

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF INCOME

(in millions, except per share amounts)

	Twelve Weeks Ended		Percent Better/ (Worse)
	September 7, 2007	September 8, 2006	
REVENUES			
Base management fees	\$ 135	\$ 119	13
Franchise fees	111	94	18
Incentive management fees	56	49	14
Owned, leased, corporate housing and other revenue ¹	262	239	10
Timeshare sales and services ²	389	374	4
Cost reimbursements ³	1,990	1,822	9
Synthetic fuel	97	6	1,517
Total Revenues	<u>3,040</u>	<u>2,703</u>	12
OPERATING COSTS AND EXPENSES			
Owned, leased and corporate housing - direct ⁴	235	201	(17)
Timeshare - direct	344	298	(15)
Reimbursed costs	1,990	1,822	(9)
General, administrative and other ⁵	164	149	(10)
Synthetic fuel	124	4	(3,000)
Total Expenses	<u>2,857</u>	<u>2,474</u>	(15)
OPERATING INCOME	183	229	(20)
Gains and other income (expense) ⁶	27	13	108
Interest expense	(42)	(29)	(45)
Interest income	6	11	(45)
Equity in earnings (losses) ⁷	8	(1)	900
INCOME BEFORE INCOME TAXES AND MINORITY INTEREST	182	223	(18)
Provision for income taxes	(52)	(82)	37
Minority interest	1	-	*
NET INCOME	<u>\$ 131</u>	<u>\$ 141</u>	(7)
EARNINGS PER SHARE - Basic	<u>\$ 0.35</u>	<u>\$ 0.35</u>	-
EARNINGS PER SHARE - Diluted	<u>\$ 0.33</u>	<u>\$ 0.33</u>	-
Basic Shares	373.8	400.7	
Diluted Shares	394.1	424.7	

* 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 corporate housing business, land rent income and other revenue.

² – *Timeshare sales and services* includes total timeshare revenue except for base fees, cost reimbursements, real estate gains and joint venture earnings. Timeshare sales and services includes gains on the sale of timeshare note receivable securitizations.

³ – *Cost reimbursements* include reimbursements from lodging properties for company 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.

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

⁶ – *Gains and other income (expense)* includes net gains on the sale of real estate, gains on note sales or repayments (except timeshare note securitizations gains), gains on the sale of joint ventures, income from cost method joint ventures and net earn-out payments associated with our synthetic fuel operations.

⁷ – *Equity in earnings (losses)* includes our equity in earnings (losses) of unconsolidated joint ventures.

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENT OF INCOME

(in millions, except per share amounts)

	Thirty-Six Weeks Ended		Percent Better/ (Worse)
	September 7, 2007	September 8, 2006	
REVENUES			
Base management fees	\$ 417	\$ 380	10
Franchise fees	303	269	13
Incentive management fees	243	185	31
Owned, leased, corporate housing and other revenue ¹	824	765	8
Timeshare sales and services ²	1,211	1,051	15
Cost reimbursements ³	5,903	5,547	6
Synthetic fuel	253	102	148
Total Revenues	9,154	8,299	10
OPERATING COSTS AND EXPENSES			
Owned, leased and corporate housing - direct ⁴	711	634	(12)
Timeshare - direct	987	827	(19)
Reimbursed costs	5,903	5,547	(6)
General, administrative and other ⁵	518	440	(18)
Synthetic fuel	351	145	(142)
Total Expenses	8,470	7,593	(12)
OPERATING INCOME	684	706	(3)
Gains and other income (expense) ⁶	46	55	(16)
Interest expense	(127)	(86)	(48)
Interest income	15	34	(56)
(Provision for) reversal of loan losses	-	3	(100)
Equity in earnings (losses) ⁷	9	2	350
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES AND MINORITY INTEREST	627	714	(12)
Provision for income taxes	(108)	(223)	52
Minority interest	1	6	(83)
INCOME FROM CONTINUING OPERATIONS	520	497	5
Cumulative effect of change in accounting principle, net of tax ⁸	-	(109)	100
NET INCOME	\$ 520	\$ 388	34
EARNINGS PER SHARE - Basic			
Earnings from continuing operations	\$ 1.36	\$ 1.22	11
Losses from cumulative effect of change in accounting principle	-	(0.27)	100
Earnings per share	\$ 1.36	\$ 0.95	43
EARNINGS PER SHARE - Diluted			
Earnings from continuing operations	\$ 1.29	\$ 1.14	13
Losses from cumulative effect of change in accounting principle	-	(0.25)	100
Earnings per share	\$ 1.29	\$ 0.89	45
Basic Shares	381.6	408.3	
Diluted Shares	403.4	434.4	

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

² – *Timeshare sales and services* includes total timeshare revenue except for base fees, cost reimbursements, real estate gains and joint venture earnings. Timeshare sales and services includes gains on the sale of timeshare note receivable securitizations.

³ – *Cost reimbursements* include reimbursements from lodging properties for company 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.

