

MARRIOTT INTERNATIONAL, INC.
PRESS RELEASE SCHEDULES
TABLE OF CONTENTS
QUARTER 4, 2020

| | |
|--|------|
| Consolidated Statements of Income - As Reported | A-1 |
| Non-GAAP Financial Measures - Fourth Quarter and Full Year 2020 and 2019 | A-3 |
| Non-GAAP Financial Measures - 2020 Quarterly | A-4 |
| Total Lodging Products | A-5 |
| Key Lodging Statistics | A-8 |
| Adjusted EBITDA | A-12 |
| Explanation of Non-GAAP Financial and Performance Measures | A-13 |

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME - AS REPORTED
FOURTH QUARTER 2020 AND 2019

(in millions except per share amounts, unaudited)

| | As Reported Three Months Ended December 31, 2020 | As Reported Three Months Ended December 31, 2019 | Percent Better/(Worse) Reported 2020 vs. 2019 |
|---|--|--|---|
| REVENUES | | | |
| Base management fees | \$ 102 | \$ 298 | (66) |
| Franchise fees ¹ | 277 | 501 | (45) |
| Incentive management fees | 44 | 175 | (75) |
| Gross Fee Revenues | 423 | 974 | (57) |
| Contract investment amortization ² | (38) | (17) | (124) |
| Net Fee Revenues | 385 | 957 | (60) |
| Owned, leased, and other revenue ³ | 123 | 426 | (71) |
| Cost reimbursement revenue ⁴ | 1,664 | 3,988 | (58) |
| Total Revenues | 2,172 | 5,371 | (60) |
| OPERATING COSTS AND EXPENSES | | | |
| Owned, leased, and other - direct ⁵ | 150 | 334 | 55 |
| Depreciation, amortization, and other ⁶ | 71 | 179 | 60 |
| General, administrative, and other ⁷ | 183 | 267 | 31 |
| Restructuring and merger-related charges (recoveries) | 262 | (53) | (594) |
| Reimbursed expenses ⁴ | 1,634 | 4,370 | 63 |
| Total Expenses | 2,300 | 5,097 | 55 |
| OPERATING (LOSS) INCOME | (128) | 274 | (147) |
| Gains and other income, net ⁸ | 6 | 138 | (96) |
| Interest expense | (112) | (95) | (18) |
| Interest income | 7 | 6 | 17 |
| Equity in (losses) earnings ⁹ | (87) | 3 | (3,000) |
| (LOSS) INCOME BEFORE INCOME TAXES | (314) | 326 | (196) |
| Benefit (provision) for income taxes | 150 | (47) | 419 |
| NET (LOSS) INCOME | \$ (164) | \$ 279 | (159) |
| (LOSS) EARNINGS PER SHARE | | | |
| (Loss) Earnings per share - basic | \$ (0.50) | \$ 0.85 | (159) |
| (Loss) Earnings per share - diluted | \$ (0.50) | \$ 0.85 | (159) |
| Basic Shares | 326.2 | 327.7 | |
| Diluted Shares ¹⁰ | 326.2 | 330.4 | |

¹ Franchise fees include fees from our franchise agreements, application and relicensing fees, licensing fees from our timeshare, credit card programs, and residential branding fees.

² Contract investment amortization includes amortization of capitalized costs to obtain contracts with our owner and franchisee customers, and any related impairments, accelerations, or write-offs.

³ Owned, leased, and other revenue includes revenue from the properties we own or lease, termination fees, and other revenue.

⁴ Cost reimbursement revenue includes reimbursements from properties for property-level and centralized programs and services that we operate for the benefit of our hotel owners. Reimbursed expenses include costs incurred by Marriott for certain property-level operating expenses and centralized programs and services.

⁵ Owned, leased, and other - direct expenses include operating expenses related to our owned or leased hotels, including lease payments and pre-opening expenses.

⁶ Depreciation, amortization, and other expenses include depreciation for fixed assets, amortization of capitalized costs incurred to acquire management, franchise, and license agreements, and any related impairments, accelerations, or write-offs.

⁷ General, administrative, and other expenses include our corporate and business segments overhead costs and general expenses.

⁸ Gains and other income, net includes gains and losses on the sale of real estate, the sale of joint venture interests and other investments, and adjustments from other equity investments.

⁹ Equity in (losses) earnings include our equity in earnings or losses of unconsolidated equity method investments.

¹⁰ Basic and fully diluted weighted average shares outstanding used to calculate (loss) earnings per share for the period in which we had a loss are the same because inclusion of additional equivalents would be anti-dilutive.

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME - AS REPORTED
FOURTH QUARTER YEAR-TO-DATE 2020 AND 2019

(in millions except per share amounts, unaudited)

| | As Reported Twelve Months Ended December 31, 2020 | As Reported Twelve Months Ended December 31, 2019 | Percent Better/(Worse) Reported 2020 vs. 2019 |
|--|---|---|---|
| REVENUES | | | |
| Base management fees | \$ 443 | \$ 1,180 | (62) |
| Franchise fees ¹ | 1,153 | 2,006 | (43) |
| Incentive management fees | 87 | 637 | (86) |
| Gross Fee Revenues | 1,683 | 3,823 | (56) |
| Contract investment amortization ² | (132) | (62) | (113) |
| Net Fee Revenues | 1,551 | 3,761 | (59) |
| Owned, leased, and other revenue ³ | 568 | 1,612 | (65) |
| Cost reimbursement revenue ⁴ | 8,452 | 15,599 | (46) |
| Total Revenues | 10,571 | 20,972 | (50) |
| OPERATING COSTS AND EXPENSES | | | |
| Owned, leased, and other - direct ⁵ | 677 | 1,316 | 49 |
| Depreciation, amortization, and other ⁶ | 346 | 341 | (1) |
| General, administrative, and other ⁷ | 762 | 938 | 19 |
| Restructuring and merger-related charges | 267 | 138 | (93) |
| Reimbursed expenses ⁴ | 8,435 | 16,439 | 49 |
| Total Expenses | 10,487 | 19,172 | 45 |
| OPERATING INCOME | 84 | 1,800 | (95) |
| Gains and other income, net ⁸ | 9 | 154 | (94) |
| Interest expense | (445) | (394) | (13) |
| Interest income | 27 | 26 | 4 |
| Equity in (losses) earnings ⁹ | (141) | 13 | (1,185) |
| (LOSS) INCOME BEFORE INCOME TAXES | (466) | 1,599 | (129) |
| Benefit (provision) for income taxes | 199 | (326) | 161 |
| NET (LOSS) INCOME | \$ (267) | \$ 1,273 | (121) |
| (LOSS) EARNINGS PER SHARE | | | |
| (Loss) Earnings per share - basic | \$ (0.82) | \$ 3.83 | (121) |
| (Loss) Earnings per share - diluted | \$ (0.82) | \$ 3.80 | (122) |
| Basic Shares | 325.8 | 332.7 | |
| Diluted Shares ¹⁰ | 325.8 | 335.5 | |

¹ Franchise fees include fees from our franchise agreements, application and relicensing fees, licensing fees from our timeshare, credit card programs, and residential branding fees.

