MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measure Reconciliation

(in millions, except per share amounts)

We consider income from continuing operations excluding the impact of the synthetic fuel operations, earnings per share excluding the impact of the synthetic fuel operations, and the effective tax rate excluding the impact of the synthetic fuel operations, to be meaningful performance indicators because they reflect that portion of our income from continuing operations, earnings per share, and the effective tax rate that relates to our lodging business and enables investors to compare the results of our operations and effective tax rate to that of other lodging companies. However, income from continuing operations excluding the impact of the synthetic fuel operations, earnings per share excluding the impact of the synthetic fuel operations, and the effective tax rate excluding the impact of the synthetic fuel operations are all non-GAAP financial measures, and are not alternatives to income from continuing operations, earnings per share, effective tax rate or any other operating measure prescribed by United States generally accepted accounting principles.

The reconciliation of income from continuing operations, earnings per share, and the effective income tax rate as reported to income from continuing operations excluding the impact of the synthetic fuel operations, earnings per share excluding the impact of the synthetic fuel operations, and the effective income tax rate excluding the impact of the synthetic fuel operations is as follows:

	Fourth Quarter 2004			**Fourth Quarter 2003**		
	Continuing Operations			Continuing Operations		
	Income from Continuing Operations	Synthetic Fuel Impact	Excluding Synthetic Fuel	Income from Continuing Operations	Synthetic Fuel Impact	Excluding Synthetic Fuel
Operating Income (loss)	$ 109	$ (37)	$ 146	$ 161	$ -	$ 161
Gains and other income	69	-	69	52	-	52
Interest income, provision for loan losses and interest expense	26	-	26	18	-	18
Equity in (losses)	(5)	-	(5)	(6)	10	(16)
Pre-tax income (loss)	199	(37)	236	225	10	215
Tax (provision)/benefit	(72)	9	(81)	(78)	(3)	(75)
Tax credits	51	51	-	49	49	-
Total tax (provision)/benefit	(21)	60	(81)	(29)	46	(75)
Income from continuing operations before minority interest	178	23	155	196	56	140
Minority interest	10	11	(1)	(26)	(26)	-
Income from continuing operations	$ 188	$ 34	$ 154	$ 170	$ 30	$ 140
Diluted shares	239.1	239.1	239.1	245.8	245.8	245.8
Earnings per share - Diluted	$0.79	$0.14	$0.65	$0.69	$0.12	$0.57
Tax rate	10.4%		34.3%	12.9%		34.5%

February 8, 2005

MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measure Reconciliation

(in millions, except per share amounts)

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The reconciliation of income from continuing operations, earnings per share, and the effective income tax rate as reported to income from continuing operations excluding the impact of the synthetic fuel operations, earnings per share excluding the impact of the synthetic fuel operations, and the effective income tax rate excluding the impact of the synthetic fuel operations is as follows:

	Fiscal Year 2004			Fiscal Year 2003		
	Continuing Operations			Continuing Operations		
	Income from Continuing Operations	Synthetic Fuel Impact	Excluding Synthetic Fuel	Income from Continuing Operations	Synthetic Fuel Impact	Excluding Synthetic Fuel
Operating Income (loss)	$ 477	$ (98)	$ 575	$ 377	$ (104)	$ 481
Gains and other income	164	28	136	106	-	106
Interest income, provision for loan losses and interest expense	55	-	55	12	-	12
Equity in (losses)	(42)	(28)	(14)	(7)	10	(17)
Pre-tax income (loss)	654	(98)	752	488	(94)	582
Tax (provision)/benefit	(244)	21	(265)	(168)	34	(202)
Tax credits	144	144	-	211	211	-
Total tax (provision)/benefit	(100)	165	(265)	43	245	(202)
Income from continuing operations before minority interest	554	67	487	531	151	380
Minority interest	40	40	-	(55)	(55)	-
Income from continuing operations	$ 594	$ 107	$ 487	$ 476	$ 96	$ 380
Diluted shares	240.5	240.5	240.5	245.4	245.4	245.4
Earnings per share - Diluted	$2.47	$0.44	$2.03	$1.94	$0.39	$1.55
Tax rate	15.3%		35.2%	-8.8%		34.6%

