



**Avis Budget Group, Inc.**

**Employee Savings Plan**

B. Name of issuer of the securities held pursuant to the plan and the address of its principal executive office:

**Avis Budget Group, Inc.**

**6 Sylvan Way**

**Parsippany, New Jersey 07054**

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**AVIS BUDGET GROUP, INC. EMPLOYEE SAVINGS PLAN**

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<u>Form 5500, Schedule H, Part IV, Line 4i - Schedule of Assets (Held At End of Year) as of December 31, 2011</u>	17
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All other schedules required by Section 2520.103-10 of the Department of Labor's Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974 have been omitted because they are not applicable.	

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**REPORT OF INDEPENDENT REGISTERED PUBLIC ACCOUNTING FIRM**

To the Administrator, Trustee and Participants of the

Avis Budget Group, Inc. Employee Savings Plan

We have audited the accompanying statements of net assets available for benefits of the Avis Budget Group, Inc. Employee Savings Plan (the Plan ) as of December 31, 2011 and 2010, and the related statement of changes in net assets available for benefits for the year ended December 31, 2011. These financial statements are the responsibility of the Plan s management. Our responsibility is to express an opinion on these financial statements based on our audits.

We conducted our audits in accordance with standards of the Public Company Accounting Oversight Board (United States of America). Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation. We believe that our audits provide a reasonable basis for our opinion.

In our opinion, the financial statements referred to above present fairly, in all material respects, the net assets available for benefits of the Avis Budget Group, Inc. Employee Savings Plan as of December 31, 2011 and 2010, and the changes in net assets available for benefits for the year ended December 31, 2011, in conformity with accounting principles generally accepted in the United States of America.

Our audits were performed for the purpose of forming an opinion on the basic financial statements taken as a whole. The supplemental schedule of assets (held at end of year) as of December 31, 2011 is presented for the purpose of additional analysis and is not a required part of the 2011 basic financial statements but is supplementary information required by the Department of Labor s Rules and Regulations for Reporting and Disclosure under the Employee Retirement Income Security Act of 1974. This supplemental schedule is the responsibility of the Plan s management. The supplemental schedule has been subjected to the auditing procedures applied in the audit of the 2011 basic financial statements and, in our opinion, is fairly stated in all material respects in relation to the 2011 basic financial statements taken as a whole.

/s/ J.H. Cohn LLP

Roseland, New Jersey

June 26, 2012

**Table of Contents****AVIS BUDGET GROUP, INC. EMPLOYEE SAVINGS PLAN****STATEMENTS OF NET ASSETS AVAILABLE FOR BENEFITS****AS OF DECEMBER 31, 2011 AND 2010**

	<b>2011</b>	<b>2010</b>
<b>ASSETS:</b>		
Participant directed investments at fair value:		
Cash and cash equivalents	\$ 3,671,555	\$ 1,473,028
Mutual funds	204,613,220	228,218,495
Common/collective trusts	124,267,932	135,383,029
Avis Budget Group, Inc. common stock	8,582,768	13,172,818
<b>Total investments</b>	<b>341,135,475</b>	<b>378,247,370</b>
Receivables:		
Notes receivable from participants	6,804,366	6,930,539
Participant contributions	365,855	357,435
Employer contributions	251,514	66,404
Interest and dividends	227,056	226,975
<b>Total receivables</b>	<b>7,648,791</b>	<b>7,581,353</b>
<b>Total Assets</b>	<b>348,784,266</b>	<b>385,828,723</b>
<b>NET ASSETS AVAILABLE FOR BENEFITS AT FAIR VALUE</b>	<b>348,784,266</b>	<b>385,828,723</b>
Adjustments from fair value to contract value for fully benefit-responsive investment contracts	(2,175,132)	
<b>NET ASSETS AVAILABLE FOR BENEFITS</b>	<b>\$ 346,609,134</b>	<b>\$ 385,828,723</b>

The accompanying notes are an integral part of these financial statements.

**Table of Contents****AVIS BUDGET GROUP, INC. EMPLOYEE SAVINGS PLAN****STATEMENT OF CHANGES IN NET ASSETS AVAILABLE FOR BENEFITS****FOR THE YEAR ENDED DECEMBER 31, 2011**

Net investment loss:	
Dividends	\$ 4,090,235
Interest	41,533
Net depreciation in fair value of investments	(11,393,802)
Net investment loss	(7,262,034)
Interest income on notes receivable from participants	319,706
Contributions:	
Participants	11,309,929
Employer	7,235,624
Rollovers	343,641
Total contributions	18,889,194
Total additions	11,946,866
Benefits paid to participants	49,715,276
Net assets transferred out during the year	1,282,461
Administrative expenses	168,718
Total deductions	51,166,455
NET DECREASE IN ASSETS	(39,219,589)
NET ASSETS AVAILABLE FOR BENEFITS:	
BEGINNING OF YEAR	385,828,723
END OF YEAR	\$ 346,609,134

The accompanying notes are an integral part of these financial statements.

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**AVIS BUDGET GROUP, INC. EMPLOYEE SAVINGS PLAN**

**NOTES TO FINANCIAL STATEMENTS**

**1. DESCRIPTION OF THE PLAN**

The following description of the Avis Budget Group, Inc. Employee Savings Plan (the Plan) provides only general information. Participants should refer to the Summary Plan Description or the Plan document, which are available from Avis Budget Group, Inc. (the Company), for a more complete description of the Plan's provisions.

The Plan is a defined contribution plan that provides Internal Revenue Code (IRC) Section 401(k) employee salary deferral benefits and additional employer contributions for the Company's eligible employees. The Plan is subject to the provisions of the Employee Retirement Income Security Act of 1974 (ERISA). Merrill Lynch Trust Company FSB (the Trustee) is the Plan's trustee.

The following is a summary of certain Plan provisions:

*Eligibility* Each regular employee of the Company (as defined in the Plan document) is eligible to participate in the Plan following the later of commencement of employment or the attainment of age eighteen. Each part-time employee of the Company (as defined in the Plan document) is eligible to participate in the Plan following the later of one year of eligible service or the attainment of age eighteen.

*Participant Contributions* Participants may elect to make pre-tax contributions up to 50% of pre-tax annual compensation, up to the statutory maximum of \$16,500 for 2011. Certain eligible participants (age 50 and over) are permitted to contribute an additional \$5,500 as a catch up contribution, resulting in a maximum pre-tax contribution of \$22,000 for 2011. Participants may change their contribution investment direction on a daily basis.

*Employer Contributions* Following the completion of one year of employment, the Company makes contributions to the plan equal to 100% of each eligible participant's pre-tax salary deferrals up to 6% of such participant's eligible compensation.

*Rollovers* All employees, upon commencement of employment, are provided the option of making a rollover contribution into the Plan in accordance with Internal Revenue Service (IRS) regulations.

*Investments* Participants direct the investment of contributions to various investment options and may reallocate investments among the various funds. The fund reallocation must be in 1% increments, include both employee and employer contributions and is limited to one reallocation per day, subject to restrictions imposed by the mutual fund companies to curb short-term trading. Participants should refer to the Plan document regarding investments in Company common stock. Participants should refer to each fund's prospectus for a more complete description of the risks and restrictions associated with each fund.

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*Vesting* At any time, participants are 100% vested in their contributions and the Company's matching contributions plus actual earnings thereon.

*Notes Receivable from Participants* Participants actively employed by the Company may borrow, in the form of a loan, from their fund accounts up to the lesser of \$50,000