MARRIOTT INTERNATIONAL, INC.
PRESS RELEASE SCHEDULES
QUARTER 4, 2014
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MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOURTH QUARTER 2014 AND 2013
(in millions except per share amounts, unaudited)

	Three Months Ended December 31, 2014	Three Months Ended December 31, 2013	Percent Better/ (Worse)
REVENUES			
Base management fees	$ 163	$ 152	7
Franchise fees	185	163	13
Incentive management fees	82	73	12
Owned, leased, and other revenue [1]	275	260	6
Cost reimbursements [2]	2,854	2,571	11
Total Revenues	3,559	3,219	11
OPERATING COSTS AND EXPENSES			
Owned, leased, and other - direct [3]	202	197	(3)
Reimbursed costs	2,854	2,571	(11)
Depreciation, amortization, and other [4]	32	35	9
General, administrative, and other [5]	180	178	(1)
Total Expenses	3,268	2,981	(10)
OPERATING INCOME	291	238	22
Gains (losses) and other income [6]	4	(3)	233
Interest expense	(26)	(32)	19
Interest income	13	10	30
Equity in earnings (losses) [7]	-	(3)	100
INCOME BEFORE INCOME TAXES	282	210	34
Provision for income taxes	(85)	(59)	(44)
NET INCOME	$ 197	$ 151	30
EARNINGS PER SHARE - Basic			
Earnings per share	$ 0.70	$ 0.50	40
EARNINGS PER SHARE - Diluted			
Earnings per share	$ 0.68	$ 0.49	39
Basic Shares	282.4	299.4	
Diluted Shares	289.0	307.5	

[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 (losses) and other income* 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 (losses)* include our equity in earnings or losses of unconsolidated equity method investments.

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME
FOURTH QUARTER YEAR-TO-DATE 2014 AND 2013
(in millions except per share amounts, unaudited)

	Twelve Months Ended December 31, 2014	Twelve Months Ended December 31, 2013	Percent Better/ (Worse)
REVENUES			
Base management fees	$ 672	$ 621	8
Franchise fees	745	666	12
Incentive management fees	302	256	18
Owned, leased, and other revenue [1]	1,022	950	8
Cost reimbursements [2]	11,055	10,291	7
Total Revenues	13,796	12,784	8
OPERATING COSTS AND EXPENSES			
Owned, leased, and other - direct [3]	775	729	(6)
Reimbursed costs	11,055	10,291	(7)
Depreciation, amortization, and other [4]	148	127	(17)
General, administrative, and other [5]	659	649	(2)
Total Expenses	12,637	11,796	(7)
OPERATING INCOME	1,159	988	17
Gains and other income [6]	8	11	(27)
Interest expense	(115)	(120)	4
Interest income	30	23	30
Equity in earnings (losses) [7]	6	(5)	220
INCOME BEFORE INCOME TAXES	1,088	897	21
Provision for income taxes	(335)	(271)	(24)
NET INCOME	$ 753	$ 626	20
EARNINGS PER SHARE - Basic			
Earnings per share	$ 2.60	$ 2.05	27
EARNINGS PER SHARE - Diluted			
Earnings per share	$ 2.54	$ 2.00	27
Basic Shares	289.9	305.0	
Diluted Shares	296.8	313.0	