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

⁶ – *Gains and other income (expense)* includes gains and losses on the sale of real estate, gains on note sales or repayments (except timeshare note securitizations gains), gains and losses on the sale of joint ventures, income from cost method joint ventures and net earn-out payments associated with our synthetic fuel operations.

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

⁸ – *Cumulative effect of change in accounting principle, net of tax* is associated with the adoption, in the 2006 first quarter, of Statement of Position 04-2, "Accounting for Real Estate Time-sharing Transactions" which was issued by the American Institute of Certified Public Accountants.

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

	<u>Twelve Weeks Ended</u>		Percent Better/ (Worse)
	<u>September 7, 2007</u>	<u>September 8, 2006</u>	
REVENUES			
North American Full-Service	\$ 1,241	\$ 1,124	10
North American Limited-Service	540	500	8
International	343	332	3
Luxury	339	313	8
Timeshare	463	413	12
Total lodging ¹	<u>2,926</u>	<u>2,682</u>	9
Synthetic Fuel	97	6	1,517
Other unallocated corporate	17	15	13
Total	<u>\$ 3,040</u>	<u>\$ 2,703</u>	12
NET INCOME			
North American Full-Service	\$ 78	\$ 72	8
North American Limited-Service	119	93	28
International	57	55	4
Luxury	15	10	50
Timeshare	39	61	(36)
Total lodging financial results ¹	<u>308</u>	<u>291</u>	6
Synthetic Fuel (after-tax)	9	(3)	400
Other unallocated corporate	(59)	(55)	(7)
Interest income, provision for loan losses and interest expense (excluding Synthetic Fuel)	(34)	(15)	(127)
Income taxes (excluding Synthetic Fuel)	(93)	(77)	(21)
Total	<u>\$ 131</u>	<u>\$ 141</u>	(7)

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)

	<u>Thirty-Six Weeks Ended</u>		Percent Better/ (Worse)
	<u>September 7, 2007</u>	<u>September 8, 2006</u>	
REVENUES			
North American Full-Service	\$ 3,767	\$ 3,610	4
North American Limited-Service	1,541	1,442	7
International	1,056	933	13
Luxury	1,048	973	8
Timeshare	1,438	1,196	20
Total lodging ¹	<u>8,850</u>	<u>8,154</u>	9
Synthetic Fuel	253	102	148
Other unallocated corporate	51	43	19
Total	<u>\$ 9,154</u>	<u>\$ 8,299</u>	10
INCOME FROM CONTINUING OPERATIONS			
North American Full-Service	\$ 324	\$ 314	3
North American Limited-Service	337	271	24
International	166	160	4
Luxury	44	44	-
Timeshare	190	180	6
Total lodging financial results ¹	<u>1,061</u>	<u>969</u>	9
Synthetic Fuel (after-tax)	59	4	1375
Other unallocated corporate	(192)	(164)	(17)
Interest income, provision for loan losses and interest expense (excluding Synthetic Fuel)	(101)	(48)	(110)
Income taxes (excluding Synthetic Fuel)	(307)	(264)	(16)
Total	<u>\$ 520</u>	<u>\$ 497</u>	5

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.

Brand	Total Lodging Products¹					
	Number of Properties			Number of Rooms/Suites		
	September 7, 2007	September 8, 2006	vs. September 8, 2006	September 7, 2007	September 8, 2006	vs. September 8, 2006
Domestic Full-Service						
Marriott Hotels & Resorts	340	340	-	135,611	135,590	21
Renaissance Hotels & Resorts	68	66	2	25,023	25,084	(61)
Domestic Limited-Service						
Courtyard	679	641	38	94,830	90,166	4,664
Fairfield Inn	521	515	6	46,231	46,460	(229)
SpringHill Suites	166	148	18	19,372	17,246	2,126
Residence Inn	516	493	23	61,421	58,920	2,501
TownePlace Suites	134	122	12	13,467	12,295	1,172
International						
Marriott Hotels & Resorts	181	176	5	52,324	50,564	1,760
Renaissance Hotels & Resorts	74	71	3	23,958	23,144	814
Courtyard	72	81	(9)	13,605	13,916	(311)
Fairfield Inn	7	5	2	859	559	300
SpringHill Suites	1	1	-	124	124	-
Residence Inn	18	18	-	2,612	2,409	203
Marriott Executive Apartments	18	18	-	3,036	3,027	9
Ramada	2	2	-	332	332	-
Luxury						
The Ritz-Carlton - Domestic	35	35	-	11,530	11,616	(86)
The Ritz-Carlton - International	30	25	5	9,052	7,766	1,286
Bulgari Hotels & Resorts	2	1	1	117	58	59
The Ritz-Carlton Residential	16	-	16	1,495	-	1,495
The Ritz-Carlton Services Apartments	1	-	1	248	-	248
Timeshare²						
Marriott Vacation Club	46	45	1	10,775	10,189	586
The Ritz-Carlton Club - Fractional	7	7	-	388	400	(12)
The Ritz-Carlton Club - Residential	3	-	3	140	-	140
Grand Residences by Marriott - Fractional	2	3	(1)	248	313	(65)
Grand Residences by Marriott - Residential	1	-	1	65	-	65
Horizons by Marriott Vacation Club	2	2	-	444	328	116
Sub Total Timeshare	61	57	4	12,060	11,230	830
Total	2,942	2,815	127	527,307	510,506	16,801

