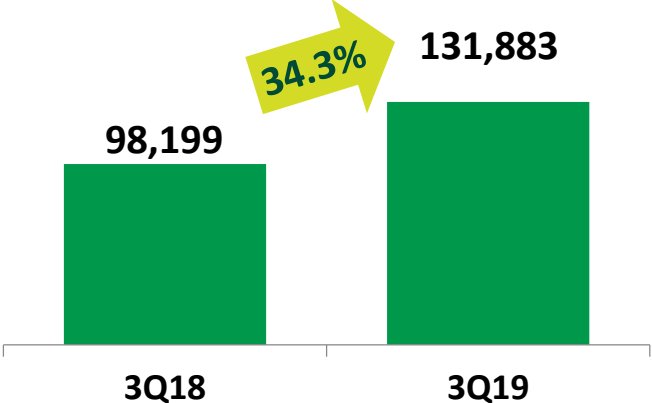


# ▶ WEBCAST 3Q19

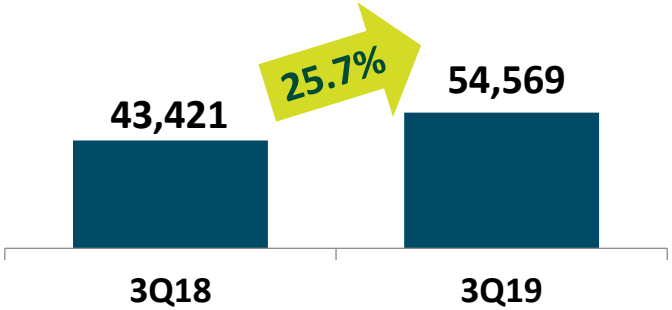


# 3Q19 OPERATING HIGHLIGHTS

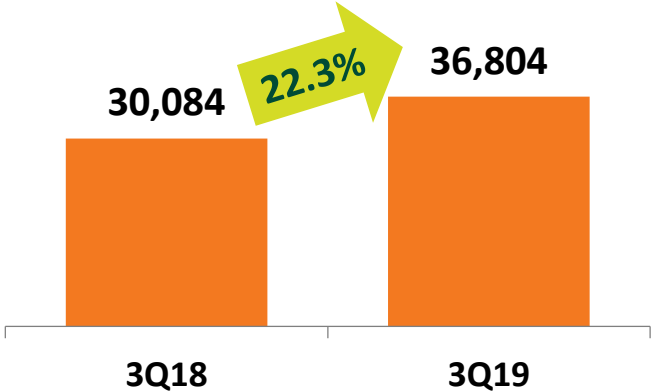
Average rented fleet – Car Rental



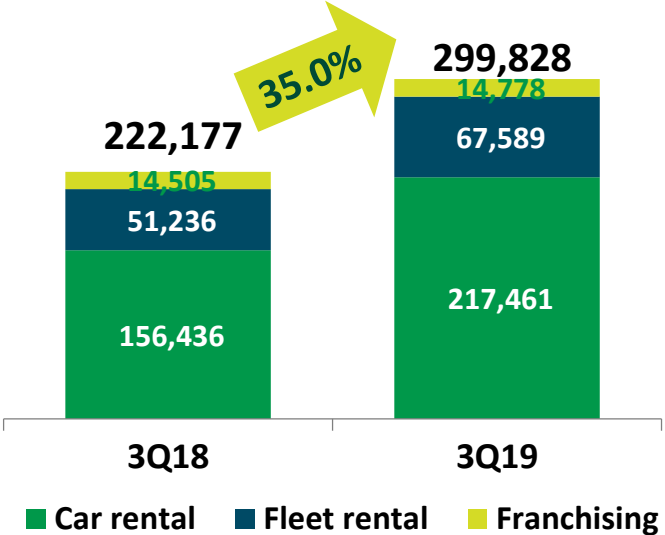
Average rented fleet – Fleet Rental



# of cars sold

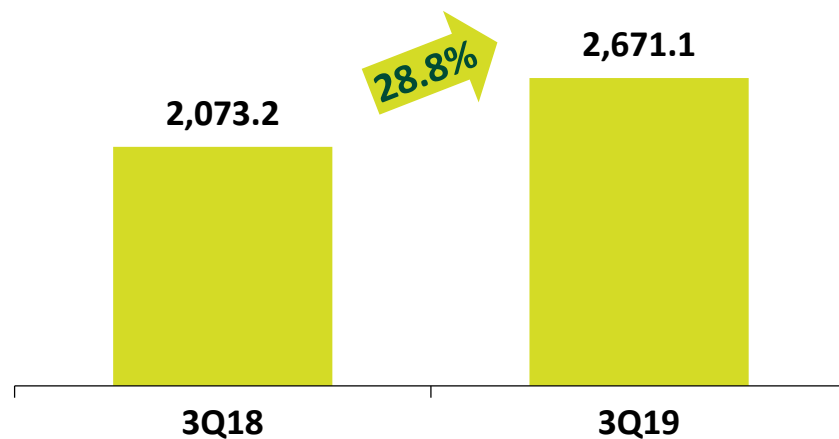


End of the period fleet

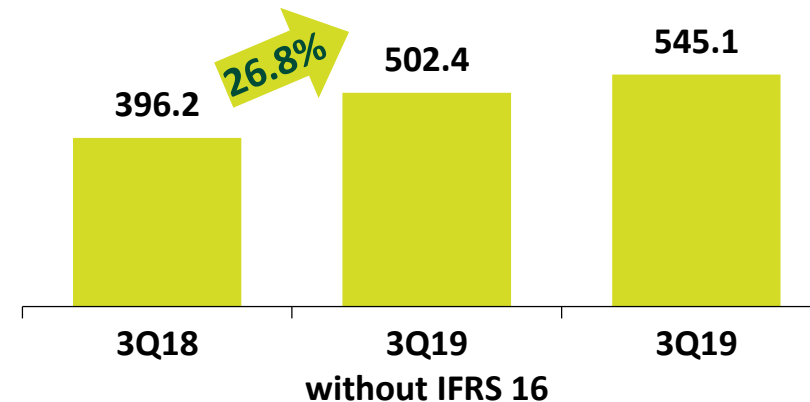


# 3Q19 FINANCIAL HIGHLIGHTS

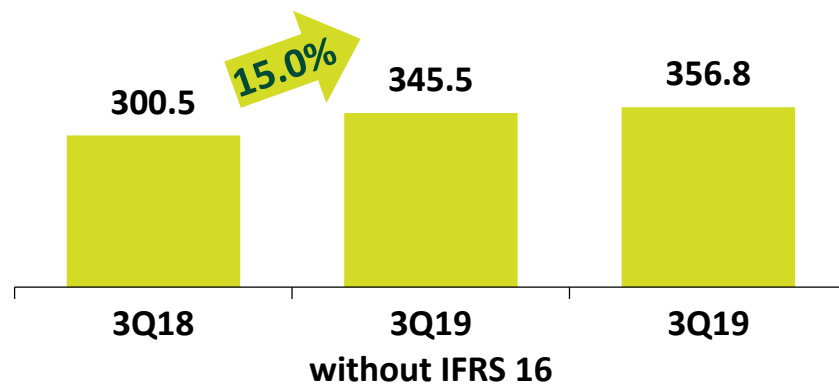
## Net revenues (R\$ million)



