

MARRIOTT INTERNATIONAL, INC.
PRESS RELEASE SCHEDULES
TABLE OF CONTENTS
QUARTER 1, 2023

Consolidated Statements of Income - As Reported	A-1
Non-GAAP Financial Measures	A-2
Total Lodging Products by Ownership Type	A-3
Total Lodging Products by Tier	A-5
Key Lodging Statistics	A-6
Adjusted EBITDA	A-8
Adjusted EBITDA Forecast - Second Quarter 2023	A-9
Adjusted EBITDA Forecast - Full Year 2023	A-10
Explanation of Non-GAAP Financial and Performance Measures	A-11

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME - AS REPORTED
FIRST QUARTER 2023 AND 2022

(in millions except per share amounts, unaudited)

	As Reported Three Months Ended March 31, 2023	As Reported Three Months Ended March 31, 2022	Percent Better/(Worse) Reported 2023 vs. 2022
REVENUES			
Base management fees	\$ 293	\$ 213	38
Franchise fees ¹	639	500	28
Incentive management fees	201	102	97
Gross Fee Revenues	1,133	815	39
Contract investment amortization ²	(21)	(24)	13
Net Fee Revenues	1,112	791	41
Owned, leased, and other revenue ³	356	262	36
Cost reimbursement revenue ⁴	4,147	3,146	32
Total Revenues	5,615	4,199	34
OPERATING COSTS AND EXPENSES			
Owned, leased, and other - direct ⁵	281	197	(43)
Depreciation, amortization, and other ⁶	44	48	8
General, administrative, and other ⁷	202	208	3
Merger-related charges and other	1	9	89
Reimbursed expenses ⁴	4,136	3,179	(30)
Total Expenses	4,664	3,641	(28)
OPERATING INCOME	951	558	70
Gains and other income, net ⁸	3	4	(25)
Interest expense	(126)	(93)	(35)
Interest income	15	5	200
Equity in earnings ⁹	1	2	(50)
INCOME BEFORE INCOME TAXES	844	476	77
Provision for income taxes	(87)	(99)	12
NET INCOME	\$ 757	\$ 377	101
EARNINGS PER SHARE			
Earnings per share - basic	\$ 2.44	\$ 1.15	112
Earnings per share - diluted	\$ 2.43	\$ 1.14	113
Basic Shares	309.6	328.3	
Diluted Shares	311.0	330.0	

¹ *Franchise fees* include fees from our franchise agreements, application and relicensing fees, timeshare and yacht fees, co-branded credit card fees, and residential branding fees.

² *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.

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

⁴ *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.

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

⁶ *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.

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

⁸ *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.

⁹ *Equity in earnings* include our equity in earnings or losses of unconsolidated equity method investments.

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 earnings per share, to the most directly comparable GAAP measure. Adjusted total revenues is used in the determination of Adjusted operating income margin.

	Three Months Ended		Percent Better/ (Worse)
	March 31, 2023	March 31, 2022	
Total revenues, as reported	\$ 5,615	\$ 4,199	
Less: Cost reimbursement revenue	(4,147)	(3,146)	
Add: Impairments ¹	-	5	
Adjusted total revenues **	1,468	1,058	
Operating income, as reported	951	558	
Less: Cost reimbursement revenue	(4,147)	(3,146)	
Add: Reimbursed expenses	4,136	3,179	
Add: Merger-related charges and other	1	9	
Add: Impairments ¹	-	5	
Adjusted operating income **	941	605	56%
Operating income margin	17%	13%	
Adjusted operating income margin **	64%	57%	
Net income, as reported	757	377	
Less: Cost reimbursement revenue	(4,147)	(3,146)	
Add: Reimbursed expenses	4,136	3,179	
Add: Merger-related charges and other	1	9	
Add: Impairments ²	-	11	
Less: Gain on investee's property sale ³	-	(8)	
Income tax effect of above adjustments	1	(9)	
Less: Income tax special items	(100)	-	
Adjusted net income **	\$ 648	\$ 413	57%
Diluted earnings per share, as reported	\$ 2.43	\$ 1.14	
Adjusted diluted earnings per share**	\$ 2.09	\$ 1.25	67%

** Denotes non-GAAP financial measures. Please see pages A-11 and A-12 for information about our reasons for providing these alternative financial measures and the limitations on their use.

¹ Three months ended March 31, 2022 includes impairment charges reported in Contract investment amortization of \$5 million.

² Three months ended March 31, 2022 includes impairment charges reported in Contract investment amortization of \$5 million and Equity in earnings of \$6 million.

