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25 June 2010

Avis Europe plc

Proposed Rights Issue and Refinancing

The Board of Avis Europe plc ("Avis Europe" or the "Company" or the "Group") is pleased to announce today a 9 for 8 Rights Issue to raise approximately £151 million, net of expenses.

In conjunction with the Rights Issue, the Board today also announces that it has entered into a New Senior Revolving Credit Facility for €375 million with a 3-year maturity, replacing the existing Senior Revolving Credit Facility due to mature in February 2011. The New Senior Revolving Credit Facility has a one-year extension option, exercisable at the lenders' discretion on the second anniversary of the facility.

Highlights

- The Rights Issue is intended to strengthen the Group's balance sheet, give the Group sufficient financial flexibility to meet its investment needs going forward and provide for a loan note maturing in 2011
- The Rights Issue Price of 15 pence per New Share represents a 56.8 per cent. discount to the closing middle-market price on the London Stock Exchange of 34.75 pence per Ordinary Share on 24 June 2010, the last practicable date before this announcement, and a 38.3 per cent. discount to the theoretical ex-rights price
- The Company's majority shareholder, D'leteren, which holds 59.59 per cent. of the Group's issued share capital, has irrevocably undertaken to vote its entire shareholding in favour of the Rights Issue and to fully exercise its rights entitlement. Accordingly, the Group has certainty that the Rights Issue will be approved
- Each of the Directors, who together hold 0.2 per cent. of the Group's issued share capital, also intends to take up their entitlements in full. The balance of the Rights Issue has been fully underwritten

Pascal Bazin, Chief Executive of Avis Europe, commented:

"The combination of the proposed Rights Issue and the New Senior Revolving Credit Facility will result in a strengthened balance sheet, a significant reduction in the Group's borrowings, an improved maturity profile and improved credit ratios. The Group will have a more robust capital structure and the resources to take advantage of profitable opportunities for growth in its traditional markets as economic conditions stabilise, continue the expansion in higher growth emerging markets and invest in new mobility solutions."

This summary should be read in conjunction with the full text of the announcement.

A prospectus is expected to be published by the Group today containing details of the Rights Issue. Shareholder approval for the resolution required to effect the Rights Issue will be sought at a General Meeting to be held at Avis House, Park Road, Bracknell, Berkshire RG12 2EW at 9.30 a.m. (London time) on 12 July 2010.

Application has been made to the UKLA for the New Shares (nil paid and fully paid) to be admitted to the Official List and to the London Stock Exchange for the New Shares to be admitted to trading on its main market for listed securities. Subject to Shareholder approval, amongst other things, it is expected that Admission will become effective on 13 July 2010 and that dealings in the New Shares will commence on the London Stock Exchange at 8:00 a.m. on that date. The expected latest time for acceptance and payment in full under the Rights Issue will be 11.00 a.m. (London time) on 27 July 2010.

Expected timetable of principal events for the Rights Issue

Each of the times and dates in the table below is indicative only and may be subject to change.

Publication of the Prospectus	25 June 2010
Latest time and date for receipt of General Meeting Forms of Proxy	9.30 a.m. on 8 July 2010
Record Date for entitlements under the Rights Issue	Close of business 9 July 2010
General Meeting	9.30 a.m. 12 July 2010
Expected date of despatch of Provisional Allotment Letters (to Qualifying non-CREST Shareholders only ⁽ⁱ⁾)	12 July 2010
Dealings in New Shares, nil paid, commence on the London Stock Exchange	8.00 a.m. 13 July 2010
Existing Shares marked "ex" by the London Stock Exchange	8.00 a.m. 13 July 2010
Latest time and date for acceptance, payment in full and registration of renunciation of Provisional Allotment Letters	11.00 a.m. 27 July 2010
Dealings in New Shares, fully paid, commence on the London Stock Exchange	8.00 a.m. 28 July 2010
Share Consolidation Record Date	6.00 p.m. 3 August 2010

Notes:

- (i) Subject to certain restrictions relating to Overseas Shareholders.
- (ii) References to times in this announcement are to London (BST) time unless otherwise stated.
- (iii) The times and dates set out in the expected timetable of principal events above may be adjusted by the Company, in which event details of the new dates will be notified to the Financial Services Authority and to the London Stock Exchange and, where appropriate, to Shareholders.

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This announcement is an advertisement and not a prospectus and investors should not subscribe for or purchase any Nil Paid Rights, Fully Paid Rights or New Shares referred to in this announcement except on the basis of information in the Prospectus which is expected to be published by the Company today in connection with the Rights Issue. Copies of the Prospectus will, following publication, be available on the Company's website (www.avis-europe.com).

