0.0%	15.3	15.3	0.0%
Average age of total operating fleet	10.6	11.0	9.8	9.3	9.0	-3.2%	9.5	9.4	-1.1%
Fleet at end of period:									
Car Rental	76,755	94,156	135,578	177,672	238,174	34.1%	176,670	241,219	36.5%
Fleet Rental	33,948	34,960	44,877	54,430	68,957	26.7%	54,901	67,777	23.5%
Total	110,703	129,116	180,455	232,102	307,131	32.3%	231,571	308,996	33.4%
Managed fleet at end period - Fleet Rental	207	145	94	57	32	-43.9%	46	27	-41.3%
Fleet investment (R\$ million) (does not include accessories)									
Car Rental	1,773.1	2,782.2	4,581.8	5,785.2	8,802.1	52.1%	1,342.4	1,533.2	14.2%
Fleet Rental	502.0	503.4	881.5	1,189.2	1,472.6	23.8%	250.8	303.0	20.8%
Total	2,275.1	3,285.6	5,463.3	6,974.4	10,274.7	47.3%	1,593.2	1,836.2	15.3%
Number of rental days (In thousands):									
Car Rental - Total	15,815.8	18,864.8	25,494.0	35,514.6	47,029.0	32.4%	10,345.6	14,245.7	37.7%
Rental days for Fleet Rental replacement service	(249.7)	(202.4)	(230.4)	(230.1)	(283.0)	23.0%	(67.8)	(78.1)	15.2%
Car Rental - Net	15,566.1	18,662.4	25,263.6	35,284.5	46,745.9	32.5%	10,277.8	14,167.6	37.8%
Fleet Rental	10,900.9	11,240.0	12,752.7	15,235.7	19,090.5	25.3%	4,386.0	5,270.0	20.2%
Total	26,467.0	29,902.4	38,016.3	50,520.2	65,836.5	30.3%	14,663.8	19,437.6	32.6%
Annualized average depreciation per car (R\$)									
Car Rental	622.1	1,251.2	1,250.1	1,012.4	1,917.6	89.4%	1,610.5	2,202.4	36.8%
Fleet Rental	3,935.2	3,714.0	3,104.3	3,601.1	3,923.4	9.0%	4,326.5	2,397.1	-44.6%
Total	1,736.3	2,020.9	1,771.0	1,671.2	2,405.2	43.9%	2,290.5	2,246.1	-1.9%
Average annual gross revenues per operating car (R\$ thousand)									
Car Rental	21.1	21.2	20.2	19.8	19.3	-2.5%	20.1	18.8	-6.7%
Fleet Rental	19.3	20.5	20.4	19.1	18.5	-3.2%	19.0	18.6	-2.5%
Average daily rental (R\$)									
Car Rental (*)	84.56	79.67	75.16	72.86	71.57	-1.8%	74.06	69.22	-6.5%
Fleet Rental	56.08	58.23	58.77	55.62	53.92	-3.1%	54.79	53.13	-3.0%
Utilization rate (does not include cars in preparation and decommissioning):									
Car Rental	75.4%	78.0%	78.6%	79.6%	79.1%	-0.5 p.p.	79.8%	78.2%	-1.6 p.p.
Fleet Rental	98.4%	98.9%	98.2%	96.8%	96.6%	-0.2 p.p.	96.4%	96.7%	0.3 p.p.
Number of cars purchased - consolidated (**)	64,032	87,833	135,252	165,421	223,534	35.1%	36,943	40,879	10.7%
Average price of cars purchased (R\$ thsd) - consolidated	35.53	37.41	40.39	42.16	45.96	9.0%	43.13	44.92	4.2%
Numbers of cars sold - consolidated	64,305	68,449	90,554	111,279	147,915	32.9%	36,651	38,361	4.7%
Average price of cars sold (R\$ thsd) (****) - consolidated	28.54	31.23	35.38	37.86	39.80	5.1%	38.02	40.33	6.1%

(*) Not included the rentals for Fleet Rental Division.