² Contract investment amortization includes amortization of capitalized costs to obtain contracts with our owner and franchisee customers, and any related impairments, accelerations, or write-offs.

³ Owned, leased, and other revenue includes revenue from the properties we own or lease, termination fees, and other revenue.

⁴ Cost reimbursement revenue includes reimbursements from properties for property-level and centralized programs and services that we operate for the benefit of our hotel owners. Reimbursed expenses include costs incurred by Marriott for certain property-level operating expenses and centralized programs and services.

⁵ Owned, leased, and other - direct expenses include operating expenses related to our owned or leased hotels, including lease payments and pre-opening expenses.

⁶ Depreciation, amortization, and other expenses include depreciation for fixed assets, amortization of capitalized costs incurred to acquire management, franchise, and license agreements, and any related impairments, accelerations, or write-offs.

⁷ General, administrative, and other expenses include our corporate and business segments overhead costs and general expenses.

⁸ Gains and other income, net includes gains and losses on the sale of real estate, the sale of joint venture interests and other investments, and adjustments from other equity investments.

⁹ Equity in (losses) earnings include our equity in earnings or losses of unconsolidated equity method investments.

¹⁰ Basic and fully diluted weighted average shares outstanding used to calculate (loss) earnings per share for the period in which we had a loss are the same because inclusion of additional equivalents would be anti-dilutive.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES - FOURTH QUARTER AND FULL YEAR 2020 AND 2019

(\$ in millions except per share amounts)

The following table presents our reconciliations of Adjusted operating income, Adjusted operating income margin, Adjusted net income, and Adjusted diluted earnings per share, to the most directly comparable GAAP measure. Adjusted total revenues is used in the determination of Adjusted operating income margin.

| | Three Months Ended | | | Twelve Months Ended | | |
|---|-----------------------------|----------------------|-------------------------------|----------------------|----------------------|-------------------------------|
| | December 31, 2020 | December 31, 2019 | Percent Better/ (Worse) | December 31, 2020 | December 31, 2019 | Percent Better/ (Worse) |
| | Total revenues, as reported | \$ 2,172 | \$ 5,371 | | \$ 10,571 | \$ 20,972 |
| Less: Cost reimbursement revenue | (1,664) | (3,988) | | (8,452) | (15,599) | |
| Add: Impairments ¹ | 22 | - | | 62 | - | |
| Adjusted total revenues** | 530 | 1,383 | | 2,181 | 5,373 | |
| Operating (loss) income, as reported | (128) | 274 | | 84 | 1,800 | |
| Less: Cost reimbursement revenue | (1,664) | (3,988) | | (8,452) | (15,599) | |
| Add: Reimbursed expenses | 1,634 | 4,370 | | 8,435 | 16,439 | |
| Add (Less): Restructuring and merger-related charges (recoveries) | 262 | (53) | | 267 | 138 | |
| Add: Impairments ² | 44 | 114 | | 201 | 114 | |
| Adjusted operating income ** | 148 | 717 | -79% | 535 | 2,892 | -82% |
| Operating (loss) income margin | -6% | 5% | | 1% | 9% | |
| Adjusted operating income margin ** | 28% | 52% | | 25% | 54% | |
| Net (loss) income, as reported | (164) | 279 | | (267) | 1,273 | |
| Less: Cost reimbursement revenue | (1,664) | (3,988) | | (8,452) | (15,599) | |
| Add: Reimbursed expenses | 1,634 | 4,370 | | 8,435 | 16,439 | |
| Add (Less): Restructuring and merger-related charges (recoveries) | 262 | (53) | | 267 | 138 | |
| Add: Impairments ³ | 113 | 114 | | 278 | 114 | |
| Add (Less): Loss (gain) on asset dispositions ⁴ | 6 | (134) | | 6 | (143) | |
| Income tax effect of above adjustments | (74) | (90) | | (134) | (236) | |
| Less: Income tax benefit due to audit closures | (74) | - | | (74) | - | |
| Adjusted net income ** | \$ 39 | \$ 498 | -92% | \$ 59 | \$ 1,986 | -97% |
| Diluted (loss) earnings per share, as reported | \$ (0.50) | \$ 0.85 | | \$ (0.82) | \$ 3.80 | |
| Adjusted diluted earnings per share** | \$ 0.12 | \$ 1.51 | -92% | \$ 0.18 | \$ 5.92 | -97% |

** Denotes non-GAAP financial measures. Please see pages A-13 and A-14 for information about our reasons for providing these alternative financial measures and the limitations on their use.

¹ Includes impairment charges reported in Contract investment amortization of \$22 million and \$62 million in the 2020 fourth quarter and 2020 full year, respectively.

² Includes impairment charges reported in Contract investment amortization of \$22 million and \$62 million; and Depreciation, amortization, and other of \$22 million and \$139 million in the 2020 fourth quarter and 2020 full year, respectively. Includes impairment charges reported in Depreciation, amortization, and other of \$114 million in both the 2019 fourth quarter and 2019 full year.

³ Includes impairment charges reported in Contract investment amortization of \$22 million and \$62 million; Depreciation, amortization, and other of \$22 million and \$139 million; Equity in earnings (losses) of \$69 million and \$77 million in the 2020 fourth quarter and 2020 full year, respectively. Includes impairment charges reported in Depreciation, amortization, and other of \$114 million in both the 2019 fourth quarter and 2019 full year.

⁴ Loss (gain) on asset dispositions reported in Gains and other income, net.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES - 2020 QUARTERLY

(\$ in millions except per share amounts)

The following table presents our reconciliations of Adjusted operating income (loss), Adjusted operating income (loss) margin, Adjusted net income (loss), and Adjusted diluted earnings (loss) per share, to the most directly comparable GAAP measure. Adjusted total revenues is used in the determination of Adjusted operating income (loss) margin.

| | Fiscal Year 2020 | | | | |
|---|------------------|-------------------|------------------|-------------------|------------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total |
| Total revenues, as reported | \$ 4,681 | \$ 1,464 | \$ 2,254 | \$ 2,172 | \$ 10,571 |
| Less: Cost reimbursement revenue | (3,797) | (1,202) | (1,789) | (1,664) | (8,452) |
| Add: Impairments ¹ | 7 | 3 | 30 | 22 | 62 |
| Adjusted total revenues** | 891 | 265 | 495 | 530 | 2,181 |
| Operating income (loss), as reported | 114 | (154) | 252 | (128) | 84 |
| Less: Cost reimbursement revenue | (3,797) | (1,202) | (1,789) | (1,664) | (8,452) |
| Add: Reimbursed expenses | 3,877 | 1,241 | 1,683 | 1,634 | 8,435 |
| (Less) Add: Restructuring and merger-related (recoveries) charges | (2) | 6 | 1 | 262 | 267 |
| Add: Impairments ² | 101 | 24 | 32 | 44 | 201 |
| Adjusted operating income (loss) ** | 293 | (85) | 179 | 148 | 535 |
| Operating income (loss) margin | 2% | -11% | 11% | -6% | 1% |
| Adjusted operating income (loss) margin ** | 33% | -32% | 36% | 28% | 25% |
| Net income (loss), as reported | 31 | (234) | 100 | (164) | (267) |
| Less: Cost reimbursement revenue | (3,797) | (1,202) | (1,789) | (1,664) | (8,452) |
| Add: Reimbursed expenses | 3,877 | 1,241 | 1,683 | 1,634 | 8,435 |
| (Less) Add: Restructuring and merger-related (recoveries) charges | (2) | 6 | 1 | 262 | 267 |
| Add: Impairments ³ | 101 | 32 | 32 | 113 | 278 |
| Add: Loss on asset dispositions ⁴ | - | - | - | 6 | 6 |
| Income tax effect of above adjustments | (50) | (27) | 17 | (74) | (134) |
| Less: Income tax benefit due to audit closures | - | - | - | (74) | (74) |
| Adjusted net income (loss) ** | \$ 160 | \$ (184) | \$ 44 | \$ 39 | \$ 59 |
| Diluted earnings (loss) per share, as reported | \$ 0.09 | \$ (0.72) | \$ 0.31 | \$ (0.50) | \$ (0.82) |
| Adjusted diluted earnings (loss) per share** | \$ 0.49 | \$ (0.57) | \$ 0.13 | \$ 0.12 | \$ 0.18 |

