



**/FIRST ADD -- DCTH010 -- Marriott International, Inc. Earnings/**

Oct 06, 2005 /PRNewswire via COMTEX/ --

MARRIOTT INTERNATIONAL, INC.  
 Financial Highlights  
 (in millions, except per share amounts)

	12 Weeks Ended September 9, 2005			12 Weeks Ended September 10, 2004			Percent Better/ Worse)
	Lodging	Synthetic Fuel	Total	Lodging	Synthetic Fuel	Total	
<b>REVENUES</b>							
Base management fees	\$108	\$-	\$108	\$97	\$-	\$97	11
Franchise fees	78	-	78	74	-	74	5
Incentive management fees	30	-	30	21	-	21	43
Owned, leased, corporate housing and other(1)	236	-	236	153	-	153	54
Timeshare interval sales and services(2)	393	-	393	299	-	299	31
Cost reimbursements(3)	1,771	-	1,771	1,573	-	1,573	13
Synthetic fuel	-	98	98	-	87	87	13
<b>Total Revenues</b>	<b>2,616</b>	<b>98</b>	<b>2,714</b>	<b>2,217</b>	<b>87</b>	<b>2,304</b>	<b>18</b>
<b>OPERATING COSTS AND EXPENSES</b>							
Owned, leased and corporate housing -- direct(4)	197	-	197	139	-	139	(42)
Timeshare -- direct	330	-	330	249	-	249	(33)
Reimbursed costs	1,771	-	1,771	1,573	-	1,573	(13)
General, administrative and other(5)	149	-	149	126	-	126	(18)
Synthetic fuel	-	132	132	-	118	118	(12)
<b>Total Expenses</b>	<b>2,447</b>	<b>132</b>	<b>2,579</b>	<b>2,087</b>	<b>118</b>	<b>2,205</b>	<b>(17)</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$169</b>	<b>\$(34)</b>	<b>135</b>	<b>\$130</b>	<b>\$(31)</b>	<b>99</b>	<b>36</b>
Gains and other income(6)			39			43	(9)
Interest expense			(24)			(23)	(4)
Interest income			13			33	(61)
Provision for loan losses			(17)			-	*
Equity in earnings/ (losses) - Other(7)			17			(8)	313

INCOME BEFORE INCOME TAXES AND MINORITY INTEREST	163	144	13
Provision for income taxes	(33)	(28)	(18)
	-----	-----	
INCOME BEFORE MINORITY INTEREST	130	116	12
Minority interest	18	16	13
	-----	-----	
INCOME FROM CONTINUING OPERATIONS	148	132	12
DISCONTINUED OPERATIONS	1	1	-
	-----	-----	
NET INCOME	\$149	\$133	12
	=====	=====	
EARNINGS PER SHARE			
- Basic			
Earnings from continuing operations	\$0.69	\$0.59	17
Earnings from discontinued operations	-	-	*
	-----	-----	
EARNINGS PER SHARE			
- Basic	\$0.69	\$0.59	17
	=====	=====	
EARNINGS PER SHARE			
- Diluted			
Earnings from continuing operations	\$0.65	\$0.55	18
Earnings from discontinued operations	-	0.01	(100)
	-----	-----	
EARNINGS PER SHARE			
- Diluted	\$0.65	\$0.56	16
	=====	=====	
Basic Shares	215.3	225.9	
Diluted Shares	229.3	238.9	

\* Percent can not be calculated.

- 1 -- Owned, leased, corporate housing and other revenue includes revenue from the properties we own or lease, revenue from our ExecuStay business, land rent income and other revenue.
- 2 -- Timeshare interval sales and services includes total timeshare revenue except for base fees, cost reimbursements, gains, and joint venture earnings (losses).
- 3 -- Cost reimbursements include reimbursements from lodging 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 ExecuStay business.
- 5 -- General, administrative and other expenses include the overhead costs allocated to our lodging business segments (including ExecuStay and

Timeshare) and our unallocated corporate overhead costs and general expenses.

- 6 -- Gains and other income includes gains on the sale of real estate, gains from the sale of joint ventures, income related to our cost method joint ventures and the earn-out payments we made to the previous owner of the synthetic fuel operations and earn-out payments we received from our synthetic fuel joint venture partner.
- 7 -- Equity in earnings/(losses) -- Other includes our equity in earnings (losses) of unconsolidated joint ventures.

MARRIOTT INTERNATIONAL, INC.  
Financial Highlights  
(in millions, except per share amounts)

	36 Weeks Ended September 9, 2005			36 Weeks Ended September 10, 2004			Percent Better/ Worse)
	Synthetic Lodging	Fuel	Total	Synthetic Lodging	Fuel	Total	
<b>REVENUES</b>							
Base management fees	\$342	\$-	\$342	\$302	\$-	\$302	13
Franchise fees	226	-	226	207	-	207	9
Incentive management fees	132	-	132	90	-	90	47
Owned, leased, corporate housing and other(1)	583	-	583	491	-	491	19
Timeshare interval sales and services(2)	1,074	-	1,074	898	-	898	20
Cost reimbursements(3)	5,248	-	5,248	4,772	-	4,772	10
Synthetic fuel	-	304	304	-	198	198	54
<b>Total Revenues</b>	<b>7,605</b>	<b>304</b>	<b>7,909</b>	<b>6,760</b>	<b>198</b>	<b>6,958</b>	<b>14</b>
<b>OPERATING COSTS AND EXPENSES</b>							
Owned, leased and corporate housing -- direct(4)	480	-	480	428	-	428	(12)
Timeshare -- direct	871	-	871	746	-	746	(17)
Reimbursed costs	5,248	-	5,248	4,772	-	4,772	(10)
General, administrative and other(5)	557	-	557	385	-	385	(45)
Synthetic fuel	-	419	419	-	259	259	(62)
<b>Total Expenses</b>	<b>7,156</b>	<b>419</b>	<b>7,575</b>	<b>6,331</b>	<b>259</b>	<b>6,590</b>	<b>(15)</b>
<b>OPERATING INCOME (LOSS)</b>	<b>\$449</b>	<b>\$(115)</b>	<b>334</b>	<b>\$429</b>	<b>\$(61)</b>	<b>368</b>	<b>(9)</b>
Gains and other income(6)			97			95	2
Interest expense			(69)			(69)	-
Interest income			65			98	(34)
Provision for loan losses			(28)			-	*

