

=====

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

MAY 4, 2001 (MAY 4, 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 NO.)

06-0918165
(I.R.S. EMPLOYER
IDENTIFICATION NUMBER)

9 WEST 57TH STREET
NEW YORK, NY
(ADDRESS OF PRINCIPAL EXECUTIVE OFFICE)

10019
(ZIP CODE)

(212) 413-1800
(REGISTRANT'S TELEPHONE NUMBER, INCLUDING AREA CODE)

=====

ITEM 5. OTHER EVENTS

This Current Report on Form 8-K of the Company is being filed to make available its Consolidated Condensed Statements of Cash Flows (see Exhibit 99.1) for the three months ended March 31, 2001 and 2000 and its Consolidated Schedule of Free Cash Flows (see Exhibit 99.2) for the twelve months ended March 31, 2001 and 2000.

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 for the latest twelve-month period. The Company has provided the Consolidated Schedule of Free Cash Flows for the twelve months ended March 31, 2001 and 2000 as that reflects the measure in which management evaluates the performance of its Free Cash Flows. 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. The Consolidated Schedule of Free Cash Flows for the twelve months ended March 31, 2001 and 2000 should be read in conjunction with the Company's Consolidated Condensed Statements of Cash Flows attached hereto as well as the Company's Consolidated Statements of Income included within the Company's earnings release of first quarter results filed with the Securities and Exchange Commission on Form 8-K on April 19, 2001 and the Company's Annual Report on Form 10-K filed on March 29, 2001.

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

(c) Exhibits.

See Exhibit Index.

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.

CENDANT CORPORATION

BY: /s/ John T. McClain

John T. McClain

Senior Vice President, Finance and
Corporate Controller

Date: May 4, 2001

CENDANT CORPORATION
CURRENT REPORT ON FORM 8-K

EXHIBIT INDEX

EXHIBIT NO. -----	DESCRIPTION -----
99.1	Consolidated Condensed Statements of Cash Flows for the three months ended March 31, 2001 and 2000.
99.2	Consolidated Schedule of Free Cash Flows for the twelve months ended March 31, 2001 and 2000.

CENDANT CORPORATION AND SUBSIDIARIES
CONSOLIDATED CONDENSED STATEMENTS OF CASH FLOWS
(IN MILLIONS)

	THREE MONTHS ENDED MARCH 31,	
	2001	2000
OPERATING ACTIVITIES		
Net cash used in operating activities exclusive of management and mortgage programs	\$ (119)	\$ (63)
Net cash provided by (used in) operating activities of management and mortgage programs	131	(87)
	-----	-----
NET CASH PROVIDED BY (USED IN) OPERATING ACTIVITIES FROM CONTINUING OPERATIONS	12	(150)
	-----	-----
INVESTING ACTIVITIES		
Property and equipment additions	(60)	(38)
Net assets acquired (net of cash acquired) and acquisition-related payments	(978)	(8)
Funding of litigation settlement trust	(250)	--
Other, net	(17)	(24)
	-----	-----
Net cash used in investing activities exclusive of management and mortgage programs	(1,305)	(70)
	-----	-----
MANAGEMENT AND MORTGAGE PROGRAMS:		
Investment in leases and leased vehicles, net	(151)	--
Repayment on advances on homes under management, net of equity advances	(7)	36
Additions to mortgage servicing rights, net of proceeds from sales	(35)	(104)
	-----	-----
	(193)	(68)
	-----	-----
NET CASH USED IN INVESTING ACTIVITIES FROM CONTINUING OPERATIONS	(1,498)	(138)
	-----	-----
FINANCING ACTIVITIES		
Proceeds from borrowings	1,600	--
Principal payments on borrowings	(316)	(776)
Issuances of common stock	657	499
Repurchases of common stock	(10)	(198)
Proceeds from mandatorily redeemable preferred interest in a subsidiary	--	375
Other, net	(34)	(4)
	-----	-----
Net cash provided by (used in) financing activities exclusive of management and mortgage programs	1,897	(104)
	-----	-----
MANAGEMENT AND MORTGAGE PROGRAMS:		
Proceeds from borrowings	2,712	776
Principal payments on borrowings	(2,081)	(1,421)
Net change in short-term borrowings	26	672
	-----	-----
	657	27
	-----	-----
NET CASH PROVIDED BY (USED IN) FINANCING ACTIVITIES FROM CONTINUING OPERATIONS	2,554	(77)
	-----	-----
Effect of changes in exchange rates on cash and cash equivalents	(5)	1
	-----	-----
Net cash provided by discontinued operations	69	151
	-----	-----
Net increase (decrease) in cash and cash equivalents	1,132	(213)
Cash and cash equivalents, beginning of period	967	1,168
	-----	-----
CASH AND CASH EQUIVALENTS, END OF PERIOD	\$ 2,099	\$ 955
	=====	=====