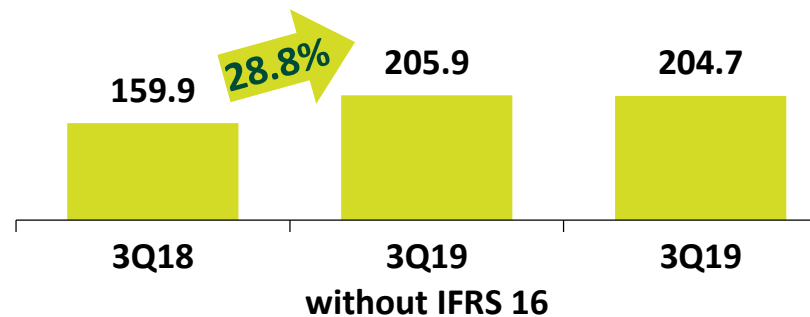
## EBITDA (R\$ million)



## EBIT (R\$ million)

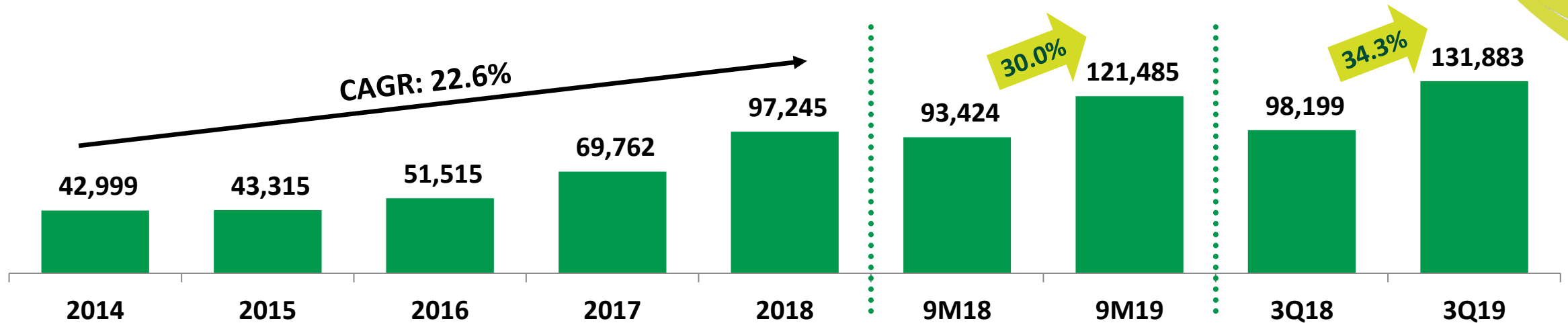


## Net income (R\$ million)

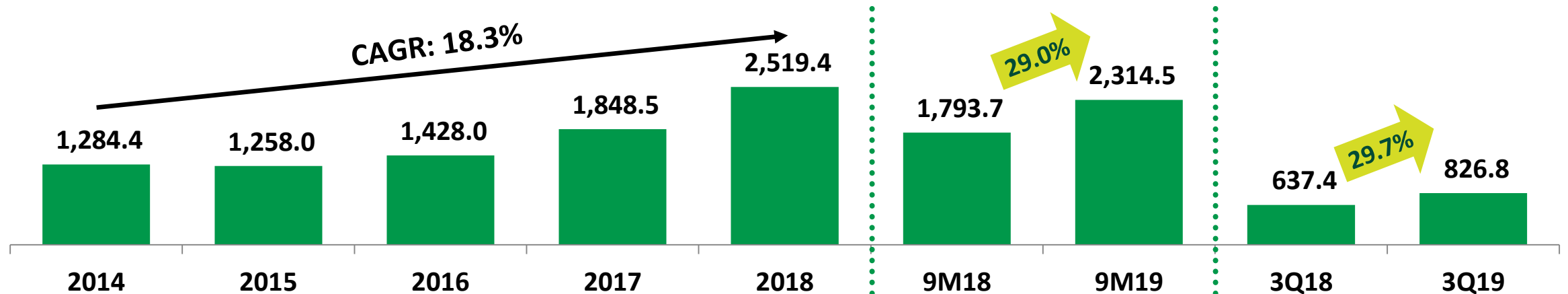


# CAR RENTAL

*Average rented fleet*



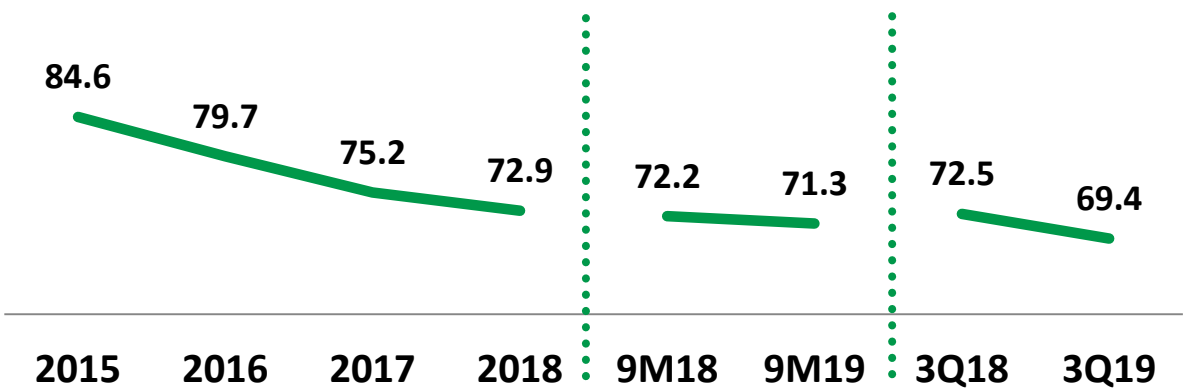
*Net revenues (R\$ million)*



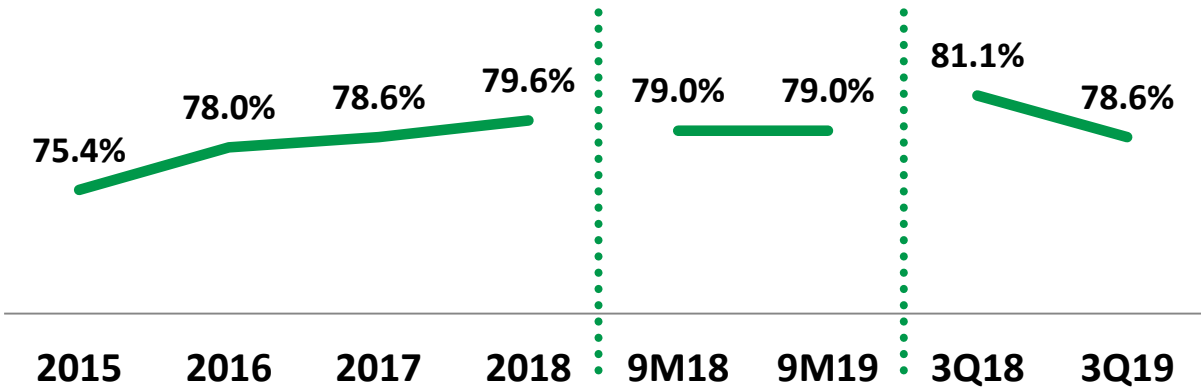
**ADDITION OF 32,229 CARS IN 3Q19'S AVERAGE RENTED FLEET IN COMPARISON WITH 3Q18**

