MARRIOTT INTERNATIONAL, INC.
PRESS RELEASE SCHEDULES
QUARTER 2, 2016
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July 27, 2016

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME
SECOND QUARTER 2016 AND 2015
(in millions except per share amounts, unaudited)

	As Reported Three Months Ended June 30, 2016	Merger-Related Costs **	As Adjusted ** Three Months Ended June 30, 2016	As Reported Three Months Ended June 30, 2015	Percent Better/(Worse) Adjusted 2016 vs. 2015
REVENUES					
Base management fees	$ 186	$ -	$ 186	$ 191	(3)
Franchise fees	235	-	235	221	6
Incentive management fees	94	-	94	81	16
Owned, leased, and other revenue [1]	245	-	245	243	1
Cost reimbursements [2]	3,142	-	3,142	2,953	6
Total Revenues	3,902	-	3,902	3,689	6
OPERATING COSTS AND EXPENSES					
Owned, leased, and other - direct [3]	173	-	173	183	5
Reimbursed costs	3,142	-	3,142	2,953	(6)
Depreciation, amortization, and other [4]	30	-	30	32	6
General, administrative, and other [5]	168	14	154	152	(1)
Total Expenses	3,513	14	3,499	3,320	(5)
OPERATING INCOME	389	(14)	403	369	9
Gains and other income, net [6]	-	-	-	20	(100)
Interest expense	(57)	(11)	(46)	(42)	(10)
Interest income	7	-	7	6	17
Equity in earnings [7]	5	-	5	2	150
INCOME BEFORE INCOME TAXES	344	(25)	369	355	4
Provision for income taxes	(97)	7	(104)	(115)	10
NET INCOME	$ 247	$ (18)	$ 265	$ 240	10
EARNINGS PER SHARE					
Earnings per share - basic	$ 0.97	$ (0.07)	$ 1.04	$ 0.88	18
Earnings per share - diluted	$ 0.96	$ (0.07)	$ 1.03	$ 0.87	18
Basic Shares	254.3	254.3	254.3	272.4	
Diluted Shares	258.0	258.0	258.0	277.3	

** As adjusted measures represent the results of our operations before the impact of Starwood merger-related costs. See page A-14 for more information about these non-GAAP measures.

[1] *Owned, leased, and other revenue* includes revenue from the properties we own or lease, termination fees, branding fees, and other revenue.
[2] *Cost reimbursements* include reimbursements from properties for Marriott-funded operating expenses.
[3] *Owned, leased, and other - direct* expenses include operating expenses related to our owned or leased hotels, including lease payments and pre-opening expenses.
[4] *Depreciation, amortization, and other* expenses include depreciation for fixed assets, amortization of capitalized costs incurred to acquire management, franchise, and license agreements, and any related impairments, accelerations, or write-offs.
[5] *General, administrative, and other* expenses include our corporate and business segments overhead costs and general expenses.
[6] *Gains and other income, net* includes gains and losses on the sale of real estate, the sale or other-than-temporary impairment of joint ventures and investments, and results from cost method investments.
[7] *Equity in earnings* include our equity in earnings or losses of unconsolidated equity method investments.

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME
SECOND QUARTER YEAR-TO-DATE 2016 AND 2015

(in millions except per share amounts, unaudited)

	As Reported Six Months Ended June 30, 2016	Merger-Related Costs **	As Adjusted ** Six Months Ended June 30, 2016	As Reported Six Months Ended June 30, 2015	Percent Better/(Worse) Adjusted 2016 vs. 2015
REVENUES					
Base management fees	$ 358	$ -	$ 358	$ 356	1
Franchise fees	442	-	442	425	4
Incentive management fees	195	-	195	170	15
Owned, leased, and other revenue [1]	492	-	492	500	(2)
Cost reimbursements [2]	6,187	-	6,187	5,751	8
Total Revenues	7,674	-	7,674	7,202	7
OPERATING COSTS AND EXPENSES					
Owned, leased, and other - direct [3]	339	-	339	377	10
Reimbursed costs	6,187	-	6,187	5,751	(8)
Depreciation, amortization, and other [4]	61	-	61	76	20
General, administrative, and other [5]	331	22	309	297	(4)
Total Expenses	6,918	22	6,896	6,501	(6)
OPERATING INCOME	756	(22)	778	701	11
Gains and other income, net [6]	-	-	-	20	(100)
Interest expense	(104)	(13)	(91)	(78)	(17)
Interest income	13	-	13	14	(7)
Equity in earnings [7]	5	-	5	5	0
INCOME BEFORE INCOME TAXES	670	(35)	705	662	6
Provision for income taxes	(204)	10	(214)	(215)	0
NET INCOME	$ 466	$ (25)	$ 491	$ 447	10
EARNINGS PER SHARE					
Earnings per share - basic	$ 1.83	$ (0.10)	$ 1.93	$ 1.63	18
Earnings per share - diluted	$ 1.80	$ (0.10)	$ 1.90	$ 1.59	19
Basic Shares	254.3	254.3	254.3	275.1	
Diluted Shares	258.7	258.7	258.7	280.6	