Number of Timeshare Interval, Fractional and Whole Ownership Resorts²

	In Active	
	Total³	Sales
100% Company-Developed		
Marriott Vacation Club	45	24
The Ritz-Carlton Club	6	4
Grand Residences by Marriott	3	3
Horizons by Marriott Vacation Club	2	2
Joint Ventures		
Marriott Vacation Club	1	1
The Ritz-Carlton Club	4	4
Total	61	38

¹ Total Lodging Products excludes the 1,936 and 2,045 corporate housing rental units as of September 7, 2007 and September 8, 2006, respectively.

² Includes products in active sales which may not be ready for occupancy.

³ Includes resorts that are in active sales and those that are sold out. Residential properties are captured once they possess a certificate of occupancy.

Marriott International, Inc.
Key Lodging Statistics

Comparable Company-Operated International Properties¹

Region	Three Months Ended August 31, 2007 and August 31, 2006						
	REVPAR		Occupancy			Average Daily Rate	
	2007	vs. 2006	2007	vs. 2006		2007	vs. 2006
Caribbean & Latin America	\$116.66	13.2%	76.8%	2.9%	pts.	\$151.88	9.0%
Continental Europe	\$127.08	2.0%	76.9%	1.4%	pts.	\$165.16	0.1%
United Kingdom	\$160.99	5.4%	81.4%	0.3%	pts.	\$197.83	5.0%
Middle East & Africa	\$83.81	14.5%	70.5%	3.1%	pts.	\$118.92	9.4%
Asia Pacific ²	\$103.09	7.0%	76.0%	-0.5%	pts.	\$135.68	7.6%
Regional Composite³	\$123.08	5.9%	77.3%	0.9%	pts.	\$159.28	4.7%
International Luxury⁴	\$197.49	17.0%	72.9%	6.0%	pts.	\$271.09	7.3%
Total International⁵	\$130.70	7.5%	76.8%	1.4%	pts.	\$170.12	5.5%
Worldwide⁶	\$119.07	7.3%	76.5%	1.7%	pts.	\$155.61	5.0%

Comparable Systemwide International Properties¹

Region	Three Months Ended August 31, 2007 and August 31, 2006						
	REVPAR		Occupancy			Average Daily Rate	
	2007	vs. 2006	2007	vs. 2006		2007	vs. 2006
Caribbean & Latin America	\$106.59	10.8%	75.2%	3.1%	pts.	\$141.80	6.2%
Continental Europe	\$126.28	2.1%	74.8%	1.1%	pts.	\$168.93	0.6%
United Kingdom	\$158.51	5.3%	81.3%	0.6%	pts.	\$195.07	4.5%
Middle East & Africa	\$82.76	15.1%	70.5%	3.8%	pts.	\$117.36	8.9%
Asia Pacific ²	\$104.84	5.3%	75.6%	-0.8%	pts.	\$138.65	6.4%
Regional Composite³	\$120.46	5.2%	76.1%	0.8%	pts.	\$158.25	4.0%
International Luxury⁴	\$197.49	17.0%	72.9%	6.0%	pts.	\$271.09	7.3%
Total International⁵	\$126.95	6.6%	75.8%	1.3%	pts.	\$167.38	4.8%
Worldwide⁶	\$104.90	6.6%	76.6%	0.9%	pts.	\$136.96	5.5%

¹ International financial results are reported on a period basis, while International statistics are reported on a monthly basis. Statistics are in constant dollars for June through August. Excludes North America (except for Worldwide).

² Does not include Hawaii.

³ Regional information includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts, Courtyard brands, Fairfield Inn, SpringHill Suites and Residence Inn. Includes Hawaii.

⁴ International Luxury includes The Ritz-Carlton properties outside of North America and Bulgari Hotels & Resorts.

⁵ Includes Regional Composite and International Luxury.

⁶ Includes international statistics for the three calendar months ended August 31, 2007 and August 31, 2006, and North American statistics for the twelve weeks ended September 7, 2007 and September 8, 2006. Includes the Marriott Hotels & Resorts, The Ritz-Carlton, Bulgari Hotels & Resorts, Renaissance Hotels & Resorts, Residence Inn, Courtyard, TownePlace Suites, Fairfield Inn and SpringHill Suites brands.

