



MARRIOTT INTERNATIONAL 2017 SECURITY ANALYST MEETING

March 21, 2017



FORWARD-LOOKING STATEMENTS, NON-GAAP FINANCIAL MEASURES, AND INFORMATION FOR 2016 AND 2015

This material contains “forward-looking statements” within the meaning of federal securities laws, including RevPAR, profit margin and earnings trends; the number of lodging properties we may add or remove in future years; our potential investment spending and share repurchases; the amount of and timing for realizing anticipated synergies from our acquisition of Starwood, and similar statements concerning possible future events or expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to a number of risks and uncertainties, including changes in market conditions; changes in global and regional economies; supply and demand changes for hotel rooms; competitive conditions in the lodging industry; relationships with clients and property owners; the availability of capital to finance hotel growth and refurbishment; and other risk factors that we identify in our most recent annual report on Form 10-K; any of which could cause actual results to differ materially from the expectations we express or imply here. We make these statements as of March 21, 2017 and we assume no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Throughout this presentation we report certain financial measures, each identified with the symbol “†,” that are not required by, or presented in accordance with United States generally accepted accounting principles (“GAAP”). We discuss our reasons for reporting these non-GAAP measures and reconcile each to the most directly comparable GAAP measures at the end of this material.

Except where otherwise indicated, financial information and lodging statistics in this material for the years 2016 and 2015 give effect to Marriott’s acquisition of Starwood, and Starwood’s sale of its timeshare business, as if these two transactions had occurred on January 1, 2015 and exclude merger related costs and charges, and reflect other adjustments described in the Form 8-K relating to certain combined information and lodging statistics that we filed on February 15, 2017 with the U.S. Securities and Exchange Commission.

