

**MARRIOTT INTERNATIONAL, INC.**  
**PRESS RELEASE SCHEDULES**  
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**QUARTER 2, 2019**

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**MARRIOTT INTERNATIONAL, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME - AS REPORTED**  
**SECOND QUARTER 2019 AND 2018**  
(in millions except per share amounts, unaudited)

	As Reported Three Months Ended June 30, 2019	As Reported <sup>10</sup> Three Months Ended June 30, 2018	Percent Better/(Worse) Reported 2019 vs. 2018
<b>REVENUES</b>			
Base management fees	\$ 309	\$ 300	3
Franchise fees <sup>1</sup>	525	475	11
Incentive management fees	165	176	(6)
<b>Gross Fee Revenues</b>	<b>999</b>	<b>951</b>	<b>5</b>
Contract investment amortization <sup>2</sup>	(15)	(13)	(15)
<b>Net Fee Revenues</b>	<b>984</b>	<b>938</b>	<b>5</b>
Owned, leased, and other revenue <sup>3</sup>	418	423	(1)
Cost reimbursement revenue <sup>4</sup>	3,903	4,048	(4)
<b>Total Revenues</b>	<b>5,305</b>	<b>5,409</b>	<b>(2)</b>
<b>OPERATING COSTS AND EXPENSES</b>			
Owned, leased, and other - direct <sup>5</sup>	331	334	1
Depreciation, amortization, and other <sup>6</sup>	56	58	3
General, administrative, and other <sup>7</sup>	229	217	(6)
Merger-related costs and charges	173	18	(861)
Reimbursed expenses <sup>4</sup>	4,107	3,964	(4)
<b>Total Expenses</b>	<b>4,896</b>	<b>4,591</b>	<b>(7)</b>
<b>OPERATING INCOME</b>	<b>409</b>	<b>818</b>	<b>(50)</b>
Gains and other income, net <sup>8</sup>	1	114	(99)
Interest expense	(102)	(85)	(20)
Interest income	6	6	-
Equity in earnings <sup>9</sup>	-	21	(100)
<b>INCOME BEFORE INCOME TAXES</b>	<b>314</b>	<b>874</b>	<b>(64)</b>
Provision for income taxes	(82)	(207)	60
<b>NET INCOME</b>	<b>\$ 232</b>	<b>\$ 667</b>	<b>(65)</b>
<b>EARNINGS PER SHARE</b>			
Earnings per share - basic	\$ 0.70	\$ 1.89	(63)
Earnings per share - diluted	\$ 0.69	\$ 1.87	(63)
Basic Shares	333.8	353.4	
Diluted Shares	336.4	357.3	

<sup>1</sup> *Franchise fees* include fees from our franchise agreements, application and relicensing fees, licensing fees from our timeshare, credit card programs, and residential branding fees.

<sup>2</sup> *Contract investment amortization* includes amortization of capitalized costs to obtain contracts with our owner and franchisee customers, and any related impairments, accelerations, or write-offs.

<sup>3</sup> *Owned, leased, and other revenue* includes revenue from the properties we own or lease, termination fees, and other revenue.

<sup>4</sup> *Cost reimbursement revenue* includes reimbursements from properties for property-level and centralized programs and services that we operate for the benefit of our hotel owners. *Reimbursed expenses* include costs incurred by Marriott for certain property-level operating expenses and centralized programs and services.

<sup>5</sup> *Owned, leased, and other - direct* expenses include operating expenses related to our owned or leased hotels, including lease payments and pre-opening expenses.

<sup>6</sup> *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.

<sup>7</sup> *General, administrative, and other* expenses include our corporate and business segments overhead costs and general expenses.

<sup>8</sup> *Gains and other income, net* includes gains and losses on the sale of real estate, the sale of joint venture interests and other investments, and adjustments from other equity investments.

<sup>9</sup> *Equity in earnings* include our equity in earnings or losses of unconsolidated equity method investments.

<sup>10</sup> Reflects revised information as presented in our 2018 Annual Report on Form 10-K.

**MARRIOTT INTERNATIONAL, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME - AS REPORTED**  
**SECOND QUARTER YEAR-TO-DATE 2019 AND 2018**  
(in millions except per share amounts, unaudited)

	As Reported Six Months Ended June 30, 2019	As Reported <sup>10</sup> Six Months Ended June 30, 2018	Percent Better/(Worse) Reported 2019 vs. 2018
<b>REVENUES</b>			
Base management fees	\$ 591	\$ 573	3
Franchise fees <sup>1</sup>	975	892	9
Incentive management fees	328	331	(1)
<b>Gross Fee Revenues</b>	<b>1,894</b>	<b>1,796</b>	<b>5</b>
Contract investment amortization <sup>2</sup>	(29)	(31)	6
<b>Net Fee Revenues</b>	<b>1,865</b>	<b>1,765</b>	<b>6</b>
Owned, leased, and other revenue <sup>3</sup>	793	829	(4)
Cost reimbursement revenue <sup>4</sup>	7,659	7,824	(2)
<b>Total Revenues</b>	<b>10,317</b>	<b>10,418</b>	<b>(1)</b>
<b>OPERATING COSTS AND EXPENSES</b>			
Owned, leased, and other - direct <sup>5</sup>	656	670	2
Depreciation, amortization, and other <sup>6</sup>	110	112	2
General, administrative, and other <sup>7</sup>	451	464	3
Merger-related costs and charges	182	52	(250)
Reimbursed expenses <sup>4</sup>	7,999	7,772	(3)
<b>Total Expenses</b>	<b>9,398</b>	<b>9,070</b>	<b>(4)</b>
<b>OPERATING INCOME</b>	<b>919</b>	<b>1,348</b>	<b>(32)</b>
Gains and other income, net <sup>8</sup>	6	173	(97)
Interest expense	(199)	(160)	(24)
Interest income	12	11	9
Equity in earnings <sup>9</sup>	8	34	(76)
<b>INCOME BEFORE INCOME TAXES</b>	<b>746</b>	<b>1,406</b>	<b>(47)</b>
Provision for income taxes	(139)	(319)	56
<b>NET INCOME</b>	<b>\$ 607</b>	<b>\$ 1,087</b>	<b>(44)</b>
<b>EARNINGS PER SHARE</b>			
Earnings per share - basic	\$ 1.80	\$ 3.06	(41)
Earnings per share - diluted	\$ 1.79	\$ 3.02	(41)
Basic Shares	336.7	355.9	
Diluted Shares	339.6	360.3	

<sup>1</sup> *Franchise fees* include fees from our franchise agreements, application and relicensing fees, licensing fees from our timeshare, credit card programs, and residential branding fees.

