



Strategic Alliance

9 October 2003



Basis of the Strategic Alliance

-Development of joint distribution and marketing programs

Cendant's Travel Distribution Services Division and Sol Meliá will develop distribution and marketing programs to offer consumers access to Sol Meliá hotel inventory through a variety of online and offline channels including CheapTickets.com, Lodging.com, Thor and Galileo. The agreement contemplates fulfillment solutions, reservations, ticketing, processing and integrating data, reporting and the development of other mutually beneficial programs as may be agreed upon by the parties

-Cross-selling program

A cross-selling program to market Cendant hotel and travel products to Sol Meliá consumers, and to market Sol Meliá products to Cendant consumers

-Time Share business

Through a Marketing Alliance Agreement Cendant's Timeshare Resort Group will provide direct marketing support for the Meliá Vacation Club to help grow its consumer base.

In a separate agreement, Cendant subsidiary RCI will provide consultancy, exchange and other networking services for the Meliá Vacation Club, and will provide additional revenue and occupancy solutions to support Sol Meliá's hotel business to drive growth in Europe and Latin America

A positive strategic move in distribution

Preferred Distribution Alliance in a variety of online and offline channels including:

Galileo: electronic global travel distribution system

CheapTickets.com: one of the world's largest virtual travel agency

Lodging.com: budget hotel supplier Thor: distribution to corporate travel

Inclusion in Cendant's loyalty programmes:

Sol Meliá becomes the first international partner for the redemption of rewards in Cendant's hotel loyalty programme, and will also become the first to issue rewards on implementation

This will provide substantial exposure for Sol Meliá's hotels amongst the guests in the more than 6,600 hotels in the Cendant portfolio in the US

Cross-selling programme of complementary hotel portfolios

With Cendant's hotel operations confined to the US, and Sol Meliá specialising in Europe, LatinAmerica and the Caribbean, both companies obtain an opportunity to generate higher sales through cross-selling of their complementary portfolios



A positive strategic move for Sol Meliá's Time Share Business

- •The association with the world's largest timeshare company will help Sol Meliá achieve its strategic objective to develop and internationalise its timeshare business and provide opportunities for greater growth and profitability
- •Sol Meliá's Time Share business in the Caribbean is strengthened, while the alliance will boost development opportunities in Europe
- •The contract confers "most favoured nation" status in terms of prices and priority in each specific agreement between the parties



Sol Meliá's Time Share Business

∠Sol Meliá entered the Time Share business en 1994 in Latin-America through its Meliá Vacation Club

Meliá Vacation Club in:	Sales accumulated USD	Allocated units	Active partners	
Meliá Cabo Real (94-98)	14.085.386	23	1.504	
Meliá Puerto Vallarta (94-01)	6.836.045	18	988	
Gran Meliá Cancún (94-01)	45.463.317	77	5.038	
Paradisus Punta Cana (95-01)	28.713.962	61	3.379	
Meliá Playa Conchal (99-01)		12	289	
Meliá Caribe Tropical (99-01)	2.173.942	15	1.322	
Paradisus Cozumel	9.616.265	62	2.706	
TOTAL	106.888.917	268	15.226	

∠ 2002 sales are approximately 15 MM USD with an aproximate profit of 8 MM USD





Description of the company

Cendant is...

- ∠ Largest worlwide hotel franchisor with 6,624hotels and more than 550,000 rooms, under nine brands: Amerihost Inn, Days Inn, Howard Johnson, Knights Inn, Ramada, Super 8, Travelodge, Villager and Wingate Inn.
- The world largest time-sharing organisation, through RCI, Fairfield and Trendwest
- The world largest rent a car agency, owner of AVIS and Budget
- ★ The world largest real estate franchisor
- One of the largest mortgage companies in USA
- The largest job agency in the world
- ★ The franchisor of the second largest worlwide company for tax services.
- ★ The world leader in reservations processing for the hotel and rent a car trade

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Hotel Worldwide Ranking

	Company	Hotels	Rooms
1.	Cendant Corp.	6.513	536.097
2.	Intercontinental Hotels	3.333	514.873
3.	Marriott Int.	2.557	463.429
4.	Accor	3.829	440.807
5.	Choice Hotels Int.	4.664	373.722
6.	Hilton Hotels Corp.	2.084	337.116
7.	Best Western Int.	4.064	308.911
8.	Starwood Hotels &Resorts	748	226.970
9.	Carlson Hospitality	847	141.923
10.	Hilton Group	384	96.380
11.	Hyatt	210	92.278
12.	Sol Meliá(*)	359	85.473



Description of the Company

Cendant employs approximately 90,000 workers and operates in more than 100 countries. \$14.1 billion revenues in 2002, total assets valued at \$35.9 billion and \$2.6 billion EBITDA.