[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* 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 (losses)* 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/Suites		
	December 31, 2014	December 31, 2013	vs. December 31, 2013	December 31, 2014	December 31, 2013	vs. December 31, 2013
Domestic Full-Service						
Marriott Hotels	347	344	3	140,575	138,860	1,715
Renaissance Hotels	78	76	2	27,588	27,189	399
Autograph Collection Hotels	44	32	12	10,082	8,410	1,672
Gaylord Hotels	5	5	-	8,098	8,098	-
The Ritz-Carlton	39	37	2	11,424	11,040	384
The Ritz-Carlton Residences	30	30	-	3,598	3,598	-
EDITION	1	-	1	295	-	295
EDITION Residences	1	-	1	25	-	25
Domestic Limited-Service						
Courtyard	861	836	25	120,894	117,693	3,201
Fairfield Inn & Suites	704	691	13	64,362	62,921	1,441
SpringHill Suites	314	306	8	36,968	35,888	1,080
Residence Inn	648	629	19	78,518	76,056	2,462
TownePlace Suites	240	222	18	23,973	22,039	1,934
AC Hotels by Marriott [1]	1	-	1	220	-	220
International						
Marriott Hotels	231	215	16	71,428	66,041	5,387
Renaissance Hotels	81	77	4	25,368	24,711	657
Autograph Collection Hotels [1]	31	24	7	7,428	3,053	4,375
Protea Hotels	112	-	112	10,107	-	10,107
Moxy Hotels	1	-	1	162	-	162
Courtyard	127	117	10	24,906	22,856	2,050
Fairfield Inn & Suites	17	17	-	2,089	2,044	45
SpringHill Suites	2	2	-	299	299	-
Residence Inn	27	24	3	3,645	3,349	296
TownePlace Suites	4	2	2	518	278	240
Marriott Executive Apartments	27	27	-	4,261	4,295	(34)
The Ritz-Carlton	48	47	1	14,090	13,950	140
The Ritz-Carlton Residences	10	10	-	630	630	-
The Ritz-Carlton Serviced Apartments	4	4	-	579	579	-
Bulgari Hotels & Resorts	3	3	-	202	202	-
Bulgari Residences	1	-	1	5	-	5
EDITION	2	2	-	251	251	-
AC Hotels by Marriott [1]	76	75	1	9,311	8,491	820
Timeshare [2]	58	62	(4)	12,866	12,802	64
Total	**4,175**	**3,916**	**259**	**714,765**	**675,623**	**39,142**

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

[2] Timeshare unit and room counts are as of January 2, 2015 and January 3, 2014, the end of Marriott Vacation Worldwide's fourth quarter for 2014 and 2013, respectively.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
Constant $

Comparable Company-Operated International Properties[1]

	Three Months Ended December 31, 2014 and December 31, 2013						
	REVPAR		Occupancy			Average Daily Rate	
Region	**2014**	**vs. 2013**	**2014**	**vs. 2013**		**2014**	**vs. 2013**
Caribbean & Latin America	$171.01	9.5%	71.6%	2.9%	pts.	$238.87	5.1%
Europe	$136.86	4.2%	74.5%	1.7%	pts.	$183.81	1.8%
Middle East & Africa	$129.24	15.7%	64.9%	10.0%	pts.	$199.27	-2.1%
Asia Pacific	$137.46	2.4%	76.1%	1.1%	pts.	$180.66	0.8%
Total International[2]	**$140.54**	**5.3%**	**73.7%**	**2.6%**	**pts.**	**$190.74**	**1.7%**
Worldwide[3]	**$128.88**	**6.0%**	**71.1%**	**1.7%**	**pts.**	**$181.31**	**3.5%**

Comparable Systemwide International Properties[1]

	Three Months Ended December 31, 2014 and December 31, 2013						
	REVPAR		Occupancy			Average Daily Rate	
Region	**2014**	**vs. 2013**	**2014**	**vs. 2013**		**2014**	**vs. 2013**
Caribbean & Latin America	$139.20	7.7%	69.7%	2.4%	pts.	$199.85	4.0%
Europe	$131.79	2.7%	74.4%	1.4%	pts.	$177.13	0.8%
Middle East & Africa	$125.89	14.9%	64.4%	8.9%	pts.	$195.48	-0.9%
Asia Pacific	$136.65	2.9%	76.5%	1.1%	pts.	$178.58	1.3%
Total International[4]	**$134.13**	**4.6%**	**73.4%**	**2.2%**	**pts.**	**$182.68**	**1.5%**
Worldwide[3]	**$105.05**	**6.2%**	**69.7%**	**1.7%**	**pts.**	**$150.67**	**3.7%**

