2Q17 Results Presentation

August 9, 2017



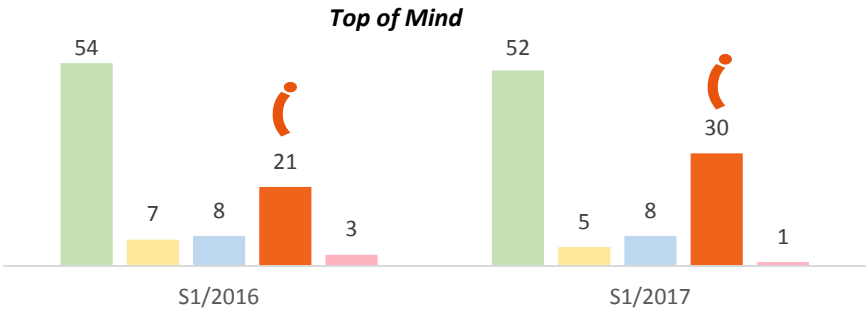
2Q17 Highlights

- Growth of **97.4%** in Net Income , reaching R$11.1 million in the quarter,
- Growth of **42.3%** in the number of RAC daily rentals, to a record 2.7 million
- Increase of **31.1%** in net revenue from services, to R$240.8 million
- Increase of **24.2%** in net revenue from assets sold, to R$349.7 million
- **Disciplined growth** of RAC's operational fleet (+11,000 cars) and increase of 0.6 p.p. in the **utilization rate** presenting 74.3%
- New Fleet Management contracts with **distinguished profile** and **16.4% higher revenue per car** reaching R$ 1,378 per month
- 20,000 cars sold in the six-month period, with **higher share of sales through Movida Seminovos stores** (retail) totaling 60% in the quarter
- **Strong cash position** through funding from local bond market (R$985 million pro-forma)
- **Strengthening of the planning area** and management with a focus on process improvement
- Operating with **100% of own stores and fleet**, ensuring service quality and standardization

OBS: Comparison to 2Q16

Recognition and Marketing

- **The only brand** among the market leaders to grow in the Top of Mind in 2017 survey
- Rental Cars' award – **Best Supplier in 2016** in major airports 1st
- **Constant innovation** by creating a new concept of RAC stores and promoting disruptive marketing campaigns
- Beginning of the *Jovens Talentos* program with **more than 12,000 applications** received from all over Brazil, reinforcing the **focus on people and development**
- Launch of the **Movida Labs**, an open innovation program partnered with the segment's startups
- **New "Movida Seminovos" campaigns** – *Feirão da Parcelinha* and *Arraiá de Ofertas*, among others
- Special SME section of Estadão newspaper– **Ranked first in terms of client satisfaction** 1st



Rental Cars awarded to the units of the Congonhas, Santos Dumont, Natal and Fortaleza airports
Source: HR Pesquisas. Survey conducted in São Paulo, Rio de Janeiro, Porto Alegre, Recife and Belo Horizonte

Evolution of the Used cars Segment

VIRE A CHAVE. movida aluguel de carros



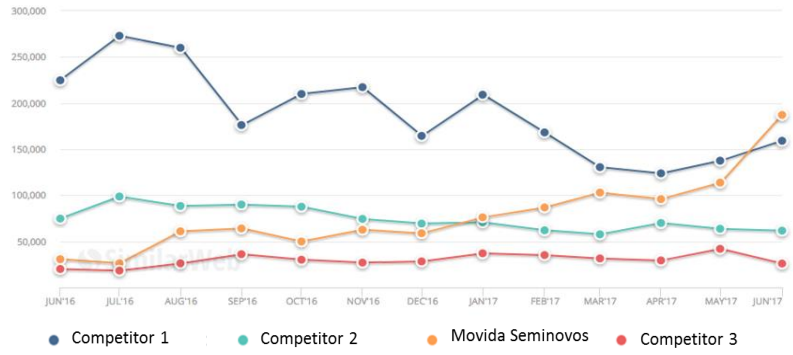
Adequacy of the fleet's geographic distribution

Investments in marketing (online, offline and traditional medias)

Development of new customers

- **Focus on digital media:**
  - Growth of **~200% in the number of visits to** *Movida Seminovos* website
  - Growth of **~200% in the number of leads generated**
- Growth of **~30% in the volume of phone calls** to the call center

Monthly Access on Used Cars Websites



1st

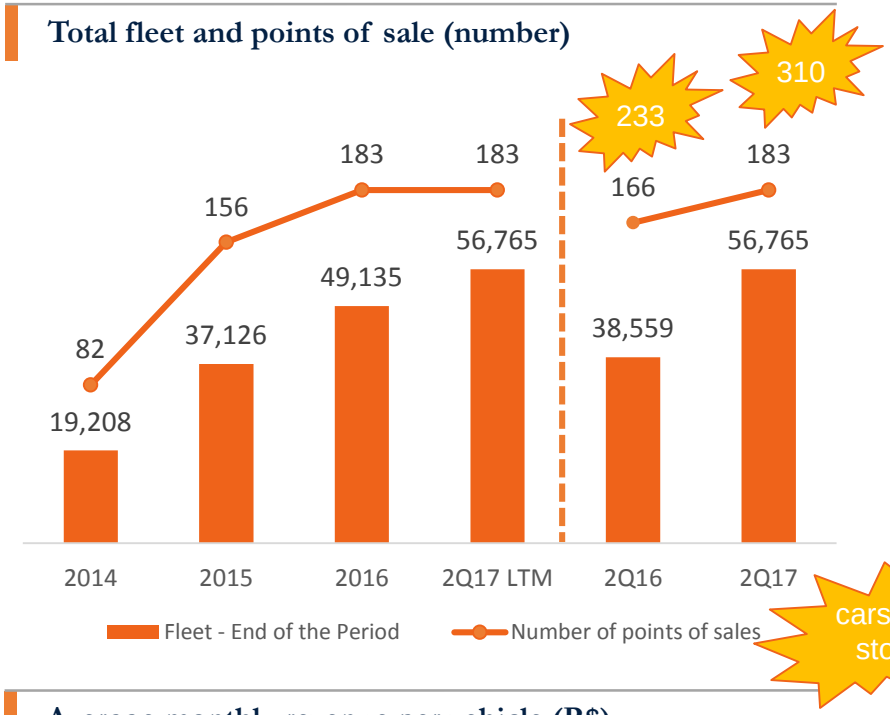
Source: SimilarWeb

MOVI3 NOVO MERCADO BM&FBOVESPA

Rent-a-car (RAC) Highlights

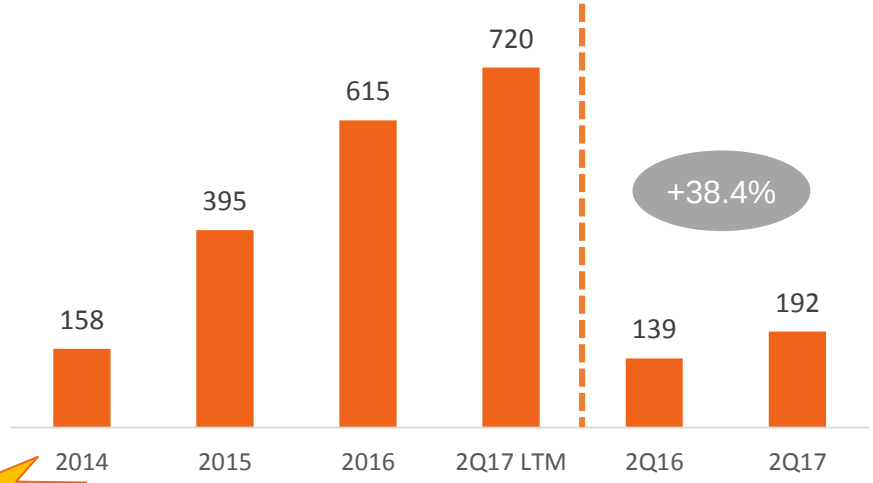
VIRE A CHAVE. movida aluguel de carros

Total fleet and points of sale (number)