ARNE SORENSEN

PRESIDENT AND
CHIEF EXECUTIVE OFFICER

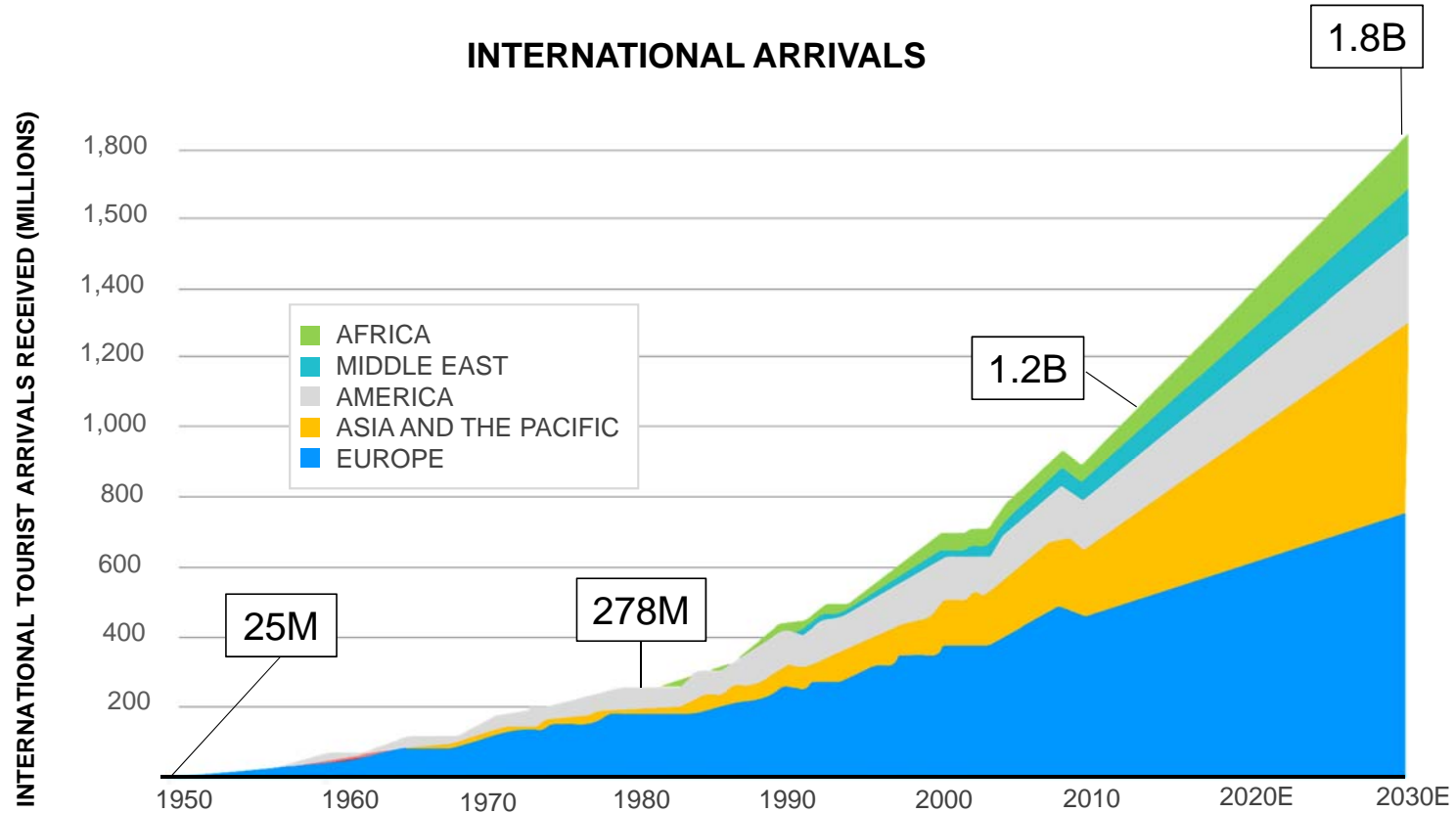
GROWING TRAVEL SPEND

	2016 Personal & Business Travel (\$ IN BILLIONS)	Spend Growth CAGR (2016 – 2026E)
Europe	\$1,547	6.0%
North America	\$1,110	6.0%
Asia Pacific	\$1,461	9.5%
Caribbean & Latin America	\$386	6.8%
Middle East & Africa	\$260	7.8%
Worldwide	\$4,764	7.3%

**7 PERCENT
OF WORLD'S
EXPORTS**

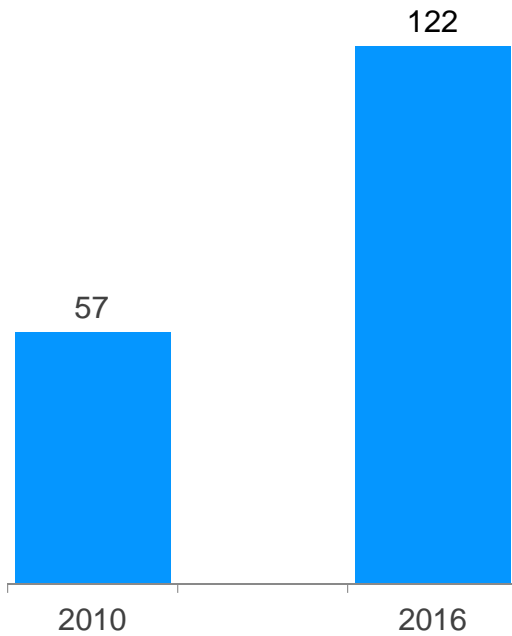
**1 in 11
JOBS**

GROWING TRAVEL

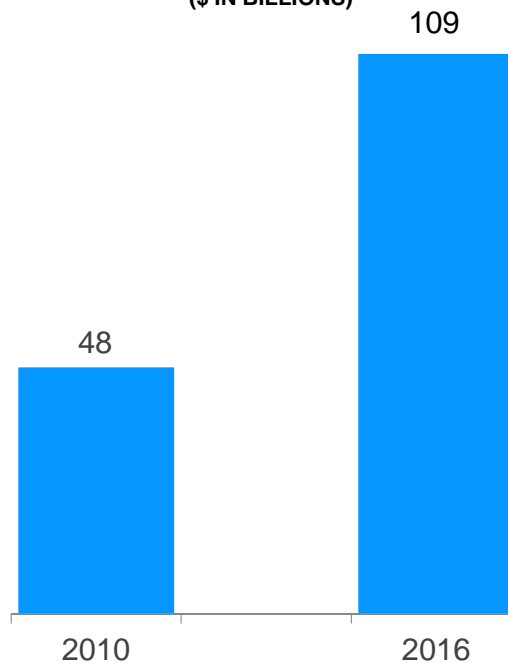


CHINA OPPORTUNITY

**CHINA OUTBOUND
TRAVEL POPULATION**
(IN MILLIONS)



**CHINA OUTBOUND
SPENDING**
(\$ IN BILLIONS)



A high-angle photograph of a person wearing a white short-sleeved shirt, sitting by a swimming pool. They are using a silver laptop. The pool water is clear blue, and the pool deck is made of white pebbles. The person's hands are on the keyboard, and their left wrist has a black bracelet. The laptop screen shows a grid of data.