This announcement does not constitute, or form part of any offer or invitation to purchase, otherwise acquire, subscribe for, sell, otherwise dispose of or issue, or any solicitation of any offer to sell, otherwise dispose of, issue, purchase, otherwise acquire or subscribe for, any security in the capital of the Company in any jurisdiction. Any decision to purchase, otherwise acquire, subscribe for, sell or otherwise dispose of any Provisional Allotment Letter, Nil Paid Rights, Fully Paid Rights and/or New Shares should only be made on the basis of information contained in and incorporated by reference into the Prospectus which contains further details relating to the Company in general as well as a summary of the risk factors to which an investment in the New Shares is subject. Nothing in this announcement should be interpreted as a term or condition of the Rights Issue. Subject to certain exceptions, the Prospectus will not be available to Shareholders located in the United States or any of the other Restricted Jurisdictions. This announcement is not directed to, or intended for distribution or use by, any person or entity that is a citizen or resident or located in any locality, state, country or other jurisdiction where such distribution, publication, availability, or use would be contrary to law or regulation which would require any registration or licensing within such jurisdiction.

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The release, publication or distribution of this announcement in certain jurisdictions may be restricted by law and therefore persons in such jurisdictions into which this announcement is released, published or distributed should inform themselves about and observe such restrictions.

Citi, which is regulated and authorised in the United Kingdom by the FSA, is acting as sole sponsor, global co-ordinator, sole bookrunner and underwriter to the Company and for no-one else in connection with the Rights Issue and will not regard any other person (whether or not a recipient of this announcement) as a client in relation to the Rights Issue and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Citi or for providing advice in relation to the Rights Issue, the contents of this announcement and the accompanying documents or any matters or arrangements referred to herein or therein.

*Barclays Bank PLC, Commerzbank AG, HSBC Bank plc, KBC Securities NV, Lloyds TSB Bank PLC and RBS Hoare Govett Limited, which are each regulated and authorised in the United Kingdom by the FSA, and BNP PARIBAS and Société Générale, which are each authorised by the Comité des Établissements de Crédit et des Entreprises d'Investissement and supervised by the Commission Bancaire and authorised and subject to limited regulation by the FSA, are each acting severally as co-lead managers and underwriters (together, the **"Co-Lead Managers"**), to the Company and to no one else in connection with the Rights Issue and will not regard any other person (whether or not a recipient of this announcement) as a client in relation to the Rights Issue and none of the Lead Managers will be responsible to anyone other than the Company for providing the protections afforded to clients of each of the Co-Lead Managers or for providing advice in relation to the Rights Issue, the contents of this announcement and any accompanying documents or any matters or arrangements referred to herein or therein.*

Citi and any of the Co-Lead Managers may, in accordance with applicable legal and regulatory provisions, engage in transactions in relation to the Nil Paid Rights, the Fully Paid Rights, the New Shares and/or related instruments for their own account for the purpose of hedging their underwriting exposure or otherwise. Except as required by applicable law or regulation Citi and the Co-Lead Managers do not propose to make any public disclosure in relation to such transactions.

The statements contained in this announcement that are not historical facts are "forward-looking" statements. These forward-looking statements are subject to a number of substantial risks and uncertainties, many of which are beyond the Company's control and actual results and developments may differ materially from those expressed or implied by these statements for a variety of factors. These forward-looking statements are statements based on the Company's current intentions, beliefs and expectations about among other things, the Company's results of operations, financial condition, prospects, growth, strategies and the industry in which the Company operates. Forward-looking statements are typically identified by the use of forward-looking terminology such as "believes", "expects", "may", "will", "could", "should", "intends", "estimates", "plans", "assumes" or "anticipates" or the negative thereof or other variations thereon or comparable terminology, or by discussions of strategy that involve risks and uncertainties. By their nature, forward-looking statements involve risks and uncertainties, including, without limitation, the risks and uncertainties to be set forth in the Prospectus, because they relate to events and depend on circumstances that may or may not occur in the future. In addition, from time to time, the Company or its representatives have made or may make forward-looking statements orally or in writing. Furthermore, such forward-looking statements may be included in, but are not limited to, press releases or oral statements made by or with the approval of an authorised executive officer of the Company. No assurance can be given that such future results will be achieved; actual events or results may differ materially from those expressed in or implied by these statements as a result of risks and uncertainties facing the Company and its subsidiaries. Many of these risks and uncertainties relate to factors that are beyond the Company's ability to control or estimate precisely, such as changes in taxation and fiscal policy, future market conditions, currency fluctuations, the behaviour of other market participants, the actions of governmental regulators and other risk factors such as the Company's ability to continue to obtain financing to meet its liquidity needs, changes in the political, social and regulatory framework in which the Company operates or in economic or technological trends or conditions, including inflation and consumer confidence, on a global, regional or national basis. Such risks and uncertainties could cause actual results to vary materially from the future results indicated, expressed or implied in such forward-looking statements. The forward-looking

statements contained in this announcement speak only as of the date of this document and the Company undertakes no duty to update any of them publicly in light of new information or future events, except to the extent required by applicable law, the Prospectus Rules, the Listing Rules and the Disclosure and Transparency Rules.