Equity in earnings/ (losses) - Synthetic fuel(7)	-	(28)	100
- Other(8)	18	(9)	300
	-----	-----	
INCOME BEFORE INCOME TAXES AND MINORITY INTEREST	417	455	(8)
Provision for income taxes	(18)	(79)	77
	-----	-----	
INCOME BEFORE MINORITY INTEREST	399	376	6
Minority interest	32	30	7
	-----	-----	
INCOME FROM CONTINUING OPERATIONS	431	406	6
DISCONTINUED OPERATIONS	1	1	-
	-----	-----	
NET INCOME	\$432	\$407	6
	=====	=====	
EARNINGS PER SHARE - Basic			
Earnings from continuing operations	\$1.96	\$1.78	10
Earnings from discontinued operations	-	0.01	(100)
	-----	-----	
EARNINGS PER SHARE - Basic	\$1.96	\$1.79	9
	=====	=====	
EARNINGS PER SHARE - Diluted			
Earnings from continuing operations	\$1.83	\$1.69	8
Earnings from discontinued operations	-	-	*
	-----	-----	
EARNINGS PER SHARE - Diluted	\$1.83	\$1.69	8
	=====	=====	
Basic Shares	220.4	227.5	
Diluted Shares	235.3	240.9	

\* Percent can not be calculated.

1 -- Owned, leased, corporate housing and other revenue includes revenue from the properties we own or lease, revenue from our ExecuStay business, land rent income and other revenue.

2 -- Timeshare interval sales and services includes total timeshare revenue except for base fees, cost reimbursements, gains, and joint venture earnings (losses).

- 3 -- Cost reimbursements include reimbursements from lodging 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 ExecuStay business.
- 5 -- General, administrative and other expenses include the overhead costs allocated to our lodging business segments (including ExecuStay and Timeshare) and our unallocated corporate overhead costs and general expenses.
- 6 -- Gains and other income includes gains on the sale of real estate, gains from the sale of joint ventures, income related to our cost method joint ventures and the earn-out payments we made to the previous owner of the synthetic fuel operations and earn-out payments we received from our synthetic fuel joint venture partner.
- 7 -- Equity in earnings/(losses) - Synthetic fuel includes our share of the equity in earnings of the synthetic fuel joint ventures and the net earn-out payments made to our synthetic fuel joint venture partner from January 3, 2004 through March 25, 2004. Beginning March 26, 2004, we consolidated the synthetic fuel operations as a result of adopting FIN 46(R), "Consolidation of Variable Interest Entities."
- 8 -- Equity in earnings/(losses) -- Other includes our equity in (losses) earnings of unconsolidated joint ventures.

Marriott International, Inc.  
Business Segments  
(\$ in millions)

	Twelve Weeks Ended		Percent Better/ (Worse)
	September 9, 2005	September 10, 2004	
<b>REVENUES</b>			
Full-Service	\$1,713	\$1,459	17%
Select-Service	303	277	9%
Extended-Stay	149	133	12%
Timeshare	451	348	30%
	-----	-----	
Total lodging(1)	2,616	2,217	18%
Synthetic fuel	98	87	13%
	-----	-----	
Total	\$2,714	\$2,304	18%
	=====	=====	
<b>INCOME FROM CONTINUING OPERATIONS</b>			
Full-Service	\$129	\$79	63%
Select-Service	49	42	17%
Extended-Stay	14	20	-30%
Timeshare	50	34	47%
	-----	-----	
Total lodging financial results(1)	242	175	38%
Synthetic fuel (after-tax)	30	31	-3%
Unallocated corporate expenses	(38)	(28)	-36%
Interest income, (provision for loan losses) and (interest expense)	(28)	10	-380%

Income taxes (excluding Synthetic fuel)	(58)	(56)	-4%
	-----	-----	
Total	\$148	\$132	12%
	=====	=====	

(1) We consider lodging revenues and lodging financial results to be meaningful indicators of our performance because they measure our growth in profitability as a lodging company and enable investors to compare the sales and results of our lodging operations to those of other lodging companies.

Marriott International, Inc.  
Business Segments  
(\$ in millions)

	Thirty-Six Weeks Ended		Percent Better/ (Worse)
	September 9, 2005	September 10, 2004	
	-----	-----	-----
REVENUES			
Full-Service	\$5,093	\$4,512	13%
Select-Service	868	788	10%
Extended-Stay	411	377	9%
Timeshare	1,233	1,083	14%
	-----	-----	
Total lodging(1)	7,605	6,760	13%
Synthetic fuel	304	198	54%
	-----	-----	
Total	\$7,909	\$6,958	14%
	=====	=====	

INCOME FROM CONTINUING OPERATIONS

Full-Service	\$275	\$292	-6%
Select-Service	130	104	25%
Extended-Stay	43	48	-10%
Timeshare	193	135	43%
	-----	-----	
Total lodging financial results(1)	641	579	11%
Synthetic fuel (after-tax)	92	73	26%
Unallocated corporate expenses	(97)	(91)	-7%
Interest income, (provision for loan losses) and (interest expense)	(32)	29	-210%
Income taxes (excluding Synthetic fuel)	(173)	(184)	6%
	-----	-----	
Total	\$431	\$406	6%
	=====	=====	

(1) We consider lodging revenues and lodging financial results to be meaningful indicators of our performance because they measure our growth in profitability as a lodging company and enable investors to compare the sales and results of our lodging operations to those of other lodging companies.