** Denotes non-GAAP financial measures. Please see pages A-13 and A-14 for information about our reasons for providing these alternative financial measures and the limitations on their use.

¹ Includes impairment charges reported in Contract investment amortization of \$7 million, \$3 million, \$30 million, \$22 million and \$62 million in the first quarter, second quarter, third quarter, fourth quarter and full year, respectively.

² Includes impairment charges reported in Contract investment amortization of \$7 million, \$3 million, \$30 million, \$22 million and \$62 million; and Depreciation, amortization, and other of \$94 million, \$21 million, \$2 million, \$22 million and \$139 million in the first quarter, second quarter, third quarter, fourth quarter and full year, respectively.

³ Includes impairment charges reported in Contract investment amortization of \$7 million, \$3 million, \$30 million, \$22 million and \$62 million; Depreciation, amortization, and other of \$94 million, \$21 million, \$2 million, \$22 million and \$139 million; and Equity in earnings (losses) of \$0 million, \$8 million, \$0 million, \$69 million and \$77 million in the first quarter, second quarter, third quarter, fourth quarter and full year, respectively.

⁴ Loss on asset dispositions reported in Gains and other income, net.

MARRIOTT INTERNATIONAL, INC.
TOTAL LODGING PRODUCTS
As of December 31, 2020

| | US & Canada | | Total International | | Total Worldwide | |
|--------------------------------------|--------------|----------------|---------------------|----------------|-----------------|----------------|
| | Units | Rooms | Units | Rooms | Units | Rooms |
| Managed | 733 | 234,576 | 1,266 | 326,159 | 1,999 | 560,735 |
| Marriott Hotels | 115 | 62,212 | 178 | 51,890 | 293 | 114,102 |
| Marriott Hotels Serviced Apartments | - | - | 1 | 154 | 1 | 154 |
| Sheraton | 28 | 23,609 | 189 | 63,573 | 217 | 87,182 |
| Courtyard | 220 | 34,988 | 105 | 22,812 | 325 | 57,800 |
| Westin | 41 | 22,349 | 72 | 21,924 | 113 | 44,273 |
| JW Marriott | 21 | 12,711 | 61 | 22,581 | 82 | 35,292 |
| Renaissance | 24 | 10,607 | 59 | 18,402 | 83 | 29,009 |
| The Ritz-Carlton | 38 | 11,404 | 63 | 16,175 | 101 | 27,579 |
| The Ritz-Carlton Serviced Apartments | - | - | 5 | 713 | 5 | 713 |
| Le Méridien | 2 | 160 | 71 | 20,314 | 73 | 20,474 |
| Four Points | 1 | 134 | 80 | 21,892 | 81 | 22,026 |
| Residence Inn | 108 | 16,344 | 6 | 701 | 114 | 17,045 |
| W Hotels | 22 | 6,403 | 32 | 8,445 | 54 | 14,848 |
| W Hotels Serviced Apartments | - | - | 1 | 160 | 1 | 160 |
| The Luxury Collection | 6 | 2,296 | 50 | 9,084 | 56 | 11,380 |
| Gaylord Hotels | 6 | 9,918 | - | - | 6 | 9,918 |
| St. Regis | 10 | 1,968 | 34 | 7,819 | 44 | 9,787 |
| Aloft | 1 | 330 | 39 | 8,957 | 40 | 9,287 |
| St. Regis Serviced Apartments | - | - | 1 | 70 | 1 | 70 |
| AC Hotels by Marriott | 5 | 901 | 67 | 8,180 | 72 | 9,081 |
| Delta Hotels | 25 | 6,770 | 1 | 360 | 26 | 7,130 |
| Fairfield by Marriott | 7 | 1,539 | 42 | 6,074 | 49 | 7,613 |
| SpringHill Suites | 30 | 4,896 | - | - | 30 | 4,896 |
| Marriott Executive Apartments | - | - | 33 | 4,812 | 33 | 4,812 |
| Autograph Collection | 8 | 2,335 | 14 | 2,200 | 22 | 4,535 |
| Protea Hotels | - | - | 32 | 3,911 | 32 | 3,911 |
| EDITION | 4 | 1,209 | 7 | 1,488 | 11 | 2,697 |
| TownePlace Suites | 10 | 1,313 | - | - | 10 | 1,313 |
| Element | 1 | 180 | 8 | 1,690 | 9 | 1,870 |
| Moxy | - | - | 5 | 887 | 5 | 887 |
| Tribute Portfolio | - | - | 5 | 453 | 5 | 453 |
| Bulgari | - | - | 5 | 438 | 5 | 438 |
| Franchised | 4,716 | 676,773 | 676 | 137,726 | 5,392 | 814,499 |
| Courtyard | 819 | 109,111 | 91 | 16,700 | 910 | 125,811 |
| Fairfield by Marriott | 1,054 | 98,362 | 29 | 5,089 | 1,083 | 103,451 |
| Residence Inn | 745 | 88,737 | 13 | 1,566 | 758 | 90,303 |
| Marriott Hotels | 223 | 70,452 | 60 | 17,745 | 283 | 88,197 |
| Sheraton | 155 | 46,636 | 66 | 18,808 | 221 | 65,444 |
| SpringHill Suites | 458 | 52,694 | - | - | 458 | 52,694 |
| TownePlace Suites | 436 | 44,007 | - | - | 436 | 44,007 |
| Westin | 88 | 29,283 | 23 | 7,171 | 111 | 36,454 |
| Autograph Collection | 115 | 23,114 | 65 | 12,199 | 180 | 35,313 |
| Four Points | 157 | 23,702 | 57 | 9,215 | 214 | 32,917 |
| Renaissance | 62 | 17,956 | 28 | 7,691 | 90 | 25,647 |
| Aloft | 133 | 19,289 | 19 | 3,074 | 152 | 22,363 |
| AC Hotels by Marriott | 68 | 11,436 | 36 | 6,412 | 104 | 17,848 |
| Moxy | 21 | 4,149 | 48 | 9,499 | 69 | 13,648 |
| Delta Hotels | 52 | 11,456 | 7 | 1,706 | 59 | 13,162 |
| The Luxury Collection | 11 | 2,794 | 48 | 8,863 | 59 | 11,657 |
| Le Méridien | 20 | 4,588 | 16 | 4,225 | 36 | 8,813 |
| JW Marriott | 13 | 5,947 | 6 | 1,624 | 19 | 7,571 |
| Element | 54 | 7,207 | 2 | 293 | 56 | 7,500 |
| Tribute Portfolio | 26 | 4,571 | 17 | 1,947 | 43 | 6,518 |
| Protea Hotels | - | - | 36 | 2,949 | 36 | 2,949 |
| Design Hotels | 5 | 853 | 7 | 799 | 12 | 1,652 |
| The Ritz-Carlton | 1 | 429 | - | - | 1 | 429 |
| Bulgari | - | - | 1 | 85 | 1 | 85 |
| Marriott Executive Apartments | - | - | 1 | 66 | 1 | 66 |