No statement in this announcement is intended as a profit forecast or a profit estimate and no statement in this announcement should be interpreted to mean that earnings per Ordinary Share for the current or future financial years would necessarily match or exceed the historical published earnings per Ordinary Share. Prices and values of, and income from, shares may go down as well as up and an investor may not get back the amount invested. It should be noted that past performance is no guide to future performance. Persons needing advice should consult an independent financial adviser.

This announcement should not be considered a recommendation by Citi or the Co-Lead Managers or any of their respective directors, officers, employees, advisers or any of their respective affiliates in relation to any purchase of or subscription for securities. No representation or warranty, express or implied, is given by or on behalf of Citi or the Co-Lead Managers or any of their respective directors, officers, employees, advisers or any of their respective affiliates or any other person as to the accuracy, fairness, sufficiency or completeness of the information or the opinions or the beliefs contained in this announcement (or any part hereof). None of the information contained in this document has been independently verified or approved by Citi or the Co-Lead Managers or any of their respective directors, officers, employees, advisers or any of their respective affiliates. Save in the case of fraud, no liability is accepted by Citi or the Co-Lead Managers or any of their respective directors, officers, employees, advisers or any of their respective affiliates for any errors, omissions or inaccuracies in such information or opinions or for any loss, cost or damage suffered or incurred howsoever arising, directly or indirectly, from any use of this document or its contents or otherwise in connection with this document. No person has been authorised to give any information or to make any representations other than those contained in this announcement and, if given or made, such information or representations must not be relied on as having been authorised by the Company, Citi or the Co-Lead Managers. Subject to the Listing Rules, the Prospectus Rules and the Disclosure and Transparency Rules, the issue of this announcement shall not, in any circumstances, create any implication that there has been no change in the affairs of the Group since the date of this announcement or that the information in it is correct as at any subsequent date.

Neither the content of the Company's website (or any other website) nor the content of any website accessible from hyperlinks on the Company's website (or any other website) is incorporated into, or forms part of, this announcement.

This announcement has been prepared for the purposes of complying with applicable law and regulation in the United Kingdom and the information disclosed may not be the same as that which would have been disclosed if this announcement had been prepared in accordance with the laws and regulations of any jurisdiction outside of the United Kingdom.

Avis Europe plc

Proposed Rights Issue and Refinancing

Introduction

The Board has today announced that the Group is proposing to raise approximately £151 million, net of expenses, by the issue of 1,035,589,553 New Shares at a price of 15 pence per New Share. Based upon the exchange rate of £1=€1.211 at the close of business on 24 June 2010, the last practicable date and time before the publication of this announcement, the net proceeds of the Rights Issue will be approximately equivalent to €183 million.

The issue will be made by way of a Rights Issue to all Qualifying Shareholders (other than, subject to certain exceptions, Qualifying Shareholders in the United States or any of the other Restricted Jurisdictions) on the basis of 9 New Shares for every 8 Existing Shares held at the close of business on 9 July 2010 and so in proportion to the number of Existing Shares then held.

In order to undertake the Rights Issue, the Company needs to grant the Directors authority to allot shares. This requires the approval of Shareholders by an ordinary resolution, that is, by more than 50 per cent. of those voting. The Rights Issue is conditional upon, inter alia, passing of the Rights Issue Resolution by the Shareholders at the General Meeting. The Company's majority Shareholder, D'Ieteren, currently holds 59.59 per cent. of the Group's issued share capital and has irrevocably undertaken to vote its entire shareholding in favour of the Rights Issue Resolution. Accordingly the Group has certainty that the Rights Issue Resolution will be passed.

The Rights Issue Price of 15 pence per New Share represents a 56.8 per cent. discount to the closing middle-market price of 34.75 pence per Ordinary Share on 24 June 2010, the last practicable date before the announcement of the Rights Issue.

The Company's majority Shareholder, D'Ieteren, has given irrevocable undertakings to acquire 617,159,503 New Shares under the Rights Issue, which represents its entire entitlement to acquire New Shares under the Rights Issue and has agreed to pay £93 million into an escrow account before the General Meeting to secure such take up. The Directors have also given irrevocable undertakings to take up their rights in full in respect of in aggregate 2,042,170 New Shares. The Rights Issue has been fully underwritten by the Underwriters save for 619,201,673 New Shares, representing 59.8 per cent. of the New Shares, in respect of which irrevocable undertakings to acquire such shares under the Rights Issue have been obtained.