** As adjusted measures represent the results of our operations before the impact of Starwood merger-related costs. See page A-14 for more information about these non-GAAP measures.

[1] *Owned, leased, and other revenue* includes revenue from the properties we own or lease, termination fees, branding fees, and other revenue.
[2] *Cost reimbursements* include reimbursements from properties for Marriott-funded operating expenses.
[3] *Owned, leased, and other - direct* expenses include operating expenses related to our owned or leased hotels, including lease payments and pre-opening expenses.
[4] *Depreciation, amortization, and other* expenses include depreciation for fixed assets, amortization of capitalized costs incurred to acquire management, franchise, and license agreements, and any related impairments, accelerations, or write-offs.
[5] *General, administrative, and other* expenses include our corporate and business segments overhead costs and general expenses.
[6] *Gains and other income, net* includes gains and losses on the sale of real estate, the sale or other-than-temporary impairment of joint ventures and investments, and results from cost method investments.
[7] *Equity in earnings* include our equity in earnings or losses of unconsolidated equity method investments.

MARRIOTT INTERNATIONAL, INC.
TOTAL LODGING PRODUCTS

Brand	Number of Properties			Number of Rooms		
	June 30, 2016	June 30, 2015	vs. June 30, 2015	June 30, 2016	June 30, 2015	vs. June 30, 2015
North American Full-Service						
Marriott Hotels	365	364	1	147,935	146,874	1,061
Renaissance Hotels	84	81	3	28,038	28,322	(284)
Autograph Collection Hotels	60	49	11	13,714	11,562	2,152
Gaylord Hotels	5	5	-	8,098	8,098	-
Delta Hotels and Resorts	37	37	-	9,784	9,595	189
The Ritz-Carlton Hotels	40	40	-	11,839	11,691	148
The Ritz-Carlton Residences	33	32	1	4,056	3,812	244
EDITION Hotels	2	2	-	567	568	(1)
EDITION Residences	1	1	-	25	25	-
North American Limited-Service						
Courtyard	936	895	41	131,647	126,409	5,238
Residence Inn	703	681	22	86,088	83,227	2,861
TownePlace Suites	288	260	28	28,954	26,111	2,843
Fairfield Inn & Suites	793	743	50	72,856	68,375	4,481
SpringHill Suites	349	327	22	41,497	38,652	2,845
AC Hotels by Marriott[1]	8	5	3	1,352	911	441
Moxy Hotels	2	-	2	294	-	294
International						
Marriott Hotels	247	228	19	75,684	69,892	5,792
Marriott Executive Apartments	27	27	-	4,131	4,149	(18)
Renaissance Hotels	78	78	-	23,913	24,361	(448)
Autograph Collection Hotels[1]	42	37	5	10,223	9,428	795
Protea Hotels	97	105	(8)	9,284	9,864	(580)
The Ritz-Carlton Hotels	52	48	4	14,686	14,057	629
The Ritz-Carlton Serviced Apartments	4	4	-	579	579	-
The Ritz-Carlton Residences	8	8	-	416	416	-
Bulgari Hotels & Resorts	3	3	-	202	202	-
Bulgari Residences	1	1	-	5	5	-
EDITION Hotels	2	2	-	251	251	-
Courtyard	127	107	20	25,753	21,374	4,379
Residence Inn	7	7	-	717	717	-
Fairfield Inn & Suites	8	4	4	1,234	622	612
AC Hotels by Marriott[1]	83	77	6	10,277	9,448	829
Moxy Hotels	2	1	1	414	162	252
Timeshare[2]	60	58	2	12,889	12,876	13
Total Lodging	4,554	4,317	237	777,402	742,635	34,767

[1] Results for all AC Hotels by Marriott properties and five Autograph Collection properties are presented in the “Equity in earnings” caption of our Consolidated Statements of Income.

