

MARRIOTT INTERNATIONAL, INC.
PRESS RELEASE SCHEDULES
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QUARTER 3, 2019

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MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME - AS REPORTED
THIRD QUARTER 2019 AND 2018

(in millions except per share amounts, unaudited)

	As Reported Three Months Ended September 30, 2019	As Reported ¹⁰ Three Months Ended September 30, 2018	Percent Better/(Worse) Reported 2019 vs. 2018
REVENUES			
Base management fees	\$ 291	\$ 279	4
Franchise fees ¹	530	502	6
Incentive management fees	134	151	(11)
Gross Fee Revenues	955	932	2
Contract investment amortization ²	(16)	(13)	(23)
Net Fee Revenues	939	919	2
Owned, leased, and other revenue ³	393	397	(1)
Cost reimbursement revenue ⁴	3,952	3,735	6
Total Revenues	5,284	5,051	5
OPERATING COSTS AND EXPENSES			
Owned, leased, and other - direct ⁵	326	315	(3)
Depreciation, amortization, and other ⁶	52	52	-
General, administrative, and other ⁷	220	221	-
Merger-related costs and charges	9	12	25
Reimbursed expenses ⁴	4,070	3,855	(6)
Total Expenses	4,677	4,455	(5)
OPERATING INCOME	607	596	2
Gains and other income, net ⁸	10	18	(44)
Interest expense	(100)	(86)	(16)
Interest income	8	5	60
Equity in earnings ⁹	2	61	(97)
INCOME BEFORE INCOME TAXES	527	594	(11)
Provision for income taxes	(140)	(91)	(54)
NET INCOME	\$ 387	\$ 503	(23)
EARNINGS PER SHARE			
Earnings per share - basic	\$ 1.17	\$ 1.45	(19)
Earnings per share - diluted	\$ 1.16	\$ 1.43	(19)
Basic Shares	329.9	346.7	
Diluted Shares	332.5	350.6	

¹ Franchise fees include fees from our franchise agreements, application and relicensing fees, licensing fees from our timeshare, credit card programs, 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.

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

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME - AS REPORTED
THIRD QUARTER YEAR-TO-DATE 2019 AND 2018

(in millions except per share amounts, unaudited)

	As Reported Nine Months Ended September 30, 2019	As Reported ¹⁰ Nine Months Ended September 30, 2018	Percent Better/(Worse) Reported 2019 vs. 2018
REVENUES			
Base management fees	\$ 882	\$ 852	4
Franchise fees ¹	1,505	1,394	8
Incentive management fees	462	482	(4)
Gross Fee Revenues	2,849	2,728	4
Contract investment amortization ²	(45)	(44)	(2)
Net Fee Revenues	2,804	2,684	4
Owned, leased, and other revenue ³	1,186	1,226	(3)
Cost reimbursement revenue ⁴	11,611	11,559	-
Total Revenues	15,601	15,469	1
OPERATING COSTS AND EXPENSES			
Owned, leased, and other - direct ⁵	982	985	-
Depreciation, amortization, and other ⁶	162	164	1
General, administrative, and other ⁷	671	685	2
Merger-related costs and charges	191	64	(198)
Reimbursed expenses ⁴	12,069	11,627	(4)
Total Expenses	14,075	13,525	(4)
OPERATING INCOME	1,526	1,944	(22)
Gains and other income, net ⁸	16	191	(92)
Interest expense	(299)	(246)	(22)
Interest income	20	16	25
Equity in earnings ⁹	10	95	(89)
INCOME BEFORE INCOME TAXES	1,273	2,000	(36)
Provision for income taxes	(279)	(410)	32
NET INCOME	\$ 994	\$ 1,590	(37)
EARNINGS PER SHARE			
Earnings per share - basic	\$ 2.97	\$ 4.51	(34)
Earnings per share - diluted	\$ 2.95	\$ 4.45	(34)
Basic Shares	334.4	352.8	
Diluted Shares	337.2	357.1	

¹ Franchise fees include fees from our franchise agreements, application and relicensing fees, licensing fees from our timeshare, credit card programs, 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.