The Board believes the Rights Issue is in the best interests of the Company and its Shareholders as a whole, and recommends that you vote in favour of the Rights Issue Resolution.

The Company is also proposing to consolidate the Company's existing Share Capital following completion of the Rights Issue on the basis of one 10 pence Ordinary Share for every ten Existing Shares held.

Background to and Reasons for the Rights Issue

Overview of business

Avis Europe is one of Europe's leading vehicle rental companies. Since it floated on the London Stock Exchange in April 1997, the Group has had a strategy of driving and maintaining brand leadership across Europe, Africa, Middle East and Asia with the objective of building on the Group's key strengths in customer service, network development, rental fleet management and cost management.

In the face of the global economic downturn, the Group undertook a number of operational actions to lower costs, reduce capital employed in the business and drive cash flow generation.

Hence, despite a very challenging trading environment, the Group continued to deliver a robust operational performance and reduced its net debt position from €1,133 million as at 31 December 2008 to €758 million as at 31 December 2009 and, aside from the impact at the Rights Issue, expects broadly to maintain a similar level as at 31 December 2010. The Group's net debt position increased slightly to €770 million as at 30 April 2010 and then to €812 million as at 31 May 2010, due to the seasonality of the business and the associated fleet increase.

Financing strategy

The Group's business activities are highly seasonal. As a result the Group increases its vehicle fleet during the peak summer months, the size of fleet then reducing towards the winter period, when fleet levels are typically lowest. Therefore, the Group's financing strategy is to use long-term sources of capital, including equity, the USPPs, the Floating Rate Notes and, to some extent, revolving credit facilities to finance its expected base level of fleet. The Group then uses more flexible sources of financing, including the New Senior Revolving Credit Facility and leases, to fund the fleet during the peak season.

Leases include both committed finance lease facilities provided by a number of commercial banks and operating leases provided by a variety of vehicle manufacturers, both in a number of different countries. Operating leases are largely provided by the financing subsidiaries of vehicle manufacturers, and are typically not committed beyond a relatively short period, usually on calendar year contracts aligned to vehicle purchase contracts. In recent years, the Group has increased its use of vehicles supplied on operating leases, which benefits the Group in several ways including providing a cost-effective and flexible source of vehicles; operational benefits in the fleeting/de-fleeting process; and financing counterparty diversification. Furthermore, the use of operating leases enables the Group to increase and reduce its fleet in line with demand without requiring committed financing facilities to be available to meet periods of high demand, which could otherwise be costly given the seasonal nature of the Group's business. Despite the short term nature of these operating lease facilities, the Directors have no reason to believe that they will not continue and, in practice, they expect to be able to increase the number of vehicles obtained on such terms.

After taking into account the proceeds of the Rights Issue, the New Senior Revolving Credit Facility and its existing financing arrangements, the Group will be able to finance its planned fleet levels to meet expected demand in 2010 without taking into account any such operating lease arrangements. However, without the continued provision of vehicles to the Group pursuant to various operating lease arrangements in 2011, or if there were to be a material reduction in such provision, the Group would be unable to fully meet planned fleet levels, unless it were able to obtain new borrowing or finance lease funding arrangements.

With the existing Senior Revolving Credit Facility due to mature in 2011, the Group entered into the New Senior Revolving Credit Facility on 24 June 2010, which will be available for utilisation upon receipt by the Company of the proceeds of the Rights Issue. The existing Senior Revolving Credit Facility will be cancelled when the New Senior Revolving Credit Facility becomes available for utilisation. The New Senior Revolving Credit Facility is for €375 million, a reduction of €205 million as compared to the Senior Revolving Credit Facility, reflecting the lower debt needs of the Group following management actions undertaken in 2009. The New Senior Revolving Credit Facility consists of an unsecured, committed, multi-currency revolving credit facility provided under a facilities agreement dated 24 June 2010 and which terminates on 24 June 2013 with a one year extension option, exercisable at the lenders' discretion on the second anniversary of the facility. The Board believes the terms of the New Senior Revolving Credit Facility are attractive in the context of the current environment and the recent global reduction in the availability of bank credit facilities. Such terms have been obtained, in part, by launching the Rights Issue to strengthen the Group's balance sheet.

The Group's Loan Notes of €586 million include certain of the USPPs in aggregate principal amount of approximately €151 million (including their associated cross-currency swaps) that mature before the end of 2011. Of this amount, €51 million matures in August 2010 and is

expected to be repaid from operating cash flow. The remaining €100 million of USPPs will mature during June 2011 and the Board presently intends that this maturity will be funded from part of the proceeds of the Rights Issue. The remaining maturities of the Loan Notes extend from 2012 through to 2014.