MARRIOTT INTERNATIONAL, INC.

Total Lodging Products(1)

Brand	Number of Properties		Number of Rooms/Suites	
	Sept. 9, 2005	Change vs. Sept. 10, 2004	Sept. 9, 2005	Change vs. Sept. 10, 2004
<b>Full-Service Lodging</b>				
Marriott Hotels & Resorts	502	15	181,599	3,268
The Ritz-Carlton	58	1	18,907	294
Renaissance Hotels & Resorts	137	5	48,137	865
Bulgari Hotel & Resort	1	-	58	-
Ramada International	4	(199)	724	(27,034)
<b>Select-Service Lodging</b>				
Courtyard	680	34	98,043	5,381
Fairfield Inn	521	(3)	47,826	(1,299)
SpringHill Suites	135	14	15,767	1,697
<b>Extended-Stay Lodging</b>				
Residence Inn	482	25	57,296	2,927
TownePlace Suites	119	6	12,021	466
Marriott Executive Apartments	16	2	2,809	338
<b>Timeshare(2)</b>				
Marriott Vacation Club International	44	1	9,231	694
The Ritz-Carlton Club	4	-	280	19
Grand Residences by Marriott	2	-	248	-
Horizons by Marriott Vacation Club International	2	-	328	-
<b>Total</b>	<b>2,707</b>	<b>(99)</b>	<b>493,274</b>	<b>(12,384)</b>

(1) Total Lodging Products excludes the 1,805 corporate housing rental units.

(2) Includes products in active sales which are not ready for occupancy.

MARRIOTT INTERNATIONAL, INC.  
KEY LODGING STATISTICS

North American Comparable Company-Operated Properties

Brand	REVPAR		Occupancy		Average Daily Rate	
	2005 vs. 2004	2005 vs. 2004	2005 vs. 2004	2005 vs. 2004	2005 vs. 2004	2005 vs. 2004
<b>Marriott Hotels &amp; Resorts</b>						
	\$108.10	8.1%	75.7%	0.8% pts.	\$142.75	6.9%
The Ritz-Carlton(1)	\$182.22	11.0%	72.7%	1.9% pts.	\$250.61	8.0%

Renaissance Hotels & Resorts	\$100.97	12.8%	74.1%	3.1% pts.	\$136.27	8.1%
Composite - Full-Service(2)	\$114.63	9.2%	75.2%	1.3% pts.	\$152.50	7.3%
Residence Inn	\$90.15	6.8%	83.4%	-1.0% pts.	\$108.13	8.1%
Courtyard	\$76.38	7.8%	73.5%	-0.5% pts.	\$103.94	8.5%
TownePlace Suites	\$57.77	9.6%	80.9%	2.0% pts.	\$71.43	6.9%
SpringHill Suites	\$74.94	13.0%	78.7%	0.7% pts.	\$95.17	12.0%
Composite - Select- Service & Extended-Stay(2)	\$78.73	8.0%	77.0%	-0.3% pts.	\$102.31	8.5%
Composite - All(2)	\$100.38	8.8%	75.9%	0.7% pts.	\$132.29	7.9%

North American Comparable Systemwide Properties

Twelve Weeks Ended September 9, 2005 and  
September 10, 2004

Brand	REVPAR		Occupancy		Average Daily Rate	
	2005 vs. 2004		2005 vs. 2004		2005 vs. 2004	
Marriott Hotels & Resorts	\$99.41	7.5%	73.5%	0.9% pts.	\$135.30	6.2%
The Ritz-Carlton(1)	\$182.22	11.0%	72.7%	1.9% pts.	\$250.61	8.0%
Renaissance Hotels & Resorts	\$96.14	12.2%	73.6%	2.5% pts.	\$130.55	8.3%
Composite - Full-Service(2)	\$104.60	8.5%	73.4%	1.2% pts.	\$142.42	6.7%
Residence Inn	\$89.12	6.7%	83.7%	-0.3% pts.	\$106.42	7.1%
Courtyard	\$79.35	7.5%	75.7%	0.2% pts.	\$104.84	7.1%
Fairfield Inn	\$57.25	10.0%	75.2%	1.7% pts.	\$76.15	7.5%
TownePlace Suites	\$58.23	9.3%	80.4%	0.1% pts.	\$72.46	9.1%
SpringHill Suites	\$70.33	11.1%	77.0%	1.5% pts.	\$91.36	8.9%
Composite - Select- Service & Extended-Stay(2)	\$75.30	7.9%	78.1%	0.5% pts.	\$96.47	7.3%
Composite - All(2)	\$87.63	8.2%	76.1%	0.8% pts.	\$115.12	7.1%

(1) Statistics for The Ritz-Carlton are for June through August.

(2) Full-Service composite statistics include properties for Marriott Hotels & Resorts, Renaissance Hotels & Resorts and The Ritz-Carlton. Select-Service and Extended-Stay composite statistics include properties for the Courtyard, Residence Inn, TownePlace Suites, Fairfield Inn and SpringHill Suites brands. Composite - All statistics include properties for the Marriott Hotels & Resorts, Renaissance Hotels & Resorts, The Ritz-Carlton, Courtyard, Residence Inn, TownePlace Suites, Fairfield Inn, and SpringHill Suites brands.