# CAR RENTAL

Average rental rate (in R\$)



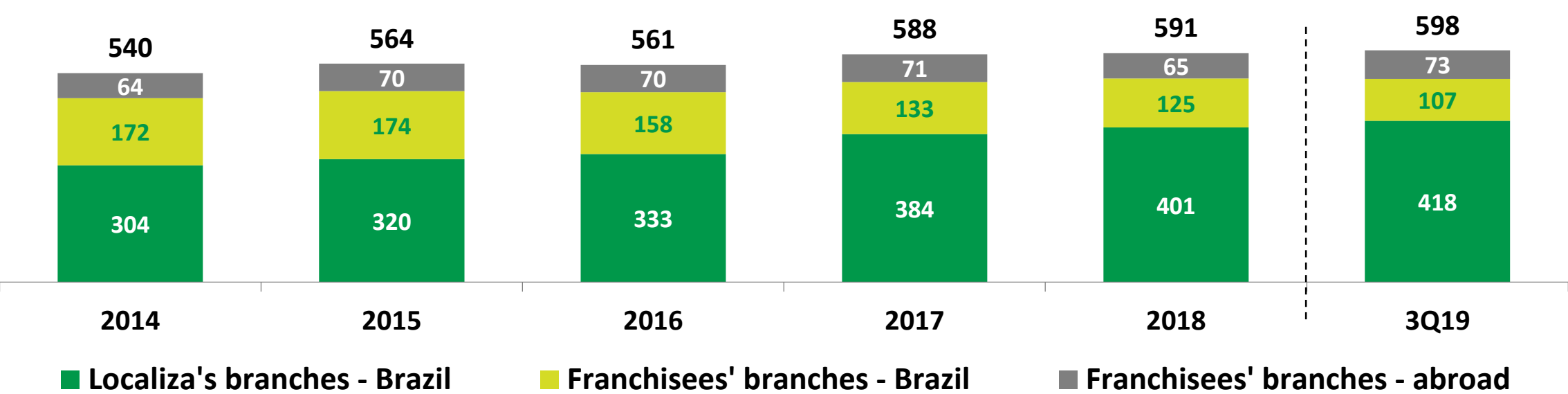
Utilization rate (%)



AVERAGE RENTAL RATE REFLECTING MIX OF SEGMENTS, COMPETITIVE ENVIRONMENT AND INTEREST RATE

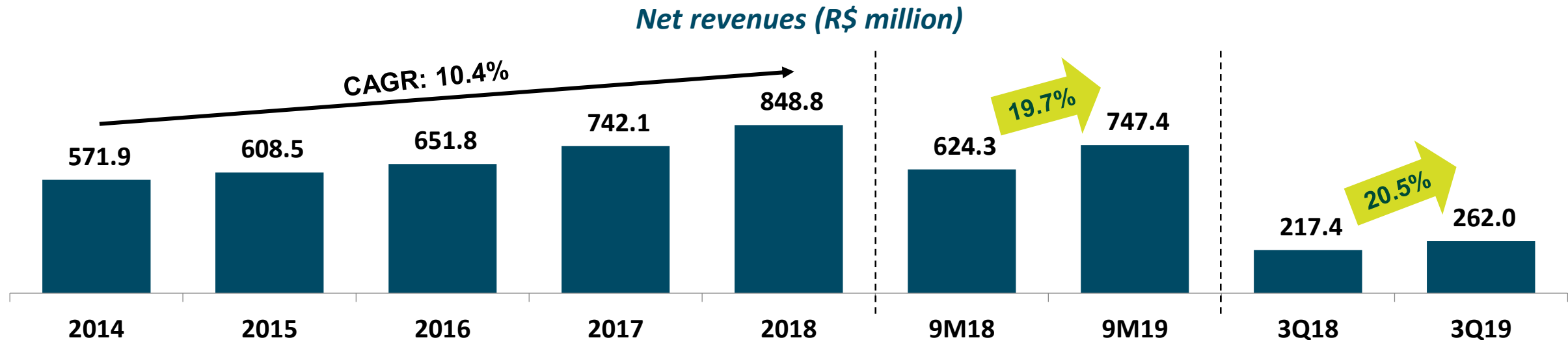
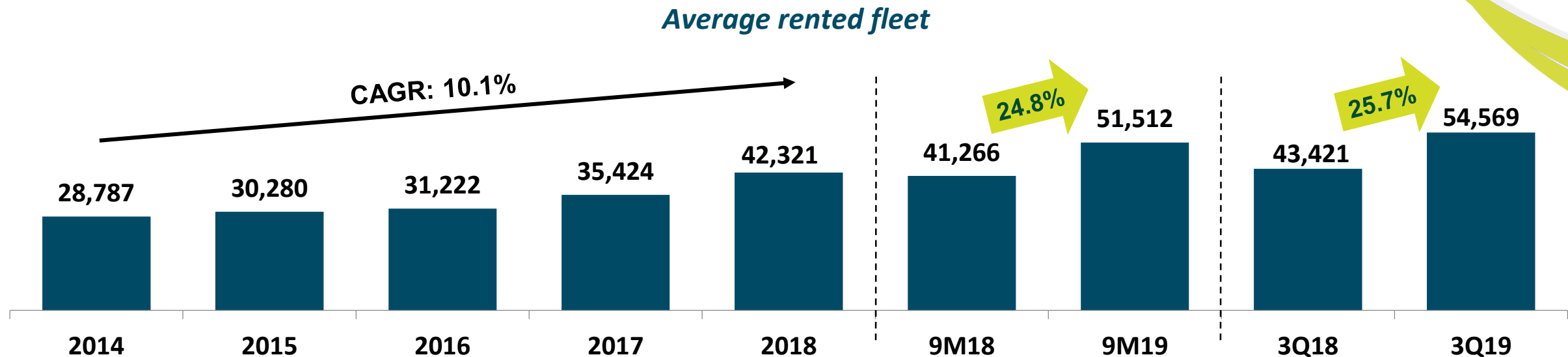
# CAR RENTAL NETWORK EVOLUTION

