

UNITED STATES  
SECURITIES AND EXCHANGE COMMISSION  
WASHINGTON, D.C. 20549

---

**Form 8-K**

CURRENT REPORT  
Pursuant to Section 13 or 15(d) of the  
Securities Exchange Act of 1934

---

Date of report (Date of earliest event reported) **April 28, 2015 (April 28, 2015)**

**Wyndham Worldwide Corporation**

(Exact Name of Registrant as Specified in Charter)

**Delaware**  
(State or Other Jurisdiction  
of Incorporation)

**1-32876**  
(Commission File Number)

**20-0052541**  
(IRS Employer  
Identification No.)

**22 Sylvan Way**  
**Parsippany, NJ**  
(Address of Principal  
Executive Offices)

**07054**  
(Zip Code)

Registrant's telephone number, including area code **(973) 753-6000**

**None**

---

(Former Name or Former Address, if Changed Since Last  
Report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
  - Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
  - Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
  - Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))
-

**Item 2.02. Results of Operations and Financial Condition.**

Wyndham Worldwide Corporation (the "Company") today issued a press release reporting financial results for the quarter ended March 31, 2015.

A copy of the Company's press release is furnished as Exhibit 99.1 and is incorporated by reference.

The information included in this Item 2.02 and Exhibit 99.1 to this Current Report on Form 8-K shall not be deemed "filed" for the purposes of or otherwise subject to the liabilities under Section 18 of the Securities Exchange Act of 1934, as amended (the "Exchange Act"). Unless expressly incorporated into a filing of the Company under the Securities Act of 1933, as amended or the Exchange Act made after the date hereof, the information contained in this Item 2.02 and Exhibit 99.1 hereto shall not be incorporated by reference into any filing of the Company, whether made before or after the date hereof, regardless of any general incorporation language in such filing.

**Item 7.01. Regulation FD Disclosure.**

The Company will post 2015 earnings and driver guidance information on the Company's website, [www.wyndhamworldwide.com/investors](http://www.wyndhamworldwide.com/investors), following the Company's earnings conference call to be held on Tuesday, April 28, 2015 at 8:30 a.m. EDT.

**Item 9.01. Financial Statements and Exhibits.**

(d) Exhibits. The following exhibit is furnished with this report:

<u>Exhibit No.</u>	<u>Description</u>
Exhibit 99.1	Press Release of Wyndham Worldwide Corporation, dated April 28, 2015, reporting financial results for the quarter ended March 31, 2015.

**SIGNATURE**

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

**WYNDHAM WORLDWIDE CORPORATION**

Date: April 28, 2015

By: /s/ Nicola Rossi  
Nicola Rossi  
Chief Accounting Officer

---

WYNDHAM WORLDWIDE CORPORATION  
CURRENT REPORT ON FORM 8-K  
Report Dated April 28, 2015  
EXHIBIT INDEX

**Exhibit No.**

---

**Description**

---

Exhibit 99.1

Press Release of Wyndham Worldwide Corporation, dated April 28, 2015, reporting financial results for the quarter ended March 31, 2015.

---



**Wyndham Worldwide Reports First Quarter 2015 Earnings**  
First Quarter Adjusted Diluted EPS Growth of 32%  
Increases Full Year EPS Guidance

**PARSIPPANY, N.J. (April 28, 2015)**– Wyndham Worldwide Corporation (NYSE:WYN) today announced results for the three months ended March 31, 2015.

**First Quarter Highlights:**

- First quarter adjusted diluted earnings per share (EPS) was \$1.03, an increase of 32% from adjusted diluted EPS of \$0.78 in the first quarter of 2014. Reported diluted EPS was \$1.00 in the first quarter of 2015, an increase of 45% from reported diluted EPS of \$0.69 from the same period in 2014.
- Revenues increased 6% compared with the first quarter of 2014. In constant currency, revenues increased 9%.
- Adjusted EBITDA increased 14% compared with the first quarter of 2014. In constant currency, adjusted EBITDA increased 18%.
- During the quarter, the Company repurchased 1.7 million shares of its common stock for \$150 million.

“We are off to a strong start this year. Despite significant currency headwinds, adjusted diluted EPS increased 32% and adjusted EBITDA increased 14% in the first quarter,” said Stephen P. Holmes, chairman and CEO. “All three businesses once again performed well, highlighted by strong domestic RevPAR growth at our Hotel Group, improved provision and cost of sales at Vacation Ownership and strong growth across our vacation rentals businesses. We continue to deliver strong results, allocate capital to both invest in the business and return to shareholders, and innovate to build a strong competitive position going forward.”

---

## **FIRST QUARTER 2015 OPERATING RESULTS**

First quarter revenues were \$1.3 billion, an increase of 6% from the prior year period. In constant currency revenues increased 9%, reflecting growth across the Company's business segments.

Adjusted net income was \$126 million, or \$1.03 per diluted share, compared with \$102 million, or \$0.78 per diluted share for the same period in 2014. The increase reflects stronger financial results in all of the Company's businesses. EPS also benefited from the Company's share repurchase program, which decreased weighted average diluted share count by 6% year-over-year.

Reported net income for the first quarter of 2015 was \$122 million, or \$1.00 per diluted share, compared with \$90 million, or \$0.69 per diluted share, for the first quarter of 2014. Reported net income in both periods reflects several items excluded from adjusted net income. The net result of these items unfavorably impacted first quarter 2015 net income by \$4 million and unfavorably impacted first quarter 2014 net income by \$12 million. Full reconciliations of adjusted results to GAAP results appear in Table 8 of this press release.

Free cash flow was \$197 million for the three months ended March 31, 2015, compared with \$269 million for the same period in 2014. The decline in free cash flow reflects the timing of working capital including inventory spending. The Company defines free cash flow as net cash provided by operating activities less capital expenditures. For the three months ended March 31, 2015, net cash provided by operating activities was \$253 million, compared with \$315 million in the prior year period. The Company expects free cash flow for the full year 2015 of approximately \$800 million compared with \$749 million in free cash flow in 2014.

## **BUSINESS UNIT RESULTS**

### ***Lodging (Wyndham Hotel Group)***

Revenues were \$292 million in the first quarter of 2015, a 23% increase over the first quarter of 2014. Excluding an acquisition and in constant currency, revenues increased 14%, reflecting higher domestic RevPAR and worldwide room growth as well as incremental global conference fees.

Total system-wide RevPAR increased 1.7% compared with the first quarter of 2014. Domestic RevPAR increased 7.7%, but was partially offset by a 9.8% decline in international RevPAR. In constant currency and excluding acquisitions, total system-wide RevPAR increased 4.0%.

Adjusted EBITDA for the first quarter of 2015 was \$79 million, a 16% increase compared with the first quarter of 2014. The increase primarily reflects higher domestic RevPAR and worldwide room growth as well as higher inter-segment licensing fees for use of the Wyndham brand trade name.

---

As of March 31, 2015, the Company's hotel system consisted of over 7,670 properties and over 667,000 rooms, a 3.2% room increase compared with the first quarter of 2014. The development pipeline included 925 hotels and approximately 116,000 rooms, of which 58% were international and 62% were new construction.

