

MARRIOTT INTERNATIONAL, INC.
PRESS RELEASE SCHEDULES
QUARTER 2, 2013
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MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME
SECOND QUARTER 2013 AND 2012

(in millions, except per share amounts)

	91 Days Ended June 30, 2013 ¹	84 Days Ended June 15, 2012 ¹	Percent Better/ (Worse)
REVENUES			
Base management fees	\$ 166	\$ 141	18
Franchise fees	177	145	22
Incentive management fees	64	56	14
Owned, leased, corporate housing and other revenue ²	246	264	(7)
Cost reimbursements ³	2,610	2,170	20
Total Revenues	3,263	2,776	18
OPERATING COSTS AND EXPENSES			
Owned, leased and corporate housing - direct ⁴	195	203	4
Reimbursed costs	2,610	2,170	(20)
General, administrative and other ⁵	179	160	(12)
Total Expenses	2,984	2,533	(18)
OPERATING INCOME	279	243	15
Gains and other income ⁶	10	5	100
Interest expense	(29)	(34)	15
Interest income	5	3	67
Equity in losses ⁷	(2)	(8)	75
INCOME BEFORE INCOME TAXES	263	209	26
Provision for income taxes	(84)	(66)	(27)
NET INCOME	\$ 179	\$ 143	25
EARNINGS PER SHARE - Basic			
Earnings per share	<u>\$ 0.58</u>	<u>\$ 0.44</u>	32
EARNINGS PER SHARE - Diluted			
Earnings per share	<u>\$ 0.57</u>	<u>\$ 0.42</u>	36
Basic Shares	306.7	327.9	
Diluted Shares	314.0	338.0	

¹ – Last year results were reported on a period basis. They have not been restated to a calendar basis. Accordingly, 2013 reflects 91 days versus 84 days in 2012.

² – *Owned, leased, corporate housing and other revenue* includes revenue from the properties we own or lease, termination fees, branding fees, other revenue and revenue from our corporate housing business through our sale of that business on April 30, 2012.

³ – *Cost reimbursements* include reimbursements from properties for Marriott-funded operating expenses.

⁴ – *Owned, leased and corporate housing - direct* expenses include operating expenses related to our owned or leased hotels, including lease payments, pre-opening expenses and depreciation, plus expenses related to our corporate housing business through our sale of that business on April 30, 2012.

⁵ – *General, administrative and other* expenses include the overhead costs allocated to our segments, and our corporate overhead costs and general expenses.

⁶ – *Gains and other income* includes gains and losses on the sale of real estate, note sales or repayments, the sale or other-than-temporary impairment of joint ventures and investments, debt extinguishments, and income from cost method joint ventures.

⁷ – *Equity in losses* includes our equity in earnings or losses of unconsolidated equity method joint ventures.

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME
SECOND QUARTER YEAR-TO-DATE 2013 AND 2012

(in millions, except per share amounts)

	184 Days Ended June 30, 2013 ¹	168 Days Ended June 15, 2012 ¹	Percent Better/ (Worse)
REVENUES			
Base management fees	\$ 319	\$ 265	20
Franchise fees	328	271	21
Incentive management fees	130	106	23
Owned, leased, corporate housing and other revenue ²	470	481	(2)
Cost reimbursements ³	5,158	4,205	23
Total Revenues	6,405	5,328	20
OPERATING COSTS AND EXPENSES			
Owned, leased and corporate housing - direct ⁴	383	398	4
Reimbursed costs	5,158	4,205	(23)
General, administrative and other ⁵	359	307	(17)
Total Expenses	5,900	4,910	(20)
OPERATING INCOME	505	418	21
Gains and other income ⁶	13	7	86
Interest expense	(60)	(67)	10
Interest income	8	7	14
Equity in losses ⁷	(2)	(9)	78
INCOME BEFORE INCOME TAXES	464	356	30
Provision for income taxes	(149)	(109)	(37)
NET INCOME	\$ 315	\$ 247	28
EARNINGS PER SHARE - Basic			
Earnings per share	<u>\$ 1.02</u>	<u>\$ 0.75</u>	36
EARNINGS PER SHARE - Diluted			
Earnings per share	<u>\$ 0.99</u>	<u>\$ 0.72</u>	38
Basic Shares	309.3	330.8	
Diluted Shares	317.3	341.5	

¹ – Last year results were reported on a period basis. They have not been restated to a calendar basis. Accordingly, 2013 reflects 184 days versus 168 days in 2012.