[1] Statistics are in constant dollars. International includes properties located outside the United States and Canada, except for Worldwide which includes the United States.
[2] Includes Marriott Hotels, Renaissance, Autograph Collection, The Ritz-Carlton, Bulgari, Residence Inn, and Courtyard properties.
[3] Includes Marriott Hotels, Renaissance, Autograph Collection, Gaylord Hotels, The Ritz-Carlton, Bulgari, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.
[4] Includes Marriott Hotels, Renaissance, Autograph Collection, The Ritz-Carlton, Bulgari, Residence Inn, Courtyard, and Fairfield Inn & Suites properties.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
Constant $

Comparable Company-Operated International Properties[1]

	Twelve Months Ended December 31, 2014 and December 31, 2013						
	REVPAR		Occupancy			Average Daily Rate	
Region	**2014**	**vs. 2013**	**2014**	**vs. 2013**		**2014**	**vs. 2013**
Caribbean & Latin America	$176.66	11.0%	73.6%	2.7%	pts.	$239.95	6.9%
Europe	$144.61	3.2%	74.9%	1.4%	pts.	$193.20	1.3%
Middle East & Africa	$114.47	7.9%	60.1%	5.8%	pts.	$190.60	-2.5%
Asia Pacific	$130.04	4.8%	73.7%	1.9%	pts.	$176.48	2.1%
Total International[2]	**$139.35**	**5.4%**	**72.6%**	**2.2%**	**pts.**	**$192.04**	**2.2%**
Worldwide[3]	**$131.83**	**6.3%**	**73.7%**	**2.1%**	**pts.**	**$178.96**	**3.3%**

Comparable Systemwide International Properties[1]

	Twelve Months Ended December 31, 2014 and December 31, 2013						
	REVPAR		Occupancy			Average Daily Rate	
Region	**2014**	**vs. 2013**	**2014**	**vs. 2013**		**2014**	**vs. 2013**
Caribbean & Latin America	$146.83	9.4%	71.3%	2.2%	pts.	$205.88	5.9%
Europe	$135.28	2.7%	73.1%	1.3%	pts.	$185.06	0.9%
Middle East & Africa	$112.26	8.1%	60.3%	5.4%	pts.	$186.19	-1.6%
Asia Pacific	$130.71	5.0%	74.1%	1.8%	pts.	$176.43	2.4%
Total International[4]	**$133.37**	**5.1%**	**71.9%**	**2.0%**	**pts.**	**$185.39**	**2.1%**
Worldwide[3]	**$110.09**	**6.6%**	**73.3%**	**2.0%**	**pts.**	**$150.23**	**3.7%**

[1] Statistics are in constant dollars. International includes properties located outside the United States and Canada, except for Worldwide which includes the United States.
[2] Includes Marriott Hotels, Renaissance, Autograph Collection, The Ritz-Carlton, Bulgari, Residence Inn, and Courtyard properties.
[3] Includes Marriott Hotels, Renaissance, Autograph Collection, Gaylord Hotels, The Ritz-Carlton, Bulgari, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.
[4] Includes Marriott Hotels, Renaissance, Autograph Collection, The Ritz-Carlton, Bulgari, Residence Inn, Courtyard, and Fairfield Inn & Suites properties.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS

Comparable Company-Operated North American Properties[1]

	Three Months Ended December 31, 2014 and December 31, 2013						
	REVPAR		Occupancy			Average Daily Rate	
Brand	**2014**	**vs. 2013**	**2014**	**vs. 2013**		**2014**	**vs. 2013**
Marriott Hotels	$135.81	4.2%	70.0%	0.0%	pts.	$194.07	4.2%
Renaissance Hotels	$122.50	4.4%	67.0%	-0.3%	pts.	$182.74	4.8%
The Ritz-Carlton	$245.95	5.7%	69.9%	1.1%	pts.	$351.61	4.0%
Composite North American Full-Service[2]	**$145.06**	**4.9%**	**69.9%**	**0.4%**	**pts.**	**$207.45**	**4.3%**
Courtyard	$87.89	9.6%	68.2%	2.7%	pts.	$128.83	5.2%
SpringHill Suites	$77.65	9.4%	69.1%	1.6%	pts.	$112.38	6.8%
Residence Inn	$99.79	10.5%	74.1%	2.6%	pts.	$134.60	6.6%
TownePlace Suites	$61.05	15.3%	65.2%	2.9%	pts.	$93.63	10.2%
Composite North American Limited-Service[3]	**$89.44**	**10.0%**	**69.8%**	**2.6%**	**pts.**	**$128.08**	**5.9%**
Composite - All[4]	**$123.55**	**6.3%**	**69.9%**	**1.3%**	**pts.**	**$176.77**	**4.4%**

