



CreditRiskMonitor’s warning of Hertz Global Holdings Inc.’s (“Hertz Global”) bankruptcy risk was determined by a combination of factors:

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MONTHLY AVERAGE FRISK® SCORE

CreditRiskMonitor's FRISK® score had been warning of financial stress at Hertz Global (NYSE:HTZ) for more than a year.

The company ultimately filed for bankruptcy on May 22, 2020.

Hertz Global's first quarter earnings results showed a net loss of \$147 million and a free cash flow loss of \$3.5 billion.

The company announced a private offering of \$500 million of senior notes, adding to its mountainous debt pile of \$17+ billion.

Coronavirus pandemic cut into the need for used cars, Hertz responded by reducing more than a quarter of its workforce.

Business Name	2019								2020				
	M	J	J	A	S	O	N	D	J	F	M	A	M
Hertz Global Holdings, Inc.	4	4	6	5	5	5	5	6	6	5	3	3	1

BANKRUPT!

Second quarter cash burn accelerated to \$2.3 billion adjusted for disposal proceeds and total debt issuance hits \$2 billion.

Fourth quarter and full year sales, EBITDA, and earnings came up short. Coronavirus anxiety worsened investor selloff.

The FRISK® score is 96% accurate* in predicting the risk of corporate failure/bankruptcy over a 12-month horizon. All FRISK® scores are recalculated every night for each subsequent 12-month period.

FRISK® Score	BANKRUPTCY RISK RELATIVE TO THE HISTORICAL AVERAGE	
	FROM	TO
10	0.00x	0.12x
9	0.12x	0.27x
8	0.27x	0.34x
7	0.34x	0.55x
6	0.55x	0.87x
5	0.87x	1.40x
4	1.40x	2.10x
3	2.10x	4.00x
2	4.00x	9.99x
1	9.99x	50.00x

While the risk of bankruptcy varies at each FRISK® score, 96% of public companies that eventually go bankrupt enter the FRISK® "red zone" prior to filing. A FRISK® score of 5 or less is an important warning sign.

*FRISK® score accuracy of 96% is based on backtesting of U.S. public companies; results may vary by country.

THE FRISK® SCORE COMPONENTS

At the core of the CreditRiskMonitor® process is our 96% accurate FRISK® score, which indicates a company's level of financial stress on a scale of 1 to 10, based on the probability of bankruptcy over a 12-month horizon. When available, the FRISK® score incorporates a number of powerful risk indicators including:

A “Merton” type model using stock market capitalization and volatility

Financial ratios, including those used in the Altman Z”-Score Model

Bond agency ratings from Moody’s, Fitch, & DBRS Morningstar

Crowdsourced CreditRiskMonitor® Usage Data

[Crowdsourcing](#) has enhanced the accuracy and timeliness of the FRISK® score. We collect and analyze data patterns from thousands of CreditRiskMonitor® subscribers, including professionals from more than 35% of the Fortune 1000 and other large corporations worldwide.

The crowdsourcing advantage is even more powerful in our FRISK® score since many of the professionals who use our service are credit managers:

- Credit managers control one of the largest sources of working capital going into a company
- They are not held to the same “Fair Disclosure” restrictions that prevent non-disclosed information sharing on public companies
- Credit managers use a variety of non-public information sources such as their own company’s management and sales representatives to be alerted to concerns in a public company’s performance
- It is commonly known credit managers confidentially share information with other credit managers, thus collectively, their behavior helps to provide advanced insight to financial problems in public companies

[Read more in Credit Research Foundation’s quarterly journal article, “Assessing Public Company Financial Risk by Crowdsourcing the Research of Credit Professionals”](#)

DO NOT MISS THIS – MANAGEMENT DISCUSSION AND ANALYSIS (MD&A)

Making misleading or fraudulent statements in an MD&A is against the law – and Sarbanes-Oxley subjects CEOs and CFOs to heavy fines or even jail time for doing so. A vital feature of the CreditRiskMonitor service is the ability to quickly access a Company’s Management Discussion and Analysis (MD&A) history. Let it sink in: there are no two people in the world with better knowledge of a company’s liquidity risk than the CEO and CFO. More than any credit manager. More than any trade group. And they’re personally liable if they’re lying.

