

July 27, 2016



Wyndham Worldwide Reports Second Quarter 2016 Results

Increases Full Year EPS Guidance

PARSIPPANY, N.J., July 27, 2016 /PRNewswire/ -- Wyndham Worldwide Corporation (NYSE:WYN) today announced results for the three months ended June 30, 2016.

Second quarter revenues were \$1.4 billion, flat compared with the prior year period. In constant currency and excluding acquisitions, revenues increased 1%.

Net income for the second quarter of 2016 was \$156 million, or \$1.39 per diluted share, compared with \$159 million, or \$1.33 per diluted share, for the second quarter of 2015. Adjusted net income for the second quarter of 2016 was \$156 million, or \$1.40 per diluted share, compared with \$159 million, or \$1.32 per diluted share, for the second quarter of 2015. Net income was impacted by higher interest expense and depreciation, as well as a higher tax rate, which offset growth in EBITDA. EPS benefited from the Company's share repurchase program. Full reconciliations of adjusted net income and adjusted EPS appear on table 7 of this press release.

Second quarter EBITDA was \$340 million, compared with \$332 million in the prior year period, an increase of 2%. On a currency-neutral basis and excluding acquisitions, adjusted EBITDA increased 3%. Full reconciliations of EBITDA to net income appear on Table 2 of this press release.

"In the second quarter, we continued to execute our strategy to drive growth and free cash flow while maintaining our disciplined capital allocation framework to enhance shareholder value," said Stephen P. Holmes, chairman and CEO. "We are looking ahead – making sure we continually innovate and invest for the future in order to ensure strong, continued growth in the years to come."

For the six months ended June 30, 2016, net cash provided by operating activities was \$706 million, compared with \$737 million in the prior year period. The decrease reflects unfavorable currency movements of \$35 million, including a \$24 million devaluation of the Venezuelan bolivar in the first quarter of 2016.

Free cash flow was \$616 million for the six months ended June 30, 2016, compared with \$625 million for the same period in 2015, reflecting the changes in net cash provided by operating activities highlighted above in addition to the favorable timing of capital expenditures. The Company defines free cash flow as net cash provided by operating activities less capital expenditures as illustrated in Table 4 of this press release.

SECOND QUARTER 2016 BUSINESS UNIT RESULTS

Hotel Group

Revenues were \$334 million in the second quarter of 2016, flat compared with the second quarter 2015. Revenues reflected growth in royalties and the Company's Wyndham Rewards credit card program, offset by the absence of pass-through revenues associated with the Company's franchisee conference in the second quarter of 2015.

EBITDA grew 5% to \$101 million, reflecting growth in royalties and the Company's Wyndham Rewards credit card program, and expense management.

Second quarter domestic RevPAR increased 2.0%. In constant currency, total system-wide RevPAR declined by 0.6% compared with the second quarter of 2015, which reflects continued weakness in domestic and Canadian oil markets and higher unit growth in lower RevPAR countries such as China.

As of June 30, 2016, the Company's hotel system consisted of approximately 7,880 properties and over 683,300 rooms, a 2.2% net room increase compared with the second quarter of 2015. The development pipeline included over 1,000 hotels and approximately 128,000 rooms, of which 61% were international and 66% were new construction.

Destination Network (formerly Vacation Exchange and Rentals)

Revenues were \$384 million in the second quarter of 2016, flat compared with the second quarter of 2015. In constant currency and excluding acquisitions, revenues increased 1%.

Exchange revenues were \$159 million. In constant currency, exchange revenues grew 1% as the average number of members increased 0.7% and exchange revenue per member increased 0.3%.

Vacation rental revenues were \$202 million. In constant currency and excluding the impact of acquisitions, vacation rental revenues were up 1%, reflecting a 4.0% increase in transaction volume, partially offset by a 3.3% decrease in average net price per vacation rental reflecting faster growth in our more moderate product offerings.

EBITDA for the second quarter of 2016 was \$85 million, a 1% increase compared with the second quarter of 2015. On a currency-neutral basis and excluding the impact of acquisitions, EBITDA increased 2% compared with the prior year period, largely reflecting growth in rental transactions and exchange members.

Vacation Ownership

Revenues were \$705 million in the second quarter of 2016, a 1% increase over the second quarter of 2015.

Net VOI sales declined by 2%, as higher gross VOI sales volume was offset by an increase in the provision for loan losses, which was in line with the Company's expectations.

Gross VOI sales were \$518 million in the second quarter of 2016, an increase of 3% compared with the second quarter of 2015. Results reflect tour flow growth of 3.4%, partially offset by a volume per guest (VPG) decline of 0.8% in constant currency, reflecting higher sales to new owners. The number of new owners added increased 13% from the second quarter of 2015.

EBITDA for the second quarter of 2016 was \$187 million, an increase of 3% compared with the second quarter of 2015, reflecting higher gross VOI sales, a lower cost of sales and higher management fees, partially offset by an increase in the provision for loan losses.

OTHER ITEMS

- The Company repurchased 2.1 million shares of common stock for \$150 million during the second quarter of 2016. From July 1 through July 26, 2016, the Company repurchased an additional 0.6 million shares for \$42 million.
- Reported net interest expense in the second quarter of 2016 was \$32 million, compared with \$28 million in the second quarter of 2015, reflecting increased debt

levels including the \$350 million 5.10% bond issued in September 2015 and the absence of a fixed-to-floating interest rate swap terminated in 2015.

- Depreciation and amortization in the second quarter of 2016 was \$63 million, compared with \$58 million in the second quarter of 2015, reflecting new projects that were placed into service.

Balance Sheet Information as June 30, 2016:

- Cash and cash equivalents of \$478 million, compared with \$171 million at December 31, 2015, reflecting higher seasonal cash collections at the Company's vacation rental businesses
- Vacation ownership contract receivables, net, of \$2.7 billion, unchanged from December 31, 2015
- Vacation ownership and other inventory of \$1.3 billion, unchanged from December 31, 2015
- Securitized vacation ownership debt of \$2.0 billion, compared with \$2.1 billion at December 31, 2015
- Long-term debt of \$3.4 billion, compared with \$3.1 billion at December 31, 2015. The remaining borrowing capacity on the revolving credit facility, net of commercial paper borrowings, was \$1.1 billion as of June 30, 2016, compared with \$1.4 billion at December 31, 2015.

A schedule of debt is included in Table 12 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.

Full reconciliations of the outlook for adjusted EBITDA, adjusted net income and adjusted EPS to GAAP results appear in Table 10 of this press release.

The Company provides the following guidance for the full year 2016:

- Revenues of approximately \$5.650 - \$5.800 billion.
- Adjusted net income of approximately \$635 - \$651 million.
- Adjusted EBITDA of approximately \$1.375 - \$1.400 billion.
- Adjusted diluted EPS of approximately \$5.68 - \$5.82 based on a diluted share count of 112 million.

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

CONFERENCE CALL INFORMATION

Wyndham Worldwide Corporation will hold a conference call with investors to discuss the Company's results, outlook and guidance on Wednesday, July 27, 2016 at 8:30 a.m. ET. Listeners can access the webcast live through the Company's website at

<http://www.wyndhamworldwide.com/investors/>. The conference call may also be accessed by dialing 888-632-3384 and providing the pass code "WYNDHAM." Listeners are urged to call at least 10 minutes prior to the scheduled start time. An archive of this webcast will be available on the website for approximately 90 days beginning at 12:00pm ET on July 27, 2016. A telephone replay will be available for approximately 10 days beginning at 12:00pm ET on July 27, 2016 at

800-723-0394.

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 the Company's non-GAAP presentation should not be considered an inference that these items are unusual, infrequent or non-recurring. A reconciliation of reported GAAP results to the comparable non-GAAP information appears in the financial tables section of the press release. A reconciliation of forecasted adjusted EBITDA and adjusted EPS to the most directly comparable GAAP measures is provided in Table 10 of this press release.

ABOUT WYNDHAM WORLDWIDE

Wyndham Worldwide (NYSE: WYN) is one of the largest global hospitality companies, providing travelers with access to a collection of trusted hospitality brands in hotels, vacation ownership, and unique accommodations including vacation exchange, holiday parks, and managed home rentals. With a collective inventory of more than 120,000 places to stay across 100 countries on six continents, Wyndham Worldwide and its 38,000 associates welcomes people to experience travel the way they want. This is enhanced by Wyndham Rewards®, the Company's re-imagined guest loyalty program across its businesses, which is making it simpler for members to earn more rewards and redeem their points faster. For more information, please visit 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 12, 2016. 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.

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Table 1

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

	Three Months Ended		Six Months Ended	
	June 30,		June 30,	
	2016	2015	2016	2015
Net revenues				
Service and membership fees	\$ 632	\$ 623	\$ 1,266	\$ 1,223
Vacation ownership interest sales	409	417	750	753
Franchise fees	172	178	310	325
Consumer financing	108	105	215	210
Other	82	75	165	150
Net revenues	<u>1,403</u>	<u>1,398</u>	<u>2,706</u>	<u>2,661</u>
Expenses				
Operating	622	610	1,236	1,176
Cost of vacation ownership interests	32	47	68	80
Consumer financing interest	19	19	36	36
Marketing and reservation	211	211	403	406

General and administrative	185	182	372	362
Depreciation and amortization	63	58	125	114
Total expenses	1,132	1,127	2,240	2,174
Operating income	271	271	466	487
Other (income)/expense, net	(6)	(3)	(16)	(8)
Interest expense	34	30	68	56
Early extinguishment of debt	-	-	11	-
Interest income	(2)	(2)	(4)	(5)
Income before income taxes	245	246	407	444
Provision for income taxes	89	87	156	162
Net income	\$ 156	\$ 159	\$ 251	\$ 282
Earnings per share				
Basic	\$ 1.40	\$ 1.34	\$ 2.25	\$ 2.35
Diluted	1.39	1.33	2.23	2.33
Weighted average shares outstanding				
Basic	111	119	112	120
Diluted	112	120	113	121

Note: For a description of adjustments to Net Income, see Table 7.

Table 2
(1 of 2)

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 revenues) and income taxes, each of which is presented on the Company's Consolidated Statements of Income. The Company also uses adjusted EBITDA as a financial measure. The Company believes that EBITDA and Adjusted EBITDA are useful measures of assessing performance of the Company and for the Company's segments which, when considered with GAAP measures, give a more complete understanding of its operating performance and assist our investors in evaluating our ongoing operating performance for the current reporting period and, where provided, over different reporting periods, by adjusting for certain items which may be recurring or nonrecurring and which in our view do not necessarily reflect ongoing operating performance. We also internally use these measures to assess our operating performance, both in absolute terms and in comparison to other companies, and in evaluating or making selected compensation decisions. These supplemental disclosures are in addition to GAAP reported measures. The Company's presentation of EBITDA and Adjusted 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 June 30, 2016 and 2015:

Three Months Ended June 30,

	2016		2015	
	Net Revenues	EBITDA	Net Revenues	EBITDA
Hotel Group	\$ 334	\$ 101	\$ 334	\$ 96
Destination Network	384	85	383	84
Vacation Ownership	705	187	699	182
Total Reportable Segments	1,423	373	1,416	362
Corporate and Other ^(a)	(20)	(33)	(18)	(30)
Total Company	\$ 1,403	\$ 340	\$ 1,398	\$ 332

Reconciliation of EBITDA to Net income

	Three Months Ended June 30,	
	2016	2015
EBITDA	\$ 340	\$ 332
Depreciation and amortization	63	58
Interest expense	34	30
Interest income	(2)	(2)
Income before income taxes	245	246
Provision for income taxes	89	87
Net income	\$ 156	\$ 159

(a) 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 June 30, 2016 and 2015 (for a description of adjustments and reconciliation by segment, see Table 8):

	Three Months Ended June 30,			
	2016		2015	
	Net Revenues	Adjusted EBITDA	Net Revenues	Adjusted EBITDA
Hotel Group	\$ 334	\$ 101	\$ 334	\$ 97
Destination Network	384	85	383	84
Vacation Ownership	705	187	699	182
Total Reportable Segments	1,423	373	1,416	363
Corporate and Other	(20)	(33)	(18)	(31)
Total Company	\$ 1,403	\$ 340	\$ 1,398	\$ 332

Table 2
(2 of 2)

(In millions)

The following tables summarize net revenues and EBITDA for the Company's reportable segments, as well as reconcile EBITDA to Net income for the six months ended June 30, 2016 and 2015:

	Six Months Ended June 30,			
	2016		2015	
	Net Revenues	EBITDA	Net Revenues	EBITDA
Hotel Group	\$ 629	\$ 185	\$ 626	\$ 172
Destination Network	768	166	752	189
Vacation Ownership	1,345	323	1,316	313
Total Reportable Segments	2,742	674	2,694	674
Corporate and Other ^(a)	(36)	(67)	(33)	(65)
Total Company	<u>\$ 2,706</u>	<u>\$ 607</u>	<u>\$ 2,661</u>	<u>\$ 609</u>

Reconciliation of EBITDA to Net income

	Six Months Ended June 30,	
	2016	2015
EBITDA	\$ 607	\$ 609
Depreciation and amortization	125	114
Interest expense	68	56
Early extinguishment of debt	11	-
Interest income	(4)	(5)
Income before income taxes	407	444
Provision for income taxes	156	162
Net income	<u>\$ 251</u>	<u>\$ 282</u>

(a) Includes the elimination of transactions between segments.

The following tables summarize net revenues and Adjusted EBITDA for the Company's reportable segments for the six months ended June 30, 2016 and 2015 (for a description of adjustments and reconciliation by segment, see Table 8):

	Six Months Ended June 30,			
	2016		2015	
	Net Revenues	Adjusted EBITDA	Net Revenues	Adjusted EBITDA
Hotel Group	\$ 629	\$ 185	\$ 626	\$ 175
Destination Network	768	190	752	189
Vacation Ownership	1,345	323	1,316	313
Total Reportable Segments	2,742	698	2,694	677
Corporate and Other	(36)	(66)	(33)	(66)
Total Company	<u>\$ 2,706</u>	<u>\$ 632</u>	<u>\$ 2,661</u>	<u>\$ 611</u>

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
Hotel Group ^(a)					
Number of Rooms	2016	679,100	683,300	N/A	N/A
	2015	667,400	668,500	671,900	678,000
	2014	646,900	650,200	655,300	660,800
	2013	631,800	635,100	638,300	645,400
RevPAR	2016	\$ 31.59	\$ 39.10	N/A	N/A
	2015	\$ 32.84	\$ 39.82	\$ 43.34	\$ 32.00
	2014	\$ 32.30	\$ 40.11	\$ 43.71	\$ 34.00
	2013	\$ 31.05	\$ 38.00	\$ 41.78	\$ 33.00
Destination Network					
Average Number of Members (in 000s)	2016	3,841	3,857	N/A	N/A
	2015	3,822	3,831	3,835	3,800
	2014	3,727	3,748	3,777	3,800
	2013	3,668	3,686	3,711	3,700
Exchange Revenue Per Member	2016	\$ 189.78	\$ 164.61	N/A	N/A
	2015	\$ 194.06	\$ 167.81	\$ 163.38	\$ 152.00
	2014	\$ 200.78	\$ 179.17	\$ 171.77	\$ 157.00
	2013	\$ 210.96	\$ 182.42	\$ 169.95	\$ 161.00
Vacation Rental Transactions (in 000s) ^{(a) (b)}	2016	500	409	N/A	N/A
	2015	459	390	462	300
	2014	429	376	455	200
	2013	423	355	433	200
Average Net Price Per Vacation Rental ^{(a) (b)}	2016	\$ 366.08	\$ 492.83	N/A	N/A
	2015	\$ 361.20	\$ 513.14	\$ 642.00	\$ 452.00
	2014	\$ 410.04	\$ 577.13	\$ 727.40	\$ 492.00
	2013	\$ 392.64	\$ 540.38	\$ 677.81	\$ 506.00
Vacation Ownership ^(a)					
Gross Vacation Ownership Interest (VOI) Sales (in 000s) ^(c)	2016	\$ 428,000	\$ 518,000	N/A	N/A
	2015	\$ 390,000	\$ 502,000	\$ 565,000	\$ 507,000
	2014	\$ 410,000	\$ 496,000	\$ 513,000	\$ 470,000
	2013	\$ 384,000	\$ 481,000	\$ 536,000	\$ 488,000
Tours (in 000s)	2016	179	213	N/A	N/A
	2015	168	206	227	200

	2014	170	208	225	1'
	2013	163	206	225	1'
Volume Per Guest (VPG)	2016	\$ 2,244	\$ 2,328	N/A	N/
	2015	\$ 2,177	\$ 2,353	\$ 2,354	\$ 2,3
	2014	\$ 2,272	\$ 2,280	\$ 2,158	\$ 2,3
	2013	\$ 2,211	\$ 2,256	\$ 2,278	\$ 2,3

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 on a comparable basis.

(b) The destination network operating statistics excluding our U.K.-based camping business sold in Q4 2014 are as follows:

	Year	Q1	Q2	Q3	Q4
Vacation Rental Transactions (in 000s)	2014	429	367	431	2'
Average Net Price Per Vacation Rental	2014	\$ 410.02	\$ 578.02	\$ 700.56	\$ 492.0

(c) Includes Gross VOI sales under the Company's Wyndham Asset Affiliate Model (WAAM) Just-in-Time. (See Table 9 for a reconciliation of sales to vacation ownership interest sales).

ADDITIONAL DATA

	Year	Q1	Q2	Q3	Q4
Hotel Group					
Number of Properties	2016	7,830	7,880	N/A	N/
	2015	7,670	7,700	7,760	7,8
	2014	7,500	7,540	7,590	7,6
	2013	7,380	7,410	7,440	7,4
Vacation Ownership					
Provision for Loan Losses (in 000s) (*)	2016	\$ 63,000	\$ 90,000	N/A	N/
	2015	\$ 46,000	\$ 60,000	\$ 78,000	\$ 64,000
	2014	\$ 60,000	\$ 70,000	\$ 70,000	\$ 60,000
	2013	\$ 84,000	\$ 90,000	\$ 102,000	\$ 73,000

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 revenue to vacation ownership interest sales on the Consolidated Statements of Income.

**Table 3
(2 of 2)**

GLOSSARY OF TERMS

Hotel Group

Number of Rooms: Represents the number of rooms at hotel group 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.

Destination Network

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 in connection with customers booking their vacation rental stays through one of our vacation brands. 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 divided by the number of vacation rental transactions.

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. We believe gross VOI sales provide an enhanced understanding of the performance of our vacation ownership business because it directly measures the sales volume of this business during a given reporting period. 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 2013-2016.

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
CONDENSED CONSOLIDATED STATEMENTS OF CASH FLOWS AND RECONCILIATION OF FREE CASH FLOWS
(In millions)
(Unaudited)

Condensed Consolidated Statements of Cash Flows:

	Six Months Ended June 30,	
	2016	2015
Net cash provided by operating activities	\$ 706	\$ 737
Net cash used in investing activities	(140)	(233)
Net cash used in financing activities	(251)	(269)
Effect of changes in exchange rates on cash and cash equivalents	(8)	(8)
Net increase in cash and cash equivalents	<u>\$ 307</u>	<u>\$ 227</u>

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 measures 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:

	Six Months Ended June 30,	
	2016	2015
Net cash provided by operating activities	\$ 706	\$ 737
Less: Property and equipment additions	(90)	(112)
Free cash flow	<u>\$ 616</u>	<u>\$ 625</u>

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

	2016					Q1
	Q1	Q2	Q3	Q4	Year	
Hotel Group						
Royalties and Franchise Fees Marketing, Reservation and Wyndham Rewards Revenues ^(a)	\$ 74	\$ 94	N/A	N/A	N/A	\$ 74
Hotel Management Reimbursable Revenues ^(b)	83	103	N/A	N/A	N/A	96
Intersegment Trademark Fees	67	71	N/A	N/A	N/A	61
Owned Hotel Revenues	13	15	N/A	N/A	N/A	12
Ancillary Revenues ^(c)	27	19	N/A	N/A	N/A	25
Total Hotel Group	31	32	N/A	N/A	N/A	24
Destination Network						
Exchange Revenues	182	159	N/A	N/A	N/A	185
Rental Revenues	183	202	N/A	N/A	N/A	166
Ancillary Revenues ^(d)	20	23	N/A	N/A	N/A	18
Total Destination Network	385	384	N/A	N/A	N/A	369
Vacation Ownership						
Vacation Ownership Interest Sales	342	409	N/A	N/A	N/A	336
Consumer Financing	107	108	N/A	N/A	N/A	104
Property Management Fees and Reimbursable Revenues	164	161	N/A	N/A	N/A	153
WAAM Fee-for-Service Commissions	17	16	N/A	N/A	N/A	12
Ancillary Revenues ^(e)	11	11	N/A	N/A	N/A	12
Total Vacation Ownership	641	705	N/A	N/A	N/A	617
Total Reportable Segments	\$ 1,321	\$ 1,423	N/A	N/A	N/A	\$ 1,278

	2014					Q1
	Q1	Q2	Q3	Q4	Year	
Hotel Group						
Royalties and Franchise Fees Marketing, Reservation and Wyndham Rewards Revenues ^(a)	\$ 68	\$ 88	\$ 100	\$ 83	\$ 339	\$ 64
Hotel Management Reimbursable Revenues ^(b)	76	101	117	91	385	73
Intersegment Trademark Fees	37	39	39	39	154	25
Owned Hotel Revenues	9	11	11	10	41	8
Ancillary Revenues ^(c)	24	20	18	20	81	26
Total Hotel Group	23	24	30	24	101	26
Destination Network						
Exchange Revenues	187	168	162	150	667	193
Rental Revenues	176	217	331	144	868	166
Ancillary Revenues ^(d)	16	17	19	17	69	15
Total Destination Network	379	402	512	311	1,604	374
Vacation Ownership						

Vacation Ownership Interest Sales	303	382	415	385	1,485	263
Consumer Financing	105	106	108	108	427	105
Property Management Fees	143	145	150	142	581	146
WAAM Fee-for-Service Commissions	33	30	18	16	98	24
Ancillary Revenues ^(e)	9	10	13	17	47	11
Total Vacation Ownership	593	673	704	668	2,638	549
Total Reportable Segments	\$ 1,209	\$ 1,358	\$ 1,531	\$ 1,246	\$ 5,343	\$ 1,145

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

Marketing and reservation revenues represent fees the Company receives from franchised and managed hotels that are to be exp a centralized, brand-specific reservation system. These fees are typically based on a percentage of the gross room revenues of e

(a) represent fees the Company receives relating to its loyalty program.

Primarily represents payroll costs in the hotel management business that the Company pays on behalf of property owners and for During 2014, reimbursable revenues of \$2 million in each of Q1, Q2 and Q3 and \$1 million in Q4 which were charged to the Comp eliminated in consolidation. During 2013, such amounts include reimbursable revenues of \$1 million, \$3 million and \$2 million, in C

(b) to the Company's vacation ownership business and were eliminated in consolidation.

(c) Primarily includes additional services provided to franchisees and managed properties and fees related to our co-branded credit c

(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 ;

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Wyndham Worldwide Corporation
BRAND SYSTEM DETAILS

As of and For the Three Months Ended June 30, 2016

Brand	Number of Properties	Number of Rooms	Average Occupancy Rate	Average Daily Rate (ADR)	Average Revenue Per Available Room (RevP)
Hotel Group					
Super 8	2,707	172,924	60.4%	\$49.33	\$2
Days Inn	1,791	142,987	53.6%	\$68.92	\$3
Ramada	842	117,964	56.5%	\$72.86	\$4
Wyndham Hotels and Resorts	226	49,776	62.3%	\$106.74	\$6
Howard Johnson	377	43,538	49.5%	\$60.57	\$2
Baymont	424	33,711	55.0%	\$71.93	\$3
Travelodge	404	29,705	53.1%	\$71.45	\$3
Microtel Inns & Suites by Wyndham	334	24,102	59.9%	\$69.69	\$4
Knights Inn	381	23,228	48.3%	\$50.28	\$2

TRYP by Wyndham	113	16,120	70.2%	\$79.96	\$5
Wingate by Wyndham	148	13,493	68.1%	\$93.21	\$6
Hawthorn Suites by Wyndham	107	10,618	70.0%	\$82.98	\$5
Dolce	22	5,110	55.9%	\$171.50	\$9
Total Hotel Group	7,876	683,276	57.2%	\$68.30	\$3
Vacation Ownership					
Wyndham Vacation Ownership resorts	216	24,475	N/A	N/A	
Total Wyndham Worldwide	8,092	707,751			

As of and For the Three Months Ended June 30, 2015

Brand	Number of Properties	Number of Rooms	Average Occupancy Rate	Average Daily Rate (ADR)	Average Rev Per Available Room (RevP)
Hotel Group					
Super 8	2,549	163,510	61.1%	\$51.27	\$3
Days Inn	1,782	143,046	54.2%	\$68.18	\$3
Ramada	836	116,799	56.0%	\$75.49	\$4
Wyndham Hotels and Resorts	207	44,489	63.8%	\$113.95	\$7
Howard Johnson	413	44,945	50.3%	\$63.70	\$3
Baymont	383	30,471	56.1%	\$69.39	\$3
Travelodge	415	30,701	53.3%	\$69.14	\$3
Microtel Inns & Suites by Wyndham	327	23,446	61.4%	\$70.02	\$4
Knights Inn	388	23,994	47.5%	\$48.21	\$2
TRYP by Wyndham	123	17,895	64.8%	\$81.02	\$5
Wingate by Wyndham	150	13,645	67.2%	\$91.15	\$6
Hawthorn Suites by Wyndham	101	10,053	70.5%	\$81.33	\$5
Dolce	24	5,530	58.4%	\$150.86	\$8
Total Hotel Group	7,698	668,524	57.4%	\$69.32	\$3
Vacation Ownership					
Wyndham Vacation Ownership resorts	211	24,068	N/A	N/A	
Total Wyndham Worldwide	7,909	692,592			

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.

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**Wyndham Worldwide Corporation
BRAND SYSTEM DETAILS**

As of and For the Six Months Ended June 30, 2016

Brand	Number of Properties	Number of Rooms	Average Occupancy Rate	Average Daily Rate (ADR)	Average Revenue Per Available Room (RevPAR)
Hotel Group					
Super 8	2,707	172,924	56.0%	\$47.68	\$26.68
Days Inn	1,791	142,987	49.0%	\$66.61	\$32.52
Ramada	842	117,964	52.7%	\$73.28	\$38.85
Wyndham Hotels and Resorts	226	49,776	58.5%	\$105.36	\$61.51
Howard Johnson	377	43,538	46.8%	\$60.19	\$28.58
Baymont	424	33,711	50.0%	\$69.32	\$34.00
Travelodge	404	29,705	49.2%	\$67.64	\$33.82
Microtel Inns & Suites by Wyndham	334	24,102	55.5%	\$66.91	\$37.00
Knights Inn	381	23,228	44.9%	\$49.58	\$22.00
TRYP by Wyndham	113	16,120	62.3%	\$76.80	\$47.00
Wingate by Wyndham	148	13,493	62.2%	\$90.16	\$56.00
Hawthorn Suites by Wyndham	107	10,618	66.2%	\$82.88	\$54.00
Dolce	22	5,110	50.6%	\$162.73	\$82.00
Total Hotel Group	7,876	683,276	53.0%	\$66.76	\$35.00
Vacation Ownership					
Wyndham Vacation Ownership resorts	216	24,475	N/A	N/A	
Total Wyndham Worldwide	8,092	707,751			

As of and For the Six Months Ended June 30, 2015

Average Revenue

Brand	Number of Properties	Number of Rooms	Average Occupancy Rate	Average Daily Rate (ADR)	Per Available Room (RevP
Hotel Group					
Super 8	2,549	163,510	56.1%	\$50.01	\$28
Days Inn	1,782	143,046	49.7%	\$66.32	\$32
Ramada	836	116,799	53.7%	\$75.12	\$40
Howard Johnson	413	44,945	47.2%	\$63.13	\$29
Wyndham Hotels and Resorts	207	44,489	59.9%	\$113.13	\$67
Travelodge	415	30,701	49.4%	\$65.86	\$32
Baymont	383	30,471	51.6%	\$67.52	\$34
Knights Inn	388	23,994	45.8%	\$46.73	\$21
Microtel Inns & Suites by Wyndham	327	23,446	57.5%	\$68.55	\$35
TRYP by Wyndham	123	17,895	58.2%	\$78.87	\$45
Wingate by Wyndham	150	13,645	62.9%	\$88.74	\$55
Hawthorn Suites by Wyndham	101	10,053	67.7%	\$80.89	\$54
Dolce	24	5,530	56.7%	\$143.28	\$81
Total Hotel Group	7,698	668,524	53.5%	\$68.00	\$36
Vacation Ownership					
Wyndham Vacation Ownership resorts	211	24,068	N/A	N/A	
Total Wyndham Worldwide	7,909	692,592			

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 OF ADJUSTED NET INCOME AND EPS
(In millions, except per share data)

**Location on Condensed
Consolidated Statements of
Income**

Diluted weighted average shares outstanding		_____
Diluted EPS		\$
Net income		\$
Adjustments:		
Acquisition costs ^(a)	Operating	
Legacy costs ^(b)	General and administrative	_____
Total adjustments before tax		
Income tax benefit/(expense) on adjustments ^(c)	Provision for income taxes	_____
Total adjustments after tax		
Adjustments - EPS impact		\$
Adjusted Net income		<u>\$</u>
Adjusted diluted EPS		<u>\$</u>

Diluted weighted average shares outstanding		_____
Diluted EPS		\$
Net income		\$
Adjustments:		
Venezuela currency devaluation ^(d)	Operating	
Acquisition costs ^(a)	Operating	
Legacy costs ^(b)	General and administrative	
Restructuring costs ^(e)	Operating	
Early extinguishment of debt ^(f)	Interest expense	_____
Total adjustments before tax		
Income tax (expense)/benefit on adjustments ^(g)	Provision for income taxes	_____
Total adjustments after tax		
Total adjustments - EPS impact		\$
Adjusted Net income		<u>\$</u>
Adjusted diluted EPS		<u>\$</u>

Note: Amounts may not add due to rounding.

