

Hertz Reports Improved First Quarter Operating Results Company Increases Full Year 2010 Revenue and Earnings Guidance

PARK RIDGE, NJ, Apr 26, 2010 (MARKETWIRE via COMTEX) --Hertz Global Holdings, Inc. (NYSE: HTZ)

- Worldwide revenues for the quarter of \$1.7 billion, an increase of 6.1% from prior year.
- U.S. car rental revenues for the quarter up 9.8% year over year, driven by growth in pricing, ancillary revenues, business travel, off-airport rentals, and the Advantage leisure brand.
- Worldwide car rental adjusted pre-tax income for the quarter of \$27.1 million versus a loss in the prior year of \$33.5 million, representing a 450 basis point margin improvement.
- Adjusted diluted loss per share(1) for the quarter of \$0.12 versus a loss per share of \$0.25 in the prior year; GAAP diluted loss per share for the quarter of \$0.37 versus a loss per share of \$0.51 in the prior year.
- Company increases full year 2010 revenue and earnings guidance as follows: Revenues now forecasted in the range of \$7,500 million to \$7,700 million, adjusted pre-tax income in the range of \$290 million to \$305 million, Corporate EBITDA in the range of \$1,080 million to \$1,095 million, adjusted diluted earnings per share in the range of \$0.43 to \$0.45.(2)

Hertz Global Holdings, Inc. (NYSE: HTZ) (with its subsidiaries, the "Company" or "we") reported first quarter 2010 worldwide revenues of \$1.7 billion, an increase of 6.1% year-over-year (a 2.3% increase excluding the effects of foreign currency). Worldwide car rental revenues for the quarter increased 10.8% (a 7.0% increase excluding the effects of foreign currency) to \$1.4 billion. Revenues from worldwide equipment rental for the first quarter were \$237.0 million, down 15.2% (a 19.1% decrease excluding the effects of foreign currency) over the prior year period.

First quarter 2010 adjusted pre-tax loss(1) was \$69.2 million, versus a loss of \$116.6 million in the same period in 2009, and loss before income taxes ("pre-tax loss"), on a GAAP basis, was \$157.8 million, versus a loss of \$210.0 million in the first quarter of 2009. Corporate EBITDA(1) for the first quarter of 2010 was \$121.4 million, an increase of 32.1% from the same period in 2009.

First quarter 2010 adjusted net loss(1) was \$49.3 million, versus a loss of \$80.0 million in the same period of 2009, resulting in adjusted diluted loss per share for the quarter of \$0.12, compared with a loss of \$0.25 per share for the first quarter of 2009. First quarter 2010 net loss, on a GAAP basis, was \$150.4 million or \$0.37 per share on a diluted basis, compared with a net loss of \$163.5 million, or a loss of \$0.51 per share on a diluted basis, for the first quarter of 2009.

Mark P. Frissora, the Company's Chairman and Chief Executive Officer said, "We have improved year-over-year operating performance for the third consecutive quarter, due in part to strong cost management companywide and almost 10% revenue growth in U.S car rental, our largest business. Our cost savings projections are on track and we have strong advanced reservation growth for the U.S. and European car rental businesses, especially during the summer peak. The equipment rental business continues to be challenged, although we are experiencing improving performance in Canada and Europe, and we believe the U.S. business has begun emerging from the trough of the recession. Due to our overall positive outlook, we are revising our full year revenue and earnings guidance, including increased adjusted earnings per share now forecasted in the range of \$0.43 to \$0.45, up from \$0.37 to \$0.39," Frissora added.

The Company took \$16.0 million in restructuring and related charges in the first quarter of 2010, primarily attributable to costs associated with job reductions, the closure of rental locations and process reengineering. The Company expects the restructuring and related charges to diminish significantly throughout the remainder of 2010.

INCOME MEASUREMENTS, FIRST QUARTER 2010 & 2009

	Q1 2010		Q1 2009			
	Pre-tax	Diluted	Pre-tax	Diluted	Loss Per	
(in millions, except per share amounts)	Income	Net	Loss	Income	Net	Loss Per
	(Loss)	Loss	Share	(Loss)	Loss	Share
Earnings Measures, as reported (EPS based on 410.7M and 323.4M diluted shares, respectively)	\$(157.8)	\$(150.4)	\$ (0.37)	\$(210.0)	\$(163.5)	\$ (0.51)
	=====	=====		=====	=====	

Adjustments:

Purchase accounting	22.1		26.0			
Non-cash debt charges	48.8		25.0			
Restructuring and related charges	16.0		38.4			
Derivative (gain) loss	1.7		(1.0)			

Third-party bankruptcy reserve	-		4.3		
Management transition costs	-		0.7		
	-----	-----			
Adjusted pre-tax loss	(69.2)	(69.2)	(116.6)	(116.6)	
Assumed benefit for income taxes at 34%		23.5	39.7		
Noncontrolling interest	(3.6)		(3.1)		
	-----	-----	-----	-----	-----
Earnings Measures, as adjusted (EPS based on 410.0M and 322.7M diluted shares, respectively)	\$ (69.2)	\$ (49.3)	\$ (0.12)	\$(116.6)	\$ (80.0) \$ (0.25)
	=====	=====	=====	=====	=====

The Company ended the first quarter of 2010 with total debt of \$10.39 billion and net corporate debt(1) of \$3.78 billion, compared with total debt of \$10.36 billion and net corporate debt of \$3.63 billion as of December 31, 2009. Net cash provided by operating activities was \$301.2 million in the first quarter of 2010, compared to \$184.5 million last year.

WORLDWIDE CAR RENTAL

Worldwide car rental revenues were \$1.4 billion for the first quarter of 2010, an increase of 10.8% (a 7.0% increase excluding the effects of foreign currency) from the prior year period. Transaction days for the quarter increased 5.3% [8.3% U.S.; (1.2)% International]. U.S. off-airport total revenues for the first quarter increased 9.0% year-over-year, and transaction days increased 6.5%. Rental rate revenue per transaction day(1) ("RPD") for the quarter increased 0.4% from the prior year period [0.3% U.S.; 1.0% International].

Worldwide car rental adjusted pre-tax income for the first quarter of 2010 was \$27.1 million, versus an adjusted pre-tax loss of \$33.5 million in the prior year period. The result was driven by higher RPD, increased volume and strong cost management performance. As a result, worldwide car rental achieved an adjusted pre-tax margin, based on revenues, of 1.9% for the quarter, versus a negative margin of 2.6% in the prior year period.

The worldwide average number of Company-operated cars for the first quarter of 2010 was 417,700, an increase of 8.9% over the prior year period.

WORLDWIDE EQUIPMENT RENTAL

Worldwide equipment rental revenues were \$237.0 million for the first quarter of 2010, a 15.2% decrease (a 19.1% decrease excluding the effects of foreign currency) from the prior year period.

Adjusted pre-tax loss for worldwide equipment rental for the first quarter of 2010 was \$5.0 million, versus adjusted pre-tax income of \$0.7 million in the prior year period, primarily attributable to the effects of reduced volume and pricing, partially offset by cost management initiatives.

The average acquisition cost of rental equipment operated during the first quarter of 2010 decreased by 6.2% year-over-year -- compared with a 14.9% decrease in the first quarter of 2009 over the first quarter of 2008 -- to \$2.78 billion, and net revenue earning equipment as of March 31, 2010 was \$1.74 billion, a 4.9% decrease from the amount as of December 31, 2009.

OUTLOOK

The Company is increasing its full year 2010 revenue, Corporate EBITDA, adjusted pre-tax income and adjusted diluted earnings per share guidance, compared with the guidance provided on February 24, 2010. The Company now expects to generate worldwide revenues in the range of \$7.5 billion to \$7.7 billion, up from \$7.4 billion to \$7.6 billion, Corporate EBITDA in the range of \$1.080 billion to \$1.095 billion, up from \$1.045 billion to \$1.060 billion, adjusted pre-tax income in the range of \$290 million to \$305 million, up from \$250 million to \$265 million and adjusted diluted earnings per share in the range of \$0.43 to \$0.45, up from \$0.37 to \$0.39 (using the normalized tax rate of 34% and 410 million shares). Additionally, the Company continues to project annualized, incremental costs savings of \$300 million in 2010.