According to the Financial Accounting Standards Board (FASB), “MD&A should provide a balanced presentation that includes both positive and negative information about the topics discussed.”

Report

Hertz Global Holdings,
8501 Williams Road
ESTERO, FL 33928 United States
Phone: (239) 301-7000

Filed for Bankruptcy on 5/22/2020
Case #20-11219, filed in the U.S. Bankruptcy Court for the District of Delaware

Management Discussion and Analysis History

In 2019, cash flows from operating activities, **adjusted for non-cash, non-operating items and the net impact from operating leases, decreased by \$111 million year over year due to a decrease in accrued liabilities for operational expenses, partially offset by an increase in cash primarily due to the timing of value added tax receivables in our International RAC segment.**

Our primary investing activities relate to the acquisition and disposal of revenue earning vehicles. **There was a \$228 million increase in the use of cash for investing activities year over year. Net cash outflows for revenue earning vehicles increased \$187 million primarily due to a higher volume of vehicles acquired, net of disposals in our International RAC segment.** Additionally, there was a \$71 million increase in net cash outflows for the purchase of non-vehicle capital assets primarily in our **information technology and finance transformation programs.**

Net financing cash inflows in 2018 driven by a reduction in net vehicle debt borrowings **used to redeem non-vehicle debt** resulting in a \$702 million increase in cash. **We are highly leveraged** and **use from servicing our indebtedness, funding our operations** **including non-vehicle capital expenditures.**

For a discussion of **cash flows were** **Factors” in this 2019 Annual Report.**

Substantially all of our **trending negatively.** **by special purpose entities or** **are encumbered in favor of secured financings and asset-backed** **our general creditors.**

securities programs. No

You MUST understand trends, commitments, demands and uncertainties likely to result in a material change in Liquidity and Capital Resources, like if they can continue as a going concern. If you don't, you need help.

Management disclosed that the company was highly leveraged, all assets were being used as collateral, and that cash flows were trending negatively. Contact your account manager about these important red flags.

COMPANY REPORT DETAIL

Hertz Global Holdings, Inc.

8501 Williams Road

Phone: (239) 301-7000

ESTERO, FL 33928 United States

Ticker: HTZ

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Latest Financial Statements as of 3/31/2020

Business Summary

Hertz Global Holdings, Inc. (Hertz Global) is a holding company. The Company owns Rental Car Intermediate Holdings, LLC, which owns Hertz Corporation (Hertz), Hertz Global's primary operating company. The Hertz Global's operating segments include U.S. Car Rental (U.S. RAC), International Car Rental (International RAC) and All Other Operations. The U.S. RAC segment is engaged in the rental of vehicles, such as cars, crossovers and light trucks, as well as ancillary products and services, in the United States. The International RAC segment is engaged in rental and leasing of vehicles, such as cars, crossovers and light trucks, as well as ancillary products and services, internationally. The All Other Operations segment includes its Donlen Corporation business, which provides fleet leasing and fleet management services, and other business activities. Hertz Global operates its business through the Hertz, Dollar and Thrifty brands from approximately 12,400 corporate and franchisee locations.

(Source: 10-K)

Employees: 38,000 (as of 12/31/2019)

