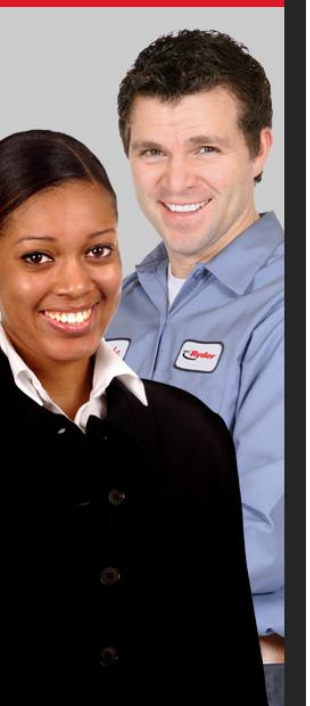
Second Quarter 2012



Earnings Conference Call

July 24, 2012

Safe Harbor and Non-GAAP Financial Measures

Certain statements and information included in this presentation are "forward-looking statements" under the Federal Private Securities Litigation Reform Act of 1995, including our expectations for future earnings and other financial performance. Accordingly, these forward-looking statements should be evaluated with consideration given to the many risks and uncertainties inherent in our business that could cause actual results and events to differ materially from those in the forward-looking statements. Important factors that could cause such differences include, among others, increases or decreases in market demand in the commercial rental market, fluctuations in market demand on the sale of used vehicles impacting our pricing and our anticipated proportion of retail versus wholesale sales, lower than expected maintenance costs associated with a younger fleet and the execution of our maintenance initiatives, unexpected savings resulting from our company-wide cost savings initiatives, a slowdown of the economic recovery and decreases in freight demand, our ability to obtain adequate profit margins for our services, our inability to maintain current pricing levels due to soft economic conditions, uncertainty or decline in economic and market conditions affecting contractual lease demand, competition from other service providers, customer retention levels, unexpected volume declines, loss of key customers in the Supply Chain Solutions (SCS) business segment, unexpected reserves or write-offs due to the deterioration of the credit worthiness or bankruptcy of customers, changes in customers' business environments that will limit their ability to commit to long-term vehicle leases, a decrease in credit ratings, increased debt costs resulting from volatile financial markets, adequacy of accounting estimates, reserves and accruals particularly with respect to pension, taxes, insurance and revenue, sudden or unusual changes in fuel prices, our ability to manage our cost structure, and the risks described in our filings with the Securities and Exchange Commission. The risks included here are not exhaustive. New risks emerge from time to time and it is not possible for management to predict all such risk factors or to assess the impact of such risks on our business. Accordingly, we undertake no obligation to publicly update or revise any forward-looking statements, whether as a result of new information, future events, or otherwise.

This presentation includes certain non-GAAP financial measures as defined under SEC rules, including operating revenue, comparable earnings, comparable EPS excluding non-service pension costs, 2012 comparable EPS forecasts, comparable earnings before income tax, comparable tax rate, adjusted return on capital, adjusted total capital, total cash generated, free cash flow, total obligations and the ratios based on these financial measures. Refer to Appendix – Non-GAAP Financial Measures for more information about the non-GAAP financial measures contained in this presentation. Additional information as required by Regulation G regarding non-GAAP financial measures can be found in our most recent Form 10-K and our Form 8-K filed as of the date of this presentation with the SEC, which are available in the Investors area of our website at www.ryder.com.

Contents

- **Second Quarter 2012 Results Overview**
- Asset Management Update
- Earnings Outlook
- Q & A

2nd Quarter Results Overview

- **Earnings per diluted share from continuing operations were $0.91 in 2Q12 vs. $0.79 in 2Q11**
  - 2Q12 included a $0.09 charge related to restructuring
  - 2Q11 included a $0.10 charge from a tax law change and a $0.03 charge from acquisition-related restructuring costs

- **Comparable earnings per share from continuing operations were $1.00 vs. $0.92 in 2Q11**

- **Comparable earnings per share from continuing operations were higher than the prior forecast range of $0.90 - $0.95 primarily due to higher used vehicle pricing, lower maintenance costs as well as lower overhead spending**

- **Total revenue increased 3% (and operating revenue increased 6%) vs. prior year reflecting the impact of organic revenue growth and the Hill Hire acquisition**

Key Financial Statistics

($ Millions, Except Per Share Amounts)

Second Quarter

	2012	2011	% B/(W)
Operating Revenue	$ 1,266.6	$ 1,192.0	6%
Fuel Services and Subcontracted Transportation Revenue	297.3	321.3	(7)%
Total Revenue	$ 1,563.9	$ 1,513.3	3%
Earnings Per Share From Continuing Operations	$ 0.91	$ 0.79	15%
Comparable Earnings Per Share From Continuing Operations	$ 1.00	$ 0.92	9%
Net Earnings Per Share	$ 0.91	$ 0.77	18%
Memo:			
Average Shares (*Millions*) - Diluted	50.7	51.0	
Tax Rate From Continuing Operations	36.6%	45.5%	
Comparable Tax Rate From Continuing Operations	36.6%	37.7%	
Comparable EPS from Continuing Operations excluding Non-Service Pension Costs	$ 1.09	$ 0.98	11%

Note: Amounts throughout presentation may not be additive due to rounding.