RESULTS OF THE HERTZ CORPORATION

The Company's operating subsidiary, The Hertz Corporation ("Hertz"), posted the same revenues for the first quarter as the Company. Hertz's first quarter 2010 pre-tax loss was, however, \$11.5 million lower than that of the Company primarily because of additional interest expense recognized by the Company on its 5.25% Convertible Senior Notes issued in May and June 2009.

- (1) Adjusted pre-tax income (loss), Corporate EBITDA, adjusted net income (loss), adjusted diluted earnings (loss) per share, net corporate debt and rental rate revenue per transaction day are non-GAAP measures.

See the accompanying Tables and Exhibit for the reconciliations and definitions for each of these non-GAAP measures and the reason the Company's management believes that these measures provide useful information to investors regarding the Company's financial condition and results of operations.

- (2) Management believes that Corporate EBITDA, adjusted pre-tax income and adjusted diluted earnings per share are useful in measuring the comparable results of the Company period-over-period. The GAAP measures most directly comparable to Corporate EBITDA, adjusted pre-tax income and adjusted diluted earnings per share are cash flows from operating activities, pre-tax income and diluted earnings per share. Because of the forward-looking nature of the Company's forecasted Corporate EBITDA, adjusted pre-tax income and adjusted diluted earnings per share, specific quantifications of the amounts that would be required to reconcile forecasted cash flows from operating activities, pre-tax income and diluted earnings per share are not available. The Company believes that there is a degree of volatility with respect to certain of the Company's GAAP measures, primarily related to fair value accounting for its financial assets (which includes the Company's derivative financial instruments), its income tax reporting and certain adjustments made to arrive at the relevant non-GAAP measures, which preclude the Company from providing accurate forecasted GAAP to non-GAAP reconciliations. Based on the above, the Company believes that providing estimates of the amounts that would be required to reconcile the range of the non-GAAP Corporate EBITDA, adjusted pre-tax income and adjusted diluted earnings per share to forecasted cash flows from operating activities, pre-tax income and diluted earnings per share would imply a degree of precision that would be confusing or misleading to investors for the reasons identified above.

CONFERENCE CALL INFORMATION

The Company's first quarter 2010 earnings conference call will be held on Monday, April 26, 2010, at 10:00 a.m. (EDT). To access the conference call live, dial 800-230-1766 in the U.S. and 612-332-0226 for international callers using the passcode: 153677 or listen via webcast at www.hertz.com/investorrelations. The conference call will be available for replay one hour following the conclusion of the call until May 10, 2010 by calling 800-475-6701 in the U.S. or 320-365-3844 for international callers with the passcode: 153677. The press release and related tables containing the reconciliations of non-GAAP measures will be available on our website, www.hertz.com/investorrelations.

ABOUT THE COMPANY

Hertz is the largest worldwide airport general use car rental brand operating from more than 8,200 locations in 146 countries worldwide. Hertz is the number one airport car rental brand in the U.S. and at 78 major airports in Europe, operating both corporate and licensee locations in cities and airports in North America, Europe, Latin America, Asia, Australia and New Zealand. In addition, the Company has licensee locations in cities and airports in Africa and the Middle East. Product and service initiatives such as Hertz #1 Club Gold(R), NeverLost(R) customized, onboard navigation systems, SIRIUS XM Satellite Radio, and unique cars and SUVs offered through the Company's Prestige, Fun and Green Collections, set Hertz apart from the competition. The Company also operates the Advantage car rental brand at 26 airports in the U.S., global car sharing club, Connect by Hertz, in New York City, Berlin, London, Madrid and Paris. Additionally, Hertz operates one of the world's largest equipment rental businesses, Hertz Equipment Rental Corporation, offering a diverse line of equipment, including tools and supplies, as well as new and used equipment for sale, to customers ranging from major industrial companies to local contractors and consumers from approximately 325 branches in the United States, Canada, China, France and Spain.

CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

Certain statements contained in this press release and in related comments by our management include "forward-looking statements" within the meaning of the Private Securities Litigation Reform Act of 1995. Examples of forward-looking statements include information concerning the Company's outlook, anticipated revenues, results of operations and implementation of productivity and efficiency initiatives, including targeted job reductions, and the anticipated savings and restructuring charges expected to be realized or incurred in connection therewith, as well as any other statement that does not directly relate to any historical or current fact. These forward-looking statements often include words such as "believe," "expect," "project," "anticipate," "intend," "plan," "estimate," "seek," "will," "may," "would," "should," "could," "forecast" or similar expressions. These statements are based on certain assumptions that the Company has made in light of its experience in the industry as well as its perceptions of historical trends, current conditions, expected future developments and other factors that the Company believes are appropriate in these circumstances. We believe these judgments are reasonable, but you should understand that these statements are not guarantees of performance or results, and our actual results could differ materially from those expressed in the forward-looking statements due to a variety of important factors, both positive and negative. Among other items, such

factors could include overall strength and stability of general economic conditions, both in the United States and in global markets; levels of travel demand, particularly with respect to airline passenger traffic in the United States and in global markets; significant changes in the competitive environment, including as a result of industry consolidation, and the effect of competition in our markets, including on our pricing policies or use of incentives; our ability to achieve cost savings and efficiencies and realize opportunities to increase productivity and profitability; our ability to accurately estimate future levels of rental activity and adjust the size of our fleet accordingly; safety recalls by the manufacturers of our vehicles and equipment; a major disruption in our communication or centralized information networks; and changes in the existing, or the adoption of new laws, regulations, policies or other activities of governments, agencies and similar organizations where such actions may affect our operations or the cost thereof. Additional information concerning these and other factors can be found in our filings with the Securities and Exchange Commission, including our most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

The Company therefore cautions you against relying on these forward-looking statements. All forward-looking statements attributable to the Company or persons acting on the Company's behalf are expressly qualified in their entirety by the foregoing cautionary statements. All such statements speak only as of the date made and, except as required by law, the Company undertakes no obligation to update or revise publicly any forward-looking statements, whether as a result of new information, future events or otherwise.

Tables and Exhibit:

Table 1: Condensed Consolidated Statements of Operations for the Three Months Ended March 31, 2010 and 2009

Table 2: Condensed Consolidated Statements of Operations As Reported and As Adjusted for the Three Months Ended March 31, 2010 and 2009

Table 3: Segment and Other Information for the Three Months Ended March 31, 2010 and 2009

Table 4: Selected Operating and Financial Data as of or for the Three Months Ended March 31, 2010 compared to March 31, 2009 and Selected Balance Sheet Data as of March 31, 2010 and December 31, 2009

Table 5: Non-GAAP Reconciliations of Adjusted Pre-Tax Income (Loss) and Adjusted Net Income (Loss) for the Three Months Ended March 31, 2010 and 2009

Table 6: Non-GAAP Reconciliations of EBITDA, Corporate EBITDA, Unlevered Pre-Tax Cash Flow, Levered After-Tax Cash Flow Before Fleet Growth and Levered After-Tax Cash Flow After Fleet Growth for the Three Months Ended March 31, 2010 and 2009

Table 7: Non-GAAP Reconciliations of Operating Cash Flows to EBITDA for the Three Months Ended March 31, 2010 and 2009, Net Corporate Debt, Net Fleet Debt and Total Net Debt as of March 31, 2010, 2009 and December 31, 2009 and 2008, Car Rental Rate Revenue per Transaction Day and Equipment Rental and Rental Related Revenue for the Three Months Ended March 31, 2010 and 2009

Table 8: Non-GAAP Reconciliations of EBITDA, Corporate EBITDA, Unlevered Pre-Tax Cash Flow, Levered After-Tax Cash Flow Before Fleet Growth and Levered After-Tax Cash Flow After Fleet Growth for the Twelve Months Ended March 31, 2010 and 2009

Table 9: Non-GAAP Reconciliation of Total Net Cash Flow for the Three and Twelve Months Ended March 31, 2010 and 2009

Exhibit 1: Non-GAAP Measures: Definitions and Use/Importance

Table 1

HERTZ GLOBAL HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions, except per share amounts)

Unaudited

	Three Months Ended		As a Percentage	
	March 31,	March 31,	of Total Revenues	
	2010	2009	2010	2009
Total revenues	\$ 1,660.9	\$ 1,564.9	100.0 %	100.0 %
Expenses:				
Direct operating	1,013.0	955.3	61.0 %	61.1 %
Depreciation of revenue earning equipment	459.2	489.8	27.6 %	31.3 %
Selling, general and administrative	167.7	166.7	10.1 %	10.6 %