<sup>2</sup> *Contract investment amortization* includes amortization of capitalized costs to obtain contracts with our owner and franchisee customers, and any related impairments, accelerations, or write-offs.

<sup>3</sup> *Owned, leased, and other revenue* includes revenue from the properties we own or lease, termination fees, and other revenue.

<sup>4</sup> *Cost reimbursement revenue* includes reimbursements from properties for property-level and centralized programs and services that we operate for the benefit of our hotel owners. *Reimbursed expenses* include costs incurred by Marriott for certain property-level operating expenses and centralized programs and services.

<sup>5</sup> *Owned, leased, and other - direct* expenses include operating expenses related to our owned or leased hotels, including lease payments and pre-opening expenses.

<sup>6</sup> *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.

<sup>7</sup> *General, administrative, and other* expenses include our corporate and business segments overhead costs and general expenses.

<sup>8</sup> *Gains and other income, net* includes gains and losses on the sale of real estate, the sale of joint venture interests and other investments, and adjustments from other equity investments.

<sup>9</sup> *Equity in earnings* include our equity in earnings or losses of unconsolidated equity method investments.

<sup>10</sup> Reflects revised information as presented in our 2018 Annual Report on Form 10-K.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**

(\$ in millions except per share amounts)

The following table presents our reconciliations of Adjusted operating income, Adjusted operating income margin, Adjusted net income, and Adjusted diluted EPS, to the most directly comparable GAAP measure. Adjusted total revenues is used in the determination of Adjusted operating income margin.

	Three Months Ended			Six Months Ended		
	June 30, 2019	June 30, 2018 <sup>1</sup>	Percent Better/ (Worse)	June 30, 2019	June 30, 2018 <sup>1</sup>	Percent Better/ (Worse)
Total revenues, as reported	\$ 5,305	\$ 5,409		\$ 10,317	\$ 10,418	
Less: Cost reimbursement revenue	(3,903)	(4,048)		(7,659)	(7,824)	
Adjusted total revenues**	<u>1,402</u>	<u>1,361</u>		<u>2,658</u>	<u>2,594</u>	
Operating income, as reported	409	818		919	1,348	
Less: Cost reimbursement revenue	(3,903)	(4,048)		(7,659)	(7,824)	
Add: Reimbursed expenses	4,107	3,964		7,999	7,772	
Add: Merger-related costs and charges	173	18		182	52	
<b>Adjusted operating income **</b>	<b><u>786</u></b>	<b><u>752</u></b>	<b>5%</b>	<b><u>1,441</u></b>	<b><u>1,348</u></b>	<b>7%</b>
<b>Operating income margin</b>	<b>8%</b>	<b>15%</b>		<b>9%</b>	<b>13%</b>	
<b>Adjusted operating income margin **</b>	<b>56%</b>	<b>55%</b>		<b>54%</b>	<b>52%</b>	
Net income, as reported	232	667		607	1,087	
Less: Cost reimbursement revenue	(3,903)	(4,048)		(7,659)	(7,824)	
Add: Reimbursed expenses	4,107	3,964		7,999	7,772	
Add: Merger-related costs and charges	173	18		182	52	
Less: Gain on sale of Avendra	-	(1)		-	(6)	
Income tax effect of above adjustments	(84)	19		(122)	3	
Add: U.S. Tax Cuts and Jobs Act of 2017	-	-		-	22	
<b>Adjusted net income **</b>	<b><u>\$ 525</u></b>	<b><u>\$ 619</u></b>	<b>-15%</b>	<b><u>\$ 1,007</u></b>	<b><u>\$ 1,106</u></b>	<b>-9%</b>
<b>Diluted EPS, as reported</b>	<b>\$ 0.69</b>	<b>\$ 1.87</b>		<b>\$ 1.79</b>	<b>\$ 3.02</b>	
<b>Adjusted Diluted EPS**</b>	<b>\$ 1.56</b>	<b>\$ 1.73</b>	<b>-10%</b>	<b>\$ 2.97</b>	<b>\$ 3.07</b>	<b>-3%</b>

\*\* Denotes non-GAAP financial measures. Please see pages A-15 and A-16 for information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> Reflects revised information as presented in our 2018 Annual Report on Form 10-K.