**GUEST
PREFERENCE**

**BROAD
DISTRIBUTION**

**GUEST
CHOICE**

**EXPERIENCE
AND STYLE**

**EXCEED GUEST
EXPECTATIONS**



**OWNER
PREFERENCE**

**STRONG
BRANDS**

FINANCIAL RETURN

RELATIONSHIPS



**ENHANCE VALUE
OF EXISTING
SYSTEM**

**LOYALTY AND
RESERVATIONS**

.....
**PRODUCT
INNOVATION**

**PROFITABILITY
INNOVATION**
.....

STARWOOD ACQUISITION



GLOBAL
DISTRIBUTION



BRAND
PORTFOLIO



LOYALTY
PROGRAMS



SERVICES



EXPERIENCES



ECONOMIC
RETURNS



CAREER
OPPORTUNITIES

STARWOOD INTEGRATION

ACCOMPLISHED:

Linked loyalty programs

Integrated development organization

Rolled out Guest Voice, unified guest feedback system

NEXT UP:

Procurement savings

OTA commission savings

Financial platform transition

Sales integration for largest accounts

2018:

Financial reporting

Reservations platform

Loyalty platform

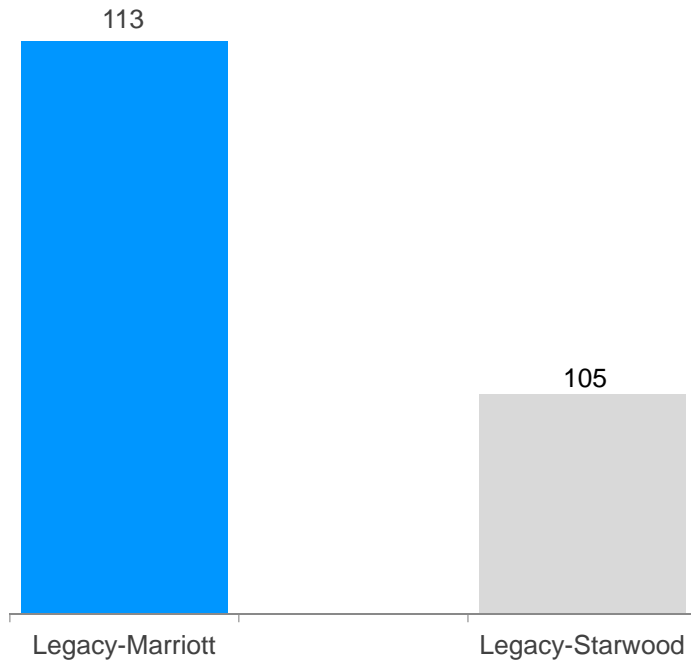


The Westin Chicago North River

Hangzhou Marriott Hotel Qianjiang

REVPAR INDEX OPPORTUNITY

**2016 WORLDWIDE SYSTEMWIDE
REVPAR INDEX**



REVPAR INDEX OPPORTUNITIES

SPREAD

Residence Inn vs. Element	19 pts.
Marriott Hotels vs. Sheraton	12 pts.
Courtyard vs. Four Points	9 pts.
Renaissance vs. Le Méridien	5 pts.
JW Marriott vs. Westin	4 pts.