MARRIOTT INTERNATIONAL, INC.
TOTAL LODGING PRODUCTS
As of December 31, 2020

| | US & Canada | | Total International | | Total Worldwide | |
|------------------------------------|--------------|----------------|---------------------|----------------|-----------------|------------------|
| | Units | Rooms | Units | Rooms | Units | Rooms |
| Owned/Leased | 26 | 6,483 | 40 | 9,417 | 66 | 15,900 |
| Courtyard | 19 | 2,814 | 4 | 894 | 23 | 3,708 |
| Marriott Hotels | 2 | 1,308 | 6 | 2,064 | 8 | 3,372 |
| Sheraton | - | - | 4 | 1,830 | 4 | 1,830 |
| W Hotels | 2 | 779 | 2 | 665 | 4 | 1,444 |
| Protea Hotels | - | - | 6 | 991 | 6 | 991 |
| Westin | 1 | 1,073 | - | - | 1 | 1,073 |
| Renaissance | 1 | 317 | 2 | 505 | 3 | 822 |
| Autograph Collection ¹ | - | - | 7 | 705 | 7 | 705 |
| The Ritz-Carlton | - | - | 2 | 550 | 2 | 550 |
| JW Marriott | - | - | 1 | 496 | 1 | 496 |
| The Luxury Collection ² | - | - | 4 | 417 | 4 | 417 |
| Residence Inn | 1 | 192 | 1 | 140 | 2 | 332 |
| St. Regis | - | - | 1 | 160 | 1 | 160 |
| Residences | 59 | 6,258 | 35 | 2,897 | 94 | 9,155 |
| The Ritz-Carlton Residences | 35 | 4,064 | 11 | 938 | 46 | 5,002 |
| W Residences | 10 | 1,089 | 4 | 359 | 14 | 1,448 |
| St. Regis Residences | 8 | 703 | 7 | 598 | 15 | 1,301 |
| Bulgari Residences | - | - | 5 | 514 | 5 | 514 |
| Westin Residences | 3 | 266 | - | - | 3 | 266 |
| The Luxury Collection Residences | 1 | 91 | 3 | 115 | 4 | 206 |
| Marriott Hotels Residences | - | - | 2 | 246 | 2 | 246 |
| Autograph Collection Residences | - | - | 1 | 62 | 1 | 62 |
| Sheraton Residences | - | - | 1 | 50 | 1 | 50 |
| EDITION Residences | 2 | 45 | - | - | 2 | 45 |
| Le Méridien Residences | - | - | 1 | 15 | 1 | 15 |
| Timeshare* | 72 | 18,905 | 19 | 3,850 | 91 | 22,755 |
| Grand Total | 5,606 | 942,995 | 2,036 | 480,049 | 7,642 | 1,423,044 |

*Timeshare property and room counts are included on this table in their geographical locations. For external reporting purposes, these counts are captured in the Corporate segment.

¹ Includes five properties acquired when we purchased Elegant Hotels Group in December 2019 which we currently intend to re-brand under the Autograph Collection brand following the completion of planned renovations.

² Includes two properties acquired when we purchased Elegant Hotels Group in December 2019 which we currently intend to re-brand under The Luxury Collection brand following the completion of planned renovations.

MARRIOTT INTERNATIONAL, INC.
TOTAL LODGING PRODUCTS
As of December 31, 2020

| Total Systemwide | US & Canada | | Total International | | Total Worldwide | |
|--------------------------------------|--------------|----------------|---------------------|----------------|-----------------|------------------|
| | Units | Rooms | Units | Rooms | Units | Rooms |
| Luxury | 184 | 51,932 | 354 | 82,357 | 538 | 134,289 |
| JW Marriott | 34 | 18,658 | 68 | 24,701 | 102 | 43,359 |
| The Ritz-Carlton | 39 | 11,833 | 65 | 16,725 | 104 | 28,558 |
| The Ritz-Carlton Residences | 35 | 4,064 | 11 | 938 | 46 | 5,002 |
| The Ritz-Carlton Serviced Apartments | - | - | 5 | 713 | 5 | 713 |
| The Luxury Collection ¹ | 17 | 5,090 | 102 | 18,364 | 119 | 23,454 |
| The Luxury Collection Residences | 1 | 91 | 3 | 115 | 4 | 206 |
| W Hotels | 24 | 7,182 | 34 | 9,110 | 58 | 16,292 |
| W Residences | 10 | 1,089 | 4 | 359 | 14 | 1,448 |
| W Hotels Serviced Apartments | - | - | 1 | 160 | 1 | 160 |
| St. Regis | 10 | 1,968 | 35 | 7,979 | 45 | 9,947 |
| St. Regis Residences | 8 | 703 | 7 | 598 | 15 | 1,301 |
| St. Regis Serviced Apartments | - | - | 1 | 70 | 1 | 70 |
| EDITION | 4 | 1,209 | 7 | 1,488 | 11 | 2,697 |
| EDITION Residences | 2 | 45 | - | - | 2 | 45 |
| Bulgari | - | - | 6 | 523 | 6 | 523 |
| Bulgari Residences | - | - | 5 | 514 | 5 | 514 |
| Full-Service | 1,002 | 349,833 | 937 | 261,916 | 1,939 | 611,749 |
| Marriott Hotels | 340 | 133,972 | 244 | 71,699 | 584 | 205,671 |
| Marriott Hotels Residences | - | - | 2 | 246 | 2 | 246 |
| Marriott Hotels Serviced Apartments | - | - | 1 | 154 | 1 | 154 |
| Sheraton | 183 | 70,245 | 259 | 84,211 | 442 | 154,456 |
| Sheraton Residences | - | - | 1 | 50 | 1 | 50 |
| Westin | 130 | 52,705 | 95 | 29,095 | 225 | 81,800 |
| Westin Residences | 3 | 266 | - | - | 3 | 266 |
| Renaissance | 87 | 28,880 | 89 | 26,598 | 176 | 55,478 |
| Autograph Collection ² | 123 | 25,449 | 86 | 15,104 | 209 | 40,553 |
| Autograph Collection Residences | - | - | 1 | 62 | 1 | 62 |
| Le Méridien | 22 | 4,748 | 87 | 24,539 | 109 | 29,287 |
| Le Méridien Residences | - | - | 1 | 15 | 1 | 15 |
| Delta Hotels | 77 | 18,226 | 8 | 2,066 | 85 | 20,292 |
| Gaylord Hotels | 6 | 9,918 | - | - | 6 | 9,918 |
| Tribute Portfolio | 26 | 4,571 | 22 | 2,400 | 48 | 6,971 |
| Marriott Executive Apartments | - | - | 34 | 4,878 | 34 | 4,878 |
| Design Hotels | 5 | 853 | 7 | 799 | 12 | 1,652 |
| Limited-Service | 4,348 | 522,325 | 726 | 131,926 | 5,074 | 654,251 |
| Courtyard | 1,058 | 146,913 | 200 | 40,406 | 1,258 | 187,319 |
| Fairfield by Marriott | 1,061 | 99,901 | 71 | 11,163 | 1,132 | 111,064 |
| Residence Inn | 854 | 105,273 | 20 | 2,407 | 874 | 107,680 |
| SpringHill Suites | 488 | 57,590 | - | - | 488 | 57,590 |
| Four Points | 158 | 23,836 | 137 | 31,107 | 295 | 54,943 |
| TownePlace Suites | 446 | 45,320 | - | - | 446 | 45,320 |
| Aloft | 134 | 19,619 | 58 | 12,031 | 192 | 31,650 |
| AC Hotels by Marriott | 73 | 12,337 | 103 | 14,592 | 176 | 26,929 |
| Moxy | 21 | 4,149 | 53 | 10,386 | 74 | 14,535 |
| Element | 55 | 7,387 | 10 | 1,983 | 65 | 9,370 |
| Protea Hotels | - | - | 74 | 7,851 | 74 | 7,851 |
| Timeshare* | 72 | 18,905 | 19 | 3,850 | 91 | 22,755 |
| Grand Total | 5,606 | 942,995 | 2,036 | 480,049 | 7,642 | 1,423,044 |