Key Financial Statistics

($ Millions, Except Per Share Amounts)

Year-to-Date

	2012	2011	% B/(W)
Operating Revenue	$ 2,495.5	$ 2,321.1	8%
Fuel Services and Subcontracted Transportation Revenue	604.6	617.6	(2)%
Total Revenue	$ 3,100.1	$ 2,938.7	5%
Earnings Per Share From Continuing Operations	$ 1.59	$ 1.29	23%
Comparable Earnings Per Share From Continuing Operations	$ 1.59	$ 1.43	11%
Net Earnings Per Share	$ 1.58	$ 1.26	25%
Memo:			
Average Shares (*Millions*) - Diluted	50.8	51.0	
Tax Rate From Continuing Operations	32.8%	43.7%	
Comparable Tax Rate From Continuing Operations	36.8%	38.8%	
Adjusted Return on Capital (*Trailing 12 month*)	5.6%	5.3%	
Comparable EPS from Continuing Operations excluding Non-Service Pension Costs	$ 1.78	$ 1.54	16%

Note: Amounts throughout presentation may not be additive due to rounding.

2nd Quarter Results Overview - FMS

- **Fleet Management Solutions (FMS) total revenue up 3% (and operating revenue up 7%) vs. prior year**
  - Contractual revenue up 5%
    - Full service lease revenue up 5%
    - Contract maintenance revenue up 2%
  - Commercial rental revenue up 10%
  - Fuel revenue down 5% due primarily to decrease in fuel pass-throughs and gallons

- **FMS earnings before tax (EBT) up 7%**
  - FMS EBT percent of operating revenue was flat vs. prior year

- **FMS earnings positively impacted by lower incentive compensation, the Hill Hire acquisition and organic lease growth**
  - These benefits were partially offset by lower commercial rental results

2nd Quarter Results Overview – SCS (including DCC)

- **Supply Chain Solutions (SCS) total revenue up 6% (and operating revenue up 6%) vs. prior year due to higher automotive freight volumes (including impact from the prior year natural disasters in Japan) and new business**
- **SCS earnings before tax (EBT) up 9%**
  - SCS EBT percent of operating revenue increased to 6.3%
- **SCS earnings increased due to higher revenue, partially offset by higher medical benefit costs**

Business Segments

($ Millions)

Second Quarter

	2012	2011	%B/(W)	Memo: Total Revenue 2012	Memo: Total Revenue 2011	Memo: Total Revenue %B/(W)
Operating Revenue:						
Fleet Management Solutions	$ 830.9	$ 778.9	7%	$ 1,100.9	$ 1,064.5	3%
Supply Chain Solutions[1]	485.7	456.8	6%	570.3	540.0	6%
Eliminations	(50.0)	(43.7)	(14)%	(107.3)	(91.1)	(18)%
Total	$ 1,266.6	$1,192.0	6%	$ 1,563.9	$ 1,513.3	3%
Segment Earnings Before Tax: [2]						
Fleet Management Solutions	$ 76.7	$ 71.5	7%			
Supply Chain Solutions[1]	30.4	27.8	9%			
Eliminations	(7.2)	(6.5)	(11)%			
	99.8	92.7	8%			
Central Support Services (Unallocated Share)	(11.2)	(11.2)	-			
Non-Service Pension Costs	(7.7)	(4.8)	(60)%			
Restructuring and Other Charges, Net and Other Items	(7.1)	(1.7)	NM			
Earnings Before Income Taxes	73.8	75.0	(2)%			
Provision for Income Taxes	(27.0)	(34.1)	21%			
Earnings from Continuing Operations	$ 46.8	$ 40.9	14%			
Comparable Earnings from Continuing Operations	$ 51.3	$ 47.8	7%			
Net Earnings	$ 46.7	$ 40.0	17%			

(1) Combined Supply Chain Solutions and Dedicated Contract Carriage.
(2) Our primary measure of segment financial performance excludes unallocated CSS, non-service pension costs, restructuring and other charges, net and other items.

Business Segments

($ Millions)

Year-To-Date

	2012	2011	% B/(W)	Memo: Total Revenue 2012	Memo: Total Revenue 2011	Memo: Total Revenue % B/(W)
Operating Revenue:						
Fleet Management Solutions	$ 1,623.6	$ 1,497.9	8%	$ 2,172.3	$ 2,044.6	6%
Supply Chain Solutions[1]	970.3	909.5	7%	1,142.2	1,075.7	6%
Eliminations	(98.4)	(86.3)	(14)%	(214.3)	(181.6)	(18)%
Total	$ 2,495.5	$ 2,321.1	8%	$ 3,100.1	$ 2,938.7	5%
Segment Earnings Before Tax: [2]						
Fleet Management Solutions	$ 127.3	$ 113.8	12%			
Supply Chain Solutions[1]	52.3	48.0	9%			
Eliminations	(13.7)	(11.4)	(20)%			
	165.9	150.4	10%			
Central Support Services (Unallocated Share)	(20.7)	(19.9)	(4)%			
Non-Service Pension Costs	(15.7)	(9.4)	(68)%			
Restructuring and Other Charges, Net and Other Items	(8.0)	(2.5)	NM			
Earnings Before Income Taxes	121.5	118.6	2%			
Provision for Income Taxes	(39.8)	(51.8)	23%			
Earnings from Continuing Operations	$ 81.6	$ 66.8	22%			
Comparable Earnings from Continuing Operations	$ 81.8	$ 74.2	10%			
Net Earnings	$ 81.0	$ 65.2	24%			

(1) Combined Supply Chain Solutions and Dedicated Contract Carriage.
(2) Our primary measure of segment financial performance excludes unallocated CSS, non-service pension costs, restructuring and other charges, net and other items.

