FORWARD-LOOKING STATEMENTS

FORWARD-LOOKING STATEMENTS, NON-GAAP FINANCIAL MEASURES AND MODEL ASSUMPTIONS

This material contains “forward-looking statements” within the meaning of federal securities laws, including RevPAR, profit margin and earnings trends; the number of lodging properties we may add or remove in future years; our potential investment spending, share repurchases and dividends; the continued realization of synergies from our acquisition of Starwood; the size and strength of our loyalty program; and similar statements concerning possible future events or expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to a number of risks and uncertainties, including changes in market conditions; changes in global and regional economies; supply and demand changes for lodging products; competitive conditions in the lodging industry; relationships with clients and property owners; the availability of capital to finance growth and refurbishment; the extent to which we can continue to successfully integrate Starwood and realize the anticipated benefits of combining Starwood and Marriott; the extent to which we experience adverse effects from the data security incident; changes in tax laws in countries in which we earn significant income; changes to our estimates of the impact of new accounting standards; 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 here. We make these statements as of March 18, 2019 and we assume no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events or otherwise.

Throughout this presentation we report certain financial measures that are not required by, or presented in accordance with, United States generally accepted accounting principles (“GAAP”). These non-GAAP financial measures are labeled as “adjusted” (or “adj”), “combined”, or identified with the symbol “†”. In addition, all scenarios and models presented that include future periods (including fiscal years 2019, 2020 and 2021) assume the following items to be zero, and therefore do not include their impact, which we cannot accurately forecast and which may be significant: cost reimbursement revenue, reimbursed expenses, merger-related costs and charges, data security incident costs and gains and losses on asset dispositions made by us or by our joint venture investees. Measures that are labeled as “adjusted” (or “adj”) also exclude these items and may exclude additional items as indicated in the reconciliations accompanying this presentation. We discuss our reasons for reporting these non-GAAP measures and, to the extent available without unreasonable efforts, reconcile each to the most directly comparable GAAP measures at the end of this material.
LEENY OBERG
Executive Vice President and Chief Financial Officer

HISTORICALLY PROVEN BUSINESS MODEL

- Preferred Brands
- Powerful Asset Light Model
- Strong Free Cash Flow
- High Quality Contracts
- Sustainable Long-Term Unit Growth
- Significant Capital Returned to Shareholders
BUSINESS MODEL STRENGTHENED BY STARWOOD ACQUISITION

GREATER GROWTH OPPORTUNITIES

MEANINGFULLY MORE POWERFUL LOYALTY PLATFORM

INCREASED RESILIENCY OF PROFITS

2019 - 2021 MODEL ASSUMPTIONS

SYSTEMWIDE REVPAR GROWTH
(Compounded 2019 through 2021)

1% OR 3%

NET ROOMS GROWTH
(Over three years)

5.8% MIDPOINT

- Gross new room additions 275,000 to 295,000
- Approximately 40,000 to 45,000 room deletions (~1% per year)
- Investment spending of $1.5 to $1.7 Billion
- Asset sales of approximately $650 Million

- Leverage 3.3x (Adjusted Debt to Adjusted EBITDAR)
- Stable Currencies beyond 2019
- Tax rate of 23%
- Cost reimbursement revenue less reimbursed expenses, merger-related costs and charges, and data security incident costs assumed to be zero
GROWING GLOBAL FOOTPRINT

System Size | YE 2018
1.3M Rooms

<table>
<thead>
<tr>
<th>Region</th>
<th>System Size</th>
<th>Rest of World</th>
<th>Asia Pacific</th>
<th>Rest of World</th>
<th>North America</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>67%</td>
<td>16%</td>
<td>17%</td>
<td>67%</td>
<td>16%</td>
</tr>
</tbody>
</table>

2019E – 2021E
230K TO 255K NET ROOM ADDITIONS

<table>
<thead>
<tr>
<th>Region</th>
<th>System Size</th>
<th>Rest of World</th>
<th>Asia Pacific</th>
<th>Rest of World</th>
<th>North America</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>63%</td>
<td>18%</td>
<td>19%</td>
<td>63%</td>
<td>18%</td>
</tr>
</tbody>
</table>

Ye 2018 System Size | By Tier
Luxury: 9%  Upper Upscale: 47%  Upper Midscale: 44%

Ye 2021E System Size | By Tier
Luxury: 9%  Upper Upscale: 44%  Upper Midscale: 47%