Marriott International, Inc.
Key Lodging Statistics

Comparable Company-Operated International Properties¹

Region	Eight Months Ended August 31, 2007 and August 31, 2006						
	REVPAR		Occupancy			Average Daily Rate	
	2007	vs. 2006	2007	vs. 2006		2007	vs. 2006
Caribbean & Latin America	\$129.99	12.0%	77.4%	1.7%	pts.	\$167.92	9.5%
Continental Europe	\$121.11	6.4%	73.1%	1.5%	pts.	\$165.66	4.2%
United Kingdom	\$148.85	5.4%	77.1%	1.1%	pts.	\$192.94	3.9%
Middle East & Africa	\$98.40	17.3%	72.9%	4.1%	pts.	\$135.00	10.6%
Asia Pacific ²	\$105.90	8.8%	74.7%	-1.0%	pts.	\$141.79	10.3%
Regional Composite³	\$122.34	8.2%	75.2%	0.9%	pts.	\$162.67	6.9%
International Luxury⁴	\$213.06	13.8%	73.1%	4.7%	pts.	\$291.60	6.4%
Total International⁵	\$131.62	9.1%	75.0%	1.3%	pts.	\$175.52	7.3%
Worldwide⁶	\$120.03	6.9%	74.2%	0.5%	pts.	\$161.82	6.3%

Comparable Systemwide International Properties¹

Region	Eight Months Ended August 31, 2007 and August 31, 2006						
	REVPAR		Occupancy			Average Daily Rate	
	2007	vs. 2006	2007	vs. 2006		2007	vs. 2006
Caribbean & Latin America	\$119.61	11.4%	75.4%	2.6%	pts.	\$158.66	7.6%
Continental Europe	\$118.22	6.2%	70.4%	0.8%	pts.	\$168.02	5.0%
United Kingdom	\$146.40	5.4%	76.7%	1.3%	pts.	\$190.80	3.5%
Middle East & Africa	\$95.64	17.3%	71.8%	4.2%	pts.	\$133.17	10.3%
Asia Pacific ²	\$106.54	8.1%	74.7%	-0.5%	pts.	\$142.57	8.8%
Regional Composite³	\$118.90	7.8%	73.9%	0.9%	pts.	\$161.00	6.5%
International Luxury⁴	\$213.06	13.8%	73.1%	4.7%	pts.	\$291.60	6.4%
Total International⁵	\$126.84	8.7%	73.8%	1.3%	pts.	\$171.90	6.8%
Worldwide⁶	\$103.00	6.4%	73.8%	0.0%	pts.	\$139.56	6.4%

¹ International financial results are reported on a period basis, while International statistics are reported on a monthly basis. Statistics are in constant dollars for January through August. Excludes North America (except for Worldwide).

² Does not include Hawaii.

³ Regional information includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts, Courtyard brands, Fairfield Inn, SpringHill Suite and Residence Inn. Includes Hawaii.

⁴ International Luxury includes The Ritz-Carlton properties outside of North America and Bulgari Hotels & Resorts.

⁵ Includes Regional Composite and International Luxury.

⁶ Includes international statistics for the eight calendar months ended August 31, 2007 and August 31, 2006, and North American statistics for the thirty-six weeks ended September 7, 2007 and September 8, 2006. Includes the Marriott Hotels & Resorts, The Ritz-Carlton, Bulgari Hotels & Resorts, Renaissance Hotels & Resorts, Residence Inn, Courtyard, TownePlace Suites, Fairfield Inn and SpringHill Suites brands.

Marriott International, Inc.
Key Lodging Statistics

Comparable Company-Operated North American Properties

Brand	Twelve Weeks Ended September 7, 2007 and September 8, 2006					
	REVPAR		Occupancy		Average Daily Rate	
	2007	vs. 2006	2007	vs. 2006	2007	vs. 2006
Marriott Hotels & Resorts	\$124.92	8.0%	76.2%	2.5% pts.	\$163.96	4.5%
Renaissance Hotels & Resorts	\$119.71	8.4%	75.9%	2.7% pts.	\$157.82	4.6%
Composite North American Full-Service¹	\$124.11	8.1%	76.1%	2.5% pts.	\$163.00	4.5%
The Ritz-Carlton ²	\$210.18	8.3%	74.2%	1.6% pts.	\$283.32	6.0%
Composite North American Full-Service & Luxury³	\$132.90	8.1%	75.9%	2.4% pts.	\$175.00	4.7%
Residence Inn	\$100.23	5.0%	82.3%	0.9% pts.	\$121.78	3.9%
Courtyard	\$90.82	5.7%	74.2%	1.1% pts.	\$122.39	4.1%
TownePlace Suites	\$68.28	6.3%	79.2%	-2.1% pts.	\$86.21	9.1%
SpringHill Suites	\$82.73	6.1%	77.8%	2.2% pts.	\$106.33	3.1%
Composite North American Limited-Service⁴	\$91.47	5.7%	76.9%	1.0% pts.	\$118.91	4.3%
Composite - All⁵	\$114.18	7.2%	76.4%	1.8% pts.	\$149.47	4.7%