[2] Timeshare property and room counts are as of June 17, 2016 and June 19**,** 2015, the end of Marriott Vacation Worldwide's second quarter for 2016 and 2015, respectively.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
Constant $

Comparable Company-Operated International Properties[1]

	Three Months Ended June 30, 2016 and June 30, 2015						
	REVPAR		Occupancy			Average Daily Rate	
Region	**2016**	**vs. 2015**	**2016**	**vs. 2015**		**2016**	**vs. 2015**
Caribbean & Latin America	$153.47	-2.6%	70.2%	-1.7%	pts.	$218.68	-0.1%
Europe	$121.50	2.5%	76.7%	-0.3%	pts.	$158.42	2.9%
Middle East & Africa	$87.07	-7.1%	61.0%	-2.1%	pts.	$142.68	-3.8%
Asia Pacific	$106.95	5.2%	74.8%	4.2%	pts.	$142.97	-0.7%
Total International[2]	**$112.91**	**1.1%**	**72.3%**	**0.8%**	**pts.**	**$156.25**	**-0.1%**
Worldwide[4]	**$134.89**	**2.8%**	**77.1%**	**1.3%**	**pts.**	**$174.92**	**1.1%**

Comparable Systemwide International Properties[1]

	Three Months Ended June 30, 2016 and June 30, 2015						
	REVPAR		Occupancy			Average Daily Rate	
Region	**2016**	**vs. 2015**	**2016**	**vs. 2015**		**2016**	**vs. 2015**
Caribbean & Latin America	$144.97	-0.7%	69.2%	-0.7%	pts.	$209.44	0.2%
Europe	$114.17	3.4%	74.1%	0.3%	pts.	$154.18	2.9%
Middle East & Africa	$81.66	-5.9%	60.5%	-2.1%	pts.	$135.01	-2.6%
Asia Pacific	$113.21	5.7%	75.5%	3.7%	pts.	$149.94	0.5%
Total International[3]	**$113.53**	**1.9%**	**71.4%**	**0.7%**	**pts.**	**$159.03**	**0.9%**
Worldwide[5]	**$118.97**	**2.9%**	**77.1%**	**0.8%**	**pts.**	**$154.25**	**1.9%**

[1] International includes properties located outside the United States and Canada, except for Worldwide which includes the United States and Canada.

[2] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Protea Hotels, The Ritz-Carlton, Bulgari, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, and AC Hotels by Marriott.

[3] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Protea Hotels, The Ritz-Carlton, Bulgari, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, AC Hotels by Marriott, and Moxy Hotels.

[4] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, Protea Hotels, The Ritz-Carlton, Bulgari, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, SpringHill Suites, and AC Hotels by Marriott.

[5] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, Protea Hotels, The Ritz-Carlton, Bulgari, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, SpringHill Suites, AC Hotels by Marriott, and Moxy Hotels.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
Constant $

Comparable Company-Operated International Properties[1]

	Six Months Ended June 30, 2016 and June 30, 2015						
	REVPAR		Occupancy			Average Daily Rate	
Region	**2016**	**vs. 2015**	**2016**	**vs. 2015**		**2016**	**vs. 2015**
Caribbean & Latin America	$183.34	1.8%	72.6%	-1.0%	pts.	$252.69	3.2%
Europe	$106.12	2.4%	70.4%	-0.5%	pts.	$150.76	3.1%
Middle East & Africa	$99.27	-4.9%	65.4%	-0.7%	pts.	$151.71	-3.9%
Asia Pacific	$107.31	6.0%	72.9%	4.2%	pts.	$147.16	-0.2%
Total International[2]	**$113.41**	**2.2%**	**70.6%**	**1.1%**	**pts.**	**$160.71**	**0.5%**
Worldwide[4]	**$130.26**	**3.1%**	**74.0%**	**1.1%**	**pts.**	**$175.91**	**1.6%**

