

## Carlson Wagonlit Travel Shows Strong Increase in First-Half Results and Gains Ground with CWT 007 Strategy

- **Net revenue:** up 30% versus first half of 2004 at \$606 million
- **Operating income:** up 99% at \$57 million
- **Net income<sup>1</sup>:** up 102% at \$41 million
- All **key performance indicators** tied to the CWT 007 strategy show significant progress

**PARIS and MINNEAPOLIS, September 21, 2005** – Carlson Wagonlit Travel (CWT) announced today substantial increases in its financial performance and progress in the implementation of its CWT 007 development strategy. Net revenue in the first half of 2005 reached \$606 million, up 30% from \$465 million over the same period last year. On a constant currency basis and excluding the impact of the acquisitions of Maritz Corporate Travel and Protravel in 2004, net revenue grew 9%. Operating income doubled to \$ 57 million, compared to \$28 million one year earlier. The pro forma increase in constant currency was 60%. Net income (before certain gains on an asset sale) increased by 102% to \$41 million, up from \$20 million one year ago.

Commenting on the gains in CWT's mid-year results, Hubert Joly, president and chief executive officer worldwide, referred to the overall growth of the business travel market, strong client retention and robust new sales, which totalled \$850 million. He also underscored the synergies that resulted from the successful integration of recent acquisitions and gains in productivity.

Mr. Joly added, "CWT is a leading-edge Travel Management Company. Our mission is to help corporations and government institutions around the world optimize their travel spend and travel-related processes. We have the tools and the expertise to add great value to their travel management program."

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<sup>1</sup> Before gain/losses on asset sale

## **CWT 007**

In November 2004, Carlson Wagonlit Travel introduced CWT 007, the Company's three-year strategic plan for development. Today, Mr. Joly highlighted the steady progress of its implementation and said, "CWT has the vision to be the leanest travel transaction processor; the most effective travel management consultant, systems integrator and business process outsourcer; and the top provider of high-touch security and assistance services in the market. Thanks to the progress of CWT 007, we're well on our way."

Mr. Joly elaborated on the key strategies that constitute the plan and the progress of their implementation:

- **Acquisitions and Integration**: Over the last 18 months, CWT has made half a dozen acquisitions, most notably Maritz Corporate Travel (MCT) in the United States and Protravel in France. The successful integration of MCT has allowed CWT to increase its volume by 60% in the United States and realize synergies of \$27 million. The integration of Protravel in France is also well underway.
- **Online Booking**: The Company's online bookings are growing rapidly worldwide. In the first half of this year, they were up 160% in Australia, 71% in Europe and 43% in the United States, compared to the same period in 2004. More than 50% of CWT's transactions in the U.S. commercial market are now through online booking. Overall, the Company's efforts are generating significant productivity gains in support of clients' goal to reduce costs.
- **Program Optimization**: CWT's consulting revenues have grown more than 60% year over year. To support the needs of its multinational clients and leverage its intellectual capital, the Company has recently announced the globalization of its consulting division, CWT Solutions Group, under the leadership of Pascal Jungfer. With regard to prices, several independent studies have confirmed that CWT's air and hotel rates for corporate clients are generally 15% lower than those found on the Internet.
- **Hotel**: Hotel bookings are growing at double-digit rates of 21% versus 2004.

- **Global Clients and Mid-Market:** CWT achieved record new sales with both existing customers and new clients across a broad range of client sizes and geographies. CWT's new sales totaled \$850 million in the first-half of 2005, compared to \$708 million in the same period last year, representing a 20% increase.
- **Geographic Expansion:** CWT achieved strong growth in all of its key geographic markets, as a result of organic and external growth. The traffic growth rate ranges from 24% in Europe to 27% in North America and 63% in the rest of the world. CWT is recording significant market share gains.

### **ABOUT CARLSON WAGONLIT TRAVEL**

Carlson Wagonlit Travel is a world leader in business travel management, partnering with large corporations, small- and medium-sized companies and government institutions. CWT designs and implements superior travel management programs for clients based upon its recognized consulting expertise, strong purchasing power, technological prowess and consistent delivery of high-quality service. CWT has operations in more than 140 countries and services 60 of the companies named to FORTUNE magazine's Global 100. Annual sales of \$19 billion are generated under the Carlson Wagonlit Travel brand. The company is co-owned by Paris-based Accor group and Minneapolis-based Carlson Companies. For more information, visit [www.carlsonwagonlit.com](http://www.carlsonwagonlit.com).

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Annex

Carlson Wagonlit Travel

H1 Results 2005

\$ Million

	2004	2005	Variation	Variation Pro forma
<b>Net Revenues</b>	465	606	30%	9%
<b>Operating Income (OIBT)</b>	28	57	99%	60%
% of Net Revenues	6.1%	9.3%		
<b>Net Income</b>	20	41	102%	55%
% of Net Revenues	4.4%	6.8%		