



MARRIOTT
INTERNATIONAL

2023 SECURITY ANALYST MEETING

September 27, 2023



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

This material contains “forward-looking statements” within the meaning of federal securities laws, including statements related to future RevPAR, rooms growth, fees, cash flow, earnings, investment spending, dividends, share repurchases, and other financial and/or performance measure estimates, outlook and assumptions; the impact of new brands and offerings; our development pipeline and outlook; our planned technology enhancements; travel and lodging demand trends and expectations; our sustainability-related goals and targets; the size and strength of our loyalty program; our plans and strategies; our future prospects; our creation of shareholder value; and similar statements concerning possible or anticipated future events and expectations that are not historical facts. We caution you that these statements are not guarantees of future performance and are subject to numerous evolving risks and uncertainties that we may not be able to accurately predict or assess, including the risk factors that we describe in our Securities and Exchange Commission filings, including our most recent Annual Report on Form 10-K and Quarterly Reports on Form 10-Q. Any of these factors could cause actual results to differ materially from the expectations we express or imply in this material. We make these statements as of September 27, 2023, and we undertake no obligation to publicly update or revise these statements, whether as a result of new information, future events or otherwise.

Throughout this presentation we report certain financial measures that are not required by, or presented in accordance with, United States generally accepted accounting principles (“GAAP”). These non-GAAP financial measures are labeled as “adjusted” and/or identified with the symbol “†”. In addition, all scenarios and models presented that include future periods (including fiscal years 2023, 2024 and 2025) do not include the following items, which the company cannot forecast with sufficient accuracy and without unreasonable efforts, and which may be significant: cost reimbursement revenue, reimbursed expenses, merger-related charges and other expenses, and gains or losses from any asset dispositions. Measures that are labeled as “adjusted” also exclude these items and may exclude additional items as indicated in the reconciliations accompanying this presentation. We discuss our reasons for reporting these non-GAAP measures and reconcile each to the most directly comparable GAAP measures in the document titled “Non-GAAP Financial and Performance Measures and Reconciliations” which accompanies this material, and with respect to the forward-looking non-GAAP measures, to the extent available without unreasonable efforts.





LEENY OBERG

Chief Financial Officer and
Executive Vice President, Development



CREATING SHAREHOLDER VALUE

- People First Culture
- Unparalleled Global Portfolio of Brands
- Strong Engagement with Marriott Bonvoy Members
- Robust, Valuable Global Rooms Growth
- Powerful Asset-Light Model
- Strong Free Cash Flow and Earnings Growth
- Above Average Returns on Invested Capital
- Significant Capital Returns to Shareholders



2023 - 2025 KEY MODEL ASSUMPTIONS

REVPAR AND NET ROOMS GROWTH

RANGE	LOW		HIGH	
	2023 (Year over Year)	2024/2025 (2-Year CAGR)	2023 (Year over Year)	2024/2025 (2-Year CAGR)
SYSTEMWIDE REVPAR GROWTH	12%	3%	14%	6%
NET ROOMS GROWTH	6.4%	4%	6.7%	5%



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2023 - 2025 KEY MODEL ASSUMPTIONS

P&L AND CASH FLOW ASSUMPTIONS

P&L

- **G&A of \$925M in 2023** (mid-point of current guidance) and **\$1,025M in 2025**, representing **2-YR CAGR of 5%**
- **Stable currencies** beyond 2023
- Tax rate of **24%**
- Cost reimbursement revenue less reimbursed expenses and merger-related costs and charges assumed to be zero

CASH FLOW

- **Investment spending of \$900M to \$1B in 2023¹ and \$800M to \$900M** per year in 2024 and 2025
- \$500M cash payment is assumed for the Sheraton Grand Chicago hotel put option²
- **Asset dispositions of \$250M to \$300M** across the three years
- Leverage roughly **3.0x** throughout (*Adjusted Net Debt to Adjusted EBITDAR*)[†]



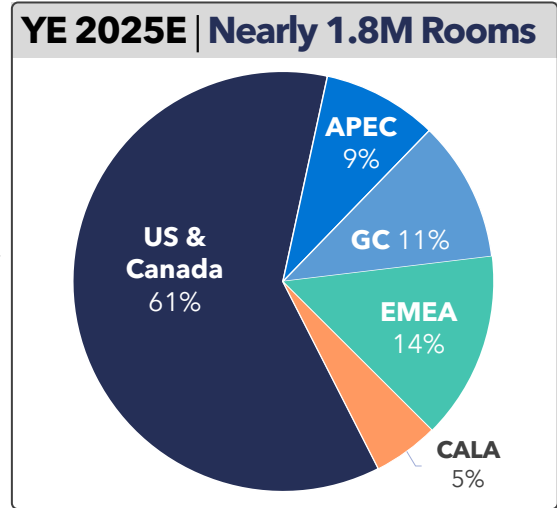
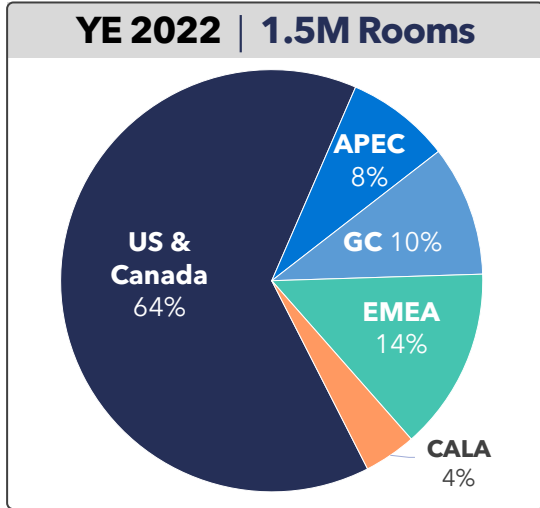
¹Includes \$100M for the completed City Express brand acquisition.