¹⁰ 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			Nine Months Ended		
	September 30, 2019	September 30, 2018 ¹	Percent Better/ (Worse)	September 30, 2019	September 30, 2018 ¹	Percent Better/ (Worse)
Total revenues, as reported	\$ 5,284	\$ 5,051		\$ 15,601	\$ 15,469	
Less: Cost reimbursement revenue	(3,952)	(3,735)		(11,611)	(11,559)	
Adjusted total revenues**	1,332	1,316		3,990	3,910	
Operating income, as reported	607	596		1,526	1,944	
Less: Cost reimbursement revenue	(3,952)	(3,735)		(11,611)	(11,559)	
Add: Reimbursed expenses	4,070	3,855		12,069	11,627	
Add: Merger-related costs and charges	9	12		191	64	
Adjusted operating income **	734	728	1%	2,175	2,076	5%
Operating income margin	11%	12%		10%	13%	
Adjusted operating income margin **	55%	55%		55%	53%	
Net income, as reported	387	503		994	1,590	
Less: Cost reimbursement revenue	(3,952)	(3,735)		(11,611)	(11,559)	
Add: Reimbursed expenses	4,070	3,855		12,069	11,627	
Add: Merger-related costs and charges	9	12		191	64	
Less: Gain on sale of Avendra	-	-		-	(6)	
Income tax effect of above adjustments	(26)	(37)		(148)	(34)	
Add: U.S. Tax Cuts and Jobs Act of 2017	-	-		-	22	
Adjusted net income **	\$ 488	\$ 598	-18%	\$ 1,495	\$ 1,704	-12%
Diluted EPS, as reported	\$ 1.16	\$ 1.43		\$ 2.95	\$ 4.45	
Adjusted Diluted EPS**	\$ 1.47	\$ 1.70	-14%	\$ 4.43	\$ 4.77	-7%

** Denotes non-GAAP financial measures. Please see pages A-14 and A-15 for information about our reasons for providing these alternative financial measures and the limitations on their use.

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

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

	North America		Total International		Total Worldwide	
	Units	Rooms	Units	Rooms	Units	Rooms
Managed	757	240,287	1,205	313,453	1,962	553,740
Marriott Hotels	120	64,703	175	51,582	295	116,285
Marriott Hotels Serviced Apartments	-	-	1	154	1	154
Sheraton	27	23,386	187	63,965	214	87,351
Courtyard	233	37,020	98	21,238	331	58,258
Westin	43	23,638	71	22,090	114	45,728
JW Marriott	18	11,210	52	20,325	70	31,535
Renaissance	28	12,018	56	17,460	84	29,478
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	20,103	75	20,673
Four Points	1	134	75	19,496	76	19,630
Residence Inn	107	16,387	5	565	112	16,952
W Hotels	25	7,163	29	7,296	54	14,459
The Luxury Collection	5	2,234	51	9,120	56	11,354
Gaylord Hotels	6	9,918	-	-	6	9,918
Aloft	1	330	38	8,936	39	9,266
St. Regis	9	1,730	33	7,458	42	9,188
St. Regis Serviced Apartments	-	-	1	70	1	70
AC Hotels by Marriott	3	517	59	7,099	62	7,616
Delta Hotels	25	6,770	1	360	26	7,130
Fairfield by Marriott	7	1,539	32	4,879	39	6,418
SpringHill Suites	30	4,896	-	-	30	4,896
Marriott Executive Apartments	-	-	31	4,525	31	4,525
Protea Hotels	-	-	35	4,228	35	4,228
Autograph Collection	6	1,806	15	2,406	21	4,212
EDITION	4	1,209	6	1,287	10	2,496
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
Franchised	4,395	634,993	601	123,910	4,996	758,903
Courtyard	791	105,276	79	14,677	870	119,953
Fairfield by Marriott	985	91,706	19	3,177	1,004	94,883
Residence Inn	709	84,480	8	1,041	717	85,521
Marriott Hotels	214	67,377	54	15,563	268	82,940
Sheraton	161	47,584	64	18,056	225	65,640
SpringHill Suites	411	47,495	-	-	411	47,495
TownePlace Suites	388	39,169	-	-	388	39,169
Westin	87	28,854	24	7,596	111	36,450
Autograph Collection	98	20,160	62	13,094	160	33,254
Four Points	159	24,012	52	8,270	211	32,282
Renaissance	58	16,537	28	7,691	86	24,228
Aloft	113	16,687	19	3,127	132	19,814
AC Hotels by Marriott	56	9,495	40	5,897	96	15,392
The Luxury Collection	11	2,565	45	8,590	56	11,155
Delta Hotels	46	10,197	2	562	48	10,759
Moxy	16	3,334	30	6,125	46	9,459
Le Méridien	17	3,665	16	4,254	33	7,919
JW Marriott	12	5,643	6	1,624	18	7,267
Tribute Portfolio	22	4,843	11	1,211	33	6,054
Element	40	5,485	2	293	42	5,778
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 September 30, 2019

