



Marriott International Announces Vision For Sheraton Transformation

June 4, 2018

Company estimates \$500 million dollars of owner investment already committed in the U.S.

BETHESDA, Md., June 4, 2018 /PRNewswire/ -- Marriott International (NASDAQ: MAR) today announced its transformation vision for Sheraton Hotels and Resorts, the third largest brand in its portfolio, and the largest outside of North America in terms of room count. The company, which introduced its new Sheraton guestroom late last year, is showcasing its vision for Sheraton's public spaces at the NYU International Hospitality Industry Investment Conference in New York, bringing to life for owners and investors the company's brand strategy as well as its signature focus on guest experience, hotel operations and design philosophy.



"From the moment we closed the Starwood merger in late 2016, the revitalization of Sheraton has been a top priority for our company," said Arne Sorenson, President and CEO of Marriott International. "We knew that the way to restore this incredible brand was focus and collaboration with our hotel owners. We wanted to build on Sheraton's rich legacy of sitting at the heart of communities across the globe, but also to create a differentiated positioning and compelling proposition for our owners. With our Sheraton transformation plan, we've put together all of the pieces of the equation to work cooperatively with our owners to set this iconic brand on a new, disciplined and successful path. We are ready, our vision is clear and the energy is robust for Sheraton."

Owners are already responding to the new vision with optimism and energy, committing an estimated half-a-billion dollars in renovations of hotels across the U.S. Globally, 25 percent of Sheraton hotels have committed to renovations with some already underway.

The Sheraton Experience

This week, Sheraton has built out a 4,200-square-foot vignette at the NYU International Hospitality Industry Investment Conference that brings its vision to life, allowing investors to understand and experience Sheraton's transformation plans firsthand, particularly the concepts for the hotel's public spaces. Reverting to its roots as the gathering place for locals and guests, Sheraton today amplifies that legacy by leaning into services and design that enable socialization, productivity, and personalization. Its strategy features collaborative venues, technology enabled designs, and a host who helps deliver a unique experience that is exclusive to Sheraton.

"Marriott International is well positioned to deliver a comprehensive strategy for Sheraton's brand transformation and we already have great momentum. This is the first time in years that the brand has been above competitive benchmark in both rate and occupancy," said Tina Edmundson, Global Brand Officer, Marriott International. "We have improved brand standards, increased group bookings, and have ramped up our business engine over the last year as a first step in a multi-phase, multi-year plan, leveraging our experience in revitalizing lodging brands."

The company undertook a repositioning of the Marriott Hotels brand beginning in 2013, redesigning the guest room and MClub Lounge working in close cooperation with Marriott Hotel owners. The work has resonated with guests and owners alike. Renovated Marriott Hotels have seen market share gains of, on average, nine percent and "intent to recommend" scores from customers that are eight points on average higher than non-renovated hotels.

Sheraton by the Numbers

Since joining Marriott International as part of the acquisition of Starwood Hotels and Resorts in September 2016, Sheraton has exited 6,000 rooms with another 2,000 expected to depart by the end of the year. During the same period, 5,000 rooms have been signed to the portfolio. Intent to recommend for the brand has already increased 2 points year-over-year and market share has grown for the first time in years.

Systemwide, Sheraton generates \$9.2 billion in property revenue globally. Sheraton's portfolio currently consists of nearly 450 open hotels with 80 additional projects in the pipeline in 72 countries and territories. By 2020, the brand's footprint is expected to expand to 90 countries.

NOTE TO EDITORS: The Sheraton Experience is located in Times Square, not far from the Marriott Marquis, site of the NYU International Hospitality Industry Investment Conference. The site will be open for private tours Monday, June 4 and Tuesday, June 5, 9:00 am to 5:00 pm both days. To visit The Sheraton Experience please call: 202-360-6038.

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About Marriott International, Inc.

Marriott International, Inc. (NASDAQ: MAR) is based in Bethesda, Maryland, USA, and encompasses a portfolio of more than 6,500 properties in 30 leading hotel brands spanning 127 countries and territories. Marriott operates and franchises hotels and licenses vacation ownership resorts all around the world. The company also operates award-winning loyalty programs: Marriott Rewards®, which includes The Ritz-Carlton Rewards®, and Starwood Preferred Guest®. For more information, please visit our website at www.marriott.com, and for the latest company news, visit www.marriottnewscenter.com. In addition, connect with us on [Facebook](#) and @MarriottIntl on [Twitter](#) and [Instagram](#).

About Sheraton Hotels & Resorts

Sheraton Hotels & Resorts, part of Marriott International, Inc., makes it easy for guests to explore, relax and enjoy the possibilities of travel at nearly 450 hotels in over 70 countries and territories around the world. Sheraton continues to enhance the brand through innovative guest experience, differentiating design, multi-channel marketing and a sharp focus on service. Sheraton is proud to participate in the industry's award-winning loyalty program, Starwood Preferred Guest®. Members can now link accounts with Marriott Rewards®, which includes The Ritz-Carlton Rewards® at members.marriott.com for instant elite status matching and unlimited points transfer. To learn more, visit www.sheraton.com. Stay connected to Sheraton on [Facebook](#), and @sheratonhotels on [Twitter](#) and [Instagram](#).

Note on Forward-Looking Statements: This news release contains "forward-looking statements" within the meaning of federal securities laws, including the number of lodging properties the company may add in future years, the number of lodging properties that may be renovated and similar statements concerning possible future events or expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to a number of risks and uncertainties, including changes in market conditions; changes in global and regional economies; supply and demand changes for hotel rooms; competitive conditions in the lodging industry; relationships with clients and property owners; the availability of capital to finance hotel growth and refurbishment; and other risk factors that the company identifies in its most recent annual report on Form 10-K and quarterly report on Form 10-Q; any of which could cause actual results to differ materially from the expectations we express or imply here. We make these statements as of the date of this press release, and we assume no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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