



CAR 神州租车

CAR Inc.

2018 First Nine Months Earning Call

**November 20, 2018
8:00 pm Beijing Time**

Strategic Overview

Charles LU
Chairman of the Board

Business Overview

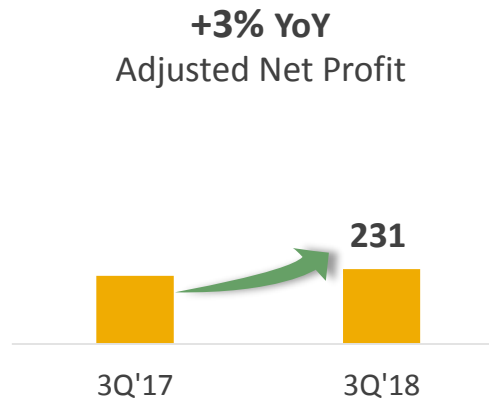
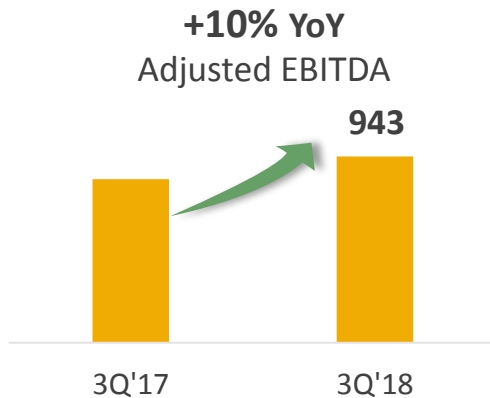
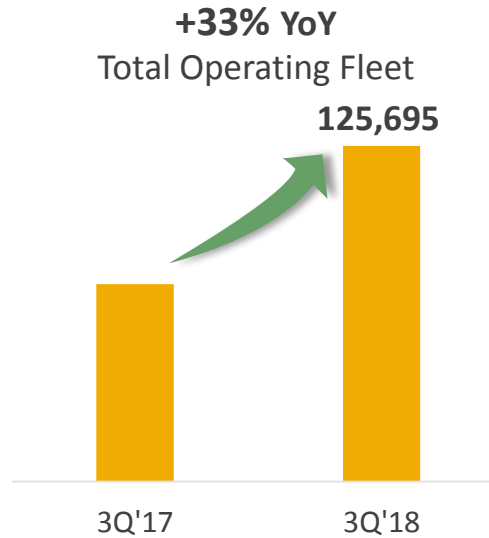
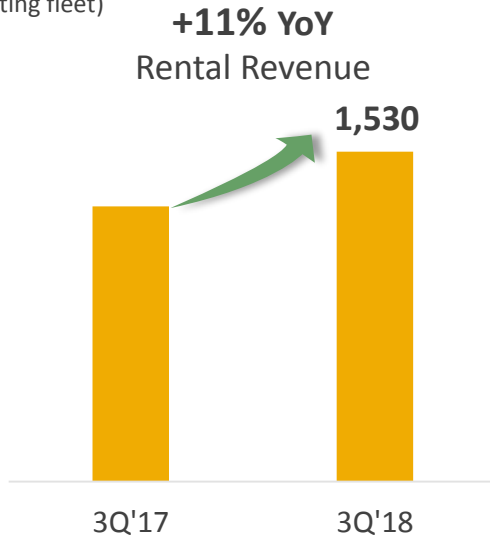
Yifan SONG
Executive Director & Chief Executive Officer

Financial Overview

Tony CAO
Chief Financial Officer

3Q'2018 Highlights

(RMB in millions,
except for total operating fleet)



- Rental revenue grew by 11% as a result of strong car rental growth and decreasing fleet rental impact
- Adjusted EBITDA and adjusted net profit margin stayed strong at 62% and 15% respectively