The Rights Issue

The purpose of the Rights Issue is to strengthen the Group's balance sheet, to enable it to put in place the New Senior Revolving Credit Facility on attractive terms and lead the Board to be confident that it can pay the USPPs that mature in June 2011, whilst maintaining the Group's ability to invest in its fleet. The Directors currently believe that allowing the USPPs to remain in place until their respective maturities represents better value to shareholders than repaying them immediately from the proceeds of the Rights Issue but will, however, keep this under review.

The combination of the New Senior Revolving Credit Facility and the Rights Issue will result in a strengthened balance sheet, a significant reduction in the Group's borrowings, an improved maturity profile and improved credit ratios. The Board believes that following the Rights Issue, the Group will have a more robust capital structure and the resources to take advantage of opportunities for profitable growth in its traditional markets as economic conditions stabilise, continue the expansion in higher growth emerging markets and to develop new mobility solutions.

The Board expects that the Rights Issue should make a positive contribution to total earnings in the year to 31 December 2010 as a result of reduced interest payments arising from lower average levels of net financial indebtedness. However, the Board expects that the increased number of Shares in issue following the Rights Issue will have a negative effect on the Group's earnings per share for the same period.

Use of Proceeds

The Rights Issue will significantly strengthen the Group's balance sheet. The net proceeds are presently intended to be used to ensure that the Group has sufficient financial flexibility to meet its investment needs going forward and to provide for the repayment of €100 million of the Group's USPPs when they mature in June 2011. The combination of a stronger balance sheet, the Loan Notes, the New Senior Revolving Credit Facility and the possibility of raising further new finance in due course will support the planned profitable growth in both the Group's core and emerging markets and to develop new mobility solutions.

Dividend policy and distributable reserves

The Board took the decision in 2004 to suspend the Company's dividend in order to preserve capital for investment in the Group. The Board's current expectation is that it will only recommend the payment of dividends when the financial and trading position of the Group allows.

Current trading and prospects

As announced in the Group's interim management statement on 18 May 2010, during the first four months of 2010, despite the significant disruptions to travel, both at the beginning of the year due to adverse weather conditions across Northern Europe and in April, when a volcanic ash cloud resulted in the temporary closure of airspace, overall trading was in line with the Group's expectations.

At 30 April 2010, billed days, the Group's measure of volumes, were only slightly lower than the prior year, the relative rate of reduction having substantially eased with the strong diversity of the Group's customer portfolio and a well balanced geographic coverage continuing to support performance. The improving trends in the Individual and Insurance/Replacement customer groups were partly offset by a continued slower recovery in the Corporate customer group. From a geographic perspective, the Spanish market remained difficult, mitigated by a continued good performance in the UK, together with some signs of stabilisation in France and Germany, the

latter benefiting from the recent re-launch of the Budget brand.

Overall revenue per billed day is ahead of the prior year reflecting a strong operational focus on achieving further pricing gains, close control over fleet capacity and successful yielding over the Easter trading period. As a result, overall rental income grew year on year in March, the first month of growth since May 2008, and is slightly ahead of prior year on a cumulative basis to the end of April.

The Group continues to maintain close control over both costs and capital employed, having embedded the actions taken last year across the organisation. Fleet capacity remains tightly controlled with further improved fleet management processes rolled out across all main countries. As a result, utilisation was ahead of prior year prior to the travel disruption. This improvement is expected to continue for the remainder of the year. Fleet cost inflation has been held broadly flat and used vehicle markets remain stable overall.

The interest charge has benefited from both lower effective rates as previous hedging has matured as expected, and the continuing close control of capital.

The Group is encouraged by the improving overall revenue trend, although market conditions remain challenging in certain markets and the results of the peak summer trading period are hard to predict. The Group continues to maintain a prudent approach, although the Directors believe that operational flexibility and a clear strategy for growth means that the Group is well positioned to take advantage of opportunities from any upturn in the market and that the prospects for the Group remain highly positive.

Since the announcement of the Group's interim management statement, trading has continued in line with the Directors' expectations and there has been no significant change in the financial or trading position of the Group since 31 December 2009.

Principal terms of the Rights Issue

Subject to the satisfaction of the conditions referred to below, the Board proposes to issue the New Shares in connection with the Rights Issue in order to raise approximately £151 million, net of expenses. Based upon the exchange rate of £1 = €1.211 at the close of business on 24 June 2010, the last practicable date and time before this announcement, the net proceeds of the Rights Issue will be approximately equivalent to €183 million.

The Rights Issue Price of 15 pence per New Share represents a 56.8 per cent. discount to the closing price of 34.75 pence per Ordinary Share on 24 June 2010, the last practicable date before the announcement of the Rights Issue.