Comparable Systemwide International Properties[1]

	Six Months Ended June 30, 2016 and June 30, 2015						
	REVPAR		Occupancy			Average Daily Rate	
Region	**2016**	**vs. 2015**	**2016**	**vs. 2015**		**2016**	**vs. 2015**
Caribbean & Latin America	$156.18	1.8%	68.7%	-0.1%	pts.	$227.30	1.9%
Europe	$99.18	3.1%	67.6%	0.1%	pts.	$146.72	2.9%
Middle East & Africa	$92.00	-3.8%	64.3%	-0.7%	pts.	$142.97	-2.7%
Asia Pacific	$112.33	6.5%	73.7%	3.9%	pts.	$152.52	0.9%
Total International[3]	**$111.22**	**2.7%**	**69.0%**	**1.0%**	**pts.**	**$161.20**	**1.2%**
Worldwide[5]	**$112.45**	**2.8%**	**73.2%**	**0.5%**	**pts.**	**$153.53**	**2.2%**

[1] International includes properties located outside the United States and Canada, except for Worldwide which includes the United States and Canada.

[2] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Protea Hotels, The Ritz-Carlton, Bulgari, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, and AC Hotels by Marriott.

[3] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Protea Hotels, The Ritz-Carlton, Bulgari, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, AC Hotels by Marriott, and Moxy Hotels.

[4] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, Protea Hotels, The Ritz-Carlton, Bulgari, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, SpringHill Suites, and AC Hotels by Marriott.

[5] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, Protea Hotels, The Ritz-Carlton, Bulgari, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, SpringHill Suites, AC Hotels by Marriott, and Moxy Hotels.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
Constant $

Comparable Company-Operated North American Properties

Three Months Ended June 30, 2016 and June 30, 2015

Brand	REVPAR 2016	REVPAR vs. 2015	Occupancy 2016	Occupancy vs. 2015		Average Daily Rate 2016	Average Daily Rate vs. 2015
Marriott Hotels	$165.48	3.2%	80.8%	1.5%	pts.	$204.79	1.2%
Renaissance Hotels	$160.06	7.6%	82.1%	3.0%	pts.	$194.98	3.7%
The Ritz-Carlton	$257.21	1.5%	74.5%	1.0%	pts.	$345.03	0.2%
Composite North American Full-Service[1]	**$172.97**	**3.8%**	**80.1%**	**1.8%**	**pts.**	**$215.97**	**1.4%**
Courtyard	$113.81	3.4%	78.6%	1.4%	pts.	$144.88	1.5%
SpringHill Suites	$107.94	3.2%	82.2%	1.3%	pts.	$131.25	1.5%
Residence Inn	$125.64	3.0%	82.5%	0.7%	pts.	$152.21	2.1%
TownePlace Suites	$86.56	4.3%	81.0%	0.2%	pts.	$106.92	4.0%
Composite North American Limited-Service[2]	**$115.38**	**3.3%**	**79.9%**	**1.2%**	**pts.**	**$144.35**	**1.7%**
Composite - All[3]	**$148.04**	**3.6%**	**80.0%**	**1.6%**	**pts.**	**$185.01**	**1.6%**

Comparable Systemwide North American Properties

Three Months Ended June 30, 2016 and June 30, 2015

Brand	REVPAR 2016	REVPAR vs. 2015	Occupancy 2016	Occupancy vs. 2015		Average Daily Rate 2016	Average Daily Rate vs. 2015
Marriott Hotels	$141.10	3.4%	77.7%	1.3%	pts.	$181.68	1.6%
Renaissance Hotels	$138.49	6.1%	79.7%	2.0%	pts.	$173.84	3.5%
Autograph Collection Hotels	$182.88	2.4%	78.5%	0.6%	pts.	$233.04	1.6%
The Ritz-Carlton	$257.21	1.5%	74.5%	1.0%	pts.	$345.03	0.2%
Composite North American Full-Service[1]	**$149.68**	**3.7%**	**77.9%**	**1.4%**	**pts.**	**$192.26**	**1.8%**
Courtyard	$111.32	3.2%	78.1%	0.7%	pts.	$142.56	2.3%
Fairfield Inn & Suites	$84.92	1.4%	74.7%	-0.4%	pts.	$113.62	2.0%
SpringHill Suites	$98.90	3.6%	79.5%	1.0%	pts.	$124.40	2.3%
Residence Inn	$120.63	2.6%	83.1%	0.3%	pts.	$145.15	2.3%
TownePlace Suites	$85.04	4.4%	79.7%	1.1%	pts.	$106.68	2.9%
Composite North American Limited-Service[4]	**$105.09**	**2.8%**	**78.9%**	**0.4%**	**pts.**	**$133.15**	**2.3%**
Composite - All[5]	**$120.33**	**3.2%**	**78.6%**	**0.8%**	**pts.**	**$153.17**	**2.2%**