² – *Owned, leased, corporate housing and other revenue* includes revenue from the properties we own or lease, termination fees, branding fees, other revenue and revenue from our corporate housing business through our sale of that business on April 30, 2012.

³ – *Cost reimbursements* include reimbursements from properties for Marriott-funded operating expenses.

⁴ – *Owned, leased and corporate housing - direct* expenses include operating expenses related to our owned or leased hotels, including lease payments, pre-opening expenses and depreciation, plus expenses related to our corporate housing business through our sale of that business on April 30, 2012.

⁵ – *General, administrative and other* expenses include the overhead costs allocated to our segments, and our corporate overhead costs and general expenses.

⁶ – *Gains and other income* includes gains and losses on the sale of real estate, note sales or repayments, the sale or other-than-temporary impairment of joint ventures and investments, debt extinguishments, and income from cost method joint ventures.

⁷ – *Equity in losses* includes our equity in earnings or losses of unconsolidated equity method joint ventures.

MARRIOTT INTERNATIONAL, INC.
TOTAL LODGING PRODUCTS

Brand	Number of Properties			Number of Rooms/Suites		
	June 30, 2013	June 15, 2012	vs. June 15, 2012	June 30, 2013	June 15, 2012	vs. June 15, 2012
<u>Domestic Full-Service</u>						
Marriott Hotels	348	351	(3)	140,626	141,809	(1,183)
Renaissance Hotels	77	80	(3)	27,820	29,229	(1,409)
Autograph Collection	26	21	5	6,917	6,223	694
Gaylord Hotels	5	-	5	8,098	-	8,098
<u>Domestic Limited-Service</u>						
Courtyard	824	808	16	115,733	113,743	1,990
Fairfield Inn & Suites	689	673	16	62,855	60,981	1,874
SpringHill Suites	301	291	10	35,329	34,144	1,185
Residence Inn	612	599	13	73,851	72,294	1,557
TownePlace Suites	218	202	16	21,630	20,228	1,402
<u>International</u>						
Marriott Hotels	208	202	6	63,922	62,033	1,889
Renaissance Hotels	77	75	2	25,090	24,231	859
Autograph Collection	13	6	7	1,693	676	1,017
Courtyard	113	108	5	22,119	21,191	928
Fairfield Inn & Suites	14	13	1	1,716	1,568	148
SpringHill Suites	2	2	-	299	299	-
Residence Inn	23	22	1	3,229	3,028	201
TownePlace Suites	2	1	1	278	105	173
Marriott Executive Apartments	27	24	3	4,295	3,846	449
<u>Luxury</u>						
The Ritz-Carlton - Domestic	38	39	(1)	11,356	11,587	(231)
The Ritz-Carlton - International	42	40	2	12,655	12,093	562
Bulgari Hotels & Resorts	3	3	-	202	202	-
EDITION	1	1	-	78	78	-
The Ritz-Carlton Residential	37	35	2	4,067	3,927	140
The Ritz-Carlton Serviced Apartments	4	4	-	579	579	-
<u>Unconsolidated Joint Ventures</u>						
AC Hotels by Marriott	75	79	(4)	8,491	8,736	(245)
Autograph Collection	5	5	-	348	348	-
Timeshare¹	63	64	(1)	12,856	12,932	(76)
Total	3,847	3,748	99	666,132	646,110	20,022

¹ Timeshare unit and room counts are as of June 14, 2013 and June 15, 2012, the end of Marriott Vacation Worldwide's second quarter for 2013 and 2012, respectively.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS

Constant \$

Comparable Company-Operated International Properties¹

Region	Three Months Ended June 30, 2013 and June 30, 2012						
	REVPAR		Occupancy			Average Daily Rate	
	2013	vs. 2012	2013	vs. 2012	2013	vs. 2012	
Caribbean & Latin America	\$147.42	4.0%	73.5%	1.5% pts.	\$200.47	2.0%	
Europe	\$139.15	1.1%	78.3%	1.6% pts.	\$177.73	-0.9%	
Middle East & Africa	\$87.54	5.4%	62.4%	4.7% pts.	\$140.27	-2.6%	
Asia Pacific	\$103.13	2.2%	72.3%	0.6% pts.	\$142.62	1.3%	
Regional Composite²	\$120.76	2.2%	73.7%	1.6% pts.	\$163.84	0.0%	
International Luxury³	\$235.21	4.4%	67.9%	2.4% pts.	\$346.63	0.8%	
Total International⁴	\$135.06	2.7%	73.0%	1.7% pts.	\$185.07	0.3%	
Worldwide⁵	\$129.59	4.4%	75.6%	1.0% pts.	\$171.43	3.0%	

Comparable Systemwide International Properties¹

Region	Three Months Ended June 30, 2013 and June 30, 2012						
	REVPAR		Occupancy			Average Daily Rate	
	2013	vs. 2012	2013	vs. 2012	2013	vs. 2012	
Caribbean & Latin America	\$130.40	4.4%	73.3%	2.3% pts.	\$178.00	1.1%	
Europe	\$131.57	1.2%	76.4%	1.4% pts.	\$172.23	-0.7%	
Middle East & Africa	\$86.18	5.7%	62.5%	4.5% pts.	\$137.80	-1.8%	
Asia Pacific	\$105.35	2.5%	72.8%	0.9% pts.	\$144.77	1.3%	
Regional Composite⁶	\$118.52	2.4%	73.4%	1.7% pts.	\$161.43	0.1%	
International Luxury³	\$235.21	4.4%	67.9%	2.4% pts.	\$346.63	0.8%	
Total International⁴	\$130.27	2.8%	72.9%	1.8% pts.	\$178.80	0.3%	
Worldwide⁷	\$109.17	4.7%	75.6%	1.1% pts.	\$144.33	3.2%	

¹ Statistics are in constant dollars. International includes properties located outside the United States and Canada, except for Worldwide which includes the United States.

² Includes Marriott Hotels, Renaissance Hotels, Courtyard, and Residence Inn properties.

³ Includes The Ritz-Carlton properties located outside of the United States and Canada and Bulgari Hotels & Resorts and EDITION properties.

⁴ Includes Regional Composite and International Luxury.

⁵ Includes Marriott Hotels, Renaissance Hotels, The Ritz-Carlton, Bulgari Hotels & Resorts, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.

⁶ Includes Marriott Hotels, Renaissance Hotels, Autograph Collection, Courtyard, Residence Inn, and Fairfield Inn & Suites properties.

⁷ Includes Marriott Hotels, Renaissance Hotels, Autograph Collection, The Ritz-Carlton, Bulgari Hotels & Resorts, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS

Constant \$

Comparable Company-Operated International Properties¹

Region	Six Months Ended June 30, 2013 and June 30, 2012						
	REVPAR		Occupancy			Average Daily Rate	
	2013	vs. 2012	2013	vs. 2012	2013	vs. 2012	
Caribbean & Latin America	\$163.38	4.9%	75.7%	0.7% pts.	\$215.69	3.9%	
Europe	\$120.68	-0.5%	70.6%	0.9% pts.	\$170.97	-1.7%	
Middle East & Africa	\$89.29	8.0%	60.8%	4.4% pts.	\$146.91	0.2%	
Asia Pacific	\$103.32	2.7%	71.2%	1.1% pts.	\$145.06	1.1%	
Regional Composite²	\$115.61	2.1%	70.3%	1.3% pts.	\$164.37	0.2%	
International Luxury³	\$247.86	7.8%	66.9%	3.3% pts.	\$370.45	2.5%	
Total International⁴	\$132.13	3.4%	69.9%	1.6% pts.	\$189.01	1.1%	
Worldwide⁵	\$124.03	4.8%	72.0%	0.9% pts.	\$172.27	3.5%	