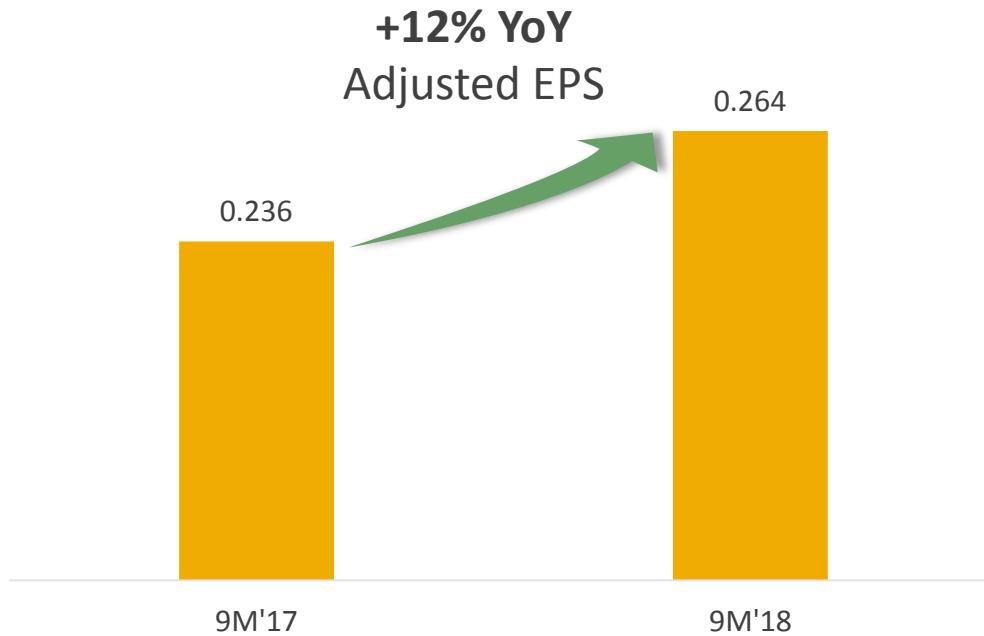
Notes:

(1) Margins are as percentage of rental revenue

(2) Reconciliation of adjusted EBITDA and adjusted net profit can be found in CAR Inc.'s 2018 first nine months results announcement

9M'2018 Highlights

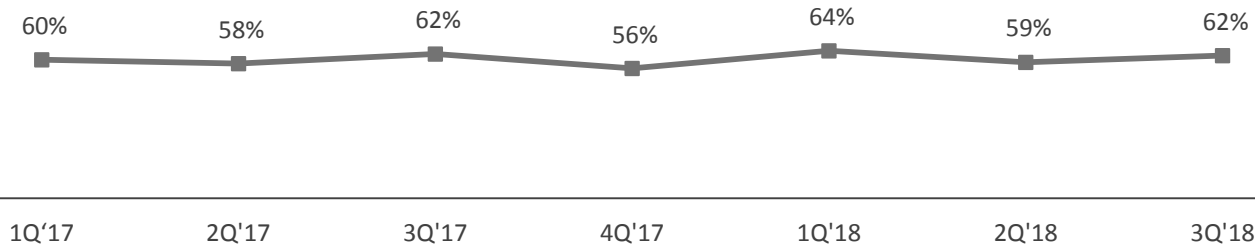
(RMB)



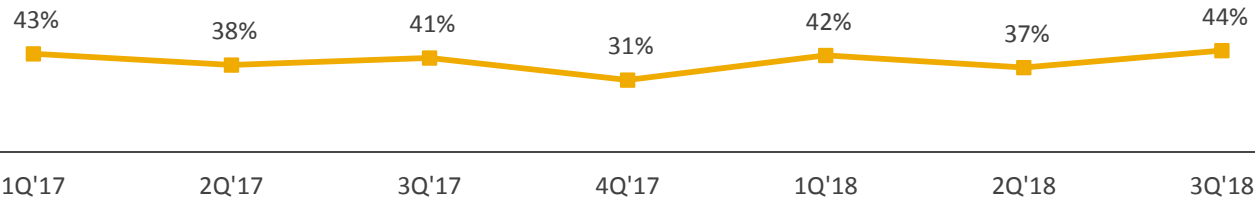
- 4 billion rental revenue
- >130k total fleet size
- 567 million adjusted net profit