Number of car rental locations - Brazil and abroad



ADDITION OF 17 OWNED LOCATIONS IN BRAZIL

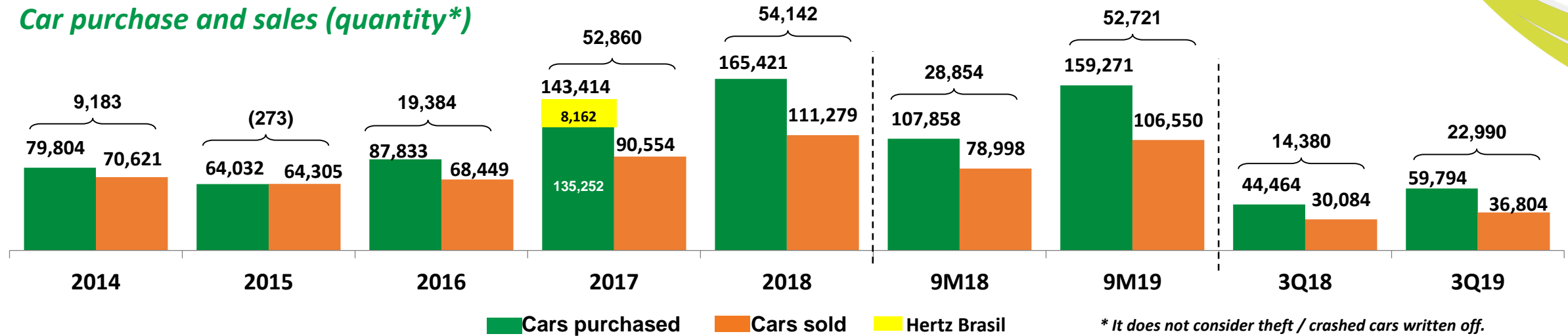
# FLEET RENTAL



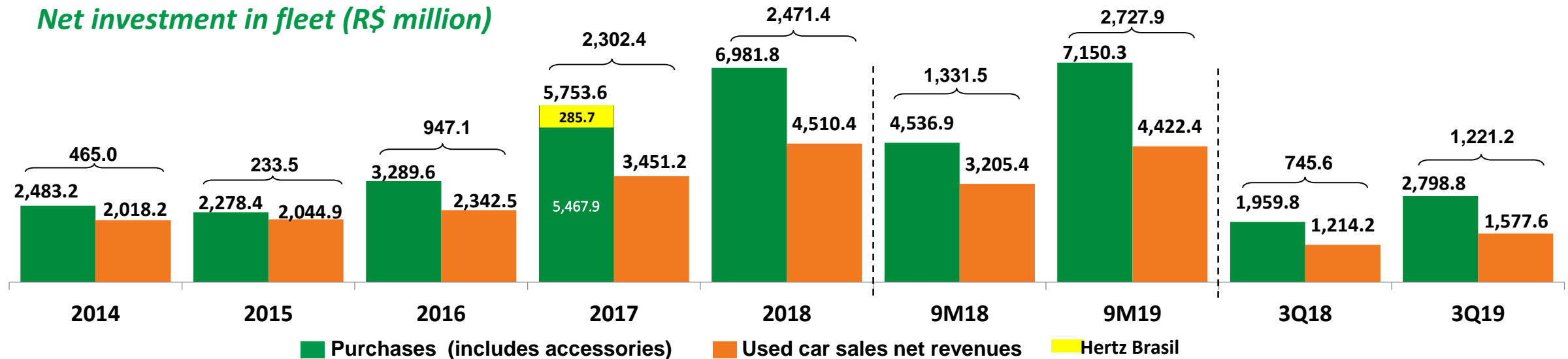
**COMERCIAL AND OPERATIONAL EXCELENCE**  
**ACCELERATING THE GROWTH OF THIS DIVISION IN A HIGHLY COMPETITIVE SCENARIO**

# NET INVESTMENT

## Car purchase and sales (quantity\*)



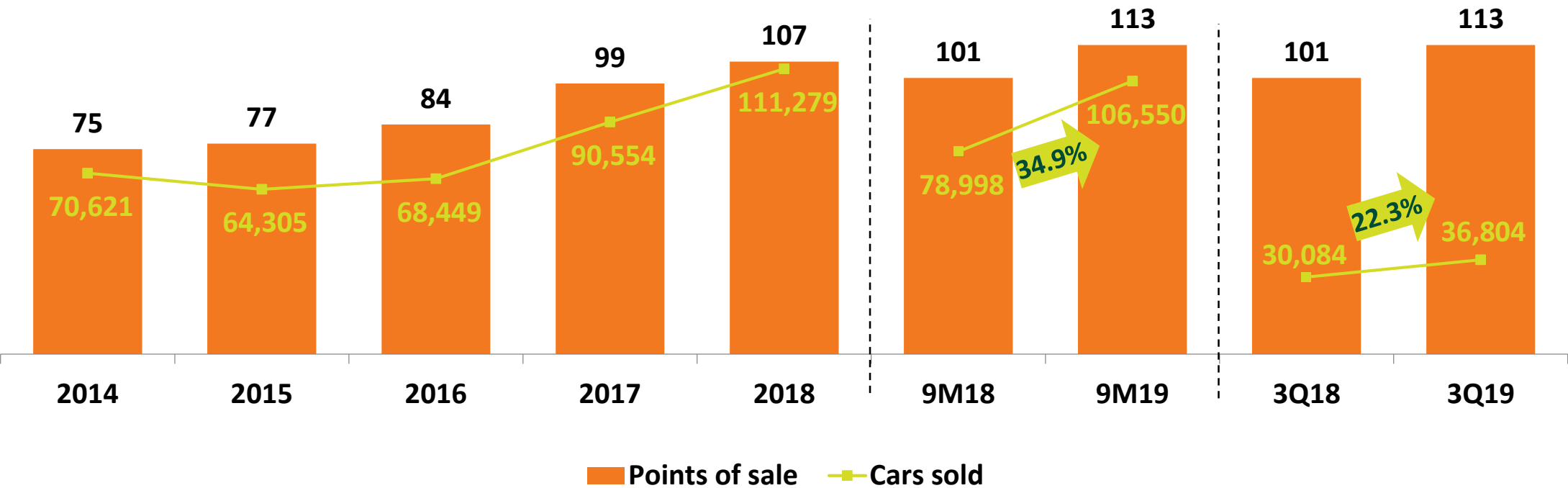
## Net investment in fleet (R\$ million)