[1] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, The Ritz-Carlton, and EDITION.
[2] Includes Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites.
[3] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, The Ritz-Carlton, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites.
[4] Includes Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, SpringHill Suites, and AC Hotels by Marriott.
[5] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, The Ritz-Carlton, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, SpringHill Suites, and AC Hotels by Marriott.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
Constant $

Comparable Company-Operated North American Properties

	Six Months Ended June 30, 2016 and June 30, 2015						
	REVPAR		Occupancy			Average Daily Rate	
Brand	**2016**	**vs. 2015**	**2016**	**vs. 2015**		**2016**	**vs. 2015**
Marriott Hotels	$155.15	3.3%	76.9%	1.1%	pts.	$201.82	1.8%
Renaissance Hotels	$150.75	4.8%	78.6%	1.1%	pts.	$191.71	3.4%
The Ritz-Carlton	$268.08	3.9%	73.4%	1.4%	pts.	$365.46	2.0%
Composite North American Full-Service[1]	**$165.25**	**3.7%**	**76.6%**	**1.2%**	**pts.**	**$215.86**	**2.0%**
Courtyard	$105.85	3.3%	74.0%	1.0%	pts.	$143.00	1.9%
SpringHill Suites	$100.56	3.8%	77.7%	1.8%	pts.	$129.48	1.3%
Residence Inn	$118.06	3.0%	78.8%	0.3%	pts.	$149.87	2.6%
TownePlace Suites	$77.41	3.4%	73.7%	0.1%	pts.	$105.09	3.2%
Composite North American Limited-Service[2]	**$107.71**	**3.3%**	**75.6%**	**0.9%**	**pts.**	**$142.52**	**2.1%**
Composite - All[3]	**$140.34**	**3.5%**	**76.1%**	**1.1%**	**pts.**	**$184.35**	**2.1%**

Comparable Systemwide North American Properties

	Six Months Ended June 30, 2016 and June 30, 2015						
	REVPAR		Occupancy			Average Daily Rate	
Brand	**2016**	**vs. 2015**	**2016**	**vs. 2015**		**2016**	**vs. 2015**
Marriott Hotels	$133.46	3.1%	73.7%	0.7%	pts.	$181.09	2.1%
Renaissance Hotels	$130.42	3.9%	75.9%	0.6%	pts.	$171.82	3.0%
Autograph Collection Hotels	$175.75	2.6%	76.3%	1.0%	pts.	$230.42	1.2%
The Ritz-Carlton	$268.08	3.9%	73.4%	1.4%	pts.	$365.46	2.0%
Composite North American Full-Service[1]	**$143.02**	**3.3%**	**74.2%**	**0.8%**	**pts.**	**$192.79**	**2.2%**
Courtyard	$102.92	2.9%	73.5%	0.4%	pts.	$139.96	2.3%
Fairfield Inn & Suites	$76.83	1.0%	69.6%	-0.7%	pts.	$110.38	2.0%
SpringHill Suites	$91.36	2.4%	75.0%	0.2%	pts.	$121.78	2.1%
Residence Inn	$112.26	2.4%	78.9%	-0.1%	pts.	$142.26	2.6%
TownePlace Suites	$79.06	3.3%	75.1%	0.6%	pts.	$105.30	2.4%
Composite North American Limited-Service[4]	**$97.04**	**2.4%**	**74.4%**	**0.1%**	**pts.**	**$130.51**	**2.3%**
Composite - All[5]	**$112.75**	**2.8%**	**74.3%**	**0.3%**	**pts.**	**$151.76**	**2.4%**