NET ROOM ADDITIONS | 2019E – 2021E | BY TIER
LUXURY: 23%  UPPER URBAN: 25%  UPPER MIDSER: 28%

HOTEL FEES: BASE MANAGEMENT & FRANCHISE

WORLDWIDE

($ in Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Existing Unit Base Management Fees</th>
<th>Existing Unit Hotel Franchise Fees</th>
<th>Unit Additions 2019E – 2021E</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$1,140</td>
<td>$1,195</td>
<td>$320</td>
</tr>
<tr>
<td>2021E</td>
<td>$1,298</td>
<td>$1,430</td>
<td>$340</td>
</tr>
<tr>
<td>2021E</td>
<td>$1,195</td>
<td>$1,270</td>
<td>$1,510</td>
</tr>
</tbody>
</table>

CAGR: 6% to 9%

Hotel Franchise Fees excludes branding fees (credit card, residential, and timeshare), application fees, and relicensing fees.
**BASE MANAGEMENT & TOTAL FRANCHISE FEE GROWTH**  
WORLDWIDE  
($ in Millions)

- **Base Management Fees**  
  - 7% to 9% CAGR

- **Hotel Franchise Fees**  
  - 1%

- **Other Franchise Fees**  
  - 3%

### BASE MANAGEMENT & TOTAL FRANCHISE FEE GROWTH

**BASE MANAGEMENT & TOTAL FRANCHISE FEE GROWTH**
($ in Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Base Management Fees</th>
<th>Hotel Franchise Fees</th>
<th>Other Franchise Fees</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$2,989</td>
<td>$4,690</td>
<td>$3,865</td>
</tr>
<tr>
<td></td>
<td>$1,298</td>
<td>$3,690</td>
<td>$745</td>
</tr>
<tr>
<td></td>
<td>$1,140</td>
<td>$1,630</td>
<td>$1,720</td>
</tr>
</tbody>
</table>

Other Franchise Fees includes branding fees (credit card, residential, and timeshare), application fees, and relicensing fees.

### INCENTIVE MANAGEMENT FEE GROWTH

**INCENTIVE MANAGEMENT FEE GROWTH**
WORLDWIDE  
($ in Millions)

- **6% to 10% CAGR**

- **North America Existing Units**
  - 2018: $649
  - 2021E: $780

- **Asia Pacific Existing Units**
  - 2018: $182
  - 2021E: $75

- **EUR, MEA, and CALA Existing Units**
  - 2018: $227
  - 2021E: $270

- **Global Unit Additions 2019E – 2021E**
  - 2021E: $870
  - 2021E: $80
  - 2021E: $235
**INCENTIVE MANAGEMENT FEE STABILITY**

More than half of 2021 incentive management fees are expected to be earned in Asia Pacific and MEA, regions that typically do not have an owner’s priority return feature.

2015 (Legacy-Marriott)

- North America: 49%
- Asia Pacific: 22%
- MEA: 9%
- Europe/CalA: 20%

$319M

2021E

- North America: 29%
- Asia Pacific: 41%
- MEA: 10%
- Europe/CalA: 20%

$780M to $870M

**TOTAL GROSS FEE REVENUE GROWTH**

**WORLDWIDE**

($ in Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Base Management Fees</th>
<th>Total Franchise Fees</th>
<th>Incentive Management Fees</th>
<th>Total Gross Fee</th>
<th>CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$1,140</td>
<td>$1,849</td>
<td>$649</td>
<td>$3,638</td>
<td></td>
</tr>
<tr>
<td>2021E</td>
<td>$1,315</td>
<td>$2,375</td>
<td>$870</td>
<td>$4,735</td>
<td>7% to 9%</td>
</tr>
<tr>
<td>2021E</td>
<td>$1,400</td>
<td>$2,465</td>
<td>$1,000</td>
<td>$4,470</td>
<td>1%</td>
</tr>
</tbody>
</table>
**DISTRIBUTION OF FEES**

2021E Total Gross Fees | $4.5 to $4.7 Billion

- **North America** 54%
- Asia Pacific 15%
- Europe 9%
- CALA 4%
- MEA 4%
- Other 14%

Other includes credit card and timeshare branding fees

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**OWNED, LEASED, AND OTHER**

