FORWARD-LOOKING STATEMENTS

FORWARD-LOOKING STATEMENTS, NON-GAAP FINANCIAL MEASURES AND MODEL ASSUMPTIONS

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, share repurchases and dividends; the continued realization of synergies from our acquisition of Starwood; the size and strength of our loyalty program; 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 lodging products; competitive conditions in the lodging industry; relationships with clients and property owners; the availability of capital to finance growth and refurbishment; the extent to which we can continue to successfully integrate Starwood and realize the anticipated benefits of combining Starwood and Marriott; the extent to which we experience adverse effects from the data security incident; changes in tax laws in countries in which we earn significant income; changes to our estimates of the impact of new accounting standards; and other risk factors that we identify in our most recent annual report on Form 10-K. Any of these factors could cause actual results to differ materially from the expectations we express or imply here. We make these statements as of March 18, 2019 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 that are not required by, or presented in accordance with, United States generally accepted accounting principles (“GAAP”). These non-GAAP financial measures are labeled as “adjusted” (or “adj”), “combined”, or identified with the symbol “†”. In addition, all scenarios and models presented that include future periods (including fiscal years 2019, 2020 and 2021) assume the following items to be zero, and therefore do not include their impact, which we cannot accurately forecast and which may be significant: cost reimbursement revenue, reimbursed expenses, merger-related costs and charges, data security incident costs and gains and losses on asset dispositions made by us or by our joint venture investees. Measures that are labeled as “adjusted” (or “adj”) also exclude these items and may exclude additional items as indicated in the reconciliations accompanying this presentation. We discuss our reasons for reporting these non-GAAP measures and, to the extent available without unreasonable efforts, reconcile each to the most directly comparable GAAP measures at the end of this material.
TINA EDMUNDSON
Global Brand Officer and Luxury Portfolio Leader

AN UNMATCHED PORTFOLIO OF BRANDS
CATEGORY LEADERSHIP

#1 LUXURY
#1 LIFESTYLE
#1 CONVENTION HOTELS
#1 COLLECTION HOTELS
#1 RESORTS

A SYMBIOTIC RELATIONSHIP BETWEEN OUR BRANDS & LOYALTY

AC Hotel Atlanta Buckhead at Phipps Plaza
BRAND
“SWIM LANES”
Gain synergies while further differentiating

BRAND TRANSFORMATIONS
MARRIOTT HOTELS
Transforming since 2015
in all aspects of the guest experience

ONE-YEAR POST RENOVATION
(North America, 119 hotels)

Guest Room (overall): +18.0 points
Bathroom (overall): +15.9 points
Intent to Recommend: +9.0 points
RevPAR Index: +7.2 points

BEST PERFORMANCE OF ANY MARRIOTT RENOVATION ON RECORD

SHERATON TRANSFORMATION APPROACH

GAINED SHERATON OWNER AND FRANCHISEE ALIGNMENT

- brand positioning
- operations improvement
- design strategy

GUESTVOICE PROGRAM

- management accountability
- ownership of brand standards
SHERATON
Unveiling our new logo

REASONS FOR THE CHANGE

A strong signal to consumers
A clear beginning of a new phase for associates
An evolution of the brand’s identity in line with the new positioning

RENOVATIONS:
132 HOTELS have committed or are in-progress (guestroom and/or public space)
MORE THAN 1/4 OF THE PORTFOLIO is under or committed to renovations
GUESTROOM: 128 / PUBLIC SPACE: 111

26 SHERATON HOTELS exited in 2017 and 2018
KEY STRENGTHS

- A pioneer as the first lifestyle brand in the Select tier
- Seen as a break-away leader in brand health
- Consumers view the brand as innovative, design-driven, and ahead of its time

THE OPPORTUNITIES

- Low guest satisfaction
- Lack of appeal of F&B experience
- Design strategy is approaching end-of-life cycle
- Limited growth due to:
  - Cost to build
  - Inflexible design standards

THE OPPORTUNITIES

REFRESHED
ECLECTIC DESIGN

Healthy owner satisfaction
Rooms growth
Higher RevPAR index
Growth opportunity

Filling a consumer segment white space to attract a new lifestyle-oriented extended stay customer

High cost to build

Lack of extended-stay sales infrastructure

Undifferentiated food + beverage experience

THE OPPORTUNITIES

KEY STRENGTHS

Where we started

IMPROVED COST TO BUILD

overhauled design standards with reduced cost to build from 2017 to 2018

new Studio Commons room concept, a first in the industry

LEVERAGED EXTENDED STAY SALES INFRASTRUCTURE

Rise & Relax launch, a well-being-focused food + beverage experience across the U.S.

5% increase in Element extended stay room nights

REIMAGINED F+B EXPERIENCE
FOCUS BACK HOME

W, THE BRAND THAT INVENTED ‘LIFESTYLE,’ MOVES TO ABANDON OLDER PROPERTIES

W HOTELS TO DROP ORIGINAL FLAGSHIP HOTEL IN NEW YORK CITY

TRAVEL WEEKLY

USA TODAY
EDIT THE PORTFOLIO
replace strategic exits
(W New York + W Las Vegas)

OWNERS INVEST IN RENOVATIONS
over $200 million

ELEVATE SERVICE
refresh the W experience while
preserving and amplifying the brand’s
disruptor ethos

W HOTELS
Our strategy is underway

GLOBAL WEALTH
EXPECTED TO RISE ALMOST 26%
TO NEARLY $400 trillion
by 2023

NUMBER OF MILLIONAIRES HAS TRIPLED
NUMBER OF ULTRA-HIGH NET WORTH
INDIVIDUALS HAS RISEN FOURFOLD
since 2000

THE FUTURE OF LUXURY
MARRIOTT INTERNATIONAL
LUXURY BRANDS

9% OF THE PORTFOLIO
18% OF GROSS FEE REVENUE

LUXURY AT MARRIOTT INTERNATIONAL

HOTELS

586 Marriott International
342 Accor
271 IHG
181 Hyatt
132 Four Seasons
104 Shangri-La
103 Hilton
81 Kempinski
77 IHCL
67 Banyan Tree

+400 TODAY
~200 IN THE PIPELINE
BRAND EVOLUTION

Services
Technology
Innovations
Product Design

COLLECTIONS CAMPAIGN

THE LUXURY COLLECTION

AUTOGRAF COLLECTION HOTELS

TRIBUTE PORTFOLIO

MEMBERS OF MARRIOTT BONVOY®

Noelle Nashville, a Tribute Portfolio Hotel  C - 22
Slide C-3—Category Leadership
STR Global Census, December 2018 by number of rooms

Slide C-7—Marriott Hotels
Average results in the first year after renovation compared to prior year excluding the period of renovation, MHPD Dashboard, January 2019

Slide C-10—Sheraton
Sheratons globally, as of December 31, 2018

Slide C-14—Element
Extended stay room nights in 2018 compared to 2017

Slide C-17—W Hotels
Owner investment underway or committed, 2018 and 2019

Slide C-18—The Future of Luxury
Credit Suisse, Global Wealth Report, October 2018
Bain Digest, Luxury Goods Worldwide Market Study, Fall-Winter 2018

Slide C-19—Marriott International Luxury Brands
Rooms as of December 31, 2018
Gross fee revenue for full year 2018

Slide C-20—Luxury at Marriott International
Signed New Construction Rooms from STR Global Pipeline, December 2018
STR data adjusted to recognize Accor’s Movenpick acquisition in September 2018

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