



Marriott International Provides an Update on Development Progress in 2021 and Overview of Key Trends Currently Shaping Hospitality Development

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Company Added a Record 86,000 Gross Rooms and 517 Properties in 2021, Achieving Net Rooms Growth of Approximately 4 Percent for the Full Year

BETHESDA, Md., Jan. 20, 2022 /PRNewswire/ -- On the eve of the Americas Lodging Investment Summit (ALIS) in Los Angeles, Marriott International, Inc. (NASDAQ: MAR) announces a strong year of rooms growth and signings in 2021. The company also provides insight into major trends it sees currently impacting global hospitality development. These trends helped drive Marriott's growth in 2021 and are expected to propel the company's growth over the next several years.



At the end of 2021, Marriott's worldwide system consisted of nearly 8,000 properties and roughly 1.48 million rooms in 139 countries and territories. At year-end, the company had the largest global development pipeline, with roughly 485,000 rooms. The company signed 599 agreements during 2021 representing approximately 92,000 rooms of which slightly more than half are located outside of U.S. and Canada. Rooms falling out of the pipeline remain at historically low levels, despite challenges brought on by the pandemic. During 2021, Marriott added more than 86,000 rooms on a gross basis, growing the system 3.9 percent, including deletions of 2.1 percent. The deletion rate was 1.2 percent excluding the exit of 88 Service Properties Trust select service hotels.

"Marriott has the benefit of sitting at the intersection of information and insights from a global community of developers, properties, owners and franchisees, as well as the more than 160 million members of our Marriott Bonvoy travel program," said Stephanie Linnartz, President, Marriott International. "Our analysis of the prevalent trends in global development is particularly instructive as we continue to recover from this global pandemic. We have been focused on working closely with our valued community of owners and franchisees throughout these unprecedented times. We are pleased with our strong 2021 development results and look forward to continuing to drive value for our owners and franchisees throughout the recovery and beyond with our quality brands, our comprehensive business support systems and industry leading loyalty platform."

Luxury Maintains its Momentum

Travelers crave leisure luxury travel experiences seeking iconic destinations and undiscovered locations. Marriott is poised to meet this demand with its unmatched portfolio of seven dynamic luxury brands across 476 hotels spanning 69 countries and territories. In 2021, Marriott International signed 40 luxury hotel deals, representing over 6,000 rooms, and grew its portfolio of luxury hotel rooms by 4.8 percent net, with notable additions in prime locations around the globe including Philadelphia (W Hotels), Nashville (W Hotels), Charlotte (JW Marriott), Bermuda (St. Regis), Paris (Bulgari), Rome (W Hotels), Maldives (The Ritz-Carlton), Budapest (The Luxury Collection) and Reykjavik (EDITION). The company continues to expand its luxury footprint and has by far the largest global pipeline of hotels in this important, high fee earning segment, with nearly 50,000 rooms. Marriott anticipates debuting more than 30 luxury hotels in 2022 in destinations from Mexico (The St. Regis Kanai Resort) and Portugal (W Algarve) to Australia (The Ritz-Carlton, Melbourne) and South Korea (JW Marriott Jeju Resort & Spa). Marriott's industry leading luxury portfolio adds to the power of Marriott Bonvoy, giving members a tremendous choice of experiences around the globe.

The Leisure Boom Continues Booming

Leisure demand has led the travel recovery, a trend that is expected to continue into 2022, as travelers continue to embrace multi-purpose trips, mixing remote work and vacation time. Leisure transient global room nights were the first to recover to 2019 pre-pandemic levels in the second quarter of 2021. For some time prior to the COVID-19 pandemic, leisure travel had been growing at a faster pace than business travel, and according to the

World Travel & Tourism Council (WTTC), all signs point to a continuation of the trend. Marriott's industry leading resort network includes over 600 properties in beach, mountain and desert locations around the world that have seen incredibly high demand and have demonstrated impressive average daily rates.