(**) Does not include cars from Hertz Brazil in 2017

(****) Net of SG&A expenses related to the sale of cars decommissioned for fleet renewal.

18 – Consolidated financial statements – IFRS – R\$/million

ASSETS	2015	2016	2017	2018	2019 without IFRS 16	2019	1Q20
CURRENT ASSETS:							
Cash and cash equivalents	1,385.1	1,692.3	1,338.2	2,175.3	2,220.1	2,220.1	2,626.4
Financial assets	-	-	1,275.7	267.5	610.8	610.8	1,267.3
Trade accounts receivable	486.1	424.5	585.1	1,016.5	1,274.7	1,274.7	774.3
Derivative financial instruments - swap	-	2.2	-	-	-	-	81.3
Other current assets	102.6	115.0	128.6	182.7	246.8	246.8	397.4
Decommissioning cars to fleet renewal	31.8	8.8	103.4	51.8	141.7	141.7	170.6
Total current assets	2,005.6	2,242.8	3,431.0	3,693.8	4,494.1	4,494.1	5,317.3
NON CURRENT ASSETS:							
Long-term assets:							
Marketable securities	-	-	-	-	-	-	-
Derivative financial instruments - swap	45.6	7.4	16.7	2.8	18.2	18.2	287.3
Trade accounts receivable	4.7	3.2	4.7	3.8	1.8	1.8	1.9
Escrow deposit	52.9	60.1	83.1	96.3	114.6	114.6	115.9
Deferred income tax and social contribution	-	-	42.0	42.2	32.4	32.4	30.4
Investments in restricted accounts	-	-	40.6	43.0	22.3	22.3	22.5
Other non current assets	0.1	0.1	0.7	0.1	0.1	0.1	0.1
Total long-term assets	103.3	70.8	187.8	188.2	189.4	189.4	458.1
Property and equipment							
Cars	3,610.9	4,614.8	6,934.7	9,481.6	13,374.1	13,374.1	13,483.0
Right of use	-	-	-	-	-	625.0	634.3
Other	314.1	405.8	549.3	550.3	570.5	570.5	593.1
Intangible:							
Software and others	67.1	61.1	52.8	47.8	49.9	49.9	47.9
Goodwill on acquisition of investments	22.0	22.0	30.6	30.7	90.0	90.0	109.4
Total non current assets	4,117.4	5,174.5	7,755.2	10,298.6	14,273.9	14,898.9	15,325.8
TOTAL ASSETS	6,123.0	7,417.3	11,186.2	13,992.4	18,768.0	19,393.0	20,643.1
LIABILITIES AND SHAREHOLDERS' EQUITY	2015	2016	2017	2018	2019 without IFRS 16	2019	1Q20
CURRENT LIABILITIES:							
Trade accounts payable	690.6	910.9	1,331.7	2,202.6	2,565.4	2,565.4	2,091.6
Social and labor obligations	85.6	95.0	109.2	135.0	161.8	161.8	209.8
Loans, financing and debentures	422.4	654.6	537.2	616.6	144.3	144.3	734.7
Lease liability	-	-	6.8	18.7	-	116.0	132.6
Derivative financial instruments - swap	-	-	-	-	26.8	26.8	44.7
Income tax and social contribution	28.3	23.0	31.3	41.1	58.7	54.6	56.7
Dividends and interest on own capital	29.3	39.7	36.4	42.6	63.4	63.4	59.4
Other current liabilities	99.9	118.5	181.5	282.8	390.0	390.0	338.1
Total current liabilities	1,356.1	1,841.7	2,234.1	3,339.4	3,410.4	3,522.3	3,667.6
NON CURRENT LIABILITIES:							
Loans, financing and debentures	2,596.9	3,131.3	5,940.5	7,029.4	9,235.1	9,235.1	10,329.1
Lease liability	-	-	-	-	-	526.8	525.2
Derivative financial instruments - swap	-	-	10.8	21.9	62.3	62.3	47.8
Provisions	68.3	63.1	126.5	148.8	207.2	207.2	225.7
Deferred income tax and social contribution	141.6	171.9	219.7	297.3	352.7	352.7	369.4
Restricted Obligations	-	-	40.6	43.1	22.5	22.5	22.7
Other non current liabilities	18.5	12.3	13.3	18.0	16.6	16.6	26.2
Total non current liabilities	2,825.3	3,378.6	6,351.4	7,558.5	9,896.4	10,423.2	11,546.1
Total liabilities	4,181.4	5,220.3	8,585.5	10,897.9	13,306.8	13,945.5	15,213.7
SHAREHOLDERS' EQUITY:							
Capital	976.7	976.7	1,500.0	1,500.0	4,000.0	4,000.0	4,000.0
Expenses with share issues	-	-	-	-	(43.1)	(43.1)	(43.1)
Treasury Shares	-	-	-	-	-	-	(207.0)
Capital Reserves	35.9	34.0	94.9	125.0	163.2	163.2	188.1
Earnings Reserves	929.0	1,186.3	1,005.8	1,469.5	1,341.1	1,327.4	1,491.4
Total shareholders' equity	1,941.6	2,197.0	2,600.7	3,094.5	5,461.2	5,447.5	5,429.4
TOTAL LIABILITIES AND SHAREHOLDERS' EQUITY	6,123.0	7,417.3	11,186.2	13,992.4	18,768.0	19,393.0	20,643.1