Incorporated: 8/28/2015

Federal Tax ID: 002520539

Credit Score History

Why are these scores different? FRISK® Score A

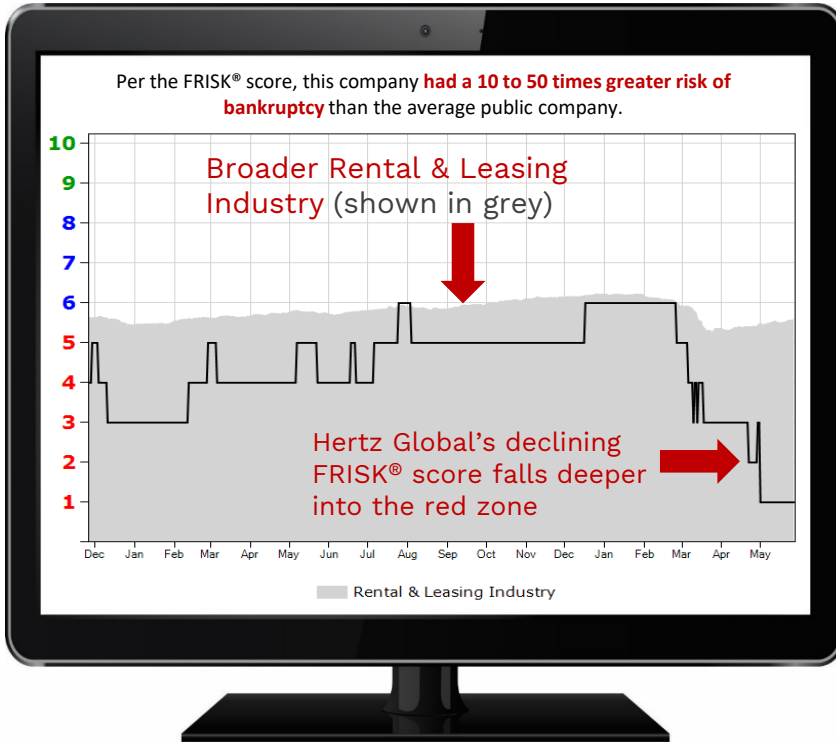
Score/ Index	2019						2020						
	M	J	J	A	S	O	N	D	J	F	M	A	M
FRISK® Score*	4	4	6	5	5	5	5	6	6	5	3	3	1
DBT Index	9	8	8	8	8	8	8	8	8	8	7	8	DBT

* FRISK® Scores are month-end

The FRISK® score is a 96% accurate method by which to monitor public company bankruptcy risk.

Payment performance, captured by the Days Beyond Terms (DBT) index, which is very similar to D&B's PAYDEX® score, is not an effective indicator of financial stress for publicly traded companies since they often continue to pay on time right up until their bankruptcy filing. This is what's commonly called the "Cloaking Effect."

FRISK® DEEP DIVE



The FRISK® score relative to the broader Rental & Leasing industry raised an additional red flag signaling heightened risk relative to peers, as well...

MAKING IMMEDIATE ATTENTION REQUIRED.

ADJUSTED MARKET CAP VOLATILITY



One of the inputs of the FRISK® score is a company's market cap volatility, adjusted for dividends, over the course of a year. Incorporating this information allows us to capture the "wisdom of markets" on a daily basis. This ensures our subscribers are getting the most up to date view of the risks they face since stocks tend to be more liquid and faster moving than bond prices and ratings.

FRISK® STRESS INDEX

#	Business Name	Country	Current FRISK® score
1	Hertz Global Holdings Inc	United States	1
2	CAR Inc	China	1
3	Europcar Mobility Group SA	France	1
4	P2P Transport Ltd	Australia	2
5	Synergetic Auto Performance PCL	Thailand	2
6	Avis Budget Group Inc.	United States	2
7	Premier Enterprise PCL	Thailand	3
8	Adi Sarana Armada Tbk PT	Indonesia	3
9	National United Resources Holdings Ltd	Hong Kong	3
10	SK Rent A Car Co Ltd	South Korea	4

FRISK® Stress Index - SIC classification: Passenger car rental located in All Countries

See COVID-19 Impact on Frisk Scores around the world..