**52,721 CARS ADDED IN 9M19 WITH NET INVESTMENT OF R\$2.7 BILLION**



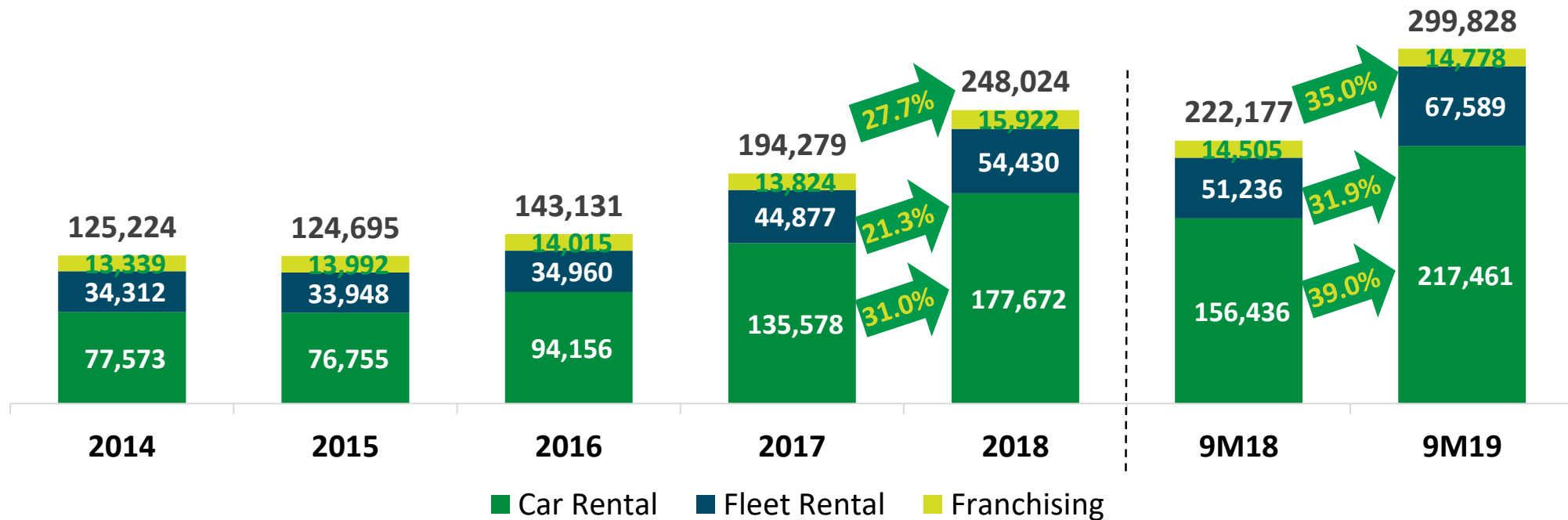
# NUMBER OF USED CARS POINTS OF SALE



**106,550 CARS SOLD IN 9M19, 34.9% INCREASE COMPARED TO THE SAME PERIOD LAST YEAR**

# END OF PERIOD FLEET

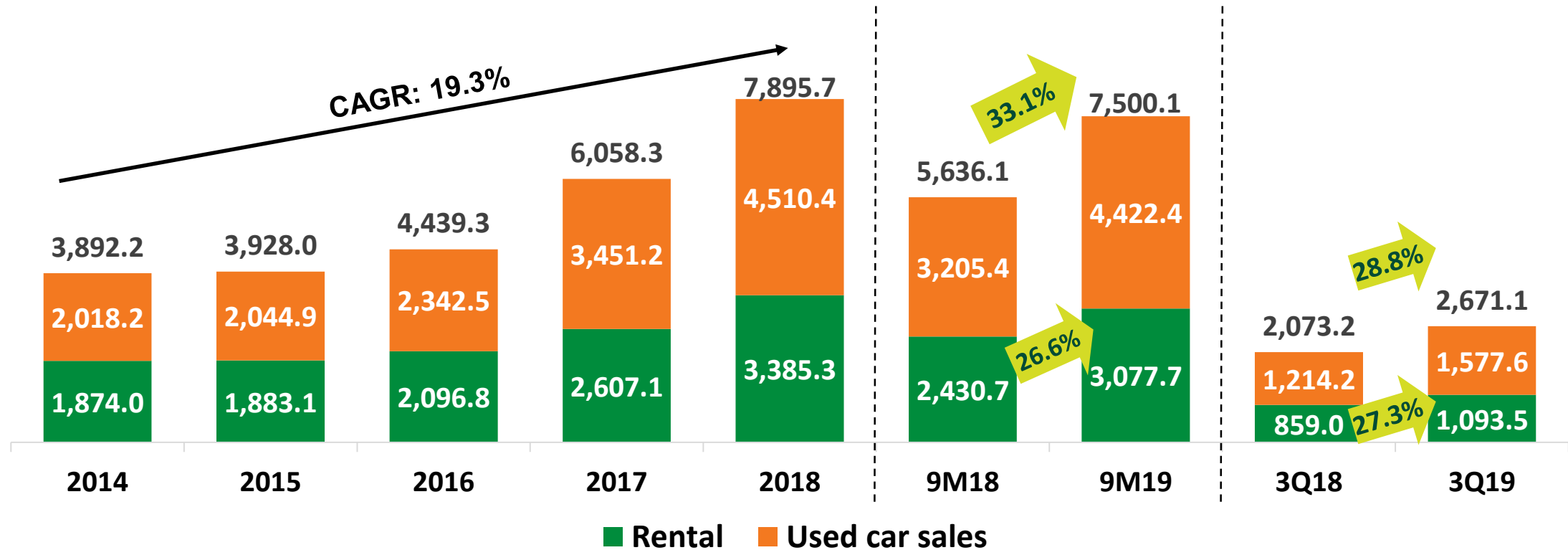
(Quantity)



**FLEET GROWTH WITH CONSISTENT UTILIZATION RATE**

# CONSOLIDATED NET REVENUES

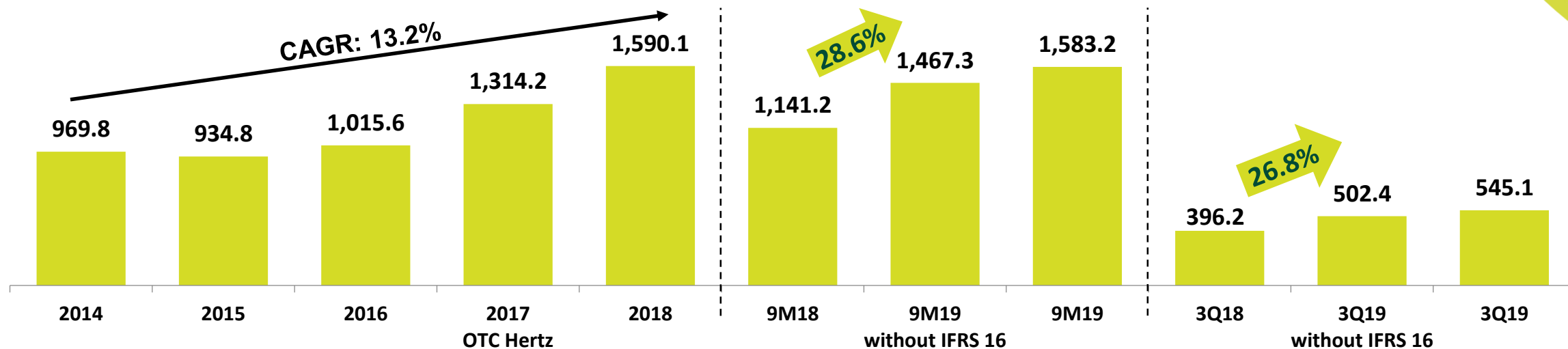
(R\$ million)



**28.8% GROWTH IN 3Q19 NET REVENUES**

# CONSOLIDATED EBITDA

(R\$ million)



## EBITDA margin:

Activities	2014	2015	2016	2017*	2018	9M18	9M19 without IFRS 16	9M19 with IFRS 16	3Q18	3Q19 without IFRS 16	3Q19 with IFRS 16
Car Rental	38.7%	31.8%	32.3%	34.9%	35.9%	34.3%	38.5%	41.6%	35.1%	36.2%	39.4%
Fleet Rental	60.0%	62.2%	64.5%	61.9%	64.0%	64.2%	62.5%	62.5%	66.7%	61.0%	61.0%
Rental Consolidated	45.3%	41.7%	42.3%	42.6%	43.0%	42.1%	44.4%	46.8%	43.1%	42.2%	44.7%
Used Car Sales	6.0%	7.3%	5.5%	5.9%	3.0%	3.7%	2.3%	3.2%	2.1%	2.6%	3.6%

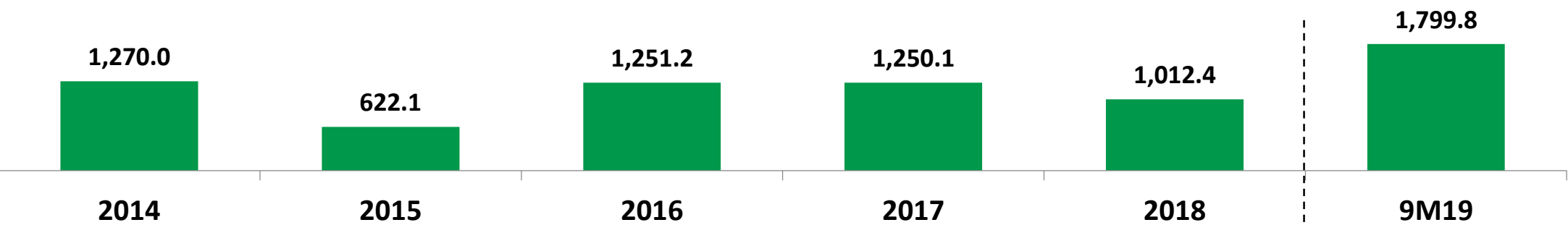
(\*) 2017 adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation(\*\*)