Comparable Systemwide North American Properties

Brand	Twelve Weeks Ended September 7, 2007 and September 8, 2006					
	REVPAR		Occupancy		Average Daily Rate	
	2007	vs. 2006	2007	vs. 2006	2007	vs. 2006
Marriott Hotels & Resorts	\$113.33	7.4%	73.9%	1.5% pts.	\$153.25	5.2%
Renaissance Hotels & Resorts	\$110.41	7.0%	74.7%	1.1% pts.	\$147.87	5.4%
Composite North American Full-Service¹	\$112.89	7.3%	74.1%	1.4% pts.	\$152.43	5.2%
The Ritz-Carlton ²	\$210.18	8.3%	74.2%	1.6% pts.	\$283.32	6.0%
Composite North American Full-Service & Luxury³	\$118.74	7.4%	74.1%	1.4% pts.	\$160.32	5.3%
Residence Inn	\$101.78	5.7%	83.2%	0.2% pts.	\$122.40	5.4%
Courtyard	\$93.04	5.7%	76.3%	0.7% pts.	\$121.89	4.8%
Fairfield Inn	\$69.25	7.2%	76.9%	0.4% pts.	\$90.06	6.7%
TownePlace Suites	\$68.63	5.6%	78.8%	-2.2% pts.	\$87.06	8.5%
SpringHill Suites	\$82.39	6.2%	77.5%	0.5% pts.	\$106.36	5.5%
Composite North American Limited-Service⁴	\$88.41	6.0%	78.5%	0.3% pts.	\$112.67	5.5%
Composite - All⁵	\$100.20	6.7%	76.8%	0.8% pts.	\$130.54	5.6%

¹ Includes the Marriott Hotels & Resorts, and Renaissance Hotels & Resorts brands.

² Statistics for The Ritz-Carlton are for June through August.

³ Includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts and The Ritz-Carlton brands.

⁴ Includes the Residence Inn, Courtyard, Fairfield Inn, TownePlace Suites, and SpringHill Suites brands.

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

Marriott International, Inc.
Key Lodging Statistics

Comparable Company-Operated North American Properties

Brand	Thirty-Six Weeks Ended September 7, 2007 and September 8, 2006					
	REVPAR		Occupancy		Average Daily Rate	
	2007	vs. 2006	2007	vs. 2006	2007	vs. 2006
Marriott Hotels & Resorts	\$126.97	7.1%	73.8%	1.3% pts.	\$172.14	5.2%
Renaissance Hotels & Resorts	\$124.52	5.1%	74.4%	0.1% pts.	\$167.28	5.0%
Composite North American Full-Service¹	\$126.59	6.8%	73.9%	1.1% pts.	\$171.37	5.2%
The Ritz-Carlton ²	\$243.20	7.8%	74.1%	0.2% pts.	\$328.16	7.4%
Composite North American Full-Service & Luxury³	\$137.20	6.9%	73.9%	1.0% pts.	\$185.68	5.5%
Residence Inn	\$97.05	3.3%	78.7%	-1.2% pts.	\$123.27	4.9%
Courtyard	\$90.36	4.7%	71.5%	-0.7% pts.	\$126.37	5.7%
TownePlace Suites	\$64.71	6.7%	75.4%	-2.2% pts.	\$85.80	9.8%
SpringHill Suites	\$79.54	4.2%	73.7%	-0.2% pts.	\$107.95	4.5%
Composite North American Limited-Service⁴	\$89.96	4.4%	73.9%	-0.8% pts.	\$121.81	5.6%
Composite - All⁵	\$115.71	6.0%	73.9%	0.2% pts.	\$156.63	5.8%

Comparable Systemwide North American Properties

Brand	Thirty-Six Weeks Ended September 7, 2007 and September 8, 2006					
	REVPAR		Occupancy		Average Daily Rate	
	2007	vs. 2006	2007	vs. 2006	2007	vs. 2006
Marriott Hotels & Resorts	\$114.03	6.4%	72.0%	0.8% pts.	\$158.36	5.2%
Renaissance Hotels & Resorts	\$112.83	4.8%	72.9%	-0.5% pts.	\$154.87	5.5%
Composite North American Full-Service¹	\$113.85	6.1%	72.1%	0.6% pts.	\$157.82	5.2%
The Ritz-Carlton ²	\$243.20	7.8%	74.1%	0.2% pts.	\$328.16	7.4%
Composite North American Full-Service & Luxury³	\$120.77	6.3%	72.2%	0.6% pts.	\$167.18	5.4%
Residence Inn	\$96.88	4.8%	79.4%	-1.1% pts.	\$122.05	6.3%
Courtyard	\$90.47	5.3%	73.2%	-0.5% pts.	\$123.57	6.0%
Fairfield Inn	\$63.43	6.6%	72.0%	-0.5% pts.	\$88.04	7.3%
TownePlace Suites	\$65.11	5.0%	74.8%	-2.9% pts.	\$87.01	9.1%
SpringHill Suites	\$79.63	5.8%	74.7%	-0.5% pts.	\$106.60	6.5%
Composite North American Limited-Service⁴	\$84.50	5.4%	74.8%	-0.8% pts.	\$112.97	6.5%
Composite - All⁵	\$98.51	5.8%	73.8%	-0.2% pts.	\$133.46	6.2%

¹ Includes the Marriott Hotels & Resorts, and Renaissance Hotels & Resorts brands.

² Statistics for The Ritz-Carlton are for January through August.

³ Includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts and The Ritz-Carlton brands.

⁴ Includes the Residence Inn, Courtyard, Fairfield Inn, TownePlace Suites, and SpringHill Suites brands.

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

MARRIOTT INTERNATIONAL, INC.
TIMESHARE SEGMENT
(\$ in millions)

Segment Results

	Twelve Weeks Ended		Percent Better / (Worse)
	September 7, 2007	September 8, 2006	
Base fees revenue	\$ 10	\$ 8	25
Timeshare sales and services revenue, net of direct expenses	45	76	(41)
Joint venture equity income (loss)	5	-	*
Minority interest	1	-	*
General, administrative and other expense	(22)	(23)	4
Segment results	<u>\$ 39</u>	<u>\$ 61</u>	(36)

Sales and Services Revenue

	Twelve Weeks Ended		Percent Better / (Worse)
	September 7, 2007	September 8, 2006	
Development	\$ 279	\$ 281	(1)
Services	77	70	10
Financing	28	23	22
Other revenue	5	-	*
Sales and services revenue	<u>\$ 389</u>	<u>\$ 374</u>	4

Contract Sales

	Twelve Weeks Ended		Percent Better / (Worse)
	September 7, 2007	September 8, 2006	
Company:			
Timeshare	\$ 313	\$ 314	-
Fractional	12	13	(8)
Whole-Ownership	6	2	200
Total company	<u>331</u>	<u>329</u>	1
Joint ventures:			
Timeshare	7	5	40
Fractional	7	3	133
Whole-Ownership	5	18	(72)
Total joint ventures	<u>19</u>	<u>26</u>	(27)
Total contract sales, including joint ventures	<u>\$ 350</u>	<u>\$ 355</u>	(1)

* Percent can not be calculated.

MARRIOTT INTERNATIONAL, INC.
TIMESHARE SEGMENT

(\$ in millions)

Segment Results

	Thirty-Six Weeks Ended		Percent Better / (Worse)
	September 7, 2007	September 8, 2006	
Base fees revenue	\$ 30	\$ 24	25
Timeshare sales and services revenue, net of direct expenses	224	224	-
Joint venture equity income (loss)	4	1	300
Minority interest	1	-	*
General, administrative and other expense	(69)	(69)	-
Segment results	<u>\$ 190</u>	<u>\$ 180</u>	6

Sales and Services Revenue

	Thirty-Six Weeks Ended		Percent Better / (Worse)
	September 7, 2007	September 8, 2006	
Development	\$ 846	\$ 734	15
Services	225	207	9
Financing	120	104	15
Other revenue	20	6	233
Sales and services revenue	<u>\$ 1,211</u>	<u>\$ 1,051</u>	15

Contract Sales

	Thirty-Six Weeks Ended		Percent Better / (Worse)
	September 7, 2007	September 8, 2006	
Company:			
Timeshare	\$ 877	\$ 893	(2)
Fractional	27	32	(16)
Whole-Ownership	6	5	20
Total company	<u>910</u>	<u>930</u>	(2)
Joint ventures:			
Timeshare	23	18	28
Fractional	46	22	109
Whole-Ownership	56	166	(66)
Total joint ventures	<u>125</u>	<u>206</u>	(39)
Total contract sales, including joint ventures	<u>\$ 1,035</u>	<u>\$ 1,136</u>	(9)

* Percent can not be calculated.

MARRIOTT INTERNATIONAL, INC.

Non-GAAP Financial Measures

In our press release and schedules, and 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 tables on the following pages reconcile the most directly comparable GAAP measures to the non-GAAP measures (identified by a double asterisk on the following pages) that we refer to in our press release. Although management evaluates and presents these non-GAAP measures for the reasons described below, please be aware that these non-GAAP measures are not alternatives to revenue, operating income, income from continuing operations, net income, earnings per share or any other comparable operating measure prescribed by GAAP. In addition, these non-GAAP financial measures may be calculated and/or presented differently than measures with the same or similar names that are reported by other companies, and as a result, the non-GAAP measures we report may not be comparable to those reported by others.

Synthetic Fuel. We do not consider the Synthetic Fuel segment to be related to our core business, which is lodging. In addition, management expects the Synthetic Fuel segment will no longer have a material impact on our business after the end of calendar year 2007, when the Internal Revenue Code provision which provides for synthetic fuel tax credits expires. Accordingly, our management evaluates non-GAAP measures which exclude the impact of our Synthetic Fuel segment because those measures allow for period-over-period comparisons of our on-going core lodging operations. In addition, these non-GAAP measures facilitate management's comparison of our results with the results of other lodging companies.

ESOP Settlement Charge. Management evaluates non-GAAP measures that exclude the charge associated with the settlement of issues raised during the IRS' and Department of Labor's examination of the employee stock ownership plan ("ESOP") feature of our Employees' Profit Sharing, Retirement and Savings Plan and Trust because these measures allow for period-over-period comparisons relative to our on-going operations before material charges. Additionally, these non-GAAP measures facilitate management's comparison of our results relative to on-going operations before material charges with that of other lodging companies. The settlement resulted in an after-tax charge of \$54 million in the second quarter 2007 reflecting \$35 million of excise taxes (impacting General, Administrative, and Other Expenses), \$13 million of interest expense on those excise taxes and \$6 million of income tax expense primarily reflecting additional interest.