**MARRIOTT INTERNATIONAL, INC.**  
**TOTAL LODGING PRODUCTS**  
As of June 30, 2019

	North America		Total International		Total Worldwide	
	Units	Rooms	Units	Rooms	Units	Rooms
<b>Managed</b>	<b>757</b>	<b>240,359</b>	<b>1,195</b>	<b>310,124</b>	<b>1,952</b>	<b>550,483</b>
Marriott Hotels	122	65,625	172	50,726	294	116,351
Marriott Hotels Serviced Apartments	-	-	1	154	1	154
Sheraton	27	23,333	184	63,109	211	86,442
Courtyard	235	37,664	98	21,247	333	58,911
Westin	43	23,650	71	21,912	114	45,562
JW Marriott	17	10,864	51	19,724	68	30,588
Renaissance	27	11,574	56	17,539	83	29,113
The Ritz-Carlton	38	10,981	56	14,943	94	25,924
The Ritz-Carlton Serviced Apartments	-	-	5	697	5	697
Le Méridien	3	570	72	20,163	75	20,733
Four Points	1	134	74	19,117	75	19,251
Residence Inn	108	16,495	5	565	113	17,060
W Hotels	24	7,078	29	7,347	53	14,425
The Luxury Collection	5	2,234	50	8,830	55	11,064
Gaylord Hotels	6	9,918	-	-	6	9,918
Aloft	1	330	38	8,936	39	9,266
St. Regis	9	1,728	32	7,289	41	9,017
St. Regis Serviced Apartments	-	-	1	70	1	70
AC Hotels by Marriott	3	517	59	7,099	62	7,616
Delta Hotels	25	6,775	-	-	25	6,775
Fairfield by Marriott	7	1,539	32	4,879	39	6,418
SpringHill Suites	30	4,896	-	-	30	4,896
Marriott Executive Apartments	-	-	31	4,580	31	4,580
Protea Hotels	-	-	36	4,328	36	4,328
Autograph Collection	5	1,307	15	2,406	20	3,713
EDITION	3	1,019	6	1,293	9	2,312
TownePlace Suites	17	1,948	-	-	17	1,948
Element	1	180	7	1,421	8	1,601
Tribute Portfolio	-	-	5	713	5	713
Moxy	-	-	4	599	4	599
Bulgari	-	-	5	438	5	438
<b>Franchised</b>	<b>4,318</b>	<b>624,924</b>	<b>585</b>	<b>121,107</b>	<b>4,903</b>	<b>746,031</b>
Courtyard	783	104,203	74	13,858	857	118,061
Fairfield by Marriott	966	89,896	19	3,188	985	93,084
Residence Inn	697	83,091	8	1,041	705	84,132
Marriott Hotels	213	66,474	54	15,485	267	81,959
Sheraton	161	47,749	62	17,683	223	65,432
SpringHill Suites	403	46,612	-	-	403	46,612
TownePlace Suites	382	38,350	-	-	382	38,350
Westin	87	28,811	24	7,372	111	36,183
Autograph Collection	95	19,613	58	12,721	153	32,334
Four Points	157	23,764	52	8,220	209	31,984
Renaissance	59	16,981	27	7,393	86	24,374
Aloft	111	16,452	16	2,652	127	19,104
AC Hotels by Marriott	52	8,782	40	5,897	92	14,679
The Luxury Collection	12	2,850	45	8,590	57	11,440
Delta Hotels	42	9,385	2	562	44	9,947
Moxy	13	2,739	29	6,007	42	8,746
Le Méridien	17	3,665	16	4,248	33	7,913
JW Marriott	12	5,643	6	1,624	18	7,267
Tribute Portfolio	20	4,626	11	1,211	31	5,837
Element	35	4,809	2	293	37	5,102
Protea Hotels	-	-	38	2,911	38	2,911
The Ritz-Carlton	1	429	-	-	1	429
Bulgari	-	-	1	85	1	85
Marriott Executive Apartments	-	-	1	66	1	66

**MARRIOTT INTERNATIONAL, INC.**  
**TOTAL LODGING PRODUCTS**  
As of June 30, 2019

	North America		Total International		Total Worldwide	
	Units	Rooms	Units	Rooms	Units	Rooms
<b>Owned/Leased</b>	<b>29</b>	<b>8,281</b>	<b>34</b>	<b>8,820</b>	<b>63</b>	<b>17,101</b>
Courtyard	19	2,814	4	894	23	3,708
Sheraton	2	1,474	4	1,830	6	3,304
Marriott Hotels	3	1,664	5	1,631	8	3,295
W Hotels	1	509	2	665	3	1,174
Protea Hotels	-	-	7	1,168	7	1,168
Westin	1	1,073	-	-	1	1,073
Renaissance	1	317	3	749	4	1,066
The Ritz-Carlton	-	-	2	553	2	553
JW Marriott	-	-	1	496	1	496
St. Regis	1	238	1	160	2	398
Residence Inn	1	192	1	140	2	332
The Luxury Collection	-	-	2	287	2	287
Autograph Collection	-	-	2	247	2	247
<b>Residences</b>	<b>57</b>	<b>6,475</b>	<b>36</b>	<b>3,519</b>	<b>93</b>	<b>9,994</b>
The Ritz-Carlton Residences	35	4,370	11	938	46	5,308
W Residences	9	1,078	5	519	14	1,597
St. Regis Residences	7	585	7	598	14	1,183
Westin Residences	3	266	2	469	5	735
Bulgari Residences	-	-	4	448	4	448
The Luxury Collection Residences	2	151	3	115	5	266
Sheraton Residences	-	-	2	262	2	262
Marriott Hotels Residences	-	-	1	108	1	108
Autograph Collection Residences	-	-	1	62	1	62
EDITION Residences	1	25	-	-	1	25
<b>Timeshare*</b>	<b>70</b>	<b>18,424</b>	<b>19</b>	<b>3,873</b>	<b>89</b>	<b>22,297</b>
<b>Grand Total</b>	<b>5,231</b>	<b>898,463</b>	<b>1,869</b>	<b>447,443</b>	<b>7,100</b>	<b>1,345,906</b>

\*Timeshare property and room counts are included on this table in their geographical locations. For external reporting purposes, these counts are captured in the Corporate segment.