MARRIOTT INTERNATIONAL, INC.  
KEY LODGING STATISTICS

North American Comparable Company-Operated Properties

Thirty-Six Weeks Ended September 9, 2005 and  
September 10, 2004



Brand	REVPAR		Occupancy		Average Daily Rate	
	2005 vs. 2004		2005 vs. 2004		2005 vs. 2004	
-----						
Marriott Hotels						
& Resorts	\$112.37	8.2%	74.1%	0.7% pts.	\$151.66	7.1%
The Ritz-Carlton(1)	\$206.85	11.9%	72.1%	1.0% pts.	\$286.93	10.4%
Renaissance Hotels						
& Resorts	\$106.32	11.4%	72.6%	2.6% pts.	\$146.54	7.4%
Composite -						
Full-Service(2)	\$120.10	9.2%	73.7%	1.0% pts.	\$163.02	7.6%
Residence Inn	\$86.57	8.1%	80.7%	0.6% pts.	\$107.34	7.2%
Courtyard	\$75.83	8.6%	71.8%	-0.5% pts.	\$105.59	9.4%
TownePlace Suites	\$53.46	8.0%	76.4%	0.5% pts.	\$70.02	7.4%
SpringHill Suites	\$71.07	17.3%	76.1%	4.2% pts.	\$93.36	10.9%
Composite - Select-						
Service &						
Extended-Stay(2)	\$76.96	9.0%	74.8%	0.2% pts.	\$102.91	8.7%
Composite - All(2)	\$102.84	9.1%	74.1%	0.7% pts.	\$138.75	8.1%

North American Comparable Systemwide Properties

Thirty-Six Weeks Ended September 9, 2005 and  
September 10, 2004

Brand	REVPAR		Occupancy		Average Daily Rate	
	2005 vs. 2004		2005 vs. 2004		2005 vs. 2004	
-----						
Marriott Hotels						
& Resorts	\$101.82	7.9%	71.9%	0.9% pts.	\$141.68	6.6%
The Ritz-Carlton(1)	\$206.85	11.9%	72.1%	1.0% pts.	\$286.93	10.4%
Renaissance Hotels						
& Resorts	\$98.74	11.4%	71.6%	2.4% pts.	\$137.96	7.7%
Composite -						
Full-Service(2)	\$107.77	8.8%	71.8%	1.1% pts.	\$150.02	7.1%
Residence Inn	\$84.19	7.7%	80.3%	0.7% pts.	\$104.87	6.8%
Courtyard	\$76.84	8.3%	73.2%	0.4% pts.	\$105.03	7.8%
Fairfield Inn	\$52.32	10.9%	70.4%	1.9% pts.	\$74.36	8.0%
TownePlace Suites	\$54.81	10.3%	76.3%	0.5% pts.	\$71.80	9.6%
SpringHill Suites	\$67.42	13.6%	74.6%	2.9% pts.	\$90.38	9.1%
Composite - Select-						
Service &						
Extended-Stay(2)	\$71.54	8.9%	74.7%	1.0% pts.	\$95.77	7.5%
Composite - All(2)	\$86.68	8.9%	73.5%	1.0% pts.	\$117.93	7.3%

(1) Statistics for The Ritz-Carlton are for January through August.

(2) Full-Service composite statistics include properties for Marriott Hotels & Resorts, Renaissance Hotels & Resorts and The Ritz-Carlton. Select-Service and Extended-Stay composite statistics include properties for the Courtyard, Residence Inn, TownePlace Suites, Fairfield Inn and SpringHill Suites brands. Composite - All statistics include properties for the Marriott Hotels & Resorts, Renaissance Hotels & Resorts, The Ritz-Carlton, Courtyard, Residence Inn, TownePlace Suites, Fairfield Inn, and SpringHill Suites brands.

MARRIOTT INTERNATIONAL, INC.  
KEY LODGING STATISTICS  
(Constant \$)

International Comparable Company-Operated Properties(1,2)

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Three Months Ended August 31, 2005 and August 31, 2004  
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Region/Brand(3)	REVPAR		Occupancy		Average Daily Rate	
	-----		-----		-----	
	2005 vs. 2004		2005 vs. 2004		2005 vs. 2004	
-----						
Caribbean & Latin America	\$100.71	10.3%	74.5%	3.0% pts.	\$135.15	5.8%
Continental Europe	\$96.26	4.3%	74.9%	1.5% pts.	\$128.51	2.2%
United Kingdom	\$141.41	5.2%	80.6%	2.4% pts.	\$175.45	2.2%
Middle East & Africa	\$67.51	20.3%	70.9%	-0.3% pts.	\$95.28	20.8%
Asia Pacific(4)	\$80.14	10.2%	76.3%	-0.6% pts.	\$104.98	11.1%
Ritz-Carlton International	\$131.43	14.2%	67.7%	-0.5% pts.	\$194.14	15.1%
Total International(5)	\$97.73	9.9%	75.6%	0.9% pts.	\$129.35	8.6%
Worldwide(6)	\$99.66	9.1%	75.8%	0.7% pts.	\$131.50	8.0%

International Comparable Systemwide Properties(1,2)

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Three Months Ended August 31, 2005 and August 31, 2004  
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Region/Brand(3)	REVPAR		Occupancy		Average Daily Rate	
	-----		-----		-----	
	2005 vs. 2004		2005 vs. 2004		2005 vs. 2004	
-----						
Caribbean & Latin America	\$95.27	12.5%	73.1%	4.4% pts.	\$130.29	5.8%
Continental Europe	\$96.95	7.4%	71.9%	1.2% pts.	\$134.79	5.6%
United Kingdom	\$119.95	2.3%	76.3%	-0.2% pts.	\$157.14	2.6%
Middle East & Africa	\$65.41	18.4%	69.2%	-0.8% pts.	\$94.51	19.7%
Asia Pacific(4)	\$85.92	12.0%	76.7%	0.2% pts.	\$112.08	11.7%
Ritz-Carlton International	\$131.43	14.2%	67.7%	-0.5% pts.	\$194.14	15.1%
Total International(5)	\$97.73	11.3%	74.5%	1.3% pts.	\$131.14	9.4%
Worldwide(6)	\$89.40	8.8%	75.8%	0.9% pts.	\$117.89	7.6%

(1) International financial results are reported on a period basis, while International statistics are reported on a monthly basis.

