

News Release



CWT Shows Solid Performance for 2008

Sales volume reached US\$27.8 billion, up 7 percent year over year; new business totaled US\$2.4 billion.

LONDON, Feb. 10, 2009 – Key indicators for Carlson Wagonlit Travel (CWT), a global leader specializing in business travel management, reveal strong performance in 2008, the company reported here today prior to the opening of the Business Travel Show. Significant enhancements to products and services were also made.

Global sales volume for wholly owned operations and joint ventures totaled US\$27.8 billion¹, up 7 percent over 2007.² Growth was strongest in China (25 percent)³, Brazil (24.5 percent), and Argentina (21 percent). Double-digit growth was also reported in Indonesia (19 percent), Italy (16 percent), Russia (15.5 percent), Singapore (11.5 percent), Germany/Austria (11 percent) and India (10 percent). U.K. sales outperformed the market, increasing 7 percent. U.S. sales were up 2 percent, reflecting the economic slowdown in 2008.

Annualized new sales, excluding renewals, reached US\$2.4 billion, as new clients chose CWT to help them effectively manage and optimize their travel program. Among them: Essilor, Hilti, Michelin and Schneider Electric. In addition, several clients such as Henkel further consolidated their travel management activities with CWT. The U.K. Home Office was added to the company's roster of government clients as well.

CWT enjoyed strong levels of client retention (97 percent) in 2008. The overall satisfaction of travel managers representing global clients rose to 90 percent, up from 88 percent one year earlier.

In keeping with its targeted acquisition strategy, CWT acquired six companies in North America and Europe: Traveltime Services and Piedmont Travel in the United States, CWT Madison Travel in Canada, Viajes Mapfre and Viajes Lepanto in Spain, and Executive Travel Group in Ireland. The company also took full control of its joint ventures in Argentina and India.

Douglas Anderson, CWT president and chief executive officer, saluted the company's performance in what was and will continue to be an economically challenging business environment: "It's fair to say that 2008 had the travel industry and the business world at large on its toes. Few of us working today have ever experienced such a radical combination of financial and economic factors impacting us on a global basis. Nevertheless, Carlson Wagonlit Travel boosted its performance by focusing on client service, enhancing products and solutions, and balancing organic growth with acquisitions. Although 2009 will present new tests for all of us, CWT will continue to demonstrate the value of a well-managed travel program. This is especially important to our clients in difficult times."

¹ Actual sales volume at current exchange rates; includes air, hotel and ground transportation

² Sales volume for 2007 restated to US\$26 billion to account for additional hotel and rental car volume in North America

³ Actual growth at constant exchange rates for all countries listed

CWT offering evolves

CWT enhanced its products and services to respond to changing client needs and market conditions in 2008. Progress occurred in all areas.

Traveler & Transaction Services

- A **global Traveler & Transaction Services team**, consisting of experts in operations, IT, product development and finance, was created to further drive client satisfaction and increase the global efficiency, quality and consistency of bookings and fulfillment.
- **CWT Listens** was launched in North America and in three European countries (France, Germany and the U.K.) to survey traveler satisfaction at the point of sale. Feedback enables CWT to optimize on- and offline bookings and fulfillment to enhance the traveler experience. More than 85 percent of the 26,000 respondents to date expressed overall satisfaction at the point of sale. *CWT Listens* will be implemented globally in 2009.
- **Hotel sales volume** increased by 9 percent year over year. Clients, who are increasingly focused on optimizing this area of significant spend, know CWT offers the added advantage of "one-stop" booking convenience, enhanced tracking and security, and greater savings over non-preferred booking channels.

Program Optimization

- The **CWT Program Management Center**, a Web-based central gateway providing travel managers and buyers with easy access to the information and performance metrics they need to optimize their travel program, won an Innovation Award at the 2008 Business Travel Show in London.

Use of the *CWT Program Management Center* increased by more than 20 percent in 2008. New functionalities that help companies optimize costs such as reporting on unused tickets were introduced. More customized reporting capabilities and enhanced hotel data to increase compliance with preferred suppliers will be among the priorities in 2009.

- In keeping with clients' efforts to reduce costs, CWT underscored the importance of travel **policy design and compliance**. The CWT Travel Management Institute conducted in-depth research, *Playing by the Rules: Optimizing Policy Design and Compliance*, demonstrating how best practices in each of these areas can cut total travel spend by 20 percent on average.⁴

To help clients create an effective, easy-to-understand travel policy from scratch or benchmark and optimize their current policy, **CWT Policy Builder** was launched in 2008. **CWT Policy Messenger** was also deployed on a global basis to enable clients to send targeted communications to non-compliant travelers who make out-of-policy bookings. A multilingual user interface will be offered later this year.