HOTEL PROFITABILITY

ECONOMIES OF SCALE

**GREATER
INNOVATION**

**MORE EFFECTIVE
MARKETING**

LOWER COSTS

**GREATER
PRODUCTIVITY**

**STRONGER UNIT
GROWTH**



W South Beach

CO-BRAND CREDIT CARDS

OVER **\$1.3 BILLION** TO LOYALTY PROGRAMS

\$173 MILLION RECOGNIZED BY MARRIOTT AND STARWOOD COMBINED

RENEGOTIATION OPPORTUNITY



The St. Regis Maldives Vommuli Resort

ACCELERATED ROOMS GROWTH



Hotel Pitrizza, a Luxury Collection Hotel, Costa Smeralda, Italy



starwood

Hotels and
Resorts

ONCE IN A GENERATION OPPORTUNITY TO
REMAKE MARRIOTT AND TAKE A STRATEGIC
LEAP FORWARD IN DISTRIBUTION AND SCALE

Aloft Charleston Airport & Convention Center

The Westin Peachtree Plaza, Atlanta

CREATING BRANDS



BVLGARI
HOTELS & RESORTS

EDITION


JW MARRIOTT

AUTOGRAPH
COLLECTION[®]
HOTELS


MARRIOTT


Marriott
EXECUTIVE APARTMENTS

COURTYARD[®]
Marriott

SPRINGHILL
SUITES
MARRIOTT

FAIRFIELD
INN & SUITES[®]
Marriott

TOWNEPLACE
SUITES[®]
MARRIOTT

moxy
HOTELS



ACQUIRED BRANDS DELIVER



GREATER VALUE

**ACHIEVE SCALE
QUICKLY**



**ENCOURAGE NEW
DEVELOPMENT**

STRONGER FEES



Sheraton Grand Rio Hotel & Resort



Residence
Inn®
Marriott.

EXTENDED STAY
LEADER

ACQUIRED 1987

Residence Inn Los Angeles Burbank/Downtown



THE RITZ-CARLTON

**PREEMINENT
LUXURY BRAND**

ACQUIRED 1995

The Ritz-Carlton, Doha

The background image shows a modern hotel lounge with large windows, a long sofa with patterned pillows, and a vintage-style lamp on a tripod. The text is overlaid on a semi-transparent dark rectangle on the left side of the image.

R
RENAISSANCE®
HOTELS

MEANINGFUL ASIA
DISTRIBUTION
AND NAME
RECOGNITION

ACQUIRED 1997

Renaissance Huizhou Hotel



**CONCENTRATED IN
SPAIN, THE 3RD
LARGEST TOURISM
MARKET IN THE
WORLD**

ACQUIRED 2011

AC Hotel Diagonal L'illa



GAYLORD HOTELS®

**EXPANDED LARGE
GROUP HOTEL
PRESENCE**

ACQUIRED 2012

Gaylord National Resort & Convention Center



SAVOUR
RESTAURANT

PROTEA HOTELS.
MARRIOTT

LEADING BRANDS
AND DEVELOPMENT
IN SUB-SAHARAN
AFRICA

ACQUIRED 2014

African Pride 15 on Orange Hotel



**INCREASED
FULL-SERVICE
DISTRIBUTION IN
CANADA
AND CONVERSION
BRAND
OPPORTUNITIES**

ACQUIRED 2015

The Royal Private Residence Club

BRAND ACQUISITIONS

	Price (\$ in millions)	Rooms Acquired	Existing & Pipeline Rooms
Residence Inn	\$260	12,300	120,900
Ritz-Carlton	\$290	10,300	40,600
Renaissance	\$937	26,800	63,800
AC Hotels (JV)	\$51	7,100	29,300
Gaylord	\$210	8,100	10,600
Protea	\$195	10,000	10,200
Delta	\$136	9,600	15,500



