



Group RCI

Goldman Sachs Investor Meeting

September 2009



Agenda

- **Overview – Why Group RCI?**

 - **The Business**
 - **Business Model and Results**

 - **Timeshare Exchange**

 - **Vacation Rental**

 - **Summary – Why Group RCI?**
-



Group RCI is an integral part of Wyndham

- **Consistent Line of Business with Wyndham's Strategic Direction** (Leisure Focused Hospitality)
- **Shares Similar Customer Base**
- **Synergies Between Businesses** (Similar Distribution Platforms, System Technologies, Wyndham Rewards[®], etc.)
- **Industry Leader in Two Leisure Businesses**

Timeshare Exchange

RCI[®]
35 YEARS

The
Registry Collection[®]


Vacation Rentals


Landal
GreenParks


N:
NOVASOL


English
Country
Cottages


ENDLESS
VACATION
RENTALS
BY WYNDHAM WORLDWIDE


C
CUENDET


cottages4you



Agenda

■ Overview – Why Group RCI?

■ The Business

■ Business Model and Results

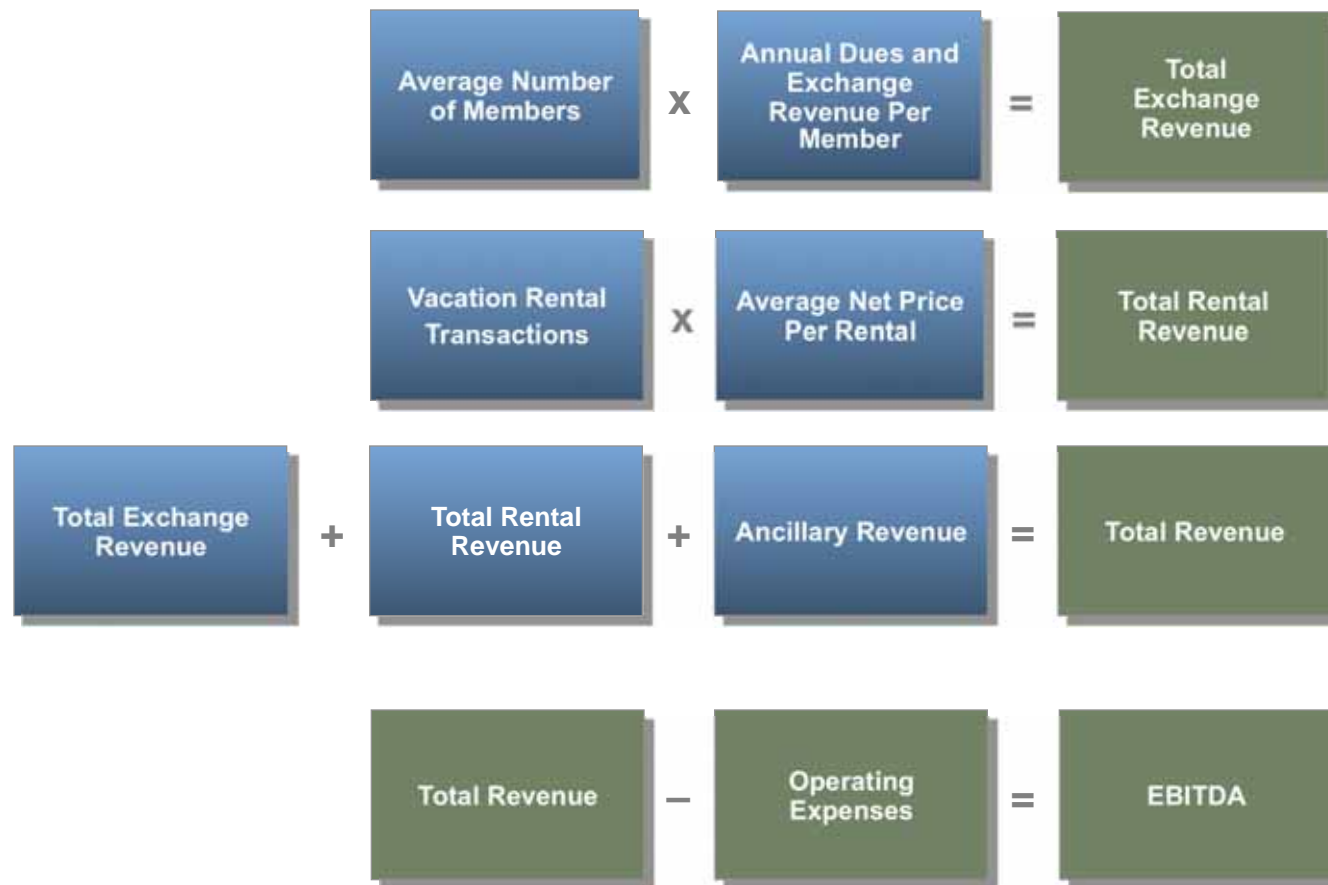
■ Timeshare Exchange

■ Vacation Rental

■ Summary – Why Group RCI?



Group RCI's business model delivers strong margins via annuity-like revenue streams





Group RCI First Half 2009 Results

		% Change vs Prior Year	
	<u>\$ millions</u>	<u>Change</u>	<u>Excluding Currency</u>
Revenue	\$566	(13%)	(3%)
Adjusted EBITDA*	\$138	(6%)	10%
Margins*	24%	200bp	300bp

*Excludes \$6M in restructuring costs for the first half of 2009.

Vacation Exchange • Vacation Rentals





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RCI's History

History of the world's largest exchange company





RCI Timeshare exchange profile

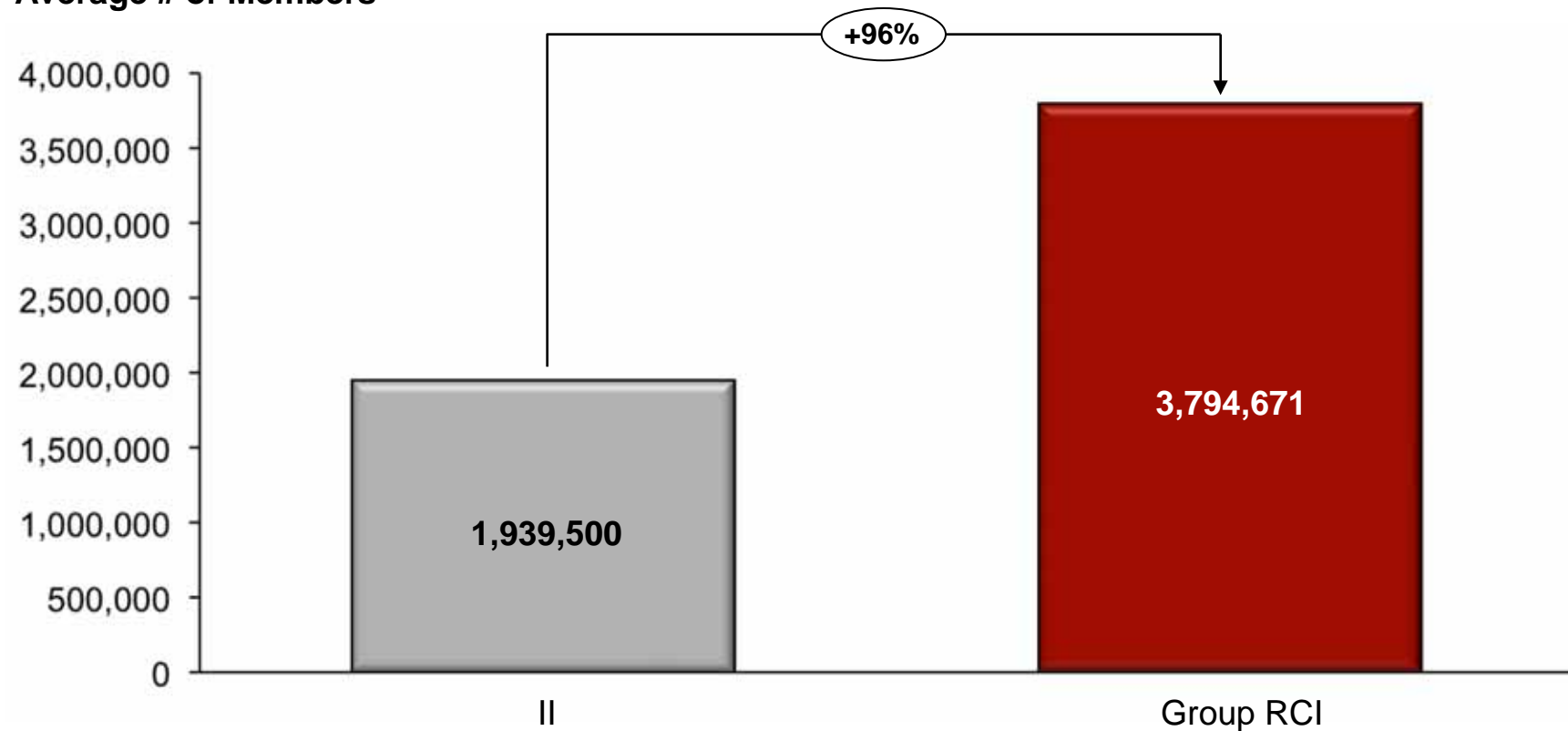
- **Industry Leader**
- **Timeshare Owners Stable**
- **Geographic Diversity**
- **Stable, Fee-for-Service Business Model**



RCI is larger than Interval International (II)

Global Timeshare Exchange Market

Average # of Members



Source: Interval International, Inc. Report of Key Operating Exchange Statistics as of and for the year ended 12/31/08 and 06/30/09.

Note: Average members as of 6/30/09.

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The underlying timeshare ownership business is liked by consumers

- **High Occupancy Rates**
- **Significant Repeat Sales**
- **Stable Sales for “Traditional” Timeshare**

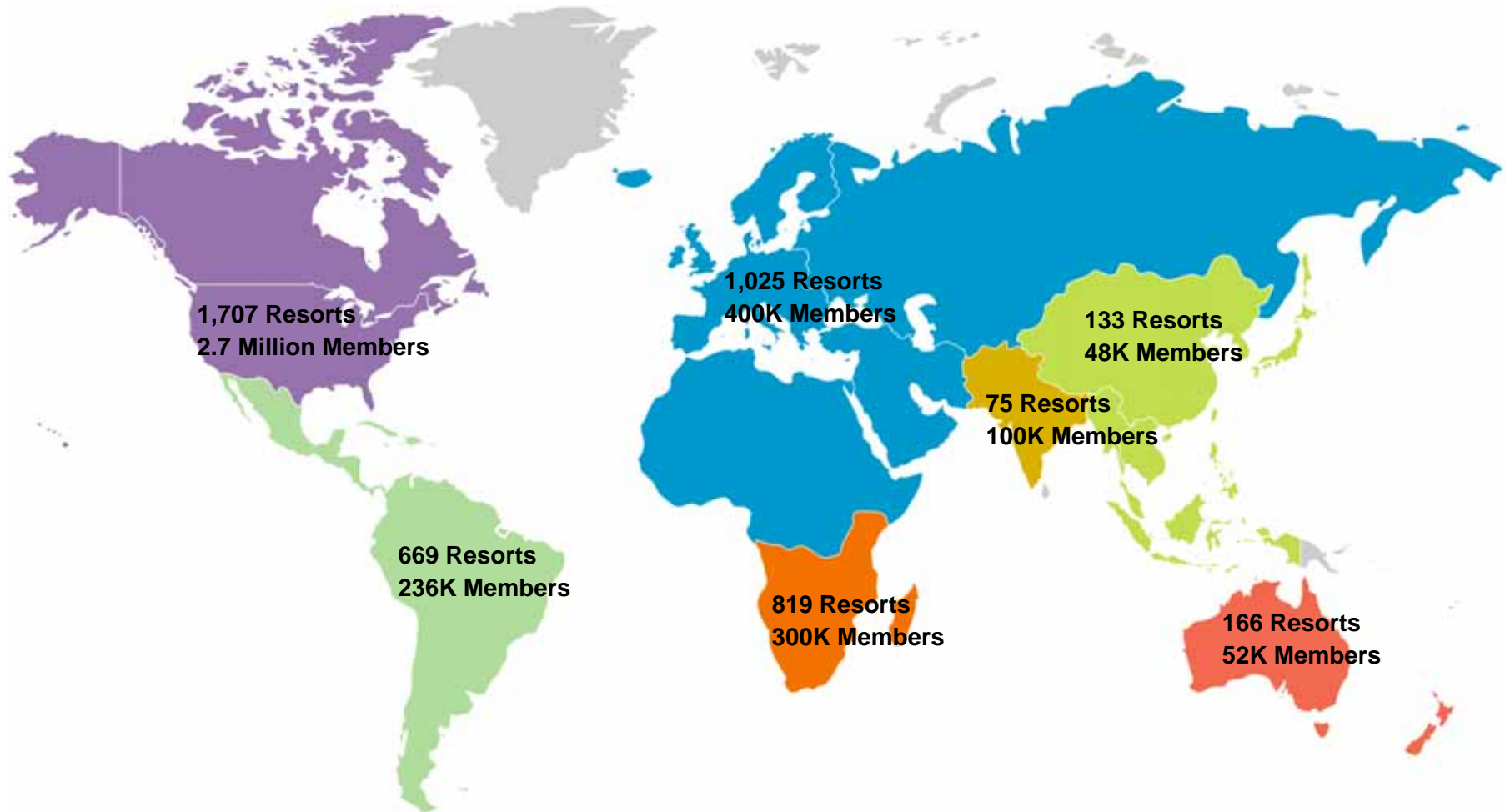
Source: 2009 State of the Timeshare Industry US Version by ARDA

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The RCI exchange business has a broad, global scale



Members as of 6/30/09 and resorts as of 12/31/08

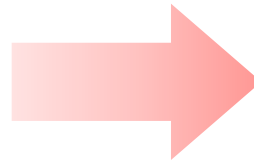
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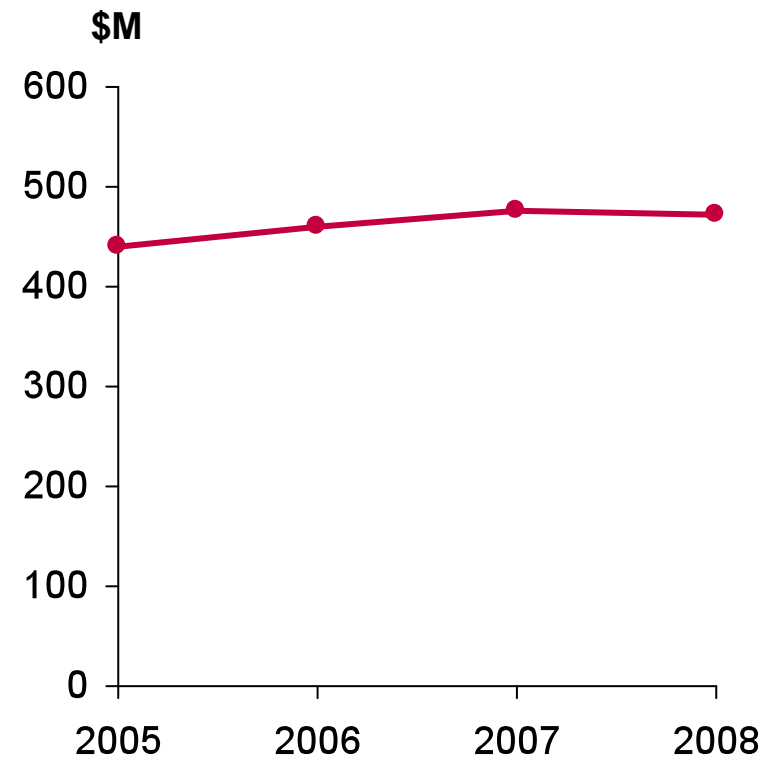


The timeshare exchange's fee-for service business model generates stable revenue

- **Affiliate Contracts**
- **Annual Subscription Fees**
- **Transaction Fees**
- **Ancillary Fees**



Annual Dues and Exchange Revenue*



*Reported revenues for 2004 through 2007 have been adjusted to reflect 2008 currency rates.



We have the opportunity to drive profitable growth and cost savings

- **New Affiliations**
- **New Products**
- **Drive to Web**
- **RCI TV**
- **Club Enablement**



In the past year, Group RCI has added several new affiliates



**Newest Large
Chain Affiliation**



**Country Heights' Malaysia resorts
including award-winning luxurious
Palace of the Golden Horses**

Fairmont Properties



**Largest Canadian-owned developer
and marketer of interval vacation
ownership condominiums***

*Source: Company Website



Group RCI has proprietary products that customers value

RCI Points



HGVC on International Drive

The Registry Collection
— The —
Registry Collection®
Key logo



Whiteface Lodge



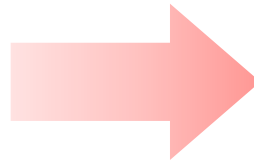
Source: Internal company documents

Vacation Exchange • Vacation Rentals

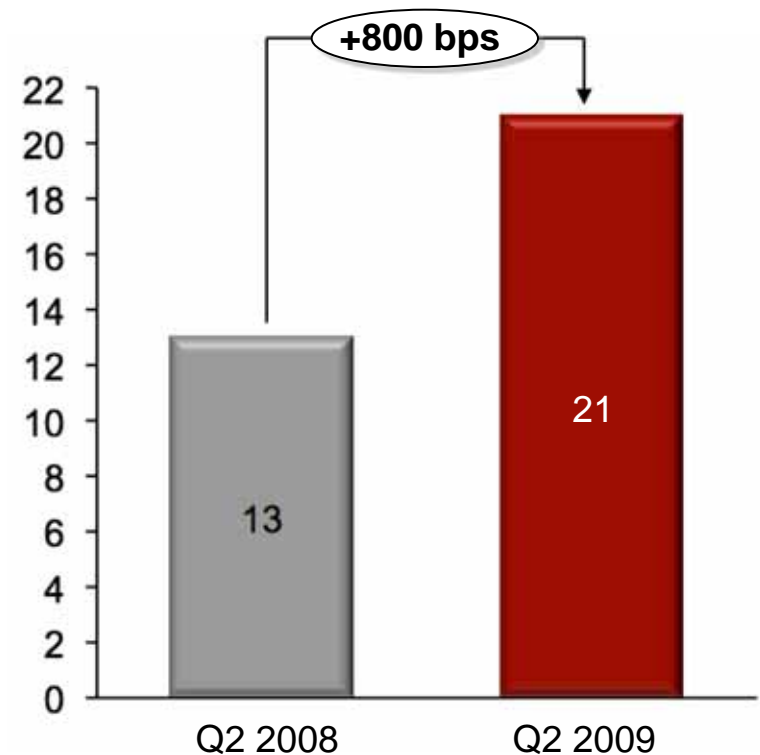


We have implemented a series of programs to drive transactions to the web

- Enhanced Search
- Improved Resort Photography and Videos
- Email Capture and Registration Simplification
- Better Websites for Club Affiliates



Web Penetration (%)



Source: Internal company documents

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RCI TV

RCI TV

Hear From RCI Members

Upload Your Message

Resort Showcase View some of our best resorts!

Click buttons below to view channels

35th Anniversary Meet RCI New Releases Previews **Resort Showcase** Destination Reviews All-Inclusive Resorts

BEACH SHOWCASE
XpuHa, MX
Seapoint, CA
MarBrisa, CA

GOLF SHOWCASE
Lakeview, WV



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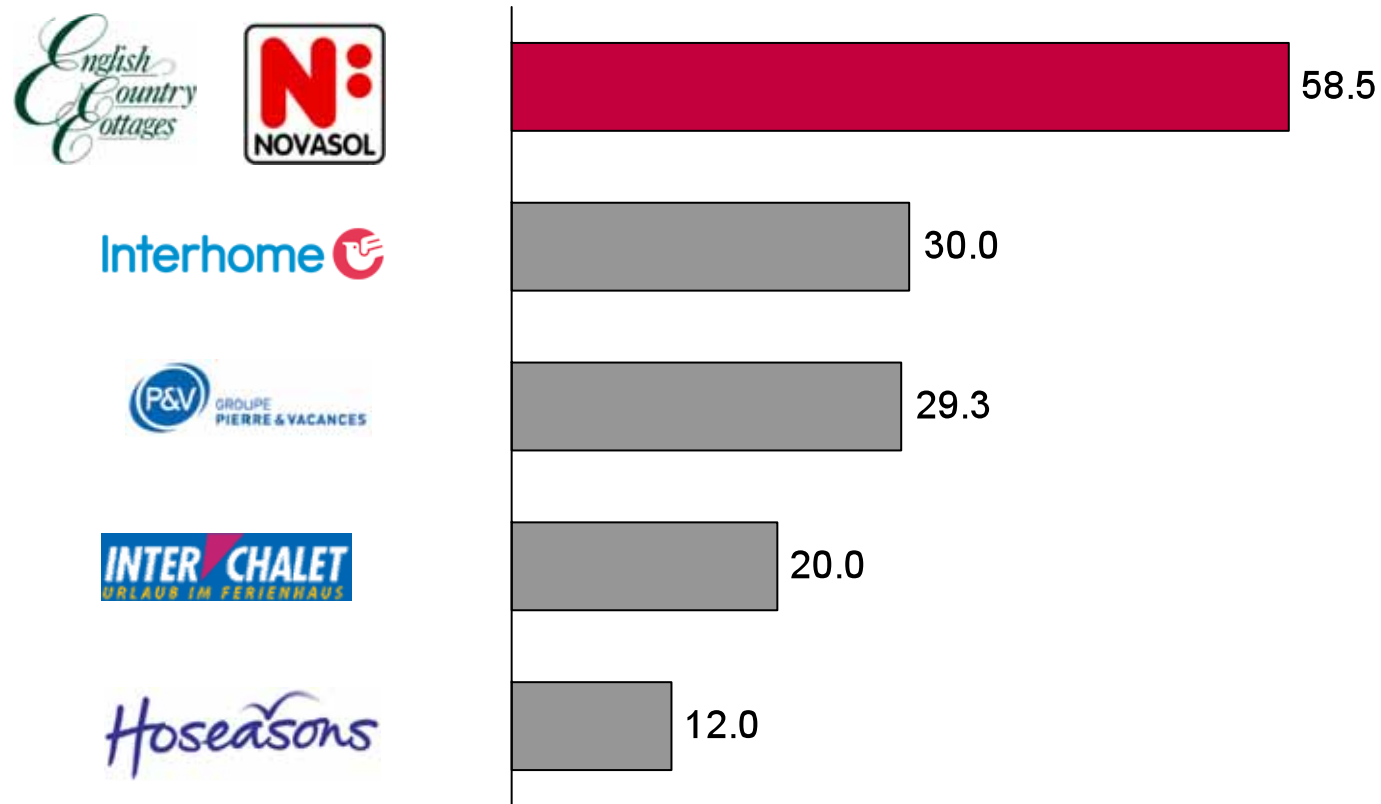
European rentals profile