³ Gain on investee's property sale reported in Equity in earnings.

MARRIOTT INTERNATIONAL, INC.
TOTAL LODGING PRODUCTS BY OWNERSHIP TYPE
As of March 31, 2023

	US & Canada		Total International		Total Worldwide	
	Properties	Rooms	Properties	Rooms	Properties	Rooms
Managed	627	214,699	1,366	346,498	1,993	561,197
Marriott Hotels	103	57,233	169	52,551	272	109,784
Sheraton	25	20,383	183	61,867	208	82,250
Courtyard	167	27,077	114	24,446	281	51,523
Westin	40	21,865	79	24,498	119	46,363
JW Marriott	21	12,724	71	25,108	92	37,832
The Ritz-Carlton	40	12,076	73	17,572	113	29,648
Renaissance	24	10,607	54	17,327	78	27,934
Four Points	1	134	84	23,216	85	23,350
Le Méridien	1	100	73	20,355	74	20,455
W Hotels	23	6,516	39	10,406	62	16,922
Residence Inn	73	11,857	9	1,116	82	12,973
St. Regis	10	1,977	43	9,780	53	11,757
Delta Hotels by Marriott	25	6,770	27	4,956	52	11,726
The Luxury Collection	6	2,296	46	8,064	52	10,360
Gaylord Hotels	6	10,220	-	-	6	10,220
Aloft	2	505	43	9,431	45	9,936
Fairfield by Marriott	6	1,431	66	8,263	72	9,694
AC Hotels by Marriott	7	1,165	68	8,466	75	9,631
Autograph Collection	8	2,508	23	3,514	31	6,022
Marriott Executive Apartments	-	-	35	5,030	35	5,030
SpringHill Suites	25	4,241	-	-	25	4,241
EDITION	5	1,379	10	2,216	15	3,595
Element	3	810	13	2,551	16	3,361
Protea Hotels	-	-	25	3,081	25	3,081
Tribute Portfolio	-	-	8	1,150	8	1,150
Moxy	-	-	6	1,092	6	1,092
TownePlace Suites	6	825	-	-	6	825
Bulgari	-	-	5	442	5	442
Franchised	5,172	742,406	926	181,819	6,098	924,225
Courtyard	880	117,564	115	21,389	995	138,953
Fairfield by Marriott	1,137	106,880	48	8,510	1,185	115,390
Residence Inn	780	93,055	26	3,482	806	96,537
Marriott Hotels	234	74,506	63	18,167	297	92,673
Sheraton	147	46,348	72	20,857	219	67,205
SpringHill Suites	510	59,116	-	-	510	59,116
Autograph Collection	138	27,170	110	23,955	248	51,125
TownePlace Suites	486	49,296	-	-	486	49,296
Westin	91	30,818	27	7,858	118	38,676
Four Points	158	23,922	63	10,604	221	34,526
Aloft	157	22,453	22	3,607	179	26,060
AC Hotels by Marriott	104	17,187	47	8,388	151	25,575
Renaissance	64	18,074	29	7,487	93	25,561
Moxy	29	5,532	89	16,831	118	22,363
Delta Hotels by Marriott	63	14,272	11	2,557	74	16,829
The Luxury Collection	11	3,112	53	9,672	64	12,784
Tribute Portfolio	55	8,754	30	3,508	85	12,262
Element	80	10,712	2	269	82	10,981
Le Méridien	25	5,749	18	4,636	43	10,385
JW Marriott	12	6,072	11	2,714	23	8,786
Design Hotels	10	1,385	50	4,074	60	5,459
Protea Hotels	-	-	35	2,705	35	2,705
The Ritz-Carlton	1	429	-	-	1	429
W Hotels	-	-	1	246	1	246
Bulgari	-	-	2	161	2	161
Marriott Executive Apartments	-	-	2	142	2	142