Recovering profitability profile

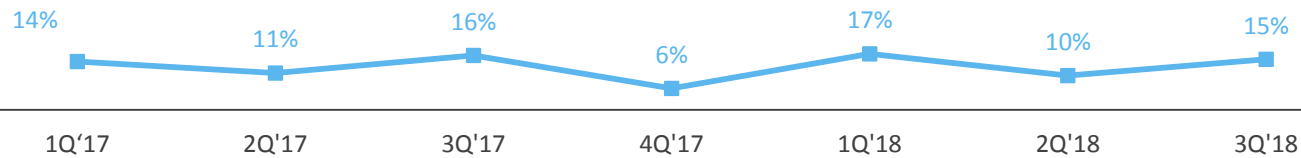
Adj. EBITDA margin



Gross margin



Adj. net profit margin

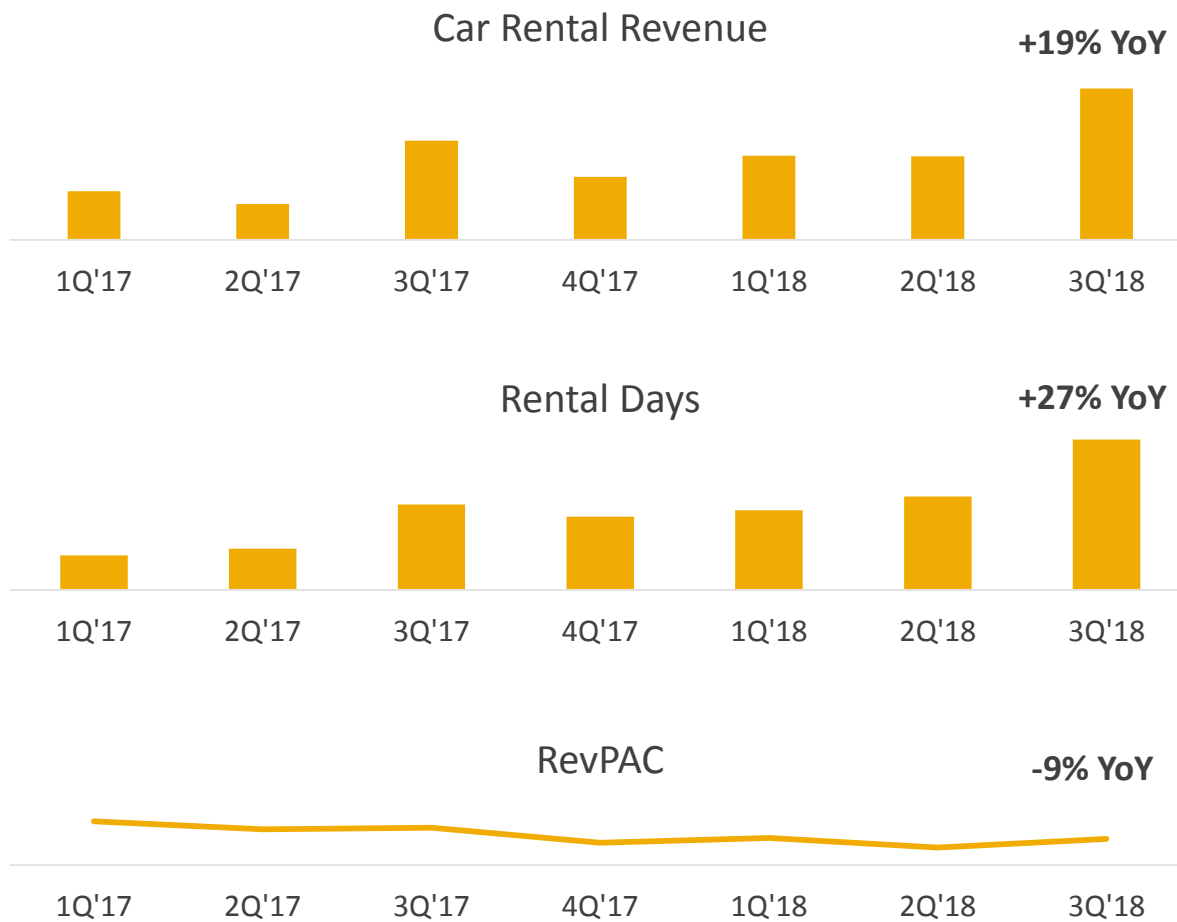


Notes:

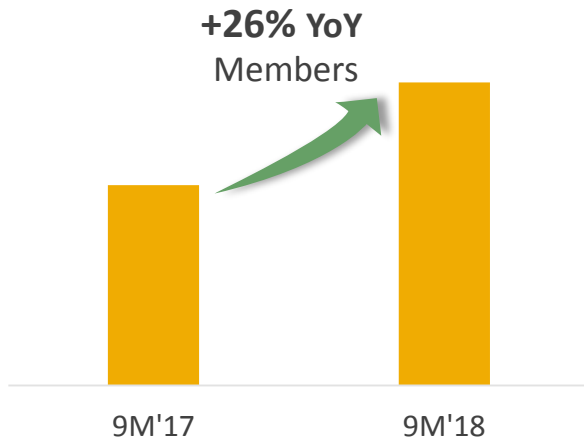
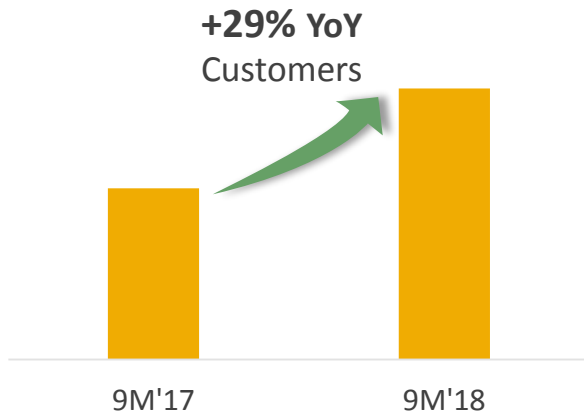
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Proven strategy to generate sustainable growth



Continued efforts to maintain high car rental growth

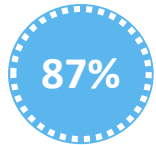


- 4.3 billion capex spent on vehicle purchase to support fleet expansion in 9M
- 35% YoY average daily car rental fleet in 9M
- Expanded rental options supplemented by car sharing services
- Self-operated repair and maintenance facilities coverage expanded to 45 cities as at end of September

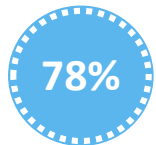
Technology-driven operational excellence and customer experience