NET OF DIRECT EXPENSES

($ in Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Remaining Owned/Leased Assets and Other Revenue, Net of Expenses</th>
<th>Termination Fees</th>
<th>Assets Sold in or after 2018</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>$329</td>
<td>$42</td>
<td>$69</td>
</tr>
<tr>
<td>2021E 1%</td>
<td>$245</td>
<td>$20</td>
<td></td>
</tr>
<tr>
<td>2021E 3%</td>
<td>$275</td>
<td>$20</td>
<td></td>
</tr>
</tbody>
</table>

1% to 5% CAGR
**OTHER EXPENSES**

($ in Millions)

**GENERAL, ADMINISTRATIVE, AND OTHER**

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount ($ in Millions)</th>
<th>2% CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>927</td>
<td></td>
</tr>
<tr>
<td>2021E</td>
<td>990</td>
<td></td>
</tr>
</tbody>
</table>

4% CAGR excluding impact of $51 million one-time workforce investment in 2018

**DEPRECIATION AND AMORTIZATION**

(Including Contract Investment Amortization)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount ($ in Millions)</th>
<th>1% CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>284</td>
<td></td>
</tr>
<tr>
<td>2021E</td>
<td>295</td>
<td></td>
</tr>
</tbody>
</table>

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount ($ in Millions)</th>
<th>2% CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>226</td>
<td></td>
</tr>
<tr>
<td>2021E</td>
<td>225</td>
<td></td>
</tr>
</tbody>
</table>

**OPERATING INCOME GROWTH**

($ in Millions)

<table>
<thead>
<tr>
<th>Year</th>
<th>Amount ($ in Millions)</th>
<th>8% to 11% CAGR</th>
</tr>
</thead>
<tbody>
<tr>
<td>2018</td>
<td>2,756</td>
<td></td>
</tr>
<tr>
<td>2021E</td>
<td>3,430</td>
<td></td>
</tr>
<tr>
<td>2021E</td>
<td>3,725</td>
<td></td>
</tr>
</tbody>
</table>

53% margin

58% to 59% margin

† adj
**NET INCOME GROWTH**

($ in Millions)

<table>
<thead>
<tr>
<th></th>
<th>2018 adj (^1)</th>
<th>2021E</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Operating Income</strong></td>
<td>$2,756</td>
<td>$3,430</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$3,725</td>
</tr>
<tr>
<td>Gains and Other Income, Net</td>
<td>5</td>
<td>10</td>
</tr>
<tr>
<td></td>
<td></td>
<td>10</td>
</tr>
<tr>
<td>Interest Income</td>
<td>22</td>
<td>25</td>
</tr>
<tr>
<td></td>
<td></td>
<td>25</td>
</tr>
<tr>
<td>Interest Expense</td>
<td>(340)</td>
<td>(515)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(550)</td>
</tr>
<tr>
<td>Equity in Earnings</td>
<td>38</td>
<td>30</td>
</tr>
<tr>
<td></td>
<td></td>
<td>30</td>
</tr>
<tr>
<td>Income before Income Taxes</td>
<td>2,481</td>
<td>2,980</td>
</tr>
<tr>
<td></td>
<td></td>
<td>3,240</td>
</tr>
<tr>
<td>Provision for Income Taxes</td>
<td>(513)</td>
<td>(680)</td>
</tr>
<tr>
<td></td>
<td></td>
<td>(740)</td>
</tr>
<tr>
<td><strong>Net Income</strong></td>
<td>$1,968</td>
<td>$2,300</td>
</tr>
<tr>
<td></td>
<td></td>
<td>$2,500</td>
</tr>
<tr>
<td>Compound Growth</td>
<td>5%</td>
<td>8%</td>
</tr>
</tbody>
</table>

Gains and Other Income, Net and Equity in Earnings exclude gains on asset sales in 2018. For 2021E, gains on asset sales are assumed to be zero.

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**ADJUSTED EBITDA\(^1\) GROWTH**

($ in Millions)

- 2018: $3,473
- 2021E (1%): $4,190
- 2021E (3%): $4,485

6% to 9% CAGR
## ADJUSTED CASH FROM OPERATIONS
Cumulative 2019E to 2021E
($ in Billions)