Comparable Systemwide North American Properties[1]

	Three Months Ended December 31, 2014 and December 31, 2013						
	REVPAR		Occupancy			Average Daily Rate	
Brand	**2014**	**vs. 2013**	**2014**	**vs. 2013**		**2014**	**vs. 2013**
Marriott Hotels	$117.51	4.9%	67.4%	0.4%	pts.	$174.23	4.4%
Renaissance Hotels	$109.46	5.5%	67.2%	0.8%	pts.	$162.76	4.2%
Autograph Collection Hotels	$167.51	1.2%	71.3%	-3.9%	pts.	$234.93	6.8%
The Ritz-Carlton	$245.95	5.7%	69.9%	1.1%	pts.	$351.61	4.0%
Composite North American Full-Service[5]	**$126.42**	**5.2%**	**68.0%**	**0.5%**	**pts.**	**$185.87**	**4.4%**
Courtyard	$87.52	8.4%	68.3%	2.3%	pts.	$128.15	4.8%
Fairfield Inn & Suites	$66.55	8.1%	65.6%	2.4%	pts.	$101.46	4.1%
SpringHill Suites	$77.06	7.7%	70.3%	2.3%	pts.	$109.65	4.3%
Residence Inn	$96.69	7.5%	74.6%	1.8%	pts.	$129.59	4.9%
TownePlace Suites	$66.46	10.5%	69.4%	3.1%	pts.	$95.71	5.6%
Composite North American Limited-Service[3]	**$82.78**	**8.2%**	**69.5%**	**2.3%**	**pts.**	**$119.03**	**4.6%**
Composite - All[6]	**$99.18**	**6.7%**	**69.0%**	**1.6%**	**pts.**	**$143.80**	**4.2%**

[1] Statistics include properties located in the United States.
[2] Includes the Marriott Hotels, Renaissance Hotels, Gaylord Hotels, and The Ritz-Carlton properties.
[3] Includes the Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.
[4] Includes the Marriott Hotels, Renaissance Hotels, Gaylord Hotels, The Ritz-Carlton, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.
[5] Includes the Marriott Hotels, Renaissance Hotels, Gaylord Hotels, Autograph, and The Ritz-Carlton properties.
[6] Includes the Marriott Hotels, Renaissance Hotels, Gaylord Hotels, Autograph, The Ritz-Carlton, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS

Comparable Company-Operated North American Properties[1]

	Twelve Months Ended December 31, 2014 and December 31, 2013						
	REVPAR		Occupancy			Average Daily Rate	
Brand	**2014**	**vs. 2013**	**2014**	**vs. 2013**		**2014**	**vs. 2013**
Marriott Hotels	$141.42	5.7%	75.1%	1.6%	pts.	$188.39	3.5%
Renaissance Hotels	$129.76	5.2%	73.1%	1.1%	pts.	$177.42	3.7%
The Ritz-Carlton	$246.89	6.2%	72.9%	1.5%	pts.	$338.48	4.0%
Composite North American Full-Service[2]	**$149.48**	**5.8%**	**74.5%**	**1.6%**	**pts.**	**$200.77**	**3.6%**
Courtyard	$93.18	9.6%	71.8%	3.0%	pts.	$129.72	5.0%
SpringHill Suites	$82.78	7.5%	73.8%	1.9%	pts.	$112.14	4.8%
Residence Inn	$106.24	7.4%	78.4%	2.2%	pts.	$135.58	4.4%
TownePlace Suites	$69.09	19.0%	72.6%	6.3%	pts.	$95.23	8.7%
Composite North American Limited-Service[3]	**$94.95**	**9.0%**	**73.7%**	**2.8%**	**pts.**	**$128.82**	**4.9%**
Composite - All[4]	**$128.39**	**6.7%**	**74.2%**	**2.0%**	**pts.**	**$173.11**	**3.8%**