(2) Statistics are in constant dollars and include results for June through August. Excludes North America except for Worldwide.

(3) Region information includes Marriott Hotels & Resorts, Renaissance Hotels & Resorts, and Courtyard and excludes The Ritz-Carlton.

(4) Excludes Hawaii.

(5) Includes Hawaii.

(6) Worldwide includes international statistics for June through August and North American statistics for the twelve weeks ending September 9, 2005 and September 10, 2004.

MARRIOTT INTERNATIONAL, INC.  
KEY LODGING STATISTICS  
(Constant \$)

International Comparable Company-Operated Properties(1,2)

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Eight Months Ended August 31, 2005 and August 31, 2004  
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Region/Brand(3)	REVPAR		Occupancy		Average Daily Rate	
	-----		-----		-----	
	2005 vs. 2004		2005 vs. 2004		2005 vs. 2004	
Caribbean & Latin America	\$113.99	14.1%	75.3%	3.8% pts.	\$151.45	8.4%
Continental Europe	\$94.73	3.2%	69.2%	0.7% pts.	\$136.80	2.1%
United Kingdom	\$139.77	5.0%	76.5%	0.3% pts.	\$182.69	4.6%
Middle East & Africa	\$77.70	27.1%	75.5%	4.7% pts.	\$102.94	19.2%
Asia Pacific(4)	\$82.86	14.6%	75.3%	1.1% pts.	\$110.00	13.0%
Ritz-Carlton International	\$149.35	21.7%	71.7%	4.6% pts.	\$208.44	14.0%
Total International(5)	\$101.08	12.0%	73.9%	1.9% pts.	\$136.79	9.0%
Worldwide(6)	\$102.41	9.8%	74.1%	1.0% pts.	\$138.27	8.3%

International Comparable Systemwide Properties(1,2)

-----  
Eight Months Ended August 31, 2005 and August 31, 2004  
-----

Region/Brand(3)	REVPAR		Occupancy		Average Daily Rate	
	-----		-----		-----	
	2005 vs. 2004		2005 vs. 2004		2005 vs. 2004	
Caribbean & Latin America	\$107.49	14.9%	73.6%	4.0% pts.	\$146.00	8.7%
Continental Europe	\$92.79	5.8%	66.8%	1.1% pts.	\$138.88	4.1%
United Kingdom	\$118.15	2.0%	71.8%	-1.9% pts.	\$164.67	4.8%
Middle East & Africa	\$74.84	25.7%	73.4%	4.4% pts.	\$101.95	18.1%
Asia Pacific(4)	\$87.11	14.9%	76.0%	1.7% pts.	\$114.68	12.4%
Ritz-Carlton International	\$149.35	21.7%	71.7%	4.6% pts.	\$208.44	14.0%
Total International(5)	\$99.23	12.5%	72.8%	2.1% pts.	\$136.27	9.3%
Worldwide(6)	\$88.68	9.5%	73.4%	1.2% pts.	\$120.82	7.7%

(1) International financial results are reported on a period basis, while International statistics are reported on a monthly basis.

- (2) Statistics are in constant dollars and include results for January through August. Excludes North America except for Worldwide.
- (3) Region information includes Marriott Hotels & Resorts, Renaissance Hotels & Resorts, and Courtyard and excludes The Ritz-Carlton.
- (4) Excludes Hawaii.
- (5) Includes Hawaii.
- (6) Worldwide includes international statistics for January through August and North American statistics for the thirty-six weeks ending September 9, 2005 and September 10, 2004.

MARRIOTT INTERNATIONAL, INC.  
 Non-GAAP Financial Measure Reconciliation  
 (\$ in millions)

We consider lodging operating income to be a meaningful indicator of our performance because it measures our growth in profitability as a lodging company and enables investors to compare the operating income related to our lodging segments to the operating income of other lodging companies. However, lodging operating income is a non-GAAP financial measure and is not an alternative to operating income or any other operating measure prescribed by United States generally accepted accounting principles.

The reconciliation of operating income to lodging operating income is as follows:

	Fiscal Year 2005			
	First Quarter	Second Quarter	Third Quarter	Total
Operating income as reported	\$158	\$41	\$135	\$334
Add back: Synthetic fuel operating loss	45	36	34	115
Lodging operating income	\$203	\$77	\$169	\$449

	Fiscal Year 2004				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Operating income as reported	\$151	\$118	\$99	\$109	\$477
Add back: Synthetic fuel operating loss	-	30	31	37	98
Lodging operating income	\$151	\$148	\$130	\$146	\$575

MARRIOTT INTERNATIONAL, INC.  
 Non-GAAP Financial Measure Reconciliation  
 (in millions, except per share amounts)

The table below details the impact on our continuing operations of our Synthetic Fuel segment for the 2005 and 2004 third quarters. Our management evaluates the figures presented in the "Excluding Synthetic Fuel" columns because management expects the Synthetic Fuel segment will no longer have a material impact on our business after the Internal Revenue Code Section 29 synthetic fuel tax credits expire at the end of 2007 and because the presentation reflects the results of our core lodging operations. Management also believes that these presentations facilitate the comparison of our results with the results of other lodging companies.