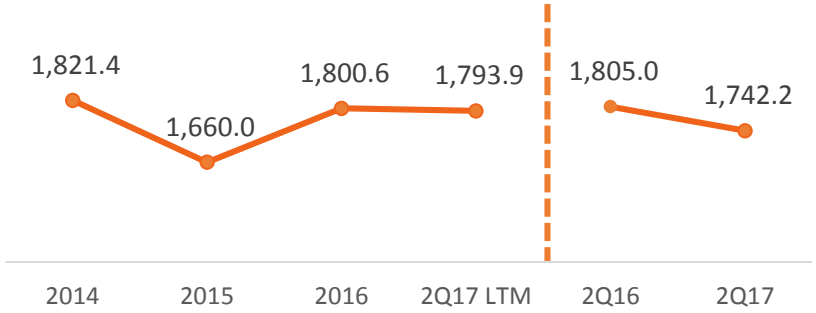


cars per store

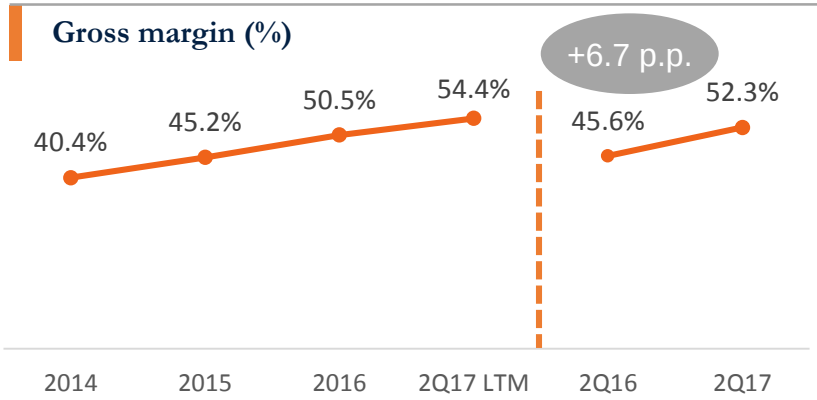
Net revenue (R$ million)



Average monthly revenue per vehicle (R$)



Gross margin (%)

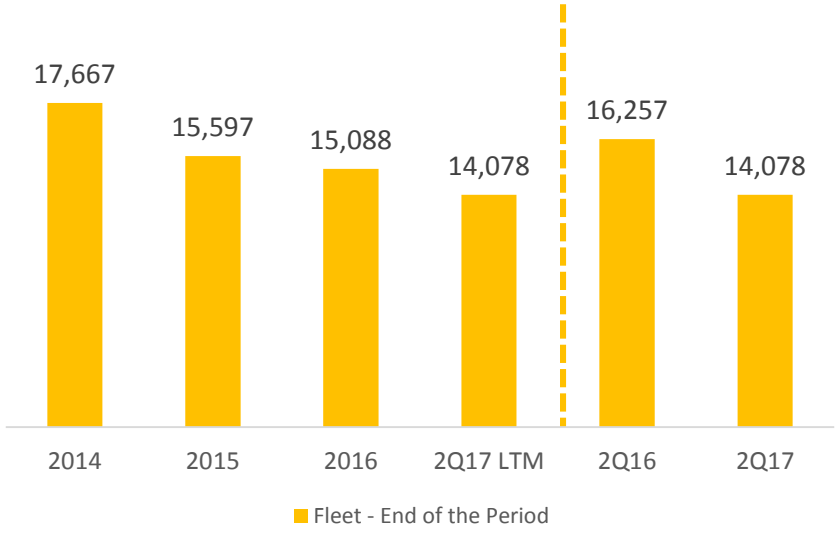


MOVI3 NOVO MERCADO BM&FBOVESPA

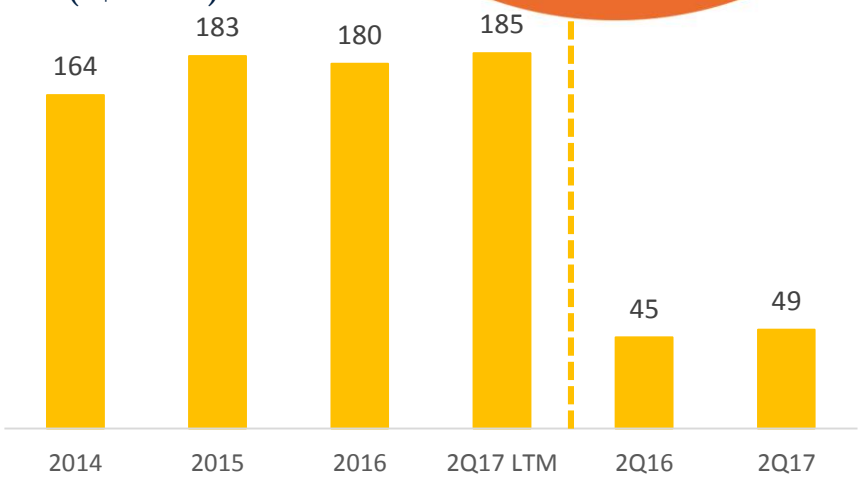
Fleet Management – Highlights (GTF)

VIRE A CHAVE. movida aluguel de carros

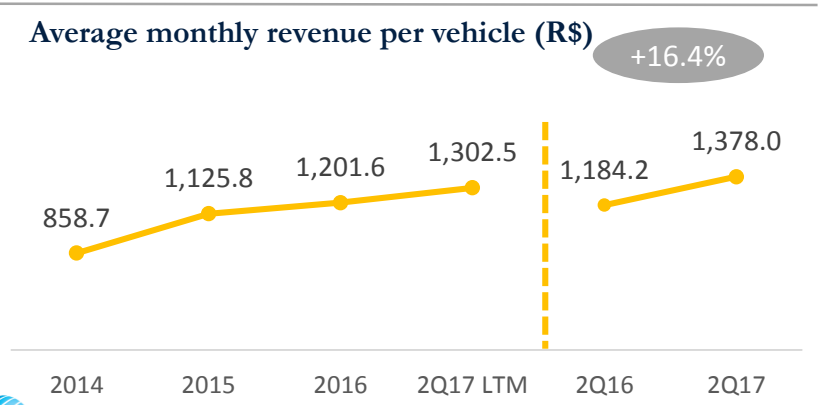
Total fleet (number)