Gains and Other Income. Management evaluates forecasted non-GAAP earnings per share figures that exclude the impact of gains and other income because these items are not related to our on-going core operations, but instead are primarily associated with hotel property dispositions. Excluding gains and other income from our forecasted earnings per share figures for certain periods allows for period-over-period comparisons relative to our on-going operations, especially in light of the fact that gains associated with hotel property dispositions are expected to be much lower in 2008 than 2007 as we expect to have fewer hotel properties available for sale. Additionally, earnings per share figures excluding gains and other income facilitate management's comparison of our results relative to on-going operations with that of other lodging companies.

Earnings Before Interest, Taxes, Depreciation and Amortization (EBITDA) and Adjusted EBITDA Our management considers earnings before interest, taxes, depreciation and amortization 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. For the reasons noted above in the "Synthetic Fuel" and "ESOP" captions, our management also evaluates Adjusted EBITDA which excludes the Synthetic Fuel segment and the second quarter 2007 \$35 million charge for excise taxes associated with the ESOP settlement.

MARRIOTT INTERNATIONAL, INC.
Non-GAAP Financial Measure Reconciliation
Measures that Exclude Synthetic Fuel
(in millions, except per share amounts)

	Third Quarter 2007			Third Quarter 2006			Percent Better/ (Worse) Excluding Synthetic Fuel
	As Reported	Synthetic Fuel Impact	Excluding Synthetic Fuel**	As Reported	Synthetic Fuel Impact	Excluding Synthetic Fuel**	
Operating income (loss)	\$ 183	\$ (27)	\$ 210	\$ 229	\$ 2	\$ 227	(7)
Gains and other income (expense)	27	(3)	30	13	3	10	200
Interest income, provision for loan losses and interest expense	(36)	(2)	(34)	(18)	(3)	(15)	(127)
Equity in earnings (losses)	8	-	8	(1)	-	(1)	900
Income (loss) from continuing operations before income taxes and minority interest	<u>182</u>	<u>(32)</u>	<u>214</u>	<u>223</u>	<u>2</u>	<u>221</u>	(3)
Tax (provision) benefit	(81)	12	(93)	(78)	(1)	(77)	(21)
Tax credits	29	29	-	(4)	(4)	-	*
Total tax (provision) benefit	<u>(52)</u>	<u>41</u>	<u>(93)</u>	<u>(82)</u>	<u>(5)</u>	<u>(77)</u>	(21)
Minority interest	1	-	1	-	-	-	*
Income from continuing operations	<u>\$ 131</u>	<u>\$ 9</u>	<u>\$ 122</u>	<u>\$ 141</u>	<u>\$ (3)</u>	<u>\$ 144</u>	(15)
Diluted shares	394.1	394.1	394.1	424.7	424.7	424.7	
Earnings per share from continuing operations - diluted	\$ 0.33	\$ 0.02	\$ 0.31	\$ 0.33	\$ (0.01)	\$ 0.34	(9)
Tax rate	28.6%		43.5%	36.8%		34.8%	

* Percent can not be calculated.

** Denotes non-GAAP financial measures.

MARRIOTT INTERNATIONAL, INC.
Non-GAAP Financial Measure Reconciliation
Measures that Exclude Synthetic Fuel
(in millions, except per share amounts)

	Third Quarter YTD 2007			Third Quarter YTD 2006			Percent Better/ (Worse) Excluding Synthetic Fuel
	As Reported	Synthetic Fuel Impact	Excluding Synthetic Fuel**	As Reported	Synthetic Fuel Impact	Excluding Synthetic Fuel**	
Operating income (loss)	\$ 684	\$ (98)	\$ 782	\$ 706	\$ (43)	\$ 749	4
Gains and other income (expense)	46	(31)	77	55	2	53	45
Interest income, provision for loan losses and interest expense	(112)	(11)	(101)	(49)	(1)	(48)	(110)
Equity in earnings (losses)	9	-	9	2	-	2	350
Income (loss) from continuing operations before income taxes and minority interest	627	(140)	767	714	(42)	756	1
Tax (provision) benefit	(256)	51	(307)	(251)	13	(264)	(16)
Tax credits	148	148	-	28	28	-	*
Total tax (provision) benefit	(108)	199	(307)	(223)	41	(264)	(16)
Minority interest	1	-	1	6	5	1	-
Income from continuing operations	\$ 520	\$ 59	\$ 461	\$ 497	\$ 4	\$ 493	(6)
Diluted shares	403.4	403.4	403.4	434.4	434.4	434.4	
Earnings per share from continuing operations - diluted	\$ 1.29	\$ 0.15	\$ 1.14	\$ 1.14	\$ 0.01	\$ 1.13	1
Tax rate	17.2%		40.0%	31.2%		34.9%	

* Percent can not be calculated.

