MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measure Reconciliation

($ in millions)

We consider lodging operating income to be a meaningful indicator of our performance because it measures our growth in profitability as a lodging company and enables investors to compare the operating income related to our lodging segments to the operating income of other lodging companies. However, lodging operating income is a non-GAAP financial measure and is not an alternative to operating income or any other operating measure prescribed by United States generally accepted accounting principles.

The reconciliation of operating income to lodging operating income is as follows:

	Fiscal Year 2005		
	First Quarter	Second Quarter	Total
Operating income as reported	$ 158	$ 41	$ 199
Add back: Synthetic fuel operating loss	45	36	81
Lodging operating income	$ 203	$ 77	$ 280

	Fiscal Year 2004				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Operating income as reported	$ 151	$ 118	$ 99	$ 109	$ 477
Add back: Synthetic fuel operating loss	-	30	31	37	98
Lodging operating income	$ 151	$ 148	$ 130	$ 146	$ 575

July 14, 2005

MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measure Reconciliation

(in millions, except per share amounts)

We consider net income and earnings per share, both excluding the impact of the synthetic fuel operations, the charge associated with the agreements we entered into with CTF Holdings Ltd ("the CTF transaction") and the bedding incentive program costs, to be meaningful performance indicators because they allow for additional comparisons relative to our on-going lodging operations before material charges. The $94 million charge recorded in connection with the CTF transaction is primarily non-cash and due to the write-off of deferred contract acquisition costs associated with the termination of management agreements. In addition, we incurred a material charge of $29 million associated with our new bedding incentive program. Management believes the above items should be excluded from net income and earnings per share in order to be able to compare the past and current results. The exclusion of the synthetic fuel operations allows investors to compare the results of our operations to that of other lodging companies.

However, net income and earnings per share, both excluding our synthetic fuel operations, the charge associated with the CTF transaction and the material bedding charge are non-GAAP financial measures, and are not alternatives to net income, earnings per share or any other operating measure prescribed by United States generally accepted accounting principles.

The reconciliation of net income and earnings per share, both excluding the impact of the synthetic fuel operations, the charge associated with the CTF transaction and the bedding program incentive costs is as follows:

	Twelve Weeks ending June 17, 2005					
	Net Income	Synthetic Fuel Impact	Excluding Synthetic Fuel	CTF Acquisition Charge	Bedding Incentive Program Charge	Excluding Synthetic Fuel, CTF Acquisition and Bedding Charges
Operating income (loss)	$ 41	$ (36)	$ 77	$ (94)	$ (29)	$ 200
Gains and other income	63	8	55	-	-	55
Interest income, (provision for loan losses) and (interest expense)	4	-	4	-	-	4
Equity in earnings	6	-	6	-	-	6
Pre-tax income (loss)	114	(28)	142	(94)	(29)	265
Tax (Provision)/Benefit	(39)	9	(48)	32	10	(90)
Tax Credits	59	59	-	-	-	-
Total Tax Benefit/(Provision)	20	68	(48)	32	10	(90)
Income before Minority Interest	134	40	94	(62)	(19)	175
Minority Interest - Synthetic fuel	4	4	-	-	-	-
Net Income	$ 138	$ 44	$ 94	$ (62)	$ (19)	$ 175
Diluted Shares	234.5	234.5	234.5	234.5	234.5	234.5
Earnings per Share - Diluted[1]	$0.59	$0.19	$0.40	($0.26)	($0.08)	$0.75
Tax Rate	-17.5%		33.8%			34.0%

[1] The sum of earnings per share as reported plus the individual earnings per share impacts associated with Synthetic Fuel, CTF, and Bedding differs from earnings per share excluding Synthetic Fuel, CTF and Bedding by $.01 due to rounding.