19 – Consolidated financial statements – Income statements - R\$/million

STATEMENT OF INCOME	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16 and without reclassification of PIS/COFINS credits	2019	1 Q20
Total net revenues	3,928.0	4,439.3	6,058.3	6,058.3	7,895.7	10,553.5	10,195.6	2,794.6
COSTS AND EXPENSES:								
Direct costs	(2,499.6)	(2,917.7)	(4,151.0)	(4,095.0)	(5,502.0)	(7,479.3)	(7,020.4)	(1,868.9)
Selling, general, administrative and other expenses	(493.6)	(506.0)	(667.1)	(649.1)	(803.6)	(1,018.4)	(962.4)	(293.0)
Cars depreciation	(163.6)	(206.3)	(232.0)	(232.0)	(291.6)	(551.5)	(551.5)	(153.2)
Other assets depreciation and amortization	(35.7)	(38.2)	(39.1)	(39.1)	(43.9)	(46.3)	(171.7)	(45.1)
Total costs and expenses	(3,192.5)	(3,668.2)	(5,089.2)	(5,015.2)	(6,641.1)	(9,095.5)	(8,706.0)	(2,360.2)
Income before financial results and taxes (EBIT)	735.5	771.1	969.1	1,043.1	1,254.6	1,458.0	1,489.6	434.4
FINANCIAL EXPENSES, NET	(202.7)	(243.5)	(315.0)	(315.0)	(368.9)	(360.6)	(409.8)	(127.6)
Income before taxes	532.8	527.6	654.1	728.1	885.7	1,097.4	1,079.8	306.8
INCOME TAX AND SOCIAL CONTRIBUTION								
Current	(94.8)	(88.0)	(119.4)	(135.7)	(139.8)	(183.7)	(180.7)	(57.2)
Deferred	(35.6)	(30.3)	(29.0)	(29.0)	(86.7)	(66.2)	(65.2)	(18.7)
	(130.4)	(118.3)	(148.4)	(164.7)	(226.5)	(249.9)	(245.9)	(75.9)
Net income	402.4	409.3	505.7	563.4	659.2	847.5	833.9	230.9