***Vacation Exchange and Rentals (Wyndham Exchange & Rentals)***

Revenues were \$369 million in the first quarter of 2015, a 3% decrease over the first quarter of 2014. In constant currency, revenues increased 5%.

Exchange revenues were \$185 million, a 1% decrease compared with the first quarter of 2014. In constant currency, exchange revenues increased 2%, as the average number of members increased 2.5% and exchange revenue per member was flat.

Vacation rental revenues were \$166 million, a 6% decrease compared to the first quarter of 2014. In constant currency, vacation rental revenues were up 8%, reflecting a 7.0% increase in transaction volume and a 0.9% increase in average net price per vacation rental.

Adjusted EBITDA for the first quarter of 2015 was \$104 million, a 9% increase compared with the first quarter of 2014. On a currency-neutral basis and excluding the divestiture of a business, adjusted EBITDA increased 9% compared with the prior year period primarily reflecting higher revenue and a \$4 million reserve reversal resulting from a favorable ruling associated with value-added taxes.

***Vacation Ownership (Wyndham Vacation Ownership)***

Revenues were \$617 million in the first quarter of 2015, a 4% increase over the first quarter of 2014.

Net VOI sales increased 11%, primarily reflecting a lower loan loss provision and the recognition of deferred revenues. Gross VOI sales were \$390 million in the first quarter of 2015, a decrease of 5% compared with the first quarter of 2014, reflecting a 4.2% decline in volume per guest (VPG) and a 1.2% decline in tour flow. In constant currency, VPG declined 3.1% primarily reflecting a higher mix of new owner tours, which generally have a lower VPG than tours to existing owners.

Adjusted EBITDA for the first quarter of 2015 was \$130 million, an increase of 13% compared with the first quarter of 2014, primarily reflecting the net revenue increase and lower cost of sales.

---

**Other Items**

- The Company repurchased 1.7 million shares of common stock for \$150 million during the first quarter of 2015. From April 1 through April 27, 2015, the Company repurchased an additional 0.5 million shares for \$45 million. The Company's remaining share repurchase authorization totals \$821 million as of April 27, 2015.
- Reported net interest expense in the first quarter of 2015 was \$23 million, compared with \$25 million in the first quarter of 2014.

**Balance Sheet Information as of March 31, 2015:**

- Cash and cash equivalents of \$180 million, compared with \$183 million at December 31, 2014
- Vacation ownership contract receivables, net, of \$2.6 billion, compared with \$2.7 billion at December 31, 2014
- Vacation ownership and other inventory of \$1.2 billion, unchanged from December 31, 2014
- Securitized vacation ownership debt of \$2.2 billion, unchanged from December 31, 2014
- Long-term debt of \$3.0 billion, compared with \$2.9 billion at December 31, 2014. The remaining borrowing capacity on the revolving credit facility, net of commercial paper borrowings, was \$1.1 billion as of March 31, 2015, compared to \$1.3 billion from December 31, 2014

A schedule of debt is included in Table 5 of this press release.

**Outlook**

**Note to Editors: The guidance excludes possible future share repurchases, while analysts' estimates often include share repurchases. This results in discrepancies between Company guidance and database consensus forecasts.**

For the full year 2015, the Company reiterates the following guidance:

- Revenues of approximately \$5.450 - \$5.550 billion.
- Adjusted EBITDA of approximately \$1.285 - \$1.315 billion. Guidance reflects a \$42 million adverse impact from foreign exchange compared with 2014 full year results.

For the full year 2015, the Company updates the following guidance:

- Adjusted diluted EPS of approximately \$4.81 - \$4.96 based on a diluted share count of 121.4 million, up from \$4.75 - \$4.90 based on a diluted share count of 123 million.
-



**Conference Call Information**

Wyndham Worldwide Corporation will hold a conference call with investors to discuss the Company's results, outlook and guidance on Tuesday, April 28, 2015 at 8:30 a.m. EDT. Listeners may access the webcast live through the Company's website at [www.wyndhamworldwide.com/investors](http://www.wyndhamworldwide.com/investors). An archive of this webcast will be available on the website for approximately 90 days beginning at noon EDT on April 28, 2015. The conference call may also be accessed by dialing 800-369-2125 and providing the passcode "WYNDHAM." Listeners are urged to call at least 10 minutes prior to the scheduled start time. A telephone replay will be available for approximately 90 days beginning at noon EDT on April 28, 2015, at 800-388-4923.

The Company will post guidance information on its website following the conference call.

**Presentation of Financial Information**

Financial information discussed in this press release includes non-GAAP measures, which include or exclude certain items. These non-GAAP measures differ from reported GAAP results and are intended to illustrate what management believes are relevant period-over-period comparisons and are helpful to investors as an additional tool for further understanding and assessing the Company's ongoing core operating performance. Exclusion of items in our non-GAAP presentation should not be considered an inference that these items are unusual, infrequent or non-recurring. A complete reconciliation of reported GAAP results to the comparable non-GAAP information appears in the financial tables section of the press release. It is not practicable to provide a reconciliation of forecasted adjusted EBITDA and adjusted EPS to the most directly comparable GAAP measures because certain items cannot be reasonably estimated or predicted at this time. Any such items could be significant to the Company's reported results.

**About Wyndham Worldwide Corporation**

One of the world's largest hospitality companies, Wyndham Worldwide (NYSE: WYN) provides a wide range of hospitality services and products through its global portfolio of world-renowned brands. The world's largest hotel company based on the number of properties, Wyndham Hotel Group is home to many of the world's best-known hotel brands, with over 7,670 franchised hotels and over 667,000 hotel rooms worldwide. Wyndham Exchange & Rentals is the worldwide leader in vacation exchange and the world's largest professionally managed vacation rentals business, providing more than 5 million leisure-bound families annually with access to over 109,000 vacation properties in over 100 countries through its prominent exchange and vacation rental brands. The industry and timeshare ownership market leader, Wyndham Vacation Ownership develops, markets, and sells vacation ownership interests and provides consumer financing to owners through its network of 210 vacation ownership resorts serving approximately 904,000 owners throughout the United States, Canada, Mexico, the Caribbean, and the South Pacific. Based in Parsippany, NJ, Wyndham Worldwide employs over 34,000 associates globally. For more information, please visit [www.wyndhamworldwide.com](http://www.wyndhamworldwide.com).

---

**Forward-Looking Statements**

This press release contains “forward-looking statements” within the meaning of Section 21E of the Securities Exchange Act of 1934, as amended, conveying management’s expectations as to the future based on plans, estimates and projections at the time the Company makes the statements. Forward-looking statements involve known and unknown risks, uncertainties and other factors, which may cause the actual results, performance or achievements of the Company to be materially different from any future results, performance or achievements expressed or implied by such forward-looking statements. The forward-looking statements contained in this press release include statements related to the Company’s revenues, earnings, cash flow and related financial and operating measures.