Interest expense	181.1	165.1	10.9 %	10.5 %
Interest and other income, net	(2.3)	(2.0)	(0.1)%	(0.1)%
Total expenses	1,818.7	1,774.9	109.5 %	113.4 %
Loss before income taxes	(157.8)	(210.0)	(9.5)%	(13.4)%
Benefit for taxes on income	11.0	49.6	0.6 %	3.2 %
Net loss	(146.8)	(160.4)	(8.9)%	(10.2)%
Less: Net income attributable to noncontrolling interest	(3.6)	(3.1)	(0.2)%	(0.2)%
Net loss attributable to Hertz Global Holdings, Inc. and Subsidiaries' common stockholders	\$ (150.4)	\$ (163.5)	(9.1)%	(10.4)%
=====				
Weighted average number of shares outstanding:				
Basic	410.7	323.4		
Diluted	410.7	323.4		
Loss per share attributable to Hertz Global Holdings, Inc. and Subsidiaries' common stockholders:				
Basic	\$ (0.37)	\$ (0.51)		
Diluted	\$ (0.37)	\$ (0.51)		

Table 2
HERTZ GLOBAL HOLDINGS, INC.
CONDENSED CONSOLIDATED STATEMENTS OF OPERATIONS
(In millions)
Unaudited

Three Months Ended March 31, 2010

	As Reported	As Adjustments	As Adjusted
	-----	-----	-----
Total revenues	\$ 1,660.9	\$ -	\$ 1,660.9
Expenses:			
Direct operating	1,013.0	(30.8) (a)	982.2
Depreciation of revenue earning equipment	459.2	(2.7) (b)	456.5
Selling, general and administrative	167.7	(6.3) (c)	161.4
Interest expense	181.1	(48.8) (d)	132.3
Interest and other income, net	(2.3)	-	(2.3)
Total expenses	1,818.7	(88.6)	1,730.1
Income (loss) before income taxes	(157.8)	88.6	(69.2)
Benefit for taxes on income	11.0	12.5 (e)	23.5
Net income (loss)	(146.8)	101.1	(45.7)
Less: Net income attributable to noncontrolling interest	(3.6)	-	(3.6)
Net income (loss) attributable to Hertz Global Holdings, Inc. and Subsidiaries' common stockholders	\$ (150.4)	\$ 101.1	\$ (49.3)
=====			

Three Months Ended March 31, 2009

	As Reported	As Adjustments	As Adjusted
	-----	-----	-----

Total revenues	\$ 1,564.9	\$ -	\$ 1,564.9
Expenses:			
Direct operating	955.3	(40.0) (a)	915.3
Depreciation of revenue earning equipment	489.8	(7.3) (b)	482.5
Selling, general and administrative	166.7	(21.1) (c)	145.6
Interest expense	165.1	(25.0) (d)	140.1
Interest and other income, net	(2.0)	-	(2.0)
Total expenses	1,774.9	(93.4)	1,681.5
Income (loss) before income taxes	(210.0)	93.4	(116.6)
Benefit (provision) for taxes on income	49.6	(9.9) (e)	39.7
Net income (loss)	(160.4)	83.5	(76.9)
Less: Net income attributable to noncontrolling interest	(3.1)	-	(3.1)
Net income (loss) attributable to Hertz Global Holdings, Inc. and Subsidiaries' common stockholders	\$ (163.5)	\$ 83.5	\$ (80.0)

- (a) Represents the increase in amortization of other intangible assets, depreciation of property and equipment and accretion of certain revalued liabilities relating to purchase accounting. For the three months ended March 31, 2010 and 2009, also includes restructuring and restructuring related charges of \$11.4 million and \$22.5 million, respectively.
- (b) Represents the increase in depreciation of revenue earning equipment based upon its revaluation relating to purchase accounting.
- (c) Represents an increase in depreciation of property and equipment relating to purchase accounting. For the three months ended March 31, 2010 and 2009, also includes restructuring and restructuring related charges of \$4.6 million and \$15.9 million, respectively. For all periods presented, also includes other adjustments which are detailed in Table 5.
- (d) Represents non-cash debt charges relating to the amortization of deferred debt financing costs and debt discounts. For the three months ended March 31, 2010 and 2009, also includes \$20.9 million and \$7.5 million, respectively, associated with the amortization of amounts pertaining to the de-designation of our interest rate swaps as effective hedging instruments.
- (e) Represents a provision for income taxes derived utilizing a normalized income tax rate (34% for 2010 and 2009).

Table 3
HERTZ GLOBAL HOLDINGS, INC.
SEGMENT AND OTHER INFORMATION
(In millions, except per share amounts)
Unaudited

	Three Months Ended March 31,	
	2010	2009
Revenues:		
Car rental	\$ 1,421.7	\$ 1,282.9
Equipment rental	237.0	279.5
Other reconciling items	2.2	2.5
	\$ 1,660.9	\$ 1,564.9
Depreciation of property and equipment:		
Car rental	\$ 29.2	\$ 27.3

Equipment rental	8.9	9.3	
Other reconciling items	1.5	1.5	
	-----	-----	
	\$ 39.6	\$ 38.1	
	=====	=====	
Amortization of other intangible assets:			
Car rental	\$ 7.8	\$ 7.4	
Equipment rental	8.3	8.1	
Other reconciling items	0.3	-	
	-----	-----	
	\$ 16.4	\$ 15.5	
	=====	=====	
Loss before income taxes:			
Car rental	\$ (30.1)	\$ (90.2)	
Equipment rental	(23.4)	(24.8)	
Other reconciling items	(104.3)	(95.0)	
	-----	-----	
	\$ (157.8)	\$ (210.0)	
	=====	=====	
Corporate EBITDA (a):			
Car rental	\$ 54.4	\$ (10.9)	
Equipment rental	80.0	112.9	
Other reconciling items	(13.0)	(10.1)	
	-----	-----	
	\$ 121.4	\$ 91.9	
	=====	=====	
Adjusted pre-tax income (loss) (a):			
Car rental	\$ 27.1	\$ (33.5)	
Equipment rental	(5.0)	0.7	
Other reconciling items	(91.3)	(83.8)	
	-----	-----	
	\$ (69.2)	\$ (116.6)	
	=====	=====	
Adjusted net income (loss) (a):			
Car rental	\$ 17.9	\$ (22.1)	
Equipment rental	(3.3)	0.5	
Other reconciling items	(63.9)	(58.4)	
	-----	-----	
	\$ (49.3)	\$ (80.0)	
	=====	=====	
Adjusted diluted number of shares outstanding (a)	410.0	322.7	
Adjusted diluted loss per share (a)	\$ (0.12)	\$ (0.25)	

(a) Represents a non-GAAP measure, see the accompanying reconciliations and definitions.

Note: "Other Reconciling Items" includes general corporate expenses, certain interest expense (including net interest on corporate debt), as well as other business activities such as our third-party claim management services. See Tables 5 and 6.

Table 4
HERTZ GLOBAL HOLDINGS, INC.
SELECTED OPERATING AND FINANCIAL DATA
Unaudited

	Three Months Ended, or as of Mar. 31, 2010	Percent change from prior year period	
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Selected Car Rental Operating Data			
Worldwide number of transactions (in thousands)	5,860	5.6 %	
Domestic	4,398	8.8 %	
International	1,462	(2.9)%	
Worldwide transaction days (in thousands)	28,110	5.3 %	
Domestic	19,939	8.3 %	
International	8,171	(1.2)%	
Worldwide rental rate revenue per transaction day (a)	\$ 43.05	0.4 %	

Domestic	\$ 41.96	0.3 %
International (b)	\$ 45.72	1.0 %
Worldwide average number of company-operated cars during period	417,700	8.9 %
Domestic	293,700	13.0 %
International	124,000	0.5 %
Worldwide revenue earning equipment, net (in millions)	\$ 7,649.0	21.9 %
Selected Worldwide Equipment Rental Operating Data		
Rental and rental related revenue (in millions) (a) (b)	\$ 215.7	(18.5)%
Same store revenue growth, including initiatives (a) (b)	(17.8)%	N/M
Average acquisition cost of revenue earning equipment operated during period (in millions)	\$ 2,780.0	(6.2)%
Revenue earning equipment, net (in millions)	\$ 1,743.4	(13.2)%
Other Financial Data (in millions)		
Cash flows provided by operating activities	\$ 301.2	63.3 %
Levered after-tax cash flow before fleet growth (a)	318.4	N/M
Levered after-tax cash flow after fleet growth (a)	(148.7)	(305.2)%
Total net cash flow (a)	(381.9)	N/M
EBITDA (a)	534.0	8.2 %
Corporate EBITDA (a)	121.4	32.1 %
Selected Balance Sheet Data (in millions)		
	March 31, 2010	December 31, 2009

Cash and cash equivalents	\$ 800.7	\$ 985.6
Total revenue earning equipment, net	9,392.4	8,851.6
Total assets	16,278.4	16,002.4
Total debt	10,387.9	10,364.4
Net corporate debt (a)	3,782.3	3,633.6
Net fleet debt (a)	5,583.6	5,380.0
Total net debt (a)	9,365.9	9,013.6
Total equity	1,940.0	2,097.4

(a) Represents a non-GAAP measure, see the accompanying reconciliations and definitions.