20 – Statements of Cash Flows – R\$/million

CONSOLIDATED CASH FLOW	2015	2016	2017	2017 adjusted	2018	2019 without IFRS 16	2019	1Q20
CASH FLOWS FROM OPERATING ACTIVITIES:								
Net income	402.4	409.3	505.7	563.4	659.2	847.5	833.9	230.9
Adjustments to reconcile net income and cash and cash equivalents provided by operating activities:								
Depreciation and amortization	199.3	244.5	271.1	271.1	335.5	597.9	723.1	198.4
Net book value of vehicles written off	1,769.1	2,102.5	3,106.6	3,106.6	4,198.5	5,863.6	5,863.6	1,546.2
Deferred income tax and social contribution	35.6	30.3	29.1	29.1	86.7	65.2	65.2	18.7
Interest on loans, financing, debentures and swaps of fixed rates	406.6	438.1	476.2	476.2	529.8	552.9	552.9	135.2
Lease interest	-	-	-	-	-	-	49.40	16.50
Other	17.3	26.9	81.7	81.7	87.8	103.6	103.6	32.6
(Increase) decrease in assets:								
Trade receivable	(36.6)	56.8	(151.8)	(151.8)	(489.0)	(275.9)	(275.9)	493.2
Purchases of cars (see supplemental disclosure below)	(2,399.6)	(3,098.9)	(5,052.4)	(5,052.4)	(6,113.7)	(9,941.4)	(9,941.4)	(2,294.1)
Escrow deposits	(15.3)	(7.2)	(17.5)	(17.5)	(13.1)	(17.9)	(17.9)	(1.3)
Taxes recoverable	(5.2)	(6.0)	2.6	2.6	3.4	(1.6)	(1.6)	8.5
Prepaid expenses	0.0	0.0	2.7	2.7	1.3	(4.9)	(4.9)	(133.1)
Other assets	(1.3)	(3.6)	(8.8)	(8.8)	(71.9)	(44.7)	(44.7)	(26.1)
Increase (decrease) in liabilities:								
Accounts payable (except car manufacturers)	(16.7)	29.6	(4.8)	(4.8)	3.1	21.0	21.0	(18.2)
Social and labor obligations	(0.5)	9.4	7.5	7.5	25.8	26.8	26.8	47.9
Income tax and social contribution	94.8	88.0	119.4	135.7	139.8	184.7	180.7	57.2
Insurance premium	4.4	8.6	19.3	19.3	37.0	23.2	23.2	(13.9)
Other liabilities	5.9	(19.5)	40.1	40.1	60.1	52.0	52.0	(43.9)
Cash provided by (used in) operating activities	460.2	308.8	(573.3)	(499.3)	(519.7)	(1,948.0)	(1,791.0)	254.7
Income tax and social contribution paid	(110.7)	(93.3)	(108.3)	(108.3)	(131.2)	(146.1)	(146.1)	(55.2)
Interest on loans, financing and debentures paid	(352.9)	(442.3)	(485.7)	(485.7)	(424.7)	(562.2)	(562.2)	(79.6)
Lease interest paid	-	-	-	-	-	-	(53.5)	(10.5)
Financial assets	-	-	(1,275.8)	(1,275.8)	1,008.2	(343.4)	(343.4)	(656.5)
Net cash provided by (used in) operating activities	(3.4)	(226.8)	(2,443.1)	(2,369.1)	(67.4)	(2,999.7)	(2,896.2)	(547.1)
CASH FLOWS FROM INVESTING ACTIVITIES:								
(Investments) withdraw in marketable securities	92.6	-	-	-	-	-	-	-
Acquisition of investment, goodwill and fair value surplus	-	-	(333.2)	(333.2)	-	(123.7)	(123.7)	(7.8)