Comparable Systemwide International Properties¹

Region	Six Months Ended June 30, 2013 and June 30, 2012						
	REVPAR		Occupancy			Average Daily Rate	
	2013	vs. 2012	2013	vs. 2012	2013	vs. 2012	
Caribbean & Latin America	\$139.12	5.3%	73.4%	1.8% pts.	\$189.42	2.6%	
Europe	\$114.30	0.0%	68.8%	1.0% pts.	\$166.10	-1.5%	
Middle East & Africa	\$87.85	8.4%	61.1%	4.3% pts.	\$143.75	0.8%	
Asia Pacific	\$105.39	2.9%	71.6%	1.3% pts.	\$147.27	1.1%	
Regional Composite⁶	\$112.76	2.5%	69.7%	1.5% pts.	\$161.73	0.2%	
International Luxury³	\$247.86	7.8%	66.9%	3.3% pts.	\$370.45	2.5%	
Total International⁴	\$126.38	3.5%	69.4%	1.7% pts.	\$182.00	0.9%	
Worldwide⁷	\$103.16	4.7%	71.6%	0.8% pts.	\$144.14	3.5%	

¹ Statistics are in constant dollars. International includes properties located outside the United States and Canada, except for Worldwide which includes the United States.

² Includes Marriott Hotels, Renaissance Hotels, Courtyard, and Residence Inn properties.

³ Includes The Ritz-Carlton properties located outside of the United States and Canada and Bulgari Hotels & Resorts and EDITION properties.

⁴ Includes Regional Composite and International Luxury.

⁵ Includes Marriott Hotels, Renaissance Hotels, The Ritz-Carlton, Bulgari Hotels & Resorts, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.

⁶ Includes Marriott Hotels, Renaissance Hotels, Autograph Collection, Courtyard, Residence Inn, and Fairfield Inn & Suites properties.

⁷ Includes Marriott Hotels, Renaissance Hotels, Autograph Collection, The Ritz-Carlton, Bulgari Hotels & Resorts, EDITION, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites properties.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS

Comparable Company-Operated North American Properties¹

Brand	Three Months Ended June 30, 2013 and June 30, 2012					
	REVPAR		Occupancy		Average Daily Rate	
	2013	vs. 2012	2013	vs. 2012	2013	vs. 2012
Marriott Hotels	\$141.47	5.5%	77.7%	0.7% pts.	\$182.17	4.5%
Renaissance Hotels	\$143.51	4.1%	78.7%	0.2% pts.	\$182.38	3.8%
Composite North American Full-Service	\$141.76	5.3%	77.8%	0.6% pts.	\$182.20	4.4%
The Ritz-Carlton	\$241.32	7.4%	74.8%	1.6% pts.	\$322.60	5.1%
Composite North American Full-Service & Luxury	\$151.65	5.6%	77.5%	0.7% pts.	\$195.67	4.6%
Courtyard	\$90.95	5.7%	73.8%	1.1% pts.	\$123.26	4.1%
SpringHill Suites	\$84.09	2.7%	77.4%	0.3% pts.	\$108.69	2.3%
Residence Inn	\$103.82	3.1%	80.5%	0.9% pts.	\$129.03	2.0%
TownePlace Suites	\$61.46	-0.2%	70.8%	-4.6% pts.	\$86.83	6.2%
Composite North American Limited-Service	\$92.81	4.7%	75.8%	0.8% pts.	\$122.37	3.6%
Composite - All	\$127.04	5.3%	76.8%	0.7% pts.	\$165.40	4.3%