You are cautioned not to place undue reliance on these forward-looking statements, which speak only as of the date of this press release. Factors that could cause actual results to differ materially from those in the forward-looking statements include general economic conditions, the performance of the financial and credit markets, the economic environment for the hospitality industry, the impact of war, terrorist activity or political strife, operating risks associated with the hotel, vacation exchange and rentals and vacation ownership businesses, as well as those described in the Company’s Annual Report on Form 10-K, filed with the SEC on February 13, 2015. Except for the Company’s ongoing obligations to disclose material information under the federal securities laws, it undertakes no obligation to release publicly any revisions to any forward-looking statements, to report events or to report the occurrence of unanticipated events.

###

**Investor and Media contact:**

Margo C. Happer  
Senior Vice President, Investor Relations  
Wyndham Worldwide Corporation  
(973) 753-6472  
[margo.happer@wyn.com](mailto:margo.happer@wyn.com)

Barry Goldschmidt  
Vice President, Investor Relations  
Wyndham Worldwide Corporation  
(973) 753-7703  
[barry.goldschmidt@wyn.com](mailto:barry.goldschmidt@wyn.com)

---

Table 1

**Wyndham Worldwide Corporation**  
**OPERATING RESULTS OF REPORTABLE SEGMENTS**  
(In millions)

In addition to other measures, management evaluates the operating results of each of its reportable segments based upon net revenues and "EBITDA", which is defined as net income before depreciation and amortization, interest expense (excluding consumer financing interest), early extinguishment of debt, interest income (excluding consumer financing interest) and income taxes, each of which is presented on the Company's Consolidated Statements of Income. The Company believes that EBITDA is a useful measure of performance for the Company's segments which when considered with GAAP measures, gives a more complete understanding of its operating performance. The Company's presentation of EBITDA may not be comparable to similarly-titled measures used by other companies.

The following tables summarize net revenues and EBITDA for the Company's reportable segments, as well as reconcile EBITDA to Net income for the three months ended March 31, 2015 and 2014:

	Three Months Ended March 31,			
	2015		2014	
	Net Revenues	EBITDA	Net Revenues	EBITDA
Lodging	\$ 292	\$ 76	\$ 237	\$ 64
Vacation Exchange and Rentals	369	105	379	85
Vacation Ownership	617	130	593	115
Total Reportable Segments	1,278	311	1,209	264
Corporate and Other <sup>(a)</sup>	(16)	(34)	(16)	(34)
Total Company	<u>\$ 1,262</u>	<u>\$ 277</u>	<u>\$ 1,193</u>	<u>\$ 230</u>

Reconciliation of EBITDA to Net income

	Three Months Ended March 31,	
	2015	2014
EBITDA	\$ 277	\$ 230
Depreciation and amortization	56	56
Interest expense	26	27
Interest income	(3)	(2)
Income before income taxes	198	149
Provision for income taxes	76	59
Net income	<u>\$ 122</u>	<u>\$ 90</u>

<sup>(a)</sup> Includes the elimination of transactions between segments.

The following tables summarize net revenues and adjusted EBITDA for the Company's reportable segments for the three months ended March 31, 2015 and 2014 (for a description of adjustments by segment, see Table 7):

	Three Months Ended March 31,			
	2015		2014	
	Net Revenues	Adjusted EBITDA	Net Revenues	Adjusted EBITDA
Lodging	\$ 292	\$ 79	\$ 237	\$ 68
Vacation Exchange and Rentals	369	104	379	95
Vacation Ownership	617	130	593	115
Total Reportable Segments	1,278	313	1,209	278
Corporate and Other	(16)	(34)	(16)	(34)
Total Company	<u>\$ 1,262</u>	<u>\$ 279</u>	<u>\$ 1,193</u>	<u>\$ 244</u>

**Wyndham Worldwide Corporation**  
**CONSOLIDATED STATEMENTS OF INCOME**  
(In millions, except per share data)

	Three Months Ended March 31,	
	2015	2014
<b>Net revenues</b>		
Service and membership fees	\$ 599	\$ 590
Vacation ownership interest sales	336	303
Franchise fees	147	127
Consumer financing	104	105
Other	76	68
Net revenues	<u>1,262</u>	<u>1,193</u>
<b>Expenses</b>		
Operating	564	534
Cost of vacation ownership interests	33	39
Consumer financing interest	18	17
Marketing and reservation	195	181
General and administrative	181	195
Restructuring	(1)	-
Depreciation and amortization	56	56
Total expenses	<u>1,046</u>	<u>1,022</u>
<b>Operating income</b>	216	171
Other income, net	(5)	(3)
Interest expense	26	27
Interest income	(3)	(2)
<b>Income before income taxes</b>	198	149
Provision for income taxes	76	59
<b>Net income</b>	<u>\$ 122</u>	<u>\$ 90</u>
<b>Earnings per share</b>		
Basic	\$ 1.01	\$ 0.70
Diluted	1.00	0.69
<b>Weighted average shares outstanding</b>		
Basic	121	128
Diluted	122	130

**Note:** For a description of adjustments to Net Income, see Table 8.

**Table 3**  
**(1 of 2)**

**Wyndham Worldwide Corporation**  
**OPERATING STATISTICS**

The following operating statistics are the drivers of our revenues and therefore provide an enhanced understanding of our businesses:

	Year	Q1	Q2	Q3	Q4	Full Year
<b>Lodging<sup>(a)</sup></b>						
Number of Rooms	2015	667,400	N/A	N/A	N/A	N/A
	2014	646,900	650,200	655,300	660,800	N/A
	2013	631,800	635,100	638,300	645,400	N/A
	2012	609,300	608,300	618,100	627,400	N/A
RevPAR	2015	\$ 32.84	N/A	N/A	N/A	N/A
	2014	\$ 32.30	\$ 40.11	\$ 43.71	\$ 34.06	\$ 37.57
	2013	\$ 31.05	\$ 38.00	\$ 41.78	\$ 33.07	\$ 36.00
	2012	\$ 29.73	\$ 37.23	\$ 40.39	\$ 31.86	\$ 34.80
<b>Vacation Exchange and Rentals</b>						
Average Number of Members (in 000s)	2015	3,822	N/A	N/A	N/A	N/A
	2014	3,727	3,748	3,777	3,808	3,765
	2013	3,668	3,686	3,711	3,728	3,698
	2012	3,684	3,670	3,672	3,670	3,674
Exchange Revenue Per Member	2015	\$ 194.06	N/A	N/A	N/A	N/A
	2014	\$ 200.78	\$ 179.17	\$ 171.77	\$ 157.24	\$ 177.12
	2013	\$ 210.96	\$ 182.42	\$ 169.95	\$ 161.21	\$ 181.02
	2012	\$ 204.56	\$ 177.07	\$ 171.14	\$ 165.86	\$ 179.68
Vacation Rental Transactions (in 000s) <sup>(a)</sup>	2015	459	N/A	N/A	N/A	N/A
	2014	429	376	455	293	1,552
	2013	423	355	433	273	1,483
	2012	418	325	390	259	1,392
Average Net Price Per Vacation Rental <sup>(a)</sup>	2015	\$ 361.20	N/A	N/A	N/A	N/A
	2014	\$ 410.04	\$ 577.13	\$ 727.40	\$ 492.25	\$ 558.95
	2013	\$ 392.64	\$ 540.38	\$ 677.81	\$ 506.62	\$ 532.11
	2012	\$ 379.40	\$ 524.40	\$ 635.44	\$ 484.69	\$ 504.55
<b>Vacation Ownership<sup>(a)</sup></b>						
Gross Vacation Ownership Interest (VOI) Sales (in 000s) <sup>(b)</sup>	2015	\$ 390,000	N/A	N/A	N/A	N/A
	2014	\$ 410,000	\$ 496,000	\$ 513,000	\$ 470,000	\$ 1,889,000
	2013	\$ 384,000	\$ 481,000	\$ 536,000	\$ 488,000	\$ 1,889,000
	2012	\$ 384,000	\$ 460,000	\$ 502,000	\$ 435,000	\$ 1,781,000
Tours (in 000s) <sup>(c)</sup>	2015	168	N/A	N/A	N/A	N/A
	2014	170	208	225	191	794
	2013	163	206	225	195	789
	2012	148	186	207	183	724
Volume Per Guest (VPG) <sup>(c)</sup>	2015	\$ 2,177	N/A	N/A	N/A	N/A
	2014	\$ 2,272	\$ 2,280	\$ 2,158	\$ 2,336	\$ 2,257
	2013	\$ 2,211	\$ 2,256	\$ 2,278	\$ 2,370	\$ 2,281
	2012	\$ 2,414	\$ 2,361	\$ 2,315	\$ 2,225	\$ 2,324

