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Will Operate Bvlgari Hotels & Resorts and Ritz-Carlton Through New Luxury Group

WASHINGTON, Feb. 13 - Marriott International, Inc. (NYSE: MAR), one of the world's largest hospitality companies, said today that it was forming a joint venture with Bulgari SpA (Milan: BUL) to launch a new luxury hotel brand, Bvlgari Hotels & Resorts. The new brand will be designed by Bulgari to leverage their striking Italian contemporary style and will offer the finest Italian cuisine, amenities and furnishings available.

At a news conference in London announcing the venture, Bulgari and Marriott International said the joint venture will launch the brand, identify prime locations and work with real estate partners to develop up to seven initial hotels in prime locations around the world. Each of these projects will be approved by Bulgari and Marriott on a transaction-by-transaction basis.

Both the new Bvlgari Hotels & Resorts brand and Marriott International's existing luxury subsidiary, The Ritz-Carlton Hotel Company, L.L.C., will be operated through a new Luxury Group to be based in Atlanta.

J.W. Marriott, Jr., chairman and chief executive officer of Marriott International said, "We are delighted to announce both our new joint venture with the renowned Bulgari company and the creation of our Luxury Group. These steps demonstrate our continuing commitment to growth in the approximately \$30 billion worldwide luxury hospitality industry, as well as to building partnerships with preeminent, world-class companies."

"Our relationship with Bulgari creates fresh opportunities for Marriott International to grow strategically. We believe hotel investors will also find the brand appealing and will seek to add it to their growth portfolio. Our Luxury Group will enable us to focus even more closely on providing the most superb experiences in luxury travel," Mr. Marriott continued.

The joint venture company, the board of which comprises an equal mix of senior Bulgari and Marriott representatives, is already considering sites in London, Rome, Paris, New York, Miami, Southern California and island resort destinations -- with negotiations underway at several locations. Each property will capitalize upon and enhance Bulgari's proven luxury brand image with pricing expected at the top of each market.

After a modest initial investment, the joint venture will identify and approve specific sites. Although the precise level of investment will depend on the details of specific projects, Bulgari and Marriott have agreed in principle to equally capitalize the joint venture with up to \$140 million in equity and subordinated loans over seven years. It is anticipated that the real estate will generally be provided on a lease basis to the joint venture by local partners.

William R. Tiefel, vice chairman of Marriott International and chairman of The Ritz-Carlton Hotel Company, will head the new Luxury Group. He said, "The Luxury Group has a tremendous advantage from the start in the unsurpassed standard of excellence already developed and refined by Ritz-Carlton. Under this new brand architecture, we will focus on delivering unmatched experiences in accommodations and service to our guests in two distinct leading luxury brands."

Mr. Tiefel noted that the segments for Bulgari and Ritz-Carlton are quite different. He said that Ritz-Carlton is expected to continue growing aggressively, providing guests with the tradition of history and refined elegance combined with easy luxury they expect in multiple locations worldwide. According to Mr. Tiefel, Bvlgari Hotels & Resorts will appeal to guests who seek high value from individualized, contemporary Italian style.

MARRIOTT INTERNATIONAL, INC. (NYSE: MAR) is a leading worldwide hospitality company with over 2,200 operating units in the United States and 59 other countries and territories. Marriott Lodging operates and franchises hotels under the Marriott, Renaissance, Residence Inn, Courtyard, TownePlace Suites, Fairfield Inn, SpringHill Suites and Ramada International brand names; develops and operates vacation ownership resorts under the Marriott, Ritz-Carlton and Horizons brands; operates Marriott Executive Apartments; provides furnished corporate housing through its ExecuStay by Marriott division; and operates conference centers. Other Marriott businesses include senior living communities and services, wholesale food distribution, procurement services and The Ritz-Carlton Hotel Company, L.L.C. The company is headquartered in Washington, D.C., and has approximately 153,000 employees. In fiscal year 2000, Marriott International reported systemwide sales of \$19.8 billion. For more information or reservations, please visit the web site at <http://www.marriott.com> .

Note: This press release contains "forward-looking statements" within the meaning of federal securities law, including

statements concerning business strategies and their intended results and similar statements concerning anticipated future events and expectations that are not historical facts. The forward-looking statements in this press release are subject to numerous risks and uncertainties, including the effects of economic conditions, supply and demand changes for hotel rooms, competitive conditions in the lodging industry, relationships with clients and property owners, the impact of government regulations, and the availability of capital to finance growth, which could cause actual results to differ materially from those expressed in or implied by the statements herein.

Source: Marriott International

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