Purchases of other property and equipment and addition of intangible assets	(153.0)	(126.6)	(175.0)	(175.0)	(42.8)	(70.0)	(70.0)	(29.4)
Net cash provided by (used in) investing activities	(60.4)	(126.6)	(508.2)	(508.2)	(42.8)	(193.7)	(193.7)	(37.2)
CASH FLOWS FROM FINANCING ACTIVITIES:								
Loans and financings:								
Proceeds	747.1	266.3	950.1	950.1	742.8	1,351.5	1,351.5	1,150.3
Repayment	(368.4)	(297.9)	(510.1)	(510.1)	(518.5)	(930.2)	(930.2)	(9.4)
Debentures								
Proceeds	496.8	943.4	2,626.9	2,626.9	1,690.7	2,283.7	2,283.7	988.6
Repayment	(668.0)	(105.0)	(355.0)	(355.0)	(815.0)	(975.0)	(975.0)	(850.0)
Lease liability:								
Proceeds	-	-	-	-	-	-	-	-
Repayment	-	-	-	-	-	-	(103.5)	(32.4)
Capital Increase	-	-	-	-	-	1,821.6	1,821.6	-
Treasury shares (acquired)/ sold	(27.5)	(25.0)	2.1	2.1	3.20	2.6	2.6	(184.7)
Expenses with issuance of shares	-	-	-	-	-	(65.3)	(65.3)	-
Exercise of stock options with treasury shares, net	18.0	18.2	50.1	50.1	16.4	25.1	25.1	-
Dividends paid	(44.7)	(1.0)	-	-	-	(7.2)	(7.2)	-
Interest on own capital	(94.6)	(138.4)	(166.9)	(166.9)	(172.3)	(268.6)	(268.6)	(71.8)
Net cash provided by (used in) financing activities	58.7	660.6	2,597.2	2,597.2	947.3	3,238.2	3,134.7	990.6
NET CASH FLOW PROVIDED (USED) IN THE YEAR	(5.1)	307.2	(354.1)	(280.1)	837.1	44.8	44.8	406.3
Cash flow without incurred one-time costs Hertz and franchisees	-	-	-	(74.0)	-	-	-	-
NET CASH FLOW PROVIDED (USED) IN THE YEAR AFTER ONE TIME COSTS	(5.1)	307.2	(354.1)	(354.1)	837.1	44.8	44.8	406.3
CASH AND CASH EQUIVALENTS AT BEGINNING OF YEAR	1,390.2	1,385.1	1,692.3	1,692.3	1,338.2	2,175.3	2,175.3	2,220.1
CASH AND CASH EQUIVALENTS AT END OF YEAR	1,385.1	1,692.3	1,338.2	1,338.2	2,175.3	2,220.1	2,220.1	2,626.4
INCREASE (DECREASE) IN CASH AND CASH EQUIVALENTS	(5.1)	307.2	(354.1)	(354.1)	837.1	44.8	44.8	406.3
Supplemental disclosure of cash flow information:								
Cash paid during the period for cars acquisition								
Cars acquisition in the year/period - renewal	(2,278.4)	(2,563.6)	(3,660.9)	(3,660.9)	(4,696.7)	(6,804.6)	(6,804.6)	(1,724.8)
Cars acquisition in the year/period - growth	-	(726.0)	(1,807.0)	(1,807.0)	(2,285.1)	(3,478.7)	(3,478.7)	(113.2)
Suppliers - automakers:								
Balance at the end of the year	591.3	782.0	1,197.5	1,197.5	2,065.6	2,407.5	2,407.5	1,951.4
Balance at the beginning of the year	(712.5)	(591.3)	(782.0)	(782.0)	(1,197.5)	(2,065.6)	(2,065.6)	(2,407.5)
Cash paid for cars purchased	(2,399.6)	(3,098.9)	(5,052.4)	(5,052.4)	(6,113.7)	(9,941.4)	(9,941.4)	(2,294.1)