**OPERATING LEVERAGE IN THE CAR RENTAL BUSINESS**

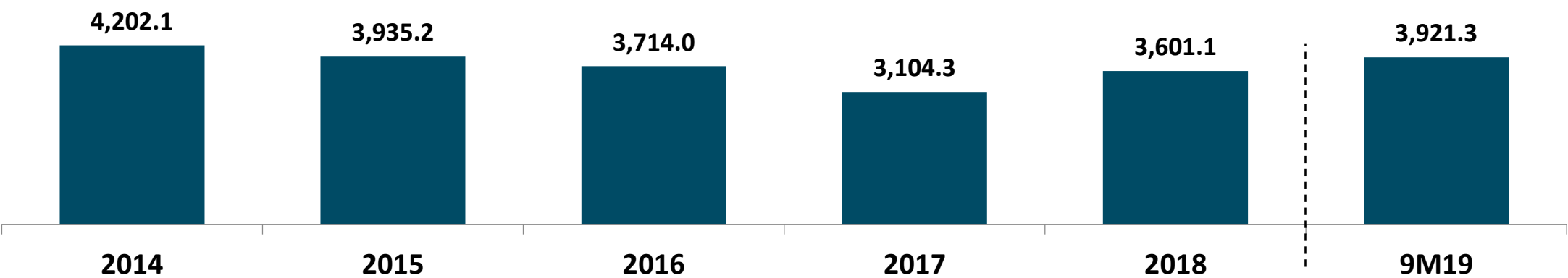
# AVERAGE ANNUALIZED DEPRECIATION PER CAR

(In R\$)

Car Rental



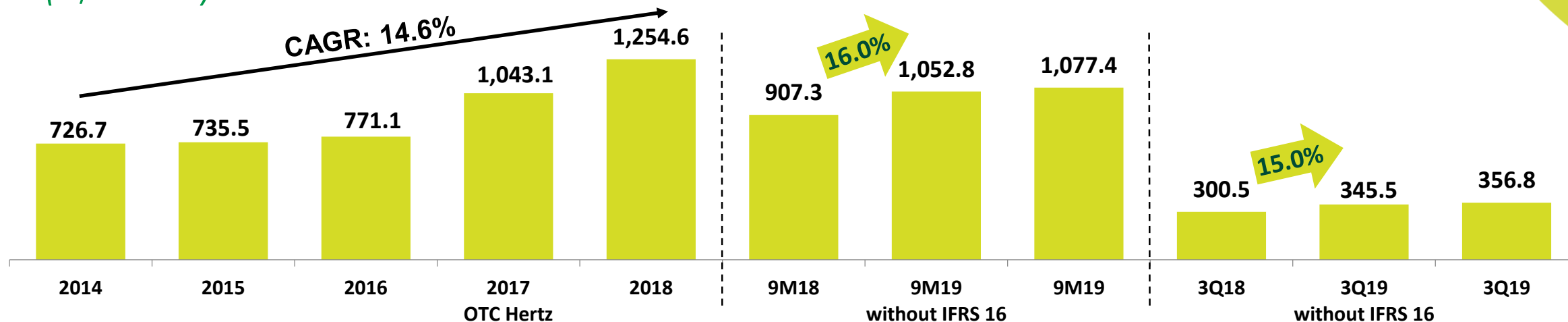
Fleet Rental



DEPRECIATION INCREASE REFLECTS CAR SELLING PRICES

# CONSOLIDATED EBIT

(R\$ million)



## EBIT Margin:

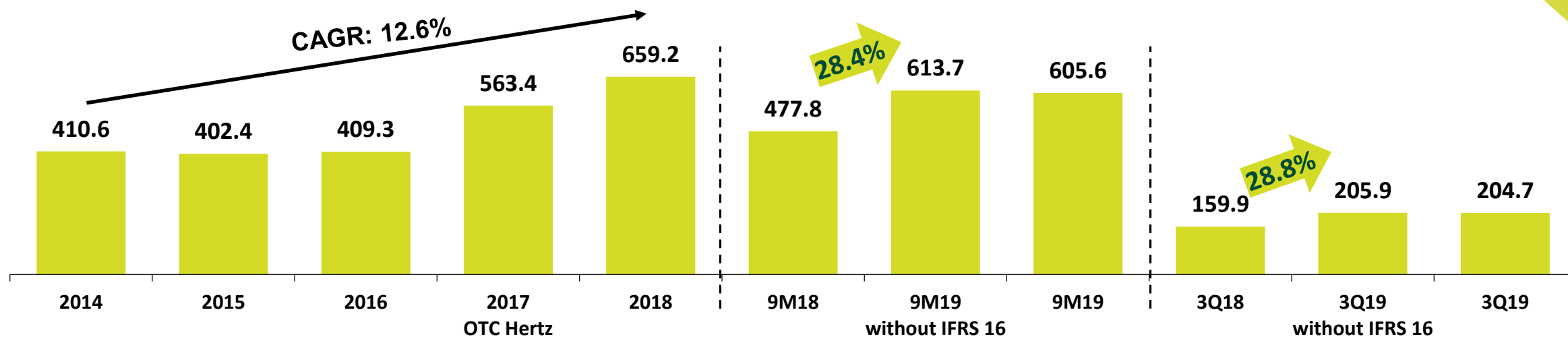
Activities	2014	2015	2016	2017*	2018	9M18	9M19 without IFRS 16	9M19 with IFRS 16	3Q18	3Q19 without IFRS 16	3Q19 with IFRS 16
Car Rental	36.2%	34.3%	30.2%	35.5%	33.2%	32.9%	30.5%	31.5%	29.8%	26.9%	28.2%
Fleet Rental	44.3%	48.9%	51.2%	51.4%	48.6%	50.0%	45.3%	45.4%	50.4%	46.0%	46.1%
Consolidated	38.8%	39.1%	36.8%	40.0%	37.1%	37.3%	34.2%	35.0%	35.0%	31.6%	32.6%

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

**EBIT OF R\$345.5 MILLION IN THE QUARTER, 15% HIGHER THAN 3Q18**

# CONSOLIDATED NET INCOME

(R\$ million)