	Twelve Weeks ending June 18, 2004					
	Net Income	Synthetic Fuel Impact	Excluding Synthetic Fuel	CTF Acquisition Charge	Bedding Incentive Program Charge	Excluding Synthetic Fuel, CTF Acquisition and Bedding Charges
Operating income (loss)	$ 118	$ (30)	$ 148	$ -	$ -	$ 148
Gains and other income	48	9	39	-	-	39
Interest income, (provision for loan losses) and (interest expense)	12	-	12	-	-	12
Equity in earnings	1	-	1	-	-	1
Pre-tax income (loss)	179	(21)	200	-	-	200
Tax (Provision)/Benefit	(68)	3	(71)	-	-	(71)
Tax Credits	35	35	-	-	-	-
Total Tax Benefit/(Provision)	(33)	38	(71)	-	-	(71)
Income before Minority Interest	146	17	129	-	-	129
Minority Interest - Synthetic fuel	14	14	-	-	-	-
Net Income	$ 160	$ 31	$ 129	$ -	$ -	$ 129
Diluted Shares	240.3	240.3	240.3	240.3	240.3	240.3
Earnings per Share - Diluted	$0.67	$0.13	$0.54	$0.00	$0.00	$0.54
Tax Rate	18.4%		35.4%			35.4%

July 14, 2005

MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measure Reconciliation

(in millions, except per share amounts)

We consider net income and earnings per share, both excluding the impact of the synthetic fuel operations, the charge associated with the agreements we entered into with CTF Holdings Ltd ("the CTF transaction") and the bedding incentive program costs, to be meaningful performance indicators because they allow for additional comparisons relative to our on-going lodging operations before material charges. The $94 million charge recorded in connection with the CTF transaction is primarily non-cash and due to the write-off of deferred contract acquisition costs associated with the termination of management agreements. In addition, we incurred a material charge of $29 million associated with our new bedding incentive program. Management believes the above items should be excluded from net income and earnings per share in order to be able to compare the past and current results. The exclusion of the synthetic fuel operations allows investors to compare the results of our operations to that of other lodging companies.

However, net income and earnings per share, both excluding our synthetic fuel operations, the charge associated with the CTF transaction and the material bedding charge are non-GAAP financial measures, and are not alternatives to net income, earnings per share or any other operating measure prescribed by United States generally accepted accounting principles.

The reconciliation of net income and earnings per share, both excluding the impact of the synthetic fuel operations, the charge associated with the CTF transaction and the bedding program incentive costs is as follows:

Twenty four weeks ending June 17, 2005

	Net Income	Synthetic Fuel Impact	Excluding Synthetic Fuel	CTF Acquisition Charge	Bedding Incentive Program Charge	Excluding Synthetic Fuel, CTF Acquisition and Bedding Charges
Operating income (loss)	$ 199	$ (81)	$ 280	$ (94)	$ (29)	$ 403
Gains and other income (expense)	58	(1)	59	-	-	59
Interest income, (provision for loan losses) and (interest expense)	(4)	-	(4)	-	-	(4)
Equity in earnings/(losses)	1	-	1	-	-	1
Pre-tax income (loss)	254	(82)	336	(94)	(29)	459
Tax (Provision)/Benefit	(91)	24	(115)	32	10	(157)
Tax Credits	106	106	-	-	-	-
Total Tax Benefit/(Provision)	15	130	(115)	32	10	(157)
Income before Minority Interest	269	48	221	(62)	(19)	302
Minority Interest - Synthetic Fuel	14	14	-	-	-	-
Net Income	$ 283	$ 62	$ 221	$ (62)	$ (19)	$ 302
Diluted Shares	237.8	237.8	237.8	237.8	237.8	237.8
Earnings per Share - Diluted	$1.19	$0.26	$0.93	($0.26)	($0.08)	$1.27
Tax Rate	-5.9%		34.2%			34.2%

Twenty four weeks ending June 18, 2004

	Net Income	Synthetic Fuel Impact	Excluding Synthetic Fuel	CTF Acquisition Charge	Bedding Incentive Program Charge	Excluding Synthetic Fuel, CTF Acquisition and Bedding Charges
Operating income (loss)	$ 269	$ (30)	$ 299	$ -	$ -	$ 299
Gains and other income (expense)	52	9	43	-	-	43
Interest income, (provision for loan losses) and (interest expense)	19	-	19	-	-	19
Equity in earnings/(losses)	(29)	(28)	(1)	-	-	(1)
Pre-tax income (loss)	311	(49)	360	-	-	360
Tax (Provision)/Benefit	(115)	13	(128)	-	-	(128)
Tax Credits	64	64	-	-	-	-
Total Tax Benefit/(Provision)	(51)	77	(128)	-	-	(128)
Income before Minority Interest	260	28	232	-	-	232
Minority Interest - Synthetic Fuel	14	14	-	-	-	-
Net Income	$ 274	$ 42	$ 232	$ -	$ -	$ 232
Diluted Shares	241.5	241.5	241.5	241.5	241.5	241.5
Earnings per Share - Diluted	$1.14	$0.17	$0.97	$0.00	$0.00	$0.97
Tax Rate	16.4%		35.5%			35.5%