WORLDWIDE	USA
Ilviore than /4 ivin notel customers	1 of every 8 guests stays in a Cendant hotel
More than 200 Mn car customers per year	1 of every 3 car rentals
More than 5,000 agreements with Finance Institutions all over the world	1 of every 4 property sales or purchases
More than 9 Mn Time-share customers	



Cendant Trademarks











HOLIDAY COTTAGES









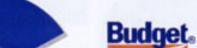
























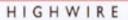






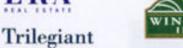






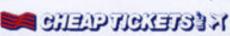
Trendwest



























CHEAP TICKETS &X

TRUST International

2002 \$ 1.7 Billion



2002 \$ 2.2 Billion

2002 Actual Revenue 14.1 Billion

* Does not include Budget











2002 \$ 4.2 Billion

*Does not include Budget

Financial Services



Division

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2002 \$ 1.3 Billion

Real Estate Services

Division













2002 \$ 4.7 .Billion



Travel Distribution Division

- Highwire: Development of on-line tools for travel agency planning, booking and management.
- Trip.com: Supplies customised travel packaging.
- Lodging.com: Budget hotels supplier.
- WizCom: Global on-line booking supplier and information management systems.
- Cheap Tickets: One of the world's leading on-line travel agencies.
- Trust international: Major hotel global solutions and real-time booking supplier.



Hotel Division

Largest worlwide hotel franchisor with 6,624hotels and more than 550,000 rooms, under nine brands: Amerihost Inn, Days Inn, Howard Johnson, Knights Inn, Ramada, Super 8, Travelodge, Villager and Wingate Inn.

Time Share

- Fairfield: The largest time-share company USA.
- Trendwest: The largest flexible vacational propeties supplier in USA and Pacific coast.
- RCI: First Time-Sharing exchange company (70% market share; 2.4 million members in 3,750 resorts)
- Novasol: First vacation property rental company in Denmark, Norway, Sweden, Germany and Eastern Europe.
- Holiday Cottages: Leading brand in vacation cottage rental in the U.K., France and Ireland.



Vehicles Service Division

- Cendant Car Rental Group (Avis, Budget): Number one in rent a car business with more than 6,000 rent a car outlets and more than 26 million transactions per year.
- Wright Express / PHH Arval: Number one in U.K. with 1.3 million car managed and 3.7 million cards.
 - The Wright Express card is accepted in more than 150,000 service areas
 - PHH Arval supply integral solutions for rental, management and card payment



Real Estate Services Division

- ∠ Cendant mobility, Cendant Mortgage: World Number 1 in reemployment business; 50% market share / more than 100,000
 employee transfers per year in more than 100 countries.
- Century 21, ERA, Coldwell Banker, Coldwell Banker Commercial: The world leading real estate franchisor, more than 25% market share
- NRT: The largest US real estate intermediary, more than 950 agencies.
- Cendant Settlement Services Group: Company leader in credit management.



Financial Services Division

- Trilegiant: The largest supplier of services to members based in fees. A wide offers range to the members to aim to the different needs of the consumers (purchases, cars, travel,..)
- Progeny: Leader in the development and implementation of retailing strategies for finance institutions all over the world; and the administration of insurance programmes, providing insurance to more than 30 million families.
- LTPC: The largest independent long-term health insurance supplier.
- Cims: The largest marketing strategy supplier and loyalty European finance institutions programmes support and other businesses.
- ∠ Jackson Hewitt: National Tax Service with more than 4,000 locations
 48 states.



Cendant's Resort Group

- ✓ World largest Vacation Club business, with aproximately 650,000 owners, 10,000 units, 110 resorts and 10,000 employees.
- ✓ In 1996 Cendant purchased RCI (Resort Condominius Inc.), the largest exchange company for the Vacation Club sector. Born in 1974, serving 4,000 resorts and 3 million members worlwide.
- Cendant started Vacation Club business through the following acquisitions:

– April 2001	Fairfield Resorts	\$690 Mn in cash
February 2002	Equivest Finance	\$100 Mn in cash
- May 2002	Trendwest Resorts	\$936 Mn on stock



Fairfield Resorts



- ✓ Established in 1966
- ✓ World leader Time-Sharing Company, 450,000 owners

- ✓ Specialised in direct marketing with 2,700 employees
- Full-Service travel company: holiday packages, travel services, air carriers and cruising