All-Inclusive is All-Growth

Consumer interest in the very high growth all-inclusive resort segment continues to increase. Marriott intends to capitalize on its strong recent momentum in this area, leveraging its proven brands to drive additional growth in this important segment. Currently, Marriott International's all-inclusive portfolio spans 28 properties, representing over 8,000 rooms in locations across the Caribbean, Mexico and Central America. In 2021, Marriott International signed 22 agreements for all-inclusive resorts, marking a company record, including 20 all-inclusive resorts under its Autograph Collection Hotels brand and the first Marriott branded all-inclusive resort agreement in North Africa.

"Marriott's all-inclusive platform is energizing the segment and providing Marriott Bonvoy members, owners and franchisees access to our strong brands," said Carlton Ervin, Global Development Officer, International, Marriott International. "While our initial all-inclusive growth has been focused in the Caribbean and Latin America, we see tremendous opportunity to expand our all-inclusive platform into additional markets, including the Mediterranean and the Middle East."

Extended Stay's Popularity Extends Further

The extended stay segment has always been attractive to leisure travelers and has become even more popular with the increase in remote work and the blending of business and leisure travel. Marriott International is the leader in the extended stay segment, setting the bar with the introduction of its Residence Inn brand almost 40 years ago. In 2021, extended stay accounted for 37 percent of the company's rooms signings in U.S. and Canada. Marriott Bonvoy's extended stay brands – Element Hotels, Residence Inn by Marriott, and TownePlace Suites by Marriott – include more than 1,400 hotels, offering stays from a few nights to a few weeks. Notable expected openings in 2022 include Element City Center Doha, Residence Inn by Marriott The Hague City Center and TownePlace Suites Cape Canaveral Cocoa Beach.

With growing consumer demand, Marriott's extended stay portfolio offers modern design, signature programming, new food and beverage offerings, a flexible room mix for leisure and business travel and a proven operating model. At ALIS, Marriott will be showcasing Element Hotels, Residence Inn by Marriott and TownePlace Suites by Marriott through its "Longer Stay Lounge," a space where investors, owners and operators can experience the latest in brand programming and designs while networking. The Longer Stay Lounge will present immersive brand vignettes that will allow visitors to learn about and experience each of the company's longer stay brands.

"The extended stay segment has been extremely resilient over the past few years and guest and owner demand continues to grow, driven in some measure by the rise in multi-purpose travel," said Noah Silverman, Global Development Officer, U.S. & Canada, Marriott International. "We are excited for continued momentum around extended stay and to use our presence at ALIS to communicate the strength and possibilities of Marriott's longer stay category and the impressive value it brings to owners."

Conversions Transform Across the Portfolio

Conversions are an important driver of rooms growth in any year, but they have been particularly meaningful during more disruptive times. Marriott provides a rich and flexible conversion platform with significant revenue synergies, cost saving opportunities and turnkey access to many of the programs and services that the company provides, including the company's powerful Marriott Bonvoy loyalty program. Marriott added more than 18,000 conversion rooms in 2021, accounting for 21 percent of overall openings. In addition, conversions accounted for 27 percent of rooms signings in 2021. Interest in conversions into Marriott brands remains high, led by the company's robust portfolio of collection brands, including Autograph Collection Hotels, The Luxury Collection, and in particular the Tribute Portfolio, which has grown its footprint of open and pipeline hotels by nearly four times in the past five years. In addition, Delta Hotels by Marriott, the company's flexible full-service conversion brand represented 9 percent of signed conversion deals in 2021. Notable expected conversion additions in 2022 include the JW Marriott Hotel São Paulo in Brazil, The Brix, Autograph Collection in Trinidad and Tobago, The Serangoon House, Singapore, A Tribute Portfolio Hotel and a Delta Hotels by Marriott City Center Doha in Qatar.

Strong International Growth Poised to Continue

Growth in Valuable International Markets

In 2021, the company signed 256 agreements representing nearly 51,000 rooms in international locations outside the U.S. and Canada. With the company rapidly growing its international footprint, Marriott continues to enter new markets, offering travelers more exciting destinations. In 2021, the company expanded into Antigua and Barbuda, Belize, Bermuda, Grenada, St. Lucia and Turks & Caicos. In 2022, the company expects to plant its flag in Albania and Honduras.