(b) Based on 12/31/09 foreign exchange rates.

N/M Percentage change not meaningful.

Table 5

HERTZ GLOBAL HOLDINGS, INC.
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS MEASURES
(In millions, except per share amounts)

Unaudited

ADJUSTED PRE-TAX INCOME (LOSS) AND ADJUSTED NET INCOME (LOSS)
Three Months Ended March 31, 2010

	Other			
	Car Rental	Equipment Rental	Reconciling Items	Total
Total revenues:	\$ 1,421.7	\$ 237.0	\$ 2.2	\$ 1,660.9
Expenses:				
Direct operating and selling, general and administrative	976.3	179.3	25.1	1,180.7
Depreciation of revenue earning equipment	388.3	70.9	-	459.2
Interest expense	89.3	10.2	81.6	181.1
Interest and other income, net	(2.1)	-	(0.2)	(2.3)
Total expenses	1,451.8	260.4	106.5	1,818.7
Loss before income taxes	(30.1)	(23.4)	(104.3)	(157.8)

Adjustments:

Purchase accounting (a):				
Direct operating and selling, general and administrative	9.8	8.8	0.8	19.4
Depreciation of revenue earning equipment	-	2.7	-	2.7
Non-cash debt charges (b)	37.0	1.9	9.9	48.8
Restructuring charges (c)	5.3	4.9	0.5	10.7
Restructuring related charges (c)	5.1	0.1	0.1	5.3
Derivative losses (c)	-	-	1.7	1.7
	-----	-----	-----	-----
Adjusted pre-tax income (loss)	27.1	(5.0)	(91.3)	(69.2)
Assumed (provision) benefit for income taxes of 34%	(9.2)	1.7	31.0	23.5
Noncontrolling interest	-	-	(3.6)	(3.6)
	-----	-----	-----	-----
Adjusted net income (loss)	\$ 17.9	\$ (3.3)	\$ (63.9)	\$ (49.3)
	=====	=====	=====	=====

Adjusted diluted number of shares outstanding			410.0
Adjusted diluted loss per share			\$ (0.12)
Three Months Ended March 31, 2009			

	Other			
	Car	Equipment	Reconciling	Total
	Rental	Rental	Items	
	-----	-----	-----	-----

Total revenues:	\$ 1,282.9	\$ 279.5	\$ 2.5	\$ 1,564.9
	-----	-----	-----	-----

Expenses:

Direct operating and selling, general and administrative	905.2	191.1	25.7	1,122.0
Depreciation of revenue earning equipment	391.1	98.7	-	489.8
Interest expense	77.7	14.6	72.8	165.1
Interest and other income, net	(0.9)	(0.1)	(1.0)	(2.0)
	-----	-----	-----	-----
Total expenses	1,373.1	304.3	97.5	1,774.9

Loss before income taxes	(90.2)	(24.8)	(95.0)	(210.0)
--------------------------	--------	--------	--------	---------

Adjustments:

Purchase accounting (a):				
Direct operating and selling, general and administrative	9.4	8.8	0.5	18.7
Depreciation of revenue earning equipment	-	7.3	-	7.3
Non-cash debt charges (b)	19.3	2.3	3.4	25.0
Restructuring charges (c)	15.1	7.0	7.4	29.5
Restructuring related charges (c)	8.6	0.1	0.2	8.9
Derivative gains (c)	-	-	(1.0)	(1.0)
Third-party bankruptcy reserve (d)	4.3	-	-	4.3
Management transition costs (d)	-	-	0.7	0.7
	-----	-----	-----	-----
Adjusted pre-tax income (loss)	(33.5)	0.7	(83.8)	(116.6)
Assumed (provision) benefit for income taxes of 34%	11.4	(0.2)	28.5	39.7
Noncontrolling interest	-	-	(3.1)	(3.1)
	-----	-----	-----	-----
Adjusted net income (loss)	\$ (22.1)	\$ 0.5	\$ (58.4)	\$ (80.0)
	=====	=====	=====	=====

Adjusted diluted number of shares outstanding		322.7
Adjusted diluted loss per share		\$ (0.25)

(a) Represents the purchase accounting effects of the acquisition of all of Hertz's common stock on December 21, 2005 on our results of operations relating to increased depreciation and amortization of tangible and intangible assets and accretion of workers' compensation and public liability and property damage liabilities. Also represents

the purchase accounting effects of subsequent acquisitions on our results of operations relating to increased amortization of intangible assets.

- (b) Represents non-cash debt charges relating to the amortization of deferred debt financing costs and debt discounts. For the three months ended March 31, 2010 and 2009, also includes \$20.9 million and \$7.5 million, respectively, associated with the amortization of amounts pertaining to the de-designation of our interest rate swaps as effective hedging instruments.
- (c) Amounts are included within direct operating and selling, general and administrative expense in our statement of operations.
- (d) Amounts are included within selling, general and administrative expense in our statement of operations.

Table 6

HERTZ GLOBAL HOLDINGS, INC.
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS MEASURES

(In millions)

Unaudited

EBITDA, CORPORATE EBITDA, UNLEVERED PRE-TAX CASH FLOW,
LEVERED AFTER-TAX CASH FLOW BEFORE FLEET GROWTH AND AFTER FLEET GROWTH
Three Months Ended March 31, 2010

	Car Rental	Equipment Rental	Other Reconciling Items	Total
Loss before income taxes		\$ (30.1)	\$ (23.4)	\$ (104.3)
Depreciation, amortization and other purchase accounting	426.2	88.2	2.2	516.6
Interest, net of interest income	87.2	10.2	81.4	178.8
Noncontrolling interest	-	-	(3.6)	(3.6)
EBITDA	483.3	75.0	(24.3)	534.0
Adjustments:				
Car rental fleet interest	(87.9)	-	-	(87.9)
Car rental fleet depreciation	(388.3)	-	-	(388.3)
Non-cash expenses and charges (a)	36.9	-	10.7	47.6
Extraordinary, unusual or non-recurring gains and losses (b)	10.4	5.0	0.6	16.0
Corporate EBITDA	\$ 54.4	\$ 80.0	\$ (13.0)	121.4
Equipment rental maintenance capital expenditures, net				(66.2)
Non-fleet capital expenditures, net				(21.5)
Changes in working capital				470.6
Changes in other assets and liabilities				(84.4)
Unlevered pre-tax cash flow (c)				419.9
Corporate net cash interest				(76.9)
Corporate cash taxes				(24.6)
Levered after-tax cash flow before fleet growth (c)				318.4
Equipment rental fleet growth capital expenditures				86.2
Car rental net fleet equity requirement				(553.3)
Levered after-tax cash flow after fleet growth (c)				\$ (148.7)

Three Months Ended March 31, 2009

	Car Rental	Other Equipment Rental	Reconciling Items	Total
Loss before income taxes		\$ (90.2)	\$ (24.8)	\$ (95.0) \$ (210.0)
Depreciation, amortization and other purchase accounting		425.8	116.1	1.5 543.4
Interest, net of interest income	76.8	14.5	71.8	163.1
Noncontrolling interest	-	-	(3.1)	(3.1)
EBITDA	412.4	105.8	(24.8)	493.4
Adjustments:				
Car rental fleet interest	(79.1)	-	-	(79.1)
Car rental fleet depreciation	(391.1)	-	-	(391.1)
Non-cash expenses and charges (a)	18.9	-	7.4	26.3
Extraordinary, unusual or non-recurring gains and losses (b)	28.0	7.1	7.3	42.4
Corporate EBITDA	\$ (10.9)	\$ 112.9	\$ (10.1)	91.9

