

China Auto Rental Announces US\$200 Million Investment by Warburg Pincus

Beijing, July 9, 2012: China Auto Rental Holdings Inc. (“China Auto Rental” or “the Company”) today announced that Warburg Pincus, a global private equity firm focused on growth investing, will through its affiliate make a US\$200 million equity investment in the Company. Such investment, following the strategic investment from Legend Holdings in August 2010, is the largest equity financing to date in China’s car rental industry.

Since its inception in 2007 with headquarters in Beijing, China Auto Rental has rapidly established itself as the leader in China’s car rental industry. Accordingly to Roland Berger, it is the only company with network coverage across all provinces and provincial-level municipalities of China with the largest market share in terms of revenue. As of June 30, 2012, it has a network of nearly 600 service locations covering 66 cities and 52 major airports throughout the country. Its fleet of 32,000 vehicles is as large as the aggregate fleet size of the next nine largest car rental companies.

Warburg Pincus is a leading global private equity firm. Its investment in China Auto Rental is expected to further strengthen the Company’s leading position in China’s car rental industry. Since 1966, Warburg Pincus has raised 13 funds and has invested more than US\$40 billion in over 650 companies in more than 30 countries. Currently, Warburg Pincus has US\$30 billion of total asset under management in different stages of development, from early-stage to mature businesses, and in various industries including petrochemical, pharmaceutical, telecommunication, hi-tech, manufacturing, retail and real estate. Warburg Pincus has invested in many industry leaders since its first investment in China in 1994.

China Auto Rental received more than RMB1 billion of investment and financing from Legend Holdings in August 2010. With its management, operations, funding and cost advantages, China Auto Rental has rapidly built out its fleet and service network to become the industry leader. The investment from Warburg Pincus will further strengthen China Auto Rental’s leadership in China car rental industry.

Charles Lu, Chairman and Chief Executive Officer of China Auto Rental said, “Warburg Pincus is a leading global private equity firm with deep investment experience and a strong track record of success. Its investment in China Auto Rental is a testament to the company’s performance and potential, and will further strengthen the company’s shareholder base.” He added, “With the support of Warburg Pincus and Legend Holdings, China Auto Rental will further achieve development in scale, and strengthen our brand and product offerings. We strongly believe that we will provide customers with high quality and more affordable car rental services and thus driving the development of China’s car rental industry.”

“We have been following closely the development of the Company for a long time. The Company has a strong brand, customer base, shareholder base and management team. Warburg Pincus will bring additional support to China Auto Rental in terms of branding, funding, corporate governance and international resources,” said David Li, Managing Director of Warburg Pincus. “Legend Holdings is one of the most successful enterprises in China since the country adopted the open-door policy.

Over the past 28 years, Legend Holdings has not only fostered the development of a series of corporate management philosophies and approaches, but has also led and given rise to the growth of a large number of influential companies. We feel honoured to have the opportunity to cooperate with Legend Holdings.”

David Li added, “Legend Capital, the investment arm under Legend Holdings focusing on investing in innovative and high growth businesses, is the first investor which recognized the opportunity of the Chinese car rental industry and invested in China Auto Rental. Warburg Pincus is confident in China Auto Rental’s prospects, and that with the joint efforts of the management and shareholders, China Auto Rental will further strengthen its leading market position and become the first choice for Chinese customers.”

Zhu Linan, President of Legend Holdings said, “Warburg Pincus is a leading global private equity firm and one of the first international private equity firms to enter China. Over the years, Warburg Pincus has invested in and nurtured a number of successful companies. China’s car rental industry is under a high growth phase. As an industry leader, China Auto Rental has strong market performance and growth potential. We welcome Warburg Pincus and look forward to working with them to provide support to the development of China Auto Rental. Legend Holdings will continue to support China Auto Rental to become the best car rental company.”

Liu Erhai, Manager Director of Legend Capital and Director of China Auto Rental commented, “The investment by Warburg Pincus will accelerate the growth of China Auto Rental. The management team, led by Charles Lu, is dedicated to pursuing their business vision. Under the leadership of Charles Lu, I believe China Auto Rental will only get better and stronger, and provide high quality services to its customers, as well as good returns to its investors.”

###

About China Auto Rental

Founded in September 2007 and with its headquarters in Beijing, China Auto Rental is a portfolio company of Legend Holdings, a Chinese investment holdings company that invested over RMB1 billion in the Company in August 2010. Modelled after car rental companies in more developed markets, China Auto Rental provides customers with specialized car rental services, as well as comprehensive support services throughout China. The company commands a clear leadership position in China across substantially all major operating and financial metrics including fleet size, network coverage, market share and revenue, according to Roland Berger, a leading global consulting firm. China Auto Rental had a fleet of approximately 32,000 vehicles, which is larger than the aggregate fleet size of the industry's next nine largest players, as of June 30, 2012. In addition, the Company is the only car rental company with network coverage across all provinces and provincial-level municipalities of China, with nearly 600 service locations in 66 major cities and 52 major airports across the country.

About Warburg Pincus

Warburg Pincus is a leading global private equity firm focused on growth investing. The firm has more than US\$30 billion in assets under management. Its active portfolio of more than 125 companies is highly diversified by stage, sector and geography. Warburg Pincus is an experienced partner to management teams seeking to build durable companies with sustainable value. Founded

in 1966, Warburg Pincus has raised 13 private equity funds which have invested more than US\$40 billion in over 650 companies in more than 30 countries.

Since the firm's first investment in China in 1994, Warburg Pincus has invested in more than US \$3 billion in companies including 7 Days Inn (NYSE: SVN), AsiaInfo (NASDAQ: ASIA), Guangzhou R&F Properties (SEHK: 2777), Harbin Pharmaceutical (SHA: 650664), Intime (SEHK: 1833), Lepu Medical (SHE: 300003), RDA Microelectronics (NASDAQ: RDA) and China Red Star Macalline.

The firm is headquartered in New York with offices in Amsterdam, Beijing, Frankfurt, Hong Kong, London, Luxembourg, Mauritius, Mumbai, San Francisco, São Paulo and Shanghai. For more information, please visit www.warburgpincus.com.

Media contacts:

For China Auto Rental

Emily Paau
+86 10 5820 9652

For Warburg Pincus

Mingxia Li, FTI Consulting
+86 10 8591 1060

Ed Trissel
+1 212.878.9288

Jeffrey Smith
+1 212.878.9205