



Worldwide Press Release

Carlson Wagonlit Travel Further Strengthens Commitment to Asia Pacific Region

*Global travel management company appoints new Asia Pacific COO,
sets growth target for region and reflects on tsunami tragedy*

Paris, Singapore - January 10, 2005 - Carlson Wagonlit Travel (CWT), the world leader in business travel management, announced today the appointment of Berthold Trenkel as chief operating officer for CWT's Asia Pacific region. Trenkel, who joined CWT from McKinsey & Company on January 3, will be based in Singapore. He reports to Hubert Joly, CWT's global chief executive officer.

CWT's Asia Pacific region was previously managed by Geoffrey Marshall, president Asia Pacific and Latin America. Marshall will now focus on the Latin American region, where the company also expects substantial growth in the next three years. He will continue to be responsible for the company's extensive Partners' Network.

According to Joly, the rapid growth experienced by CWT in the two regions prompted the move to establish dedicated leadership. He said, "Under Geoffrey's leadership, our Asia Pacific operations have produced outstanding results, with the company achieving record sales in 2004."

Trenkel joins CWT from McKinsey & Company, where he co-led its travel and logistics practice and oversaw the airline sector in Asia for the last seven years. In his decade-long career with McKinsey & Company – both in Stuttgart, Germany, and Seoul, Korea – Trenkel also managed clients in a variety of other industries, including automotive and assembly, chemicals and refining, as well as consumer goods and hi-tech, in areas of strategy, corporate finance and operations. Prior to joining McKinsey & Company, he had established his own software company, which he managed for twelve years. He is co-author of a book, *Do IT Smart: Seven Rules for Superior Information Technology Performance*, which has been published in Mandarin, English and German. Trenkel, a German citizen, has earned a Master in Business Administration and a Master in Electrical Engineering from the University of Stuttgart.

"Berthold brings with him travel industry experience from his years at McKinsey, as well as a depth of understanding and interest in technology," stated Joly. "He will be responsible for leading our continued growth in this region and shaping our business to provide innovative solutions in a changing business travel market. Clients will benefit from his experience and knowledge of this dynamic sector."

Growth for CWT in Asia Pacific

CWT established operations in the Asia Pacific region in 1995 and now has wholly-owned locations or joint ventures in Australia, China, Hong Kong, India, Japan, Indonesia, Singapore and Thailand, with more than 1,600 employees. CWT customers in the region include local companies and government institutions in each country as well as the local operations of many global customers.

In 2004, and less than ten years after beginning operations in the region, CWT has grown business travel sales beyond the US\$1 billion-mark, an increase of 45% over 2003. In terms of market share, CWT is number one in the Asia Pacific region.

During the first two weeks of January, Joly toured the region and noted CWT's market leadership and success in Asia Pacific and outlined the company's growth objectives.

Speaking about the future, Joly predicted, "The global travel market will ultimately be split in roughly equal thirds across The Americas, Europe and Asia Pacific. We have every reason to believe that the Asia Pacific region will eventually account for a third of CWT's global business."

By 2007, CWT expects the gross global travel spend to be valued at approximately US\$870 billion, of which US\$350 billion is expected to be business travel. Of the US\$870 billion gross travel spend, the Asia Pacific region is expected to account for US\$260 billion, close to 30 percent of the global gross travel spend by then. Among the 12 key countries that represent roughly 90 percent of the global business market, three are already from the Asia Pacific region: Japan, Australia and China.

According to Joly, "The growth of business travel in the region will be fueled by Asia's fast-paced economic growth. It will be further accelerated by a growing trend towards consolidation and outsourcing. An increasing number of companies are realizing the value that a global travel management company (TMC) can bring to them, in the form of great service but also significant savings on their travel budget. Given the changes affecting the travel industry and the distribution of travel, companies and government institutions need a high degree of expertise, leading-edge technology, size and scope, and often a global footprint to truly optimize their travel budget."

Joly concluded: "CWT is uniquely positioned to continue to lead the growth of travel management in the region: it is one of only two truly global travel management companies, it is one of the most technology savvy companies in the industry, it is the second largest online travel agency in the world in the business travel sector, and it has the experience and expertise to help companies optimize their travel budget around the world."

Important Note In Regard to Recent Tsunamis

Regarding the earthquake in Indonesia and the resulting tsunamis that severely impacted South Asia, Joly expressed "the sadness of all of us at CWT." He indicated that several customers of its European leisure operations had been impacted and noted the terrible loss of life at Accor's Khao Lak Sofitel in Thailand (CWT is 50% owned by Accor).

From an economic standpoint, Joly noted, "some sectors of the leisure travel industry in some countries may be affected. However, indications so far are that the economic growth in the region will not materially suffer overall and therefore that the business travel market will not be greatly impacted."

CWT announced yesterday the establishment of an employee contribution fund with corresponding company matching. CWT is committed to donate at least \$ 250,000 and will match received employee contributions up to \$ 500,000. The employee and matching corporate contributions will be directed towards relief organizations designated by CWT's subsidiaries in each of the affected countries.

About Carlson Wagonlit Travel

Carlson Wagonlit Travel is a world leader in business travel management. The company generates over US\$ 19 billion in annual sales with corporations and government institutions of all sizes. Its core business is to assist companies of all sizes in optimizing their corporate travel expenditure and processes. CWT designs and implements superior travel management programs for clients based upon its recognized consulting expertise, strong purchasing power, technological know-how, and high-quality service. CWT deploys the right people, processes, skills, and technologies to consistently deliver unparalleled service and bottom-line results to its corporate clients. Its mission is to be the leanest travel transaction processor in terms of cost relative to quality and service; the most effective travel management consultant helping companies optimize their travel budgets through: strategic sourcing, process reengineering, systems integration and business process outsourcing; the preferred provider of high-touch traveler assistance and security-related services. It is co-owned by Paris-based Accor group and Minneapolis-based Carlson Companies.