*Timeshare property and room counts are included on this table in their geographical locations. For external reporting purposes, these counts are captured in the Corporate segment.

¹ Includes two properties acquired when we purchased Elegant Hotels Group in December 2019 which we currently intend to re-brand under The Luxury Collection brand following the completion of planned renovations.

² Includes five properties acquired when we purchased Elegant Hotels Group in December 2019 which we currently intend to re-brand under the Autograph Collection brand following the completion of planned renovations.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
In Constant \$

Comparable Company-Operated US & Canada Properties

| Brand | Three Months Ended December 31, 2020 and December 31, 2019 | | | | | | |
|--|--|---------------|--------------|---------------|-------------|--------------------|---------------|
| | REVPAR | | Occupancy | | | Average Daily Rate | |
| | 2020 | vs. 2019 | 2020 | vs. 2019 | pts. | 2020 | vs. 2019 |
| JW Marriott | \$52.85 | -74.7% | 21.2% | -54.0% | pts. | \$249.73 | -10.0% |
| The Ritz-Carlton | \$119.92 | -61.6% | 29.0% | -43.5% | pts. | \$413.27 | -3.9% |
| W Hotels | \$47.52 | -78.1% | 23.6% | -52.0% | pts. | \$201.02 | -30.0% |
| Composite US & Canada Luxury¹ | \$85.79 | -68.4% | 25.1% | -49.7% | pts. | \$342.01 | -5.8% |
| Marriott Hotels | \$24.28 | -83.1% | 18.6% | -54.4% | pts. | \$130.44 | -33.9% |
| Sheraton | \$23.41 | -85.5% | 16.1% | -59.2% | pts. | \$145.49 | -32.4% |
| Westin | \$32.23 | -80.5% | 22.5% | -53.1% | pts. | \$143.53 | -34.4% |
| Composite US & Canada Premium² | \$26.53 | -82.2% | 18.6% | -55.1% | pts. | \$142.73 | -29.3% |
| US & Canada Full-Service³ | \$38.27 | -77.9% | 19.9% | -54.1% | pts. | \$192.53 | -17.8% |
| Courtyard | \$27.87 | -70.2% | 31.2% | -36.4% | pts. | \$89.43 | -35.5% |
| Residence Inn | \$58.26 | -50.7% | 49.0% | -26.4% | pts. | \$118.99 | -24.0% |
| Composite US & Canada Limited-Service⁴ | \$35.79 | -64.8% | 35.6% | -35.0% | pts. | \$100.42 | -30.3% |
| US & Canada - All⁵ | \$37.47 | -75.0% | 24.9% | -47.9% | pts. | \$150.24 | -27.1% |

Comparable Systemwide US & Canada Properties

| Brand | Three Months Ended December 31, 2020 and December 31, 2019 | | | | | | |
|--|--|---------------|--------------|---------------|-------------|--------------------|---------------|
| | REVPAR | | Occupancy | | | Average Daily Rate | |
| | 2020 | vs. 2019 | 2020 | vs. 2019 | pts. | 2020 | vs. 2019 |
| JW Marriott | \$50.74 | -74.0% | 23.0% | -50.2% | pts. | \$220.30 | -17.3% |
| The Ritz-Carlton | \$115.85 | -62.6% | 28.2% | -44.4% | pts. | \$410.74 | -3.7% |
| W Hotels | \$47.52 | -78.1% | 23.6% | -52.0% | pts. | \$201.02 | -30.0% |
| Composite US & Canada Luxury¹ | \$77.53 | -69.3% | 25.1% | -49.2% | pts. | \$309.24 | -9.3% |
| Marriott Hotels | \$27.60 | -77.2% | 22.4% | -46.7% | pts. | \$123.23 | -29.5% |
| Sheraton | \$24.47 | -77.9% | 22.5% | -46.6% | pts. | \$108.57 | -32.3% |
| Westin | \$33.05 | -77.1% | 24.0% | -48.9% | pts. | \$137.61 | -30.5% |
| Composite US & Canada Premium² | \$30.92 | -75.7% | 23.3% | -47.0% | pts. | \$132.98 | -26.6% |
| US & Canada Full-Service³ | \$36.10 | -74.4% | 23.5% | -47.3% | pts. | \$153.91 | -23.0% |
| Courtyard | \$34.31 | -63.3% | 35.9% | -32.0% | pts. | \$95.62 | -30.5% |
| Residence Inn | \$61.11 | -43.7% | 55.0% | -19.8% | pts. | \$111.10 | -23.5% |
| Fairfield by Marriott | \$36.22 | -51.5% | 41.7% | -24.7% | pts. | \$86.76 | -22.8% |
| Composite US & Canada Limited-Service⁴ | \$41.96 | -54.3% | 43.1% | -26.6% | pts. | \$97.30 | -26.1% |
| US & Canada - All⁵ | \$39.58 | -64.6% | 35.1% | -35.0% | pts. | \$112.64 | -29.4% |

¹ Includes JW Marriott, The Ritz-Carlton, W Hotels, The Luxury Collection, St. Regis, and EDITION.

² Includes Marriott Hotels, Sheraton, Westin, Renaissance, Autograph Collection, Delta Hotels, Gaylord Hotels, and Le Méridien. Systemwide also includes Tribute Portfolio.