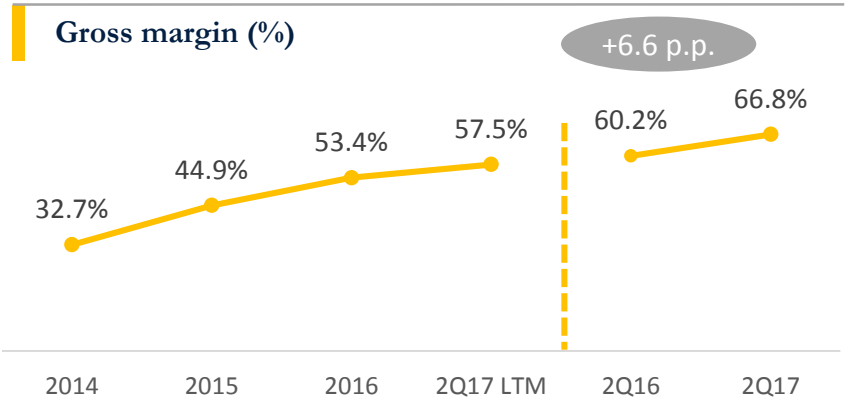
Net revenue (R$ million)



Average monthly revenue per vehicle (R$)



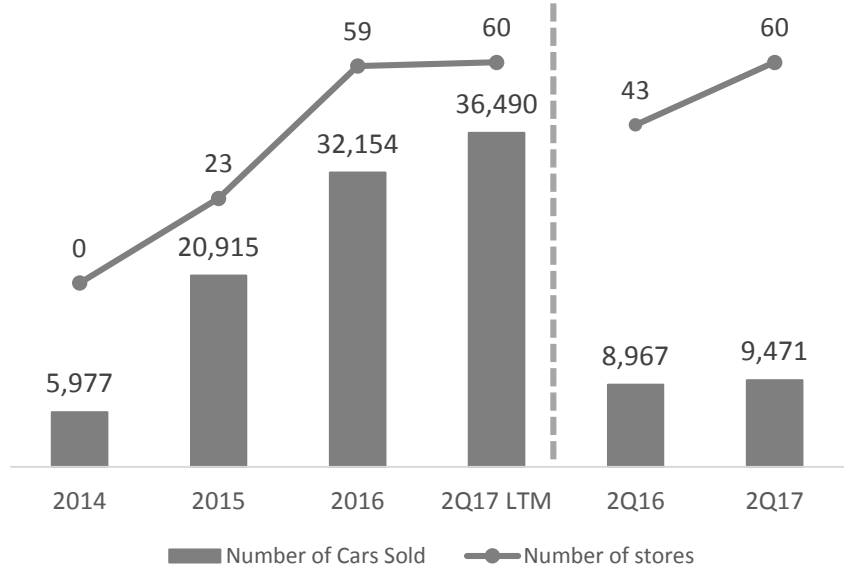
Gross margin (%)



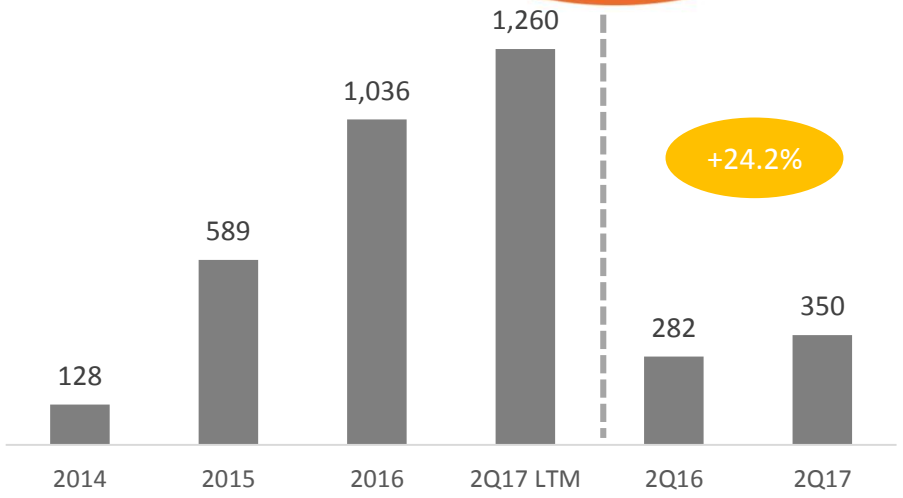
MOVI3 NOVO MERCADO BM&FBOVESPA

Used cars - Highlights

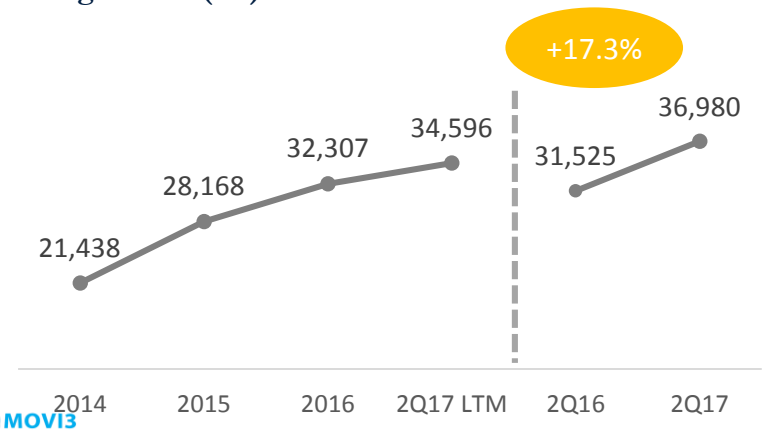
Volume of cars sold (number)



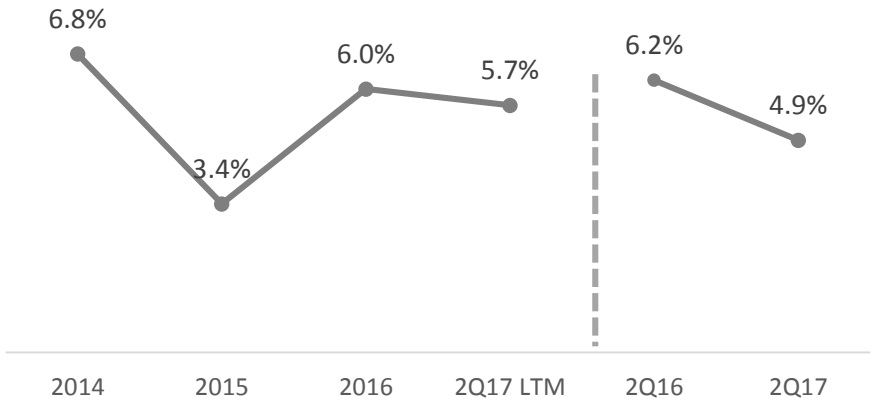
Net revenue (R$ million)



Average ticket (R$)



Gross margin (%)