The Ritz-Carlton, Jeddah

FINANCIAL STRATEGY

Innovation
Branding
Solution

Marketing
Analysis

Ideas
Success
Management



DRIVE REVPAR
AND MARGINS

GROW
DISTRIBUTION

CONTROL
G&A

INVEST IN
OPPORTUNITIES
THAT CREATE
VALUE

RETURN EXCESS
CASH TO
SHAREHOLDERS

2017 TO 2019 MODEL ASSUMPTIONS



**1% OR 3%
COMPOUND REVPAR
GROWTH THROUGH
2019**

**285,000 TO 300,000
GROSS ROOM
ADDITIONS OVER
THREE YEARS**

Hotel Stripes Kuala Lumpur, Autograph Collection

The Westin Palace, Madrid

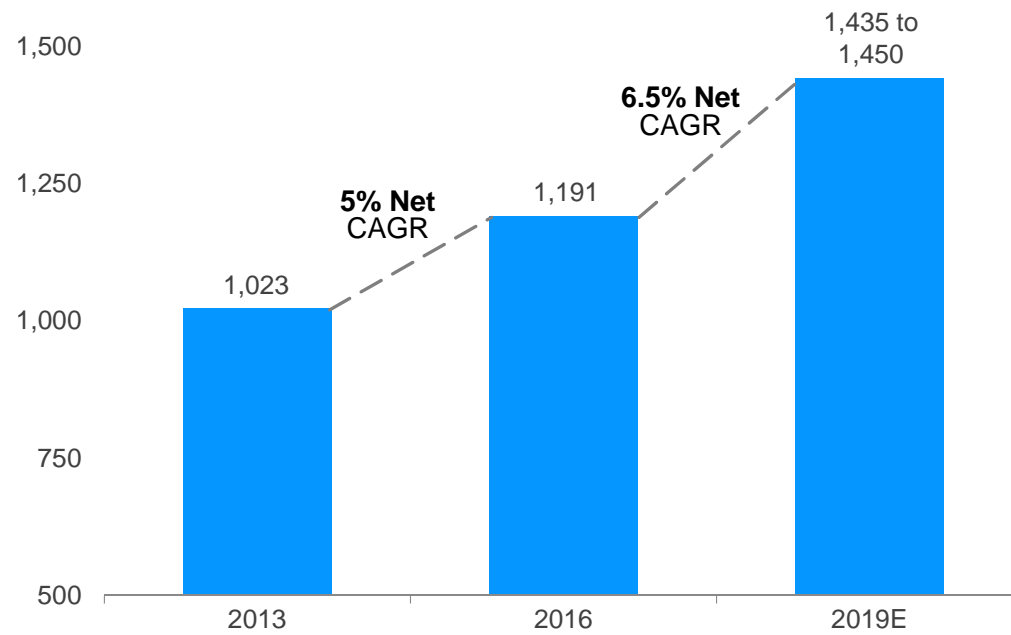
REVPAR ASSUMPTIONS

Analyst Meeting	Global RevPAR Growth Assumptions	Actual CAGR
2003	3 to 8 percent 2003 to 2006	9 percent
2005	4 to 8 percent 2005 to 2008	5 percent
2006	4 to 8 percent 2006 to 2009	(4) percent
2010	5 to 9 percent 2010 to 2013	6 percent
2012	6 to 8 percent 2011 to 2014	6 percent
2014	4 to 6 percent 2015 to 2017E	2.7 to 3.4 percent expected




ACCELERATE SYSTEM GROWTH

MARRIOTT AND STARWOOD WORLDWIDE ROOMS (IN THOUSANDS)



GROWTH MACHINE



**2017E TO 2019E
GROSS ROOM
OPENINGS
285,000 TO 300,000**

**STABILIZED FEES
\$675 million**

**GROWTH IN
NON-PROPERTY
FEES OVER 3 YEARS
\$100 million**

Non-property fees include credit card branding fees, residential branding fees, timeshare royalties, app fees and relicensing fees

2019E CONCLUSIONS

- EPS growth compounded: **17 to 21** percent
- Net income growth compounded: **11 to 14** percent
- Adjusted EBITDA growth compounded: **7 to 10** percent
- Cash available for shareholders 2017E to 2019E combined: **\$8.3 billion to \$9.3 billion**
- Share repurchased 2017E to 2019E: **\$6.9 billion to \$7.8 billion**

MORE TO COME:

- Revenue and cost synergies
- Upside from credit card renegotiations



TODAY'S SPEAKERS

STEPHANIE LINNARTZ

EXECUTIVE VICE PRESIDENT AND GLOBAL CHIEF COMMERCIAL OFFICER

TONY CAPUANO

EXECUTIVE VICE PRESIDENT AND GLOBAL CHIEF DEVELOPMENT OFFICER

BRAD NELSON

VICE PRESIDENT, CULINARY AND GLOBAL CORPORATE CHEF

LEENY OBERG

EXECUTIVE VICE PRESIDENT AND CHIEF FINANCIAL OFFICER

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SORENSEN ENDNOTES

Slide 2 – Growing Travel Spend
World Travel & Tourism Council (Nominal \$)
UNWTO Tourism Highlights, 2016 Edition

Slide 3 – Growing Travel
UNWTO Tourism Highlights, 2016 Edition

Slide 4 – China Opportunity
China National Tourism Administration

Slide 10 – RevPAR Index Opportunity
STR index data, last 12 months as of December 2016

Slide 20 – Acquisitions
UNWTO World Tourism rankings 2015