MARRIOTT INTERNATIONAL, INC.
TOTAL LODGING PRODUCTS BY OWNERSHIP TYPE
As of March 31, 2023

	US & Canada		Total International		Total Worldwide	
	Properties	Rooms	Properties	Rooms	Properties	Rooms
Owned/Leased	14	4,656	38	9,209	52	13,865
Marriott Hotels	2	1,308	6	2,064	8	3,372
Courtyard	7	987	4	894	11	1,881
Sheraton	-	-	4	1,830	4	1,830
W Hotels	2	779	2	665	4	1,444
Westin	1	1,073	-	-	1	1,073
Protea Hotels	-	-	5	912	5	912
Renaissance	1	317	2	505	3	822
The Ritz-Carlton	-	-	2	550	2	550
JW Marriott	-	-	1	496	1	496
The Luxury Collection	-	-	3	383	3	383
Autograph Collection	-	-	5	361	5	361
Residence Inn	1	192	1	140	2	332
Tribute Portfolio	-	-	2	249	2	249
St. Regis	-	-	1	160	1	160
Residences	67	7,158	49	4,733	116	11,891
The Ritz-Carlton Residences	40	4,426	16	1,443	56	5,869
St. Regis Residences	10	1,196	12	1,562	22	2,758
W Residences	10	1,089	7	547	17	1,636
Bulgari Residences	-	-	5	514	5	514
Sheraton Residences	-	-	2	282	2	282
Westin Residences	3	266	1	9	4	275
Marriott Hotels Residences	-	-	2	246	2	246
The Luxury Collection Residences	1	91	3	115	4	206
EDITION Residences	3	90	-	-	3	90
Le Méridien Residences	-	-	1	15	1	15
Timeshare*	72	18,839	21	3,906	93	22,745
Yacht*	-	-	1	149	1	149
Grand Total	5,952	987,758	2,401	546,314	8,353	1,534,072

*Timeshare and Yacht counts are included in this table by geographical location. For external reporting purposes, these offerings are captured within "Unallocated corporate and other."

In the above table, The Luxury Collection, Autograph Collection and Tribute Portfolio include seven total properties that we acquired when we purchased Elegant Hotels Group plc in December 2019 which we currently intend to re-brand under such brands after the completion of planned renovations.

MARRIOTT INTERNATIONAL, INC.
TOTAL LODGING PRODUCTS BY TIER
As of March 31, 2023

Total Systemwide	US & Canada		Total International		Total Worldwide	
	Properties	Rooms	Properties	Rooms	Properties	Rooms
Luxury	195	54,252	406	92,816	601	147,068
JW Marriott	33	18,796	83	28,318	116	47,114
The Ritz-Carlton	41	12,505	75	18,122	116	30,627
The Ritz-Carlton Residences	40	4,426	16	1,443	56	5,869
The Luxury Collection	17	5,408	102	18,119	119	23,527
The Luxury Collection Residences	1	91	3	115	4	206
W Hotels	25	7,295	42	11,317	67	18,612
W Residences	10	1,089	7	547	17	1,636
St. Regis	10	1,977	44	9,940	54	11,917
St. Regis Residences	10	1,196	12	1,562	22	2,758
EDITION	5	1,379	10	2,216	15	3,595
EDITION Residences	3	90	-	-	3	90
Bulgari	-	-	7	603	7	603
Bulgari Residences	-	-	5	514	5	514
Premium	1,066	359,726	1,088	290,050	2,154	649,776
Marriott Hotels	339	133,047	238	72,782	577	205,829
Marriott Hotels Residences	-	-	2	246	2	246
Sheraton	172	66,731	259	84,554	431	151,285
Sheraton Residences	-	-	2	282	2	282
Westin	132	53,756	106	32,356	238	86,112
Westin Residences	3	266	1	9	4	275
Autograph Collection	146	29,678	138	27,830	284	57,508
Renaissance	89	28,998	85	25,319	174	54,317
Le Méridien	26	5,849	91	24,991	117	30,840
Le Méridien Residences	-	-	1	15	1	15
Delta Hotels by Marriott	88	21,042	38	7,513	126	28,555
Tribute Portfolio	55	8,754	40	4,907	95	13,661
Gaylord Hotels	6	10,220	-	-	6	10,220
Design Hotels	10	1,385	50	4,074	60	5,459
Marriott Executive Apartments	-	-	37	5,172	37	5,172
Select	4,619	554,941	885	159,393	5,504	714,334
Courtyard	1,054	145,628	233	46,729	1,287	192,357
Fairfield by Marriott	1,143	108,311	114	16,773	1,257	125,084
Residence Inn	854	105,104	36	4,738	890	109,842
SpringHill Suites	535	63,357	-	-	535	63,357
Four Points	159	24,056	147	33,820	306	57,876
TownePlace Suites	492	50,121	-	-	492	50,121
Aloft	159	22,958	65	13,038	224	35,996
AC Hotels by Marriott	111	18,352	115	16,854	226	35,206
Moxy	29	5,532	95	17,923	124	23,455
Element	83	11,522	15	2,820	98	14,342
Protea Hotels	-	-	65	6,698	65	6,698
Timeshare*	72	18,839	21	3,906	93	22,745
Yacht*	-	-	1	149	1	149
Grand Total	5,952	987,758	2,401	546,314	8,353	1,534,072

*Timeshare and Yacht counts are included in this table by geographical location. For external reporting purposes, these offerings are captured within "Unallocated corporate and other."