**Note:** Full year amounts may not add across due to rounding.

(a) Includes the impact of acquisitions/dispositions from the acquisition/disposition dates forward. Therefore, the operating statistics are not presented on a comparable basis.

(b) Includes Gross VOI sales under the Company's Wyndham Asset Affiliate Model (WAAM) Just-in-Time beginning in the second quarter of 2012 (see Table 9 for a reconciliation of Gross VOI sales to vacation ownership interest sales).

(c) Includes the impact of WAAM Just-in-Time related tours beginning in the second quarter of 2012.

**ADDITIONAL DATA**

	Year	Q1	Q2	Q3	Q4	Full Year
<b>Lodging</b>						
Number of Properties	2015	7,670	N/A	N/A	N/A	N/A
	2014	7,500	7,540	7,590	7,650	N/A
	2013	7,380	7,410	7,440	7,490	N/A
	2012	7,150	7,170	7,260	7,340	N/A
<b>Vacation Ownership</b>						
Provision for Loan Losses (in 000s) <sup>(*)</sup>	2015	\$ 46,000	N/A	N/A	N/A	N/A
	2014	\$ 60,000	\$ 70,000	\$ 70,000	\$ 60,000	\$ 260,000
	2013	\$ 84,000	\$ 90,000	\$ 102,000	\$ 73,000	\$ 349,000
	2012	\$ 96,000	\$ 100,000	\$ 124,000	\$ 89,000	\$ 409,000

**Note:** Full year amounts may not add across due to rounding.

(\*) Represents provision for estimated losses on vacation ownership contract receivables originated during the period, which is recorded as a contra revenue to vacation ownership interest sales on the Consolidated Statements of Income.

---

Wyndham Worldwide Corporation  
OPERATING STATISTICS

GLOSSARY OF TERMS

**Lodging**

Number of Rooms: Represents the number of rooms at lodging properties at the end of the period which are either (i) under franchise and/or management agreements, or company owned and (ii) properties under affiliation agreements for which the Company receives a fee for reservation and/or other services provided.

Average Occupancy Rate: Represents the percentage of available rooms occupied during the period.

Average Daily Rate (ADR): Represents the average rate charged for renting a lodging room for one day.

RevPAR: Represents revenue per available room and is calculated by multiplying average occupancy rate by ADR. Comparable RevPAR represents RevPAR of hotels which are included in both periods.

**Vacation Exchange and Rentals**

Average Number of Members: Represents members in our vacation exchange programs who paid annual membership dues as of the end of the period or who are within the allowed grace period. For additional fees, such participants are entitled to exchange intervals for intervals at other properties affiliated with the Company's vacation exchange business. In addition, certain participants may exchange intervals for other leisure-related services and products.

Exchange Revenue Per Member: Represents total annualized revenues generated from fees associated with memberships, exchange transactions, member-related rentals and other servicing for the period divided by the average number of vacation exchange members during the period.

Vacation Rental Transactions: Represents the number of transactions that are generated during the period in connection with customers booking their vacation rental stays through the Company. One rental transaction is recorded for each standard one-week rental.

Average Net Price Per Vacation Rental: Represents the net rental price generated from renting vacation properties to customers and other related rental servicing fees during the period divided by the number of vacation rental transactions during the period.

**Vacation Ownership**

Gross Vacation Ownership Interest Sales: Represents sales of vacation ownership interest (VOIs), including WAAM sales, before the net effect of percentage-of-completion accounting and loan loss provisions. See Table 9 for a reconciliation of Gross VOI sales to vacation ownership interest sales.

Tours: Represents the number of tours taken by guests in our efforts to sell VOIs.

Volume per Guest (VPG): Represents Gross VOI sales (excluding tele-sales upgrades, which are non-tour upgrade sales) divided by the number of tours. The Company has excluded non-tour upgrade sales in the calculation of VPG because non-tour upgrade sales are generated by a different marketing channel. See Table 9 for a detail of tele-sales upgrades for 2012-2015.

**General**

Constant Currency: Represents a comparison eliminating the effects of foreign exchange rate fluctuations between periods (foreign currency translation).

Currency-Neutral: Represents a comparison eliminating the effects of foreign exchange rate fluctuations between periods (foreign currency translation) and the impact caused by any foreign exchange related activities (i.e., hedges, balance sheet remeasurements and/or adjustments).