** Denotes non-GAAP financial measures.

Marriott International, Inc.
Non-GAAP Financial Measure Reconciliation
Measures that Exclude Gains and Other Income and the Second Quarter 2007 ESOP Tax Settlement
(in millions, except per share amounts)

	Range	
	Estimated	Estimated
	Full Year 2007	Full Year 2007
General, administrative and other expenses	\$ 753	\$ 758
Less: ESOP tax settlement impact	(35)	(35)
General, administrative and other expenses excluding the ESOP tax settlement**	<u>\$ 718</u>	<u>\$ 723</u>

	Range	
	Estimated	Estimated
	Full Year 2007	Full Year 2007
Operating income excluding Synthetic Fuel*	\$ 1,162	\$ 1,182
Add back: ESOP tax settlement impact	35	35
Operating income excluding the ESOP tax settlement and Synthetic Fuel**	<u>\$ 1,197</u>	<u>\$ 1,217</u>

	Estimated Full Year 2007
Net interest expense excluding Synthetic Fuel*	\$ 146
Less: ESOP tax settlement impact	(13)
Net interest expense excluding the ESOP tax settlement**	<u>\$ 133</u>

	Range		Range	
	Estimated	Estimated	Estimated	Estimated
	Full Year 2007	Full Year 2007	Full Year 2008	Full Year 2008
Earnings per share excluding Synthetic Fuel*	\$ 1.74	\$ 1.76	\$ 2.10	\$ 2.25
Add back: ESOP tax settlement impact	0.14	0.14	-	-
Less: Gains and other income impact	(0.15)	(0.15)	(0.05)	(0.05)
Earnings per share excluding Synthetic Fuel, gains and the ESOP tax settlement**	<u>\$ 1.73</u>	<u>\$ 1.75</u>	<u>\$ 2.05</u>	<u>\$ 2.20</u>

	Estimated Full Year 2007
Effective tax rate excluding Synthetic Fuel*	38.7%
Less: ESOP tax settlement impact	(2.2)
Effective tax rate excluding Synthetic Fuel and the ESOP tax settlement**	<u>36.5%</u>

* Synthetic Fuel guidance not provided for full year 2007.

** Denotes non-GAAP financial measures.

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

	Fiscal Year 2007			
	First Quarter	Second Quarter	Third Quarter	Total
Net income	\$ 182	\$ 207	\$ 131	\$ 520
Interest expense	33	52	42	127
Tax provision	14	42	52	108
Depreciation and amortization	46	45	43	134
Less: Depreciation reimbursed by third-party owners	(4)	(4)	(4)	(12)
Interest expense from unconsolidated joint ventures	5	5	8	18
Depreciation and amortization from unconsolidated joint ventures	6	7	6	19
EBITDA**	\$ 282	\$ 354	\$ 278	\$ 914
Synthetic Fuel adjustment	52	52	30	134
ESOP Settlement - Excise Tax	-	35	-	35
Adjusted EBITDA**	\$ 334	\$ 441	\$ 308	\$ 1,083
Increase over 2006 Adjusted EBITDA	3%	21%	3%	10%
The following items make up the Synthetic Fuel adjustment:				
Pre-tax Synthetic Fuel operating losses (income)	\$ 54	\$ 54	\$ 32	\$ 140
Pre-tax minority interest - Synthetic Fuel	-	-	-	-
Synthetic Fuel depreciation	(2)	(2)	(2)	(6)
EBITDA adjustment for Synthetic Fuel	\$ 52	\$ 52	\$ 30	\$ 134

	Fiscal Year 2006				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net income	\$ 61	\$ 186	\$ 141	\$ 220	\$ 608
Cumulative effect of change in accounting principle	173	-	-	-	173
Interest expense	27	30	29	38	124
Tax provision	56	85	82	63	286
Tax benefit from cumulative effect of change in accounting principle	(64)	-	-	-	(64)
Depreciation and amortization	40	42	44	62	188
Less: Depreciation reimbursed by third-party owners	(4)	(4)	(4)	(6)	(18)
Interest expense from unconsolidated joint ventures	5	6	5	7	23
Depreciation and amortization from unconsolidated joint ventures	6	7	7	9	29
EBITDA**	\$ 300	\$ 352	\$ 304	\$ 393	\$ 1,349
Synthetic Fuel adjustment	24	11	(4)	44	75
Adjusted EBITDA**	\$ 324	\$ 363	\$ 300	\$ 437	\$ 1,424
The following items make up the Synthetic Fuel adjustment:					
Pre-tax Synthetic Fuel operating losses (income)	\$ 31	\$ 13	\$ (2)	\$ 53	\$ 95
Pre-tax minority interest - Synthetic Fuel	(5)	-	-	(1)	(6)
Synthetic Fuel depreciation	(2)	(2)	(2)	(8)	(14)
EBITDA adjustment for Synthetic Fuel	\$ 24	\$ 11	\$ (4)	\$ 44	\$ 75

** Denotes non-GAAP financial measures.