However, the figures presented in the "Excluding Synthetic Fuel" columns are all non-GAAP financial measures, may be calculated and/or presented differently than presentations of other companies and are not alternatives to operating income, income from continuing operations, net income, earnings per share or any other operating measure prescribed by United States generally accepted accounting principles.

	Third Quarter 2005			Third Quarter 2004		
	Continuing Operations			Continuing Operations		
	Income from Continuing Operations	Synthetic Fuel Impact	Excluding Synthetic Fuel	Income from Continuing Operations	Synthetic Fuel Impact	Excluding Synthetic Fuel
Operating income (loss)	\$135	\$(34)	\$169	\$99	\$(31)	\$130
Gains and other income	39	21	18	43	19	24
Interest income, (provision for loan losses) and (interest expense)	(28)	-	(28)	10	-	10
Equity in earnings/ (losses)	17	-	17	(8)	-	(8)
Pre-tax income (loss)	163	(13)	176	144	(12)	156
Tax Provision	(61)	(3)	(58)	(57)	(1)	(56)
Tax Credits	28	28	-	29	29	-
Total Tax (Provision)/ Benefit	(33)	25	(58)	(28)	28	(56)
Income from Continuing Operations before Minority Interest	130	12	118	116	16	100
Minority Interest	18	18	-	16	15	1
Income from Continuing						

Operations	\$148	\$30	\$118	\$132	\$31	\$101
Diluted Shares	229.3	229.3	229.3	238.9	238.9	238.9
Earnings per Share - Diluted	\$0.65	\$0.13	\$0.52	\$0.55	\$0.13	\$0.42
Tax Rate	20.2%			19.6%		

MARRIOTT INTERNATIONAL, INC.  
Non-GAAP Financial Measure Reconciliation  
(in millions, except per share amounts)

The table below details the impact on our continuing operations of our Synthetic Fuel segment for the 36-weeks ended September 9, 2005 and September 10, 2004. Our management evaluates the figures presented in the "Excluding Synthetic Fuel" columns because management expects the Synthetic Fuel segment will no longer have a material impact on our business after the Internal Revenue Code Section 29 synthetic fuel tax credits expire at the end of 2007 and because the presentation reflects the results of our core lodging operations. Management also believes that these presentations facilitate the comparison of our results with the results of other lodging companies.

However, the figures presented in the "Excluding Synthetic Fuel" columns are all non-GAAP financial measures, may be calculated and/or presented differently than presentations of other companies and are not alternatives to operating income, income from continuing operations, net income, earnings per share or any other operating measure prescribed by United States generally accepted accounting principles.

	Third Quarter YTD 2005			Third Quarter YTD 2004		
	Continuing Operations			Continuing Operations		
	Income from Continuing Operations	Synthetic Fuel Impact	Excluding Synthetic Fuel	Income from Continuing Operations	Synthetic Fuel Impact	Excluding Synthetic Fuel
Operating income (loss)	\$334	\$(115)	\$449	\$368	\$(61)	\$429
Gains and other income	97	20	77	95	28	67
Interest income, (provision for loan losses) and (interest expense)	(32)	-	(32)	29	-	29
Equity in earnings/ (losses)	18	-	18	(37)	(28)	(9)
Pre-tax income (loss)	417	(95)	512	455	(61)	516
Tax						

(Provision)/						
Benefit	(152)	21	(173)	(172)	12	(184)
Tax Credits	134	134	-	93	93	-
-----						
Total Tax						
(Provision)/						
Benefit	(18)	155	(173)	(79)	105	(184)
-----						
Income from						
Continuing						
Operations						
before Minority						
Interest	399	60	339	376	44	332
Minority						
Interest	32	32	-	30	29	1
-----						
Income from						
Continuing						
Operations	\$431	\$92	\$339	\$406	\$73	\$333
=====						
Diluted Shares	235.3	235.3	235.3	240.9	240.9	240.9
Earnings per						
Share -						
Diluted	\$1.83	\$0.39	\$1.44	\$1.69	\$0.30	\$1.39
Tax Rate	4.3%			17.4%		

MARRIOTT INTERNATIONAL, INC.  
Non-GAAP Financial Measure Reconciliation  
(in millions, except per share amounts)

The table below details the impact on our continuing operations of the \$17 million leveraged lease impairment charge recorded in the 2005 third quarter which was associated with the impairment of our one investment in a leveraged lease. We do not consider the leveraged lease investment to be related to our core business.

Our management evaluates the figures in the "Excluding Leveraged Lease Charge" column because they allow for year-over-year comparisons relative to our on-going operations before the material charge and believes that this presentation facilitates the comparison of our results with the results of other lodging companies. Management also evaluates income-related financial measures that exclude the leveraged lease impairment charge in order to better assess the period-over-period performance of our core operating businesses.

However, the figures presented in the "Excluding Leveraged Lease Charge" column are all non-GAAP financial measures, may be calculated and/or presented differently than presentations of other companies, and are not alternatives to operating income, income from continuing operations, net income, earnings per share or any other operating measure prescribed by United States generally accepted accounting principles.