Reconciliation EBITDA x Net income	2014	2015	2016	2017*	2018	Var. R\$	Var. %	9M18	9M19 without IFRS 16	Var. R\$	Var. %	9M19 with IFRS 16	3Q18	3Q19 without IFRS 16	Var. R\$	Var. %	3Q19 with IFRS 16
Consolidated EBITDA	969.8	934.8	1,015.6	1,314.2	1,590.1	275.9	21.0%	1,141.2	1,467.3	326.1	28.6%	1,583.2	396.2	502.4	106.2	26.8%	545.1
Cars depreciation	(207.4)	(163.6)	(206.3)	(232.0)	(291.6)	(59.6)	25.7%	(201.3)	(380.2)	(178.9)	88.9%	(380.2)	(84.5)	(145.2)	(60.7)	71.8%	(145.2)
Other property depreciation and amortization	(35.7)	(35.7)	(38.2)	(39.1)	(43.9)	(4.8)	12.3%	(32.6)	(34.3)	(1.7)	5.2%	(125.6)	(11.2)	(11.7)	(0.5)	4.5%	(43.1)
EBIT	726.7	735.5	771.1	1,043.1	1,254.6	211.5	20.3%	907.3	1,052.8	145.5	16.0%	1,077.4	300.5	345.5	45.0	15.0%	356.8
Financial expenses, net	(151.1)	(202.7)	(243.5)	(315.0)	(368.9)	(53.9)	17.1%	(261.4)	(262.3)	(0.9)	0.3%	(297.2)	(83.8)	(81.3)	2.5	3.0%	(94.2)
Income tax and social contribution	(165.0)	(130.4)	(118.3)	(164.7)	(226.5)	(61.8)	37.5%	(168.1)	(176.8)	(8.7)	5.2%	(174.6)	(56.8)	(58.3)	(1.5)	2.6%	(57.9)
Net income of the period	410.6	402.4	409.3	563.4	659.2	95.8	17.0%	477.8	613.7	135.9	28.4%	605.6	159.9	205.9	46.0	28.8%	204.7

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

**28.8% NET INCOME GROWTH IN 3Q19**

# FREE CASH FLOW

Free cash flow - R\$ million		2014	2015	2016	2017	2018	9M19
Operations	EBITDA	969.8	934.8	1,015.7	1,314.2 *	1590.1	1,583.2
	Used car sale revenue, net from taxes	(2,018.2)	(2,044.9)	(2,342.6)	(3,451.2)	(4,510.4)	(4,422.4)
	Depreciated cost of cars sold	1,777.0	1,769.1	2,102.5	3,106.6	4,198.5	4,180.4
	(-) Income tax and social contribution	(113.1)	(110.7)	(93.3)	(108.3)	(131.2)	(111.2)
	Change in working capital	(27.1)	(30.0)	(40.8)	(47.9)	(117.4)	(249.5)
	Cash generated by rental operations	588.4	518.3	641.5	813.4	1,029.6	980.5
Capex - renewal	Used car sale revenue, net from taxes – fleet renewal	2,018.2	2,036.3	2,342.6	3,451.2	4,510.4	4,422.4
	Fleet renewal investment	(2,197.7)	(2,278.4)	(2,563.6)	(3,660.9)	(4,696.7)	(4,783.4)
	Change in accounts payable to car suppliers for fleet renewal	120.0	(25.4)	219.8	227.6	250.1	312.1
	Net investment for fleet renewal	(59.5)	(267.5)	(1.2)	17.9	63.8	(48.9)
	Fleet renewal – quantity	70,621	64,032	68,449	90,554	111,279	106,550
Investment, property and intangible		(46.3)	(29.7)	(40.9)	(28.8)	(42.8)	(33.2)
Free cash flow from operations, before growth		482.6	221.1	599.4	802.5	1,050.6	898.4
Capex - Growth	(Investment) / Divestment in cars for fleet growth	(286.8)	8.6	(726.0)	(1,807.0)	(2,285.1)	(2,366.9)
	Change in accounts payable to car suppliers for fleet growth	214.4	(23.9)	26.8	168.7	509.4	3.4
	Hertz Brasil acquisition and franchisees incorporation - fleet	-	-	-	(285.7)	-	- 26.40
	Net investment for fleet growth	(72.4)	(15.3)	(699.2)	(1,924.0)	(1,775.7)	(2,389.9)
	Fleet increase / (reduction) – quantity	9,183	(273)	19,384	52,860	54,142	52,721
Free cash flow after growth		410.2	205.8	(99.8)	(1,121.5)	(725.1)	(1,491.5)
Capex - non-recurring	Hertz Brasil acquisition and franchisees incorporation - except fleet	-	-	-	(121.5)	-	- 18.50
	New headquarters construction and furniture	(148.3)	(30.7)	(85.7)	(146.2)	-	-
Free cash generated before the cash effects of discounts and anticipation of payables to suppliers		261.9	175.1	(185.5)	(1,389.2)	(725.1)	(1,510.0)
Cash effects of receivables and anticipation of payables to suppliers (**)		-	(71.9)	98.0	88.3	(113.2)	(119.1)
Free cash flow before interest		261.9	103.2	(87.5)	(1,300.9)	(838.3)	(1,629.1)

In the free cash flow, short-term financial assets were considered as cash equivalents since they have immediately liquidity

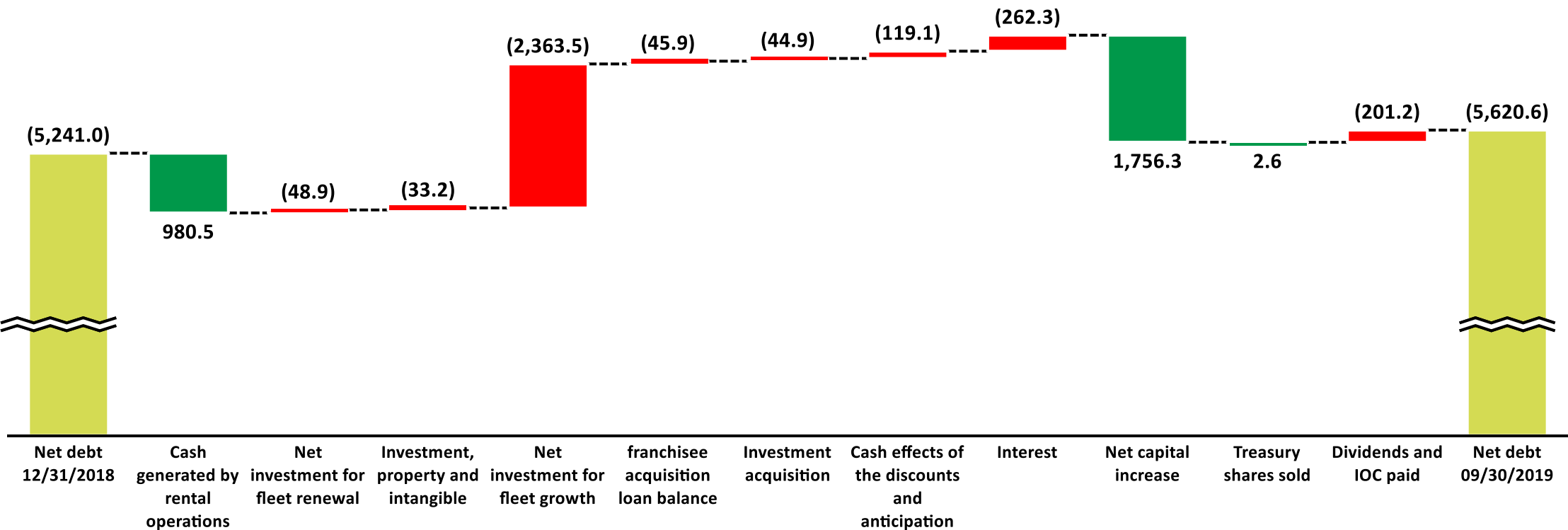
(\*) 2017 adjusted by one-time costs incurred -Hertz Brasil acquisition and franchisees incorporation

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



# CHANGE IN NET DEBT

(R\$ million)