Self-serve reservations in September, increased from 30% in July



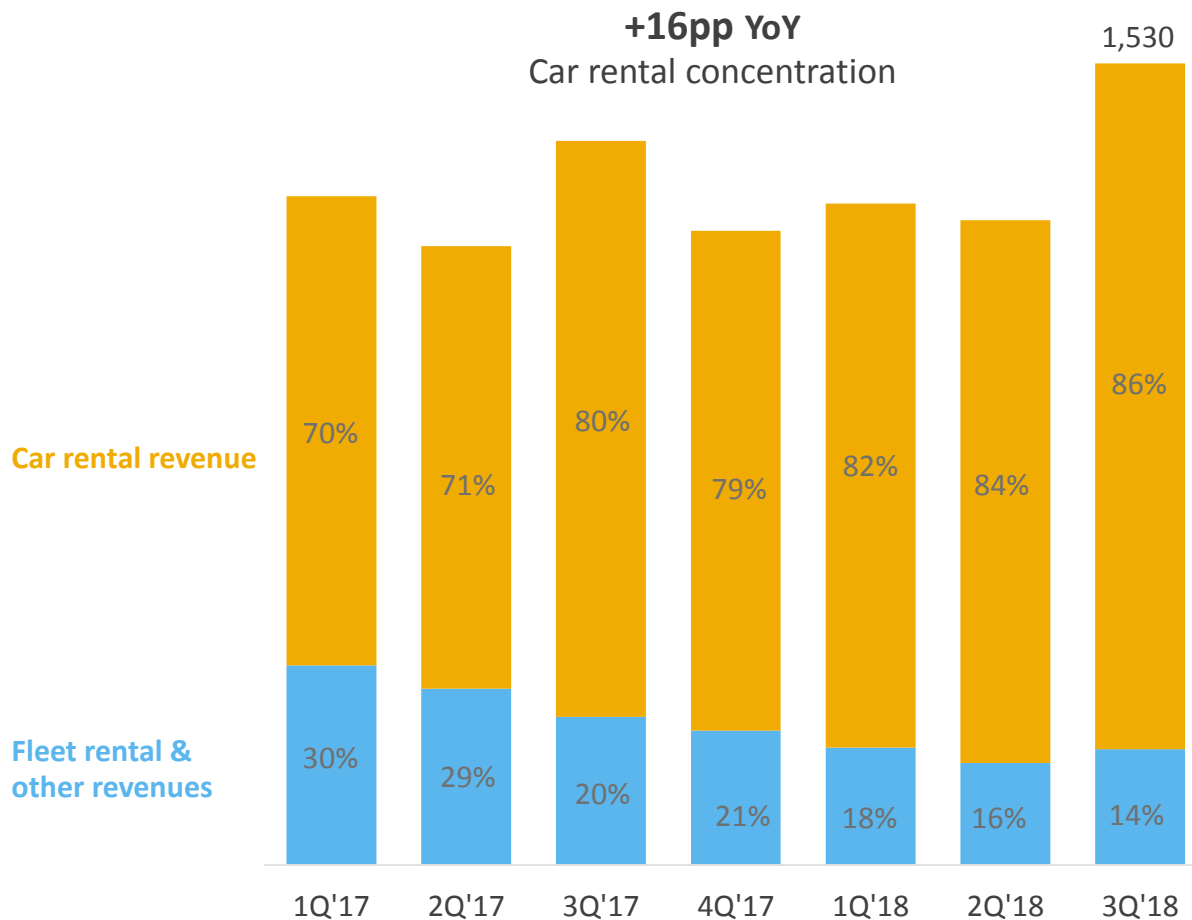
Reservations through mobile APP in Q3



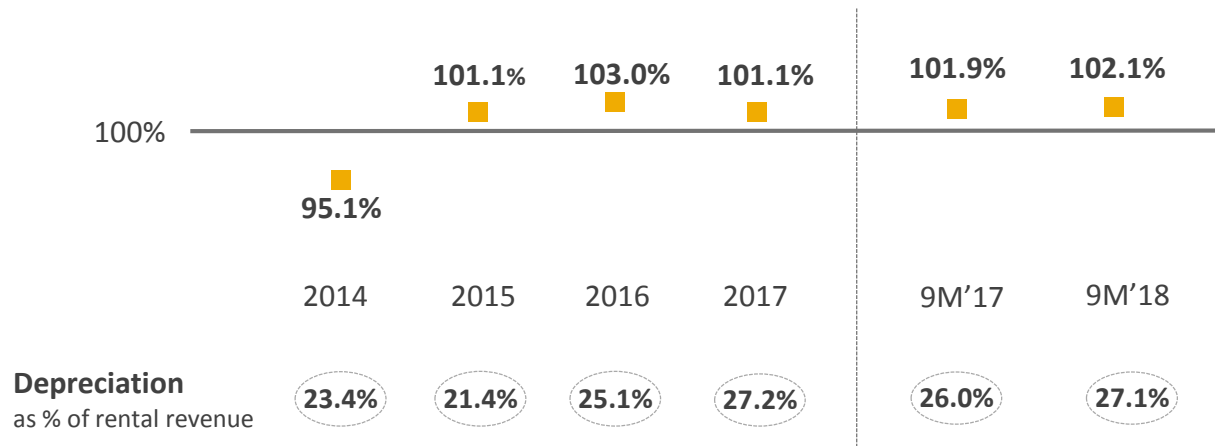
Car rental fleet enabled for self-serve service in Q3

Increasing concentration on core car rental business

(RMB in millions)



Cost of sales of used vehicles as % of sales of used vehicles



- Cost to sales ratio at 102.1%, continued to fall in 95%-105% to reflect a rigorous residual estimation policy
- Depreciation% increased by 1.1 pp YoY, due to lower RevPAC
- Used car sales decreased significantly to ~9,000 for more fleet availability for car sharing services

Q & A