



April 1, 2014

Marriott International Completes Acquisition Of Protea Hospitality Group; Becomes The Largest Hotel Company In Africa

BETHESDA, Md. and CAPE TOWN, South Africa, April 1, 2014 /PRNewswire/ -- Marriott International, Inc. (NASDAQ: MAR) today became the largest hotel company in Africa according to published information, and nearly doubled its presence in its Middle East and Africa region to more than 160 hotels and 23,000 rooms as it completed its acquisition of the 116-hotel Protea Hospitality Group (PHG), based in South Africa. Marriott now operates or franchises more than 4,000 hotels in 79 countries. [For additional images and b-roll visit: <http://postspots.com/d/j/39d6ba852b>.]

At the same time, Marriott said that its pipeline of new hotels in the Middle East and Africa, including Protea's pipeline, is now more than 65 hotels and 14,300 rooms, including more than 20 hotels and 3,000 rooms in Sub-Saharan Africa.

Marriott's new Protea portfolio consists of 10,148 rooms in seven African countries including South Africa. The company now manages, franchises and leases hotels across the Protea Hotels brand (103 hotels), comprising a full and diverse range of outstanding hotels and resorts; the award-winning lifestyle boutique Protea Hotel Fire & Ice! (2 hotels); and the superior deluxe African Pride Hotels collection (11 hotels). In addition to its industry-leading 79 hotels in South Africa, Marriott's Protea portfolio also has 37 hotels in Malawi, Namibia, Nigeria, Tanzania, Uganda and Zambia.

Arne Sorenson, Marriott International's president and chief executive officer, said, "Today marks a new beginning. We can now officially say 'molweni!' (Xhosa), 'sawubona!' (Zulu) and 'hello!' to South Africa and 'welcome!' to our approximately 15,000 new associates at both managed and franchised hotels across Protea's portfolio. We look forward to integrating the superb Protea team into the Marriott International family, and together, to work toward new opportunities for growth and advancement throughout South Africa and the continent."

Alex Kyriakidis, president and managing director of Marriott International's Middle East and Africa (MEA) region, said, "Today is the culmination of months of highly productive collaboration between Protea and Marriott International teams. We are delighted that such a tremendously dedicated, talented and effective team, which has been so well-led by Protea Chief Executive Officer Arthur Gillis, is now joining the Marriott International family. With the addition of Protea's regional knowledge, expertise and infrastructure, we are incredibly well-positioned to continue growing in one of the fastest expanding economic markets in the world."

According to the World Bank, Sub-Saharan Africa is expected to grow at a more than 5 percent pace through 2015.

Mr. Kyriakidis said that Mr. Gillis will become Non-Executive Chairman, Africa Development for Marriott International, focusing on exploring opportunities for new African hotel growth for all of Marriott International's brands. In addition, Mark Satterfield, currently chief operations officer for Marriott International's MEA region, will relocate to Cape Town, Protea's headquarters, to act as business leader overseeing the integration of the two companies. He will continue to report to Mr. Kyriakidis.

As previously disclosed, Marriott paid approximately 2.02 billion rand, or approximately US \$200 million at current exchange rates, which represents roughly 10 times anticipated pro forma 2014 calendar year EBITDA (earnings before interest, taxes, depreciation and amortization) excluding transaction costs.

As part of the transaction, the previous owners of Protea Hospitality Group created an independent property ownership company that retained ownership of the hotels PHG formerly owned, and entered into long-term management and lease agreements with Marriott for those hotels. The property ownership company also retained a number of minority interests in other Protea hotels. Marriott now manages approximately 45 percent of Protea's rooms, franchises approximately 39 percent, and leases approximately 16 percent.

Marriott expects that the Protea portfolio will be available for booking on Marriott.com or via Marriott International's Global Reservations Centers toward the end of May, and the hotels will join the Marriott Rewards guest loyalty program at a later point, to be announced. Until then, please go to www.Proteahotels.com for reservations.

Marriott does not expect the Protea acquisition to have a material impact on 2014 earnings.

Marriott International, Inc. (NASDAQ: MAR) is a leading lodging company based in Bethesda, Maryland, USA, with reported revenues of nearly \$13 billion in fiscal year 2013. Marriott International operates and manages hotels and licenses vacation

ownership resorts, which, in total, comprise more than 4,000 properties in 79 countries. There are approximately 330,000 employees at headquarters, and at managed and franchised properties. Marriott is consistently recognized as a top employer and for its superior business operations, which it conducts based on five core values: put people first, pursue excellence, embrace change, act with integrity, and serve our world. For more information or reservations, please visit our website at www.marriott.com, and for the latest company news, visit www.marriottnewscenter.com.

Note on forward-looking statements: This press release contains "forward-looking statements" within the meaning of U.S. federal securities laws, including our expectations for opening new hotels in Sub-Saharan Africa, Protea's anticipated proforma 2014 EBITDA and EBITDA multiple; and the dates we anticipate that PHG's hotels will be available for booking on Marriott.com and begin participating in Marriott Rewards, and similar statements concerning anticipated future events and expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including supply and demand changes for hotel rooms; competitive conditions in the lodging industry; relationships with franchisees and property owners; the availability of capital to finance hotel growth; the time needed to implement new technology systems; 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 in this press release. We make these forward-looking statements as of the date of this press release. We undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.





IRPR#1

Video - http://origin-gps.onstreammedia.com/origin/multivu_archive/PRNA/ENR/FX-MM94853-Protea-Fire-Ice-Broll.mp4

Photo - <http://photos.prnewswire.com/prnh/20140401/MM94853-INFO-a>

Photo - <http://photos.prnewswire.com/prnh/20140401/MM94853-b>

Logo - <http://photos.prnewswire.com/prnh/20130531/PH23900LOGO>

SOURCE Marriott International, Inc.

News Provided by Acquire Media