Primary industry codes only Primary and secondary industry codes

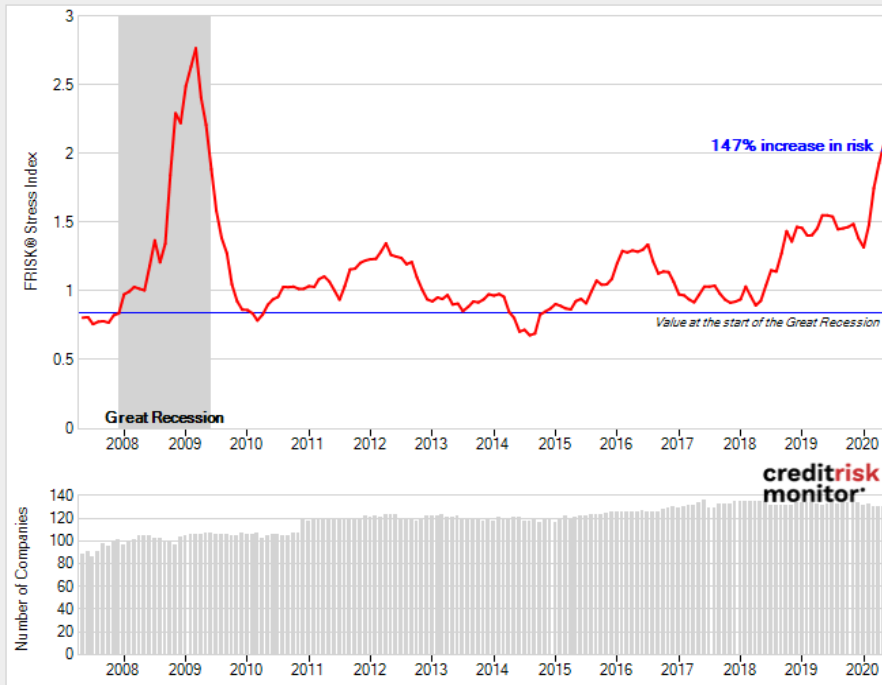
Businesses From:

In Industry:

Country:

Scale:

Total Companies in all months: 185



The FRISK® Stress Index shows the collective probability of failure in a group of companies (such as an industry, country or portfolio) over the next 12 months. It is designed to show trends in risk level across groups of companies and is shown on a zero to 50 scale, with 50 being the most risky.

The average probability of failure for SIC code 7514 (Passenger car rental) has increased 147% since 2007. Hertz Global was among the weakest names in the industry as evidenced by its FRISK® score of 1.

PEER ANALYSIS ON ALTERNATE SUPPLIERS AND CUSTOMERS

The Peer Analysis expands to provide a ranking of a company's competitors, which can help provide options for alternate suppliers or new customers

Analysis: SIC classification: Passenger car rental

Calendar Year/Quarter: 2020.1

Businesses in Peer Group: 293

Credit Ratings	Ranking Within Peer Group	Number Of Peers Ranked	Company Value	Peer Group Range		
				Low	Median	High
Performance ratios:						
Z-Score		54				
Net Sales (Thousands of U.S. Dollars)	3	8				
Gross Margin % Of Sales	18	59				
Gross Margin % Of Sales -- TTM	14	59				
SGA % Of Sales	20	59				
SGA % Of Sales -- TTM	19	60				
Operating Margin % Of Sales	49	63				
Operating Margin % Of Sales -- TTM	33	63				
EBITDA Margin Of Sales	10	31				
EBITDA Margin Of Sales -- TTM	8	16	37.63	-87.04	13.54	115.79
Net Profit Margin % Of Sales	51	63	-18.51	-939.67	1.23	5,725.41
Net Profit Margin % Of Sales -- TTM	52	63	-2.79	-122.22	3.05	5,725.41
Pre-tax Income % Of Sales	51	63	-18.77	-939.67	1.87	5,725.42
Effective Tax Rate	21	60	1.11	-327.96	19.17	77.35
Depreciation % Of Prop/Plant/Equipment	40	53	18.87	0.13	12.60	871.37
Capital Expense % Of Prop/Plant/Equipment	36	38	105.75	0.13	7.43	145.78
Interest Coverage	16	25	3.01	-17.11	3.47	41.39
Interest Coverage -- TTM	29	43	4.53	-6,494.61	11.16	1,172.36
Liquidity ratios:						
Cash Ratio		55		0.00	0.45	7.05
Quick Ratio		53		-0.37	0.80	6.34
Current Ratio		55		0.21	1.38	8.18
Efficiency ratios:						
Accounts Receivable Turnover	45	58	3.91	-2.72	8.61	693.47
Days Sales Outstanding	53	63				
% of Inventory Financed by Vendors		44				
% of Inventory Financed by Vendors -- TTM		46				
Inventory Turnover		48				
Inventory Turnover -- TTM		49				
Days Sales in Inventory		46				
Inventory to Working Capital		46				
Accounts Payable Turnover	36	57				
Accounts Payable Turnover -- TTM	37	57				
Leverage & debt coverage:						
Total Debt to Equity Ratio	53	56	12.58	0.00	0.65	53.12
Debt to Tangible Equity Ratio		50		0.00	0.74	15.70
Total Debt to Assets Ratio	53	56	0.73	0.00	0.29	0.81
Short-Term Debt % of Total Debt		54		0.76	39.49	100.00
Short-Term Debt % of Working Capital		51		-792.97	19.28	765.82
Liabilities to Net Worth Ratio		54		0.10	1.53	29.97
Total Liabilities to Equity Ratio	57	60	16.33	0.10	1.60	79.66
TTM EBITDA to Total Debt	24	42	0.19	-0.70	0.20	20.75
Net Debt to TTM EBITDA	27	36	4.91	-8.84	2.90	79.50