---

**Wyndham Worldwide Corporation**  
**REVENUE DETAIL BY REPORTABLE SEGMENT**  
(In millions)

	2015					2014				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
<b>Lodging</b>										
Royalties and Franchise Fees	\$ 74	N/A	N/A	N/A	N/A	\$ 68	\$ 88	\$ 100	\$ 83	\$ 339
Marketing, Reservation and Wyndham Rewards Revenues (a)	96	N/A	N/A	N/A	N/A	76	101	117	91	385
Hotel Management Reimbursable Revenues (b)	61	N/A	N/A	N/A	N/A	37	39	39	39	154
Intersegment Trademark Fees	12	N/A	N/A	N/A	N/A	9	11	11	10	41
Owned Hotel Revenues	25	N/A	N/A	N/A	N/A	24	20	18	20	81
Ancillary Revenues (c)	24	N/A	N/A	N/A	N/A	23	24	30	24	101
<b>Total Lodging</b>	<b>292</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>237</b>	<b>283</b>	<b>315</b>	<b>267</b>	<b>1,101</b>
<b>Vacation Exchange and Rentals</b>										
Exchange Revenues	185	N/A	N/A	N/A	N/A	187	168	162	150	667
Rental Revenues	166	N/A	N/A	N/A	N/A	176	217	331	144	868
Ancillary Revenues (d)	18	N/A	N/A	N/A	N/A	16	17	19	17	69
<b>Total Vacation Exchange and Rentals</b>	<b>369</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>379</b>	<b>402</b>	<b>512</b>	<b>311</b>	<b>1,604</b>
<b>Vacation Ownership</b>										
Vacation Ownership Interest Sales	336	N/A	N/A	N/A	N/A	303	382	415	385	1,485
Consumer Financing	104	N/A	N/A	N/A	N/A	105	106	108	108	427
Property Management Fees and Reimbursable Revenues	153	N/A	N/A	N/A	N/A	143	145	150	142	581
WAAM Fee-for-Service Commissions	12	N/A	N/A	N/A	N/A	33	30	18	16	98
Ancillary Revenues (e)	12	N/A	N/A	N/A	N/A	9	10	13	17	47
<b>Total Vacation Ownership</b>	<b>617</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>593</b>	<b>673</b>	<b>704</b>	<b>668</b>	<b>2,638</b>
<b>Total Reportable Segments</b>	<b>\$ 1,278</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>N/A</b>	<b>\$ 1,209</b>	<b>\$ 1,358</b>	<b>\$ 1,531</b>	<b>\$ 1,246</b>	<b>\$ 5,343</b>
	2013					2012				
	Q1	Q2	Q3	Q4	Year	Q1	Q2	Q3	Q4	Year
<b>Lodging</b>										
Royalties and Franchise Fees	\$ 64	\$ 79	\$ 91	\$ 75	\$ 309	\$ 62	\$ 80	\$ 88	\$ 71	\$ 301
Marketing, Reservation and Wyndham Rewards Revenues (a)	73	92	118	83	365	68	99	98	80	345
Hotel Management Reimbursable Revenues (b)	25	38	37	35	135	21	22	25	23	91
Intersegment Trademark Fees	8	10	11	10	39	8	9	9	8	34
Owned Hotel Revenues	26	20	18	19	84	8	8	7	18	41
Ancillary Revenues (c)	26	23	22	23	95	18	15	22	23	78
<b>Total Lodging</b>	<b>222</b>	<b>262</b>	<b>297</b>	<b>245</b>	<b>1,027</b>	<b>185</b>	<b>233</b>	<b>249</b>	<b>223</b>	<b>890</b>
<b>Vacation Exchange and Rentals</b>										
Exchange Revenues	193	168	158	150	669	188	162	157	153	660
Rental Revenues	166	192	293	138	789	159	170	248	125	702
Ancillary Revenues (d)	15	16	19	17	68	14	16	15	15	60
<b>Total Vacation Exchange and Rentals</b>	<b>374</b>	<b>376</b>	<b>470</b>	<b>305</b>	<b>1,526</b>	<b>361</b>	<b>348</b>	<b>420</b>	<b>293</b>	<b>1,422</b>
<b>Vacation Ownership</b>										
Vacation Ownership Interest Sales	263	347	384	384	1,379	271	342	373	337	1,323
Consumer Financing	105	106	107	108	426	103	102	106	110	421
Property Management Fees	146	141	143	137	567	110	108	117	125	460
WAAM Fee-for-Service Commissions	24	30	33	20	107	12	11	4	6	33
Ancillary Revenues (e)	11	6	10	9	36	5	7	8	12	32
<b>Total Vacation Ownership</b>	<b>549</b>	<b>630</b>	<b>677</b>	<b>658</b>	<b>2,515</b>	<b>501</b>	<b>570</b>	<b>608</b>	<b>590</b>	<b>2,269</b>
<b>Total Reportable Segments</b>	<b>\$ 1,145</b>	<b>\$ 1,268</b>	<b>\$ 1,444</b>	<b>\$ 1,208</b>	<b>\$ 5,068</b>	<b>\$ 1,047</b>	<b>\$ 1,151</b>	<b>\$ 1,277</b>	<b>\$ 1,106</b>	<b>\$ 4,581</b>

**Note:** Full year amounts may not add across due to rounding.

- (a) Marketing and reservation revenues represent fees the Company receives from franchised and managed hotels that are to be expended for marketing purposes or the operation of a centralized, brand-specific reservation system. These fees are typically based on a percentage of the gross room revenues of each hotel. Wyndham Rewards revenues represent fees the Company receives relating to its loyalty program.
- (b) Primarily represents payroll costs in the hotel management business that the Company pays on behalf of property owners and for which it is reimbursed by the property owners. During 2014, reimbursable revenues of \$2 million in each of Q1, Q2 and Q3 and \$1 million in Q4 which were charged to the Company's vacation ownership business and were eliminated in consolidation. During 2013, such amounts include reimbursable revenues of \$1 million, \$3 million and \$2 million, in Q2, Q3 and Q4 respectively, which were charged to the Company's vacation ownership business and were eliminated in consolidation.
- (c) Primarily includes additional services provided to franchisees.
- (d) Primarily includes fees generated from programs with affiliated resorts and homeowners.
- (e) Primarily includes revenues associated with bonus points/credits that are provided as purchase incentives on VOI sales and fees generated from other non-core operations.



**Wyndham Worldwide Corporation**  
**SCHEDULE OF DEBT**  
(In millions)

	<u>March 31,</u> <u>2015</u>	<u>December 31,</u> <u>2014</u>	<u>September 30,</u> <u>2014</u>	<u>June 30,</u> <u>2014</u>	<u>March 31,</u> <u>2014</u>
<b>Securitized vacation ownership debt<sup>(a)</sup></b>					
Term notes	\$ 2,090	\$ 1,962	\$ 1,670	\$ 1,600	\$ 1,823
Bank conduit facility <sup>(b)</sup>	98	203	271	291	156
Total securitized vacation ownership debt <sup>(c)</sup>	2,188	2,165	1,941	1,891	1,979
Less: Current portion of securitized vacation ownership debt	217	214	192	187	192
Long-term securitized vacation ownership debt	<u>\$ 1,971</u>	<u>\$ 1,951</u>	<u>\$ 1,749</u>	<u>\$ 1,704</u>	<u>\$ 1,787</u>
<b>Debt:</b>					
Revolving credit facility (due July 2020) <sup>(d)</sup>	\$ 14	\$ 25	\$ 18	\$ 16	\$ 10
Commercial paper <sup>(e)</sup>	346	189	237	107	184
\$315 million 6.00% senior unsecured notes (due December 2016) <sup>(f)</sup>	317	317	317	318	318
\$300 million 2.95% senior unsecured notes (due March 2017)	299	299	299	299	299
\$14 million 5.75% senior unsecured notes (due February 2018)	14	14	14	14	14
\$450 million 2.50% senior unsecured notes (due March 2018)	448	448	448	448	447
\$40 million 7.375% senior unsecured notes (due March 2020)	40	40	40	40	40
\$250 million 5.625% senior unsecured notes (due March 2021)	247	247	247	246	246
\$650 million 4.25% senior unsecured notes (due March 2022) <sup>(g)</sup>	650	648	646	646	645
\$400 million 3.90% senior unsecured notes (due March 2023) <sup>(h)</sup>	418	410	401	403	395
Capital leases	161	170	175	186	188
Other	70	81	80	99	100
Total long-term debt	3,024	2,888	2,922	2,822	2,886
Less: Current portion of long-term debt	53	47	49	50	52
Long-term debt	<u>\$ 2,971</u>	<u>\$ 2,841</u>	<u>\$ 2,873</u>	<u>\$ 2,772</u>	<u>\$ 2,834</u>