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MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measure Reconciliation

($ in millions)

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

We consider lodging operating income excluding insurance proceeds to be a meaningful indicator of performance because it allows for additional comparisons relative to ongoing operations. The receipt of a $36 million insurance payment in 2003, for lost revenue related to the loss of the World Trade Center hotel on September 11, 2001, represented a material and non-recurring source of revenue. Accordingly, management believes such revenue should be excluded in order to be able to compare the past and current recurring results. However, lodging operating income, excluding insurance proceeds is a non-GAAP financial measure and is not an alternative to operating income or any other operating measure prescribed by United States generally accepted accounting principles.

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

	Fiscal Year 2003				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Operating income as reported	$ 58	$ 68	$ 90	$ 161	$ 377
Add back: Synthetic fuel operating loss	59	42	3	-	104
Lodging operating income	$ 117	$ 110	$ 93	$ 161	$ 481
World Trade Center insurance proceeds	-	-	-	(36)	(36)
Lodging operating income, excluding World Trade Center insurance proceeds	$ 117	$ 110	$ 93	$ 125	$ 445

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

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MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measure Reconciliation

(in millions, except per share amounts)

We consider income from continuing operations excluding insurance proceeds and earnings per share excluding insurance proceeds to be meaningful performance indicators because they allow for additional comparisons relative to our ongoing operations. The receipt of a $36 million insurance payment in 2003, for lost revenue related to the loss of the World Trade Center hotel (WTC) on September 11, 2001, represented a material and non-recurring source of revenue. Accordingly, management believes such revenue should be excluded in order to be able to compare the past and current recurring results. However, income from continuing operations excluding insurance proceeds and earnings per share excluding insurance proceeds are non-GAAP financial measures, and are not alternatives to income from continuing operations and earnings per share or any other operating measure prescribed by United States generally accepted accounting principles.

The reconciliation of income from continuing operations and earnings per share to income from continuing operations excluding insurance proceeds and earnings per share excluding insurance proceeds is as follows:

	Fourth Quarter 2004			**Fourth Quarter 2003**		
	Continuing Operations			Continuing Operations		
	Income from Continuing Operations	WTC Insurance Proceeds	Excluding Insurance Proceeds	Income from Continuing Operations	WTC Insurance Proceeds	Excluding Insurance Proceeds
Pre-tax income (loss)	$ 199	-	$ 199	$ 225	$ 36	$ 189
Tax (provision)/benefit	(21)	-	(21)	(29)	(13)	(16)
Minority interest	10	-	10	(26)	-	(26)
Income from continuing operations	$ 188	$ -	$ 188	$ 170	$ 23	$ 147
Diluted shares	239.1	239.1	239.1	245.8	245.8	245.8
Earnings per share - Diluted	$0.79	-	$0.79	$0.69	$0.09	$0.60

	Fiscal Year 2004			**Fiscal Year 2003**		
	Continuing Operations			Continuing Operations		
	Income from Continuing Operations	WTC Insurance Proceeds	Excluding Insurance Proceeds	Income from Continuing Operations	WTC Insurance Proceeds	Excluding Insurance Proceeds
Pre-tax income (loss)	$ 654	-	$ 654	$ 488	$ 36	$ 452
Tax (provision)/benefit	(100)	-	(100)	43	(13)	56
Minority interest	40	-	40	(55)	-	(55)
Income from continuing operations	$ 594	$ -	$ 594	$ 476	$ 23	$ 453
Diluted shares	240.5	240.5	240.5	245.4	245.4	245.4
Earnings per share - Diluted	$2.47	-	$2.47	$1.94	$0.09	$1.85

February 8, 2005

MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measure

EBITDA

(in millions)