- (a) The amount for 2016 represents costs related to an acquisition that closed on July 1, 2016 at the Company's destination network but relates primarily to costs incurred in connection with the acquisition of Dolce Hotels and Resorts at the Company's hotel group business
- (b) Relates to the net benefit/(expense) from the resolution of and adjustment to certain contingent liabilities and assets resulting from the acquisition
- (c) Relates to the tax effect of the adjustments.
- (d) Represents the impact from the devaluation of the exchange rate of Venezuela at the Company's destination network business during 2015
- (e) Relates to the reversal of a portion of the restructuring reserve established during the fourth quarter of 2014 at the Company's destination network business
- (f) Represents costs incurred in connection with the Company's early repurchase of its 6.0% senior unsecured notes during 2016.
- (g) Relates to (i) the tax effect of the adjustments during both 2015 and 2016 and (ii) a valuation allowance established in connection with the acquisition of Dolce Hotels and Resorts during 2015.

The above tables reconcile certain non-GAAP financial measures. The presentation of these adjustments is intended to permit the comparison of the measures as they appear in the income statement in order to assist investors' understanding of the overall impact of such adjustments. In addition to the GAAP measures, the Company provides adjusted net income and adjusted EPS financial measures to assist our investors in evaluating our ongoing operating performance over different reporting periods, by adjusting for certain items which may be recurring or non-recurring and reflect ongoing performance. We also internally use these measures to assess our operating performance, both absolutely and in comparison to our peers, in evaluating or making selected compensation decisions. These supplemental disclosures are in addition to GAAP reported measures. They should not be considered a substitute for, nor superior to, financial results and measures determined or calculated in accordance with GAAP.

Table 8
(1 of 3)

Wyndham Worldwide Corporation
NON-GAAP RECONCILIATION OF ADJUSTED EBITDA BY REPORTABLE SEGMENT
(In millions)

		Venezuela Currency Devaluation ^(b)	Acquisition Costs ^(c)	Adjusted EBITDA
Three months ended March 31, 2016	EBITDA			
Hotel Group	\$ 84	\$ -	\$ -	\$ 84
Destination Network	81	24	-	105
Vacation Ownership	136	-	-	136
Total Reportable Segments	301	24	-	325
Corporate and Other ^(a)	(34)	-	-	(34)
Total Company	\$ 267	\$ 24	\$ -	\$ 291
Three months ended June 30, 2016				
Hotel Group	\$ 101	\$ -	\$ -	\$ 101
Destination Network	85	-	1	85
Vacation Ownership	187	-	-	187
Total Reportable Segments	373	-	1	373
Corporate and Other ^(a)	(33)	-	-	(33)
Total Company	\$ 340	\$ -	\$ 1	\$ 340

Note: Amounts may not add across due to rounding.

- (a) Includes the elimination of transactions between segments.
- (b) Represents the impact from the devaluation of the exchange rate of Venezuela.
- (c) Represents costs related to an acquisition that closed on July 1, 2016.

Wyndham Worldwide Corporation
NON-GAAP RECONCILIATION OF ADJUSTED EBITDA BY REPORTABLE SEGMENT
(In millions)

Three months ended March 31, 2015	EBITDA	Legacy Adjustments^(b)	Acquisition Costs^(c)	Restructuring Costs^(d)	LIABILITIES
Hotel Group	\$ 76	\$ -	\$ 3	\$ -	
Destination Network	105	-	-	(1)	
Vacation Ownership	130	-	-	-	
Total Reportable Segments	311	-	3	(1)	
Corporate and Other ^(a)	(34)	-	-	-	
Total Company	<u>\$ 277</u>	<u>\$ -</u>	<u>\$ 3</u>	<u>\$ (1)</u>	

Three months ended June 30, 2015

Hotel Group	\$ 96	\$ -	\$ 1	\$ -	
Destination Network	84	-	-	-	
Vacation Ownership	182	-	-	-	
Total Reportable Segments	362	-	1	-	
Corporate and Other ^(a)	(30)	(1)	-	-	
Total Company	<u>\$ 332</u>	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ -</u>	

Three months ended September 30, 2015

Hotel Group	\$ 83	\$ -	\$ -	\$ 4	
Destination Network	134	-	-	3	
Vacation Ownership	200	-	-	1	
Total Reportable Segments	417	-	-	8	
Corporate and Other ^(a)	(35)	1	-	-	
Total Company	<u>\$ 382</u>	<u>\$ 1</u>	<u>\$ -</u>	<u>\$ 8</u>	

Three months ended December 31, 2015

Hotel Group	\$ 94	\$ -	\$ -	\$ (1)	
Destination Network	44	-	-	(1)	
Vacation Ownership	174	-	-	-	
Total Reportable Segments	312	-	-	(2)	
Corporate and Other ^(a)	(37)	-	-	-	
Total Company	<u>\$ 275</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (2)</u>	

Twelve months ended December 31, 2015

Hotel Group	\$ 349	\$ -	\$ 3	\$ 3	
Destination Network	367	-	1	2	

Vacation Ownership	687	-	-	1
Total Reportable Segments	1,403	-	4	6
Corporate and Other ^(a)	(137)	-	-	-
Total Company	\$ 1,266	\$ -	\$ 4	\$ 6

Note: The sum of the quarters may not agree to the twelve months ended December 31, 2015 due to rounding.

- (a) Includes the elimination of transactions between segments.
(b) Relates to the net (benefit)/expense from the resolution of and adjustment to certain contingent liabilities and assets resulting from the
(c) Relates primarily to costs incurred in connection with the acquisition of Dolce Hotels and Resorts (January 2015).
(d) Relates to costs incurred as a result of various organizational realignment initiatives and the reversal of a portion of restructuring reserves.
(e) Relates to a non-cash impairment charge related to the write-down of terminated in-process technology projects resulting from the loss of a
third-party provider.
(f) Relates to costs associated with the anticipated termination of a management contract.

Table 8
(3 of 3)

Wyndham Worldwide Corporation
NON-GAAP RECONCILIATION OF ADJUSTED EBITDA BY REPORTABLE SEGMENT
SHARED-BASED COMPENSATION EXPENSE
(In millions)

The following tables provide detail regarding share-based compensation expense which is included within adjusted EBITDA:

	2016				
	Q1	Q2	Q3	Q4	Full Year
Adjusted EBITDA	\$ 291	\$ 340	N/A	N/A	N/A
Share-based compensation expense ^(*)	13	20	N/A	N/A	N/A
Adjusted EBITDA excluding share-based compensation expense	<u>\$ 304</u>	<u>\$ 360</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>

	2015				
	Q1	Q2	Q3	Q4	Full Year
Adjusted EBITDA	\$ 279	\$ 332	\$ 412	\$ 273	\$ 1,297
Share-based compensation expense ^(*)	15	13	13	15	55
Adjusted EBITDA excluding share-based compensation expense	<u>\$ 294</u>	<u>\$ 345</u>	<u>\$ 425</u>	<u>\$ 288</u>	<u>\$ 1,352</u>

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

Excludes share-based compensation expenses for which there was no impact on EBITDA. Such costs amounted to \$1 million during both Q1 and Q2 2016 and \$3 million for the full year 2015. The Company believes providing Adjusted EBITDA with the additional exclusion of share-based compensation expense assists our investors and management by providing an additional financial measure to evaluate ongoing operations by excluding the variations among companies in timing, amount and

- ^(*) reporting of share-based compensation expense, which may differ significantly among companies.

Table 9

Wyndham Worldwide Corporation
NON-GAAP RECONCILIATION OF GROSS VOI SALES
(In millions)

GROSS VOI SALES

We believe gross vacation ownership sales provide an enhanced understanding of the performance of our vacation ownership business because it directly measures the sales volume of this business during a given reporting period.

The following table provides a reconciliation of Gross VOI sales (see Table 3) to vacation ownership interest sales (see Table 5):

<u>Year</u>	<u>Q1</u>	<u>Q2</u>	<u>Q3</u>	<u>Q4</u>	<u>Full Year</u>
2016					
Gross VOI sales	\$ 428	\$ 518	N/A	N/A	N/A
Less: Sales under WAAM Fee-for-Service	(23)	(20)	N/A	N/A	N/A
Gross VOI sales, net of WAAM Fee-for-Service sales	405	498	N/A	N/A	N/A
Less: Loan loss provision	(63)	(90)	N/A	N/A	N/A
Vacation ownership interest sales	<u>\$ 342</u>	<u>\$ 409</u>	<u>N/A</u>	<u>N/A</u>	<u>N/A</u>
2015					
Gross VOI sales	\$ 390	\$ 502	\$ 565	\$ 507	\$ 1,965
Less: Sales under WAAM Fee-for-Service	(21)	(26)	(37)	(42)	(126)
Gross VOI sales, net of WAAM Fee-for-Service sales	369	477	528	464	1,838
Less: Loan loss provision	(46)	(60)	(78)	(64)	(248)
Plus: Impact of percentage-of-completion accounting	13	-	(2)	2	13
Vacation ownership interest sales	<u>\$ 336</u>	<u>\$ 417</u>	<u>\$ 448</u>	<u>\$ 403</u>	<u>\$ 1,604</u>
2014					
Gross VOI sales	\$ 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	<u>\$ 303</u>	<u>\$ 382</u>	<u>\$ 415</u>	<u>\$ 385</u>	<u>\$ 1,485</u>
2013					
Gross VOI sales	\$ 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	<u>\$ 263</u>	<u>\$ 347</u>	<u>\$ 384</u>	<u>\$ 384</u>	<u>\$ 1,379</u>

Note: Amounts may not add due to rounding.

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):

	Q1	Q2	Q3	Q4	Full Year
2016	\$ 25	\$ 22	N/A	N/A	N/A
2015	\$ 24	\$ 17	\$ 32	\$ 27	\$ 100
2014	\$ 25	\$ 21	\$ 27	\$ 24	\$ 97
2013	\$ 24	\$ 18	\$ 22	\$ 25	\$ 89

Wyndham Worldwide Corporation
NON-GAAP RECONCILIATION OF 2016 OUTLOOK
(In millions, except per share data)

	Outlook (GAAP)		Adjustments		Outlook As Adjusted (Non-GAAP)	
	Low	High	Low	High	Low	High
Net revenues	\$ 5,650	\$ 5,800	\$ -	\$ -	\$ 5,650	\$ -
EBITDA	\$ 1,351	\$ 1,376	\$ 24 ^(b)	\$ 24 ^(b)	\$ 1,375	\$ -
Depreciation and amortization	(250)	(245)	-	-	(250)	-
Interest expense, net	(140)	(138)	11 ^(c)	11 ^(c)	(129)	-
Income before taxes ^(a)	963	988	35	35	998	-
Income taxes	(359)	(368)	(4) ^(d)	(4) ^(d)	(363)	-
Net income	\$ 604	\$ 620	\$ 31	\$ 31	\$ 635	\$ -
Diluted earnings per share	\$ 5.40	\$ 5.54			\$ 5.68	\$ -
Diluted shares	112	112			112	

(a) Projections do not total because the Company does not expect the actual results of all items to be at the highest or lowest end of a range simultaneously.

(b) Adjustment represents Venezuela currency devaluation in the first quarter of 2016 the Company's destination network business.

(c) Adjustment represents early extinguishment of debt in the first quarter of 2016.

(d) Adjustment represents tax effect of Venezuela currency devaluation and early extinguishment of debt.

Table 11

Wyndham Worldwide Corporation
NON-GAAP RECONCILIATION - CONSTANT CURRENCY AND CURRENCY NEUTRAL
(In millions, except per share data)

The Company reports certain current year period financial measures on a constant currency and currency-neutral basis and excluding the impact of acquisitions. The Company believes providing certain financial measures on a constant currency and currency-neutral basis as well as excluding the impact of acquisitions assists management and investors in better understanding underlying results and trends by excluding the impact of period over period changes in foreign exchange rates and changes resulting from acquisitions.

Constant currency results assume foreign results are translated from foreign currencies to the U.S. dollar at exchange rates consistent with those in the comparable period.

Currency Neutral results (i) assume foreign results are translated from foreign currencies to the U.S. dollar at exchange rates consistent with those in the comparable period and (ii) eliminating foreign exchange related activities such as foreign exchange hedges, balance sheet remeasurements, currency devaluations and/or other adjustments.

Acquisition results are defined as the incremental period over period changes in the Company's results directly attributable to acquisitions.

Revenues in Constant Currency and Excluding Acquisitions:	Three months ended June	
	2016	2015
Total revenues as reported	\$ 1,403	\$ 1,398
Adjustments:		
Foreign currency - constant currency	10	-
Incremental revenues from acquisitions	(3)	-
Total revenues in constant currency and excluding acquisitions	\$ 1,410	\$ 1,398
 Destination Network revenue as reported	 \$ 384	 \$ 383
Adjustments:		
Foreign currency - constant currency	7	-
Incremental revenues from acquisitions	(3)	-
Total Destination Network revenues in constant currency and excluding acquisitions	\$ 388	\$ 383
 Exchange revenue as reported	 \$ 159	 \$ 161
Adjustments:		
Foreign currency - constant currency	4	-
Total Exchange revenues in constant currency and excluding acquisitions	\$ 163	\$ 161
 Rental revenue as reported	 \$ 202	 \$ 200
Adjustments:		
Foreign currency - constant currency	2	-
Incremental revenues from acquisitions	(3)	-
Total Rental revenues in constant currency and excluding acquisitions	\$ 201	\$ 200

Currency-neutral Adjusted EBITDA:	Three months ended June	
	2016	2015
Adjusted EBITDA ^(a)	\$ 340	\$ 332
Adjustments:		
Foreign currency - currency - neutral	2	-
Currency-neutral Adjusted EBITDA excluding acquisitions	<u>\$ 342</u>	<u>\$ 332</u>
Destination Network Adjusted EBITDA ^(a)	\$ 85	\$ 84
Adjustments:		
Foreign currency - currency - neutral	1	-
Destination Network Currency-neutral Adjusted EBITDA excluding acquisitions	<u>\$ 86</u>	<u>\$ 84</u>

^(a) See Table 8 for a reconciliation of EBITDA to Adjusted EBITDA and Table 2 for a reconciliation of EBITDA to Net Income.

* Not Meaningful.

Wyndham Worldwide Corporation
SCHEDULE OF DEBT
(In millions)

	June 30, 2016	December 31, 2015	J
Securitized vacation ownership debt ^(a)			
Term notes	\$ 1,717	\$ 1,867	\$
Bank conduit facility ^(b)	315	239	
Total securitized vacation ownership debt ^(c)	2,032	2,106	
Less: Current portion of securitized vacation ownership debt	198	209	
Long-term securitized vacation ownership debt	<u>\$ 1,834</u>	<u>\$ 1,897</u>	<u>\$</u>
Debt:			
Revolving credit facility (due July 2020) ^(d)	\$ 16	\$ 7	\$
Commercial paper ^(e)	408	109	
Term loan (due March 2021)	323	-	
\$315 million 6.00% senior unsecured notes (due December 2016)	-	316	
\$300 million 2.95% senior unsecured notes (due March 2017) ^(f)	300	299	
\$14 million 5.75% senior unsecured notes (due February 2018)	14	14	
\$450 million 2.50% senior unsecured notes (due March 2018)	449	448	
\$40 million 7.375% senior unsecured notes (due March 2020)	40	40	
\$250 million 5.625% senior unsecured notes (due March 2021)	247	247	
\$650 million 4.25% senior unsecured notes (due March 2022)	648	648	
\$400 million 3.90% senior unsecured notes (due March 2023)	407	408	
\$350 million 5.10% senior unsecured notes (due October 2025)	338	337	

Capital leases	152	153	
Other	32	49	
Total long-term debt	3,374	3,075	
Less: Current portion of long-term debt	46	44	
Long-term debt	\$ 3,328	\$ 3,031	\$

- (a) The Company's vacation ownership contract receivables are securitized through bankruptcy-remote special purpose entities ("SPEs" are consolidated within our financial statements. These bankruptcy-remote SPEs are legally separate from the Company. The receivables by the bankruptcy-remote SPEs are not available to the Company's creditors and legally are not the Company's assets. Additionally, recourse debt that is securitized through the SPEs is legally not a liability of the Company and thus, 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 2017 and borrowing capacity of \$600 million. As of June 30, 2016, this facility had a remaining borrowing capacity of \$335 million.
- (c) This debt is collateralized by \$2,526 million, \$2,576 million and \$2,558 million, of underlying vacation ownership contract receivable-related assets as of June 30, 2016, December 31, 2015, and June 30, 2015, respectively.
- (d) Represents a \$1.5 billion revolving credit facility that expires in July 2020. As of June 30, 2016, the Company had \$1 million of outstanding letters of credit. After considering outstanding commercial paper borrowings of \$408 million, the remaining borrowing capacity was \$1.1 billion as of June 30, 2016.
- (e) Represents commercial paper programs of \$1.25 billion with a remaining borrowing capacity of \$842 million as of June 30, 2016.
- (f) Classified as long-term as the Company has the intent to refinance such debt on a long-term basis and the ability to do so with its revolving credit facility.

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