Marriott International Announces Record Year of Global Signings and Strong Net Rooms Growth

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Net rooms grew 4.7% to over 1.597 million; company development pipeline ended 2023 at a record 573,000 rooms, an increase of 15 percent from the previous year

BETHESDA, Md., Jan. 22, 2024 /PRNewswire/ -- At the Americas Lodging Investment Summit (ALIS), Marriott International, Inc. (NYSE: MAR) announced the company's record year of global signings with 52 percent more organic rooms signed in 2023 than in 2022, as it continues to expand offerings for owners, franchisees, and guests. The company also announced that it achieved strong net rooms growth of 4.7 percent in 2023.

During 2023, the company signed a record number of organic management and franchise agreements—an average of nearly 2.5 deals a day—representing approximately 164,000 rooms globally.

In the United States & Canada, Marriott's largest region, the company signed a record 91,000 rooms, 37,000 of which were the result of the company's strategic licensing agreement with MGM Resorts International. The company also saw robust signings growth outside of the U.S. & Canada with a record of nearly 73,000 organic rooms signed across 74 countries and territories, with particularly strong signings in China, Vietnam, Japan, United Arab Emirates, Mexico, Turkey, Saudi Arabia, and India. At year-end 2023, Marriott's global development pipeline totaled nearly 3,400 hotels and roughly 573,000 rooms, an increase of over 15 percent over a year ago.

At the end of 2023, Marriott's industry-leading worldwide system consisted of nearly 8,800 properties and more than 1,597,000 rooms in 139 countries and territories. Marriott added over 400 properties and nearly 64,000 organic gross rooms in 2023. The company also completed its acquisition of the City Express brand portfolio, bringing an additional 150 properties and approximately 17,500 rooms into Marriott's system during the year.

As Marriott continues to expand its offerings, the company notably increased the breadth of its portfolio, providing more opportunities for owners, franchisees, and guests. Marriott expanded its lead in luxury, announced its entry into the affordable midscale segment globally, increased its portfolio of branded residences, announced the planned the launch of the MGM Collection with Marriott Bonvoy, and continued to grow its share in the all-inclusive segment.

"Marriott remains focused on offering more best-in-class brands and experiences to meet the strong consumer demand for travel," said Marriott International President and CEO Anthony Capuano. "As we continue to expand our global brand portfolio, grow our Marriott Bonvoy loyalty platform, and provide innovative offerings to our owner and franchise community, we continue to meet the needs of guests across all stay purposes around the world. I am excited about our momentum as we strive to connect people through the power of travel."

Growing Marriott's Global Leadership in Luxury

With 623 open properties spanning 70 countries and territories, Marriott's luxury portfolio remains unmatched. In 2023, the company signed a record 58 deals for luxury hotels and resorts, bringing Marriott's luxury portfolio in the global development pipeline to 245 hotels, including more than 20 hotels expected to open in 2024.

This past year also reflected W Hotels' ambitious new chapter, as it continued its brand refresh and global expansion into new destinations, including the debut of W Budapest, the brand's first hotel in Hungary, and W Edinburgh, the second W hotel in the United Kingdom.

Other highlights from the year include the opening of Rissai Valley, a Ritz-Carlton Reserve, marking the company's 500th hotel in Greater China. The Ritz-Carlton brand debuted in the U.S. Pacific Northwest with The Ritz-Carlton Portland, the St. Regis brand debuted in the U.S. Midwest with The St. Regis Chicago, and three luxury hotels were signed in Vietnam (JW Marriott Trang An Resort & Spa, The Luxury Collection Resort, Hon Thom Island, and The Ritz-Carlton Reserve, Hon Thom Island).

Offering New Possibilities for Guests and Owners in Affordable Midscale

Marriott entered the high-growth affordable midscale segment in 2023 with the acquisition of the City Express brand portfolio in the Company's Caribbean and Latin America (CALA) region. With approximately 17,500 rooms across Mexico, Costa Rica, Colombia, and Chile, the deal increased Marriott's footprint in the CALA region by approximately 45 percent. In 2024, the City Express by Marriott brand is expected to expand to additional countries across CALA.