	North America		Total International		Total Worldwide	
	Units	Rooms	Units	Rooms	Units	Rooms
Owned/Leased	29	8,281	34	8,820	63	17,101
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
Residences	60	6,557	35	3,314	95	9,871
The Ritz-Carlton Residences	36	4,421	11	938	47	5,359
W Residences	10	1,089	5	519	15	1,608
St. Regis Residences	7	585	7	598	14	1,183
Westin Residences	3	266	1	264	4	530
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	2	45	-	-	2	45
Timeshare*	70	18,424	19	3,873	89	22,297
Grand Total	5,311	908,542	1,894	453,370	7,205	1,361,912

*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 September 30, 2019

Total Systemwide	North America		Total International		Total Worldwide	
	<i>Units</i>	<i>Rooms</i>	<i>Units</i>	<i>Rooms</i>	<i>Units</i>	<i>Rooms</i>
Luxury	182	50,202	328	76,712	510	126,914
JW Marriott	30	16,853	59	22,445	89	39,298
The Ritz-Carlton	39	11,410	58	15,496	97	26,906
The Ritz-Carlton Residences	36	4,421	11	938	47	5,359
The Ritz-Carlton Serviced Apartments	-	-	5	697	5	697
The Luxury Collection	16	4,799	98	17,997	114	22,796
The Luxury Collection Residences	2	151	3	115	5	266
W Hotels	26	7,672	31	7,961	57	15,633
W Residences	10	1,089	5	519	15	1,608
St. Regis	10	1,968	34	7,618	44	9,586
St. Regis Residences	7	585	7	598	14	1,183
St. Regis Serviced Apartments	-	-	1	70	1	70
EDITION	4	1,209	6	1,287	10	2,496
EDITION Residences	2	45	-	-	2	45
Bulgari	-	-	6	523	6	523
Bulgari Residences	-	-	4	448	4	448
Full-Service	971	346,820	895	256,604	1,866	603,424
Marriott Hotels	337	133,744	234	68,776	571	202,520
Marriott Hotels Residences	-	-	1	108	1	108
Marriott Hotels Serviced Apartments	-	-	1	154	1	154
Sheraton	190	72,444	255	83,851	445	156,295
Sheraton Residences	-	-	2	262	2	262
Westin	131	53,565	95	29,686	226	83,251
Westin Residences	3	266	1	264	4	530
Renaissance	87	28,872	87	25,900	174	54,772
Autograph Collection	104	21,966	79	15,747	183	37,713
Autograph Collection Residences	-	-	1	62	1	62
Le Méridien	20	4,235	88	24,357	108	28,592
Delta Hotels	71	16,967	3	922	74	17,889
Gaylord Hotels	6	9,918	-	-	6	9,918
Tribute Portfolio	22	4,843	16	1,924	38	6,767
Marriott Executive Apartments	-	-	32	4,591	32	4,591
Limited-Service	4,088	493,096	652	116,181	4,740	609,277
Courtyard	1,043	145,110	181	36,809	1,224	181,919
Residence Inn	817	101,059	14	1,746	831	102,805
Fairfield by Marriott	992	93,245	51	8,056	1,043	101,301
SpringHill Suites	441	52,391	-	-	441	52,391
Four Points	160	24,146	127	27,766	287	51,912
TownePlace Suites	405	41,117	-	-	405	41,117
Aloft	114	17,017	57	12,063	171	29,080
AC Hotels by Marriott	59	10,012	99	12,996	158	23,008
Moxy	16	3,334	34	6,724	50	10,058
Protea Hotels	-	-	80	8,307	80	8,307
Element	41	5,665	9	1,714	50	7,379
Timeshare*	70	18,424	19	3,873	89	22,297
Grand Total	5,311	908,542	1,894	453,370	7,205	1,361,912