Twelve weeks ending	Twelve weeks ending		Twelve weeks ending		Twelve weeks ending	
	September 9, 2005		September 10, 2004			
	-----		-----		-----	
Income	Income	Excluding	Income	Income	Excluding	Excluding
from	from	Leveraged	from	from	Leveraged	Leveraged
Continuing	Continuing	Lease	Continuing	Continuing	Lease	Lease
Operations	Operations	Charge	Operations	Operations	Charge	Charge
		Charge			Charge	Charge
		-----			-----	-----

Operating income	\$135	\$-	\$135	\$99	\$-	\$99
Gains and other income	39	-	39	43	-	43
Interest income, (provision for loan losses) and (interest expense)	(28)	(17)	(11)	10	-	10
Equity in earnings/(losses)	17	-	17	(8)	-	(8)
-----						
Pre-tax income (loss)	163	(17)	180	144	-	144
-----						
Tax (Provision)/Benefit	(61)	6	(67)	(57)	-	(57)
Tax Credits	28	-	28	29	-	29
-----						
Total Tax (Provision)/Benefit	(33)	6	(39)	(28)	-	(28)
-----						
Income (Loss) from Continuing Operations before Minority Interest	130	(11)	141	116	-	116
Minority Interest	18	-	18	16	-	16
-----						
Income (Loss) from Continuing Operations	\$148	\$(11)	\$159	\$132	-	\$132
=====						
Diluted Shares	229.3	229.3	229.3	238.9	238.9	238.9
Earnings/(Loss) per Share - Diluted	\$0.65	(\$0.05)	\$0.70	\$0.55	-	\$0.55

MARRIOTT INTERNATIONAL, INC.  
Non-GAAP Financial Measure Reconciliation  
(in millions, except per share amounts)

The table below details the impact on our continuing operations of the \$17 million leveraged lease impairment charge recorded in the 2005 third quarter which was associated with the impairment of our one investment in a leveraged lease. We do not consider the leveraged lease investment to be related to our core business.

Our management evaluates the figures in the "Excluding Leveraged Lease Charge" column because they allow for year-over-year comparisons relative to our on-going operations before the material charge and believes that this presentation facilitates the comparison of our results with the results of other lodging companies. Management also evaluates income-related financial measures that exclude the leveraged lease impairment charge in order to better assess the period-over-period performance of



our core operating businesses.

However, the figures presented in the "Excluding Leveraged Lease Charge" column are all non-GAAP financial measures, may be calculated and/or presented differently than presentations of other companies, and are not alternatives to operating income, income from continuing operations, net income, earnings per share or any other operating measure prescribed by United States generally accepted accounting principles.

Thirty-six weeks ending September 9, 2005

	Income from Continuing Operations	CTF Transaction Charge	Leveraged Lease Charge	Excluding CTF and Leveraged Lease Charges
Operating income (loss)	\$334	\$ (94)	\$-	\$428
Gains and other income	97	-	-	97
Interest income, (provision for loan losses) and (interest expense)	(32)	-	(17)	(15)
Equity in earnings	18	-	-	18
Pre-tax income (loss)	417	(94)	(17)	528
Tax (Provision)/Benefit	(152)	32	6	(190)
Tax Credits	134	-	-	134
Total Tax (Provision)/ Benefit	(18)	32	6	(56)
Income (Loss) from Continuing Operations before Minority Interest	399	(62)	(11)	472
Minority Interest	32	-	-	32
Income (Loss) from Continuing Operations	\$431	\$ (62)	\$ (11)	\$504
Diluted Shares	235.3	235.3	235.3	235.3
Earnings/(Loss) per Share - Diluted	\$1.83	(\$0.26)	(\$0.05)	\$2.14

Thirty-six weeks ending September 10, 2004

	Income from Continuing Operations	CTF Transaction Charge	Leveraged Lease Charge	Excluding CTF and Leveraged Lease Charges
Operating income	\$368	\$-	\$-	\$368
Gains and other income	95	-	-	95
Interest income,				

(provision for loan losses) and (interest expense)	29	-	-	29
Equity in losses	(37)	-	-	(37)
	-----	-----	-----	-----
Pre-tax income	455	-	-	455
Tax Provision	(172)	-	-	(172)
Tax Credits	93	-	-	93
	-----	-----	-----	-----
Total Tax Provision	(79)	-	-	(79)
	-----	-----	-----	-----
Income from Continuing Operations before Minority Interest	376	-	-	376
Minority Interest	30	-	-	30
	-----	-----	-----	-----
Income from Continuing Operations	\$406	\$-	\$-	\$406
	=====	=====	=====	=====
Diluted Shares	240.9	240.9	240.9	240.9
Earnings per Share - Diluted	\$1.69	-	-	\$1.69

MARRIOTT INTERNATIONAL, INC.  
Non-GAAP Financial Measure  
EBITDA  
(\$ in millions)

Our management considers earnings before interest, taxes, depreciation and amortization (EBITDA) to be an indicator of operating performance because it can be used to measure our ability to service debt, fund capital expenditures, and expand our business.

In the 2005 second quarter we recorded a \$94 million charge associated with the agreements we entered into with CTF Holdings Ltd. ("the CTF transaction"). The \$94 million charge was primarily non-cash and due to the write-off of deferred contract acquisition costs associated with the termination of management agreements. In addition, we incurred a material charge of \$17 million in the 2005 third quarter associated with the impairment of our one investment in a leveraged lease. We do not consider the leveraged lease investment to be related to our core business. Management expects the Synthetic Fuel segment will no longer have a material impact on our business after the Internal Revenue Code Section 29 synthetic fuel tax credits expire at the end of 2007.

Management evaluates Adjusted EBITDA which excludes the leveraged lease impairment charge, discontinued operations and the impact of our Synthetic Fuel segment in order to better assess the period-over-period performance of our on-going core operating businesses. Management evaluates Adjusted EBITDA which also excludes the CTF transaction charge in order to better assess the Company's period-over-period performance of our lodging operations in light of the fact that the CTF transaction charge does not reflect the fact that new management agreements entered into as part of the CTF transaction substantially replaced the old management agreements the termination of which makes up the bulk of the CTF transaction charge. Management also believes that these presentations facilitate the comparison of our results with the results of other lodging companies.