We consider earnings before interest, taxes, depreciation and amortization, adjusted to eliminate the impact of our synthetic fuel segment and non-recurring items (Adjusted EBITDA), to be an indicator of operating performance because it can be used to measure our ability to service debt, fund capital expenditures, and expand our business, and reflects our belief that the synthetic fuel segment will no longer have a material impact on our business after the Section 29 synthetic fuel tax credits expire at the end of 2007. In addition, the receipt of a $36 million insurance payment in 2003 for lost revenue related to the loss of the World Trade Center hotel on September 11, 2001, represented a material and non-recurring source of revenue. Accordingly, management believes such revenue should be excluded in order to be able to compare the past and current recurring results. However, EBITDA and Adjusted EBITDA are non-GAAP financial measures, and are not alternatives to net income, financial results, cash flow from operations, or any other operating measure prescribed by United States generally accepted accounting principles. Additionally, our calculation of EBITDA and Adjusted EBITDA may be different from the calculations used by other companies and as a result comparability may be limited.

	Fiscal Year 2004				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net income	$ 114	$ 160	$ 133	$ 189	$ 596
Interest expense	22	24	23	30	99
Tax provision continuing operations	18	33	28	21	100
Tax provision discontinued operations	-	-	1	-	1
Depreciation	32	29	32	40	133
Amortization	7	8	7	11	33
Interest expense from unconsolidated joint ventures	10	11	9	15	45
Depreciation and amortization from unconsolidated joint ventures	13	9	13	17	52
EBITDA	**$ 216**	**$ 274**	**$ 246**	**$ 323**	**$ 1,059**
Synthetic fuel adjustment	28	5	(6)	21	48
Pre-tax loss (gain) discontinued operations	(1)	-	(1)	(1)	(3)
Adjusted EBITDA	**$ 243**	**$ 279**	**$ 239**	**$ 343**	**$ 1,104**
Increase over 2003 Adjusted EBITDA	**31%**	**20%**	**22%**	**15%**	**21%**
The following items make up the synfuel adjustment:					
Pre-tax synthetic fuel operating losses	$ -	$ 21	$ 12	$ 37	$ 70
Pre-tax synthetic fuel equity losses	28	-	-	-	28
Pre-tax minority interest - synthetic fuel	-	(14)	(15)	(11)	(40)
Synthetic fuel depreciation		(2)	(3)	(5)	(10)
EBITDA adjustment for synthetic fuel	**$ 28**	**$ 5**	**$ (6)**	**$ 21**	**$ 48**

	Fiscal Year 2003				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net income	$ 116	$ 125	$ 92	$ 169	$ 502
Interest expense	26	25	26	33	110
Tax provision (benefit) – continuing operations	(40)	(16)	(16)	29	(43)
Tax provision (benefit) – discontinued operations	19	(1)	-	(2)	16
Tax benefit included in minority interest [(1)]	-	-	49	45	94
Depreciation	29	27	30	46	132
Amortization	5	7	7	9	28
Interest expense from unconsolidated joint ventures	10	12	13	16	51
Depreciation and amortization from unconsolidated joint ventures	11	12	13	17	53
EBITDA	**$ 176**	**$ 191**	**$ 214**	**$ 362**	**$ 943**
Non-recurring pre-tax insurance proceeds	-	-	-	(36)	(36)
Synthetic fuel adjustment	57	39	(19)	(30)	47
Pre-tax loss (gain) discontinued operations	(48)	2	1	3	(42)
Adjusted EBITDA	$ 185	$ 232	$ 196	$ 299	$ 912
The following items make up the synfuel adjustment:					
Pre-tax synthetic fuel operating losses	$ 59	$ 42	$ 3	$ -	$ 104
Pre-tax synthetic fuel equity (earnings)	-	-	-	(10)	(10)
Pre-tax minority interest - synthetic fuel	-	-	(20)	(19)	(39)
Synthetic fuel depreciation	(2)	(3)	(2)	(1)	(8)
EBITDA adjustment for synthetic fuel	**$ 57**	**$ 39**	**$ (19)**	**$ (30)**	**$ 47**

[(1)] 2003 minority interest tax benefits have been reclassified in order to make the presentation comparable.