*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 September 30, 2019 and September 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018		2019	vs. 2018
JW Marriott	\$205.96	3.1%	81.2%	0.5% pts.		\$253.49	2.5%
The Ritz-Carlton	\$274.58	3.1%	74.0%	0.6% pts.		\$371.04	2.2%
W Hotels	\$233.79	-2.9%	81.0%	-1.4% pts.		\$288.79	-1.2%
Composite North American Luxury¹	\$257.40	1.5%	78.7%	0.6% pts.		\$327.21	0.8%
Marriott Hotels	\$155.82	2.6%	79.0%	1.0% pts.		\$197.21	1.3%
Sheraton	\$156.80	-1.6%	81.5%	0.0% pts.		\$192.43	-1.6%
Westin	\$167.10	-1.2%	79.6%	0.0% pts.		\$210.02	-1.2%
Composite North American Upper Upscale²	\$155.24	1.5%	79.2%	0.7% pts.		\$196.08	0.6%
North American Full-Service³	\$173.08	1.5%	79.1%	0.7% pts.		\$218.86	0.6%
Courtyard	\$105.87	-0.7%	74.4%	-0.4% pts.		\$142.33	-0.2%
Residence Inn	\$132.80	0.6%	81.9%	-0.3% pts.		\$162.09	1.0%
Composite North American Limited-Service⁴	\$112.96	-0.5%	77.0%	-0.4% pts.		\$146.77	0.1%
North American - All⁵	\$153.80	1.0%	78.4%	0.3% pts.		\$196.17	0.6%

Comparable Systemwide North American Properties

Brand	Three Months Ended September 30, 2019 and September 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018		2019	vs. 2018
JW Marriott	\$197.91	3.9%	81.0%	0.6% pts.		\$244.18	3.1%
The Ritz-Carlton	\$276.42	3.1%	74.7%	0.8% pts.		\$369.85	2.0%
W Hotels	\$233.79	-2.9%	81.0%	-1.4% pts.		\$288.79	-1.2%
Composite North American Luxury¹	\$247.88	2.3%	79.3%	0.9% pts.		\$312.51	1.1%
Marriott Hotels	\$134.75	2.9%	75.5%	0.7% pts.		\$178.43	2.0%
Sheraton	\$123.61	0.2%	77.0%	0.4% pts.		\$160.50	-0.3%
Westin	\$153.65	0.9%	78.5%	0.3% pts.		\$195.79	0.6%
Composite North American Upper Upscale²	\$138.32	2.4%	76.7%	0.6% pts.		\$180.31	1.6%
North American Full-Service³	\$149.14	2.4%	77.0%	0.7% pts.		\$193.77	1.5%
Courtyard	\$107.79	0.1%	75.7%	-0.1% pts.		\$142.43	0.3%
Residence Inn	\$126.18	0.4%	82.6%	-0.2% pts.		\$152.69	0.7%
Fairfield by Marriott	\$90.14	-0.1%	76.1%	0.0% pts.		\$118.37	-0.1%
Composite North American Limited-Service⁴	\$106.57	0.3%	77.8%	0.0% pts.		\$137.02	0.3%
North American - All⁵	\$124.55	1.3%	77.4%	0.3% pts.		\$160.85	1.0%

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, Gaylord Hotels, and Le Méridien. Systemwide also includes Tribute Portfolio.

³ Includes Composite North American Luxury and Composite North American Upper Upscale.

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 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 September 30, 2019 and September 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	2019	vs. 2018	
Greater China	\$83.66	-0.4%	72.0%	1.7% pts.	\$116.20	-2.8%	
Rest of Asia Pacific	\$123.15	3.0%	77.6%	2.4% pts.	\$158.76	-0.1%	
Asia Pacific	\$100.50	1.4%	74.4%	2.0% pts.	\$135.13	-1.3%	
Caribbean & Latin America	\$110.70	4.9%	63.5%	1.3% pts.	\$174.43	2.7%	
Europe	\$178.25	2.2%	80.7%	1.4% pts.	\$220.87	0.5%	
Middle East & Africa	\$92.73	1.5%	66.4%	2.3% pts.	\$139.65	-2.1%	
International - All¹	\$117.74	1.9%	73.6%	1.9% pts.	\$159.91	-0.6%	
Worldwide²	\$135.55	1.4%	76.0%	1.1% pts.	\$178.39	0.0%	

Comparable Systemwide International Properties

Region	Three Months Ended September 30, 2019 and September 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	2019	vs. 2018	
Greater China	\$82.82	-0.4%	71.3%	1.8% pts.	\$116.13	-2.8%	
Rest of Asia Pacific	\$125.29	3.0%	77.3%	2.3% pts.	\$162.12	-0.2%	
Asia Pacific	\$103.41	1.6%	74.2%	2.0% pts.	\$139.35	-1.2%	
Caribbean & Latin America	\$88.15	3.1%	61.2%	0.4% pts.	\$143.94	2.4%	
Europe	\$156.31	2.1%	79.7%	0.9% pts.	\$196.06	1.0%	
Middle East & Africa	\$88.50	1.6%	66.3%	2.1% pts.	\$133.55	-1.6%	
International - All¹	\$115.68	1.9%	73.3%	1.5% pts.	\$157.83	-0.2%	
Worldwide²	\$122.03	1.5%	76.3%	0.6% pts.	\$160.02	0.7%	

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

² Includes North American - All and International - All.