The Board intends to offer the New Shares by way of rights to Qualifying Shareholders (other than, subject to certain exceptions, Qualifying Shareholders in the United States or any of the other Restricted Jurisdictions) on the following basis:

9 New Shares at 15 pence per New Share for every 8 Existing Shares

held and registered in their name at the close of business on the Rights Issue Record Date. Entitlements to fractions of New Shares will not be allotted to Qualifying Shareholders. Shareholders with fewer than 8 Existing Shares will not be entitled to acquire any New Shares. Holdings of Existing Shares in certificated and uncertificated form will be treated as separate holdings for the purpose of calculating entitlements under the Rights Issue.

The Company's majority Shareholder, D'leteren, has given an irrevocable undertaking to take up its full entitlement under the Rights Issue and has agreed to pay £93 million into an escrow account before the General Meeting to secure such take up. This will result in D'leteren acquiring 617,159,503 New Shares, representing approximately 59.6 per cent. of the New Shares to be issued under the Rights Issue. The Directors have also given irrevocable undertakings to take up

their rights in full in respect of, in aggregate, 2,042,170 New Shares, representing approximately 0.2 per cent. of the New Shares to be issued under the Rights Issue. The Company has arranged for the balance of the Rights Issue to be underwritten in full in order to provide certainty as to the amount of capital to be raised.

The Rights Issue is conditional upon (i) Admission becoming effective by not later than 8.00 a.m. (London time) on 13 July 2010 (or such later time and/or date as the Company and the Global Co-ordinator may agree (being not later than 20 July 2010)), (ii) the Underwriting Agreement otherwise having become unconditional in all respects and not having terminated in accordance with its terms prior to Admission; (iii) the Rights Issue Resolution being passed at the General Meeting; and (iv) the payment by D'leteren of £93 million into an escrow account before the General Meeting to secure the take up of its rights in full.

The Rights Issue will result in the issue of 1,035,589,553 New Shares (representing approximately 52.9 per cent. of the issued share capital of the Company, as enlarged by the Rights Issue). The New Shares will, when issued and fully paid, rank equally in all respects with, and have the same rights as, the Existing Shares.

Principal terms of the Share Consolidation

The Directors are proposing to consolidate the Company's existing share capital on the basis described below. The purpose of the Share Consolidation, amongst other things, is to ensure that following the Rights Issue the number of shares in issue and the likely share price is appropriate for a business of the Group's size in the UK market.

The effect of the Share Consolidation will be that Shareholders on the Company's register of members at 6.00 p.m. on 3 August 2010, being the Share Consolidation Record Date, will following the implementation of the Share Consolidation hold:

one 10 pence Ordinary Share for every ten Existing Shares

and in that proportion for any other number of Existing Shares then held. The proportion of the issued ordinary share capital of the Company held by each Shareholder following the Share Consolidation will, save for fractional entitlements, remain unchanged. Apart from having a different nominal value, each 10 pence Ordinary Share will carry the same rights as set out in the Articles that attach to the Existing Shares.

The Share Consolidation is conditional on the approval by Shareholders of the Share Consolidation Resolution at the General Meeting. Any fractional entitlements arising on the Share Consolidation will be sold in the market on behalf of the Shareholder so entitled and the net proceeds of such sale will be sent to said Shareholders.

Subject to the Share Consolidation Resolution being approved, a request will be made to the UKLA and to the London Stock Exchange to reflect, on the Official List and the London Stock Exchange's main market for listed securities respectively, the consolidation of the Existing Shares into 10 pence Ordinary Shares.

New share certificates in respect of the 10 pence Ordinary Shares are expected to be posted to Shareholders by 10 August 2010 to those Shareholders who, at the Share Consolidation Record Date, hold their shares in certificated form (including in respect of 10 pence Ordinary Shares arising from New Shares taken up in the Rights Issue by Qualifying non-CREST Shareholders). Where applicable, these will replace existing certificates, which should then be destroyed. Pending the receipt of new certificates, transfers of 10 pence Ordinary Shares held in certificated form will be certified against the register of members of the Company. 10 pence Ordinary Shares are expected to be credited to stock accounts in CREST at 8.00 a.m. on 4 August 2009. On completion of the Share Consolidation, the ISIN of the 10 pence Ordinary Shares will be GB00B693LN18.