<table>
<thead>
<tr>
<th></th>
<th>1%</th>
<th>3%</th>
</tr>
</thead>
<tbody>
<tr>
<td>Net Income</td>
<td>$6.3</td>
<td>$6.7</td>
</tr>
<tr>
<td>Share-Based Compensation</td>
<td>0.6</td>
<td>0.6</td>
</tr>
<tr>
<td>Depreciation and Amortization</td>
<td>0.9</td>
<td>0.9</td>
</tr>
<tr>
<td>Liability for Guest Loyalty Program</td>
<td>0.3</td>
<td>0.3</td>
</tr>
<tr>
<td>Income Taxes</td>
<td>(0.5)</td>
<td>(0.5)</td>
</tr>
<tr>
<td>Other Operating Profit Adjustments, Working Capital Changes, &amp; Other</td>
<td>(0.3)</td>
<td>(0.3)</td>
</tr>
<tr>
<td><strong>Adjusted Cash from Operations</strong> †</td>
<td><strong>$7.3</strong></td>
<td><strong>$7.7</strong></td>
</tr>
</tbody>
</table>

---

## INVESTMENT SPENDING†
2019E to 2021E | $1.5 to $1.7 Billion

**ON WHAT?**

- Existing Units 37%
- New Units 36%
- Systems/Corporate 27%

**WHAT TYPE?**

- Contract Acquisition Costs 38%
- Capital Expenditures 44%
- Other 18%
CUMULATIVE CAPITAL AVAILABLE
2019E TO 2021E
($ in Billions)

ADJUSTED CASH FROM OPERATIONS¹
$7.3 to $7.7

CAPITAL RECYCLING, EXCESS CASH BALANCES AND OTHER
$0.8

NET DEBT / OTHER
$3.1 to $4.0

$11.2 to $12.5
CASH AVAILABLE FOR ENHANCING SHAREHOLDER VALUE¹

CASH AVAILABLE FOR SHAREHOLDERS
2019E TO 2021E
($ in Billions)

INVESTMENT SPENDING¹
$1.5 to $1.7

CASH AVAILABLE FOR SHAREHOLDERS¹
$9.5 to $11.0

SHARE REPURCHASES
$7.6 to $9.0

DIVIDENDS
$1.9 to $2.0

$11.2 to $12.5
CASH AVAILABLE FOR ENHANCING SHAREHOLDER VALUE¹
DILUTED EARNINGS PER SHARE

- **11% to 15% CAGR**
- **2018 adj**: $5.56
- **2021E 1%**: $7.65
- **2021E 3%**: $8.50

15% to 17% reduction in shares from 2018 to 2021

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DOWNSIDE SCENARIO

**Key Assumptions:**

- **RevPAR Growth (Worldwide Systemwide)**
  - 2019E +1%; 2020E -5%; 2021E 0%
  - 3-Year RevPAR CAGR of -1.4%

Room Additions (Worldwide Systemwide)
- 3-Year NET Rooms CAGR of 5.4%, down from 5.8%

<table>
<thead>
<tr>
<th>3-Year CAGRs</th>
<th>Downside Scenario</th>
<th>1% RevPAR Scenario</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total Gross Fees</td>
<td>+4%</td>
<td>+7%</td>
</tr>
<tr>
<td>Net Income</td>
<td>+1%</td>
<td>+5%</td>
</tr>
<tr>
<td>Diluted EPS</td>
<td>+5%</td>
<td>+11%</td>
</tr>
<tr>
<td>Adjusted EBITDA†</td>
<td>+3%</td>
<td>+6%</td>
</tr>
</tbody>
</table>

3-Year Cash Available for Shareholders†: $7.5B, $9.5B

† 3-Year CAGRs are calculated from adjusted 2018 results.
SUCCESS IS NEVER FINAL.

OBERG ENDNOTES

Slide H-6 – Hotel Fees: Base Management & Franchise
Existing Units includes Base Management Fees and Franchise Fees from units added before 2019.

Slide H-8 – Incentive Management Fee Growth
Existing Units includes Incentive Management Fees from units added before 2019.

Slide H-13 – Other Expenses
For 2021E, General, Administrative, and Other Expense and Depreciation, Amortization, and Other Expense are assumed to be the same in both 1% and 3% scenarios.

Slide H-17 – Adjusted Cash From Operations
Contract Acquisition Costs are included in Investment Spending and excluded from Adjusted Cash from Operations.

Slide H-18 – Investment Spending
Other includes loan advances, equity method investments, and the AC Buyout.

Slide H-19 – Cumulative Capital Available
Contract Acquisition Costs are included in Investment Spending and excluded from Adjusted Cash from Operations.

Slide H-20 – Cash Available for Shareholders
Contract Acquisition Costs are included in Investment Spending and excluded from Adjusted Cash from Operations.