

HERTZ GLOBAL HOLDINGS INC
Form FWP
March 06, 2013

Free Writing Prospectus

Dated March 6, 2013

Filed Pursuant to Rule 433

Registration Statement No. 333-173125

HERTZ ANNOUNCES SALE OF 60,050,777 SHARES OF COMMON STOCK BY SELLING STOCKHOLDERS

PARK RIDGE, NJ; March 6, 2013 Hertz Global Holdings, Inc. (**NYSE: HTZ**) (Hertz Holdings) announced today the sale of an aggregate of 60,050,777 shares of common stock of Hertz Holdings by investment funds associated with Clayton, Dubilier & Rice, LLC (CDR), The Carlyle Group (Carlyle) and BofA Merrill Lynch (Merrill Lynch) and, together with CDR and Carlyle, the Sponsors) to Citigroup and Barclays Capital Inc., as the underwriters in the registered public offering of those shares. The shares are being sold on a pro rata basis by these investment funds, which are existing stockholders of Hertz Holdings, in accordance with their current ownership interests, except that ML Global Private Equity Fund, L.P. and ML Hertz Co-Investor, L.P., two of the investment funds associated with Merrill Lynch, are each selling all of the shares of Hertz Holdings common stock they currently hold of record.

The last reported sale price of Hertz Holdings common stock on March 6, 2013 was \$20.34 per share. Citigroup and Barclays Capital Inc. propose to offer for sale the shares of common stock that are not repurchased by Hertz Holdings from time to time in one or more transactions on the New York Stock Exchange, in the over-the-counter market, through negotiated transactions or otherwise at market prices prevailing at the time of sale, at prices related to prevailing market prices or at negotiated prices, subject to receipt and acceptance by them and subject to their right to reject any order in whole or in part.

Subject to completion of the offering, Hertz Holdings will repurchase from the underwriters 23,200,000 of the 60,050,777 shares of common stock being sold by the selling stockholders. Hertz Holdings per-share purchase price will be the same as the per-share purchase price payable by Citigroup and Barclays Capital Inc. to the selling stockholders.

Hertz Holdings currently has a policy of settling the conversion of its 5.25% Convertible Senior Notes due June 2014 (the Convertible Notes) using a combination of cash and shares of Hertz Holdings common stock. Subject to completion of the share repurchase from the underwriters, Hertz Holdings intends to change its current settlement policy and elect to settle the Convertible Notes in 100% shares of common stock. Hertz Holdings believes the repurchase of shares from the underwriters in the offering and the subsequent use of shares to settle the Convertible Notes will prevent any further dilutive impact to its weighted average fully diluted shares outstanding.

Following the offering and the repurchase of common stock by Hertz Holdings, the investment funds associated with the Sponsors will continue to beneficially own an aggregate of approximately 50 million shares, or approximately 12.5% in the aggregate, of Hertz Holdings outstanding common stock, calculated on an undiluted basis after giving effect to the repurchase of shares by Hertz Holdings. Hertz Holdings will not receive any proceeds from the offering.

Edgar Filing: HERTZ GLOBAL HOLDINGS INC - Form FWP

Hertz Holdings has filed a registration statement (including a prospectus) with the Securities and Exchange Commission (SEC) for the offering to which this communication relates. Before you invest, you should read the prospectus in that registration statement and other documents Hertz Holdings has

Edgar Filing: HERTZ GLOBAL HOLDINGS INC - Form FWP

filed with the SEC for more complete information about Hertz Holdings and this offering. You may get these documents for free by visiting EDGAR on the SEC Web site at www.sec.gov. Alternatively, Hertz Holdings, the underwriters or any dealer participating in the offering will arrange to send you the prospectus if you request it by calling toll-free 1-888-603-5847 or 1-800-831-9146 or by emailing barclaysprospectus@broadridge.com.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