General Meeting

The General Meeting is to be held at Avis House, Park Road, Bracknell, Berkshire RG12 2EW at 9.30 a.m. (London time) on 12 July 2010. The purpose of the meeting is to seek Shareholders' approval of the Resolutions. If passed, the Rights Issue Resolution will authorise the Directors pursuant to section 551 of the Companies Act to allot relevant securities up to a maximum aggregate nominal amount of £1,035,589,553 in connection with the Rights Issue, representing approximately 112.5 per cent. of the existing issued share capital of the Company. If passed, the Share Consolidation Resolution will, with effect from 6.00 p.m. on 3 August 2010 (or such other date as the Directors determine), consolidate the Ordinary Shares into 10 pence Ordinary Shares.

Subject to certain conditions being satisfied, including the passing of the Rights Issue Resolution by the Shareholders at the General Meeting, it is expected that, where relevant, Provisional Allotment Letters relating to the Rights Issue will be despatched on or about 12 July 2010.

Directors' and majority Shareholder's intentions

D'Ieteren, the Company's majority Shareholder, is supportive of the Rights Issue and has given an irrevocable undertaking to take up its full entitlement under the Rights Issue and has agreed to pay £93 million into an escrow account before the General Meeting to secure such take up. This will result in D'Ieteren acquiring 617,159,503 New Shares, representing approximately 59.59 per cent. of the New Shares to be issued under the Rights Issue. Following the Rights Issue, D'Ieteren will therefore continue to hold 59.59 per cent. of the Company's issued share capital. D'Ieteren has also, subject to certain exceptions, agreed not to sell any of its Ordinary Shares (being the Ordinary Shares it holds as of the date of this announcement and the New Shares it has agreed to acquire under the irrevocable undertaking) until Admission.

The Directors who own shares have also given irrevocable undertakings to acquire 2,042,170 New Shares worth £0.63 million (approximately €0.76 million) in aggregate at the Rights Issue Price, which represents their entire entitlement to New Shares under the Rights Issue.

Copies of the Prospectus will be available for inspection during usual business hours on any weekday (Saturdays, Sundays and public holidays excepted) at the offices of Freshfields Bruckhaus Deringer LLP at 65 Fleet Street, London EC4Y 1HS.

This announcement has been issued by, and is the sole responsibility of, Avis Europe plc.

Definitions

"10 pence Ordinary Shares"	the Ordinary Shares of 10 pence each arising from the Share Consolidation
"Admission"	admission of the New Shares to (a) the Official List, and (b) trading (nil paid) on the London Stock Exchange's main market for listed securities
"Articles"	the articles of association of the Company
"Avis"	the Group's operations under the Avis brand
"Board"	the board of Directors, from time to time, of the Company
"Bookrunner" or "Sole Bookrunner"	Citigroup Global Markets U.K. Equity Limited
"certificated" or "in certificated form"	a share or other security which is not in uncertificated form (that is, not in CREST)
"Citi"	Citigroup Global Markets Limited and Citigroup Global Markets U.K. Equity Limited

“Co-Lead Managers”	Barclays Capital, the investment banking division of Barclays Bank PLC, BNP PARIBAS, Commerzbank AG, HSBC Bank plc, KBC Securities NV, Lloyds TSB Bank PLC, RBS Hoare Govett Limited and Société Générale
“Company” or “Avis Europe”	Avis Europe plc, a public limited company incorporated under the laws of England and Wales
“CREST”	the relevant system (as defined in the CREST Regulations) for the paperless settlement of trades in listed securities in the United Kingdom, of which Euroclear is the operator (as defined in the CREST Regulations)
“CREST Regulations”	the Uncertificated Securities Regulations 2001 (SI 2001/3755), as amended
“D’Ieteren”	s.a. D’Ieteren n.v., and, where applicable, D’Ieteren Car Rental s.a., the entity through which the D’Ieteren Group holds its interest in the Company
“Director” or “Directors”	a director or the directors of the Company as at the date of this announcement
“Disclosure and Transparency Rules”	the Disclosure Rules and Transparency Rules of the Financial Services Authority
“EAME”	Europe, Africa and the Middle East
“EAMEA”	Europe, Africa, the Middle East and Asia
“EPS”	earnings per share
“EU”	European Union
“EURIBOR”	European Interbank Offered Rate
“Euroclear”	Euroclear UK & Ireland Limited
“Existing Lenders”	a group of 14 banks led by Barclays Bank PLC, Dresdner Bank AG, Fortis Bank S.A./N.V., Société Générale and the Royal Bank of Scotland plc
“Existing Shares”	the Ordinary Shares in issue at the Rights Issue Record Date or at the Share Consolidation Record Date, as appropriate
“Financial Services Authority” or “FSA”	the Financial Services Authority acting in its capacity as the competent authority for the purposes of Part VI of the FSMA
“financial year”	the Group’s financial year, from 1 January to 31 December, in the year specified
“Floating Rate Notes”	€250.0 million Senior Floating Rate Notes (EURIBOR plus 2.625 per cent.) due July 2013
“Fully Paid Rights”	rights to acquire New Shares, fully paid
“General Meeting”	the general meeting of the Company to be held at Avis House, Park Road, Bracknell, Berkshire RG12 2EW at 9.30 a.m. (London time) on 12 July 2010
“Global Co-ordinator” or “Sole Global Coordinator”	Citigroup Global Markets Limited
“Group”	the Company and its subsidiary undertakings and, where the context requires, its associated undertakings
“Loan Notes”	US\$48.0 million 8.30 per cent. Series B Loan Notes due August 2010, US\$120.0 million 5.66 per cent. Series A Loan Notes due June 2011, €65.0 million 5.34 per cent. Series B Loan Notes due June 2012, US\$20.0 million 5.87 per cent. Series C Loan Notes due June 2012, €26.8 million 6.80 per cent. Loan Notes due June 2012 and US\$100.0 million and 6.19 per cent. Series D Loan Notes due June 2014 and €250 million Floating Rate Notes