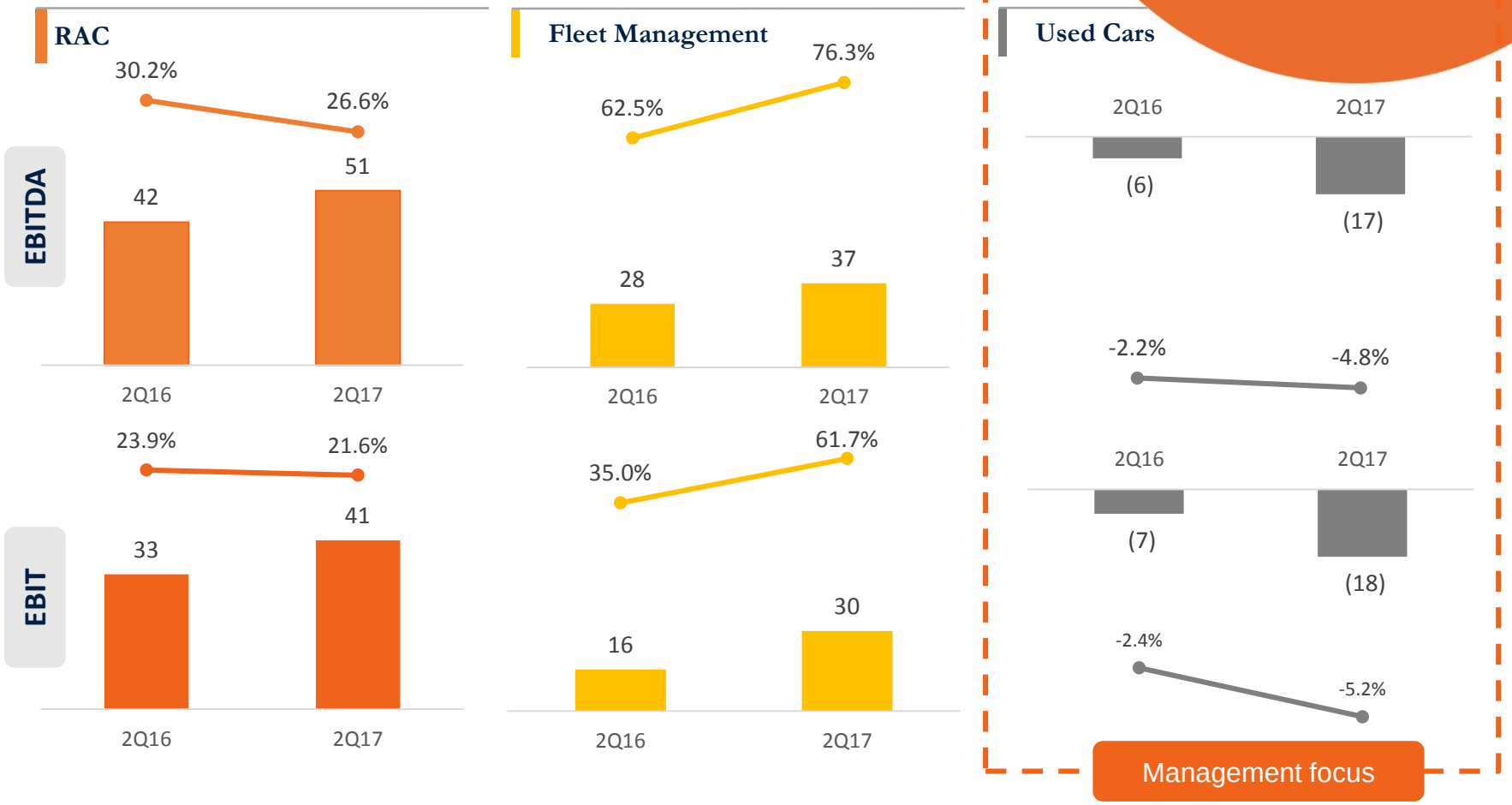


Impacts in 2Q17

- Higher **implementation costs** due to the increase of more than 6,000 cars *versus* 1Q17
- **Theft** (cars claimed) of R$13.1 million
- Result from the sale of **damaged cars** (total loss) of R$11.8 million
- **Actual losses in accounts receivable** (allowance for loan losses) of R$12.2 million
- **Recovery of tax credits** (PIS/COFINS) of ~R$7 million in the period

EBITDA and EBIT

In R$ million



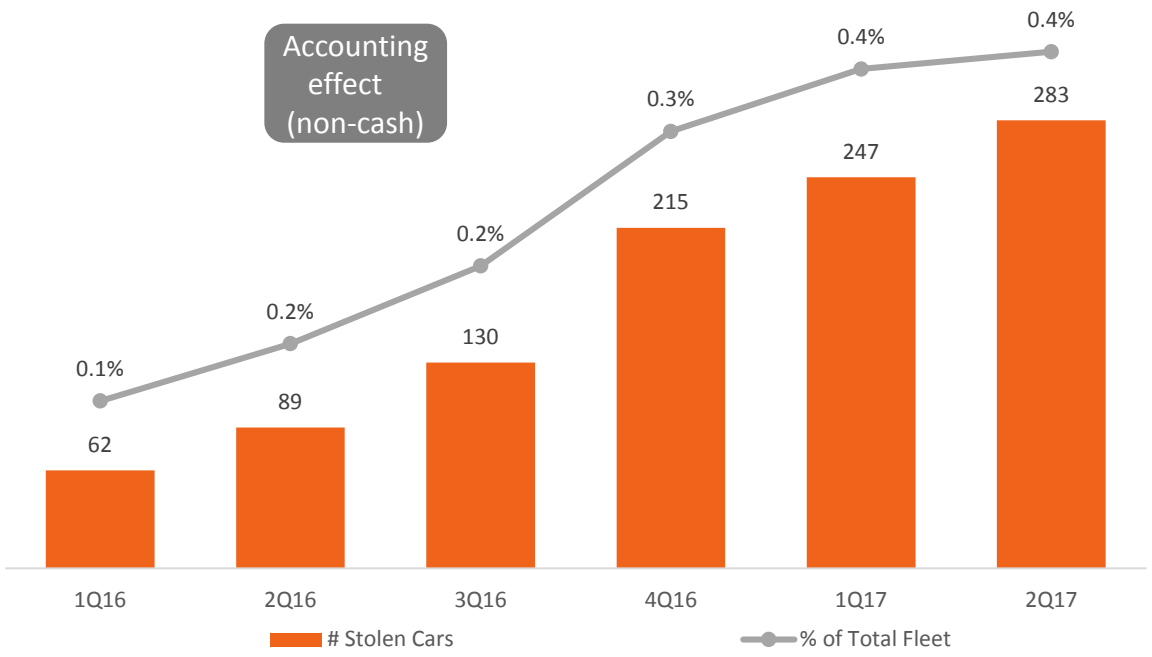
Decrease in the RAC margin due to the addition of cars, more stolen and damaged and higher delinquency

Increase GTF margin due to the adequacy of the new contracts and PIS/COFINS credit