Equipment rental maintenance capital expenditures, net				(89.0)
Non-fleet capital expenditures, net				(1.6)
Changes in working capital				11.6
Changes in other assets and liabilities			(226.2)	
Unlevered pre-tax cash flow (c)				(213.3)
Corporate net cash interest				(76.5)
Corporate cash taxes				(7.8)
Levered after-tax cash flow before fleet growth (c)				(297.6)
Equipment rental fleet growth capital expenditures				173.7
Car rental net fleet equity requirement				87.2
Levered after-tax cash flow after fleet growth (c)				\$ (36.7)

(a) As defined in the credit agreements for the senior credit facilities, Corporate EBITDA excludes the impact of certain non-cash expenses and charges. The adjustments reflect the following:
NON-CASH EXPENSES AND CHARGES Three Months Ended March 31, 2010

	Car Rental	Other Equipment Rental	Reconciling Items	Total
Non-cash amortization of debt costs included				
in car rental fleet interest	\$ 36.9	\$ -	\$ -	\$ 36.9
Non-cash stock-based employee compensation charges	-	-	9.0	9.0
Derivative losses	-	-	1.7	1.7
Total non-cash expenses and charges	\$ 36.9	\$ -	\$ 10.7	\$ 47.6
NON-CASH EXPENSES AND CHARGES				Three Months Ended March 31, 2009

	Car Rental	Other Equipment Rental	Reconciling Items	Total
Non-cash amortization of debt costs included in car rental fleet interest	\$ 18.9	\$ -	\$ -	\$ 18.9
Non-cash stock-based employee compensation charges	-	-	7.4	7.4
Total non-cash expenses and charges	\$ 18.9	\$ -	\$ 7.4	\$ 26.3

(b) As defined in the credit agreements for the senior credit facilities, Corporate EBITDA excludes the impact of extraordinary, unusual or non-recurring gains or losses or charges or credits. The adjustments reflect the following:

EXTRAORDINARY, UNUSUAL OR
NON-RECURRING ITEMS Three Months Ended March 31, 2010

	Car Rental	Other Equipment Rental	Reconciling Items	Total
Restructuring charges	\$ 5.3	\$ 4.9	\$ 0.5	\$ 10.7
Restructuring related charges	5.1	0.1	0.1	5.3
Total extraordinary, unusual or non-recurring items	\$ 10.4	\$ 5.0	\$ 0.6	\$ 16.0

EXTRAORDINARY, UNUSUAL OR
NON-RECURRING ITEMS Three Months Ended March 31, 2009

	Car Rental	Other Equipment Rental	Reconciling Items	Total
Restructuring charges	\$ 15.1	\$ 7.0	\$ 7.4	\$ 29.5
Restructuring related charges	8.6	0.1	0.2	8.9
Derivative gains	-	-	(1.0)	(1.0)
Third-party bankruptcy reserve	4.3	-	-	4.3
Management transition costs	-	-	0.7	0.7
Total extraordinary, unusual or non-recurring items	\$ 28.0	\$ 7.1	\$ 7.3	\$ 42.4

(c) Amounts include the effect of fluctuations in foreign currency.

Table 7

HERTZ GLOBAL HOLDINGS, INC.
RECONCILIATION OF GAAP TO NON-GAAP EARNINGS MEASURES
(In millions, except as noted)

Unaudited

Three Months Ended
March 31,

RECONCILIATION FROM OPERATING
CASH FLOWS TO EBITDA: 2010 2009

Net cash provided by operating activities	\$ 301.2	\$ 184.5
Amortization of debt costs	(27.9)	(17.5)
Provision for losses on doubtful accounts	(5.1)	(8.3)
Derivative losses	(1.6)	-
Gain on sale of property and equipment	0.4	1.3
Amortization of cash flow hedges	(20.9)	(7.5)
Stock-based compensation charges	(9.0)	(7.4)
Asset writedowns	(0.7)	(3.1)
Noncontrolling interest	(3.6)	(3.1)

Deferred income taxes	(32.2)	(7.3)	
Benefit for taxes on income	(11.0)	(49.6)	
Interest expense, net of interest income	178.8	163.1	
Changes in assets and liabilities	165.6	248.3	
EBITDA	\$ 534.0	\$ 493.4	
NET CORPORATE DEBT, NET FLEET DEBT AND TOTAL NET DEBT	2010	2009	2009
Corporate Debt			
Debt, less:	\$ 10,387.9	\$ 10,364.4	\$ 9,692.6
U.S Fleet Debt and Pre-Acquisition Notes	4,284.5	4,058.3	3,679.5
International Fleet Debt and other facilities	1,170.1	1,413.9	1,280.2
Fleet Financing Facility	162.3	147.2	159.4
Canadian Fleet Financing Facility	96.3	55.6	72.7
Fleet Debt	\$ 5,713.2	\$ 5,675.0	\$ 5,191.8
Corporate Debt	\$ 4,674.7	\$ 4,689.4	\$ 4,500.8
Corporate Restricted Cash			
Restricted Cash, less:	\$ 221.3	\$ 365.2	\$ 323.4
Restricted Cash Associated with Fleet Debt	(129.6)	(295.0)	(233.4)
Corporate Restricted Cash	\$ 91.7	\$ 70.2	\$ 90.0
Net Corporate Debt	\$ 4,674.7	\$ 4,689.4	\$ 4,500.8
Corporate Debt, less:	(800.7)	(985.6)	(557.1)
Cash and cash equivalents	(91.7)	(70.2)	(90.0)
Corporate Restricted Cash			
Net Corporate Debt	\$ 3,782.3	\$ 3,633.6	\$ 3,853.7
Net Fleet Debt			
Fleet Debt, less:	\$ 5,713.2	\$ 5,675.0	\$ 5,191.8
Restricted Cash Associated with Fleet Debt	(129.6)	(295.0)	(233.4)
Net Fleet Debt	\$ 5,583.6	\$ 5,380.0	\$ 4,958.4
Total Net Debt	\$ 9,365.9	\$ 9,013.6	\$ 8,812.1
NET CORPORATE DEBT, NET FLEET DEBT AND TOTAL NET DEBT	2008	2008	
Corporate Debt			
Debt, less:	\$ 10,972.3	\$ 11,635.1	
U.S Fleet Debt and Pre-Acquisition Notes	4,254.5	4,522.4	
International Fleet Debt and other facilities	1,871.4	1,758.1	
Fleet Financing Facility	149.3	172.5	
Canadian Fleet Financing Facility	111.6	133.4	
Fleet Debt	\$ 6,386.8	\$ 6,586.4	
Corporate Debt	\$ 4,585.5	\$ 5,048.7	
Corporate Restricted Cash			
Restricted Cash, less:	\$ 731.4	\$ 136.5	
Restricted Cash Associated with Fleet Debt	(557.2)	(34.1)	

Corporate Restricted Cash	\$ 174.2	\$ 102.4
=====		
Net Corporate Debt		
Corporate Debt, less:	\$ 4,585.5	\$ 5,048.7
Cash and cash equivalents	(594.3)	(728.9)
Corporate Restricted Cash	(174.2)	(102.4)

Net Corporate Debt	\$ 3,817.0	\$ 4,217.4
=====		
Net Fleet Debt		
Fleet Debt, less:	\$ 6,386.8	\$ 6,586.4
Restricted Cash Associated with Fleet Debt	(557.2)	(34.1)

Net Fleet Debt	\$ 5,829.6	\$ 6,552.3
=====		
Total Net Debt	\$ 9,646.6	\$ 10,769.7
=====		

Three Months Ended
March 31,

CAR RENTAL RATE REVENUE PER TRANSACTION DAY (a)	2010	2009

Car rental segment revenues (b)	\$ 1,421.7	\$ 1,282.9
Non-rental rate revenue (c)	(223.2)	(197.1)
Foreign currency adjustment	11.7	58.6

Rental rate revenue	\$ 1,210.2	\$ 1,144.4
=====		
Transactions days (in thousands)	28,110	26,683
Rental rate revenue per transaction day (in whole dollars)	\$ 43.05	\$ 42.89

Three Months Ended
March 31,

EQUIPMENT RENTAL AND RENTAL RELATED REVENUE (a)	2010	2009

Equipment rental segment revenues	\$ 237.0	\$ 279.5
Equipment sales and other revenue	(22.1)	(26.4)
Foreign currency adjustment	0.8	11.5

Rental and rental related revenue	\$ 215.7	\$ 264.6
=====		

- (a) Based on 12/31/09 foreign exchange rates.
(b) Includes U.S. off-airport revenues of \$231.6 million and \$212.5 million for the three months ended March 31, 2010 and 2009, respectively.
(c) Consists of domestic revenues of \$148.2 million and \$126.4 million and international revenues of \$75.0 million and \$70.7 million for the three months ended March 31, 2010 and 2009, respectively.