Capital Expenditures

($ Millions)

Year-To-Date

	2012	2011	2012 $ O/(U) 2011
Full Service Lease	$ 786	$ 327	$ 458
Commercial Rental	500	518	(18)
Operating Property and Equipment	32	35	(3)
Gross Capital Expenditures	1,317	880	437
Less: Proceeds from Sales (Primarily Revenue Earning Equipment)	199	143	57
Less: Sale and Leaseback of Assets	130	-	130
Net Capital Expenditures	$ 988	$ 737	$ 250
Memo: Acquisitions	$ 2	$ 349	$ (346)

Cash Flow from Continuing Operations

($ Millions)

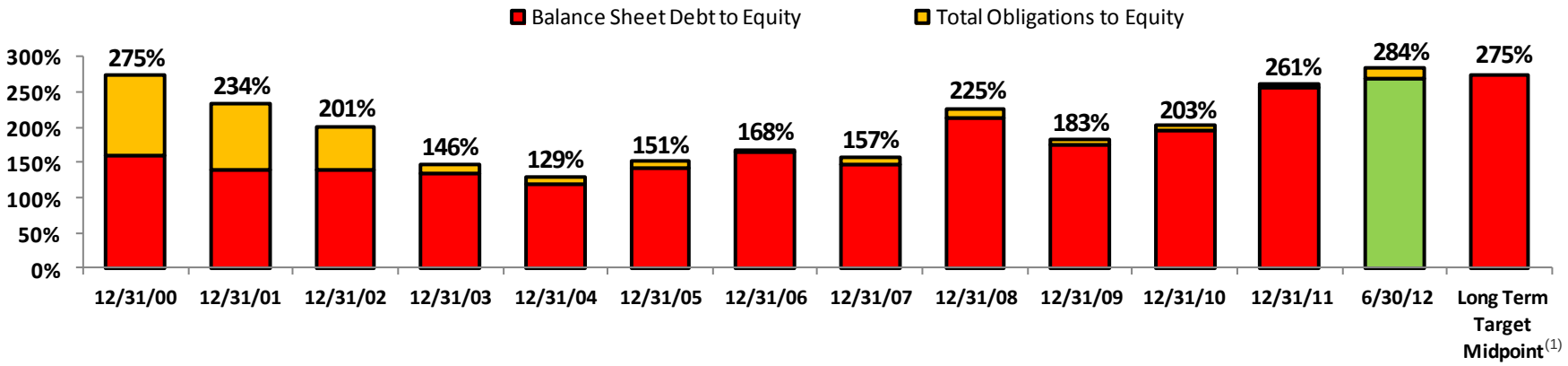
Year-To-Date

	2012	2011
Earnings from Continuing Operations	$ 82	$ 67
Depreciation	460	421
Gains on Vehicle Sales, Net	(45)	(28)
Amortization and Other Non-Cash Charges, Net	34	27
Pension Contributions	(40)	(7)
Changes in Working Capital and Deferred Taxes	(19)	(7)
Cash Provided by Operating Activities	472	473
Proceeds from Sales (Primarily Revenue Earning Equipment)	199	143
Proceeds from Sale and Leaseback of Assets	130	-
Collections of Direct Finance Leases	33	30
Total Cash Generated	834	646
Capital Expenditures [1]	(1,204)	(817)
Free Cash Flow [2]	$ (370)	$ (172)

(1) Capital expenditures presented net of changes in accounts payable related to purchases of revenue earning equipment.
(2) Free Cash Flow excludes acquisitions and changes in restricted cash.

Debt to Equity Ratio

($ Millions)



	6/30/12	12/31/11	6/30/11
Balance Sheet Debt	$ 3,746	$ 3,382	$ 3,242
Percent To Equity	271%	257%	222%
Total Obligations	$ 3,925	$ 3,446	$ 3,327
Percent To Equity	284%	261%	228%
Total Equity(2)	$ 1,384	$ 1,318	$ 1,459

(1) Represents long term total obligations to equity target of 250 - 300% while maintaining a strong investment grade rating.
(2) Total Equity includes impact of accumulated net pension related equity charge of $589 million as of 6/30/12, $595 million as of 12/31/11 and $418 million as of 6/30/11.

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Global Asset Management Update [1]

- **Units held for sale were 9,200 at quarter end, up from 5,000 units held for sale in the prior year**
  - Sequentially from the first quarter, units held for sale increased by 500 units
- **The number of used vehicles sold in the second quarter were 6,200, up 41% from the prior year**
- **Proceeds per unit were down 1% for tractors and were up 6% for trucks in the second quarter compared with prior year (excluding the impact of exchange rates)**
  - Proceeds per unit were down 12% for tractors and up 5% for trucks vs. the prior quarter
- **Vehicles no longer earning revenue were 12,300 at quarter-end, up 5,200 from the prior year due to a larger number of units held for sale**
  - Sequentially from the first quarter, vehicles no longer earning revenue increased by 100 units
- **Average second quarter total commercial rental fleet was up 17% year-over-year (5% excluding acquisitions)**

(1) Units rounded to nearest hundred.

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EPS Forecast – Continuing Operations

($ Earnings Per Share)

- **Increasing full year EPS forecast from $3.65 - $3.85 to $3.75 - $3.90**
- **Current forecast is as follows:**

	Third Quarter	Full Year
2012 Comparable EPS Forecast[1]	**$ 1.15 - 1.22**	**$ 3.75 - 3.90**
2011 Comparable EPS	**$1.09**	**$3.49**

(1) Full Year 2012 Comparable EPS Forecast excludes a $0.10 tax benefit and a $0.10 restructuring charge. Full year 2011 excludes $0.09 in net tax charges, $0.05 in restructuring charges and $0.04 in acquisition transaction costs.