Comparable Systemwide North American Properties[1]

	Twelve Months Ended December 31, 2014 and December 31, 2013						
	REVPAR		Occupancy			Average Daily Rate	
Brand	**2014**	**vs. 2013**	**2014**	**vs. 2013**		**2014**	**vs. 2013**
Marriott Hotels	$124.49	6.2%	72.6%	1.5%	pts.	$171.43	4.0%
Renaissance Hotels	$116.69	6.7%	72.6%	1.9%	pts.	$160.77	3.9%
Autograph Collection Hotels	$173.04	7.5%	75.4%	-1.0%	pts.	$229.58	8.9%
The Ritz-Carlton	$246.89	6.2%	72.9%	1.5%	pts.	$338.48	4.0%
Composite North American Full-Service[5]	**$132.44**	**6.4%**	**72.8%**	**1.5%**	**pts.**	**$182.00**	**4.1%**
Courtyard	$93.77	7.8%	72.5%	2.3%	pts.	$129.32	4.5%
Fairfield Inn & Suites	$72.11	7.3%	70.1%	2.2%	pts.	$102.80	3.9%
SpringHill Suites	$83.65	7.6%	74.6%	2.6%	pts.	$112.16	3.9%
Residence Inn	$103.79	6.7%	79.3%	1.9%	pts.	$130.82	4.2%
TownePlace Suites	$72.38	9.9%	74.7%	3.2%	pts.	$96.84	5.3%
Composite North American Limited-Service[3]	**$89.11**	**7.5%**	**74.0%**	**2.3%**	**pts.**	**$120.36**	**4.2%**
Composite - All[6]	**$105.39**	**7.0%**	**73.6%**	**2.0%**	**pts.**	**$143.27**	**4.1%**

[1] Statistics include properties located in the United States.
[2] Includes the Marriott Hotels, Renaissance Hotels, Gaylord Hotels, and The Ritz-Carlton properties.
[3] Includes the Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.
[4] Includes the Marriott Hotels, Renaissance Hotels, Gaylord Hotels, The Ritz-Carlton, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.
[5] Includes the Marriott Hotels, Renaissance Hotels, Gaylord Hotels, Autograph, and The Ritz-Carlton properties.
[6] Includes the Marriott Hotels, Renaissance Hotels, Gaylord Hotels, Autograph, The Ritz-Carlton, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.

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

	Fiscal Year 2014				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net Income	$ 172	$ 192	$ 192	$ 197	$ 753
Interest expense	30	30	29	26	115
Tax provision	59	93	98	85	335
Depreciation and amortization	26	32	33	32	123
Depreciation classified in Reimbursed costs	12	13	13	13	51
Interest expense from unconsolidated joint ventures	1	1	-	1	3
Depreciation and amortization from unconsolidated joint ventures	4	3	1	2	10
EBITDA **	**304**	**364**	**366**	**356**	**1,390**
EDITION impairment charge	10	15	-	-	25
Share-based compensation (including share-based compensation reimbursed by third-party owners)	25	29	27	28	109
Adjusted EBITDA **	**$ 339**	**$ 408**	**$ 393**	**$ 384**	**$ 1,524**
Increase over 2013 Quarterly Adjusted EBITDA **	**12%**	**10%**	**19%**	**20%**	**15%**

	Fiscal Year 2013				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net Income	$ 136	$ 179	$ 160	$ 151	$ 626
Interest expense	31	29	28	32	120
Tax provision	65	84	63	59	271
Depreciation and amortization	25	33	34	35	127
Depreciation classified in Reimbursed costs	12	12	12	12	48
Interest expense from unconsolidated joint ventures	1	1	1	1	4
Depreciation and amortization from unconsolidated joint ventures	3	3	3	4	13
EBITDA **	**273**	**341**	**301**	**294**	**1,209**
Share-based compensation (including share-based compensation reimbursed by third-party owners)	30	31	28	27	116
Adjusted EBITDA **	**$ 303**	**$ 372**	**$ 329**	**$ 321**	**$ 1,325**