Table 8

HERTZ GLOBAL HOLDINGS, INC.

RECONCILIATION OF GAAP TO NON-GAAP EARNINGS MEASURES

(In millions)

Unaudited

EBITDA, CORPORATE EBITDA, UNLEVERED PRE-TAX CASH FLOW, LEVERED AFTER-TAX CASH FLOW BEFORE FLEET GROWTH AND AFTER FLEET GROWTH

	Twelve Months Ended March 31, 2010	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009	Year Ended December 31, 2009
Loss before income taxes	\$ (118.8)	\$ (157.8)	\$ (210.0)	\$ (171.0)
Depreciation, amortization and other purchase accounting	2,135.6	516.6	543.4	2,162.4
Interest, net of interest				

income	680.0	178.8	163.1	664.3
Noncontrolling interest	(15.2)	(3.6)	(3.1)	(14.7)
	-----	-----	-----	
EBITDA	2,681.6	534.0	493.4	2,641.0
Adjustments:				
Car rental fleet interest	(327.8)	(87.9)	(79.1)	(319.0)
Car rental fleet depreciation	(1,611.4)	(388.3)	(391.1)	(1,614.2)
Non-cash expenses and charges	188.3	47.6	26.3	167.0
Extraordinary, unusual or non-recurring gains and losses	78.7	16.0	42.4	105.1
	-----	-----	-----	
Corporate EBITDA	1,009.4	121.4	91.9	979.9
Equipment rental maintenance capital expenditures, net	(271.6)	(66.2)	(89.0)	(294.4)
Non-fleet capital expenditures, net	(111.8)	(21.5)	(1.6)	(91.9)
Changes in working capital	218.0	470.6	11.6	(241.0)
Changes in other assets and liabilities	380.6	(84.4)	(226.2)	238.8
	-----	-----	-----	
Unlevered pre-tax cash flow (a)	1,224.6	419.9	(213.3)	591.4
Corporate net cash interest	(297.1)	(76.9)	(76.5)	(296.7)
Corporate cash taxes	(48.1)	(24.6)	(7.8)	(31.3)
	-----	-----	-----	
Levered after-tax cash flow before fleet growth (a)	879.4	318.4	(297.6)	263.4
Equipment rental fleet growth capital expenditures	255.9	86.2	173.7	343.4
Car rental net fleet equity requirement	(1,063.9)	(553.3)	87.2	(423.4)
	-----	-----	-----	
Levered after-tax cash flow after fleet growth (a)	\$ 71.4	\$ (148.7)	\$ (36.7)	\$ 183.4
	=====	=====	=====	=====
	Twelve	Three	Three	
	Months	Months	Months	
	Ended	Ended	Ended	Year Ended
	March 31,	March 31,	March 31,	December 31,
	2009	2009	2008	2008
	-----	-----	-----	
Loss before income taxes	\$ (1,537.0)	\$ (210.0)	\$ (55.8)	\$ (1,382.8)
Depreciation, amortization and other purchase accounting	2,383.7	543.4	593.0	2,433.3
Interest, net of interest income	812.1	163.1	196.2	845.2
Impairment charges	1,168.9	-	-	1,168.9
Noncontrolling interest	(19.1)	(3.1)	(4.8)	(20.8)
	-----	-----	-----	
EBITDA	2,808.6	493.4	728.6	3,043.8
Adjustments:				
Car rental fleet interest	(435.8)	(79.1)	(94.0)	(450.7)
Car rental fleet depreciation	(1,787.5)	(391.1)	(447.4)	(1,843.8)
Non-cash expenses and charges	119.1	26.3	20.2	113.0
Non-cash expenses and charges to arrive at LTM (b)	3.7	-	-	-
Extraordinary, unusual or non-recurring gains and				

losses	252.7	42.4	27.6	237.9
Corporate EBITDA	960.8	91.9	235.0	1,100.2
Equipment rental maintenance capital expenditures, net	(323.2)	(89.0)	(78.1)	(312.3)
Non-fleet capital expenditures, net	(59.1)	(1.6)	(47.3)	(104.8)
Changes in working capital	(420.7)	11.6	425.5	(6.8)
Changes in other assets and liabilities	(673.7)	(226.2)	(110.9)	(558.4)
Changes in other assets and liabilities to arrive at LTM (b)	(3.7)	-	-	-
Unlevered pre-tax cash flow (a)	(519.6)	(213.3)	424.2	117.9
Corporate net cash interest	(340.8)	(76.5)	(94.1)	(358.4)
Corporate cash taxes	(32.3)	(7.8)	(8.9)	(33.4)
Levered after-tax cash flow before fleet growth (a)	(892.7)	(297.6)	321.2	(273.9)
Equipment rental fleet growth capital expenditures	614.0	173.7	52.4	492.7
Car rental net fleet equity requirement	642.4	87.2	(606.3)	(51.1)
Levered after-tax cash flow after fleet growth (a)	\$ 363.7	\$ (36.7)	\$ (232.7)	\$ 167.7

(a) Amounts include the effect of fluctuations in foreign currency.

(b) Adjustment necessary due to the nature of the calculation of non-cash expenses and charges where, on a quarterly basis the cash payments for a specific liability may exceed the related non-cash expense, but not on a cumulative last twelve month basis.

Table 9
HERTZ GLOBAL HOLDINGS, INC.
RECONCILIATION OF GAAP TO NON-GAAP MEASURES
(In millions)
Unaudited

TOTAL NET CASH FLOW	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009
Net cash provided by operating activities	\$ 301.2	\$ 184.5
Net cash provided by (used in) investing activities	(525.5)	996.9
Net change in restricted cash	(139.9)	(401.2)
Payment of financing costs	(1.3)	(1.5)
Proceeds from exercise of stock options	0.7	0.9
Proceeds from employee stock purchase plan	0.6	0.7
Distributions to noncontrolling interest	(3.0)	(2.8)
Net settlement on vesting of restricted stock	(5.3)	-
Cash overdraft reclass	(9.4)	(16.8)
Total net cash flow	\$ (381.9)	\$ 760.7

Twelve Months Ended March 31, 2010	Three Months Ended March 31, 2010	Three Months Ended March 31, 2009	Year Ended December 31, 2009	
--	---	---	------------------------------------	--

Net cash provided by operating activities	\$ 1,891.7	\$ 301.2	\$ 184.5	\$ 1,775.0
Net cash provided by (used in) investing activities	(2,812.2)	(525.5)	996.9	(1,289.8)
Net change in restricted cash	(107.4)	(139.9)	(401.2)	(368.7)
Payment of financing costs	(44.8)	(1.3)	(1.5)	(45.0)
Payment of debt offering costs	(15.3)	-	-	(15.3)
Gain on extinguishment of debt	48.5	-	-	48.5
Proceeds from exercise of stock options	5.1	0.7	0.9	5.3
Proceeds from employee stock purchase plan	2.3	0.6	0.7	2.4
Distributions to noncontrolling interest	(15.3)	(3.0)	(2.8)	(15.1)
Proceeds from sale of stock and conversion feature on debt	646.9	-	-	646.9
Net settlement on vesting of restricted stock	(7.5)	(5.3)	-	(2.2)
Cash overdraft reclass	(1.2)	(9.4)	(16.8)	(8.6)
Total net cash flow	\$ (409.2)	\$ (381.9)	\$ 760.7	\$ 733.4