Comparable Systemwide North American Properties¹

Brand	Three Months Ended June 30, 2013 and June 30, 2012					
	REVPAR		Occupancy		Average Daily Rate	
	2013	vs. 2012	2013	vs. 2012	2013	vs. 2012
Marriott Hotels	\$125.54	5.7%	75.5%	1.2% pts.	\$166.23	4.0%
Renaissance Hotels	\$122.27	5.1%	76.3%	1.1% pts.	\$160.34	3.7%
Autograph Collection Hotels	\$165.26	7.8%	79.6%	2.6% pts.	\$207.67	4.3%
Composite North American Full-Service	\$126.33	5.7%	75.8%	1.2% pts.	\$166.74	4.0%
The Ritz-Carlton	\$241.32	7.4%	74.8%	1.6% pts.	\$322.60	5.1%
Composite North American Full-Service & Luxury	\$132.79	5.9%	75.7%	1.2% pts.	\$175.39	4.1%
Courtyard	\$93.69	5.3%	75.2%	1.1% pts.	\$124.56	3.8%
Fairfield Inn & Suites	\$72.40	4.3%	72.9%	0.5% pts.	\$99.31	3.6%
SpringHill Suites	\$84.21	5.0%	76.9%	1.0% pts.	\$109.49	3.6%
Residence Inn	\$102.85	4.5%	81.5%	0.8% pts.	\$126.23	3.5%
TownePlace Suites	\$69.61	1.4%	76.0%	-0.6% pts.	\$91.63	2.1%
Composite North American Limited-Service	\$88.88	4.7%	76.5%	0.8% pts.	\$116.19	3.6%
Composite - All	\$104.86	5.2%	76.2%	0.9% pts.	\$137.60	3.9%

¹ Statistics include only properties located in the United States.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS

Comparable Company-Operated North American Properties¹

Brand	Six Months Ended June 30, 2013 and June 30, 2012					
	REVPAR		Occupancy		Average Daily Rate	
	2013	vs. 2012	2013	vs. 2012	2013	vs. 2012
Marriott Hotels	\$133.86	5.5%	74.3%	0.7% pts.	\$180.10	4.6%
Renaissance Hotels	\$136.95	5.3%	75.7%	0.3% pts.	\$181.02	4.9%
Composite North American Full-Service	\$134.29	5.5%	74.5%	0.6% pts.	\$180.23	4.7%
The Ritz-Carlton	\$237.65	7.9%	73.0%	1.4% pts.	\$325.38	5.8%
Composite North American Full-Service & Luxury	\$144.56	5.9%	74.4%	0.7% pts.	\$194.40	4.9%
Courtyard	\$83.86	4.6%	68.5%	0.1% pts.	\$122.41	4.5%
SpringHill Suites	\$80.26	6.1%	72.8%	2.1% pts.	\$110.19	3.0%
Residence Inn	\$97.65	4.3%	76.4%	1.0% pts.	\$127.83	3.0%
TownePlace Suites	\$58.93	1.1%	66.9%	-4.0% pts.	\$88.14	7.1%
Composite North American Limited-Service	\$86.46	4.7%	71.0%	0.4% pts.	\$121.72	4.1%
Composite - All	\$120.26	5.5%	73.0%	0.6% pts.	\$164.81	4.7%

Comparable Systemwide North American Properties¹

Brand	Six Months Ended June 30, 2013 and June 30, 2012					
	REVPAR		Occupancy		Average Daily Rate	
	2013	vs. 2012	2013	vs. 2012	2013	vs. 2012
Marriott Hotels	\$119.14	5.4%	72.1%	1.1% pts.	\$165.33	3.9%
Renaissance Hotels	\$116.09	5.4%	72.8%	0.9% pts.	\$159.41	4.1%
Autograph Collection Hotels	\$158.63	6.7%	76.9%	1.3% pts.	\$206.41	4.9%
Composite North American Full-Service	\$119.95	5.5%	72.3%	1.0% pts.	\$165.84	3.9%
The Ritz-Carlton	\$237.65	7.9%	73.0%	1.4% pts.	\$325.38	5.8%
Composite North American Full-Service & Luxury	\$126.57	5.7%	72.4%	1.1% pts.	\$174.89	4.2%
Courtyard	\$86.48	4.7%	70.3%	0.5% pts.	\$122.96	3.9%
Fairfield Inn & Suites	\$65.88	4.3%	67.6%	0.4% pts.	\$97.44	3.7%
SpringHill Suites	\$78.17	5.0%	72.4%	0.9% pts.	\$107.91	3.7%
Residence Inn	\$96.32	4.4%	77.4%	0.5% pts.	\$124.46	3.8%
TownePlace Suites	\$65.72	1.4%	71.6%	-0.9% pts.	\$91.80	2.7%
Composite North American Limited-Service	\$82.33	4.4%	71.8%	0.4% pts.	\$114.66	3.8%
Composite - All	\$98.43	5.0%	72.0%	0.7% pts.	\$136.69	4.1%