³ Includes Composite US & Canada Luxury and Composite US & Canada Premium.

⁴ Includes Courtyard, Residence Inn, Fairfield by Marriott, SpringHill Suites, TownePlace Suites, Four Points, Aloft, Element, and AC Hotels by Marriott. Systemwide also includes Moxy.

⁵ Includes US & Canada Full-Service and Composite US & Canada Limited-Service.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
In Constant \$

Comparable Company-Operated International Properties

| Region | Three Months Ended December 31, 2020 and December 31, 2019 | | | | | | |
|--|--|---------------|--------------|---------------|-------------|--------------------|---------------|
| | REVPAR | | Occupancy | | | Average Daily Rate | |
| | 2020 | vs. 2019 | 2020 | vs. 2019 | | 2020 | vs. 2019 |
| Greater China | \$71.41 | -19.6% | 63.0% | -8.1% | pts. | \$113.42 | -9.2% |
| Rest of Asia Pacific | \$42.74 | -66.5% | 33.2% | -43.7% | pts. | \$128.71 | -22.4% |
| Asia Pacific | \$58.29 | -45.3% | 49.3% | -24.4% | pts. | \$118.13 | -18.2% |
| Caribbean & Latin America | \$44.76 | -66.4% | 28.4% | -35.8% | pts. | \$157.44 | -24.0% |
| Europe | \$19.91 | -86.1% | 14.5% | -58.5% | pts. | \$137.50 | -29.9% |
| Middle East & Africa | \$50.61 | -56.1% | 36.8% | -36.1% | pts. | \$137.58 | -13.0% |
| International - All¹ | \$47.69 | -59.6% | 38.1% | -34.6% | pts. | \$125.15 | -22.8% |
| Worldwide² | \$42.95 | -67.7% | 32.0% | -40.8% | pts. | \$134.21 | -26.5% |

Comparable Systemwide International Properties

| Region | Three Months Ended December 31, 2020 and December 31, 2019 | | | | | | |
|--|--|---------------|--------------|---------------|-------------|--------------------|---------------|
| | REVPAR | | Occupancy | | | Average Daily Rate | |
| | 2020 | vs. 2019 | 2020 | vs. 2019 | | 2020 | vs. 2019 |
| Greater China | \$69.46 | -21.6% | 61.7% | -8.9% | pts. | \$112.52 | -10.4% |
| Rest of Asia Pacific | \$47.20 | -62.9% | 35.1% | -41.1% | pts. | \$134.44 | -19.4% |
| Asia Pacific | \$58.04 | -46.4% | 48.1% | -25.4% | pts. | \$120.74 | -18.1% |
| Caribbean & Latin America | \$29.78 | -70.8% | 24.4% | -35.9% | pts. | \$122.28 | -27.9% |
| Europe | \$18.72 | -85.0% | 15.3% | -56.6% | pts. | \$122.38 | -29.5% |
| Middle East & Africa | \$47.91 | -56.3% | 36.4% | -35.8% | pts. | \$131.74 | -13.4% |
| International - All¹ | \$41.95 | -62.7% | 34.2% | -37.1% | pts. | \$122.68 | -22.3% |
| Worldwide² | \$40.28 | -64.1% | 34.9% | -35.6% | pts. | \$115.55 | -27.4% |

¹ Includes Asia Pacific, Caribbean & Latin America, Europe, and Middle East & Africa.

² Includes US & Canada - All and International - All.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
In Constant \$

Comparable Company-Operated US & Canada Properties

| Brand | Twelve Months Ended December 31, 2020 and December 31, 2019 | | | | | | |
|--|---|---------------|--------------|---------------|-------------|--------------------|---------------|
| | REVPAR | | Occupancy | | | Average Daily Rate | |
| | 2020 | vs. 2019 | 2020 | vs. 2019 | pts. | 2020 | vs. 2019 |
| JW Marriott | \$72.34 | -66.7% | 26.7% | -51.7% | pts. | \$270.68 | -2.2% |
| The Ritz-Carlton | \$130.60 | -57.8% | 31.0% | -43.2% | pts. | \$421.81 | 1.0% |
| W Hotels | \$61.39 | -71.0% | 26.4% | -49.8% | pts. | \$232.58 | -16.3% |
| Composite US & Canada Luxury¹ | \$100.24 | -62.8% | 28.3% | -48.1% | pts. | \$353.74 | 0.2% |
| Marriott Hotels | \$42.75 | -72.1% | 24.8% | -51.6% | pts. | \$172.19 | -14.0% |
| Sheraton | \$39.58 | -75.2% | 23.1% | -54.5% | pts. | \$171.35 | -16.7% |
| Westin | \$47.40 | -71.9% | 26.4% | -51.0% | pts. | \$179.43 | -17.6% |
| Composite US & Canada Premium² | \$42.79 | -72.2% | 24.5% | -52.0% | pts. | \$174.49 | -13.3% |
| US & Canada Full-Service³ | \$54.15 | -69.4% | 25.3% | -51.2% | pts. | \$214.24 | -7.3% |
| Courtyard | \$35.37 | -65.2% | 31.0% | -40.4% | pts. | \$114.12 | -20.0% |
| Residence Inn | \$64.90 | -49.0% | 47.8% | -31.2% | pts. | \$135.80 | -15.8% |
| Composite US & Canada Limited-Service⁴ | \$43.49 | -60.3% | 35.6% | -38.6% | pts. | \$122.26 | -17.3% |
| US & Canada - All⁵ | \$50.73 | -67.3% | 28.6% | -47.2% | pts. | \$177.48 | -13.4% |

Comparable Systemwide US & Canada Properties

| Brand | Twelve Months Ended December 31, 2020 and December 31, 2019 | | | | | | |
|--|---|---------------|--------------|---------------|-------------|--------------------|---------------|
| | REVPAR | | Occupancy | | | Average Daily Rate | |
| | 2020 | vs. 2019 | 2020 | vs. 2019 | pts. | 2020 | vs. 2019 |
| JW Marriott | \$69.92 | -65.8% | 27.1% | -49.8% | pts. | \$257.79 | -3.1% |
| The Ritz-Carlton | \$126.72 | -58.8% | 30.3% | -44.0% | pts. | \$417.81 | 1.0% |
| W Hotels | \$61.39 | -71.0% | 26.4% | -49.8% | pts. | \$232.58 | -16.3% |
| Composite US & Canada Luxury¹ | \$92.40 | -63.5% | 28.2% | -47.9% | pts. | \$327.83 | -1.3% |
| Marriott Hotels | \$42.11 | -67.7% | 27.5% | -45.5% | pts. | \$153.17 | -14.3% |
| Sheraton | \$36.08 | -68.8% | 28.0% | -44.4% | pts. | \$128.83 | -19.3% |
| Westin | \$47.64 | -68.3% | 28.5% | -46.9% | pts. | \$167.35 | -16.0% |
| Composite US & Canada Premium² | \$43.89 | -67.2% | 28.1% | -45.4% | pts. | \$156.38 | -14.2% |
| US & Canada Full-Service³ | \$49.28 | -66.5% | 28.1% | -45.7% | pts. | \$175.49 | -12.0% |
| Courtyard | \$41.05 | -59.5% | 36.5% | -35.4% | pts. | \$112.51 | -20.2% |
| Residence Inn | \$66.92 | -42.9% | 54.7% | -23.8% | pts. | \$122.33 | -18.1% |
| Fairfield by Marriott | \$40.15 | -50.9% | 41.9% | -28.9% | pts. | \$95.78 | -17.2% |
| Composite US & Canada Limited-Service⁴ | \$47.60 | -52.1% | 43.4% | -30.2% | pts. | \$109.80 | -18.7% |
| US & Canada - All⁵ | \$48.28 | -59.4% | 37.2% | -36.5% | pts. | \$129.96 | -19.4% |

¹ Includes JW Marriott, The Ritz-Carlton, W Hotels, The Luxury Collection, St. Regis, and EDITION.

² Includes Marriott Hotels, Sheraton, Westin, Renaissance, Autograph Collection, Delta Hotels, Gaylord Hotels, and Le Méridien. Systemwide also includes Tribute Portfolio.

³ Includes Composite US & Canada Luxury and Composite US & Canada Premium.

⁴ Includes Courtyard, Residence Inn, Fairfield by Marriott, SpringHill Suites, TownePlace Suites, Four Points, Aloft, Element, and AC Hotels by Marriott. Systemwide also includes Moxy.

⁵ Includes US & Canada Full-Service and Composite US & Canada Limited-Service.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
In Constant \$

Comparable Company-Operated International Properties

| Region | Twelve Months Ended December 31, 2020 and December 31, 2019 | | | | | | |
|--|---|---------------|--------------|---------------|-------------|--------------------|---------------|
| | REVPAR | | Occupancy | | | Average Daily Rate | |
| | 2020 | vs. 2019 | 2020 | vs. 2019 | | 2020 | vs. 2019 |
| Greater China | \$49.77 | -41.4% | 46.7% | -22.3% | pts. | \$106.60 | -13.5% |
| Rest of Asia Pacific | \$42.23 | -64.2% | 31.3% | -42.8% | pts. | \$135.09 | -15.1% |
| Asia Pacific | \$46.32 | -53.7% | 39.6% | -31.7% | pts. | \$116.90 | -16.7% |
| Caribbean & Latin America | \$52.55 | -60.0% | 26.7% | -37.8% | pts. | \$196.51 | -3.6% |
| Europe | \$34.88 | -76.8% | 20.8% | -53.3% | pts. | \$167.70 | -17.3% |
| Middle East & Africa | \$48.97 | -52.1% | 34.9% | -32.9% | pts. | \$140.34 | -6.8% |
| International - All¹ | \$44.77 | -60.6% | 33.8% | -37.0% | pts. | \$132.56 | -17.4% |
| Worldwide² | \$47.53 | -64.3% | 31.4% | -41.7% | pts. | \$151.51 | -16.7% |

Comparable Systemwide International Properties

| Region | Twelve Months Ended December 31, 2020 and December 31, 2019 | | | | | | |
|--|---|---------------|--------------|---------------|-------------|--------------------|---------------|
| | REVPAR | | Occupancy | | | Average Daily Rate | |
| | 2020 | vs. 2019 | 2020 | vs. 2019 | | 2020 | vs. 2019 |
| Greater China | \$48.72 | -42.4% | 45.9% | -22.6% | pts. | \$106.19 | -14.0% |
| Rest of Asia Pacific | \$44.41 | -62.3% | 32.1% | -41.7% | pts. | \$138.45 | -13.3% |
| Asia Pacific | \$46.51 | -54.2% | 38.8% | -32.4% | pts. | \$119.89 | -16.0% |
| Caribbean & Latin America | \$38.81 | -63.4% | 24.4% | -37.4% | pts. | \$159.12 | -7.1% |
| Europe | \$32.53 | -75.1% | 21.7% | -51.2% | pts. | \$149.58 | -16.5% |
| Middle East & Africa | \$46.27 | -52.5% | 34.3% | -33.2% | pts. | \$134.87 | -6.5% |
| International - All¹ | \$41.51 | -62.2% | 31.5% | -38.5% | pts. | \$131.63 | -16.1% |
| Worldwide² | \$46.28 | -60.2% | 35.5% | -37.1% | pts. | \$130.40 | -18.5% |

¹ Includes Asia Pacific, Caribbean & Latin America, Europe, and Middle East & Africa.

² Includes US & Canada - All and International - All.

MARRIOTT INTERNATIONAL, INC.
NON-GAAP FINANCIAL MEASURES

ADJUSTED EBITDA

(\$ in millions)

| | Fiscal Year 2020 | | | | |
|---|------------------|-------------------|------------------|-------------------|-----------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total |
| Net income (loss), as reported | \$ 31 | \$ (234) | \$ 100 | \$ (164) | \$ (267) |
| Cost reimbursement revenue | (3,797) | (1,202) | (1,789) | (1,664) | (8,452) |
| Reimbursed expenses | 3,877 | 1,241 | 1,683 | 1,634 | 8,435 |
| Interest expense | 93 | 127 | 113 | 112 | 445 |
| Interest expense from unconsolidated joint ventures | 3 | 1 | 12 | 8 | 24 |
| (Benefit) provision for income taxes | (12) | (64) | 27 | (150) | (199) |
| Depreciation and amortization | 150 | 72 | 53 | 71 | 346 |
| Contract investment amortization | 25 | 21 | 48 | 38 | 132 |
| Depreciation classified in reimbursed expenses | 26 | 27 | 27 | 29 | 109 |
| Depreciation, amortization and impairments from unconsolidated joint ventures | 7 | 16 | 3 | 78 | 104 |
| Stock-based compensation | 41 | 50 | 49 | 57 | 197 |
| Restructuring and merger-related (recoveries) charges | (2) | 6 | 1 | 262 | 267 |
| Loss on asset dispositions | - | - | - | 6 | 6 |
| Adjusted EBITDA ** | \$ 442 | \$ 61 | \$ 327 | \$ 317 | \$ 1,147 |
| Change from 2019 Adjusted EBITDA ** | -46% | -94% | -64% | -65% | -68% |

| | Fiscal Year 2019 | | | | |
|--|------------------|-------------------|------------------|-------------------|-----------------|
| | First Quarter | Second Quarter | Third Quarter | Fourth Quarter | Total |
| Net income, as reported | \$ 375 | \$ 232 | \$ 387 | \$ 279 | \$ 1,273 |
| Cost reimbursement revenue | (3,756) | (3,903) | (3,952) | (3,988) | (15,599) |
| Reimbursed expenses | 3,892 | 4,107 | 4,070 | 4,370 | 16,439 |
| Interest expense | 97 | 102 | 100 | 95 | 394 |
| Interest expense from unconsolidated joint ventures | 2 | 1 | 3 | 2 | 8 |
| Provision for income taxes | 57 | 82 | 140 | 47 | 326 |
| Depreciation and amortization | 54 | 56 | 52 | 179 | 341 |
| Contract investment amortization | 14 | 15 | 16 | 17 | 62 |
| Depreciation classified in reimbursed expenses | 30 | 29 | 33 | 29 | 121 |
| Depreciation and amortization from unconsolidated joint ventures | 7 | 8 | 5 | 9 | 29 |
| Stock-based compensation | 40 | 50 | 47 | 49 | 186 |
| Gain on asset dispositions | - | - | (9) | (134) | (143) |
| Restructuring and merger-related (recoveries) charges | 9 | 173 | 9 | (53) | 138 |
| Adjusted EBITDA ** | \$ 821 | \$ 952 | \$ 901 | \$ 901 | \$ 3,575 |

** Denotes non-GAAP financial measures. Please see pages A-13 and A-14 for information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
EXPLANATION OF NON-GAAP FINANCIAL AND PERFORMANCE MEASURES

In our press release and schedules, and on the related conference call, we report certain financial measures that are not required by, or presented in accordance with, United States generally accepted accounting principles (“GAAP”). We discuss the manner in which the non-GAAP measures reported in this press release and schedules are determined and management’s reasons for reporting these non-GAAP measures below, and the press release schedules reconcile the most directly comparable GAAP measure to each non-GAAP measure that we refer to. Although management evaluates and presents these non-GAAP measures for the reasons described below, please be aware that these non-GAAP measures have limitations and should not be considered in isolation or as a substitute for revenue, operating income/loss, net income/loss, earnings/loss per share or any other comparable operating measure prescribed by GAAP. In addition, we may calculate and/or present these non-GAAP financial measures differently than measures with the same or similar names that other companies report, and as a result, the non-GAAP measures we report may not be comparable to those reported by others.

Adjusted Operating Income/Loss and Adjusted Operating Income/Loss Margin. Adjusted operating income/loss and Adjusted operating income/loss margin exclude cost reimbursement revenue, reimbursed expenses, restructuring and merger-related charges (recoveries), and non-cash impairment charges. Adjusted operating income margin reflects Adjusted operating income/loss divided by Adjusted total revenues. We believe that these are meaningful metrics because they allow for period-over-period comparisons of our ongoing operations before these items and for the reasons further described below.

Adjusted Net Income/Loss and Adjusted Diluted Earnings/Loss Per Share. Adjusted net income/loss and Adjusted diluted EPS reflect our net income/loss and diluted earnings/loss per share excluding the impact of cost reimbursement revenue, reimbursed expenses, restructuring and merger-related charges (recoveries), non-cash impairment charges, losses and gains on asset dispositions, the income tax effect of these adjustments, and the income tax benefit arising from audit closures. We calculate the income tax effect of the adjustments using an estimated tax rate applicable to each adjustment. We believe that these measures are meaningful indicators of our performance because they allow for period-over-period comparisons of our ongoing operations before these items and for the reasons further described below.

Adjusted Earnings Before Interest Expense, Taxes, Depreciation and Amortization (“Adjusted EBITDA”). Adjusted EBITDA reflects net income/loss excluding the impact of the following items: cost reimbursement revenue and reimbursed expenses, interest expense, depreciation (including depreciation classified in “Reimbursed expenses,” as discussed below), amortization, impairments from unconsolidated joint ventures, and benefit (provision) for income taxes, restructuring and merger-related charges (recoveries), stock-based compensation expense, and losses and gains on asset dispositions for all periods presented. When applicable, Adjusted EBITDA also excludes gains and losses on asset dispositions made by us or by our joint venture investees.

In our presentations of Adjusted operating income/loss and Adjusted operating income/loss margin, Adjusted net income/loss, Adjusted diluted EPS and Adjusted EBITDA, we exclude charges incurred under our restructuring plans that we initiated beginning in the 2020 second quarter to achieve cost savings in response to the decline in lodging demand caused by COVID-19 and transition costs associated with the Starwood merger, which we record in the “Restructuring and merger-related charges (recoveries)” caption of our Income Statements, to allow for period-over period comparisons of our ongoing operations before the impact of these items. We also exclude non-cash impairment charges related to our management and franchise contract, operating lease, and equity investment assets, which we record in the “Contract investment amortization,” “Depreciation, amortization, and other,” and “Equity in earnings (losses)” captions of our Income Statements to allow for period-over period comparisons of our ongoing operations before the impact of these items. We exclude cost reimbursement revenue and reimbursed expenses, which relate to property-level and centralized programs and services that we operate for the benefit of our hotel owners. We do not operate these programs and services to generate a profit over the long term, and accordingly, when we recover the costs that we incur for these programs and services from our hotel owners, we do not seek a mark-up. For property-level services, our owners typically reimburse us at the same time that we incur expenses. However, for centralized programs and services, our owners may reimburse us before or after we incur expenses, causing timing differences between the costs we incur and the related reimbursement from hotel owners in our operating and net income. Over the long term, these programs and services are not designed to impact our economics, either positively or negatively. Because we do not retain any such profits or losses over time, we exclude the net impact when evaluating period-over-period changes in our operating results.

We believe that Adjusted EBITDA is a meaningful indicator of our operating performance because it permits period-over-period comparisons of our ongoing operations before these items and facilitates our comparison of results before these items with results from other lodging companies. We use Adjusted EBITDA to evaluate companies because it excludes certain items that can vary widely across different industries or among companies within the same industry. For example, interest expense can be dependent on a company’s capital structure, debt levels, and credit ratings. Accordingly, the impact of interest expense on earnings can vary significantly among companies. The tax positions of companies can also vary because of their differing abilities to take advantage of tax benefits and because of the tax policies of the jurisdictions in which they operate. As a result, effective tax rates and provisions for income taxes can vary considerably among companies. Our Adjusted EBITDA also excludes depreciation and amortization expense which we report under “Depreciation, amortization, and other” as well as depreciation classified in “Reimbursed expenses” and “Contract investment amortization” in our Consolidated Statements of Income (our “Income Statements”), because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets. Depreciation classified in “Reimbursed expenses” reflects depreciation of Marriott-owned assets, for which we receive cash from owners to reimburse the company for its investments made for the benefit of the system. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies. We exclude stock-based compensation expense in all periods presented to address the considerable variability among companies in recording compensation expense because companies use stock-based payment awards differently, both in the type and quantity of awards granted.

MARRIOTT INTERNATIONAL, INC.
EXPLANATION OF NON-GAAP FINANCIAL AND PERFORMANCE MEASURES

RevPAR. In addition to the foregoing non-GAAP financial measures, we present Revenue per Available Room ("RevPAR") as a performance measure. We believe RevPAR is a meaningful indicator of our performance because it measures the period-over-period change in room revenues for comparable properties. RevPAR relates to property level revenue and may not be comparable to similarly titled measures, such as revenues, and should not be viewed as necessarily correlating with our fee revenue. We calculate RevPAR by dividing room sales (recorded in local currency) for comparable properties by room nights available for the period. We do not consider interruptions related to COVID-19 when determining which properties to classify as comparable. We present growth in comparative RevPAR on a constant dollar basis, which we calculate by applying exchange rates for the current period to each period presented. We believe constant dollar analysis provides valuable information regarding our properties' performance as it removes currency fluctuations from the presentation of such results.