**MARRIOTT INTERNATIONAL, INC.**  
**TOTAL LODGING PRODUCTS**  
As of June 30, 2019

<b>Total Systemwide</b>	<b>North America</b>		<b>Total International</b>		<b>Total Worldwide</b>	
	<i>Units</i>	<i>Rooms</i>	<i>Units</i>	<i>Rooms</i>	<i>Units</i>	<i>Rooms</i>
<b>Luxury</b>	<b>177</b>	<b>49,782</b>	<b>325</b>	<b>75,709</b>	<b>502</b>	<b>125,491</b>
JW Marriott	29	16,507	58	21,844	87	38,351
The Ritz-Carlton	39	11,410	58	15,496	97	26,906
The Ritz-Carlton Residences	35	4,370	11	938	46	5,308
The Ritz-Carlton Serviced Apartments	-	-	5	697	5	697
The Luxury Collection	17	5,084	97	17,707	114	22,791
The Luxury Collection Residences	2	151	3	115	5	266
W Hotels	25	7,587	31	8,012	56	15,599
W Residences	9	1,078	5	519	14	1,597
St. Regis	10	1,966	33	7,449	43	9,415
St. Regis Residences	7	585	7	598	14	1,183
St. Regis Serviced Apartments	-	-	1	70	1	70
EDITION	3	1,019	6	1,293	9	2,312
EDITION Residences	1	25	-	-	1	25
Bulgari	-	-	6	523	6	523
Bulgari Residences	-	-	4	448	4	448
<b>Full-Service</b>	<b>962</b>	<b>344,850</b>	<b>882</b>	<b>253,401</b>	<b>1,844</b>	<b>598,251</b>
Marriott Hotels	338	133,763	231	67,842	569	201,605
Marriott Hotels Residences	-	-	1	108	1	108
Marriott Hotels Serviced Apartments	-	-	1	154	1	154
Sheraton	190	72,556	250	82,622	440	155,178
Sheraton Residences	-	-	2	262	2	262
Westin	131	53,534	95	29,284	226	82,818
Westin Residences	3	266	2	469	5	735
Renaissance	87	28,872	86	25,681	173	54,553
Autograph Collection	100	20,920	75	15,374	175	36,294
Autograph Collection Residences	-	-	1	62	1	62
Le Méridien	20	4,235	88	24,411	108	28,646
Delta Hotels	67	16,160	2	562	69	16,722
Gaylord Hotels	6	9,918	-	-	6	9,918
Tribute Portfolio	20	4,626	16	1,924	36	6,550
Marriott Executive Apartments	-	-	32	4,646	32	4,646
<b>Limited-Service</b>	<b>4,022</b>	<b>485,407</b>	<b>643</b>	<b>114,460</b>	<b>4,665</b>	<b>599,867</b>
Courtyard	1,037	144,681	176	35,999	1,213	180,680
Residence Inn	806	99,778	14	1,746	820	101,524
Fairfield by Marriott	973	91,435	51	8,067	1,024	99,502
SpringHill Suites	433	51,508	-	-	433	51,508
Four Points	158	23,898	126	27,337	284	51,235
TownePlace Suites	399	40,298	-	-	399	40,298
Aloft	112	16,782	54	11,588	166	28,370
AC Hotels by Marriott	55	9,299	99	12,996	154	22,295
Moxy	13	2,739	33	6,606	46	9,345
Protea Hotels	-	-	81	8,407	81	8,407
Element	36	4,989	9	1,714	45	6,703
<b>Timeshare*</b>	<b>70</b>	<b>18,424</b>	<b>19</b>	<b>3,873</b>	<b>89</b>	<b>22,297</b>
<b>Grand Total</b>	<b>5,231</b>	<b>898,463</b>	<b>1,869</b>	<b>447,443</b>	<b>7,100</b>	<b>1,345,906</b>

\*Timeshare property and room counts are included on this table in their geographical locations. For external reporting purposes, these counts are captured in the Corporate segment.

**MARRIOTT INTERNATIONAL, INC.**  
**KEY LODGING STATISTICS**  
In Constant \$

**Comparable Company-Operated North American Properties**

Brand	Three Months Ended June 30, 2019 and June 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	pts.	2019	vs. 2018
JW Marriott	\$231.56	1.0%	81.9%	-1.6%	pts.	\$282.78	3.0%
The Ritz-Carlton	\$294.18	2.5%	76.5%	0.4%	pts.	\$384.39	2.0%
W Hotels	\$256.29	-1.6%	82.4%	-0.4%	pts.	\$311.12	-1.1%
<b>Composite North American Luxury<sup>1</sup></b>	<b>\$275.85</b>	<b>1.1%</b>	<b>79.7%</b>	<b>-0.3%</b>	<b>pts.</b>	<b>\$346.25</b>	<b>1.4%</b>
Marriott Hotels	\$168.80	0.7%	80.5%	-0.2%	pts.	\$209.77	1.1%
Sheraton	\$162.58	-3.0%	81.8%	-1.2%	pts.	\$198.67	-1.6%
Westin	\$175.41	-0.5%	80.8%	-0.3%	pts.	\$217.15	-0.1%
<b>Composite North American Upper Upscale<sup>2</sup></b>	<b>\$166.44</b>	<b>0.0%</b>	<b>80.6%</b>	<b>-0.3%</b>	<b>pts.</b>	<b>\$206.52</b>	<b>0.4%</b>
<b>North American Full-Service<sup>3</sup></b>	<b>\$185.28</b>	<b>0.3%</b>	<b>80.4%</b>	<b>-0.3%</b>	<b>pts.</b>	<b>\$230.35</b>	<b>0.6%</b>
Courtyard	\$113.20	-1.4%	76.7%	-1.5%	pts.	\$147.57	0.5%
Residence Inn	\$136.95	1.5%	82.9%	0.6%	pts.	\$165.28	0.7%
<b>Composite North American Limited-Service<sup>4</sup></b>	<b>\$119.48</b>	<b>-0.7%</b>	<b>78.9%</b>	<b>-0.9%</b>	<b>pts.</b>	<b>\$151.53</b>	<b>0.5%</b>
<b>North American - All<sup>5</sup></b>	<b>\$164.36</b>	<b>0.1%</b>	<b>79.9%</b>	<b>-0.5%</b>	<b>pts.</b>	<b>\$205.63</b>	<b>0.7%</b>