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

	TWELVE MONTHS ENDED MARCH 31,	
	2001	2000
Adjusted EBITDA(*)	\$ 1,579 (A)	\$ 1,722 (B)
Less: Move.com Group	(77)	(48)
Adjusted EBITDA, excluding Move.com Group	1,656	1,770
Interest expense, net (C)	(177)	(173)
Minority interest, excluding tax benefit (D)	(128)	(92)
Tax payments	(34)	(45)
CASH FLOW NET OF TAXES PAID	1,317	1,460
Tax refunds	14	185
Restructuring and other unusual payments	(30)	(62)
Working capital and other	34	(268)
OPERATING CASH FLOW	1,335	1,315
Adjusted capital expenditures (E)	(229)	(219)
FREE CASH FLOW	1,106	1,096
NON OPERATING ACTIVITIES:		
Investments (F)	(474)	(53)
Acquisitions, net of cash acquired	(1,106)	(149)
Funding of litigation settlement trust	(600)	--
Net proceeds from sale of subsidiaries	4	2,565
Other (G)	(89)	(118)
	(2,265)	2,245
FINANCING ACTIVITIES:		
Net proceeds from (repayments on) borrowings (H)	1,126	(887)
Net issuances (repurchases) of equity securities and other	666	(1,327)
	1,792	(2,214)
NET CHANGE IN CASH BEFORE MANAGEMENT AND MORTGAGE PROGRAMS	633	1,127
MANAGEMENT AND MORTGAGE PROGRAMS:		
Net investment in vehicle-related assets	(151)	(390)
Net mortgage originations and sales	604	1,141
Net mortgage servicing rights	(625)	(548)
Net relocation advances	329	76
Net financing for assets of management programs	354	(960)
	511	(681)
NET INCREASE IN CASH AND CASH EQUIVALENTS	\$ 1,144	\$ 446

(*) Adjusted EBITDA is defined as earnings before non-operating interest, income taxes, depreciation and amortization, minority interest and equity in Homestore.com, adjusted to exclude certain items which are of a non-recurring or unusual nature and not measured in assessing segment performance or are not segment specific.

(A) Excludes (i) a net gain related to the disposition of businesses (\$405 million); (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); and (iii) a credit to reflect an adjustment to the settlement charge recorded in the fourth quarter of 1998 for the PRIDES class action litigation primarily related to Rights that expired unexercised (\$14 million). Such amounts were partially offset by (i) a charge to fund an irrevocable contribution to an independent technology trust responsible for providing technology initiatives for the benefit of current and future franchisees at Century 21, Caldwell Banker and ERA (\$95 million); (ii) a charge in connection with the creation of Travel Portal, Inc., a company that was created to pursue the development of an online travel business (\$85 million); (iii) investigation-related costs and other 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 (\$65 million); (iv) charges related to the acquisition and integration of Avis Group (\$8 million); (v) a contribution to the Cendant Charitable Foundation (\$7 million) and (vi) charges incurred in connection with the postponement of the initial

- public offering of Move.com common stock (\$3 million).
- (B) Excludes (i) a net gain related to the dispositions of businesses (\$954 million) and (ii) a non-cash credit 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). In addition, excludes (i) a charge associated with the settlement of the principal common stockholder class action lawsuit (\$2.9 billion), (ii) charges in connection with restructuring initiatives (\$86 million), (iii) a charge to fund an irrevocable contribution to an independent technology trust responsible for completing the transition of the Company's lodging franchisees to a Company-sponsored property management system (\$23 million), (iv) investigation-related costs (\$22 million) and (v) costs primarily resulting from the consolidation of European call centers in Cork, Ireland (\$2 million).
 - (C) Excludes non-cash interest recorded on zero coupon senior convertible notes.
 - (D) Represents the before tax amounts of minority interest.
 - (E) Represents total capital expenditures exclusive of Move.com Group capital expenditures (\$18 million and \$2 million in 2001 and 2000, respectively).
 - (F) Represents investment activity of the Company, including cash payments in 2001 associated with the independent technology trust responsible for providing technology initiatives for the benefit of current and future franchisees at Century 21, Coldwell Banker and ERA (\$95 million) and the creation of Travel Portal, Inc (\$45 million).
 - (G) 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.
 - (H) Represents debt borrowings, net of debt repayments and financing costs (including the issuance of a mandatorily redeemable preferred interest in a subsidiary in the twelve months ending March 31, 2000).