July 14, 2005

MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measure

EBITDA

(in millions)

We consider earnings before interest, taxes, depreciation and amortization, adjusted to eliminate the impact of our synthetic fuel segment and other material items (Adjusted EBITDA), to be an indicator of operating performance from on-going operations because it can be used to measure our ability to service debt, fund capital expenditures, and expand our business, and reflects our belief that the synthetic fuel segment will no longer have a material impact on our business after the Section 29 synthetic fuel tax credits expire at the end of 2007. In addition, the $94 million charge associated with the agreements we entered into with CTF Holdings Ltd ("the CTF acquisition") and the bedding incentive charge of $29 million represented material expenses. Accordingly, management believes such items should be excluded in order to be able to compare the past and current results.

However, EBITDA and Adjusted EBITDA are non-GAAP financial measures, and are not alternatives to net income, financial results, cash flow from operations or any other operating measure prescribed by United States generally accepted accounting principles. Additionally, our calculation of EBITDA and Adjusted EBITDA may be different from the calculations used by other companies and as a result comparability may be limited.

	Fiscal Year 2005		
	First Quarter	Second Quarter	Total
Net income	$ 145	$ 138	$ 283
Interest expense	24	21	45
Tax provision/ (benefit)	5	(20)	(15)
Depreciation	30	29	59
Amortization	7	7	14
Interest expense from unconsolidated joint ventures	11	6	17
Depreciation and amortization from unconsolidated joint ventures	12	9	21
EBITDA	**$ 234**	**$ 190**	**$ 424**
Synthetic fuel adjustment	42	21	63
CTF acquisition charge	-	94	94
Bedding incentive program	-	29	29
Adjusted EBITDA	**$ 276**	**$ 334**	**$ 610**
Increase over 2004 Adjusted EBITDA	**14%**	**20%**	**17%**
The following items make up the synthetic fuel adjustment:			
Pre-tax synthetic fuel operating losses	$ 54	$ 28	$ 82
Pre-tax minority interest - synthetic fuel	(10)	(5)	(15)
Synthetic fuel depreciation	(2)	(2)	(4)
EBITDA adjustment for synthetic fuel	**$ 42**	**$ 21**	**$ 63**

	Fiscal Year 2004				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net income	$ 114	$ 160	$ 133	$ 189	$ 596
Interest expense	22	24	23	30	99
Tax provision continuing operations	18	33	28	21	100
Tax provision discontinued operations	-	-	1	-	1
Depreciation	32	29	32	40	133
Amortization	7	8	7	11	33
Interest expense from unconsolidated joint ventures	10	11	9	15	45
Depreciation and amortization from unconsolidated joint ventures	13	9	13	17	52
EBITDA	**$ 216**	**$ 274**	**$ 246**	**$ 323**	**$ 1,059**
Synthetic fuel adjustment	28	5	(6)	21	48
Pre-tax gain discontinued operations	(1)	-	(1)	(1)	(3)
Adjusted EBITDA	**$ 243**	**$ 279**	**$ 239**	**$ 343**	**$ 1,104**
The following items make up the synthetic fuel adjustment:					
Pre-tax synthetic fuel operating losses	$ -	$ 21	$ 12	$ 37	$ 70
Pre-tax synthetic fuel equity losses	28	-	-	-	28
Pre-tax minority interest - synthetic fuel	-	(14)	(15)	(11)	(40)
Synthetic fuel depreciation	-	(2)	(3)	(5)	(10)
EBITDA adjustment for synthetic fuel	**$ 28**	**$ 5**	**$ (6)**	**$ 21**	**$ 48**

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