**Comparable Systemwide North American Properties**

Brand	Three Months Ended June 30, 2019 and June 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	pts.	2019	vs. 2018
JW Marriott	\$216.78	1.2%	81.2%	-1.6%	pts.	\$266.93	3.2%
The Ritz-Carlton	\$295.50	2.5%	77.2%	0.4%	pts.	\$383.02	2.0%
W Hotels	\$256.29	-1.6%	82.4%	-0.4%	pts.	\$311.12	-1.1%
<b>Composite North American Luxury<sup>1</sup></b>	<b>\$262.53</b>	<b>1.0%</b>	<b>79.7%</b>	<b>-0.5%</b>	<b>pts.</b>	<b>\$329.31</b>	<b>1.6%</b>
Marriott Hotels	\$142.95	1.3%	77.1%	-0.2%	pts.	\$185.49	1.6%
Sheraton	\$126.69	-0.8%	77.3%	-0.9%	pts.	\$163.83	0.5%
Westin	\$161.18	0.7%	79.4%	-0.2%	pts.	\$203.04	1.0%
<b>Composite North American Upper Upscale<sup>2</sup></b>	<b>\$145.11</b>	<b>1.2%</b>	<b>77.7%</b>	<b>-0.3%</b>	<b>pts.</b>	<b>\$186.70</b>	<b>1.6%</b>
<b>North American Full-Service<sup>3</sup></b>	<b>\$156.53</b>	<b>1.2%</b>	<b>77.9%</b>	<b>-0.3%</b>	<b>pts.</b>	<b>\$200.90</b>	<b>1.5%</b>
Courtyard	\$111.57	-0.3%	76.8%	-1.0%	pts.	\$145.35	1.1%
Residence Inn	\$126.03	0.3%	82.3%	-0.4%	pts.	\$153.08	0.8%
Fairfield by Marriott	\$90.08	-0.5%	75.9%	-0.9%	pts.	\$118.66	0.7%
<b>Composite North American Limited-Service<sup>4</sup></b>	<b>\$108.32</b>	<b>0.1%</b>	<b>78.2%</b>	<b>-0.7%</b>	<b>pts.</b>	<b>\$138.59</b>	<b>1.0%</b>
<b>North American - All<sup>5</sup></b>	<b>\$128.80</b>	<b>0.7%</b>	<b>78.1%</b>	<b>-0.5%</b>	<b>pts.</b>	<b>\$165.01</b>	<b>1.3%</b>

<sup>1</sup> Includes JW Marriott, The Ritz-Carlton, W Hotels, The Luxury Collection, St. Regis, and EDITION.

<sup>2</sup> Includes Marriott Hotels, Sheraton, Westin, Renaissance, Autograph Collection, Delta Hotels, Gaylord Hotels, and Le Méridien. Systemwide also includes Tribute Portfolio.

<sup>3</sup> Includes Composite North American Luxury and Composite North American Upper Upscale.

<sup>4</sup> Includes Courtyard, Residence Inn, Fairfield by Marriott, SpringHill Suites, TownePlace Suites, Four Points, Aloft, Element, and AC Hotels by Marriott. Systemwide also includes Moxy.

<sup>5</sup> Includes North American Full-Service and Composite North American Limited-Service.



**MARRIOTT INTERNATIONAL, INC.**  
**KEY LODGING STATISTICS**  
**In Constant \$**

**Comparable Company-Operated International Properties**

Region	Three Months Ended June 30, 2019 and June 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	2019	vs. 2018	
Greater China	\$86.00	2.5%	69.7%	2.0% pts.	\$123.48	-0.4%	
Rest of Asia Pacific	\$116.01	5.5%	73.3%	3.1% pts.	\$158.35	1.0%	
<b>Asia Pacific</b>	<b>\$98.71</b>	<b>3.9%</b>	<b>71.2%</b>	<b>2.4% pts.</b>	<b>\$138.68</b>	<b>0.4%</b>	
Caribbean & Latin America	\$125.25	0.6%	65.0%	0.8% pts.	\$192.59	-0.6%	
Europe	\$164.67	4.3%	78.7%	1.2% pts.	\$209.25	2.7%	
Middle East & Africa	\$97.58	-0.7%	64.0%	2.8% pts.	\$152.51	-5.1%	
<b>International - All<sup>1</sup></b>	<b>\$115.69</b>	<b>3.1%</b>	<b>71.2%</b>	<b>2.1% pts.</b>	<b>\$162.54</b>	<b>0.0%</b>	
<b>Worldwide<sup>2</sup></b>	<b>\$140.01</b>	<b>1.3%</b>	<b>75.5%</b>	<b>0.8% pts.</b>	<b>\$185.32</b>	<b>0.2%</b>	

**Comparable Systemwide International Properties**

Region	Three Months Ended June 30, 2019 and June 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	2019	vs. 2018	
Greater China	\$85.34	2.6%	69.3%	2.1% pts.	\$123.22	-0.5%	
Rest of Asia Pacific	\$116.27	4.4%	73.0%	2.3% pts.	\$159.29	1.1%	
<b>Asia Pacific</b>	<b>\$100.36</b>	<b>3.6%</b>	<b>71.1%</b>	<b>2.2% pts.</b>	<b>\$141.21</b>	<b>0.4%</b>	
Caribbean & Latin America	\$99.13	0.5%	62.6%	-0.6% pts.	\$158.27	1.5%	
Europe	\$143.33	3.6%	77.3%	0.9% pts.	\$185.38	2.4%	
Middle East & Africa	\$92.83	-0.7%	63.6%	2.4% pts.	\$145.86	-4.4%	
<b>International - All<sup>1</sup></b>	<b>\$112.26</b>	<b>2.8%</b>	<b>71.0%</b>	<b>1.5% pts.</b>	<b>\$158.21</b>	<b>0.6%</b>	
<b>Worldwide<sup>2</sup></b>	<b>\$124.16</b>	<b>1.2%</b>	<b>76.1%</b>	<b>0.0% pts.</b>	<b>\$163.23</b>	<b>1.1%</b>	

<sup>1</sup> Includes Asia Pacific, Caribbean & Latin America, Europe, and Middle East & Africa.

<sup>2</sup> Includes North American - All and International - All.

