



## **Hotel Innovator Ian Schrager and Marriott International to Create Next-Generation Lifestyle Boutique Concept**

### **Players at Opposite Ends of Hospitality Industry Join Forces to Build and Operate Up to 100 Distinct Hotels Around the World**

WASHINGTON and NEW YORK, June 14, 2007 /PRNewswire-FirstCall via COMTEX News Network/ -- Marriott International, Inc., (NYSE: MAR) is partnering with Ian Schrager, who invented the concept of the boutique hotel 23 years ago, to create a new brand of as many as 100 hotels that will combine the personal, intimate, individualized and unique lodging experience that Mr. Schrager created with Marriott's operational expertise on a global scale.

(Logo: <http://www.newscom.com/cgi-bin/prnh/20070614/NETH101LOGO-a>

<http://www.newscom.com/cgi-bin/prnh/20070614/NETH101LOGO-b> )

According to J.W. Marriott, Jr., chairman and CEO of Marriott International, the marriage of the premier lodging company worldwide with the pioneer of the lifestyle boutique hotel is an attempt by both to push the boundaries, break new ground and take the hotel industry to a new level. "Nobody has done what Ian has been able to do with his hotels time and again, and he is the perfect partner to help us create and launch a new, modern genre of hotel," said Mr. Marriott. "These hotels will be an excellent complement to the Marriott portfolio of brands and allow us to use our global platform and ability to execute to create something completely new, different and original- the first truly global branded boutique lifestyle hotel on a large scale. We expect the brand to set the standard for decades to come."

The brand, the brainchild of the new partners, responds to new cultural and social imperatives that Mr. Schrager says have emerged. This brand will reflect these changing lifestyles and cater to a vast underserved market of guests expecting and in turn demanding a unique experience not merely a place to sleep. "Together Marriott and I have a new vision and plan to radically rethink and catapult the lifestyle boutique hotel into the present by capturing the spirit of the times," said Mr. Schrager.

"People today are sophisticated and they understand good design, quality, originality and commitment to excellence. They will not accept something derivative and they want the ethos and soul of a hotel to be authentic and have character. They also expect and deserve impeccable, modern and gracious personalized service that is at the same time luxurious yet down to earth. It is the ultimate balancing act of these apparent contradictions to create a hotel that is simultaneously specific and customized yet universal. We intend to make this type of lodging widely accessible and available for the first time in the key lodging destinations across the globe and to everybody around the world who wants it."

The hotels will be located in gateway cities throughout North and South America, Europe and Asia. The initial list of markets to be explored includes New York, Miami, Los Angeles, Chicago, San Francisco, San Diego, Boston, and Las Vegas in the U.S.; London, Paris, Berlin, Frankfurt, Madrid, Barcelona, Milan and Rome in Europe; and Beijing, Shanghai, Singapore, Bangkok, Seoul and Tokyo in Asia. With an average size of 150-200 rooms, each of the hotels will reflect the best of the cultural and social milieu of its location and of the time. A diverse set of world-renowned architects and designers will be recruited to create one-of-a-kind buildings spanning the complete range of project types, from new construction, to conversions, to dramatic renovations. The partners expect these hotels to be not just the most aesthetically pleasing in their markets but to be the most environmentally responsible as well.

According to Mr. Schrager, the brand's unifying aesthetic will be in its approach and attitude to the modern lifestyle rather than its appearance, with design and architecture derived from the scale, location and feel of the individual properties. "The brand will be about an attitude, about a feeling rather than a look," he said. "Sophisticated public spaces, finishes, design and details will serve the experience not drive it."

The partners will divide responsibilities for rolling out the brand, with Mr. Schrager leading the effort on concept, design, marketing, branding and food and beverage. Marriott will oversee the development process, and operate and manage the completed hotels. In particular, Marriott will use its relationships in the development community to identify appropriate potential development partners and owners in various markets. The partners expect to have at least five firm development deals signed under the new brand by the end of 2007 and 100 hotels open or in the pipeline within a decade.

"The scale of this brand requires the reach, resources and expertise of a global player like Marriott, while the innovation necessary calls for the experience and originality of the category's most accomplished entrepreneur, Ian Schrager," said Mr.

Marriott.

Editor's Note: Recorded audio from today's press conference will be available at approximately 12 noon Eastern Time by visiting <http://www.marriott.com/investor>. The webcast will be available until Sept. 7, 2007 at the same site.

#### About Ian Schrager

Entrepreneur Ian Schrager has achieved international recognition for concepts that have revolutionized both the entertainment and hospitality industries. His keen instincts for the mood and feel of popular culture were honed during the 70's and 80's, when he and his late business partner, Steve Rubell, created Studio 54 and Palladium. The pair soon turned their attention to the hotel business, opening Morgans Hotel in 1984, introducing the concept of the "boutique hotel" to the world. Following this were Royalton Hotel and Paramount Hotel, in which Schrager again broke with industry convention by creating "lobby socializing," where the hotel lobby became a new kind of gathering place for guests and New York City residents alike, and "cheap chic," where affordable luxury was offered in a stylish and sophisticated environment. After leaving Morgans Hotel Group in 2005, Mr. Schrager founded Ian Schrager Company, which owns, develops, manages and brands hotels, residential and mixed-use projects. It is currently involved in projects in New York, Miami and Las Vegas as well as other gateway cities around the world. His first residential project, 50 Gramercy Park North, provides unique luxury residences adjacent to the only private park in New York City with world-class service from the Gramercy Park Hotel, another recent project from Ian Schrager Company, designed in collaboration with artist, Julian Schnabel. In addition, Mr. Schrager is nearing completion on his second residential project, 40 Bond, slated for occupancy in June 2007. The building, designed by eminent Swiss architects Herzog & de Meuron, is their first residential project in America and combines luxury apartments and townhouses. The first townhouses built in New York City in generations offer unprecedented, innovative and sophisticated layouts, details and finishes.

#### About Marriott International

MARRIOTT INTERNATIONAL, INC. (NYSE: MAR) is a leading lodging company with nearly 2,900 lodging properties in the United States and 67 other countries and territories across 18 lodging and vacation resort ownership brands. The company is headquartered in Washington, D.C., and had approximately 151,000 employees at 2006 year-end. It is ranked as the lodging industry's most admired company and one of the best places to work for by FORTUNE(R). The company is also a 2006 U.S. Environmental Protection Agency (EPA) ENERGY STAR(R) Partner. In fiscal year 2006, Marriott International reported sales from continuing operations of \$12.2 billion. For more information or reservations, please visit our web site at [www.marriott.com](http://www.marriott.com).

Note: This press release contains "forward-looking statements" within the meaning of federal securities laws, including statements about the number of hotels that will be opened in future years, expected locations of hotels, 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 the duration and extent of growth in the economy and the lodging industry; supply and demand changes for hotel rooms, competitive conditions in the lodging industry; the availability of capital to finance hotel growth; and other identified "Risk Factors" in Marriott International, Inc.'s most recent annual reports on Form 10-K and quarterly reports on Form 10-Q; any of which could cause actual results to differ materially from those expressed in or implied by the statements herein. These statements are made as of the date of this press release, and we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

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