[1] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, The Ritz-Carlton, and EDITION.
[2] Includes Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites.
[3] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, The Ritz-Carlton, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites.
[4] Includes Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, SpringHill Suites, and AC Hotels by Marriott.
[5] Includes Marriott Hotels, Renaissance Hotels, Autograph Collection Hotels, Gaylord Hotels, The Ritz-Carlton, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, SpringHill Suites, and AC Hotels by Marriott.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
ADJUSTED EBITDA
($ in millions)

	Fiscal Year 2016		
	First Quarter	Second Quarter	Total
Net income	$ 219	$ 247	$ 466
Interest expense	47	57	104
Tax provision	107	97	204
Depreciation and amortization	31	30	61
Depreciation classified in Reimbursed costs	14	14	28
Interest expense from unconsolidated joint ventures	1	1	2
Depreciation and amortization from unconsolidated joint ventures	3	3	6
EBITDA **	422	449	871
Starwood transaction and transition costs	8	14	22
Share-based compensation (including share-based compensation reimbursed by third-party owners)	28	31	59
Adjusted EBITDA **	**$ 458**	**$ 494**	**$ 952**
Increase over 2015 Quarterly Adjusted EBITDA **	**7%**	**8%**	**7%**

	Fiscal Year 2015				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net income	$ 207	$ 240	$ 210	$ 202	$ 859
Interest expense	36	42	43	46	167
Tax provision	100	115	99	82	396
Depreciation and amortization	32	32	31	32	127
Depreciation classified in Reimbursed costs	14	14	15	15	58
Interest expense from unconsolidated joint ventures	1	-	1	-	2
Depreciation and amortization from unconsolidated joint ventures	3	2	3	2	10
EBITDA **	393	445	402	379	1,619
EDITION impairment charge	12	-	-	-	12
Loss (gain) disposition of real estate	-	22	-	(7)	15
Gain on redemption of preferred equity ownership interest	-	(41)	-	-	(41)
Share-based compensation (including share-based compensation reimbursed by third-party owners)	24	31	29	29	113
Adjusted EBITDA **	**$ 429**	**$ 457**	**$ 431**	**$ 401**	**$ 1,718**

** Denotes non-GAAP financial measures. Please see page A-14 for information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
ADJUSTED EBITDA THIRD QUARTER FORECAST
FORECASTED THIRD QUARTER 2016

($ in millions)

	Range [1] Estimated Adjusted EBITDA Third Quarter 2016		As Reported Third Quarter 2015
Operating income	$ 370	$ 375	$ 339
Gains and other income, net	5	5	-
Interest income	12	12	5
Equity in earnings	5	5	8
Depreciation and amortization	35	35	31
Depreciation classified in Reimbursed costs	16	16	15
Interest expense from unconsolidated joint ventures	1	1	1
Depreciation and amortization from unconsolidated joint ventures	2	2	3
	446	451	402
Share-based compensation (including share-based compensation reimbursed by third-party owners)	30	30	29
Adjusted EBITDA **	**$ 476**	**$ 481**	**$ 431**
Increase over Q3 2015 Adjusted EBITDA**	**10%**	**12%**	

** Denotes non-GAAP financial measures. See page A-14 for information about our reasons for providing these alternative financial measures and the limitations on their use.

[1] Excludes the impact of pending Starwood acquisition, including transaction and transition costs.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
ADJUSTED EBITDA FOURTH QUARTER FORECAST
FORECASTED FOURTH QUARTER 2016
($ in millions)

	Range[1] Estimated Adjusted EBITDA Fourth Quarter 2016		As Reported Fourth Quarter 2015
Operating income	$ 361	$ 371	$ 310
Gains and other income, net	-	-	7
Interest income	15	15	10
Equity in earnings	-	-	3
Depreciation and amortization	34	34	32
Depreciation classified in Reimbursed costs	16	16	15
Interest expense from unconsolidated joint ventures	2	2	-
Depreciation and amortization from unconsolidated joint ventures	2	2	2
	430	440	379
Loss (gain) disposition of real estate	-	-	(7)
Share-based compensation (including share-based compensation reimbursed by third-party owners)	31	31	29
Adjusted EBITDA **	**$ 461**	**$ 471**	**$ 401**
Increase over Q4 2015 Adjusted EBITDA**	**15%**	**17%**	

** Denotes non-GAAP financial measures. See page A-14 for information about our reasons for providing these alternative financial measures and the limitations on their use.