Q&A

Appendix

Business Segment Detail

Central Support Services

Balance Sheet

Asset Management

Financial Indicators Forecast

Adjusted Return on Capital History

Non-GAAP Financial Measures & Reconciliations

Fleet Management Solutions (FMS)

($ Millions)

Second Quarter

	2012	2011	% B/(W)
Full Service Lease	$ 521.5	$ 494.7	5%
Contract Maintenance	46.5	45.6	2%
Contractual Revenue	568.0	540.4	5%
Contract-related Maintenance	46.5	40.9	14%
Commercial Rental	198.7	180.0	10%
Other	17.7	17.6	-
Operating Revenue	830.9	778.9	7%
Fuel Services Revenue	270.0	285.6	(5)%
Total Revenue	$ 1,100.9	$ 1,064.5	3%
Segment Earnings Before Tax (EBT)	$ 76.7	$ 71.5	7%
Segment EBT as % of Total Revenue	7.0%	6.7%	
Segment EBT as % of Operating Revenue	9.2%	9.2%	

Fleet Management Solutions (FMS)

($ Millions)

Year-To-Date

	2012	2011	% B/(W)
Full Service Lease	$ 1,032.0	$ 978.0	6%
Contract Maintenance	93.5	89.5	4%
Contractual Revenue	1,125.5	1,067.5	5%
Contract-related Maintenance	93.0	79.8	17%
Commercial Rental	370.0	315.7	17%
Other	35.1	34.9	1%
Operating Revenue	1,623.6	1,497.9	8%
Fuel Services Revenue	548.7	546.7	-
Total Revenue	$ 2,172.3	$ 2,044.6	6%
Segment Earnings Before Tax (EBT)	$ 127.3	$ 113.9	12%
Segment EBT as % of Total Revenue	5.9%	5.6%	
Segment EBT as % of Operating Revenue	7.8%	7.6%	

Supply Chain Solutions (SCS) (1)

($ Millions)

Second Quarter

	2012	2011	% B/(W)
Automotive	$ 141.9	$ 107.8	32%
High-Tech	78.0	85.4	(9)%
Retail & CPG	177.5	176.1	1%
Industrial & Other	88.2	87.6	1%
Operating Revenue	485.7	456.8	6%
Subcontracted Transportation	84.5	83.2	2%
Total Revenue	$ 570.3	$ 540.0	6%
Segment Earnings Before Tax (EBT)	$ 30.4	$ 27.8	9%
Segment EBT as % of Total Revenue	5.3%	5.1%	
Segment EBT as % of Operating Revenue	6.3%	6.1%	
Memo:			
Dedicated Services - Operating Revenue(2)	$ 283.9	$ 249.4	14%
Dedicated Services - Total Revenue	$ 327.0	$ 286.0	14%
Fuel Costs	$ 63.8	$ 55.1	16%

(1) Combined Supply Chain Solutions and Dedicated Contract Carriage.

(2) Excludes Dedicated Services Subcontracted Transportation.

Supply Chain Solutions (SCS) (1)

($ Millions)

Year-To-Date

	2012	2011	% B/(W)
Automotive	$ 281.7	$ 230.5	22%
High-Tech	158.3	165.8	(5)%
Retail & CPG	356.3	343.1	4%
Industrial & Other	174.1	170.0	2%
Operating Revenue	970.3	909.5	7%
Subcontracted Transportation	171.8	166.3	3%
Total Revenue	$ 1,142.2	$ 1,075.8	6%
Segment Earnings Before Tax (EBT)	$ 52.3	$ 48.0	9%
Segment EBT as % of Total Revenue	4.6%	4.5%	
Segment EBT as % of Operating Revenue	5.4%	5.3%	
Memo:			
Dedicated Services - Operating Revenue(2)	$ 565.9	$ 499.0	13%
Dedicated Services - Total Revenue	$ 655.4	$ 573.9	14%
Fuel Costs	$ 130.6	$ 108.9	20%

(1) Combined Supply Chain Solutions and Dedicated Contract Carriage.

(2) Excludes Dedicated Services Subcontracted Transportation.

Central Support Services (CSS)

($ Millions)

Second Quarter

	2012	2011	% B/(W)
Allocated CSS Costs	$ 37.5	$ 40.2	7%
Unallocated CSS Costs	11.2	11.2	-
Total CSS Costs	$ 48.7	$ 51.4	5%

Central Support Services (CSS)

($ Millions)