In the above table, The Luxury Collection, Autograph Collection and Tribute Portfolio include seven total properties that we acquired when we purchased Elegant Hotels Group plc in December 2019 which we currently intend to re-brand under such brands after the completion of planned renovations.

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

Comparable Company-Operated US & Canada Properties

Brand	Three Months Ended March 31, 2023 and March 31, 2022						
	REVPAR		Occupancy			Average Daily Rate	
	2023	vs. 2022	2023	vs. 2022		2023	vs. 2022
JW Marriott	\$249.84	31.9%	71.2%	15.2%	pts.	\$350.87	3.8%
The Ritz-Carlton	\$336.13	9.1%	65.1%	7.6%	pts.	\$516.26	-3.7%
W Hotels	\$227.23	9.5%	59.2%	9.0%	pts.	\$384.13	-7.2%
Composite US & Canada Luxury¹	\$309.13	17.7%	67.4%	10.9%	pts.	\$458.97	-1.4%
Marriott Hotels	\$155.42	43.5%	65.6%	13.3%	pts.	\$237.01	14.4%
Sheraton	\$149.02	36.6%	64.2%	13.0%	pts.	\$232.23	8.9%
Westin	\$153.71	35.0%	64.0%	10.9%	pts.	\$240.12	12.1%
Composite US & Canada Premium²	\$153.03	42.8%	65.5%	14.5%	pts.	\$233.72	11.2%
US & Canada Full-Service³	\$186.91	32.7%	65.9%	13.7%	pts.	\$283.70	5.0%
Courtyard	\$100.38	29.4%	62.3%	7.3%	pts.	\$161.23	14.2%
Residence Inn	\$143.69	18.4%	74.8%	4.2%	pts.	\$192.14	11.9%
Composite US & Canada Select⁴	\$114.84	24.8%	66.4%	6.4%	pts.	\$172.87	12.8%
US & Canada - All⁵	\$169.53	31.3%	66.0%	12.0%	pts.	\$256.81	7.5%

Comparable Systemwide US & Canada Properties

Brand	Three Months Ended March 31, 2023 and March 31, 2022						
	REVPAR		Occupancy			Average Daily Rate	
	2023	vs. 2022	2023	vs. 2022		2023	vs. 2022
JW Marriott	\$240.19	25.8%	71.7%	13.3%	pts.	\$335.23	2.5%
The Ritz-Carlton	\$329.14	9.7%	64.7%	8.0%	pts.	\$508.62	-3.9%
W Hotels	\$227.23	9.5%	59.2%	9.0%	pts.	\$384.13	-7.2%
Composite US & Canada Luxury¹	\$286.97	17.5%	67.7%	10.8%	pts.	\$423.67	-1.2%
Marriott Hotels	\$128.50	37.0%	63.1%	12.0%	pts.	\$203.57	11.0%
Sheraton	\$108.09	34.8%	60.1%	11.3%	pts.	\$179.95	9.3%
Westin	\$147.01	33.2%	65.4%	11.1%	pts.	\$224.89	10.5%
Composite US & Canada Premium²	\$131.65	35.2%	63.3%	12.1%	pts.	\$207.87	9.3%
US & Canada Full-Service³	\$149.33	30.9%	63.8%	12.0%	pts.	\$233.94	6.3%
Courtyard	\$98.81	24.3%	64.8%	6.9%	pts.	\$152.42	11.1%
Residence Inn	\$117.74	16.3%	73.0%	3.2%	pts.	\$161.32	11.2%
Fairfield by Marriott	\$79.83	16.3%	64.1%	4.5%	pts.	\$124.45	8.2%
Composite US & Canada Select⁴	\$98.71	20.4%	67.4%	5.4%	pts.	\$146.40	10.7%
US & Canada - All⁵	\$119.74	25.6%	65.9%	8.2%	pts.	\$181.61	10.1%

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

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

³ Includes Composite US & Canada Luxury and Composite US & Canada Premium.

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

⁵ Includes US & Canada Full-Service and Composite US & Canada Select.