Twelve Months Ended March 31, 2009	Three Months Ended March 31, 2009	Three Months Ended March 31, 2008	Year Ended December 31, 2008	
--	---	---	------------------------------------	--

Net cash provided by operating activities	\$ 2,323.2	\$ 184.5	\$ 405.5	\$ 2,544.2
Net cash provided by (used in) investing activities	(950.6)	996.9	39.2	(1,908.3)
Net change in restricted cash	197.2	(401.2)	(526.6)	71.8
Payment of financing costs	(58.2)	(1.5)	(4.5)	(61.2)
Proceeds from exercise of stock options	3.0	0.9	4.7	6.8
Proceeds from employee stock purchase plan	0.7	0.7	-	-
Distributions to noncontrolling interest	(27.0)	(2.8)	-	(24.2)
Proceeds from the disgorgement of stockholder short-swing profits	(0.1)	-	0.1	-
Cash overdraft reclass	(38.9)	(16.8)	(13.9)	(36.0)
Total net cash flow	\$ 1,449.3	\$ 760.7	\$ (95.5)	\$ 593.1

Exhibit 1

Non-GAAP Measures: Definitions and Use/Importance

Hertz Global Holdings, Inc. ("Hertz Holdings") is our top-level holding company. The Hertz Corporation ("Hertz") is our primary operating company. The term "GAAP" refers to accounting principles generally accepted in the United States of America.

Definitions of non-GAAP measures utilized in Hertz Holdings' April 26, 2010 Press Release are set forth below. Also set forth below is a summary of the reasons why management of Hertz Holdings and Hertz believes that the presentation of the non-GAAP financial measures included in the Press Release provide useful information regarding Hertz Holdings' and Hertz's financial condition and results of operations and additional purposes, if any, for which management of Hertz Holdings and Hertz utilize the non-GAAP measures.

1. Earnings Before Interest, Taxes, Depreciation and Amortization ("EBITDA") and Corporate EBITDA

We present EBITDA and Corporate EBITDA to provide investors with supplemental measures of our operating performance and liquidity and, in the case of Corporate EBITDA, information utilized in the calculation of the financial covenants under Hertz's senior credit facilities. EBITDA is defined as consolidated net income before net interest expense, consolidated income taxes and consolidated depreciation and amortization. Corporate EBITDA differs from the term "EBITDA" as it is commonly used. Corporate EBITDA means "EBITDA" as that term is defined under Hertz's senior credit facilities, which is generally consolidated net income before net interest expense (other than interest expense relating to certain car rental fleet financing), consolidated income taxes, consolidated depreciation (other than depreciation related to the car rental fleet) and amortization and before certain other items, in each case as more fully defined in the agreements governing Hertz's senior credit facilities. The other items excluded in this calculation include, but are not limited to: non-cash expenses and charges; extraordinary, unusual or non-recurring gains or losses; gains or losses associated with the sale or write-down of assets not in the ordinary course of business; and earnings to the extent of cash dividends or distributions paid from non-controlled affiliates. Further, the covenants in Hertz's senior credit facilities are calculated using Corporate EBITDA for the most recent four fiscal quarters as a whole. As a result, the measure can be disproportionately affected by a particularly strong or weak quarter. Further, it may not be comparable to the measure for any subsequent four-quarter period or for any complete fiscal year.

Management uses EBITDA and Corporate EBITDA as performance and cash flow metrics for internal monitoring and planning purposes, including the preparation of our annual operating budget and monthly operating reviews, as well as to facilitate analysis of investment decisions. In addition, both metrics are important to allow us to evaluate profitability and make performance trend comparisons between us and our competitors. Further, we believe EBITDA and Corporate EBITDA are frequently used by securities analysts, investors and other interested parties in the evaluation of companies in our industries.

EBITDA is also used by management and investors to evaluate our operating performance exclusive of financing costs and depreciation policies. Further, because we have two business segments that are financed differently and have different underlying depreciation characteristics, EBITDA enables investors to isolate the effects on profitability of operating metrics such as revenue, operating expenses and selling, general and administrative expenses. In addition to its use to monitor performance trends, EBITDA provides a comparative metric to management and investors that is consistent across companies with different capital structures and depreciation policies. This enables management and investors to compare our performance on a consolidated basis and on a segment basis to that of our peers. In addition, our management uses consolidated EBITDA as a proxy for cash flow available to finance fleet expenditures and the costs of our capital structure on a day-to-day basis so that we can more easily monitor our cash flows when a full statement of cash flows is not available.

Corporate EBITDA also serves as an important measure of our performance. Corporate EBITDA for our car rental segment enables us to assess our operating performance inclusive of fleet management performance, depreciation assumptions and the cost of financing our fleet. In addition, Corporate EBITDA for our car rental segment allows us to compare our performance, inclusive of fleet mix and financing decisions, to the performance of our competitors. Since most of our competitors utilize asset-backed fleet debt to finance fleet acquisitions, this measure is relevant for evaluating our operating efficiency inclusive of our fleet acquisition and utilization. For our equipment rental segment, Corporate EBITDA provides an appropriate measure of performance because the investment in our equipment fleet is longer-term in nature than for our car rental segment and therefore Corporate EBITDA allows management to assess operating performance exclusive of interim changes in depreciation assumptions. Further, unlike our car rental segment, our equipment rental fleet is not financed through separate securitization-based fleet financing facilities, but rather through our corporate debt. Corporate EBITDA for our equipment rental segment is a key measure used to make investment decisions because it enables us to evaluate return on investments. For both segments, Corporate EBITDA provides a relevant profitability metric for use in comparison of our performance against our public peers, many of whom publicly disclose a comparable metric. In addition, we believe that investors, analysts and rating agencies consider EBITDA and Corporate EBITDA useful in measuring our ability to meet our debt service obligations and make capital expenditures. Several of Hertz's material debt covenants are based on financial ratios utilizing Corporate EBITDA and non-compliance with those covenants could result in the requirement to immediately repay all amounts outstanding under those agreements, which could have a material adverse effect on our results of operations, financial position and cash flows.

EBITDA and Corporate EBITDA are not recognized measurements under GAAP. When evaluating our operating performance or liquidity, investors should not consider EBITDA and Corporate EBITDA in isolation of, or as a substitute for, measures of our financial performance and liquidity as determined in accordance with GAAP, such as net income, operating income or net cash provided by operating activities. EBITDA and Corporate EBITDA may have material limitations as performance measures because they exclude items that are necessary elements of our costs and operations. Because other companies may calculate EBITDA and Corporate EBITDA differently than we do, EBITDA may not be, and Corporate EBITDA as presented is not, comparable to similarly titled measures reported by other companies.

Borrowings under Hertz's senior credit facilities are a key source of our liquidity. Hertz's ability to borrow under these senior credit facilities depends upon, among other things, the maintenance of a sufficient borrowing base and compliance with the financial ratio covenants based on Corporate EBITDA set forth in the credit agreements for Hertz's senior credit facilities. Hertz's senior term loan facility requires the maintenance of a specified consolidated leverage ratio and a consolidated interest expense coverage ratio based on Corporate EBITDA, while its senior asset-based loan facility requires that a specified consolidated leverage ratio and consolidated fixed charge coverage ratio be maintained for periods during which there is less than \$200 million of available borrowing capacity under the senior

asset-based loan facility. These financial covenants became applicable to Hertz beginning September 30, 2006, reflecting the four quarter period ending thereon. Failure to comply with these financial ratio covenants would result in a default under the credit agreements for Hertz's senior credit facilities and, absent a waiver or an amendment from the lenders, permit the acceleration of all outstanding borrowings under the senior credit facilities. As of March 31, 2010, we performed the calculations associated with the above noted financial covenants and determined that Hertz is in compliance with such covenants.

2. Adjusted Pre-Tax Income

Adjusted pre-tax income is calculated as income before income taxes and noncontrolling interest plus non-cash purchase accounting charges, non-cash debt charges relating to the amortization of debt financing costs and debt discounts and certain one-time charges and non-operational items. Adjusted pre-tax income is important to management because it allows management to assess operational performance of our business, exclusive of the items mentioned above. It also allows management to assess the performance of the entire business on the same basis as the segment measure of profitability. Management believes that it is important to investors for the same reasons it is important to management and because it allows them to assess the operational performance of the Company on the same basis that management uses internally.