[1] Excludes the impact of pending Starwood acquisition, including transaction and transition costs.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
ADJUSTED EBITDA FULL YEAR FORECAST
FORECASTED 2016
($ in millions)

	Range [1] Estimated Adjusted EBITDA Fiscal Year 2016		As Reported Fiscal Year 2015
Operating income	$ 1,509	$ 1,524	$ 1,350
Gains and other income, net	5	5	27
Interest income	40	40	29
Equity in earnings	10	10	16
Depreciation and amortization	130	130	127
Depreciation classified in Reimbursed costs	60	60	58
Interest expense from unconsolidated joint ventures	5	5	2
Depreciation and amortization from unconsolidated joint ventures	10	10	10
	1,769	1,784	1,619
EDITION impairment charge	-	-	12
Loss (gain) disposition of real estate	-	-	15
Gain on redemption of preferred equity ownership interest	-	-	(41)
Share-based compensation (including share-based compensation reimbursed by third-party owners)	120	120	113
Adjusted EBITDA **	**$ 1,889**	**$ 1,904**	**$ 1,718**
Increase over 2015 Adjusted EBITDA**	**10%**	**11%**	

** Denotes non-GAAP financial measures. See page A-14 for information about our reasons for providing these alternative financial measures and the limitations on their use.

[1] Excludes the impact of pending Starwood acquisition, including transaction and transition costs.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
ADJUSTED OPERATING INCOME MARGIN AND ADJUSTED EBITDA MARGIN
SECOND QUARTER 2016 and 2015

($ in millions)

	Second Quarter 2016	Second Quarter 2015
Total revenues, as reported	$ 3,902	$ 3,689
Less: cost reimbursements	(3,142)	(2,953)
**Total revenues, as adjusted ** **	**$ 760**	**$ 736**
Operating income, as reported	$ 389	$ 369
Add: Starwood transaction and transition costs	14	-
Operating income, as adjusted **	**$ 403**	**$ 369**
**Adjusted operating income margin ** **	**53%**	**50%**
**Adjusted EBITDA ** **	**$ 494**	
**Adjusted EBITDA margin ** **	**65%**	

** Denotes non-GAAP financial measures. See page A-14 for information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
RETURN ON INVESTED CAPITAL
($ in millions)

The reconciliation of net income to earnings before interest expense and taxes is as follows:

	Twelve Months Ended June 30, 2016
Net income	$ 878
Interest expense	193
Tax provision	385
Earnings before interest expense and taxes **	$ 1,456

The reconciliations of assets to invested capital are as follows:

	June 30, 2016	June 30, 2015
Assets	$ 6,650	$ 6,311
Less: current liabilities, net of current portion of long-term debt	(2,941)	(2,903)
Less: deferred tax assets [1]	(586)	(684)
Invested capital **	$ 3,123	$ 2,724
Average invested capital [2] **	$ 2,924	
Return on invested capital **	**49.8%**	

[1] At June 30, 2015 "deferred tax assets" is net of current deferred income tax liabilities of $22M.
[2] Calculated as "Invested capital" for June 30, 2016 and June 30, 2015, divided by two.

** Denotes non-GAAP financial measures. See page A-14 for information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES

In our press release and schedules, and on the related conference call, we report certain financial measures that are not required by, or presented in accordance with, United States generally accepted accounting principles (**"**GAAP**"**). We discuss management's reasons for reporting these non-GAAP measures below, and the press release schedules reconcile the most directly comparable GAAP measure to each non-GAAP measure that we refer to (identified by a double asterisk on the preceding pages). Although management evaluates and presents these non-GAAP measures for the reasons described below, please be aware that these non-GAAP measures have limitations and should not be considered in isolation or as a substitute for revenue, operating income, income from continuing operations, net income, earnings per share or any other comparable operating measure prescribed by GAAP. In addition, we may calculate and/or present these non-GAAP financial measures differently than measures with the same or similar names that other companies report, and as a result, the non-GAAP measures we report may not be comparable to those reported by others.