- (a) The Company's vacation ownership contract receivables are securitized through bankruptcy-remote special purpose entities ("SPEs") that are consolidated within our financial statements. These bankruptcy-remote SPEs are legally separate from the Company. The receivables held by the bankruptcy-remote SPEs are not available to the Company's creditors and legally are not the Company's assets. Additionally, the creditors of these SPEs have no recourse to the Company for principal and interest.
- (b) Represents a non-recourse vacation ownership bank conduit facility with a term through August 2016 and borrowing capacity of \$650 million. As of March 31, 2015, this facility had a remaining borrowing capacity of \$552 million.
- (c) This debt is collateralized by \$2,609 million, \$2,629 million, \$2,326 million, \$2,287 million and \$2,328 million of underlying vacation ownership contract receivables and related assets as of March 31, 2015, December 31, 2014, September 30, 2014, June 30, 2014 and March 31, 2014.
- (d) Represents a \$1.5 billion revolving credit facility that expires in July 2020. As of March 31, 2015, the Company had \$1 million of outstanding letters of credit. After considering outstanding commercial paper borrowings of \$346 million, the remaining borrowing capacity was \$1.1 billion as of March 31, 2015.
- (e) Represents commercial paper programs of \$1.25 billion with a remaining borrowing capacity of \$904 million, as of March 31, 2015.
- (f) Includes unamortized gains from the settlement of a derivative in the amount of \$2 million as of March 31, 2015, December 31, 2014 and September 30, 2014 and \$3 million as of June 30, 2014 and March 31, 2014.
- (g) Includes a \$4 million and \$3 million increase in the carrying value resulting from a fair value hedge derivative as of March 31, 2015 and December 31, 2014, respectively.
- (h) Includes a \$21 million and \$13 million increase in the carrying value resulting from a fair value hedge derivative as of March 31, 2015 and December 31, 2014, respectively.

Table 6

**Wyndham Worldwide Corporation**  
**BRAND SYSTEM DETAILS**

As of and For the Three Months Ended March 31, 2015					
Brand	Number of Properties	Number of Rooms	Average Occupancy Rate	Average Daily Rate (ADR)	Average Revenue Per Available Room (RevPAR)
<b>Lodging</b>					
Super 8	2,519	161,538	50.9%	\$ 48.46	\$ 24.66
Days Inn	1,784	144,231	45.2%	\$ 64.08	\$ 28.98
Ramada	840	116,409	51.5%	\$ 74.72	\$ 38.49
Howard Johnson	419	45,588	44.1%	\$ 62.50	\$ 27.59
Wyndham Hotels and Resorts	201	44,042	56.0%	\$ 112.18	\$ 62.85
Travelodge	422	31,025	45.5%	\$ 62.05	\$ 28.24
Baymont	373	30,012	47.0%	\$ 65.21	\$ 30.63
Knights Inn	392	24,476	44.1%	\$ 45.16	\$ 19.91
Microtel Inns & Suites by Wyndham	325	23,302	53.5%	\$ 66.83	\$ 35.73
TRYP by Wyndham	122	17,455	51.3%	\$ 76.01	\$ 39.02
Wingate by Wyndham	153	13,929	58.5%	\$ 85.97	\$ 50.33
Hawthorn Suites by Wyndham	99	9,825	64.8%	\$ 80.39	\$ 52.11
Dolce	24	5,530	54.4%	\$ 131.50	\$ 71.47
Total Lodging	7,673	667,362	49.4%	\$ 66.43	\$ 32.84
<b>Vacation Ownership</b>					
Wyndham Vacation Ownership resorts	210	23,965	N/A	N/A	N/A
<b>Total Wyndham Worldwide</b>	<b>7,883</b>	<b>691,327</b>			
As of and For the Three Months Ended March 31, 2014					
Brand	Number of Properties	Number of Rooms	Average Occupancy Rate	Average Daily Rate (ADR)	Average Revenue Per Available Room (RevPAR)
<b>Lodging</b>					
Super 8	2,413	154,270	51.5%	\$ 48.27	\$ 24.88
Days Inn	1,812	146,643	44.6%	\$ 61.92	\$ 27.61
Ramada	826	113,304	50.2%	\$ 79.47	\$ 39.87
Howard Johnson	449	47,303	43.6%	\$ 61.87	\$ 26.98
Wyndham Hotels and Resorts	170	38,565	55.3%	\$ 112.69	\$ 62.30
Travelodge	431	31,833	44.7%	\$ 61.78	\$ 27.61
Baymont	336	27,504	46.9%	\$ 61.60	\$ 28.89
Knights Inn	374	22,792	40.8%	\$ 44.04	\$ 17.97
Microtel Inns & Suites by Wyndham	313	22,425	53.7%	\$ 62.45	\$ 33.51
TRYP by Wyndham	114	16,283	51.4%	\$ 85.87	\$ 44.11
Wingate by Wyndham	161	14,722	59.1%	\$ 83.30	\$ 49.22
Hawthorn Suites by Wyndham	96	9,609	60.9%	\$ 76.01	\$ 46.33
Dream	5	989	73.8%	\$ 189.89	\$ 140.22
Night	3	630	59.8%	\$ 114.63	\$ 68.51
Total Lodging	7,503	646,872	48.8%	\$ 66.14	\$ 32.30
<b>Vacation Ownership</b>					

Wyndham Vacation Ownership resorts	<u>192</u>	<u>23,530</u>	N/A	N/A	N/A
<b>Total Wyndham Worldwide</b>	<b><u>7,695</u></b>	<b><u>670,402</u></b>			

**NOTE:** A glossary of terms is included in Table 3 (2 of 2); RevPAR may not recalculate by multiplying average occupancy rate by ADR due to rounding.

---

Wyndham Worldwide Corporation  
NON-GAAP RECONCILIATION  
(In millions)

Three months ended March 31, 2015	Net Revenues	Reported EBITDA	Acquisition Costs <sup>(b)</sup>	Restructuring Costs <sup>(c)</sup>	Adjusted EBITDA
Lodging	\$ 292	\$ 76	\$ 3	\$ -	\$ 79
Vacation Exchange and Rentals	369	105	-	(1)	104
Vacation Ownership	617	130	-	-	130
Total Reportable Segments	1,278	311	3	(1)	313
Corporate and Other <sup>(a)</sup>	(16)	(34)	-	-	(34)
Total Company	\$ 1,262	\$ 277	\$ 3	\$ (1)	\$ 279

(a) Includes the elimination of transactions between segments.

(b) Relates to costs incurred in connection with the acquisition of Dolce Hotels and Resorts (January 2015).

(c) Relates to the reversal of a portion of the restructuring reserve established during the fourth quarter of 2014.