ABOUT HERTZ HOLDINGS

Hertz Holdings, through its subsidiary The Hertz Corporation (Hertz, the Company or we), operates its car rental business through the Hertz, Dollar and Thrifty brands from approximately 10,270 corporate, licensee and franchisee locations in North America, Europe, Latin America, Asia, Australia, Africa, the Middle East and New Zealand. Hertz is the largest worldwide airport general use car rental brand, operating from approximately 8,860 corporate and licensee locations in approximately 150 countries. Our Dollar and Thrifty brands have approximately 1,410 corporate and franchisee locations in 83 countries. Our Hertz brand name is one of the most recognized in the world, signifying leadership in quality rental services and products. We are one of the only car rental companies that has an extensive network of company-operated rental locations both in the United States and in all major European markets. We believe that we maintain the leading airport car rental brand market share, by overall reported revenues, in the United States and at 120 major airports in Europe where we have company-operated locations and where data regarding car rental concessionaire activity is available. We believe that we also maintain the second largest market share, by overall reported revenues, in the off-airport car rental market in the United States. In our equipment rental business segment, we rent equipment through approximately 340 branches in the United States, Canada, France, Spain, China and Saudi Arabia, as well as through our international licensees. We and our predecessors have been in the car rental business since 1918 and in the equipment rental business since 1965. We also own Donlen Corporation, based in Northbrook, Illinois, which is a leader in providing fleet leasing and management services.

CAUTIONARY NOTE CONCERNING FORWARD-LOOKING STATEMENTS

This communication contains forward-looking statements. Examples of forward-looking statements include information concerning Hertz Holdings liquidity and its possible or assumed future results of operations, including descriptions of its business strategy. These forward-looking statements often include words such as believe, expect, project, anticipate, intend, plan, estimate, seek, will, should, could, forecasts or similar expressions. These statements are based on certain assumptions that Hertz Holdings 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 Hertz Holdings believes are appropriate in these circumstances. You should understand that these statements are not guarantees of performance or results. They involve risks, uncertainties and assumptions. Many factors could affect our actual financial results and could cause actual results to differ materially from those expressed in the forward-looking statements.

Among other items, such factors could include: our ability to integrate the car rental operations of Dollar Thrifty Automotive Group, Inc. (Dollar Thrifty) and realize operational efficiencies from the acquisition of Dollar Thrifty; the operational and profitability impact of divestitures that we agreed to undertake to secure regulatory approval for the acquisition of Dollar Thrifty; levels of travel demand, particularly with respect to airline passenger traffic in the United States and in global markets; the impact

of pending and future U.S. governmental action to address budget deficits through reductions in spending and similar austerity measures, which could materially adversely affect unemployment rates and consumer spending levels; 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; occurrences that disrupt rental activity during our peak periods; our ability to achieve cost savings and efficiencies and realize opportunities to increase productivity and profitability; an increase in our fleet costs as a result of an increase in the cost of new vehicles and/or a decrease in the price at which we dispose of used vehicles either in the used vehicle market or under repurchase or guaranteed depreciation programs; our ability to accurately estimate future levels of rental activity and adjust the size and mix of our fleet accordingly; our ability to maintain sufficient liquidity and the availability to us of additional or continued sources of financing for our revenue earning equipment and to refinance our existing indebtedness; safety recalls by the manufacturers of our vehicles and equipment; a major disruption in our communication or centralized information networks; financial instability of the manufacturers of our vehicles and equipment; any impact on us from the actions of our licensees, franchisees, dealers and independent contractors; our ability to maintain profitability during adverse economic cycles and unfavorable external events (including war, terrorist acts, natural disasters and epidemic disease); shortages of fuel and increases or volatility in fuel costs; our ability to successfully integrate acquisitions and complete dispositions; our ability to maintain favorable brand recognition; costs and risks associated with litigation; risks related to our indebtedness, including our substantial amount of debt, our ability to incur substantially more debt and increases in interest rates or in our borrowing margins; our ability to meet the financial and other covenants contained in our senior credit facilities, our outstanding unsecured senior notes and certain asset-backed and asset-based arrangements; changes in accounting principles, or their application or interpretation, and our ability to make accurate estimates and the assumptions underlying the estimates, which could have an effect on earnings; 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, the cost thereof or applicable tax rates; changes to our senior management team; the effect of tangible and intangible asset impairment charges; the impact of our derivative instruments, which can be affected by fluctuations in interest rates and commodity prices; and our exposure to fluctuations in foreign exchange rates. Additional information concerning these and other factors can be found in our filings with the SEC, including our most recent Annual Report on Form 10-K, Quarterly Reports on Form 10-Q and Current Reports on Form 8-K.

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