¹ Statistics include only properties located in the United States.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES

EBITDA
(\$ in millions)

Fiscal Year 2013

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Total Year to Date</u>
Net Income	\$ 136	\$ 179	\$ 315
Interest expense	31	29	60
Tax provision	65	84	149
Depreciation and amortization	37	37	74
Less: Depreciation reimbursed by third-party owners	(5)	(4)	(9)
Interest expense from unconsolidated joint ventures	1	1	2
Depreciation and amortization from unconsolidated joint ventures	3	3	6
EBITDA **	<u>\$ 268</u>	<u>\$ 329</u>	<u>\$ 597</u>
Increase over 2012 Quarterly EBITDA	25%	14%	18%

Fiscal Year 2012

	<u>First Quarter</u>	<u>Second Quarter</u>	<u>Third Quarter</u>	<u>Fourth Quarter</u>	<u>Total</u>
Net Income	\$ 104	\$ 143	\$ 143	\$ 181	\$ 571
Interest expense	33	34	29	41	137
Tax provision	43	66	79	90	278
Depreciation and amortization	29	38	33	45	145
Less: Depreciation reimbursed by third-party owners	(4)	(4)	(3)	(5)	(16)
Interest expense from unconsolidated joint ventures	4	4	1	2	11
Depreciation and amortization from unconsolidated joint ventures	6	8	2	4	20
EBITDA **	<u>\$ 215</u>	<u>\$ 289</u>	<u>\$ 284</u>	<u>\$ 358</u>	<u>\$ 1,146</u>

** Denotes non-GAAP financial measures. Please see page A-12 for information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
FULL YEAR EBITDA
FORECASTED 2013
(\$ in millions)

	Range		As Reported Full Year 2012
	Estimated EBITDA Full Year 2013	Estimated EBITDA Full Year 2013	
Net Income	\$ 602	\$ 636	\$ 571
Interest expense	120	120	137
Tax provision	283	299	278
Depreciation and amortization	155	155	145
Less: Depreciation reimbursed by third-party owners	(20)	(20)	(16)
Interest expense from unconsolidated joint ventures	5	5	11
Depreciation and amortization from unconsolidated joint ventures	15	15	20
EBITDA **	<u>\$ 1,160</u>	<u>\$ 1,210</u>	<u>1,146</u>
Increase over 2012 EBITDA**	1%	6%	
Less: Gain on Courtyard JV sale, pretax			(41)
Adjusted EBITDA **			<u>\$ 1,105</u>
Increase over 2012 Adjusted EBITDA**	5%	10%	

** Denotes non-GAAP financial measures. Please see page A-12 for information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
OPERATING INCOME MARGIN EXCLUDING COST REIMBURSEMENTS
SECOND QUARTER 2013 AND 2012
(\$ in millions)

OPERATING INCOME MARGIN	Second Quarter 2013	Second Quarter 2012
Operating Income	\$ 279	\$ 243
Total revenues as reported	\$ 3,263	\$ 2,776
Less: cost reimbursements	(2,610)	(2,170)
Total revenues excluding cost reimbursements **	\$ 653	\$ 606
Operating income margin, excluding cost reimbursements **	43%	40%

**Denotes non-GAAP financial measures. Please see page A-12 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES
ADJUSTED 2012 EPS EXCLUDING GAIN ON COURTYARD JV SALE, NET OF TAX
(in millions, except per share amounts)