Legend:

- Green - Ranked in Upper Quartile of Peer Group
- White - Ranked in the Middle Two Quartiles of Peer Group
- Red - Ranked in Lower Quartile of Peer Group
- Orange - Confidential
- Grey - Data is Not Available

TTM = trailing 12 months
N/A = Not Available

Hertz Global demonstrated bottom quartile ranking in key financial ratios (shown in red) versus its industry peers.

QUARTERLY PERFORMANCE RATIOS

Operating margin turned negative in Q1 and cumulative net losses

Steep free cash flow deficit, even after vehicle disposal proceeds

Performance Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 3/31/2020	3 mos 12/31/2019	3 mos 9/30/2019	3 mos 6/30/2019	3 mos 3/31/2019
Net Sales \$	\$1,923,000	\$2,325,000	\$2,836,000	\$2,511,000	\$2,107,000
% change	-17.29%	-18.02%	12.94%	19.17%	-8.19%
Gross Margin \$	\$682,000	\$986,000	\$1,344,000	\$1,123,000	\$841,000
% change	-30.83%	-26.64%	19.68%	33.53%	-14.45%
% of sales	35.47%	42.41%	47.39%	44.72%	39.91%
change as % of incremental sales	n/m	n/m	68.00%	69.80%	n/m
SG&A \$	\$208,000	\$246,000	\$232,000	\$258,000	\$234,000
% change	-15.45%	6.03%	-10.08%	10.26%	-14.91%
% of sales	10.82%	10.58%	8.18%	10.27%	11.11%
change as % of incremental sales	n/m	n/m	-8.00%	5.94%	n/m
Operating margin \$	(\$260,000)	\$89,000	\$451,000	\$243,000	\$34,000
% change	-392.13%	-80.27%	85.60%	614.71%	-66.67%
% of sales	-13.52%	3.83%	15.90%	9.68%	1.61%
change as % of incremental sales	n/m	n/m	64.00%	51.73%	n/m
EBITDA \$	\$526,000	\$876,000	\$1,230,000	\$979,000	\$726,000
% change	-39.95%	-28.78%	25.64%	34.85%	2.11%
% of sales	27.35%	37.68%	43.37%	38.99%	34.46%
change as % of incremental sales	n/m	n/m	77.23%	62.62%	n/m
EBIT \$	(\$260,000)	\$89,000	\$451,000	\$243,000	\$34,000
% change	-392.13%	-80.27%	85.60%	614.71%	-47.69%
% of sales	-13.52%	3.83%	15.90%	9.68%	1.61%
change as % of incremental sales	n/m	n/m	64.00%	51.73%	n/m
Pre-tax income \$	(\$361,000)	(\$130,000)	\$247,000	\$44,000	(\$149,000)
% change	-177.69%	-152.63%	461.36%	129.53%	-24.17%
% of sales	-18.77%	-5.59%	8.71%	1.75%	-7.07%
change as % of incremental sales	n/m	n/m	62.46%	47.77%	n/m
Net income (loss) \$	(\$356,000)	(\$119,000)	\$169,000	\$38,000	(\$147,000)
% change	-199.16%	-170.41%	344.74%	125.85%	-45.54%
% of sales	-18.51%	-5.12%	5.96%	1.51%	-6.98%
change as % of incremental sales	n/m	n/m	40.31%	45.79%	n/m
Tax expense \$	(\$4,000)	(\$15,000)	\$74,000	\$4,000	(\$1,000)
Effective tax rate	1.11%	11.54%	29.96%	9.09%	0.67%
Depreciation expense \$	\$786,000	\$787,000	\$779,000	\$736,000	\$692,000
% of sales	40.87%	33.85%	27.47%	29.31%	32.84%
% of capital expenses	17.84%	35.26%	29.50%	14.61%	17.18%
% of PP&E, net (annualized)	18.87%	18.44%	17.08%	16.91%	18.93%
Capital expenditures \$	\$4,405,000	\$2,232,000	\$2,641,000	\$5,038,000	\$4,027,000
% change	97.36%	-15.49%	-47.58%	25.11%	62.71%
% of PP&E, net (annualized)	105.75%	52.30%	57.91%	115.76%	110.14%
Interest coverage ratio	3.01	4.00	6.03	4.92	3.97
% change	-24.86%	-33.66%	22.56%	24.01%	3.23%
Free cash flow \$	(\$3,956,000)	(\$1,565,000)	(\$1,462,000)	(\$4,498,000)	(\$3,513,000)
% change	-152.78%	-7.05%	67.50%	-28.04%	-81.46%
Source:	10-Q 5/11/2020	10-K 2/25/2020	10-Q 11/5/2019	10-Q 8/7/2019	10-Q 5/7/2019

