

AVIS PENSION TRUSTEES LIMITED
DIRECTORS' REPORT & FINANCIAL STATEMENTS
FOR THE YEAR ENDED 30 JUNE 1997

REGISTERED NO: 1555486



AVIS PENSION TRUSTEES LIMITED

DIRECTORS' REPORT

The Directors present their report and audited Financial Statements for the year ended 30 June 1997.

Activities

The business of the Company consists of acting as trustee to the Avis UK Pension Plan.

Directors

The current Directors are:

- W E C Taylor
- D D Churchill
- S Simons (appointed 1.10.1996)
- M A Thompson (appointed 1.12.1996)
- P R Lynn (appointed 1.12.1996)
- R G Short (appointed 1.12.1996)

In addition, Ian Wardle held office during the year and resigned 30 November 1996.

None of the directors had any interests in the share capital of the Company.

Directors' Responsibilities

Company law requires the Directors to prepare Financial Statements for each financial period which give a true and fair view of the state of affairs of the Company and of the profit or loss of the Company for that financial period. In preparing the Financial Statements, the Directors are required to:

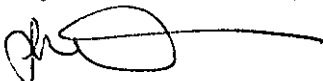
- select suitable accounting policies and then apply them consistently;
- make judgements and estimates that are reasonable and prudent;
- state whether applicable accounting standards have been followed, subject to any material departures disclosed and explained in the Financial Statements;
- prepare the Financial Statements on a going concern basis unless it is inappropriate to presume that the Company will continue in business.

The Directors are responsible for keeping proper books of account which disclose with reasonable accuracy at any time the financial position of the Company and enable them to ensure that the Financial Statements comply with the Companies Act 1985. They are also responsible for safeguarding the assets of the Company and hence for taking reasonable steps for the prevention and detection of fraud and other irregularities.

Auditors

Price Waterhouse have indicated their willingness to be re-appointed and a resolution concerning their re-appointment will be proposed at the forthcoming Annual General Meeting.

By order of the Board



J A Nicholson

Secretary

30 January 1998

AUDITOR'S REPORT TO THE MEMBERS OF AVIS PENSION TRUSTEES LIMITED

We have audited the Financial Statements on page 3 which have been prepared under the historical cost convention.

Respective responsibilities of Directors and Auditors

As described on page 1 of the Company's Directors are responsible for the preparation of Financial Statements. It is our responsibility to form an independent opinion, based on our audit, on those statements and to report our opinion to you.

Basis of Opinion

We conducted our audit in accordance with Auditing Standards issued by the Auditing Practices Board. An audit includes examination, on a test basis, of evidence relevant to the amounts and disclosures in the Financial Statements. It also includes an assessment of the significant estimates and judgements made by the Directors in the preparation of the 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 Financial Statements 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 Financial Statements.

Opinion

In our opinion the Financial Statements give a true and fair view of the state of the Company's affairs at 30 June 1997 and have been properly prepared in accordance with the Companies Act 1985.



PRICE WATERHOUSE
Chartered Accountants
and Registered Auditors,
LONDON

30 Jan 1998

AVIS PENSION TRUSTEES LIMITED

BALANCE SHEET AS AT 30 JUNE 1997

CURRENT ASSETS	1997 £	1996 £
Cash at bank or in hand	100	100
	==	==
CALLED-UP SHARE CAPITAL		
Authorised: 1,000 Ordinary Shares of £1 each		
Allotted, and fully paid: 100 Ordinary Shares of £1 each		
TOTAL SHAREHOLDERS' FUNDS - all attributable to equity interests	100	100
	==	==

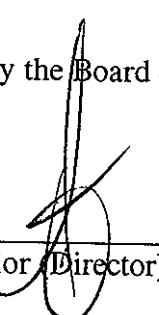
NOTES TO THE FINANCIAL STATEMENTS


1. No profit and loss account is presented as there has been neither income nor expenditure during the year.
2. None of the Directors received any emoluments from the Company during the year.
3. The auditor's remuneration has been borne by the Avis UK Pension Plan.
4. The Company is a subsidiary undertaking of Avis Europe Overseas Holdings Limited (formerly Avis Europe Overseas Limited) which is part of the Group owned by Avis Europe plc. Both these parent undertakings are registered in England and Wales. Avis Europe plc is the largest parent undertaking to consolidate the Financial Statements of the Company. The Financial Statements of these companies are available from Avis House, Park Road, Bracknell, Berkshire.

The ultimate parent undertaking of Avis Europe plc is s.a. D'Ieteren n.v. which is incorporated in Belgium.

Approved by the Board on

30 January 1998


W E C Taylor (Director)


D D Churchill (Director)