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

Comparable Company-Operated International Properties

Region	Three Months Ended March 31, 2023 and March 31, 2022						
	REVPAR		Occupancy			Average Daily Rate	
	2023	vs. 2022	2023	vs. 2022		2023	vs. 2022
Greater China	\$81.68	77.8%	64.0%	23.5%	pts.	\$127.63	12.6%
Asia Pacific excluding China	\$116.36	116.2%	68.0%	24.2%	pts.	\$171.21	39.3%
Caribbean & Latin America	\$195.21	41.4%	66.1%	10.5%	pts.	\$295.22	19.0%
Europe	\$126.48	67.2%	60.8%	18.8%	pts.	\$208.12	15.4%
Middle East & Africa	\$140.62	17.0%	70.0%	3.8%	pts.	\$200.79	10.6%
International - All¹	\$115.77	61.3%	65.8%	18.6%	pts.	\$175.90	15.6%
Worldwide²	\$139.84	43.5%	65.9%	15.6%	pts.	\$212.19	9.5%

Comparable Systemwide International Properties

Region	Three Months Ended March 31, 2023 and March 31, 2022						
	REVPAR		Occupancy			Average Daily Rate	
	2023	vs. 2022	2023	vs. 2022		2023	vs. 2022
Greater China	\$76.06	78.3%	62.9%	23.3%	pts.	\$120.98	12.2%
Asia Pacific excluding China	\$114.64	112.8%	67.4%	23.1%	pts.	\$170.20	39.9%
Caribbean & Latin America	\$165.67	40.9%	67.4%	11.7%	pts.	\$245.80	16.4%
Europe	\$98.61	75.6%	57.2%	19.5%	pts.	\$172.32	15.8%
Middle East & Africa	\$129.77	19.1%	68.2%	4.0%	pts.	\$190.18	12.0%
International - All¹	\$108.80	63.1%	63.9%	18.3%	pts.	\$170.39	16.4%
Worldwide²	\$116.45	34.3%	65.3%	11.2%	pts.	\$178.31	11.3%

¹ Includes Greater China, Asia Pacific excluding China, Caribbean & Latin America, Europe, and Middle East & Africa.

² Includes US & Canada - All and International - All.

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

Fiscal Year 2023

	First Quarter
Net income, as reported	\$ 757
Cost reimbursement revenue	(4,147)
Reimbursed expenses	4,136
Interest expense	126
Interest expense from unconsolidated joint ventures	1
Provision for income taxes	87
Depreciation and amortization	44
Contract investment amortization	21
Depreciation and amortization classified in reimbursed expenses	31
Depreciation, amortization, and impairments from unconsolidated joint ventures	4
Stock-based compensation	37
Merger-related charges and other	1
Adjusted EBITDA **	\$ 1,098

Change from 2022 Adjusted EBITDA ** **45%**

Fiscal Year 2022

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net income, as reported	\$ 377	\$ 678	\$ 630	\$ 673	\$ 2,358
Cost reimbursement revenue	(3,146)	(3,920)	(3,931)	(4,420)	(15,417)
Reimbursed expenses	3,179	3,827	3,786	4,349	15,141
Interest expense	93	95	100	115	403
Interest expense from unconsolidated joint ventures	1	2	2	1	6
Provision for income taxes	99	200	239	218	756
Depreciation and amortization	48	49	50	46	193
Contract investment amortization	24	19	22	24	89
Depreciation and amortization classified in reimbursed expenses	26	29	32	31	118
Depreciation, amortization, and impairments from unconsolidated joint ventures	13	3	7	4	27
Stock-based compensation	44	52	48	48	192
Merger-related charges and other	9	-	2	1	12
Gains on investees' property sales	(8)	(13)	(2)	-	(23)
Gain on asset dispositions	-	(2)	-	-	(2)
Adjusted EBITDA **	\$ 759	\$ 1,019	\$ 985	\$ 1,090	\$ 3,853

** Denotes non-GAAP financial measures. Please see pages A-11 and A-12 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 FORECAST
SECOND QUARTER 2023
(\$ in millions)

	<u>Range</u>		<u>Second Quarter 2022 **</u>
	<u>Estimated</u>		
	<u>Second Quarter 2023</u>		
Net income excluding certain items ¹	\$ 636	\$ 655	
Interest expense	138	138	
Interest expense from unconsolidated joint ventures	1	1	
Provision for income taxes	206	212	
Depreciation and amortization	48	48	
Contract investment amortization	22	22	
Depreciation and amortization classified in reimbursed expenses	30	30	
Depreciation, amortization, and impairments from unconsolidated joint ventures	4	4	
Stock-based compensation	55	55	
Adjusted EBITDA **	<u>\$ 1,140</u>	<u>\$ 1,165</u>	<u>\$ 1,019</u>
Increase over 2022 Adjusted EBITDA **	12%	14%	

** Denotes non-GAAP financial measures. See pages A-11 and A-12 for information about our reasons for providing these alternative financial measures and the limitations on their use.