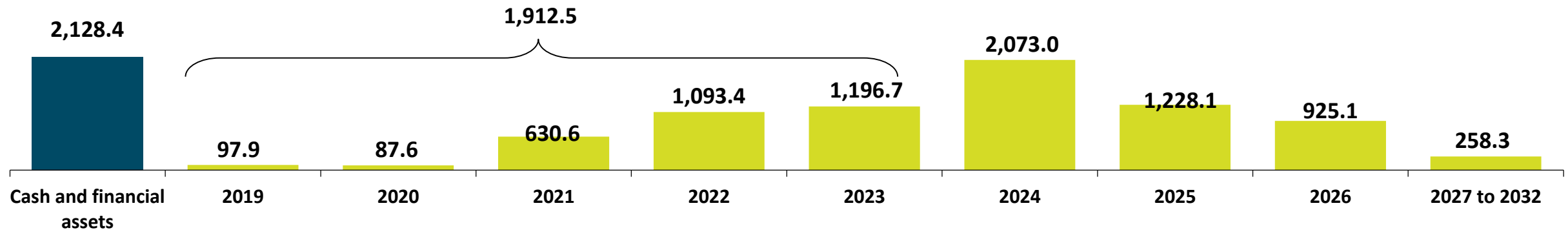


R\$379.6 MILLION INCREASE IN NET DEBT IN THE 9M19

# DEBT MATURITY PROFILE (PRINCIPAL)

(R\$ million)

As of September 30, 2019

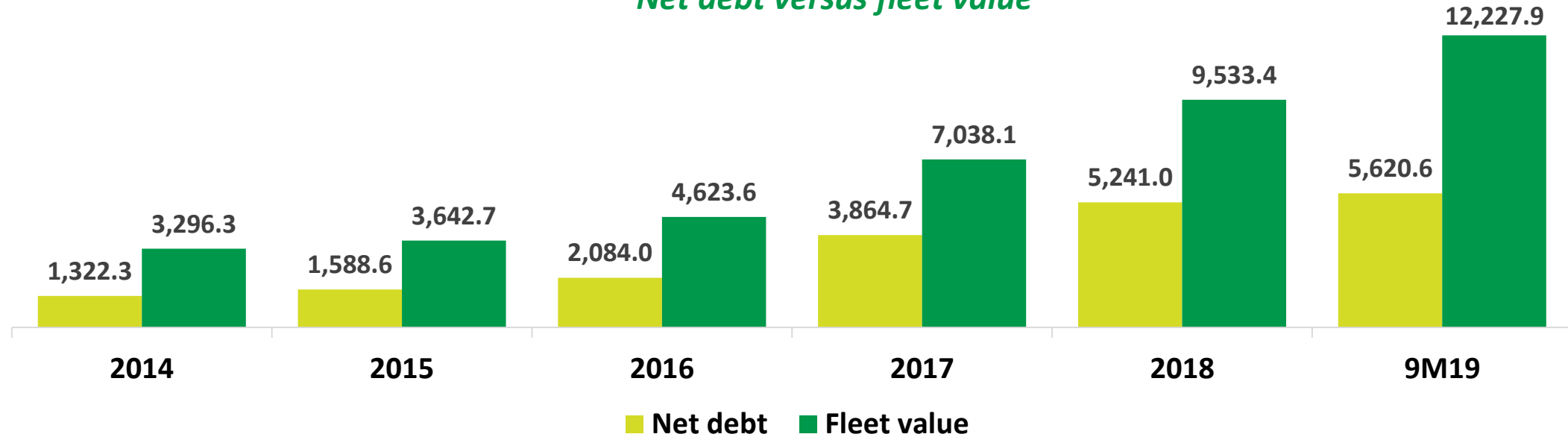


COMFORTABLE DEBT PROFILE AFTER THE ISSUANCES OF PROMISSORY NOTES AND DEBENTURES

# DEBT RATIOS

(R\$ million)

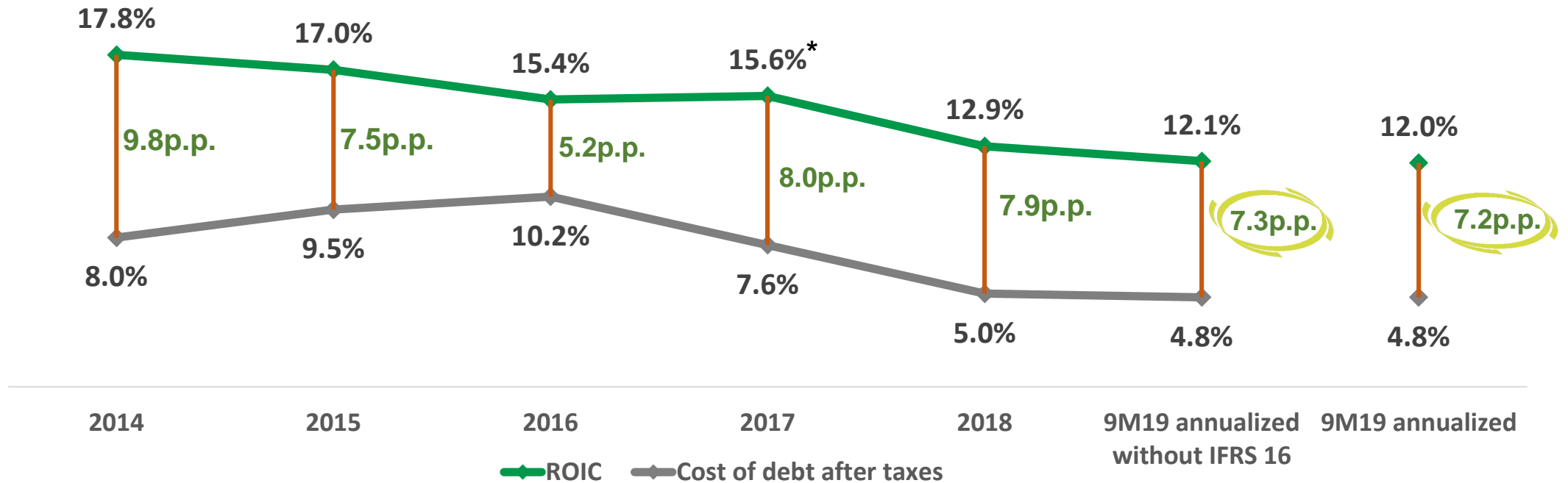
## Net debt versus fleet value



BALANCE AT THE END OF PERIOD	2014	2015	2016	2017	2018	9M19 without IFRS 16	9M19 with IFRS 16
Net debt / Fleet value	40%	44%	45%	55%	55%	46%	46%
Net debt / annualized EBITDA	1.4x	1.7x	2.1x	2.9x	3.3x	2.9x	2.7x
Net debt / Equity	0.8x	0.8x	0.9x	1.5x	1.7x	1.1x	1.1x
EBITDA / Net financial expenses	6.4x	4.6x	4.2x	4.2x	4.3x	5.6x	5.3x

**DEBT RATIOS REFLECT STRONG GROWTH AND LOWER INTEREST RATES**

# ROIC *VERSUS* COST OF DEBT AFTER TAXES



(\*) 2017 adjusted by the one-time costs incurred - Hertz Brasil acquisition and Franchisees incorporation  
ROIC considered each year's effective income tax and social contribution rate

**STRONG GROWTH AND VALUE GENERATION IN A HIGHLY COMPETITIVE ENVIRONMENT**

# Thank You!

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