- **CWT Agency+Card Reporting**, introduced in 2008, also helps companies drive compliance with preferred booking channels and the corporate payment card of their choice. The tool compares booking data from CWT with actual expenditures for air, rail, rental cars, and hotels charged to the client's preferred corporate

⁴ The full research report is available at www.carlsonwagonlit.com.

payment card. Customized dashboards and reports, accessed through the *CWT Program Management Center*, help identify non-compliant travelers, provide greater visibility into overall spend, and capture valuable information that can be leveraged during supplier negotiations.

- CWT signed a preferred supplier agreement with **American Express Global Commercial Card** to promote and distribute three American Express corporate payment solutions in 21 countries. As a result, CWT clients can consolidate their card program across countries and regions for greater visibility and control over travel-related expenditures. Furthermore, CWT and American Express can deliver enhanced data and reporting consolidated on a local, regional and/or global basis. Clients who implement *CWT Agency+Card Reporting* have even greater insight into their corporate card and travel programs.
- The **CWT Solutions Group**, the company's global consulting arm, had more than 175 engagements in 2008, reflecting the high priority companies place on optimizing air, hotel, ground transportation, and meetings and events spend. The CWT Solutions Group advises not only those companies whose travel programs CWT manages on an ongoing basis, but those that seek expertise to help them optimize specific areas of their travel program.

Safety & Security

- CWT activated its **crisis messaging** process 18 times and issued more than 87,000 email and SMS alerts worldwide to help clients responsibly address their duty of care to protect the health and safety of employees. In 2009, clients and their travelers will be able to select the alerts they receive based on individual preferences and travel patterns. Furthermore, client feedback indicates that **CWT Policy Messenger** will be used not only by travel managers to improve compliance but increasingly by risk managers to reach out to and counsel employees who have booked travel to high-risk destinations.

Sustainability

- CWT signed a global agreement with **The CarbonNeutral Company**, a leading carbon offset and climate consulting firm, enabling clients to further mitigate the environmental impact of business travel. As a result of this agreement, CWT enhanced its CWT Sustainable Solutions offering, which now consists of a pre-trip carbon calculator, post-trip emissions management reporting, and a range of emissions management and reduction services.

Meetings & Events

- CWT signed a global agreement designating **StarCite, Inc.** as a preferred technology partner for meetings and events activities worldwide. StarCite is the leading provider of Web-based solutions that enable companies to strategically manage corporate meetings and events from planning and procurement to attendance, payment and reporting.
- CWT also added global meetings and events **consulting capabilities** to its offering. These services help clients' capture synergies with their business travel program and/or generate maximum value from their events through policy design and compliance, formalized processes, end-to-end technology solutions, consolidated sourcing, data capture and analysis, and performance monitoring.

Looking ahead

CWT is dedicated to helping clients effectively meet their objectives in an uncertain economic environment and a continuously fluctuating business travel market. In keeping with a client survey⁵ that highlighted travel managers' priorities for 2009, CWT will further develop and promote services that emphasize sound policy design and increased compliance; optimized hotel, air and ground transportation spend; online booking and fulfillment; and meetings and events. The company will also enhance its focus on demand management and outsourcing, two increasingly important trends for companies today.

In addition, CWT will pursue its organic growth worldwide and in all customer segments, increase the global efficiency and consistency of its Traveler & Transaction Services, enrich its Program Optimization Services, and proceed with its targeted acquisition program.

Commenting on the company's prospects and direction, Mr. Anderson said, "CWT is well positioned to weather the global economic crisis. Our geographic footprint spans the globe and we are leaders in most of our key markets. In addition, we have clients working in all business sectors which makes us less vulnerable to strong downturns in any one area. Furthermore, we are continuously adapting our products and services to successfully meet clients' changing needs. But we're watchful. Our cost structure is carefully adjusted to reflect our business activity while maintaining the highest levels of client service and satisfaction. And as a global reference in the industry, we are constantly striving to improve our performance and lead the way."

About Carlson Wagonlit Travel

Carlson Wagonlit Travel (CWT) is a global leader specializing in business travel management. Present in more than 150 countries, CWT serves companies of all sizes, as well as government institutions and non-governmental organizations. By leveraging both the expertise of its people and leading-edge technology, CWT helps clients derive the greatest value from their travel program in terms of savings, service, security and sustainability. The company is also committed to providing best-in-class service and assistance to travelers. CWT services and solutions comprise four lines of business: Traveler & Transaction Services, Program Optimization, Safety & Security, and Meetings & Events. CWT has more than 22,000 employees worldwide. In 2008, sales volume for wholly owned operations and joint ventures totaled US\$27.8 billion. For more information, please visit www.carlsonwagonlit.com.

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⁵ The CWT Travel Management Institute surveyed 178 travel managers worldwide in October 2008