** Denotes non-GAAP financial measures. Please see pages A-12 and A-13 for information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
FULL YEAR EBITDA AND ADJUSTED EBITDA
FORECASTED 2015
($ in millions)

	Range		As Reported
	Estimated EBITDA Fiscal Year 2015		Fiscal Year 2014
Net Income	$ 823	$ 857	$ 753
Interest expense	170	170	115
Tax provision	392	408	335
Depreciation and amortization	135	135	123
Depreciation classified in Reimbursed costs	60	60	51
Interest expense from unconsolidated joint ventures	10	10	3
Depreciation and amortization from unconsolidated joint ventures	10	10	10
EBITDA **	**1,600**	**1,650**	**1,390**
EDITION impairment charge	-	-	25
Share-based compensation (including share-based compensation reimbursed by third-party owners)	115	115	109
Adjusted EBITDA **	**$ 1,715**	**$ 1,765**	**$ 1,524**
Increase over 2014 Adjusted EBITDA**	**13%**	**16%**	

** Denotes non-GAAP financial measures. See pages A-12 and A-13 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 OPERATING INCOME MARGIN EXCLUDING COST REIMBURSEMENTS

($ in millions)

ADJUSTED OPERATING INCOME MARGIN		**Fiscal Year 2014**		**Fiscal Year 2013**		**Fiscal Year 2009**
Operating Income as reported	$	1,159	$	988	$	(152)
Add: Timeshare strategy impairment charges		-		-		614
Add: restructuring costs and other charges		-		-		174
Operating income, as adjusted **	**$**	**1,159**	**$**	**988**	**$**	**636**
Total revenues as reported	$	13,796	$	12,784	$	10,908
Add: restructuring costs and other charges		-		-		24
Less: cost reimbursements		(11,055)		(10,291)		(7,682)
Total adjusted revenues, excluding cost reimbursements **	**$**	**2,741**	**$**	**2,493**	**$**	**3,250**
Adjusted operating income margin, excluding cost reimbursements **		**42%**		**40%**		**20%**

** Denotes non-GAAP financial measures. See pages A-12 and A-13 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:

	Fiscal Year 2014
Net Income	$ 753
Interest expense	115
Tax provision	335
Earnings before interest expense and taxes **	$ 1,203

The reconciliations of assets to invested capital are as follows:

	Year-End 2014	Year-End 2013
Assets	$ 6,865	$ 6,794
Less: current liabilities, net of current portion of long-term debt	(2,736)	(2,623)
Less: deferred tax assets, net [1]	(819)	(880)
Invested capital **	$ 3,310	$ 3,291
Average invested capital [2] **	$ 3,300	
Return on invested capital **	**36%**	

[1] Deducted because the numerator of the calculation is a pre-tax number. At year-end 2014 and 2013, "Deferred tax assets, net" is also net of "current deferred income tax liabilities" of $22 million and $19 million, respectively.

[2] Calculated as "Invested capital" for the current year and prior year, divided by two.

** Denotes non-GAAP financial measures. See pages A-12 and A-13 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.

Earnings Before Interest Expense and Taxes ("EBIT"), and Earnings Before Interest Expense, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA. EBIT and EBITDA are financial measures not required by, or presented in accordance with GAAP. EBIT 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. We believe that EBITDA is a meaningful indicator of operating performance because we use it to measure our ability to service debt, fund capital expenditures, and expand our business. We also use EBIT and EBITDA, as do analysts, lenders, investors, and others, 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 provision for income taxes can vary considerably among companies. 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 Consolidated Statements of Income, 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 believe that Adjusted EBITDA, another non-GAAP financial measure, is a meaningful indicator of operating performance. Our Adjusted EBITDA reflects adjustments to exclude 1) pre-tax impairment charges of $10 million in the 2014 first quarter and $15 million in the 2014 second quarter, both of which we recorded in the "Depreciation, amortization, and other" caption of our Consolidated Statements of Income following an evaluation of our EDITION hotels and residences for recovery and determination that our cost estimates exceeded our total fixed sales price, and 2) share-based compensation expense for all periods presented. We 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. We believe that Adjusted EBITDA that excludes these items is a meaningful measure 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.