QUARTERLY LEVERAGE RATIOS

Negative tangible net worth disallowed incremental secured borrowings

Total debt to assets was more than twice the rental and leasing industry median

Leverage Ratios - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3/31/2020	12/31/2019	9/30/2019	6/30/2019	3/31/2019
Total debt \$	\$18,754,000	\$17,089,000	\$18,041,000	\$19,347,000	\$17,257,000
% change	9.74%	-5.28%	-6.75%	12.11%	5.72%
Stockholders' equity \$	\$1,491,000	\$1,888,000	\$1,989,000	\$1,070,000	\$1,005,000
% change	-21.03%	-5.08%	85.89%	6.47%	-10.27%
Total debt to equity ratio	12.58	9.05	9.07	18.08	17.17
% change	38.96%	-0.21%	-49.84%	5.30%	17.81%
Tangible net worth \$	(\$2,820,000)	(\$2,433,000)	(\$2,338,000)	(\$3,242,000)	(\$3,296,000)
% change	-15.91%	-4.06%	27.88%	1.64%	-4.11%
Total assets \$	\$25,842,000	\$24,627,000	\$25,541,000	\$26,354,000	\$24,030,000
% change	4.93%	-3.58%	-3.08%	9.67%	12.38%
Total debt to assets ratio	0.73	0.69	0.71	0.73	0.72
% change	4.58%	-1.77%	-3.77%	2.23%	-5.93%
Tangible assets \$	\$21,531,000	\$20,306,000	\$21,214,000	\$22,042,000	\$19,729,000
% change	6.03%	-4.28%	-3.76%	11.72%	15.40%
Total liabilities \$	\$24,351,000	\$22,739,000	\$23,552,000	\$25,284,000	\$23,025,000
% change	7.09%	-3.45%	-6.85%	9.81%	13.64%
Total liabilities to equity ratio	16.33	12.04	11.84	23.63	22.91
% change	35.60%	1.71%	-49.89%	3.14%	26.64%
Total debt to EBITDA ratio (annualized)	8.91	4.88	3.67	4.94	5.94
% change	82.77%	33.00%	-25.78%	-16.86%	3.53%
Source:	10-Q 5/1/2020	10-Q 11/5/2019	10-Q 11/5/2019	10-Q 8/7/2019	10-Q 5/7/2019

Total debt to EBITDA trended between mid-to-high single digits, indicating elevated leverage

ANNUAL OBLIGATIONS AND QUARTERLY RATES OF RETURN

Maturity wall manifested at the end of fiscal 2018 and 2019

Near-term operating leases hit a five year high

Long Term Obligations - Annual

(Thousands of U.S. Dollars)