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

Comparable Company-Operated North American Properties

Brand	Nine Months Ended September 30, 2019 and September 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018		2019	vs. 2018
JW Marriott	\$216.32	1.7%	79.3%	-1.5%	pts.	\$272.93	3.6%
The Ritz-Carlton	\$297.09	3.7%	75.7%	0.8%	pts.	\$392.36	2.7%
W Hotels	\$239.65	-3.2%	79.2%	-2.4%	pts.	\$302.44	-0.2%
Composite North American Luxury¹	\$273.09	1.4%	78.1%	-0.6%	pts.	\$349.77	2.3%
Marriott Hotels	\$158.35	1.9%	77.7%	0.3%	pts.	\$203.88	1.5%
Sheraton	\$150.09	-2.3%	78.4%	-0.6%	pts.	\$191.36	-1.5%
Westin	\$160.90	-1.1%	77.3%	-0.5%	pts.	\$208.24	-0.5%
Composite North American Upper Upscale²	\$155.01	1.0%	77.6%	0.1%	pts.	\$199.88	0.8%
North American Full-Service³	\$175.64	1.1%	77.6%	0.0%	pts.	\$226.21	1.1%
Courtyard	\$105.04	-1.2%	72.6%	-1.4%	pts.	\$144.61	0.7%
Residence Inn	\$130.27	0.5%	80.1%	-0.2%	pts.	\$162.70	0.8%
Composite North American Limited-Service⁴	\$111.73	-0.8%	75.1%	-1.2%	pts.	\$148.68	0.7%
North American - All⁵	\$155.14	0.6%	76.8%	-0.4%	pts.	\$201.90	1.1%

Comparable Systemwide North American Properties

Brand	Nine Months Ended September 30, 2019 and September 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018		2019	vs. 2018
JW Marriott	\$206.82	2.2%	79.2%	-1.1%	pts.	\$261.17	3.6%
The Ritz-Carlton	\$295.39	3.7%	75.9%	0.8%	pts.	\$389.16	2.5%
W Hotels	\$239.65	-3.2%	79.2%	-2.4%	pts.	\$302.44	-0.2%
Composite North American Luxury¹	\$258.23	1.7%	78.1%	-0.5%	pts.	\$330.70	2.4%
Marriott Hotels	\$135.37	2.3%	74.2%	0.3%	pts.	\$182.36	2.0%
Sheraton	\$117.94	-0.7%	73.8%	-0.6%	pts.	\$159.75	0.2%
Westin	\$151.93	0.6%	76.4%	-0.2%	pts.	\$198.93	0.9%
Composite North American Upper Upscale²	\$137.07	1.9%	74.8%	0.1%	pts.	\$183.23	1.7%
North American Full-Service³	\$149.04	1.8%	75.1%	0.0%	pts.	\$198.37	1.8%
Courtyard	\$104.26	-0.2%	73.3%	-0.8%	pts.	\$142.25	0.9%
Residence Inn	\$120.55	0.0%	79.9%	-0.5%	pts.	\$150.84	0.7%
Fairfield by Marriott	\$84.30	-0.5%	72.4%	-0.7%	pts.	\$116.43	0.4%
Composite North American Limited-Service⁴	\$102.06	0.1%	75.0%	-0.5%	pts.	\$136.03	0.8%
North American - All⁵	\$121.90	1.0%	75.1%	-0.3%	pts.	\$162.38	1.4%

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, Gaylord Hotels, and Le Méridien. Systemwide also includes Tribute Portfolio.

³ Includes Composite North American Luxury and Composite North American Upper Upscale.

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 North American Full-Service and Composite North American Limited-Service.