Marriott is continuing its expansion in the affordable midscale segment with the announcement of StudioRes, a brand aimed at providing reasonably priced, modern comfort for guests seeking longer stay accommodations in the U.S. & Canada. On January 17, 2024, Marriott celebrated the first groundbreaking for the brand in Fort Myers, Florida, with approximately 300 other potential deals under discussion in 150 markets.

In September 2023, Marriott announced the launch of Four Points Express by Sheraton, a conversion-focused midscale brand designed in response to growing consumer demand for reliable and affordable accommodations in Marriott's Europe, Middle East and Africa (EMEA) region. Through year end 2023, the company signed six Four Points Express by Sheraton deals in the United Kingdom and Turkey.

Accelerating Momentum in Conversions and All-Inclusive

Conversions once again helped drive growth, with 25 percent of Marriott's room openings coming from conversions. In 2023, the company signed a record 184 conversion properties, representing nearly 65,000 rooms, including MGM. Marriott's collection brands including Autograph Collection Hotels, The Luxury Collection, and Tribute Portfolio, represented 29 percent of global conversion rooms signed. Conversions to our collection brands

offer a unique value proposition for owners and franchisees as they leverage well-established brands, an award-winning loyalty program, competitive affiliation costs, and the company's powerful revenue generation engines.

Meeting rising consumer demand for stress-free and multi-generational travel, Marriott also grew its all-inclusive resort portfolio, providing not only new opportunities for travelers, but also for owners interested in entering this growing segment. Marriott continues to see global interest in all-inclusive, signing three deals in its EMEA region in 2023, bringing its portfolio to 49 open and pipeline properties located across 12 markets and 10 brands, with another six anticipated openings in 2024.

Strengthening Branded Residences Portfolio

In 2023, customer demand fueled Marriott's expansion of its branded residences portfolio to exciting and growing markets around the world. With 134 open locations and 115 pipeline residential projects across 49 countries and territories and 16 brands, Marriott International is the industry leader in the branded residential segment. In the past five years, the company has added 48 residential locations across 14 brands and continues to see growth in the segment. Recent highlights include the openings of The St. Regis Residences, Cairo, Egypt, The Residences at Sheraton Cebu Mactan Resort, Philippines, The Ritz-Carlton Residences, Portland, and The Ritz-Carlton Residences Mexico City.

Growing Apartments by Marriott Bonvoy

Launched in 2022, Apartments by Marriott Bonvoy provides developers a unique option to convert an existing residential building, pursue a new build, or integrate as part of a mixed-use property, with a dedicated welcome lounge, outdoor space, and other amenities. The company opened the first Apartments by Marriott Bonvoy property in Casa Costera, Isla Verde Beach, San Juan, Puerto Rico, in December 2023 and expects to continue growing its global presence, with additional signed agreements in the United States, Italy, and Saudi Arabia.

Launching MGM Collection with Marriott Bonvoy

In July 2023, Marriott announced the signing of an exclusive long-term strategic licensing agreement with MGM Resorts International and the creation of the MGM Collection with Marriott Bonvoy, which is expected to launch in early 2024. The agreement encompasses 17 of MGM's unrivaled resorts, representing more than 40,000 rooms in Las Vegas and other cities across the U.S.

The deal is expected to increase Marriott's global rooms distribution by 2.3 percent and position the company to provide even more options for group travel needs, while offering incredible entertainment, sports, and culinary experiences through Marriott Bonvoy Moments.

As Marriott continues to expand its offerings, the Company is uniquely positioned to capitalize on the breadth and depth of its portfolio, with investment and development opportunities for all types of real estate investors.

To learn more about Marriott's latest brand and development news, visit the Marriott News Center at news.marriott.com.

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 deal signings, expected future project openings and portfolio growth; our development pipeline; the pace and momentum of development activity, conversion activity and growth in certain product tiers; future growth opportunities; owner interest in certain offering types; the company's expansion plans related to other market segments and new product offerings; customer demand trends and preferences; travel and lodging demand trends and expectations; 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 the risk factors that we identify in our U.S. Securities and Exchange Commission filings, including our most recent Annual Report on Form 10-K or Quarterly Report on Form 10-Q. 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 8,800 properties across more than 30 leading brands in 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 X and Instagram.

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Media Contact: Christin Fernandez, Director of Strategic Communications and Media Relations, Marriott International,

Christin.fernandez@marriott.com