Period Ended	12/31/2019	12/31/2018	12/31/2017	12/31/2016	12/31/2015
Long Term Obligations:					
Maturing within 1 year	2,438,000	1,613,000	1,722,000	3,432,000	3,134,000
% of free cash flow	n/m	n/m	n/m	n/m	n/m
Maturing within 2 years	6,294,000	7,126,000	1,973,000	2,284,000	3,733,000
% of free cash flow	n/m	n/m	n/m	n/m	n/m
Maturing within 3 years	2,281,000	2,328,000	5,773,000	2,129,000	4,337,000
% of free cash flow	n/m	n/m	n/m	n/m	n/m
Maturing within 4 years	2,379,000	2,116,000	1,920,000	1,955,000	1,828,000
Maturing within 5 years	2,351,000	2,390,000	2,114,000	1,830,000	1,833,000
Remaining Long Term Debt	1,427,000	827,000	1,445,000	1,989,000	1,047,000
Total Long Term Debt	17,170,000	16,400,000	14,947,000	13,619,000	15,912,000
Operating Lease Obligations:					
Maturing within 1 year	494,000	413,000	435,000	138,000	219,000
% of free cash flow	n/m	n/m	n/m	n/m	n/m
Maturing within 2 years	432,000	313,000	384,000	146,000	184,000
% of free cash flow	n/m	n/m	n/m	n/m	n/m
Maturing within 3 years	342,000	255,000	298,000	109,000	149,000
% of free cash flow	n/m	n/m	n/m	n/m	n/m
Maturing within 4 years	271,000	194,000	238,000	80,000	106,000
Maturing within 5 years	209,000	139,000	185,000	64,000	69,000
Remaining Operating Leases	1,167,000	866,000	725,000	292,000	256,000
Total Operating Leases	1,848,000	2,180,000	2,265,000	829,000	983,000
Cumulative Obligations due within 3 years:					
Total Obligations Maturing within 3 years	12,281,000	12,048,000	10,585,000	8,238,000	11,756,000
% of free cash flow	n/m	n/m	n/m	n/m	n/m
Source:	10-K 2/25/2020	10-K 2/25/2019	10-K 2/27/2018	10-K 3/6/2017	10-K 3/6/2017

Poor returns on equity and assets

Rate of Return - Sequential Quarters

(Thousands of U.S. Dollars)

Period Ended	3 mos 3/31/2020	3 mos 12/31/2019	3 mos 9/30/2019	3 mos 6/30/2019	3 mos 3/31/2019
Return on equity	-18.86%	-5.98%	15.79%	3.78%	-13.13%
% change	-215.16%	-137.88%	317.72%	128.81%	-59.45%
Return on total assets	-1.41%	-0.47%	0.65%	0.15%	-0.65%
% change	-197.39%	-172.84%	331.90%	123.29%	-40.53%
Return on tangible assets	-1.70%	-0.57%	0.78%	0.18%	-0.80%
% change	-196.89%	-173.36%	329.58%	122.78%	-39.43%
Source:	10-Q 5/11/2020	10-K 2/25/2020	10-Q 11/5/2019	10-Q 8/7/2019	10-Q 5/7/2019

ANNUAL STATEMENT OF CASH FLOWS

Continuous capital raises to fund vehicle purchases

Statement of Cash Flows - Annual - Standardized

(Thousands of U.S. Dollars)