**Table 7**  
**(2 of 2)**

**Wyndham Worldwide Corporation**  
**NON-GAAP RECONCILIATION**  
**(In millions)**

	Net Revenues	Reported EBITDA	Executive Departure Costs	Venezuela Currency Devaluation (b)	VAT Adjustment (c)	Restructuring Costs (d)	Loss on Sale and Asset Impairments (e)	Legacy Adjustments (f)	Adjusted EBITDA
<b>Three months ended March 31, 2014</b>									
Lodging	\$ 237	\$ 64	\$ 4	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 68
Vacation Exchange and Rentals	379	85	-	10	-	-	-	-	95
Vacation Ownership	593	115	-	-	-	-	-	-	115
Total Reportable Segments	1,209	264	4	10	-	-	-	-	278
Corporate and Other (a)	(16)	(34)	-	-	-	-	-	-	(34)
Total Company	\$ 1,193	\$ 230	\$ 4	\$ 10	\$ -	\$ -	\$ -	\$ -	\$ 244
<b>Three months ended June 30, 2014</b>									
Lodging	\$ 283	\$ 87	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 87
Vacation Exchange and Rentals	402	89	-	-	(2)	-	-	-	87
Vacation Ownership	673	185	-	-	-	-	-	-	185
Total Reportable Segments	1,358	361	-	-	(2)	-	-	-	359
Corporate and Other (a)	(15)	(35)	-	-	-	-	-	-	(35)
Total Company	\$ 1,343	\$ 326	\$ -	\$ -	\$ (2)	\$ -	\$ -	\$ -	\$ 324
<b>Three months ended September 30, 2014</b>									
Lodging	\$ 315	\$ 100	\$ -	\$ -	\$ -	\$ (1)	\$ 8	\$ -	\$ 107
Vacation Exchange and Rentals	512	159	-	-	-	-	-	-	159
Vacation Ownership	704	188	-	-	-	-	-	-	188
Total Reportable Segments	1,531	447	-	-	-	(1)	8	-	454
Corporate and Other (a)	(17)	(36)	-	-	-	-	-	-	(36)
Total Company	\$ 1,514	\$ 411	\$ -	\$ -	\$ -	\$ (1)	\$ 8	\$ -	\$ 418
<b>Three months ended December 31, 2014</b>									
Lodging	\$ 267	\$ 77	\$ -	\$ -	\$ -	\$ 2	\$ -	\$ -	\$ 79
Vacation Exchange and Rentals	311	2	-	-	-	10	27	-	39
Vacation Ownership	668	172	-	-	-	-	-	-	172
Total Reportable Segments	1,246	251	-	-	-	12	27	-	290
Corporate and Other (a)	(15)	(36)	-	-	-	-	-	(2)	(38)
Total Company	\$ 1,231	\$ 215	\$ -	\$ -	\$ -	\$ 12	\$ 27	\$ (2)	\$ 252
<b>Twelve months ended December 31, 2014</b>									
Lodging	\$ 1,101	\$ 327	\$ 4	\$ -	\$ -	\$ 1	\$ 8	\$ -	\$ 340
Vacation Exchange and Rentals	1,604	335	-	10	(2)	10	27	-	380
Vacation Ownership	2,638	660	-	-	-	-	-	-	660
Total Reportable Segments	5,343	1,322	4	10	(2)	11	35	-	1,380
Corporate and Other (a)	(62)	(141)	-	-	-	-	-	(1)	(142)
Total Company	\$ 5,281	\$ 1,181	\$ 4	\$ 10	\$ (2)	\$ 11	\$ 35	\$ (1)	\$ 1,238

**Note:** The sum of the quarters may not agree to the twelve months ended December 31, 2014 due to rounding.

- (a) Includes the elimination of transactions between segments.
- (b) Represents the devaluation of the official exchange rate of Venezuela.
- (c) Reversal of a reserve for value-added taxes.
- (d) Relates to (i) the reversal of a portion of a restructuring reserve established during the fourth quarter of 2013 and (ii) costs incurred as a result of various organizational realignment initiatives by the Company.
- (e) Relates to (i) a loss on the sale of a business and a write-down of an equity investment at the Company's vacation exchange and rentals business and (ii) a write-down of an investment in a joint venture at the Company's lodging business.
- (f) Relates to the net benefit from the resolution of and adjustment to certain contingent liabilities and assets resulting from our separation from Cendant.

**Wyndham Worldwide Corporation**  
**NON-GAAP FINANCIAL INFORMATION**  
(In millions, except per share data)

	Three Months Ended March 31, 2015			
	As Reported	Acquisition Costs <sup>(a)</sup>	Restructuring Costs <sup>(c)</sup>	As Adjusted non-GAAP
<b>Net revenues</b>				
Service and membership fees	\$ 599	\$	\$	\$ 599
Vacation ownership interest sales	336			336
Franchise fees	147			147
Consumer financing	104			104
Other	76			76
Net revenues	<u>1,262</u>	<u>-</u>	<u>-</u>	<u>1,262</u>
<b>Expenses</b>				
Operating	564	(3)		561
Cost of vacation ownership interests	33			33
Consumer financing interest	18			18
Marketing and reservation	195			195
General and administrative	181			181
Restructuring	(1)		1	-
Depreciation and amortization	56			56
Total expenses	<u>1,046</u>	<u>(3)</u>	<u>1</u>	<u>1,044</u>
<b>Operating income</b>				
	216	3	(1)	218
Other income, net	(5)			(5)
Interest expense	26			26
Interest income	(3)			(3)
<b>Income before income taxes</b>				
	198	3	(1)	200
Provision for income taxes	76	(1) <sup>(b)</sup>	(1) <sup>(d)</sup>	74
<b>Net income</b>				
	<u>\$ 122</u>	<u>\$ 4</u>	<u>\$ -</u>	<u>\$ 126</u>
<b>Earnings per share</b>				
Basic	\$ 1.01	\$ 0.03	\$ -	\$ 1.04
Diluted	1.00	0.03	-	1.03
<b>Weighted average shares outstanding</b>				
Basic	121	121	121	121
Diluted	122	122	122	122

The above table reconciles certain non-GAAP financial measures. The presentation of these adjustments is intended to permit the comparison of particular adjustments as they appear in the line items of the income statement in order to assist investors' understanding of the overall impact of such adjustments. This non-GAAP reconciliation table should not be considered a substitute for, nor superior to, financial results and measures determined or calculated in accordance with GAAP.

- (a) Relates to costs incurred in connection with the acquisition of Dolce Hotels and Resorts (January 2015) at the Company's lodging business.  
(b) Relates to (i) the tax effect of the adjustment and (ii) a valuation allowance established in connection with the acquisition.  
(c) Relates to the reversal of a portion of the restructuring reserve established during the fourth quarter of 2014 at the Company's vacation exchange and rentals business.  
(d) Relates to the tax effect of the adjustment.

