

## **Independent Auditors' Report to the Shareholders of Avis Europe plc on the Parent Company Financial Statements**

### **Introduction**

We have audited the Parent Company Financial Statements of Avis Europe plc for the year ended 31 December 2005 which comprise the Balance Sheet, the Significant Accounting Policies, and the related notes. These Parent Company Financial Statements have been prepared under the accounting policies set out therein. We have also audited the information in the Remuneration Report that is described as having been audited.

We have reported separately on the Consolidated Financial Statements of Avis Europe plc for the year ended 31 December 2005.

### **Respective responsibilities of Directors and auditors**

The Directors' responsibilities for preparing the Annual Report, the Remuneration Report and the Parent Company Financial Statements in accordance with applicable law and United Kingdom Accounting Standards (United Kingdom Generally Accepted Accounting Practice) are set out in the Statement of Directors' Responsibilities.

Our responsibility is to audit the Parent Company Financial Statements and the part of the Remuneration Report to be audited in accordance with relevant legal and regulatory requirements and International Standards on Auditing (UK and Ireland). This report, including the opinion, has been prepared for and only for the Company's members as a body in accordance with Section 235 of the Companies Act 1985 and for no other purpose. We do not, in giving this opinion, accept or assume responsibility for any other purpose or to any other person to whom this report is shown or into whose hands it may come save where expressly agreed by our prior consent in writing.

We report to you our opinion as to whether the Parent Company Financial Statements give a true and fair view and whether the Parent Company Financial Statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Companies Act 1985. We also report to you if, in our opinion, the Directors' Report is not consistent with the Parent Company Financial Statements, if the Company has not kept proper accounting records, if we have not received all the information and explanations we require for our audit, or if information specified by law regarding Directors' remuneration and other transactions is not disclosed.

We read other information contained in the Annual Report and consider whether it is consistent with the audited Parent Company Financial Statements. The other information comprises only the Chairman's Statement, the Chief Executive's Review, the Financial Review, the Corporate and Social Responsibility Statement, the Directors Listing, the Corporate Governance Statement, the Statement of Directors' Responsibilities, the unaudited part of the Remuneration Report, and the Five Year Summary. We consider the implications for our report if we become aware of any apparent misstatements or material inconsistencies with the Parent Company Financial Statements. Our responsibilities do not extend to any other information.

### **Basis of audit opinion**

We conducted our audit in accordance with International Standards on Auditing (UK and Ireland) issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Parent Company Financial Statements and the part of the Remuneration Report to be audited. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the Parent Company Financial Statements, and of whether the accounting policies are appropriate to the Company's circumstances, consistently applied and adequately disclosed.

We planned and performed our audit so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the Parent Company Financial Statements and the part of the Remuneration Report to be audited are free from material misstatement, whether caused by fraud or other irregularity or error. In forming our opinion we also evaluated the overall adequacy of the presentation of information in the Parent Company Financial Statements and the part of the Remuneration Report to be audited.

### **Opinion**

In our opinion:

- the Parent Company Financial Statements give a true and fair view, in accordance with United Kingdom Generally Accepted Accounting Practice, of the state of the Company's affairs as at 31 December 2005; and
- the Parent Company Financial Statements and the part of the Remuneration Report to be audited have been properly prepared in accordance with the Companies Act 1985.

### **PricewaterhouseCoopers LLP**

Chartered Accountants and Registered Auditors

London

2 March 2006

### **Notes**

- The maintenance and integrity of the Avis Europe plc website is the responsibility of the Directors; the work carried out by the Auditors does not involve consideration of these matters and, accordingly, the Auditors accept no responsibility for any changes that may have occurred to the report since it was initially presented on the website.*
- Legislation in the United Kingdom governing the preparation and dissemination of financial information may differ from legislation in other jurisdictions.*