	Range		
	Estimated Full Year 2013		Full Year 2012
Net income, as reported			\$ 571
Less: Gain on Courtyard JV sale, net of tax			(25)
Net income, as adjusted **			\$ 546
DILUTED EPS AS REPORTED			\$ 1.72
DILUTED PER SHARE GAIN ON COURTYARD JV SALE			(0.08)
DILUTED EPS AS ADJUSTED **			\$ 1.64
DILUTED EPS GUIDANCE	\$ 1.92	\$ 2.03	
INCREASE OVER 2012 DILUTED EPS	12%	18%	
INCREASE OVER 2012 ADJUSTED DILUTED EPS **	17%	24%	
Diluted Shares			332.9

** Denotes non-GAAP financial measures. Please see page A-12 for information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES

In our press release and schedules, and on the related conference call, we report certain financial measures that are not prescribed or authorized by 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 (identified by a double asterisk on the preceding pages). 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, income from continuing operations, 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 2012 EPS Excluding Gain on Joint Venture Sale. Management evaluates this non-GAAP measure that excludes a 2012 gain on sale because this non-GAAP measure allows for period-over-period comparisons of our on-going core operations before the impact of this item. This non-GAAP measure also facilitates management's comparison of results from our on-going operations before the impact of this item with results from other lodging companies.

2012 Gain on Sale of Equity Interest in a Joint Venture. We recorded a \$41 million pre-tax (\$25 million after-tax) gain on the sale of an equity interest in a North American Limited-Service joint venture in the "Gains and other income" caption of our 2012 Income Statement, which consisted of: (1) a \$21 million gain on the sale of this interest; and (2) recognition of the \$20 million remaining gain we deferred in 2005 due to contingencies in the original transaction documents for the sale of land to the joint venture which expired with the 2012 sale.

Earnings Before Interest Expense, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA. EBITDA is a financial measure that is not prescribed or authorized by GAAP, which reflects earnings excluding the impact of interest expense, provision for income taxes, and depreciation and amortization. We believe that EBITDA is a meaningful indicator of operating performance because we use it to measure our ability to service debt, fund capital expenditures, and expand our business. We also use EBITDA, as do analysts, lenders, investors and others, 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 provision for income taxes can vary considerably among companies. EBITDA further excludes depreciation and amortization because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies.

We also believe that Adjusted EBITDA, another non-GAAP financial measure, is a meaningful indicator of operating performance. Our Adjusted EBITDA reflects an adjustment for the \$41 million pre-tax gain on the 2012 sale of an equity interest in a joint venture, described in more detail above. We believe that Adjusted EBITDA that excludes this item is a meaningful measure of our operating performance because it permits period-over-period comparisons of our ongoing core operations before this item and facilitates our comparison of results from our ongoing operations before this item with results from other lodging companies.

EBITDA and Adjusted EBITDA have limitations and should not be considered in isolation or as substitutes for performance measures calculated under GAAP. Both of these non-GAAP measures exclude certain cash expenses that we are obligated to make. In addition, other companies in our industry may calculate EBITDA and in particular Adjusted EBITDA differently than we do or may not calculate them at all, limiting EBITDA's and Adjusted EBITDA's usefulness as comparative measures.

Adjusted Operating Income Margin Excluding Cost Reimbursements. Cost reimbursements revenue represents reimbursements we receive for costs we incur on behalf of managed and franchised properties and relates, predominantly, to payroll costs at managed properties where we are the employer, but also includes reimbursements for other costs, such as those associated with our Marriott Rewards and The Ritz-Carlton Rewards programs. As we record cost reimbursements based on the costs we incur with no added markup, this revenue and related expense has no impact on either our operating income or net income because cost reimbursements revenue net of reimbursed costs expense is zero. In calculating adjusted operating income margin we consider total revenues as adjusted to exclude cost reimbursements and therefore, adjusted operating income margin excluding cost reimbursements to be meaningful metrics as they represent that portion of revenue and operating income margin that impacts operating income and net income.