**Wyndham Worldwide Corporation**  
**NON-GAAP FINANCIAL INFORMATION**  
(In millions, except per share data)

	Three Months Ended March 31, 2014			
	As Reported	Executive Departure Costs <sup>(a)</sup>	Venezuela Currency Devaluation <sup>(c)</sup>	As Adjusted non-GAAP
<b>Net revenues</b>				
Service fees and membership	\$ 590	\$	\$	\$ 590
Vacation ownership interest sales	303			303
Franchise fees	127			127
Consumer financing	105			105
Other	68			68
<b>Net revenues</b>	<u>1,193</u>	<u>-</u>	<u>-</u>	<u>1,193</u>
<b>Expenses</b>				
Operating	534		(10)	524
Cost of vacation ownership interests	39			39
Consumer financing interest	17			17
Marketing and reservation	181			181
General and administrative	195	(4)		191
Depreciation and amortization	56			56
<b>Total expenses</b>	<u>1,022</u>	<u>(4)</u>	<u>(10)</u>	<u>1,008</u>
<b>Operating income</b>	171	4	10	185
Other income, net	(3)			(3)
Interest expense	27			27
Interest income	(2)			(2)
<b>Income before income taxes</b>	149	4	10	163
Provision for income taxes	59	1 <sup>(b)</sup>	1 <sup>(b)</sup>	61
<b>Net income</b>	<u>\$ 90</u>	<u>\$ 3</u>	<u>\$ 9</u>	<u>\$ 102</u>
<b>Earnings per share</b>				
Basic	\$ 0.70	\$ 0.02	\$ 0.07	\$ 0.80
Diluted	0.69	0.02	0.07	0.78
<b>Weighted average shares outstanding</b>				
Basic	128	128	128	128
Diluted	130	130	130	130

The above table reconciles certain non-GAAP financial measures. The presentation of these adjustments is intended to permit the comparison of particular adjustments as they appear in the line items of the income statement in order to assist investors' understanding of the overall impact of such adjustments. This non-GAAP reconciliation table should not be considered a substitute for, nor superior to, financial results and measures determined or calculated in accordance with GAAP.

**Note:** EPS amounts may not add due to rounding.

(a) Relates to costs associated with an executive's departure at the Company's lodging business.

(b) Relates to the tax effect of the adjustment.

(c) Represents the devaluation of the official exchange rate of Venezuela at the Company's vacation exchange and rental business.

**Wyndham Worldwide Corporation**  
**NON-GAAP RECONCILIATIONS AND FINANCIAL INFORMATION**  
(In millions)

**FREE CASH FLOW**

We define free cash flow to be net cash provided by operating activities less property and equipment additions which we also refer to as capital expenditures.

We believe free cash flow to be a useful operating performance measure to evaluate the ability of our operations to generate cash for uses other than capital expenditures and, after debt service and other obligations, our ability to grow our business through acquisitions, development advances and equity investments, as well as our ability to return cash to shareholders through dividends and share repurchases. A limitation of using free cash flow versus the GAAP measure of net cash provided by operating activities, net cash used in investing activities and net cash used in financing activities as a means for evaluating Wyndham Worldwide is that free cash flow does not represent the total cash movement for the period as detailed in the consolidated statement of cash flows.

The following table provides more details on the GAAP financial measure that is most directly comparable to the non-GAAP financial measure and the related reconciliation between these financial measures:

	<b>Three Months Ended March 31,</b>	
	<b>2015</b>	<b>2014</b>
Net cash provided by operating activities	\$ 253	\$ 315
Less: Property and equipment additions	(56)	(46)
Free cash flow	<u>\$ 197</u>	<u>\$ 269</u>

**GROSS VOI SALES**

The following table provides a reconciliation of Gross VOI sales (see Table 3) to vacation ownership interest sales (see Table 4):

	<b>Year</b>					
	<b>2015</b>	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Full Year</b>
Gross VOI sales <sup>(a)</sup>	\$ 390	N/A	N/A	N/A	N/A	N/A
Less: Sales under WAAM Fee-for-Service	(21)	N/A	N/A	N/A	N/A	N/A
Gross VOI sales, net of WAAM Fee-for-Service sales	369	N/A	N/A	N/A	N/A	N/A
Less: Loan loss provision	(46)	N/A	N/A	N/A	N/A	N/A
Plus: Impact of percentage-of-completion accounting	13	N/A	N/A	N/A	N/A	N/A
Vacation ownership interest sales <sup>(a)</sup>	<u>\$ 336</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
	<b>2014</b>					
Gross VOI sales <sup>(a)</sup>	\$ 410	\$ 496	\$ 513	\$ 470	\$ 1,889	
Less: Sales under WAAM Fee-for-Service	(44)	(40)	(27)	(21)	(132)	
Gross VOI sales, net of WAAM Fee-for-Service sales	366	456	486	449	1,757	
Less: Loan loss provision	(60)	(70)	(70)	(60)	(260)	
Less: Impact of percentage-of-completion accounting	(3)	(4)	(1)	(4)	(12)	
Vacation ownership interest sales <sup>(a)</sup>	<u>\$ 303</u>	<u>\$ 382</u>	<u>\$ 415</u>	<u>\$ 385</u>	<u>\$ 1,485</u>	
	<b>2013</b>					
Gross VOI sales <sup>(a)</sup>	\$ 384	\$ 481	\$ 536	\$ 488	\$ 1,889	
Less: Sales under WAAM Fee-for-Service	(36)	(44)	(51)	(29)	(160)	
Gross VOI sales, net of WAAM Fee-for-Service sales	347	437	486	459	1,729	
Less: Loan loss provision	(84)	(90)	(102)	(73)	(349)	
Less: Impact of percentage-of-completion accounting	-	-	-	(1)	(1)	
Vacation ownership interest sales <sup>(a)</sup>	<u>\$ 263</u>	<u>\$ 347</u>	<u>\$ 384</u>	<u>\$ 384</u>	<u>\$ 1,379</u>	
	<b>2012</b>					
Gross VOI sales <sup>(a)</sup>	\$ 384	\$ 460	\$ 502	\$ 435	\$ 1,781	
Less: Sales under WAAM Fee-for-Service	(17)	(18)	(5)	(10)	(49)	
Gross VOI sales, net of WAAM Fee-for-Service sales	367	442	497	426	1,732	
Less: Loan loss provision	(96)	(100)	(124)	(89)	(409)	
Vacation ownership interest sales <sup>(a)</sup>	<u>\$ 271</u>	<u>\$ 342</u>	<u>\$ 373</u>	<u>\$ 337</u>	<u>\$ 1,323</u>	

**Note:** Amounts may not add due to rounding.

<sup>(a)</sup> Includes VOI sales under WAAM Just-in-Time beginning in the second quarter of 2012.

The following includes primarily tele-sales upgrades and other non-tour revenues, which are excluded from Gross VOI sales in the Company's VPG calculation (see Table 3):

	<b>Q1</b>	<b>Q2</b>	<b>Q3</b>	<b>Q4</b>	<b>Full Year</b>
<b>2015</b>	\$ 24	N/A	N/A	N/A	N/A
<b>2014</b>	\$ 25	\$ 21	\$ 27	\$ 24	\$ 97
<b>2013</b>	\$ 24	\$ 18	\$ 22	\$ 25	\$ 89
<b>2012</b>	\$ 27	\$ 20	\$ 22	\$ 28	\$ 97