¹ Guidance excludes cost reimbursement revenue, reimbursed expenses, and merger-related charges and other expenses, each of which the company cannot forecast with sufficient accuracy and without unreasonable efforts, and which may be significant, except for depreciation and amortization classified in reimbursed expenses, which is included in the caption "Depreciation and amortization classified in reimbursed expenses" above. Guidance does not reflect any asset sales that may occur during the year, which the company cannot forecast with sufficient accuracy and without unreasonable efforts, and which may be significant.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
ADJUSTED EBITDA FORECAST
FULL YEAR 2023
(\$ in millions)

	<u>Range</u>		<u>Full Year 2022**</u>
	<u>Estimated</u>		
	<u>Full Year 2023</u>		
Net income excluding certain items ¹	\$ 2,523	\$ 2,659	
Interest expense	554	554	
Interest expense from unconsolidated joint ventures	6	6	
Provision for income taxes	660	704	
Depreciation and amortization	191	191	
Contract investment amortization	90	90	
Depreciation and amortization classified in reimbursed expenses	120	120	
Depreciation, amortization, and impairments from unconsolidated joint ventures	17	17	
Stock-based compensation	199	199	
Adjusted EBITDA **	<u>\$ 4,360</u>	<u>\$ 4,540</u>	<u>\$ 3,853</u>
Increase over 2022 Adjusted EBITDA **	13%	18%	

** Denotes non-GAAP financial measures. See pages A-11 and A-12 for information about our reasons for providing these alternative financial measures and the limitations on their use.

¹ Guidance excludes cost reimbursement revenue, reimbursed expenses, and merger-related charges and other expenses, each of which the company cannot forecast with sufficient accuracy and without unreasonable efforts, and which may be significant, except for depreciation and amortization classified in reimbursed expenses, which is included in the caption "Depreciation and amortization classified in reimbursed expenses" above. Guidance does not reflect any asset sales that may occur during the year, which the company cannot forecast with sufficient accuracy and without unreasonable efforts, and which may be significant.

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 the manner in which the non-GAAP measures reported in this press release and schedules are determined and 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, merger-related charges and other expenses, and certain non-cash impairment 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 Earnings Per Share. Adjusted net income and Adjusted diluted earnings per share reflect our net income and diluted earnings per share excluding the impact of cost reimbursement revenue, reimbursed expenses, merger-related charges and other expenses, certain non-cash impairment charges, gains and losses on asset dispositions made by us or by our joint venture investees (when applicable), the income tax effect of these adjustments, and income tax special items. The income tax special items primarily related to the resolution of a prior year tax audit. 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 and amortization (including depreciation and amortization classified in “Reimbursed expenses,” as discussed below), provision for income taxes, merger-related charges and other expenses, and stock-based compensation expense for all periods presented. When applicable, Adjusted EBITDA also excludes certain non-cash impairment charges related to equity investments and 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 earnings per share, and Adjusted EBITDA, we exclude a one-time cost in the 2022 first quarter related to certain property-level adjustments related to compensation and transition costs associated with the Starwood merger, which we record in the “Merger-related charges and other” caption of our Condensed Consolidated Statements of Income (our “Income Statements”), to allow for period-over period comparisons of our ongoing operations before the impact of these items. We also exclude non-cash impairment charges (if above a specified threshold) related to our management and franchise contracts (if the impairment is non-routine), leases, equity investments, and other capitalized assets, which we record in the “Contract investment amortization,” “Depreciation, amortization, and other,” and “Equity in earnings” captions 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 long 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 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. Our use of Adjusted EBITDA also facilitates comparison with results from other lodging 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 and amortization classified in “Contract investment amortization,” “Reimbursed expenses,” and “Equity in earnings” of our Income Statements, because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets. Depreciation and amortization classified in “Reimbursed expenses” reflects depreciation and amortization of Marriott-owned assets and software, 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 stock-based compensation expense in all periods presented to address the considerable variability among companies in recording compensation expense because companies use stock-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 relates to property level revenue and may not be comparable to similarly titled measures, such as revenues, and should not be viewed as necessarily correlating with our fee revenue. 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.