Select Service Shines Around the World

Development activity for well-established brands within the select service space remains another key driver of growth, especially internationally. Comprised of brands including Courtyard by Marriott, Fairfield by Marriott, Four Points by Sheraton, Aloft Hotels and Moxy Hotels, Marriott International's select brands are increasingly resonating internationally. In 2021, the company opened 107 select service hotels representing nearly 19,000 rooms in 29 countries across its international regions. In China, select brands further expand consumer travel experiences and choices, bringing guests diversified experiences in emerging Chinese destinations. Notable expected openings in 2022 include Element Yangjiang Hailing Island and Moxy Suzhou City Center. In 2021, Fairfield by Marriott continued to make its mark in Japan with the "Michi-no-eki" project, bringing six more hotels to key locations across four prefectures in Japan. The company also launched its new Fairfield prototype in Europe and the Middle East.

Branded Residential Soars

Marriott's branded residential business soared in 2021 as evolving lifestyle changes have sparked growing interest in on-demand amenities and services from brands people admire and trust. Marriott continues to lead the branded residential segment with nearly 190 projects open or in development worldwide across 14 of the company's brands. Marriott's branded residential offerings include a standalone residence model with similar elevated services offered at the company's hotel properties, but without a co-located hotel, which speaks to the power of Marriott's brands to attract residential buyers in markets around the globe. In 2021, Marriott signed its first standalone residences for the EDITION brand in Miami and for the Autograph Collection Hotels brand in London. The company currently operates 14 standalone residences with 16 in the pipeline. Overall, the branded residential sector continues to grow rapidly internationally, with nearly 80 percent of Marriott's upcoming projects located outside of the U.S. and Canada. The company expects to debut 14 residential projects in 2022 in destinations from New York City (The Ritz-Carlton Residences, New York,

NoMad) and Algarve (W Residences Algarve) to Belgrade (The Residences at The St. Regis Belgrade).


Note on Forward-Looking Statements:

This press release contains "forward-looking statements" within the meaning of United States federal securities laws, including statements related to rooms growth; our growth pipeline; future expansion; expected hotel and other project openings; brand debuts in certain markets; development focus areas and intentions; consumer demand trends and expectations; owner interest in certain brands and offering types; and similar statements concerning anticipated future events and expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to numerous evolving risks and uncertainties that we may not be able to accurately predict or assess, including those we identify below and other risk factors that we identify in our U.S. Securities and Exchange Commission filings, including our most recent Quarterly Report on Form 10-Q or Annual Report on Form 10-K. Risks that could affect forward-looking statements in this press release include the duration and scope of COVID-19, including the availability and distribution of effective vaccines or treatments; the pandemic's short and longer-term impact on the demand for travel, transient and group business, and levels of consumer confidence; actions governments, businesses and individuals have taken or may take in response to the pandemic, including limiting, banning, or cautioning against travel and/or in-person gatherings or imposing occupancy or other restrictions on lodging or other facilities; the impact of the pandemic and actions taken in response to the pandemic on global and regional economies, travel, and economic activity, including the duration and magnitude of the pandemic's impact on unemployment rates and consumer discretionary spending; the ability of our owners and franchisees to successfully navigate the impacts of COVID-19; the pace of recovery when the pandemic subsides and any dislocations in recovery as a result of resurgences of the pandemic; general economic uncertainty in key global markets and a worsening of global economic conditions or low levels of economic growth; the effects of steps we and our property owners and franchisees have taken and may continue to take to reduce operating costs and/or enhance certain health and cleanliness protocols at our hotels; the impacts of our employee furloughs and reduced work week schedules, our voluntary transition program and our other restructuring activities; competitive conditions in the lodging industry and in the labor market; relationships with customers and property owners; and the availability of capital to finance hotel growth and refurbishment. Any of these factors could cause actual results to differ materially from the expectations we express or imply in this press release. We make these forward-looking statements as of the date of this press release and undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

About Marriott International

Marriott International, Inc. (NASDAQ: MAR) is based in Bethesda, Maryland, USA, and encompasses a portfolio of nearly 8,000 properties under 30 leading brands spanning 139 countries and territories. Marriott operates and franchises hotels and licenses vacation ownership resorts all around the world. The company offers Marriott Bonvoy®, its highly-awarded travel program. 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.

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