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

Comparable Company-Operated International Properties

Region	Nine Months Ended September 30, 2019 and September 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	2019	vs. 2018	
Greater China	\$84.63	1.7%	69.1%	1.8% pts.	\$122.46	-0.9%	
Rest of Asia Pacific	\$122.94	4.3%	75.5%	2.6% pts.	\$162.76	0.7%	
Asia Pacific	\$100.98	3.0%	71.9%	2.1% pts.	\$140.54	0.0%	
Caribbean & Latin America	\$132.96	3.0%	65.3%	1.0% pts.	\$203.54	1.4%	
Europe	\$152.89	2.9%	74.9%	0.9% pts.	\$204.05	1.6%	
Middle East & Africa	\$102.23	-1.1%	67.0%	2.3% pts.	\$152.64	-4.5%	
International - All¹	\$115.44	2.3%	71.2%	1.8% pts.	\$162.10	-0.3%	
Worldwide²	\$135.08	1.4%	74.0%	0.7% pts.	\$182.54	0.4%	

Comparable Systemwide International Properties

Region	Nine Months Ended September 30, 2019 and September 30, 2018						
	REVPAR		Occupancy			Average Daily Rate	
	2019	vs. 2018	2019	vs. 2018	2019	vs. 2018	
Greater China	\$83.86	1.8%	68.6%	1.9% pts.	\$122.27	-1.1%	
Rest of Asia Pacific	\$122.98	3.9%	75.2%	2.3% pts.	\$163.52	0.8%	
Asia Pacific	\$102.83	3.0%	71.8%	2.1% pts.	\$143.23	0.0%	
Caribbean & Latin America	\$103.69	2.5%	63.1%	0.0% pts.	\$164.26	2.6%	
Europe	\$133.89	2.8%	73.8%	0.7% pts.	\$181.41	1.8%	
Middle East & Africa	\$97.25	-0.9%	66.5%	2.1% pts.	\$146.26	-3.9%	
International - All¹	\$111.54	2.4%	70.7%	1.4% pts.	\$157.86	0.3%	
Worldwide²	\$118.97	1.3%	73.8%	0.2% pts.	\$161.15	1.1%	

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

² 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	Third Quarter	Total
Net income, as reported	\$ 375	\$ 232	\$ 387	\$ 994
Cost reimbursement revenue	(3,756)	(3,903)	(3,952)	(11,611)
Reimbursed expenses	3,892	4,107	4,070	12,069
Interest expense	97	102	100	299
Interest expense from unconsolidated joint ventures	2	1	3	6
Tax provision	57	82	140	279
Depreciation and amortization	54	56	52	162
Contract investment amortization	14	15	16	45
Depreciation classified in reimbursed expenses	30	29	33	92
Depreciation and amortization from unconsolidated joint ventures	7	8	5	20
Share-based compensation	40	50	47	137
Gain on asset dispositions	-	-	(9)	(9)
Merger-related costs and charges	9	173	9	191
Adjusted EBITDA **	\$ 821	\$ 952	\$ 901	\$ 2,674
Increase over 2018 Adjusted EBITDA **	7%	1%	0%	2% ¹

	Fiscal Year 2018²				
	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
Adjusted EBITDA **	\$ 770	\$ 939	\$ 900	\$ 864	\$ 3,473

** Denotes non-GAAP financial measures. See pages A-14 and A-15 for information about our reasons for providing these alternative financial measures and the limitations on their use.

¹ Represents the percentage increase of Adjusted EBITDA of \$2,674 million for the first three quarters of 2019 over Adjusted EBITDA of \$2,609 million for the first three quarters of 2018.

² 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
FOURTH QUARTER 2019

(\$ in millions)

	<u>Range</u>		<u>Fourth Quarter 2018 **</u>
	<u>Estimated</u>		
	<u>Fourth Quarter 2019</u>		
Net income excluding certain items ¹	\$ 475	\$ 486	
Interest expense	99	99	
Interest expense from unconsolidated joint ventures	4	4	
Tax provision	159	163	
Depreciation and amortization	55	55	
Contract investment amortization	20	20	
Depreciation classified in reimbursed expenses	33	33	
Depreciation and amortization from unconsolidated joint ventures	10	10	
Share-based compensation	43	43	
Adjusted EBITDA **	<u>\$ 898</u>	<u>\$ 913</u>	<u>\$ 864</u>
Increase over 2018 Adjusted EBITDA **	4%	6%	

** Denotes non-GAAP financial measures. See pages A-14 and A-15 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 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 ¹	\$ 1,970	\$ 1,981	
Interest expense	398	398	
Interest expense from unconsolidated joint ventures	10	10	
Tax provision	586	590	
Depreciation and amortization	217	217	
Contract investment amortization	65	65	
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)	
Adjusted EBITDA **	\$ 3,572	\$ 3,587	\$ 3,473
Increase over 2018 Adjusted EBITDA **	3%	3%	

** Denotes non-GAAP financial measures. See pages A-14 and A-15 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 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 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.