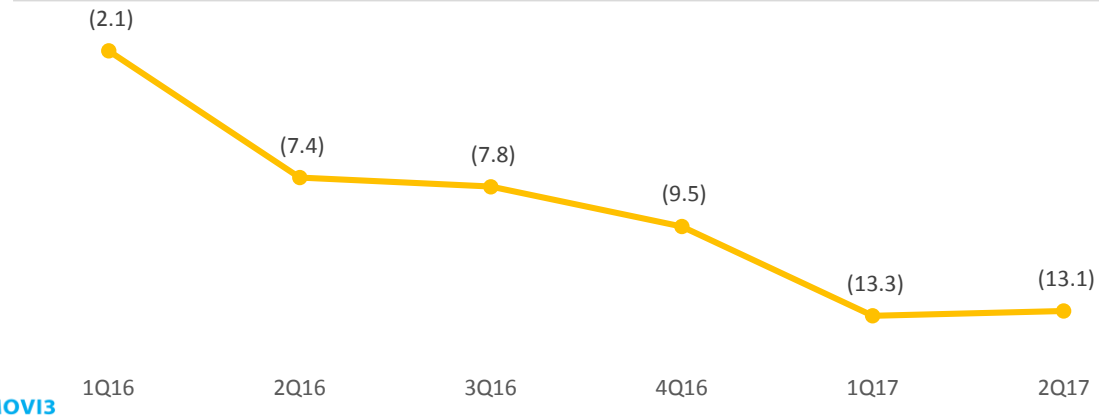
Decrease in the Used Cars margin due to the opening of stores and lower depreciation rates

Evolution in the Number of cars Stolen (Claimed)

R$ million



Impact on Result

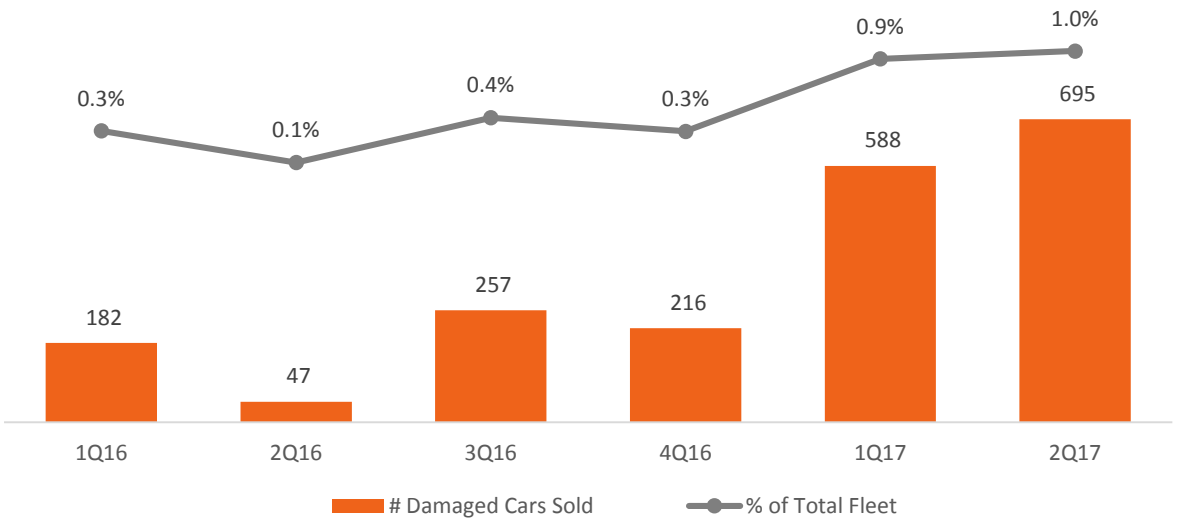


INITIATIVES IN PROGRESS

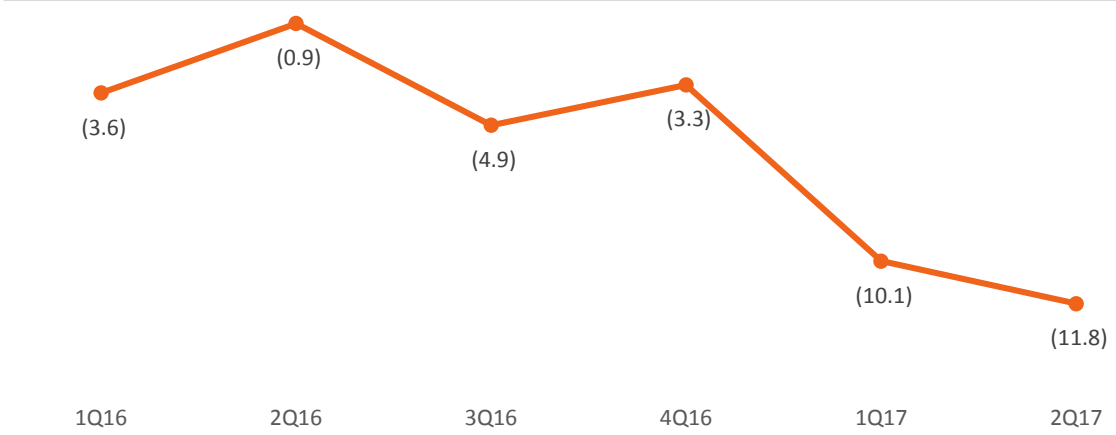
- Creation of the Fraud Prevention department
- Revision of the credit granting process
- Identification using biometric digital and face recognition
- Higher number of trackers used in the fleet
- Emphasis in regions with the worst indicators

Evolution of the Result of Damaged cars
(Total Loss)

R$ million



Impact on Result

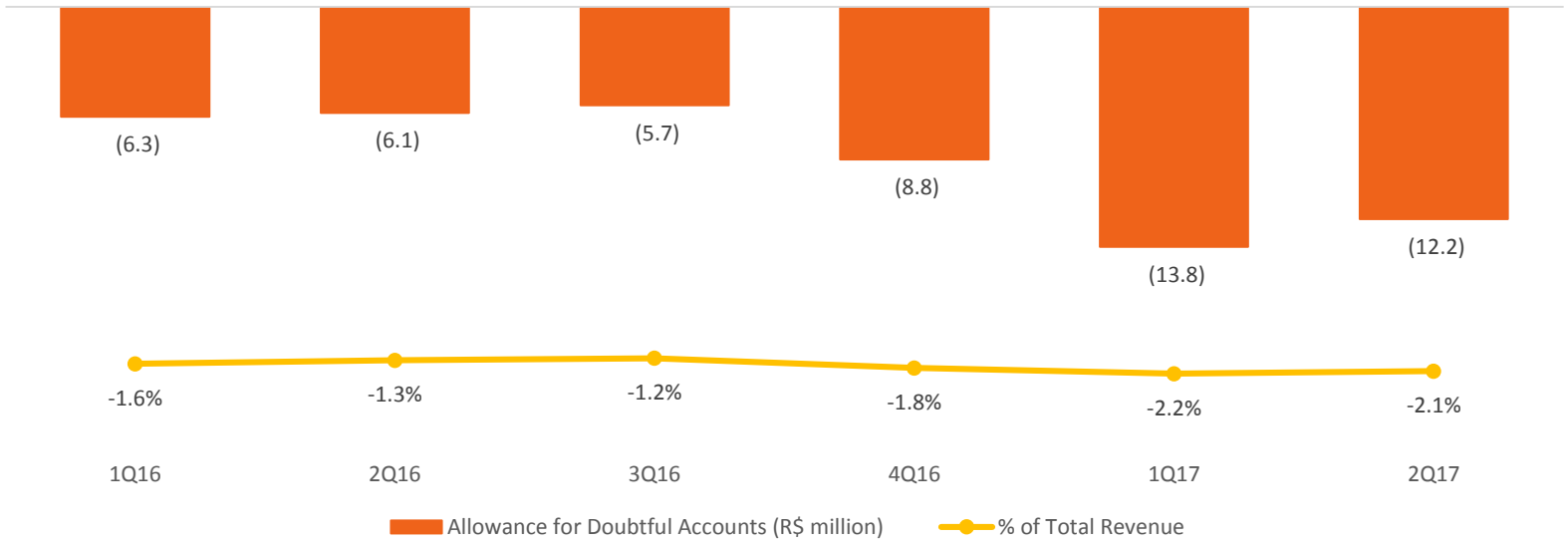


INITIATIVES IN PROGRESS

- Restructuring of the team responsible for the sale of damaged cars
- Stabilization of the new process and the monthly sales flow