**MARRIOTT INTERNATIONAL, INC.**  
**KEY LODGING STATISTICS**  
In Constant \$

**Comparable Company-Operated North American Properties**

Brand	Six Months Ended June 30, 2019 and June 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018		2019	vs. 2018
JW Marriott	\$221.58	1.0%	78.2%	-2.5%	pts.	\$283.20	4.2%
The Ritz-Carlton	\$308.52	4.0%	76.6%	0.9%	pts.	\$402.83	2.8%
W Hotels	\$242.64	-3.3%	78.4%	-2.9%	pts.	\$309.61	0.3%
<b>Composite North American Luxury<sup>1</sup></b>	<b>\$281.07</b>	<b>1.4%</b>	<b>77.8%</b>	<b>-1.3%</b>	<b>pts.</b>	<b>\$361.37</b>	<b>3.1%</b>
Marriott Hotels	\$158.35	1.4%	76.6%	-0.3%	pts.	\$206.84	1.8%
Sheraton	\$145.95	-2.9%	77.1%	-1.3%	pts.	\$189.23	-1.3%
Westin	\$157.74	-1.1%	76.1%	-0.7%	pts.	\$207.29	-0.2%
<b>Composite North American Upper Upscale<sup>2</sup></b>	<b>\$154.15</b>	<b>0.6%</b>	<b>76.6%</b>	<b>-0.3%</b>	<b>pts.</b>	<b>\$201.31</b>	<b>1.0%</b>
<b>North American Full-Service<sup>3</sup></b>	<b>\$176.00</b>	<b>0.8%</b>	<b>76.8%</b>	<b>-0.5%</b>	<b>pts.</b>	<b>\$229.22</b>	<b>1.4%</b>
Courtyard	\$104.62	-1.5%	71.7%	-1.9%	pts.	\$145.82	1.2%
Residence Inn	\$128.70	0.4%	79.1%	-0.3%	pts.	\$162.75	0.7%
<b>Composite North American Limited-Service<sup>4</sup></b>	<b>\$111.06</b>	<b>-1.1%</b>	<b>74.2%</b>	<b>-1.5%</b>	<b>pts.</b>	<b>\$149.64</b>	<b>1.0%</b>
<b>North American - All<sup>5</sup></b>	<b>\$155.36</b>	<b>0.4%</b>	<b>76.0%</b>	<b>-0.8%</b>	<b>pts.</b>	<b>\$204.51</b>	<b>1.4%</b>

**Comparable Systemwide North American Properties**

Brand	Six Months Ended June 30, 2019 and June 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018		2019	vs. 2018
JW Marriott	\$211.35	1.4%	78.2%	-1.9%	pts.	\$270.11	3.9%
The Ritz-Carlton	\$305.03	3.9%	76.5%	0.9%	pts.	\$398.75	2.8%
W Hotels	\$242.64	-3.3%	78.4%	-2.9%	pts.	\$309.61	0.3%
<b>Composite North American Luxury<sup>1</sup></b>	<b>\$263.48</b>	<b>1.4%</b>	<b>77.5%</b>	<b>-1.3%</b>	<b>pts.</b>	<b>\$340.16</b>	<b>3.0%</b>
Marriott Hotels	\$135.02	1.9%	73.3%	0.0%	pts.	\$184.09	2.0%
Sheraton	\$115.13	-1.2%	72.3%	-1.3%	pts.	\$159.28	0.7%
Westin	\$151.06	0.4%	75.3%	-0.5%	pts.	\$200.58	1.0%
<b>Composite North American Upper Upscale<sup>2</sup></b>	<b>\$135.92</b>	<b>1.5%</b>	<b>73.7%</b>	<b>-0.3%</b>	<b>pts.</b>	<b>\$184.33</b>	<b>1.9%</b>
<b>North American Full-Service<sup>3</sup></b>	<b>\$148.33</b>	<b>1.5%</b>	<b>74.1%</b>	<b>-0.4%</b>	<b>pts.</b>	<b>\$200.18</b>	<b>2.0%</b>
Courtyard	\$102.53	-0.3%	72.1%	-1.1%	pts.	\$142.19	1.3%
Residence Inn	\$117.64	-0.2%	78.5%	-0.7%	pts.	\$149.82	0.7%
Fairfield by Marriott	\$81.32	-0.7%	70.5%	-1.0%	pts.	\$115.36	0.7%
<b>Composite North American Limited-Service<sup>4</sup></b>	<b>\$99.81</b>	<b>-0.1%</b>	<b>73.6%</b>	<b>-0.8%</b>	<b>pts.</b>	<b>\$135.57</b>	<b>1.0%</b>
<b>North American - All<sup>5</sup></b>	<b>\$120.42</b>	<b>0.8%</b>	<b>73.8%</b>	<b>-0.6%</b>	<b>pts.</b>	<b>\$163.12</b>	<b>1.6%</b>

<sup>1</sup> Includes JW Marriott, The Ritz-Carlton, W Hotels, The Luxury Collection, St. Regis, and EDITION.

<sup>2</sup> Includes Marriott Hotels, Sheraton, Westin, Renaissance, Autograph Collection, Delta Hotels, Gaylord Hotels, and Le Méridien. Systemwide also includes Tribute Portfolio.

<sup>3</sup> Includes Composite North American Luxury and Composite North American Upper Upscale.

<sup>4</sup> Includes Courtyard, Residence Inn, Fairfield by Marriott, SpringHill Suites, TownePlace Suites, Four Points, Aloft, Element, and AC Hotels by Marriott. Systemwide also includes Moxy.

<sup>5</sup> Includes North American Full-Service and Composite North American Limited-Service.

**MARRIOTT INTERNATIONAL, INC.**  
**KEY LODGING STATISTICS**  
**In Constant \$**

**Comparable Company-Operated International Properties**

Region	Six Months Ended June 30, 2019 and June 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	2019	vs. 2018	
Greater China	\$84.60	2.7%	67.2%	1.8% pts.	\$125.85	-0.1%	
Rest of Asia Pacific	\$122.86	4.9%	74.6%	2.9% pts.	\$164.74	0.7%	
<b>Asia Pacific</b>	<b>\$100.80</b>	<b>3.8%</b>	<b>70.3%</b>	<b>2.3% pts.</b>	<b>\$143.31</b>	<b>0.4%</b>	
Caribbean & Latin America	\$143.12	2.1%	66.0%	0.5% pts.	\$216.70	1.3%	
Europe	\$139.77	3.1%	71.9%	0.6% pts.	\$194.40	2.3%	
Middle East & Africa	\$107.05	-2.2%	67.3%	2.3% pts.	\$159.15	-5.6%	
<b>International - All<sup>1</sup></b>	<b>\$114.05</b>	<b>2.4%</b>	<b>69.8%</b>	<b>1.8% pts.</b>	<b>\$163.34</b>	<b>-0.2%</b>	
<b>Worldwide<sup>2</sup></b>	<b>\$134.71</b>	<b>1.2%</b>	<b>72.9%</b>	<b>0.5% pts.</b>	<b>\$184.79</b>	<b>0.6%</b>	