21 – Glossary and other information

- **Adjusted:** financials have been recalculated to exclude the impact of incurred one-time costs related with the acquisition of Hertz Brazil and the integration of 20 franchised branches in 2017.
- **Average Rented Fleet:** In the car rental division it is the number of daily rentals in the period divided by the number of days in the period. In the Fleet Rental is the actual number of cars rented.
- **CAGR:** Compounded annual growth rate.
- **CAPEX:** Capital expenditure.
- **Carrying Cost of Cash:** Consists of the cost to maintain minimum cash position. This is the difference between the average rate of fundraising and the average rate of investment.
- **Car depreciation:** Depreciation is calculated based on the expectation of the future sale price net of the selling expenses. The amount to be depreciated is the positive difference between the acquisition price of the vehicle and its estimated residual value. Depreciation is calculated as long as the assets' estimated residual value does not exceed its accounting value. Depreciation is recognized during the estimated life cycle of each asset. In the Car Rental division, depreciation method used is linear. In the Fleet Rental division, depreciation is recorded according to the sum of the years' digits (SOYD) method, which better reflects the consumption pattern of the economic benefits that decrease during the cars' useful life. The residual value is the estimated sale price net of the estimated selling expense.
- **Depreciated cost of used cars sales (book value):** consists of the acquisition value of vehicles, depreciated up to the date of sale, less the technical discount. The **technical discount** is the discount given to the buyer for any required repairs that were not made. These repair costs are recorded as a charge to operating costs and as a credit to cost of cars sold.
- **EBITDA:** EBITDA is the net income of the period, added by the income tax, net financial expenses, depreciation, amortization and exhaustions, as defined by CVM instruction 527/12.
- **EBITDA Margin:** EBITDA divided by the net revenues.
- **EBIT:** EBIT is the net income of the period added by the income tax and net financial expenses.
- **EBIT Margin:** EBIT divided by the rental net revenues.
- **IFRS 16:** As of January 1, 2019, all companies had to adapt to the new rules of IFRS 16. Lessees now have to recognize the assets of the rights over leased assets and the liabilities of future payments for medium or long-term leases, including operating leases. The major impact we had was on the real estate lease agreements of our locations and stores.
- **Operating Fleet:** Includes the cars in the fleet from the licensing until they become available for sale.
- **Net debt:** Short and long term debts +/- the results from the swap operations, net of the cash, cash equivalents and short term financial investments. The "net debt" term is a Company's measure and cannot be compared with similar terms used by other companies.
- **Net Investment in cars:** capital investment in cars acquisition, net of the revenues from selling decommissioned cars.
- **NOPAT:** Net operating profit after tax.
- **One-time costs (OTC):** non-recurring costs and expenses related to the acquisition of Hertz Brazil's operations and the integration of 20 franchised branches.
- **Reclassification of PIS and COFINS credits** - In order to better reflect the nature of its operating costs, Localiza performed the reclassification of PIS and COFINS credits for the years ended December 31, 2019. The credits were reclassified in the income statement by division and consolidated, from the income tax heading to the cost heading.
- **ROIC:** Return on invested capital.
- **Swap:** Financial transactions carried out to hedge exchange rate and interest rate risks.
- **Utilization Rate:** It is the number of rental days of the period divided by the fleet available for rental multiplied by the number of days of the period and therefore, it does not include cars being prepared or being decommissioned.

22 – 1Q20 Results Conference Call

Date: Friday, May 15, 2020.

Portuguese (with simultaneous translation to English)

1:00 p.m. (BR time)

12:00 p.m. (Eastern time)

Dial-in Phone Numbers

Participants in Brazil: +55 11 4210 1803 | +55 11 3181 8565

Participants in other countries: +1 844 204-8942 | +1 412 717 9627

Code: Localiza

Replay: +55 (11) 3193-1012

Portuguese code: 7589099#

English code: 2657478#

Replay available from May 15 to May 21, 2020.

For further investor relations information, please visit the investor relations section of the website at www.ir.localiza.com. IR Contact: (55 31) 3247-7024 – ri@localiza.com. Press information: InPress Porter Novelli: Gustavo Monteiro +55 (31) 99838.9630.

This release contains summarized information, with no intention of being complete and must not be considered by shareholders or potential investors as an investment recommendation. Information on Localiza, its activities, its economic and financial situation and the inherent risks associated with its business, as well its financial statements, can be obtained from Localiza's website (www.localiza.com/ri).