Evolution of Actual Losses in Accounts Receivable (allowance for doubtful accounts)

R$ million



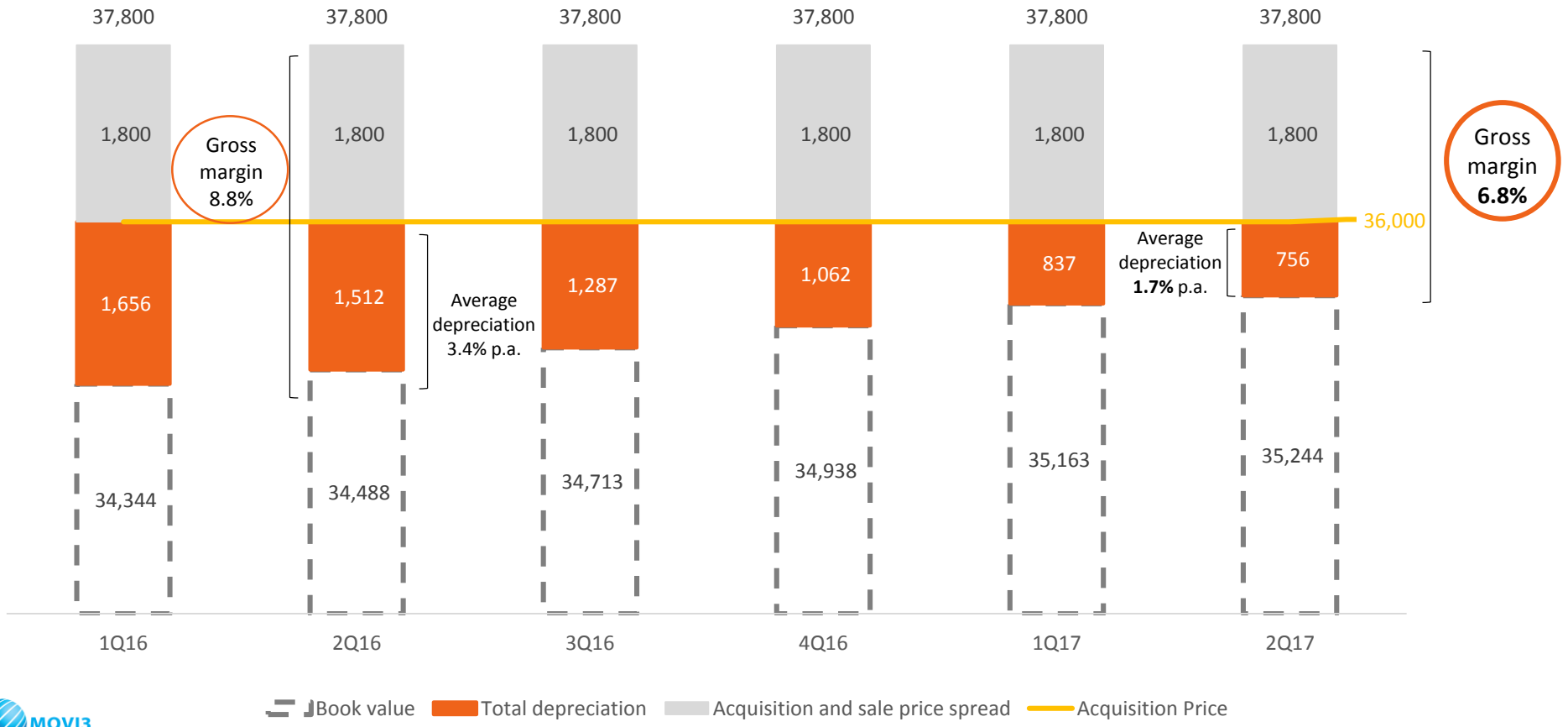
INITIATIVES IN PROGRESS

- Structuring and expansion of the Credit and Collection department
- Revision of the credit granting process
- Implementation of the credit score negative information and debtor protest process

Impacts in Seminovos

The decrease in the depreciation rate was responsible for the decline in gross margin

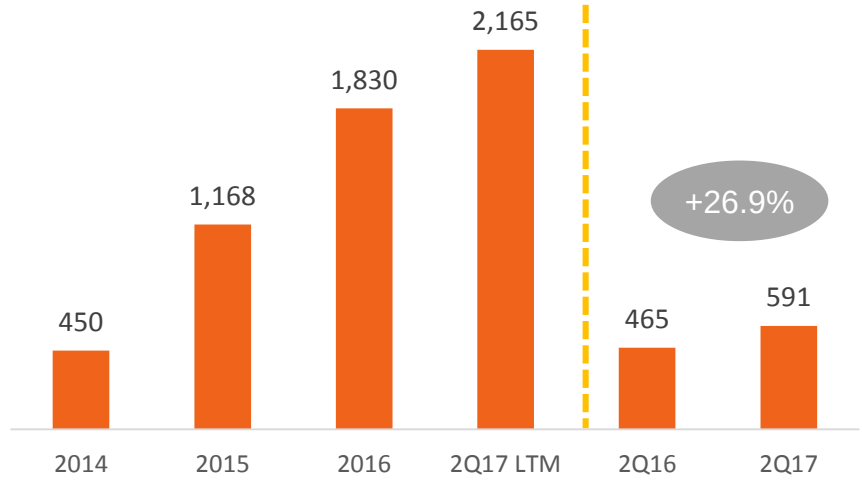
Exercise of the impact of the lower depreciation considering fixed acquisition and sale prices