EBIT, EBITDA, and Adjusted EBITDA have limitations and should not be considered in isolation or as substitutes for performance measures calculated under GAAP. Each of these non-GAAP measures exclude certain cash expenses that we are obligated to make. In addition, other companies in our industry may calculate EBITDA and in particular Adjusted EBITDA differently than we do or may not calculate them at all, limiting the usefulness of EBITDA and Adjusted EBITDA as comparative measures.

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 lodging 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 net of deferred tax liabilities, because the numerator of the calculation is a pre-tax amount.

Adjusted Measures That Exclude Certain 2009 Charges. We evaluate non-GAAP measures that exclude the impact of the Timeshare strategy impairment charges and restructuring costs and other charges incurred in 2009, because these non-GAAP measures allow for period-over-period comparisons of our on-going core operations before material charges. These non-GAAP measures also facilitate management's comparison of results from our on-going operations before material charges with results from other lodging companies.

Timeshare Strategy Impairment Charges. In response to the difficult business conditions that the Timeshare segment's timeshare, luxury residential, and luxury fractional real estate development businesses experienced, we evaluated our entire Timeshare portfolio in 2009. In order to adjust the business strategy to reflect current market conditions at that time, we approved plans for our Timeshare segment to take the following actions: (1) for our luxury residential projects, reduce prices, convert certain proposed projects to other uses, sell some undeveloped land, and not pursue further Marriott-funded residential development projects; (2) reduce prices for existing luxury fractional units; (3) continue short-term promotions for our U.S. Timeshare business and defer the introduction of new projects and development phases; and (4) for our European timeshare and fractional resorts, continue promotional pricing and marketing incentives and not pursue further development. As a result of these decisions, we recorded a 2009 pretax charge totaling $752 million in our Consolidated Statements of Income ($502 million after-tax), including $614 million of pretax charges impacting operating income under the "Timeshare strategy impairment charges" caption, and $138 million of pretax charges impacting non-operating income under the "Timeshare strategy impairment charges (non-operating)" caption.

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Restructuring Costs and Other Charges. During the latter part of 2008 and particularly the fourth quarter, we experienced a significant decline in demand for hotel rooms both domestically and internationally due, in part, to the failures and near failures of several large financial service companies and the dramatic downturn in the economy. Our capital intensive Timeshare business was also hurt by the downturn in market conditions and particularly, the significant deterioration in the credit markets. These declines resulted in reduced management and franchise fees, cancellation of development projects, reduced timeshare contract sales, contract cancellation allowances, and charges and reserves associated with expected fundings, loans, Timeshare inventory, accounts receivable, contract cancellation allowances, valuation of Timeshare residual interests, hedge ineffectiveness, and asset impairments. We responded by implementing various cost saving measures, resulting in $51 million of restructuring costs. We also incurred $99 million in charges including asset impairment charges, accounts receivable and guarantee charges, reserves associated with loans, reversal of the liability related to expected fundings, and $24 million in revenue adjustments for Timeshare contract cancellation allowances and residual interests valuation changes.

Adjusted Operating Income Margin Excluding Cost Reimbursements. 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 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 the 2009 adjusted revenues and operating income, as adjusted for Timeshare strategy impairment charges and restructuring costs and other charges, to be a meaningful metric for the reasons noted above. In calculating adjusted operating income margin, we also consider total adjusted revenues, excluding cost reimbursements, and therefore, adjusted operating income margin, excluding cost reimbursements, to be meaningful metrics as they represent the portion of revenue and operating income margin that impacts operating income and net income.