Year-To-Date

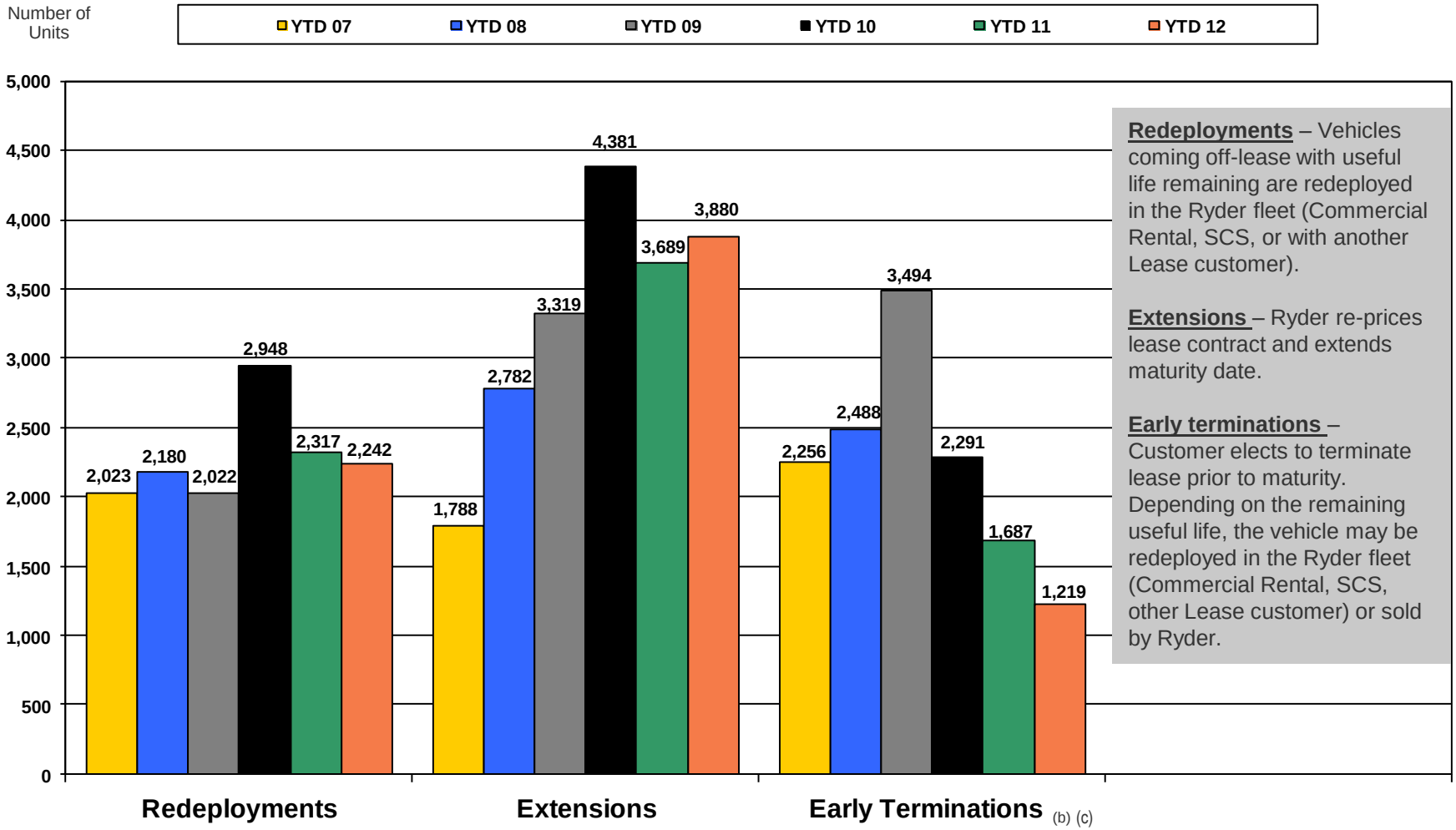
	2012	2011	% B/(W)
Allocated CSS Costs	**$ 76.6**	**$ 76.8**	**-**
Unallocated CSS Costs	**20.7**	**19.9**	**(4)%**
Total CSS Costs	**$ 97.3**	**$ 96.7**	**(1)%**

Balance Sheet

($ Millions)

	June 30, 2012	December 31, 2011
Cash and Cash Equivalents	$ 73	$ 105
Other Current Assets	987	984
Revenue Earning Equipment, Net	5,563	5,050
Operating Property and Equipment, Net	620	624
Other Assets	875	856
Total Assets	$ 8,117	$ 7,618
Short-Term Debt / Current Portion Long-Term Debt	$ 382	$ 274
Other Current Liabilities	980	900
Long-Term Debt	3,364	3,108
Other Non-Current Liabilities (including Deferred Income Taxes)	2,007	2,018
Shareholders' Equity	1,384	1,318
Total Liabilities and Shareholders' Equity	$ 8,117	$ 7,618

U.S. Asset Management Update [a]



Redeployments – Vehicles coming off-lease with useful life remaining are redeployed in the Ryder fleet (Commercial Rental, SCS, or with another Lease customer).

Extensions – Ryder re-prices lease contract and extends maturity date.

Early terminations – Customer elects to terminate lease prior to maturity. Depending on the remaining useful life, the vehicle may be redeployed in the Ryder fleet (Commercial Rental, SCS, other Lease customer) or sold by Ryder.

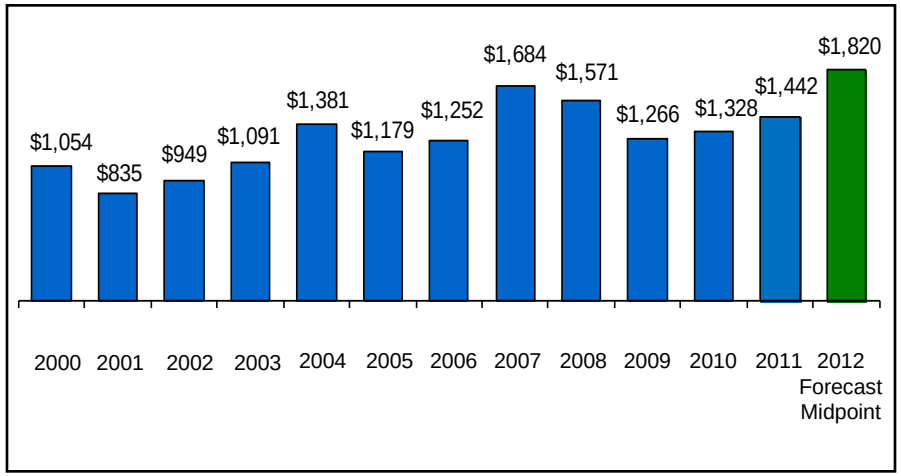
(a) U.S. only

(b) Excludes early terminations where customer purchases vehicle

(c) Current year statistics may exclude some units due to a lag in reporting

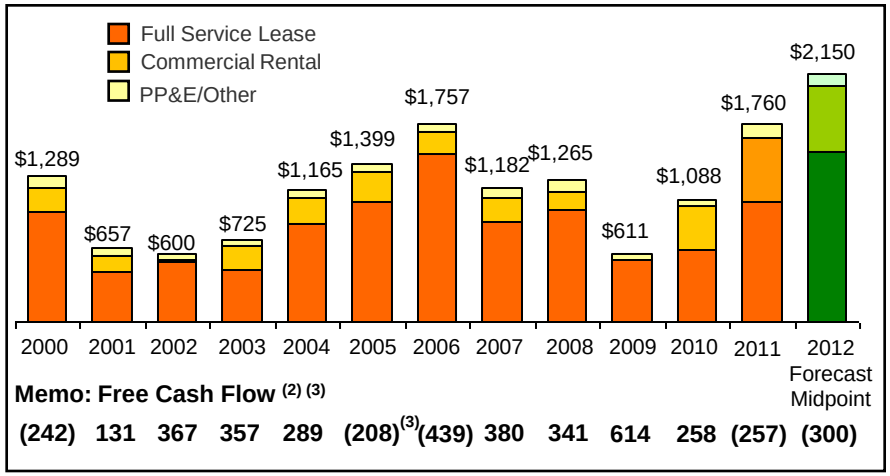
Financial Indicators Forecast [1]

Total Cash Generated [2]

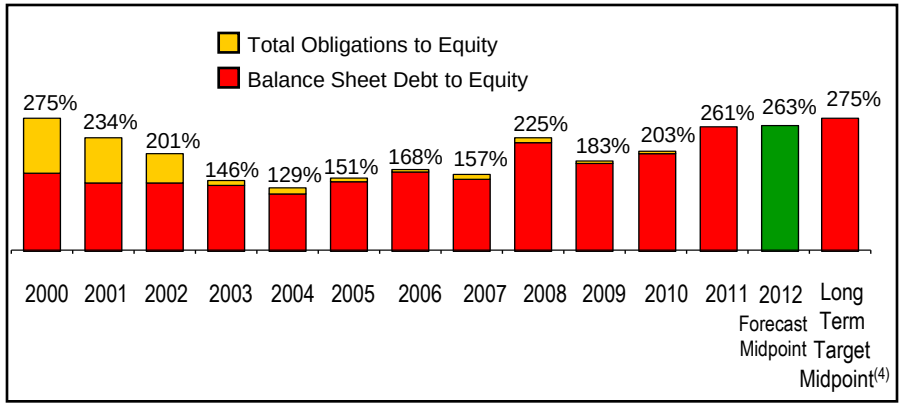


Gross Capital Expenditures [2]

($ Millions)

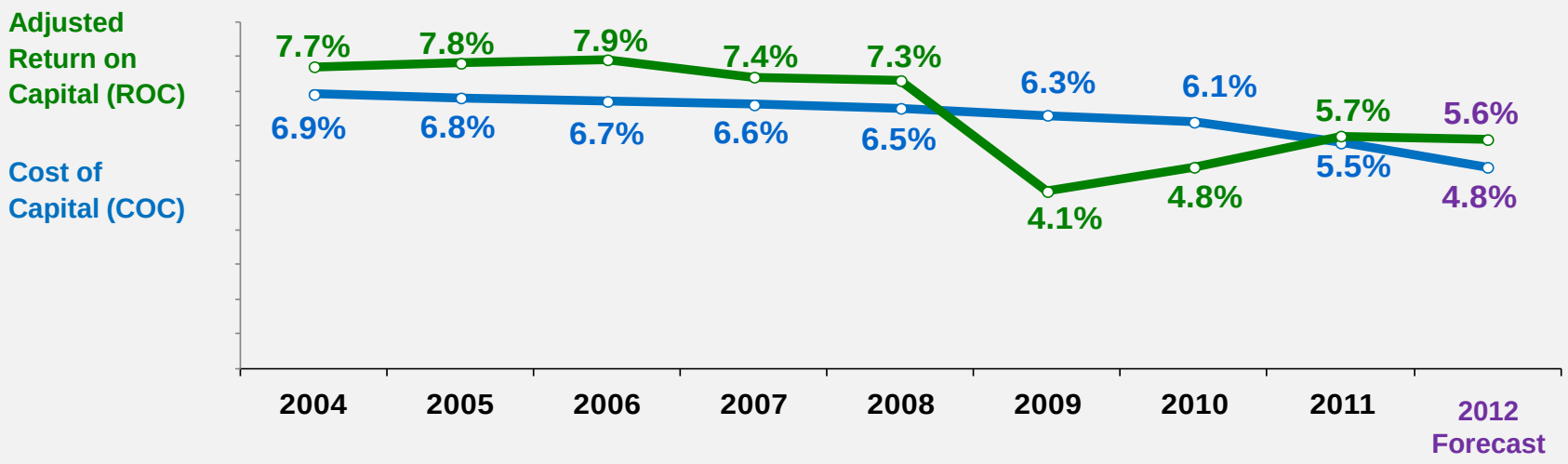


Total Obligations to Equity Ratio



(1) Total Obligations to Equity includes acquisitions. Free Cash Flow and Gross Capital Expenditures exclude acquisitions.
(2) 2000-2004 not restated for operations discontinued in 2009.
(3) Includes $176 million payment to the IRS related to full resolution of 1998 - 2000 tax period matters.
(4) Represents long term obligations to equity target of 250-300% while maintaining a strong investment grade credit rating.

Adjusted Return on Capital History



	2004	2005	2006	2007	2008	2009	2010	2011	2012 Forecast
ROC O/(U) COC	0.8%	1.0%	1.2%	0.8%	0.8%	(2.2)%	(1.3)%	0.2%	0.8%
Return on Equity	15.3%	14.6%	15.5%	14.2%	11.2%	4.4%	8.4%	11.9%	14.3%
Adjusted Total Capital (1)	$3,359	$3,846	$4,184	$4,789	$4,841	$4,244	$4,030	$4,588	$5,177

(1) Adjusted Total Capital represents Adjusted Average Total Capital in millions.

Non-GAAP Financial Measures

- **This presentation includes "non-GAAP financial measures" as defined by SEC rules. As required by SEC rules, we provide a reconciliation of each non-GAAP financial measure to the most comparable GAAP measure. Non-GAAP financial measures should be considered in addition to, but not as a substitute for or superior to, other measures of financial performance prepared in accordance with GAAP.**

- **Specifically, the following non-GAAP financial measures are included in this presentation:**

Non-GAAP Financial Measure	Comparable GAAP Measure	Reconciliation & Additional Information Presented on Slide Titled	Page
Operating Revenue	Total Revenue	Key Financial Statistics	5-6
Comparable Earnings / Comparable EPS	Earnings / EPS from Continuing Operations	Earnings and EPS from Continuing Operations Reconciliation	31
Comparable EPS Excluding Non-Service Pension Costs	EPS from Continuing Operations	Earnings and EPS from Continuing Operations Reconciliation	31
Comparable Earnings Before Income Tax / Comparable Tax Rate	Earnings Before Income Tax / Tax Rate	EBT and Tax Rate from Continuing Operations Reconciliation	32-33
Comparable EPS Forecast	EPS Forecast	EPS Forecast – Continuing Operations	17
Adjusted Return on Capital / Adjusted Total Capital / Adjusted Return on Capital to Adjusted Total Capital	Net Earnings / Total Capital	Adjusted Return on Capital Reconciliation	34
Total Cash Generated / Free Cash Flow	Cash Provided by Operating Activities	Cash Flow Reconciliation	37-38
Total Obligations / Total Obligations to Equity	Balance Sheet Debt / Debt to Equity	Debt to Equity Reconciliation	35-36
FMS and SCS Operating Revenue	FMS and SCS Total Revenue	Fleet Management Solutions (FMS) / Supply Chain Solutions (SCS)	20-23

Earnings and EPS from Continuing Operations Reconciliation

($ Millions or $ Earnings Per Share)

	2Q12 - Earnings	2Q12 - EPS	2Q11 - Earnings	2Q11 - EPS
Reported	$ 46.8	$ 0.91	$ 40.9	$ 0.79
Tax law change	-	-	5.4	0.10
Restructuring Charges	4.5	0.09	-	-
Acquisition Related Transaction Costs	-	-	1.6	0.03
Comparable	51.3	1.00	47.8	0.92
Non-Service Pension Costs	4.8	0.09	2.9	0.06
Comparable EPS excluding Non-Service Pension Costs (1)	$ 56.0	$ 1.09	$ 50.7	$ 0.98

	YTD12 - Earnings	YTD12 - EPS	YTD11 - Earnings	YTD11 - EPS
Reported	$ 81.6	$ 1.59	$ 66.8	$ 1.29
Tax (benefits)/law changes	(5.0)	(0.10)	5.4	0.10
Restructuring Charges	5.2	0.10	0.5	0.01
Acquisition Related Transaction Costs	-	-	1.6	0.03
Comparable	81.8	1.59	74.2	1.43
Non-Service Pension Costs	9.7	0.19	5.6	0.11
Comparable EPS excluding Non-Service Pension Costs (1)	$ 91.5	$ 1.78	$ 79.7	$ 1.54

(1) Given the potentially significant change in pension expense from year to year and the non-operational nature of pension expense, the company uses Comparable Earnings per Share (EPS) Excluding Non-Service Pension Costs, a non-GAAP financial measure, which excludes non-service pension costs and other non-operational items from EPS from Continuing Operations to better evaluate year over year operating performance.

EBT and Tax Rate from Continuing Operations Reconciliation

($ Millions or $ Earnings Per Share)

	2Q12 - EBT	2Q12 - Tax	2Q12 - Tax Rate
Reported	$ 73.8	$ 27.0	
Restructuring Charges	7.1	2.6	
Comparable (1)	$ 80.9	$ 29.6	36.6%

	YTDQ12 - EBT	YTD12 - Tax	YTDQ12 - Tax Rate
Reported	$ 121.5	$ 39.8	
Tax Benefits	-	5.0	
Restructuring Charges	8.0	2.8	
Comparable (1)	$ 129.5	$ 47.6	36.8%

(1) The company uses Comparable Earnings Before Income Tax (EBT) and Comparable Tax Rate from Continuing Operations, both non-GAAP financial measures, which provide useful information to investors because they exclude from EBT and Tax Rate from Continuing Operations significant items that are not representative of our ongoing business operations and allow for better year over year comparisons.

EBT and Tax Rate from Continuing Operations Reconciliation

($ Millions or $ Earnings Per Share)

	2Q11 - EBT	2Q11 - Tax	2Q11 - Tax Rate
Reported	$ 75.0	$ 34.1	45.5%
Tax Law Changes	-	(5.4)	
Acquisition Transaction Costs	1.7	0.2	
Comparable (1)	$ 76.7	$ 28.9	37.7%

	YTDQ11 - EBT	YTD11 - Tax	YTDQ11 - Tax Rate
Reported	$ 118.6	$ 51.8	43.7%
Tax Law Changes	-	(5.4)	
Acquisition Transaction Costs	1.7	0.2	
Restructuring Charges	0.8	0.3	
Comparable (1)	$ 121.1	$ 47.0	38.8%

(1) The company uses Comparable Earnings Before Income Tax (EBT) and Comparable Tax Rate from Continuing Operations, both non-GAAP financial measures, which provide useful information to investors because they exclude from EBT and Tax Rate from Continuing Operations significant items that are not representative of our ongoing business operations and allow for better year over year comparisons.

Adjusted Return on Capital Reconciliation

($ Millions)

	6/30/12	6/30/11
Net Earnings [1]	$ 186	$ 141
Restructuring and Other Charges, Net and Other Items	11	9
Income Taxes	97	81
Adjusted Earnings Before Income Taxes	294	231
Adjusted Interest Expense [2]	138	136
Adjusted Income Taxes [3]	(158)	(139)
Adjusted Net Earnings	$ 274	$ 227
Average Total Debt[4]	$ 3,417	$ 2,736
Average Off-Balance Sheet Debt[4]	81	100
Average Total Shareholders' Equity[4]	1,391	1,417
Average Adjustments to Shareholders' Equity [5]	4	-
Adjusted Average Total Capital	$ 4,893	$ 4,253
Adjusted Return on Capital	5.6%	5.3%

(1) Earnings calculated based on a 12-month rolling period.
(2) Interest expense includes interest on off-balance sheet vehicle obligations.
(3) Income taxes were calculated by excluding taxes related to comparable earnings items and interest expense.
(4) The average is calculated based on the average GAAP balances.
(5) Represents comparable earnings items for those periods.

Debt to Equity Reconciliation

($ Millions)

	12/31/00	% to Equity	12/31/01	% to Equity	12/31/02	% to Equity	12/31/03	% to Equity	12/31/04	% to Equity	12/31/05	% to Equity	12/31/06	% to Equity	12/31/07	% to Equity
Balance Sheet Debt	**$2,017**	**161%**	**$1,709**	**139%**	**$1,552**	**140%**	**$1,816**	**135%**	**$1,783**	**118%**	**$2,185**	**143%**	**$2,817**	**164%**	**$2,776**	**147%**
Receivables Sold	**345**		**110**		**-**		**-**		**-**		**-**		**-**		**-**	
PV of minimum lease payments and guaranteed residual values under operating leases for vehicles	**879**		**625**		**370**		**153**		**161**		**117**		**78**		**178**	
PV of contingent rentals under securitizations	**209**		**441**		**311**		**-**		**-**		**-**		**-**		**-**	
Total Obligations	**$3,450**	**275%**	**$2,885**	**234%**	**$2,233**	**201%**	**$1,969**	**146%**	**$1,944**	**129%**	**$2,302**	**151%**	**$2,895**	**168%**	**$2,954**	**157%**

Note: In connection with adopting FIN 46 effective July 1, 2003, the Company consolidated the vehicle securitization trusts previously disclosed as off-balance sheet debt.

Debt to Equity Reconciliation

($ Millions)

	12/31/08	% to Equity	12/31/09	% to Equity	12/31/10	% to Equity	12/31/11	% to Equity	6/30/12	% to Equity	6/30/11	% to Equity
Balance Sheet Debt	$2,863	213%	$2,498	175%	$2,747	196%	$3,382	257%	$3,746	271%	$3,242	222%
Receivables Sold	-		-		-		-		-		-	
PV of minimum lease payments and guaranteed residual values under operating leases for vehicles	163		119		100		64		180		85	
Total Obligations	$3,026	225%	$2,617	183%	$2,847	203%	$3,446	261%	$3,925	284%	$3,327	228%

Note: Amounts may not recalculate due to rounding.

Cash Flow Reconciliation

($ Millions)

	12/31/00 [1]	12/31/01 [1]	12/31/02 [1]	12/31/03 [1]	12/31/04 [1]	12/31/05	12/31/06	12/31/07	12/31/08	12/31/09
Cash Provided by Operating Activities	$ 1,023	$ 365	$ 617	$ 803	$ 867	$ 776	$ 852	$ 1,097	$ 1,248	$ 985
Less: Changes in Bal. of Trade Rec. Sold	(270)	235	110	-	-	-	-	-	-	-
Collections of Direct Finance Leases	67	66	66	61	64	69	65	62	61	65
Proceeds from Sale (Prim. Rev. Earn. Equip.)	230	173	152	210	331	333	332	373	262	216
Proceeds from Sale & Leaseback of Assets	-	-	-	13	118	-	-	150	-	-
Other Investing, Net	4	(4)	4	4	1	-	2	2	-	-
Total Cash Generated	1,054	835	949	1,091	1,381	1,179	1,252	1,684	1,571	1,266
Capital Expenditures [2]	(1,296)	(704)	(582)	(734)	(1,092)	(1,387)	(1,691)	(1,304)	(1,230)	(652)
Free Cash Flow [3]	$ (242)	$ 131	$ 367	$ 357	$ 289	$ (208)	$ (439)	$ 380	$ 341	$ 614
Memo:										
Depreciation Expense	$ 580	$ 545	$ 552	$ 625	$ 706	$ 735	$ 739	$ 811	$ 836	$ 881
Gains on Vehicle Sales, Net	$ 19	$ 12	$ 14	$ 16	$ 35	$ 47	$ 51	$ 44	$ 39	$ 12

(1) Amounts have not been recasted for discontinued operations

(2) Capital expenditures presented net of changes in accounts payable related to purchases of revenue earning equipment.

(3) Free Cash Flow excludes acquisitions and changes in restricted cash.

Cash Flow Reconciliation

($ Millions)

	12/31/10	12/31/11	6/30/12	6/30/11
Cash Provided by Operating Activities from Continuing Operations	$ 1,028	$ 1,042	$ 472	$ 473
Proceeds from Sales (Primarily Revenue Earning Equipment)	235	300	199	143
Proceeds from Sale and Leaseback of Assets	-	37	130	-
Collections of Direct Finance Leases	62	62	33	30
Other, net	3	-	-	-
Total Cash Generated	1,328	1,442	834	646
Capital Expenditures (1)	(1,070)	(1,699)	(1,204)	(817)
Free Cash Flow (2)	$ 258	$ (257)	$ (370)	$ (172)
Memo:				
Depreciation Expense	$ 834	$ 872	$ 460	$ 421
Gains on Vehicle Sales, Net	$ 29	$ 63	$ 45	$ 28

(1) Capital expenditures presented net of changes in accounts payable related to purchases of revenue earning equipment.

(2) Free Cash Flow excludes acquisitions and changes in restricted cash.

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