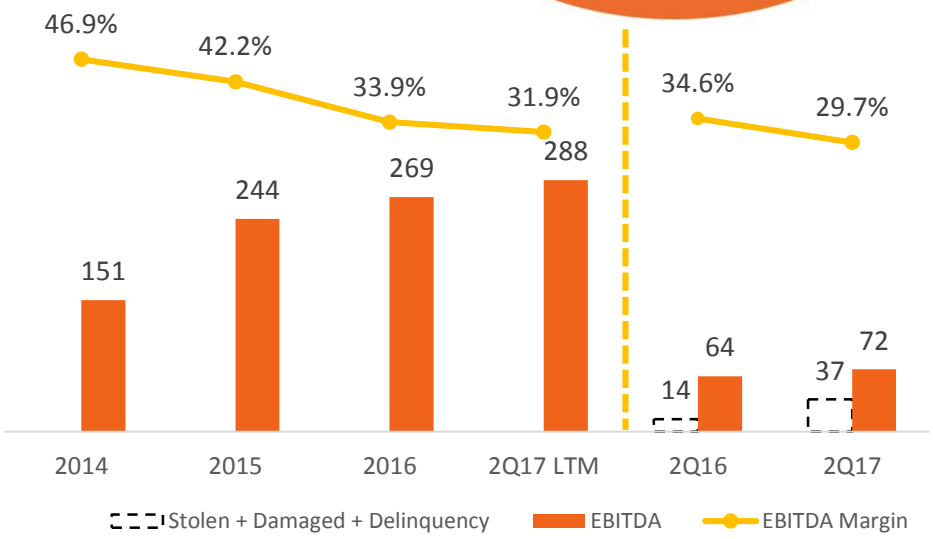
Consolidated Results

R$ million

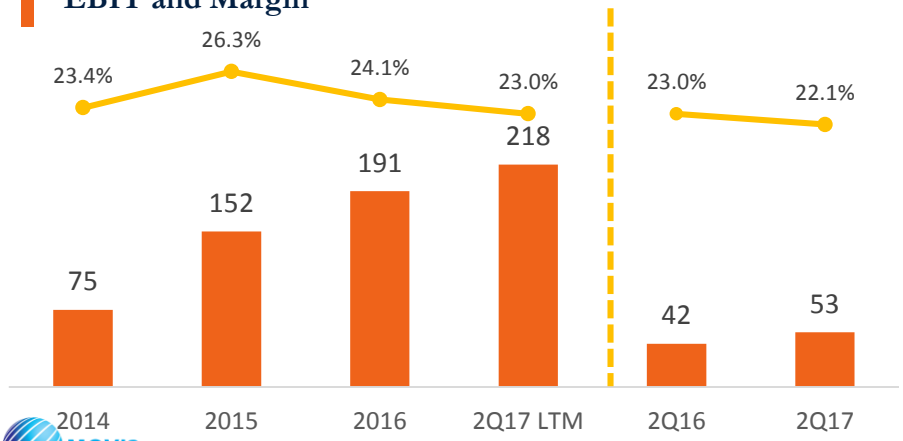
Net revenue



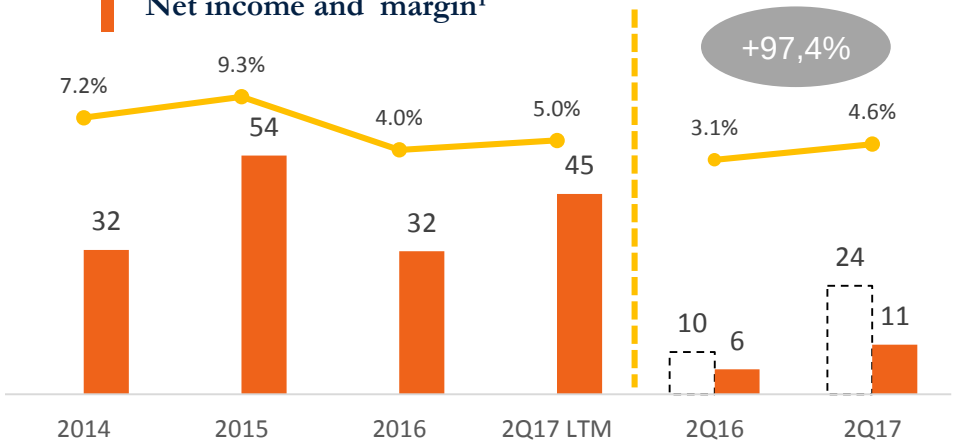
EBITDA and Margin[1]



EBIT and Margin[1]



Net income and margin[1]



[1]On net revenue from services
[2]Discounted at an income tax rate of 34%

CAPEX and FCFF

R$ million

CAPEX	LTM2Q16	LTM2Q17
Fleet	**1,466**	**2,069**
Renewal	771	1,147
Expansion	696	922
Points of Sale	**30**	**13**
Other	8	11
Total	**1,504**	**2,093**
Revenue from the Sale of Assets	856	1,260
Net CAPEX	**648**	**833**

PREPARATION FOR THE SECOND-HALF SEASONAL DEMAND

Free Cash Flow to Firm	2014	2015	2016	LTM2Q16	LTM2Q17
EBITDA	151	244	269	272	288
Non-Cash Cost[1]	126	563	977	811	1,189
Taxes + Working Capital[2]	220	121	417	327	427
Operating Cash Flow	**496**	**928**	**1,663**	**1,410**	**1,905**
Renewal Capex	(128)	(484)	(906)	(791)	(1,166)
Cash Generated before Growth	**369**	**444**	**757**	**619**	**738**
Expansion Capex	(660)	(918)	(834)	(713)	(927)
Free Cash Flow to Firm	**(292)**	**(474)**	**(77)**	**(94)**	**(188)**

[1] Regarding Cost of Sales of Assets used to provide services

[2] Sum of the variations of the following Balance Sheet accounts: accounts receivable, recoverable taxes, deposit in court, other credits, prepaid expenses, confirming payable, related parties, labor and tax liabilities, accounts payable and advances from customers, paid litigation and administrative demands and paid income tax and social contribution.

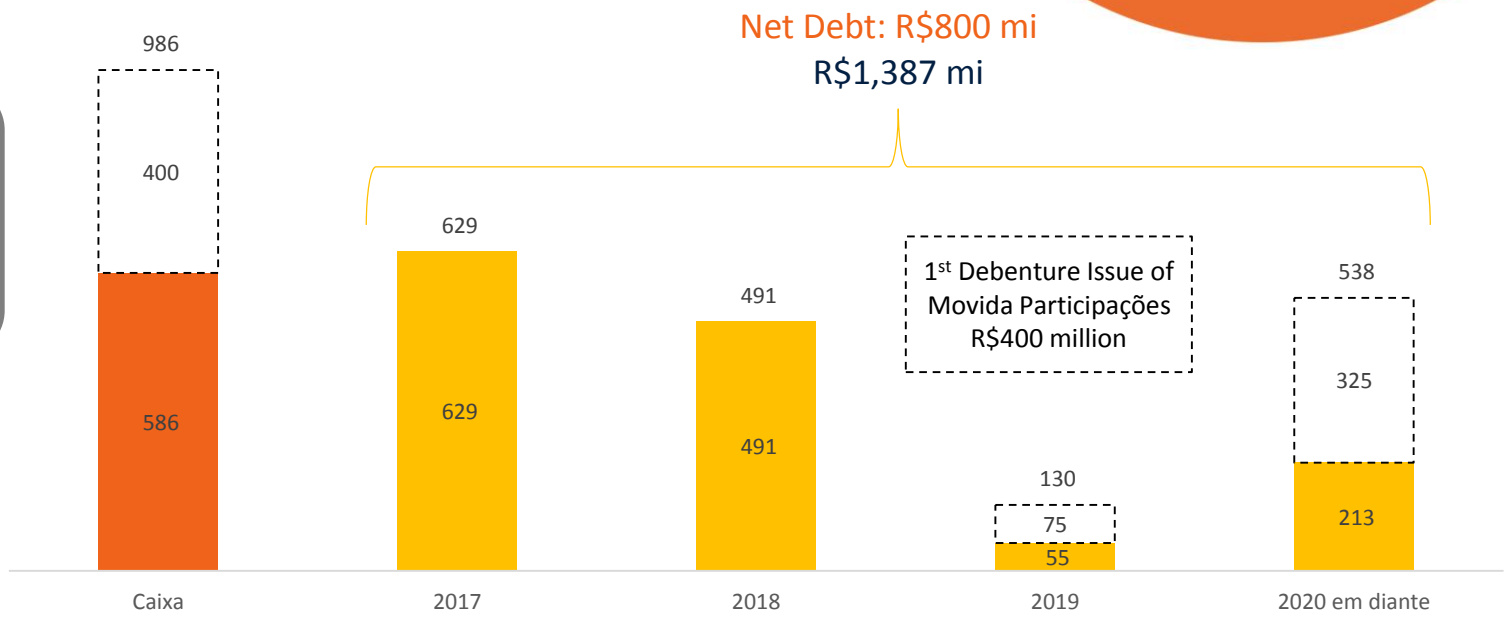
Cash, Leverage and Amortization Schedule

