

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

March 12, 2001 (March 12, 2001)
Date of Report (Date of earliest event reported)

CENDANT CORPORATION

(Exact name of Registrant as specified in its charter)

DELAWARE ----- (State or Other Jurisdiction of Incorporation or Organization)	1-10308 ----- (Commission File Number)	06-0918165 ----- (IRS Employer Identification No.)
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9 WEST 57TH STREET NEW YORK, NEW YORK (Address of principal executive offices)	10019 (zip code)
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(212) 314-1800
Registrant's telephone number, including area code

NOT APPLICABLE
(Former name, former address and former fiscal year, if applicable)

ITEM 5. OTHER EVENTS.

Free cash flow is another measure used by management to evaluate liquidity and financial condition. Free cash flow represents cash available for the repayment of debt and other corporate purposes such as stock repurchases, acquisitions and investments. Such measure of performance may not be comparable to similarly titled measures used by other companies and is not a measurement recognized under generally accepted accounting principles. Therefore, free cash flow should not be construed as a substitute for income or cash flow from continuing operations in measuring operating results or liquidity. A Consolidated Schedule of Free Cash Flow for the years ended December 31, 2000 and 1999 is attached hereto as Exhibit 99.1, which is incorporated herein by reference in its entirety, and should be read in conjunction with the Company's Consolidated Statements of Operations and Cash Flows presented in accordance with generally accepted accounting principles and filed with the Securities and Exchange Commission within the Company's earnings release of full year results filed on Form 8-K on February 8, 2001, the Company's Form 10-Q for the quarterly period ended September 30, 2000 filed on November 14, 2000 and the Company's restated audited consolidated financial statements at December 31, 1999 and 1998 and for each of the three years in the period ended December 31, 1999 and restated management's discussion and analysis of results of operations both filed on Form 8-K/A on January 19, 2001.

ITEM 7. FINANCIAL STATEMENTS, PRO FORMA FINANCIAL INFORMATION AND EXHIBITS.

(c) Exhibits.

No. -----	Description -----
99.1	Consolidated Schedule of Free Cash Flow for the years ended December 31, 2000 and 1999.

SIGNATURES

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.

CENDANT CORPORATION

By: /s/ John T. McClain

Name: John T. McClain
Title: Senior Vice President,
Finance and Corporate
Controller

Dated: March 12, 2001

EXHIBIT INDEX

Exhibit No. -----	Description -----
99.1	Consolidated Schedule of Free Cash Flow for the years ended December 31, 2000 and 1999.

CENDANT CORPORATION AND SUBSIDIARIES
CONSOLIDATED SCHEDULE OF FREE CASH FLOW
(IN MILLIONS)

	YEAR ENDED DECEMBER 31,	
	2000	1999
Adjusted EBITDA	\$ 1,543(A)	\$ 1,783(B)
Less: Move.com Group	(94)	(22)
Adjusted EBITDA, excluding Move.com Group	1,637	1,805
Interest expense	(145)	(196)
Minority interest, excluding tax benefit	(133)(C)	(90)(C)
Tax payments	(42)	(42)
CASH FLOW NET OF TAXES PAID	1,317	1,477
Tax refunds	109	88
Restructuring and other unusual payments	(46)	(49)
Working capital and other	(21)	(55)
OPERATING CASH FLOW	1,359	1,461
Adjusted capital expenditures	(199)(D)	(252)(D)
FREE CASH FLOW	1,160	1,209
NON OPERATING ACTIVITIES:		
Investments	(318)	(45)
Acquisitions, net of cash acquired	(136)	(205)
Funding of litigation settlement trust	(350)	-
Net proceeds from sale of subsidiaries, net of investment in leased vehicles	4	2,591
Other	(141) (E)	(106)(E)
	(941)	2,235
FINANCING ACTIVITIES:		
Net repayments on borrowings	(522) (F)	(494)(F)
Net issuance (repurchase) of equity securities	313	(2,736)
	(209)	(3,230)
NET CHANGE IN CASH BEFORE MANAGEMENT AND MORTGAGE PROGRAMS	10	214
MANAGEMENT & MORTGAGE PROGRAMS		
Net mortgage originations and sales	385	2,001
Net mortgage servicing rights	(694)	(571)
Net relocation advances	372	80
Net financing for assets of management programs	(274)	(1,558)
	(211)	(48)
NET CHANGE IN CASH AND CASH EQUIVALENTS	\$ (201)	\$ 166

(A) Excludes (i) charges in connection with restructuring and other initiatives (\$86 million); (ii) losses related to the dispositions of businesses (\$43 million); (iii) investigation-related costs (\$23 million); (iv) charges in connection with litigation asserting claims associated with accounting irregularities in the former business units of CUC and outside of the principal common stockholder class action lawsuit (\$20 million) and (v) charges incurred in connection with the postponement of the initial public offering of Move.com common stock (\$3 million). Such amounts were partially offset by (i) a non-cash credit incurred in connection with a change to the original estimate

of the number of Rights to be issued in connection with the PRIDES settlement resulting from unclaimed and uncontested Rights (\$41 million) and (ii) a gain representing the recognition of a portion of the Company's previously recorded deferred gain from the sale of its fleet businesses due to the disposition of VMS Europe by Avis Group Holdings, Inc. in August 2000 (\$35 million).

- (B) Excludes (i) charges associated with the agreement to settle the principal common stockholder class action lawsuit (\$2,894 million); (ii) charges in connection with the transition of the Company's lodging franchisees to a Company sponsored property management system (\$23 million); (iii) investigation-related costs (\$21 million); (iv) termination of a proposed acquisition costs (\$7 million) and (v) charges principally related to the consolidation of European call centers in Ireland (\$2 million). Such amounts were partially offset by a net gain related to the dispositions of businesses (\$967 million).
- (C) Represents the before tax amounts of minority interest.
- (D) Represents total capital expenditures exclusive of Move.com Group capital expenditures (\$18 million in 2000 and \$2 million in 1999).
- (E) Includes net cash used in Move.com Group operations, the effects of changes in exchange rates and cash provided by or used in discontinued operations.
- (F) Represents debt repayments, net of proceeds received from borrowings (including the issuance of a mandatorily redeemable preferred interest in a subsidiary in 2000).