However, EBITDA and Adjusted EBITDA are non-GAAP financial measures, may be calculated and/or presented differently than presentations of other companies, and are not alternatives to operating income, income from continuing operations, net income, cash flow from operations, or any other operating measure prescribed by United States generally accepted accounting principles.

Fiscal Year 2005

	First Quarter	Second Quarter	Third Quarter	Total
Net income	\$145	\$138	\$149	\$432
Interest expense	24	21	24	69
Tax provision/(benefit) from continuing operations	5	(20)	33	18
Tax provision from discontinued operations	-	-	1	1
Depreciation(1)	30	29	34	93
Amortization	7	7	7	21
Interest expense from unconsolidated joint ventures	11	6	4	21
Depreciation and amortization from unconsolidated joint ventures	12	9	7	28
EBITDA	\$234	\$190	\$259	\$683
Synthetic fuel adjustment	42	21	(6)	57
Pre-tax gain discontinued operations	-	-	(2)	(2)
Non-recurring charges - CTF acquisition charge	-	94	-	94
Leveraged lease charge	-	-	17	17
Adjusted EBITDA	\$276	\$305	\$268	\$849
Increase over 2004 Adjusted EBITDA	14%	9%	12%	12%

The following items make up the synthetic fuel adjustment:

Pre-tax synthetic fuel operating losses	\$54	\$28	\$14	\$96
Pre-tax minority interest - synthetic fuel	(10)	(5)	(18)	(33)
Synthetic fuel depreciation	(2)	(2)	(2)	(6)
EBITDA adjustment for synthetic fuel	\$42	\$21	\$(6)	\$57

(1) Does not include depreciation reimbursed by third party owners.

Fiscal Year 2004

	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net income	\$114	\$160	\$133	\$189	\$596
Interest expense	22	24	23	30	99
Tax provision continuing operations	18	33	28	21	100
Tax provision discontinued operations	-	-	1	-	1
Depreciation	32	29	32	40	133
Amortization	7	8	7	11	33
Interest expense from					

unconsolidated joint ventures	10	11	9	15	45
Depreciation and amortization from unconsolidated joint ventures	13	9	13	17	52
EBITDA	\$216	\$274	\$246	\$323	\$1,059
Synthetic fuel adjustment	28	5	(6)	21	48
Pre-tax gain discontinued operations	(1)	-	(1)	(1)	(3)
Adjusted EBITDA	\$243	\$279	\$239	\$343	\$1,104
	=====	=====	=====	=====	=====

The following items make up the synthetic fuel adjustment:

Pre-tax synthetic fuel operating losses	\$-	\$21	\$12	\$37	\$70
Pre-tax synthetic fuel equity losses	28	-	-	-	28
Pre-tax minority interest - synthetic fuel	-	(14)	(15)	(11)	(40)
Synthetic fuel depreciation	-	(2)	(3)	(5)	(10)
EBITDA adjustment for synthetic fuel	\$28	\$5	\$(6)	\$21	\$48
	=====	=====	=====	=====	=====

MARRIOTT INTERNATIONAL, INC.  
Non-GAAP Financial Measure Reconciliation  
(in millions, except per share amounts)

The following reconciles the non-GAAP estimates for the 2005 fourth quarter, full year 2005 and full year 2006 included in the press release to the most directly comparable GAAP measure.

Estimated

	Full Year 2005	
	-----	
General, administrative and other expense	\$742	
Less CTF transaction charge	(94)	
	-----	
General, administrative and other expense excluding the CTF transaction charge	\$648	
	=====	
	Range	
	-----	
	Estimated	Estimated
	Full Year 2005	Full Year 2005
	-----	
Lodging operating income	\$699	\$709
Add back CTF transaction charge	94	94
	-----	
Lodging operating income excluding the CTF transaction charge	\$793	\$803
	=====	
	Estimated Fourth Quarter 2005	Estimated Full Year 2005

Gains and other income	\$65	\$160
Less synthetic fuel gains and other income	(10)	(30)
Gains and other income, excluding synthetic fuel gains and other income	\$55	\$130

Estimated  
Full Year 2005

Interest expense and provision for loan losses, net of interest income	\$57
Add back leveraged lease impairment charge	(17)
Interest expense and provision for loan losses, net of interest income, excluding the leveraged lease impairment charge	\$40

	Range		Range	
	Estimated Fourth Quarter 2005	Estimated Fourth Quarter 2005	Estimated Full Year 2005	Estimated Full Year 2005
Diluted earnings per share from continuing operations	\$0.95	\$0.98	\$2.78	\$2.81
Add back eps impact of leveraged lease impairment charge	-	-	0.05	0.05
Add back eps impact of CTF transaction charge	-	-	0.26	0.26
Diluted earnings per share from continuing operations excluding the eps impact of both the leveraged lease impairment charge and the CTF transaction charge	0.95	0.98	3.09	3.12
Less the eps impact of the synthetic fuel segment	(0.12)	(0.12)	(0.51)	(0.51)
Diluted earnings per share from continuing operations excluding the eps impact of the leveraged lease impairment charge, the CTF transaction charge, and the synthetic fuel segment	\$0.83	\$0.86	\$2.58	\$2.61

Range

	----- Estimated Full Year 2006 -----	Estimated Full Year 2006 -----
Diluted earnings per share from continuing operations	\$2.87	\$2.97
Add back eps impact of the charge associated with FAS 123 ( R)	0.13	0.13
	-----	-----
Diluted earnings per share from continuing operations excluding the eps impact of the FAS 123 (R) charge	\$3.00	\$3.10
	=====	=====

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