**Comparable Systemwide International Properties**

Region	Six Months Ended June 30, 2019 and June 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	2019	vs. 2018	
Greater China	\$83.89	2.8%	66.8%	2.0% pts.	\$125.59	-0.3%	
Rest of Asia Pacific	\$121.24	4.1%	73.8%	2.2% pts.	\$164.30	1.0%	
<b>Asia Pacific</b>	<b>\$102.03</b>	<b>3.6%</b>	<b>70.2%</b>	<b>2.1% pts.</b>	<b>\$145.35</b>	<b>0.5%</b>	
Caribbean & Latin America	\$111.16	2.2%	64.0%	-0.4% pts.	\$173.73	2.8%	
Europe	\$122.27	3.1%	70.6%	0.6% pts.	\$173.24	2.2%	
Middle East & Africa	\$101.66	-1.9%	66.6%	2.1% pts.	\$152.62	-5.0%	
<b>International - All<sup>1</sup></b>	<b>\$109.17</b>	<b>2.5%</b>	<b>69.1%</b>	<b>1.3% pts.</b>	<b>\$158.02</b>	<b>0.5%</b>	
<b>Worldwide<sup>2</sup></b>	<b>\$117.27</b>	<b>1.2%</b>	<b>72.5%</b>	<b>-0.1% pts.</b>	<b>\$161.76</b>	<b>1.3%</b>	

<sup>1</sup> Includes Asia Pacific, Caribbean & Latin America, Europe, and Middle East & Africa.

<sup>2</sup> Includes North American - All and International - All.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**

**ADJUSTED EBITDA**

(\$ in millions)

	Fiscal Year 2019		
	First Quarter	Second Quarter	Total
Net income, as reported	\$ 375	\$ 232	\$ 607
Cost reimbursement revenue	(3,756)	(3,903)	(7,659)
Reimbursed expenses	3,892	4,107	7,999
Interest expense	97	102	199
Interest expense from unconsolidated joint ventures	2	1	3
Tax provision	57	82	139
Depreciation and amortization	54	56	110
Contract investment amortization	14	15	29
Depreciation classified in reimbursed expenses	30	29	59
Depreciation and amortization from unconsolidated joint ventures	7	8	15
Share-based compensation	40	50	90
Merger-related costs and charges	9	173	182
<b>Adjusted EBITDA **</b>	<b>\$ 821</b>	<b>\$ 952</b>	<b>\$ 1,773</b>
<b>Increase over 2018 Adjusted EBITDA **</b>	<b>7%</b>	<b>1%</b>	<b>4%</b> <sup>1</sup>

	Fiscal Year 2018 <sup>2</sup>				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net income, as reported	\$ 420	\$ 667	\$ 503	\$ 317	\$ 1,907
Cost reimbursement revenue	(3,776)	(4,048)	(3,735)	(3,984)	(15,543)
Reimbursed expenses	3,808	3,964	3,855	4,151	15,778
Interest expense	75	85	86	94	340
Interest expense from unconsolidated joint ventures	2	3	2	3	10
Tax provision	112	207	91	28	438
Depreciation and amortization	54	58	52	62	226
Contract investment amortization	18	13	13	14	58
Depreciation classified in reimbursed expenses	33	34	39	41	147
Depreciation and amortization from unconsolidated joint ventures	10	10	10	10	40
Share-based compensation	38	47	43	43	171
Gain on asset dispositions	(58)	(109)	(16)	(6)	(189)
Gain on investees' property sales	-	(10)	(55)	-	(65)
Merger-related costs and charges	34	18	12	91	155
<b>Adjusted EBITDA **</b>	<b>\$ 770</b>	<b>\$ 939</b>	<b>\$ 900</b>	<b>\$ 864</b>	<b>\$ 3,473</b>

\*\* Denotes non-GAAP financial measures. See pages A-15 and A-16 for information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> Represents the percentage increase of Adjusted EBITDA of \$1,773 million for the first two quarters of 2019 over Adjusted EBITDA of \$1,709 million for the first two quarters of 2018.

<sup>2</sup> Reflects revised information for our 2018 first, second, and third quarters as presented in our 2018 Annual Report on Form 10-K.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**ADJUSTED EBITDA FORECAST**  
**THIRD QUARTER 2019**

(\$ in millions)

	Range		Third Quarter 2018 **
	Estimated		
	Third Quarter 2019		
Net income excluding certain items <sup>1</sup>	\$ 490	\$ 505	
Interest expense	95	95	
Interest expense from unconsolidated joint ventures	5	5	
Tax provision	160	165	
Depreciation and amortization	50	50	
Contract investment amortization	15	15	
Depreciation classified in reimbursed expenses	35	35	
Depreciation and amortization from unconsolidated joint ventures	10	10	
Share-based compensation	45	45	
Gain on asset dispositions	(9)	(9)	
<b>Adjusted EBITDA **</b>	<b><u>\$ 896</u></b>	<b><u>\$ 916</u></b>	<b><u>\$ 900</u></b>
<b>Increase over 2018 Adjusted EBITDA **</b>	<b>0%</b>	<b>2%</b>	

\*\* Denotes non-GAAP financial measures. See pages A-15 and A-16 for information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> Guidance excludes cost reimbursement revenue, reimbursed expenses, and merger-related costs and charges, which the company cannot accurately forecast and which may be significant, except for depreciation classified in reimbursed expenses, which is included in the caption "Depreciation classified in reimbursed expenses" above.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**ADJUSTED EBITDA FORECAST**  
**FOURTH QUARTER 2019**

(\$ in millions)