3. Adjusted Net Income

Adjusted net income is calculated as adjusted pre-tax income less a provision for income taxes derived utilizing a normalized income tax rate (34% in 2010 and 2009) and noncontrolling interest. The normalized income tax rate is management's estimate of our long-term tax rate. Adjusted net income is important to management and investors because it represents our operational performance exclusive of the effects of purchase accounting, non-cash debt charges, one-time charges and items that are not operational in nature or comparable to those of our competitors.

4. Adjusted Diluted Earnings Per Share

Adjusted diluted earnings per share is calculated as adjusted net income divided by, for 2010, 410.0 million which represents the approximate number of shares outstanding at December 31, 2009, and for 2009, 407.7 million which represents the actual diluted weighted average number of shares outstanding for the year ended December 31, 2008 plus 85 million shares offered in the 2009 common stock offerings. Adjusted diluted earnings per share is important to management and investors because it represents a measure of our operational performance exclusive of the effects of purchase accounting adjustments, non-cash debt charges, one-time charges and items that are not operational in nature or comparable to those of our competitors.

5. Transaction Days

Transaction days represent the total number of days that vehicles were on rent in a given period.

6. Car Rental Rate Revenue, Rental Rate Revenue Per Transaction Day and Rental Rate Revenue Per Transaction

Car rental rate revenue consists of all revenue, net of discounts, associated with the rental of cars including charges for optional insurance products, but excluding revenue derived from fueling and concession and other expense pass-throughs, NeverLost units in the U.S. and certain ancillary revenue. Rental rate revenue per transaction day is calculated as total rental rate revenue, divided by the total number of transaction days, with all periods adjusted to eliminate the effect of fluctuations in foreign currency. Rental rate revenue per transaction is calculated as total rental rate revenue, divided by the total number of transactions, with all periods adjusted to eliminate the effects of fluctuations in foreign currency. Our management believes eliminating the effect of fluctuations in foreign currency is appropriate so as not to affect the comparability of underlying trends. These statistics are important to management and investors as they represent the best measurements of the changes in underlying pricing in the car rental business and encompasses the elements in car rental pricing that management has the ability to control. The optional insurance products are packaged within certain negotiated corporate, government and membership programs and within certain retail rates being charged. Based upon these existing programs and rate packages, management believes that these optional insurance products should be consistently included in the daily pricing of car rental transactions. On the other hand, non-rental rate revenue items such as refueling and concession pass-through expense items are driven by factors beyond the control of management (i.e. the price of fuel and the concession fees charged by airports). Additionally, NeverLost units are an optional revenue product which management does not consider to be part of their daily pricing of car rental transactions.

7. Equipment Rental and Rental Related Revenue

Equipment rental and rental related revenue consists of all revenue, net of discounts, associated with the rental of equipment including charges for delivery, loss damage waivers and fueling, but excluding revenue arising from the sale of equipment, parts and supplies and certain other ancillary revenue. Rental and rental related revenue is adjusted in all periods to eliminate the effect of fluctuations in foreign currency. Our management believes eliminating the effect of fluctuations in foreign currency is appropriate so as not to affect the comparability of underlying trends. This statistic is important to our management and to investors as it is utilized in the measurement of rental revenue generated per dollar invested in fleet on an annualized basis and is comparable with the reporting of other industry participants.

8. Same Store Revenue Growth/Decline

Same store revenue growth/decline represents the change in the current period total same store revenue over the prior period total same store revenue as a percentage of the prior period. The same store revenue amounts are adjusted in

all periods to eliminate the effect of fluctuations in foreign currency. Our management believes eliminating the effect of fluctuations in foreign currency is appropriate so as not to affect the comparability of underlying trends.

9. Unlevered Pre-Tax Cash Flow

Unlevered pre-tax cash flow is calculated as Corporate EBITDA less equipment rental fleet depreciation including gain (loss) on sale, non-fleet capital expenditures, net of non-fleet disposals, plus changes in working capital (accounts receivable, inventories, prepaid expenses, accounts payable and accrued liabilities), and changes in other assets and liabilities (including public liability and property damage, U.S. pension liability, other assets and liabilities, equity and noncontrolling interest). Unlevered pre-tax cash flow is important to management and investors as it represents funds available to pay corporate interest and taxes and to grow our fleet or reduce debt.

10. Levered After-Tax Cash Flow Before Fleet Growth

Levered after-tax cash flow before fleet growth is calculated as Unlevered Pre-Tax Cash Flow less corporate net cash interest and corporate cash taxes. Levered after-tax cash flow before fleet growth is important to management and investors as it represents the funds available to grow our fleet or reduce our debt.

11. Corporate Net Cash Interest (used in the calculation of Levered After-Tax Cash Flow Before Fleet Growth)

Corporate net cash interest represents total interest expense, net of total interest income, less car rental fleet interest expense, net of car rental fleet interest income, and non-cash corporate interest charges. Non-cash corporate interest charges represent the amortization of corporate debt financing costs and corporate debt discounts. Corporate net cash interest helps management and investors measure the ongoing costs of financing the business exclusive of the costs associated with the fleet financing.

12. Corporate Cash Taxes (used in the calculation of Levered After-Tax Cash Flow Before Fleet Growth)

Corporate cash taxes represents cash paid by the Company during the period for income taxes.

13. Levered After-Tax Cash Flow After Fleet Growth

Levered after-tax cash flow after fleet growth is calculated as Levered After-Tax Cash Flow Before Fleet Growth less equipment rental fleet growth capital expenditures and less gross car rental fleet growth capital expenditures plus car rental fleet financing. Levered after-tax cash flow after fleet growth is important to management and investors as it represents the funds available for the reduction of corporate debt.

14. Net Corporate Debt

Net corporate debt is calculated as total debt excluding fleet debt less cash and equivalents and corporate restricted cash. Corporate debt consists of senior notes issued prior to the acquisition of all of Hertz's common stock on December 21, 2005; borrowings under our Senior Term Facility; borrowings under our Senior ABL Facility; our Senior Notes; our Senior Subordinated Notes; our 5.25% Convertible Senior Notes and certain other indebtedness of our domestic and foreign subsidiaries. Net Corporate Debt is important to management, investors and ratings agencies as it helps measure our leverage. Net Corporate Debt also assists in the evaluation of our ability to service our non-fleet-related debt without reference to the expense associated with the fleet debt, which is fully collateralized by assets not available to lenders under the non-fleet debt facilities.

15. Corporate Restricted Cash (used in the calculation of Net Corporate Debt)

Total restricted cash includes cash and cash equivalents that are not readily available for our normal disbursements. Total restricted cash and equivalents are restricted for the purchase of revenue earning vehicles and other specified uses under our Fleet Debt facilities, our like-kind exchange programs and to satisfy certain of our self insurance regulatory reserve requirements. Corporate restricted cash is calculated as total restricted cash less restricted cash associated with fleet debt.

16. Net Fleet Debt

Net fleet debt is calculated as total fleet debt less restricted cash associated with fleet debt. Fleet debt consists of our U.S. ABS Fleet Debt, the Fleet Financing Facility, obligations incurred under our International Fleet Debt Facilities, Capital Leases relating to revenue earning equipment that are outside the International Fleet Debt Facilities, the International ABS Fleet Financing Facility, the Belgian Fleet Financing Facility, the Brazilian Fleet Financing Facility, the Canadian Fleet Financing Facility and the pre-Acquisition ABS Notes. This measure is important to management, investors and ratings agencies as it helps measure our leverage.

17. Restricted Cash Associated with Fleet Debt (used in the calculation of Net Fleet Debt and Corporate Restricted Cash)

Restricted cash associated with fleet debt is restricted for the purchase of revenue earning vehicles and other specified uses under our Fleet Debt facilities and our car rental like-kind exchange program.

18. Total Net Debt

Total net debt is calculated as net corporate debt plus net fleet debt. This measure is important to management, investors and ratings agencies as it helps measure our leverage.

19. Total Net Cash Flow

Total net cash flow is calculated as the change in the debt balances less the change in cash and equivalents and restricted cash, adjusted for the effects of foreign currency. Total net cash flow is important to management, investors and rating agencies as it represents funds available to grow our fleet or reduce our debt.

SOURCE: The Hertz Corporation

<https://ir.hertz.com/press-releases?item=559>