“London Stock Exchange”	London Stock Exchange plc
“New Senior Revolving Credit Facility”	the €375 million facility made available under a Multicurrency Revolving Facilities Agreement dated 24 June 2010 between, inter alios, the Company, Avis Finance Company plc, Avis Europe Holdings Limited and Barclays Bank PLC, Commerzbank Aktiengesellschaft, London Branch, Fortis Bank, UK Branch, HSBC Bank plc, KBC Bank N.V., Lloyds TSB Bank plc, Société Générale and The Royal Bank of Scotland plc
“New Share Issue”	the issue of the New Shares in connection with the Rights Issue
“New Shares”	the new Ordinary Shares which the Company intends to allot and issue pursuant to the Rights Issue, including, where appropriate, the Provisional Allotment Letters, the Nil Paid Rights and Fully Paid Rights
“Nil Paid Rights”	rights to acquire New Shares, nil paid
“Official List”	the Official List of the Financial Services Authority
“Ordinary Shares”	ordinary shares of one pence each in the capital of the Company and, after the Share Consolidation, ordinary shares of 10 pence each in the capital of the Company
“Overseas Shareholders”	Qualifying Shareholders who have registered addresses in, or who are citizens, residents or nationals of, jurisdictions outside the United Kingdom
“Prospectus”	the Prospectus issued by the Company in respect of the Rights Issue, together with any supplements or amendments thereto
“Prospectus Rules”	the Prospectus Rules of the Financial Services Authority
“Provisional Allotment Letter”	the provisional allotment letter to be issued to Qualifying non-CREST Shareholders (other than certain Overseas Shareholders)
“Qualifying non-CREST Shareholders”	Qualifying Shareholders holding Ordinary Shares in certificated form
“Qualifying Shareholders”	Shareholders on the register of members of the Company at the Record Date (other than, for the avoidance of doubt, the Company as holder of Treasury Shares)
“Resolutions”	the Rights Issue Resolution and the Share Consolidation Resolution
“Restricted Jurisdictions”	Australia, Canada, Japan and South Africa
“Rights Issue”	the offer by way of rights to Qualifying Shareholders to acquire New Shares, on the terms and conditions set out in the Prospectus and, in the case of Qualifying non-CREST Shareholders only, the Provisional Allotment Letter
“Rights Issue Price”	15 pence
“Rights Issue Record Date”	close of business on 9 July 2010
“Senior Revolving Credit Facility”	the €580 million senior revolving credit facility dated 20 February 2006 between the Company and the Existing Lenders which terminates on 20 February 2011
“Shareholders”	holder or holders of Ordinary Shares
“Sole Sponsor” or “Sponsor”	Citigroup Global Markets Limited
“Treasury Shares”	Ordinary Shares held by the Company in treasury pursuant to the provisions of Chapter 6 of the Companies Act 2006
“UK” or “United Kingdom”	the United Kingdom of Great Britain and Northern Ireland
“uncertificated” or “in uncertificated form”	recorded on the register of members as being held in uncertificated form in CREST and title to which, by virtue of the CREST

	Regulations, may be transferred by means of CREST
“Underwriters”	Citigroup Global Markets U.K. Equity Limited, Barclays Capital, the investment banking division of Barclays Bank PLC, BNP PARIBAS, Commerzbank AG, HSBC Bank plc, KBC Securities NV, Lloyds TSB Bank PLC, RBS Hoare Govett Limited and Société Générale
“Underwriting Agreement”	the agreement between the Company, the Sole Sponsor and the Underwriters
“United States” or “US”	the United States of America, its territories and possessions, any state of the United States and the District of Columbia
“USPPs”	the US dollar private placement notes
“US Securities Act”	the US Securities Act of 1933, as amended