	<b>Range</b>		<b>Fourth Quarter 2018 **</b>
	<b>Estimated</b>		
	<b>Fourth Quarter 2019</b>		
Net income excluding certain items <sup>1</sup>	\$ 506	\$ 521	
Interest expense	101	101	
Interest expense from unconsolidated joint ventures	2	2	
Tax provision	156	161	
Depreciation and amortization	55	55	
Contract investment amortization	16	16	
Depreciation classified in reimbursed expenses	31	31	
Depreciation and amortization from unconsolidated joint ventures	5	5	
Share-based compensation	45	45	
<b>Adjusted EBITDA **</b>	<b>\$ 917</b>	<b>\$ 937</b>	<b>\$ 864</b>
<b>Increase over 2018 Adjusted EBITDA **</b>	<b>6%</b>	<b>8%</b>	

\*\* Denotes non-GAAP financial measures. See pages A-15 and A-16 for information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> Guidance excludes cost reimbursement revenue, reimbursed expenses, and merger-related costs and charges, which the company cannot accurately forecast and which may be significant, except for depreciation classified in reimbursed expenses, which is included in the caption "Depreciation classified in reimbursed expenses" above.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**ADJUSTED EBITDA FORECAST**  
**FULL YEAR 2019**

(\$ in millions)

	Range		Full Year 2018**
	Estimated Full Year 2019		
Net income excluding certain items <sup>1</sup>	\$ 2,003	\$ 2,033	
Interest expense	395	395	
Interest expense from unconsolidated joint ventures	10	10	
Tax provision	577	587	
Depreciation and amortization	215	215	
Contract investment amortization	60	60	
Depreciation classified in reimbursed expenses	125	125	
Depreciation and amortization from unconsolidated joint ventures	30	30	
Share-based compensation	180	180	
Gain on asset dispositions	(9)	(9)	
<b>Adjusted EBITDA **</b>	<b>\$ 3,586</b>	<b>\$ 3,626</b>	<b>\$ 3,473</b>
<b>Increase over 2018 Adjusted EBITDA **</b>	<b>3%</b>	<b>4%</b>	

\*\* Denotes non-GAAP financial measures. See pages A-15 and A-16 for information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> Guidance excludes cost reimbursement revenue, reimbursed expenses, and merger-related costs and charges, which the company cannot accurately forecast and which may be significant, except for depreciation classified in reimbursed expenses, which is included in the caption "Depreciation classified in reimbursed expenses" above.

**MARRIOTT INTERNATIONAL, INC.**  
**EXPLANATION OF NON-GAAP FINANCIAL AND PERFORMANCE 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. 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, 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 Operating Income and Adjusted Operating Income Margin.** Adjusted operating income and Adjusted operating income margin exclude cost reimbursement revenue, reimbursed expenses, and merger-related costs and charges. Adjusted operating income margin reflects Adjusted operating income divided by Adjusted total revenues. We believe that these are meaningful metrics because they allow for period-over-period comparisons of our ongoing operations before these items and for the reasons further described below.

**Adjusted Net Income and Adjusted Diluted EPS.** Adjusted net income and Adjusted diluted EPS reflect our net income and diluted earnings per share excluding the impact of cost reimbursement revenue, reimbursed expenses, merger-related costs and charges, the gain on the sale of our ownership interest in Avendra, and the income tax effect of these adjustments, as well as the impact of the U.S. Tax Cuts and Jobs Act of 2017. We calculate the income tax effect of the adjustments using an estimated tax rate applicable to each adjustment. We believe that these measures are meaningful indicators of our performance because they allow for period-over-period comparisons of our ongoing operations before these items and for the reasons further described below.

**Adjusted Earnings Before Interest Expense, Taxes, Depreciation and Amortization (“Adjusted EBITDA”).** Adjusted EBITDA reflects net income excluding the impact of the following items: cost reimbursement revenue and reimbursed expenses, interest expense, depreciation (including depreciation classified in “Reimbursed expenses,” as discussed below), amortization, and provision for income taxes, pre-tax merger-related costs and charges, and share-based compensation expense for all periods presented. When applicable, Adjusted EBITDA also excludes gains and losses on asset dispositions made by us or by our joint venture investees.

In our presentations of Adjusted operating income and Adjusted operating income margin, Adjusted net income, and Adjusted diluted EPS, we exclude transaction and transition costs associated with the Starwood merger, which we record in the “Merger-related costs and charges” caption of our Income Statements, to allow for period-over period comparisons of our ongoing operations before the impact of these items. We exclude cost reimbursement revenue and reimbursed expenses, which relate to property-level and centralized programs and services that we operate for the benefit of our hotel owners. We do not operate these programs and services to generate a profit over the contract term, and accordingly, when we recover the costs that we incur for these programs and services from our hotel owners, we do not seek a mark-up. For property-level services, our owners typically reimburse us at the same time that we incur expenses. However, for centralized programs and services, our owners may reimburse us before or after we incur expenses, causing temporary timing differences between the costs we incur and the related reimbursement from hotel owners in our operating and net income. Over the long term, these programs and services are not designed to impact our economics, either positively or negatively. Because we do not retain any such profits or losses over time, we exclude the net impact when evaluating period-over-period changes in our operating results.

We believe that Adjusted EBITDA is a meaningful indicator of our operating performance because it permits period-over-period comparisons of our ongoing 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 classified in “Reimbursed expenses” and “Contract investment amortization” in our Consolidated Statements of Income (our “Income Statements”), because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets. Depreciation classified in “Reimbursed expenses” reflects depreciation of Marriott-owned assets, for which we receive cash from owners to reimburse the company for its investments made for the benefit of the system. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies. We exclude share-based compensation expense in all periods presented to address the 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.



**MARRIOTT INTERNATIONAL, INC.**  
**EXPLANATION OF NON-GAAP FINANCIAL AND PERFORMANCE MEASURES**

**RevPAR.** In addition to the foregoing non-GAAP financial measures, we present Revenue per Available Room (“RevPAR”) as a performance measure. We believe RevPAR is a meaningful indicator of our performance because it measures the period-over-period change in room revenues for comparable properties. RevPAR may not be comparable to similarly titled measures, such as revenues. We calculate RevPAR by dividing room sales (recorded in local currency) for comparable properties by room nights available for the period. We present growth in comparative RevPAR on a constant dollar basis, which we calculate by applying exchange rates for the current period to each period presented. We believe constant dollar analysis provides valuable information regarding our properties’ performance as it removes currency fluctuations from the presentation of such results.