- **Industry Leader in Managed Vacation Rental**
- **Geographic Breadth**
- **Stable, Fee-for-Service Business**
- **Minimal Investment**



Group RCI is the industry leader in the European managed rentals business

Number of EU Cottages, Parks, Homes, and Villas



Source: P&V Annual Report 2008; Inter Chalet Company Website; Interhome Press Release; Hoseason's company website



The RCI managed rentals business has a broad presence throughout Europe

European Rental Units



As of June 30, 2009

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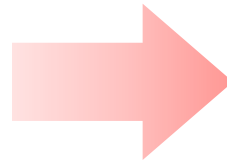
The managed rental's fee-for service business model generates stable revenue growth

- RCI receives a portion of the weekly rental rate as a commission

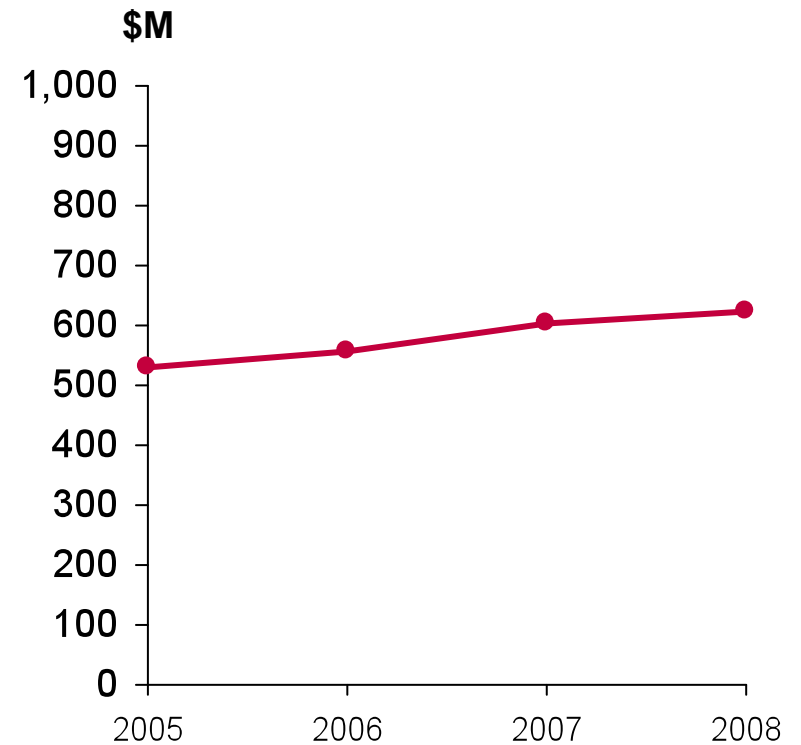
- RCI performs two key activities

 - Home Recruitment

 - Marketing



Vacation Rental Revenue*



*Reported revenues for 2004 through 2007 have been adjusted to reflect 2008 currency rates.



We have several opportunities to build on the European managed rentals business

- **Southern Europe Growth**
- **Scalable Base Business**
- **Tuck-in Contract Addition Opportunities**
- **U.S. Vacation Rentals**



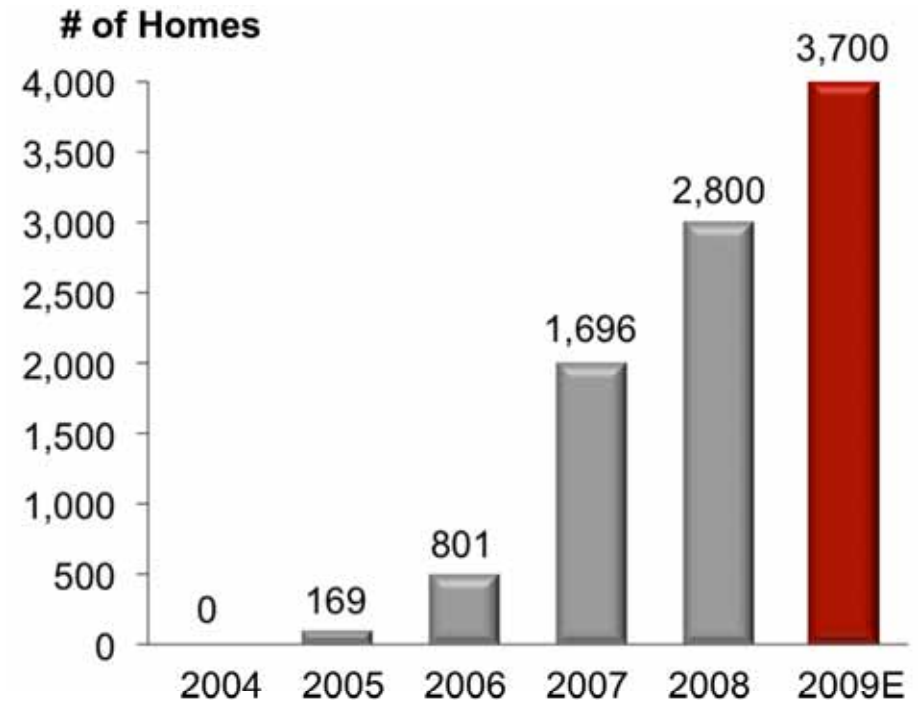
We can leverage our expertise to expand into new markets in Southern Europe

Build France as a Source Market



Increase Inventory for Sales to Existing Customers

Example: Novasol - Croatia



Source: Internal company documents. Reflects average number of homes.

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Our base business is scalable

- **Increase Home Recruitment**
- **Continue to Improve Marketing Effectiveness**
- **Leverage Existing Customer Base to Market New Locations**
- **Improve Yield/Pricing**



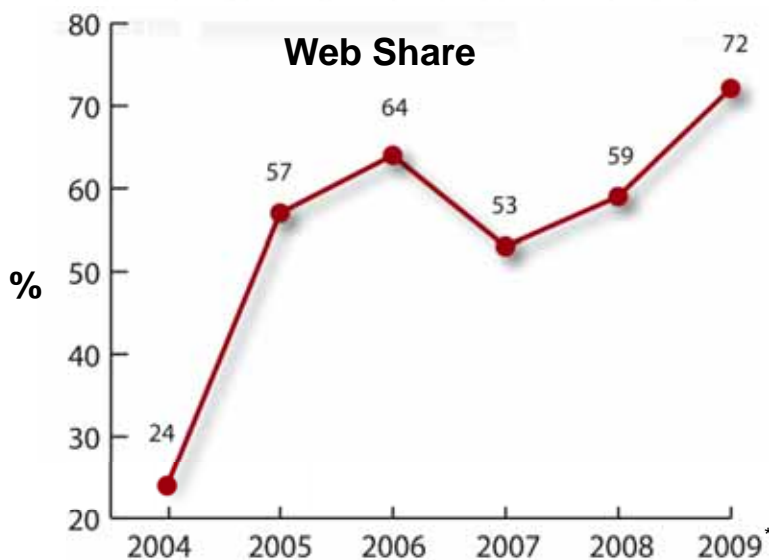
We can grow inventory via no-capital agency arrangements



Krausnick, Germany



We can build upon the success we have experienced via HCG's website upgrade



*Year to date: 08/09

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The U.S. vacation industry is an attractive market

- **\$24B in annual gross bookings (22% size of domestic hotel market)**
- **1.25M units available for rent**
- **Strong ADRs (\$186)**
- **Room to grow occupancy (35%) and Internet penetration (12%)**
- **Highly fragmented**

Source - PhoCusWright 's *Vacation Rentals: Market Opportunity and Technology Trends Special Report – September 29,2009*

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