R$ million

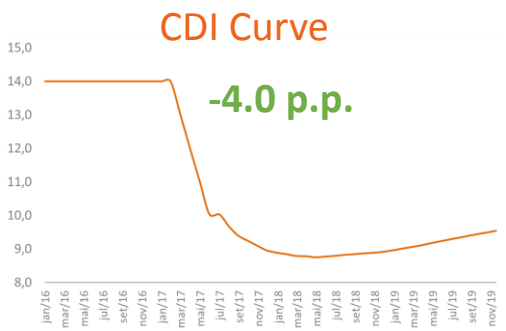
Amortization Schedule

Credit card balance of R$67 million in Accounts Receivable

Impact of 0.3x in leverage



Debt Ratios	2Q16	3Q16	4Q16	1Q17	2Q17
Net Debt / Net Property and Equipment	0.5x	0.5x	0.4x	0.3x	0.3x
Net Debt / LTM EBITDA	2.9x	3.5x	3.4x	2.3x	2.8x
Net Debt / Equity	1.0x	1.3x	1.3x	0.5x	0.6x
EBITDA / Net Interests	2.1x	2.1x	1.8x	2.7x	2.4x

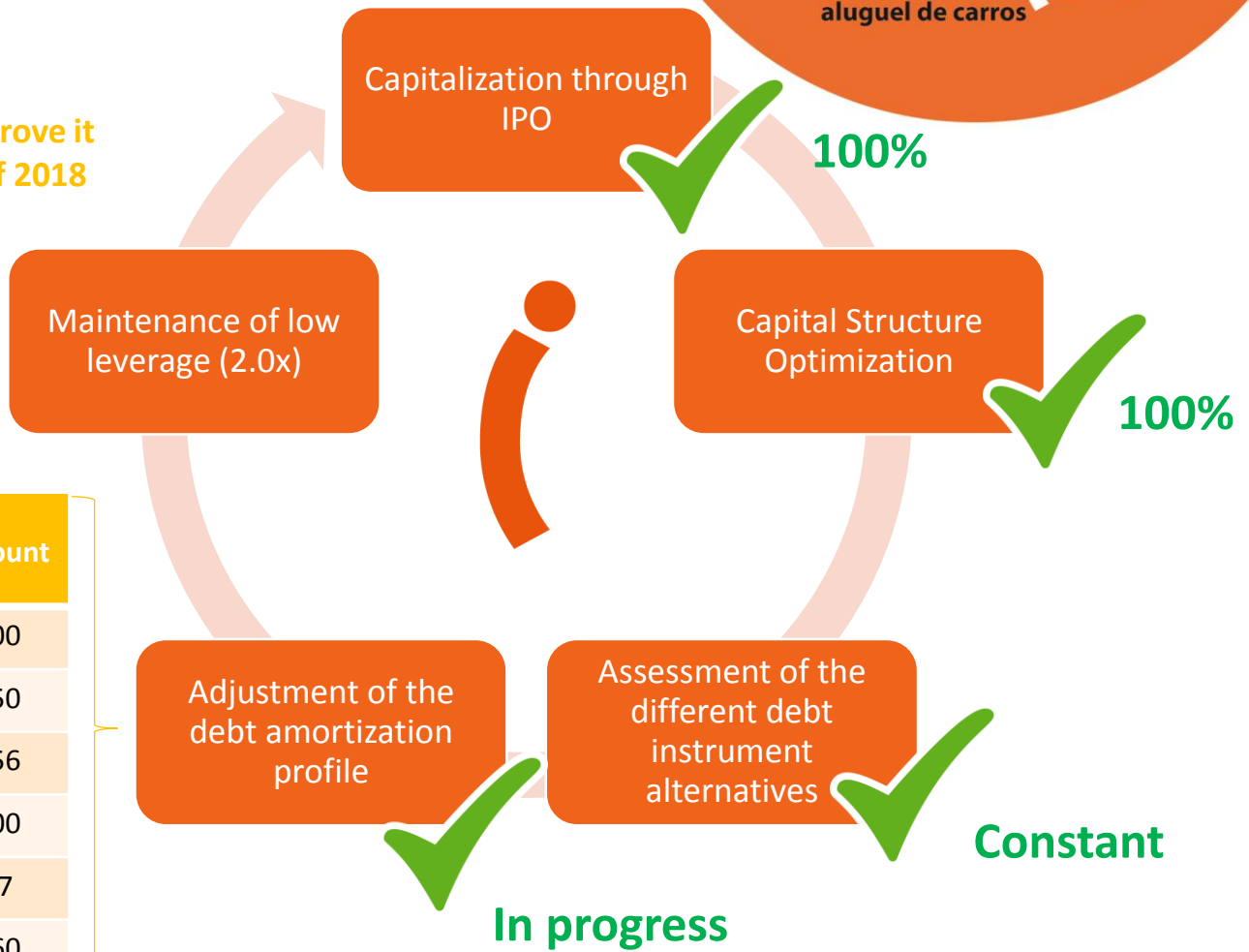


2017 and 2018 dividends: 25%

Source: CDI Curve – CETIP –07/27/2017

2017-2018 Financial Strategy

R$ million



Funding After IPO	Date	Amount
CCB Banco do Brasil	March/17	100
Promissory Note	June	150
BNB Loan[1]	June	256
Debentures	July	400
FINEP[1]	July	27
New banking facilities[1]	-	160
TOTAL		**1,093**

[1]Operations approved but not drawn yet

Final Remarks

- **Growing and changing market**
- **Growing demand**
- **Healthy competition**
- **Falling interest rates and low inflation**
- **Focus on execution:**
  - Used cars
  - Internal RAC processes
- **Access to the capital market**
- **Strong dilution of costs**

FOCUS on ROIC and NET INCOME

VIRE A CHAVE.

movida

aluguel de carros

SIGA NAS
REDES SOCIAIS:

RESERVAS 24H:
MOVIDA.COM.BR
0800 606 8686
BAIXE O APLICATIVO: