



## *Forward-Looking Statements and Non-GAAP Financial Measures*

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 in future years; our potential investment spending and share repurchases; 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; the continuation and pace of the economic recovery; supply and demand changes for hotel rooms; competitive conditions in the lodging industry; relationships with clients and property owners; the availability of capital to finance hotel growth and refurbishment; and other risk factors that we identify in our most recent quarterly report on Form 10-Q; any of which could cause actual results to differ materially from the expectations we express or imply here. We make these statements as of September 8, 2014 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 the Security Analyst Meeting presentations we report certain financial measures, each identified with the symbol “†,” that are not required by, or presented in accordance with United States generally accepted accounting principles (“GAAP”). We discuss our reasons for reporting these non-GAAP measures and reconcile each to the most directly comparable GAAP measures at [www.marriott.com/investor](http://www.marriott.com/investor).

*Dave*  
**GRISSEN**

Group President

The Americas | The Ritz-Carlton | Global Operations



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AC Hotel Palau de Bellavista, Girona, Spain

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# Agenda

Rooms Supply

Growing the Franchise  
Business

Growing the Managed  
Business

Delivering the Guest  
Experience

Delivering the Bottom Line

AC Hotel Palau de Bellavista, Girona, Spain

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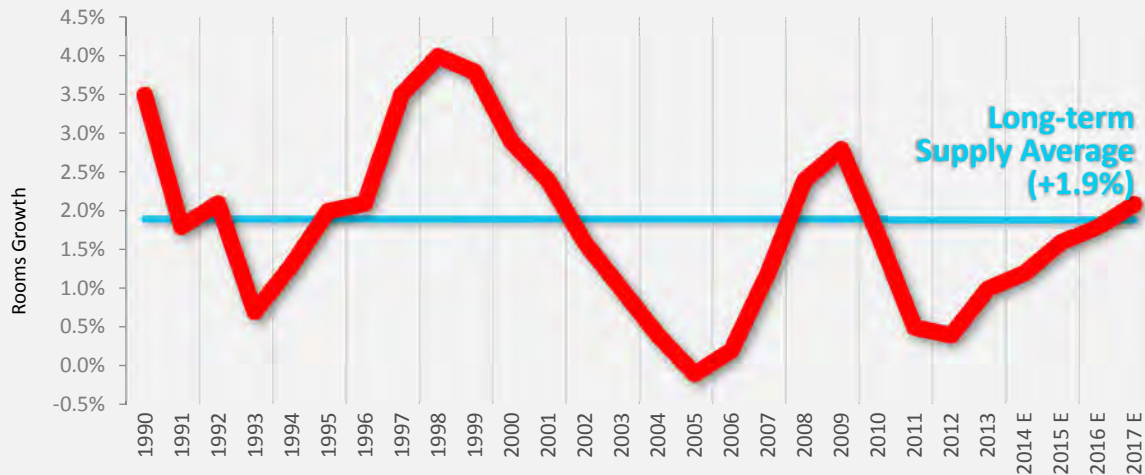
# Rooms Supply



AC Hotels Aventura, FL

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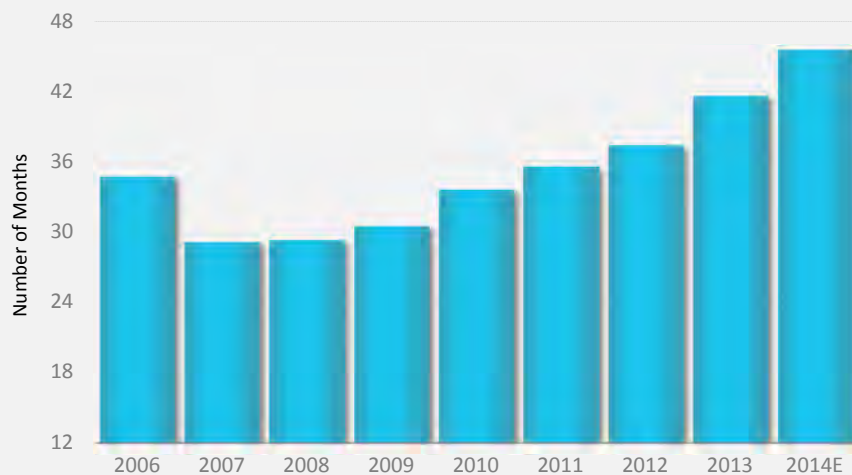
## U.S. Market Supply



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## Approval to Opening Timeframes

MARRIOTT INTERNATIONAL LIMITED-SERVICE HOTELS



FINANCING  
REGULATIONS  
PERMITTING  
ZONING

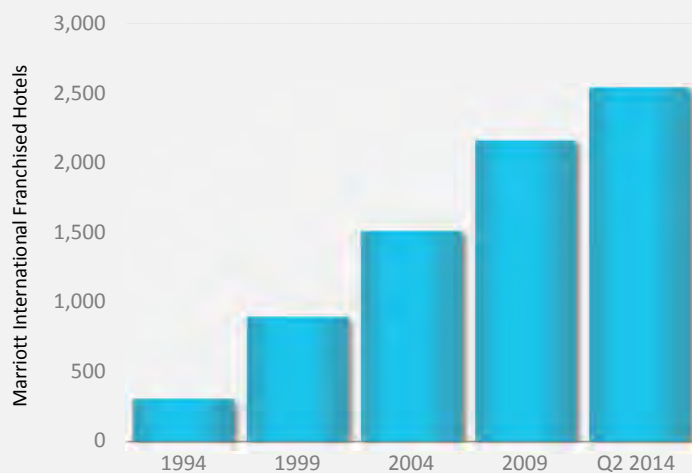
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## *Growing the Franchise Business*



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## *U.S. Franchised Hotels*



Franchisees have:

- Access to significant amounts of capital
- Desire to grow portfolios
- Knowledge of home markets
- Operational capability

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# Why Marriott?

VALUE TO A FRANCHISEE



**Diverse Portfolio**  
**Robust Distribution**  
**Channel Strength**



**Responsible +**  
**Eco-Friendly**



**Leading Rewards**  
**Ethics + Culture**  
**Global Name**  
**Recognition**



**Powerful RevPAR**  
**Revenue**  
**Management**



**Product Innovation**  
**Owner/Manager**  
**Support**

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# Choosing the Best Franchisees

## Rigorous screening

Background checks  
Social media reviews  
Inspections  
In-person interviews



## Cultural & brand alignment



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# *Collaborating for Success*

Advisory Councils **>30**

## Franchisee Training

## Comprehensive Resources



Sales +  
Distribution



Technology



eCommerce



Rooms



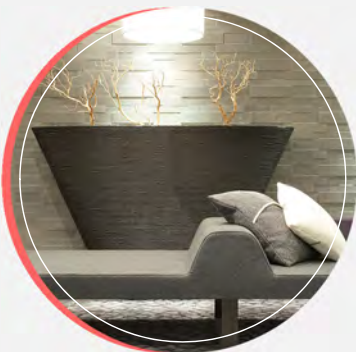
Brand-Specific



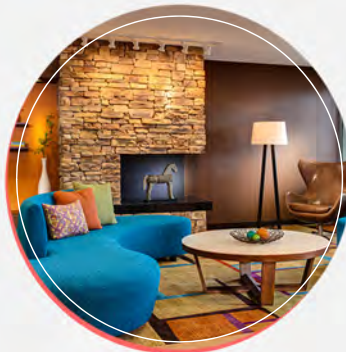
F&B

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# *Creating Accountability*



Quality Assurance



Product Standards



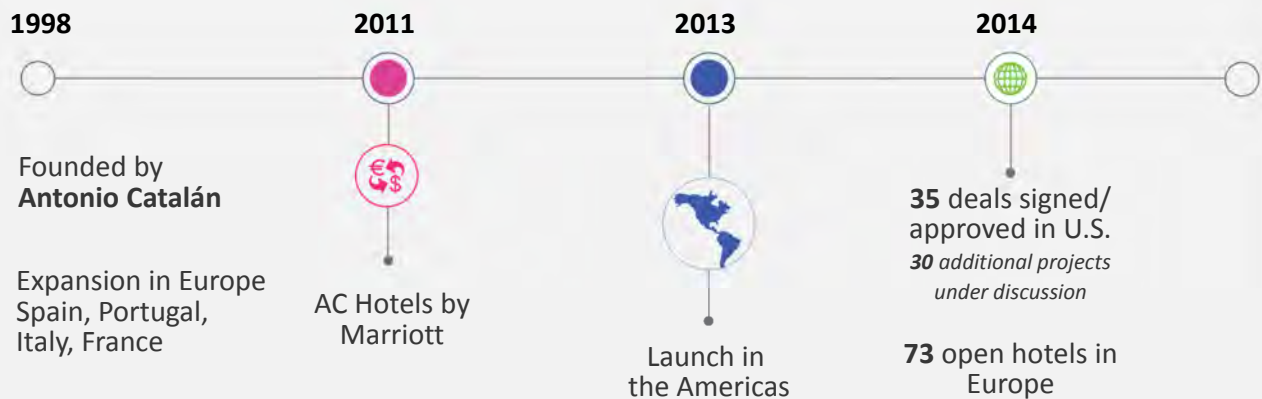
Brand Equity

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## Franchise Growth with AC Hotels



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AC Hotels Miami Beach, FL

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AC Hotels New Orleans Bourbon/French Quarter Area, LA

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Turnberry Isle Miami, Aventura, FL

AUTOGRAPH  
COLLECTION®  
HOTELS

12 months after  
converting

**+19.8%**

RevPAR

**+12.5%**

RevPAR Index

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Kessler Canyon, Autograph Collection, De Beque, CO

AUTOGRAPH  
COLLECTION®  
HOTELS

**65%**  
of room revenue from  
Marriott Rewards  
members

**37%**  
of room revenue  
through marriott.com

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JW Marriott Hotel, Indianapolis, IN

**WHITE LODGING**

Who are Marriott's Franchisees?

A Case Study

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Residence Inn Pullman, WA

**AAHOA**  
ASIAN AMERICAN HOTEL OWNERS ASSOCIATION  
FOUNDING MEMBER

Own **40%** of U.S. industry supply

**36%** of Marriott's North American limited-service pipeline

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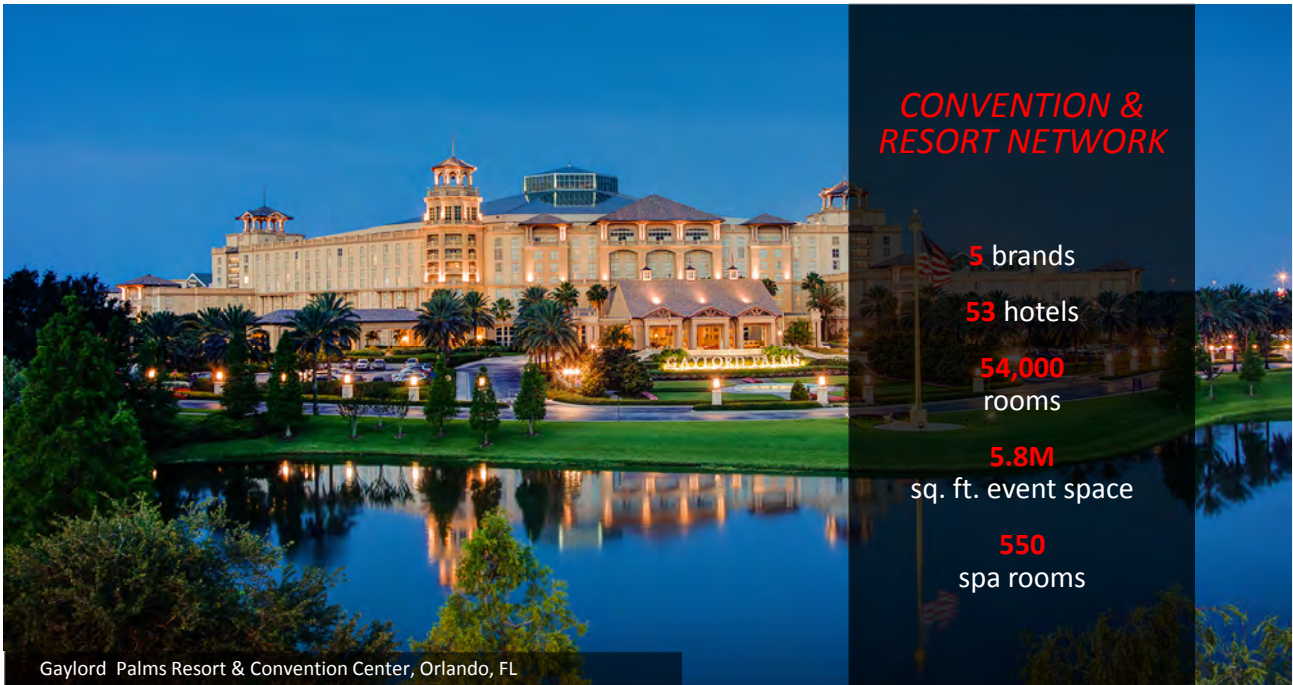


# Growing the Managed Business



The Ritz-Carlton, Rancho Mirage, CA

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## CONVENTION & RESORT NETWORK

5 brands

53 hotels

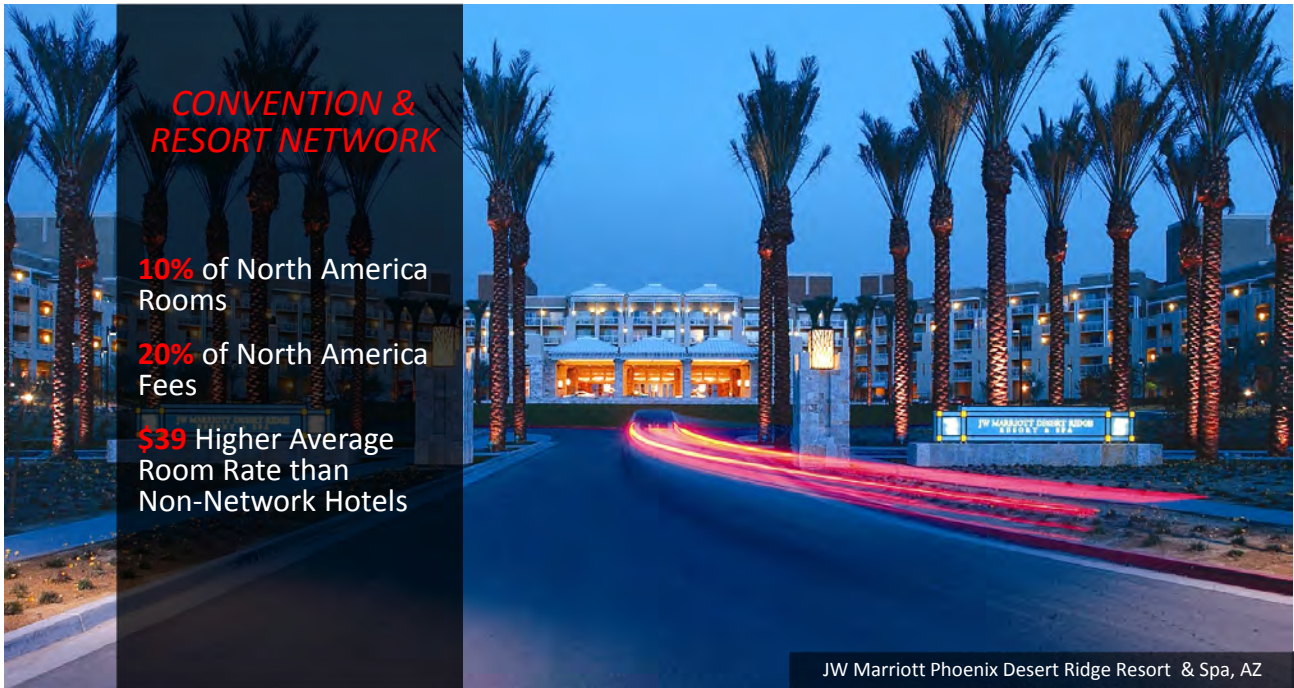
54,000  
rooms

5.8M  
sq. ft. event space

550  
spa rooms

Gaylord Palms Resort & Convention Center, Orlando, FL

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## Expanding the Network

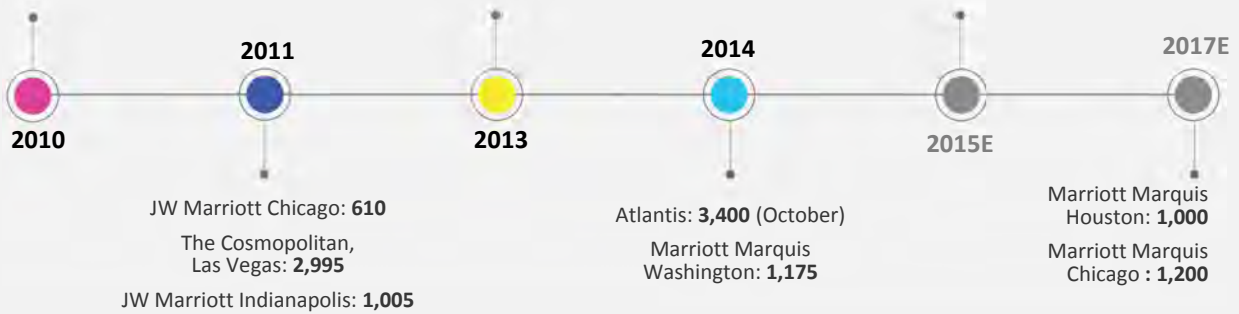
### Total Rooms

JW Marriott L.A.  
Live: **878**

JW Marriott San Antonio Hill Country: **1,002**

Turnberry Isles Miami: **408**  
Gaylord Hotels: **8,098**

JW Marriott Austin: **1,012**



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Atlantis Paradise Island, Bahamas, Autograph Collection

## ATLANTIS

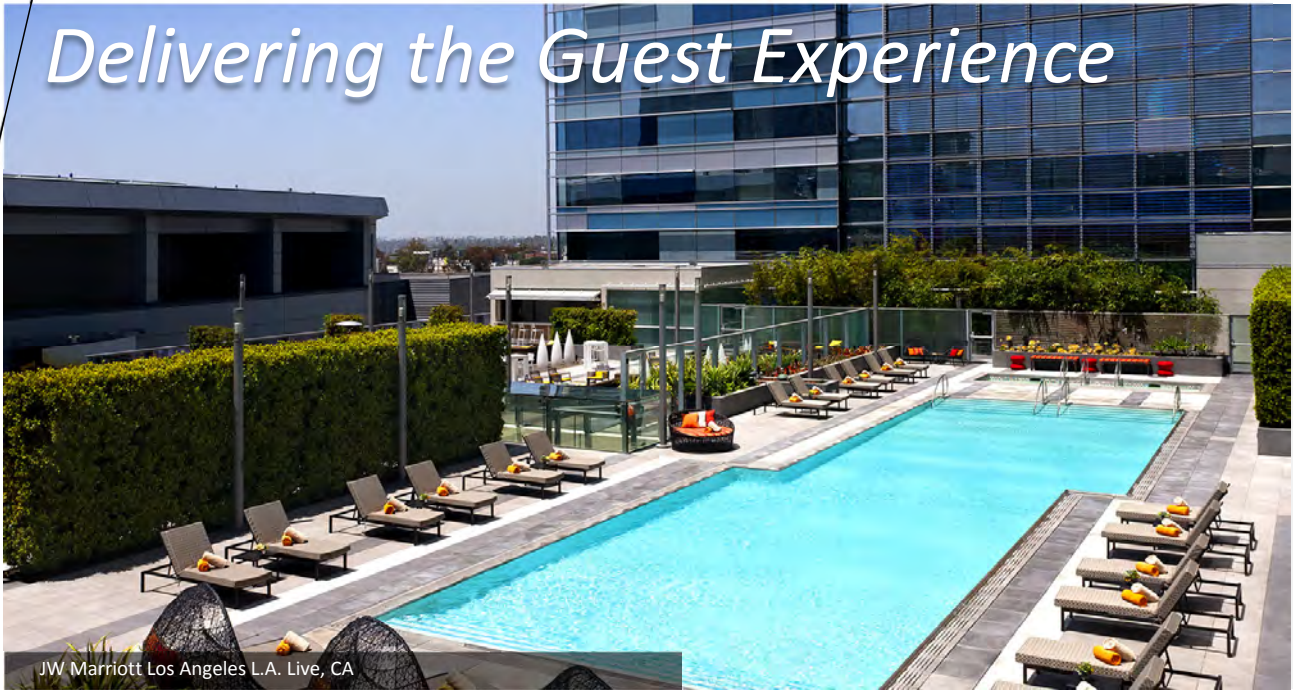
3,400 rooms

500K  
sq. ft. meeting space

\$740M  
total resort revenue  
(2013)

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## *Delivering the Guest Experience*



JW Marriott Los Angeles L.A. Live, CA

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# *Delivering the Guest Experience*



Courtyard  
Refreshing  
Business



Marriott Hotels  
Greatroom



Mobile Services



Meeting Services  
Applications

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## *Refreshing Business*

Live in **790** hotels

F&B per occupied  
room **+8.1%**

Lobby comfort up  
**5.3** points in Guest  
Satisfaction



Courtyard Fairfax Fair Oaks, VA

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# *Mobile Services*

NORTH AMERICA

## **Check-in / Check-out**

- Live in 650 hotels
- Expect to be in 3,300 hotels by year-end 2014

## **Service Requests**

Testing at 15 hotels



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# Meeting Services Apps

NORTH AMERICA



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# Charlotte Marriott City Center



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## *Delivering the Bottom Line*



JW Marriott Orlando Grande Lakes, FL

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## *Driving Profits at Marriott Hotels*

NORTH AMERICA

	2007	2009	2013
Rooms Revenue (RevPAR)	\$127	\$105	\$130
Total Revenue (PAR)	\$206	\$168	\$205
House Profit (PAR)	\$78	\$55	\$74
Net House Profit (PAR)	\$52	\$30	\$46
Incentive Management Fees	\$143M	\$42M	\$86M

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# Incentive Management Fee Growth

NORTH AMERICA

(\$ in Millions)



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# North America Total Fees

(\$ in Millions)



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# Grissen Endnotes

**Slide 110** – US Market Supply  
Collins Stewart/STR, PKF Forecasts

**Slide 119** – Franchise Growth with AC Hotels  
Total deals signed as of August, 2014

**Slide 122** – Autograph Collection Hotels  
STR Index Data. All Includes all hotels with at least 12 months of post-conversion reporting to STR

**Slide 123** – Autograph Collection Hotels  
North America room revenue from Rewards for FY2013  
North America room revenue from marriott.com for FY2013

**Slide 125** – AAHOA  
AAHOA 2013 annual report  
STR North America existing supply, June 2014

**Slide 127** – Convention & Resort Network  
Data shown applies to Marriott International's Convention and Resort Network Hotels in North America only.  
To be included in the Convention and Resort Network, Convention hotels have at least 600 rooms and 40,000 sq. feet of meeting space. Resort hotels have at least 350 rooms and 20,000 sq. feet of meeting space.

**Slide 128** – Convention & Resort Network  
Data shown applies to Marriott International's Convention and Resort Network Hotels only  
Rooms statistic as of August 2014  
Fees for FY2013  
Room rates for June 2014 YTD

**Slide 130** – Atlantis  
Source: Atlantis Paradise Island

**Slide 133** – Refreshing Business  
Hotel count as of August 2014  
F&B per occupied room improvement for Q1 2014  
Lobby comfort 2013 compared to 2008

**Slide 134** – Greatroom  
As of August 2014

**Slide 135** – Mobile Services  
As of August 2014

**Slide 139** – Driving Profits at Marriott Hotels  
North America Marriott Hotel brand RevPAR and Per Available Room data for comparable managed hotels. Incentive management fees for total North America Marriott Hotel brand.

**Slide 140** – Incentive Management Fee Growth  
Full-Service hotels include luxury hotels for all years.

**Slide 141** – North America Total Fees  
Does not include Timeshare fees for all years

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