Adjusted Measures That Exclude Merger-Related Costs. Management evaluates certain non-GAAP measures that exclude transaction and transition costs associated with the Starwood merger because those non-GAAP measures allow for period-over period comparisons of our ongoing operations before the impact of these charges. These non-GAAP measures, which are reconciled to the comparable GAAP measures on pages A-1 and A-2, include adjusted net income, adjusted general, administrative, and other expenses, adjusted interest expense, and adjusted EPS. Non-GAAP adjusted net income and its components and adjusted EPS are not, and should not be viewed as, substitutes for net income and EPS.

Earnings Before Interest Expense and Taxes ("EBIT"), and Adjusted Earnings Before Interest Expense, Taxes, Depreciation and Amortization ("Adjusted EBITDA"). EBIT, which we use as part of our return on invested capital calculation, reflects net income excluding the impact of interest expense and provision for income taxes, and EBITDA reflects EBIT excluding the impact of depreciation and amortization. Our non-GAAP measure of Adjusted EBITDA further adjusts EBITDA to exclude the following items: (1) the 2016 pre-tax transaction and transition costs associated with the Starwood merger, which we recorded in the "General, administrative, and other" caption of our Consolidated Statements of Income (our "Income Statements"); (2) the pre-tax EDITION impairment charges in the 2015 first quarter, which we recorded in the "Depreciation, amortization, and other" caption of our Income Statements; (3) the pre-tax expected loss on dispositions of real estate in the 2015 second quarter, the reversal of a portion of the pre-tax loss on disposition upon sale of one property in the 2015 fourth quarter, and the pre-tax preferred equity investment gain in the 2015 second quarter, all of which we recorded in the "Gains and other income, net" caption of our Income Statements; and (4) share-based compensation expense for all periods presented.

We believe that Adjusted EBITDA is a meaningful indicator of our operating performance because it permits period-over-period comparisons of our ongoing core operations before these items and facilitates our comparison of results before these items with results from other lodging companies. We use Adjusted EBITDA to evaluate companies because it excludes certain items that can vary widely across different industries or among companies within the same industry. For example, interest expense can be dependent on a company's capital structure, debt levels, and credit ratings. Accordingly, the impact of interest expense on earnings can vary significantly among companies. The tax positions of companies can also vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the jurisdictions in which they operate. As a result, effective tax rates and provisions for income taxes can vary considerably among companies. Our Adjusted EBITDA also excludes depreciation and amortization expense which we report under "Depreciation, amortization, and other" as well as depreciation included under "Reimbursed costs" in our Income Statements, because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies. We also excluded share-based compensation expense in all periods presented in order to address considerable variability among companies in recording compensation expense because companies use share-based payment awards differently, both in the type and quantity of awards granted.

Adjusted Operating Income Margin and Adjusted EBITDA Margin. We calculate Adjusted Operating Income Margin by dividing adjusted operating income by adjusted total revenues. Adjusted EBITDA Margin reflects Adjusted EBITDA, defined above, divided by adjusted total revenues. We consider total revenues, as adjusted to exclude cost reimbursements, to be meaningful metrics as they represent that portion of revenue and operating income margin that allows for period-over-period comparisons. Cost reimbursements revenue represents reimbursements we receive for costs we incur on behalf of managed and franchised properties and relates, predominantly, to payroll costs at managed properties where we are the employer, but also includes reimbursements for other costs, such as those associated with our rewards programs. As we record cost reimbursements based on the costs we incur with no added markup, this revenue and the related expense have no impact on either our operating income or net income because cost reimbursements revenue net of reimbursed costs expense is zero. We consider operating income, as adjusted for the pre-tax Starwood transaction and transition costs, and Adjusted EBITDA Margin meaningful for the same reasons noted above.

Return on Invested Capital ("ROIC"). We calculate ROIC as EBIT divided by average invested capital. We consider ROIC to be a meaningful indicator of our operating performance, and we evaluate ROIC because it measures how effectively we use the money we invest in our operations. We calculate invested capital by deducting from total assets: (1) current liabilities, as we intend to satisfy them in the short term, net of current portion of long-term debt, as the numerator of the calculation excludes interest expense; and (2) deferred tax assets because the numerator of the calculation is a pre-tax amount. Prior to our adoption of ASU No. 2015-17 - "Balance Sheet Classification of Deferred Taxes" in the 2015 fourth quarter, deferred tax assets is presented net of current deferred tax liabilities.