Period Ended	12 mos 12/31/2019	12 mos 12/31/2018	12 mos 12/31/2017 Restated 12/31/2018	12 mos 12/31/2016 Restated 12/31/2018	12 mos 12/31/2015 Restated 12/31/2016
Cash Flows from Operating Activities:					
Net income	(\$50,000)	(\$227,000)	\$327,000	(\$491,000)	\$273,000
Depreciation/depletion	2,994,000	2,764,000	2,962,000	2,796,000	2,635,000
Deferred taxes	27,000	(66,000)	(922,000)	(78,000)	11,000
Non-cash Items	88,000	107,000	217,000	448,000	(122,000)
Changes in working capital	(159,000)	(22,000)	(190,000)	(146,000)	(21,000)
Total cash from operating activities	2,900,000	2,556,000	2,394,000	2,529,000	2,776,000
Cash Flows from Investing Activities:					
Capital expenditures	(13,938,000)	(12,670,000)	(10,769,000)	(11,006,000)	(11,636,000)
Other investing cash flow items, total	9,513,000	8,473,000	7,769,000	8,958,000	9,256,000
Total cash from investing activities	(4,425,000)	(4,197,000)	(3,000,000)	(2,048,000)	(2,380,000)
Cash Flows from Financing Activities:					
Financing cash flow items	(7,000)	11,000	(59,000)	2,059,000	33,000
Issuance/retirement of stock, net	748,000	0	0	(100,000)	(605,000)
Issuance/retirement of debt, net	733,000	1,550,000	1,047,000	(2,142,000)	204,000
Total cash from financing activities	1,474,000	1,561,000	988,000	(183,000)	(368,000)
Foreign exchange effects	1,000	(14,000)	28,000	(11,000)	(28,000)
Net change in cash	(50,000)	(94,000)	410,000	287,000	0
Net cash-beginning balance	1,410,000	1,504,000	1,094,000	807,000	474,000
Net cash-ending balance	\$1,360,000	\$1,410,000	\$1,504,000	\$1,094,000	\$474,000
Supplemental Disclosures:					
Cash interest paid	\$703,000	\$665,000	\$582,000	\$527,000	\$561,000
Cash taxes paid, supplemental	\$21,000	\$26,000	\$54,000	\$57,000	\$24,000
Auditor/Opinion:	Pricewaterhouse Coopers LLP Unqualified	Pricewaterhouse Coopers LLP Unqualified	Pricewaterhouse Coopers LLP Unqualified	Pricewaterhouse Coopers LLP Unqualified	Pricewaterhouse Coopers LLP Unqualified
Source:	10-K 2/25/2020	10-K 2/25/2019	10-K 2/25/2019	10-K 2/25/2019	10-K 3/6/2017

NEWS ALERTS: A TIMELINE OF CONCERNING NEWS ITEMS

<p>Long tenured Executive Vice President, General Counsel and Secretary of Hertz Global Holdings resigned. Later next year, the CEO would also resign, prior to the company's bankruptcy filing. Executive departures in combination with financial stress (i.e. FRISK® red zone) is an ominous warning.</p>		
03/25/2019	CRMZ News Service	HERTZ CORP FILES (8-K) Disclosing Change in Directors or Principal Officers, Financial Statements and Exhibits
<p>Management proceeded with a rights offering following the board of directors approval, raising net proceeds of nearly \$750 million. Being a purchase offering equivalent to 0.69 shares per existing share of common stock, this would be a highly dilutive transaction for existing shareholders.</p>		
06/13/2019	PR Newswire	Hertz Global Holdings Announces Rights Offering for Common Stock
<p>Hertz second quarter filing demonstrated that cash outflows steepened across all three primary business lines, including U.S. rental cars, international rental cars, and other operations, by 20%. Such aggressive spending mismatched with limited sales growth trends served as a stark red flag.</p>		
08/07/2019	CRMZ News Service	Hertz Global Holdings, Inc.: a Form 10-Q has been filed with the SEC
<p>What seemed like a normal refinancing transaction, the original debt agreement was changed where the size of the issuance increased from \$750 million to \$900 million. When under financial stress, such adjustments are often a sign of desperation for external capital.</p>		
11/14/2019	PR Newswire	Hertz Global Holdings Announces Upsizing and Pricing of \$900 Million Private Offering of Senior Notes
<p>Although management cheered about top line growth, the company still reported a net loss of \$118 million. Disclosures showed that key expense items including depreciation, depletion, and interest were steadily increasing.</p>		
02/24/2020	PR Newswire	Hertz Global Holdings Reports Record Fourth Quarter and Full-Year 2019 Revenue
<p>According to sources, Hertz had a \$1 billion to \$1.5 billion cash shortfall. An insider stated that if the company couldn't make a deal with its lenders, it would be forced into bankruptcy. Many of its asset-backed securities had rental cars used as collateral, the values of which plummeted due to the coronavirus' adverse impact on the auto and travel industries.</p>		
04/17/2020	CRMZ News Service	Carl Icahn's Car Rental Firm Hertz Faces Epic Cash Crunch
<p>Hertz Global filed for voluntary petitions for reorganization under Chapter 11 in the U.S. Bankruptcy Court for the District of Delaware. With the restructuring procedure, management would furlough and lay off about half of its global workforce. Additionally, both unsecured and secured creditors would be exposed to financial loss.</p>		
05/22/2020	Canada Newswire	Hertz Global Holdings Takes Action to Strengthen Capital Structure Following Impact Of Global Coronavirus Crisis

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