²\$500M includes assumed exercise of put option and purchase of underlying land. Expect to record cash outflow as a \$200M capex investment and a \$300M release of liability. In 2024, the \$200M capex investment is in addition to the \$800M to \$900M.

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GROWING OUR GLOBAL FOOTPRINT

SYSTEM SIZE - 3-YEAR CAGR OF ~5% TO ~5.5%

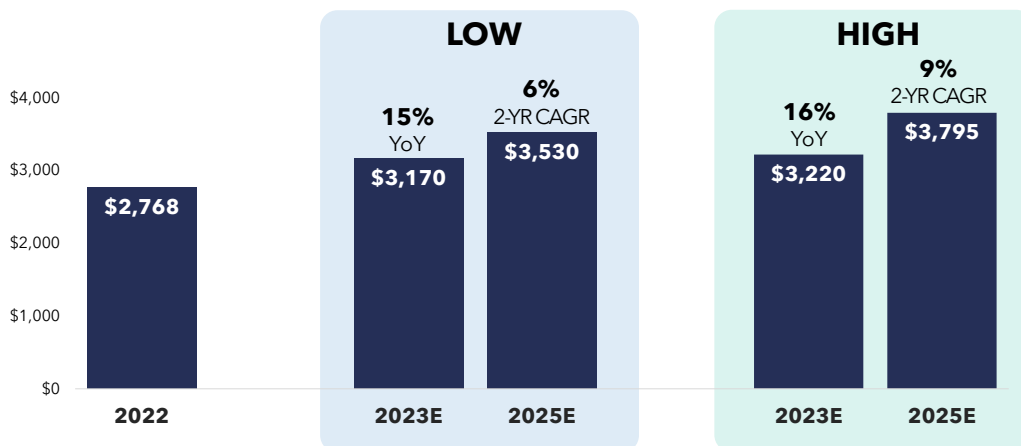


Model assumes midpoint of the net rooms growth range.

G-5

HOTEL FEES: BASE MANAGEMENT & FRANCHISE

(\$ in Millions)



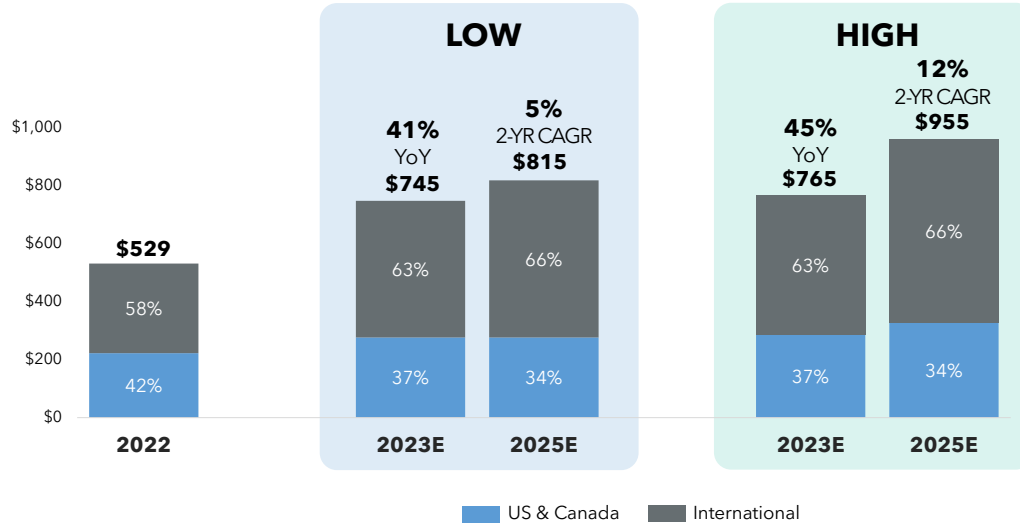
EXCLUDES NON-REVPAR-RELATED FRANCHISE FEES



G-6

INCENTIVE MANAGEMENT FEES

(\$ in Millions)

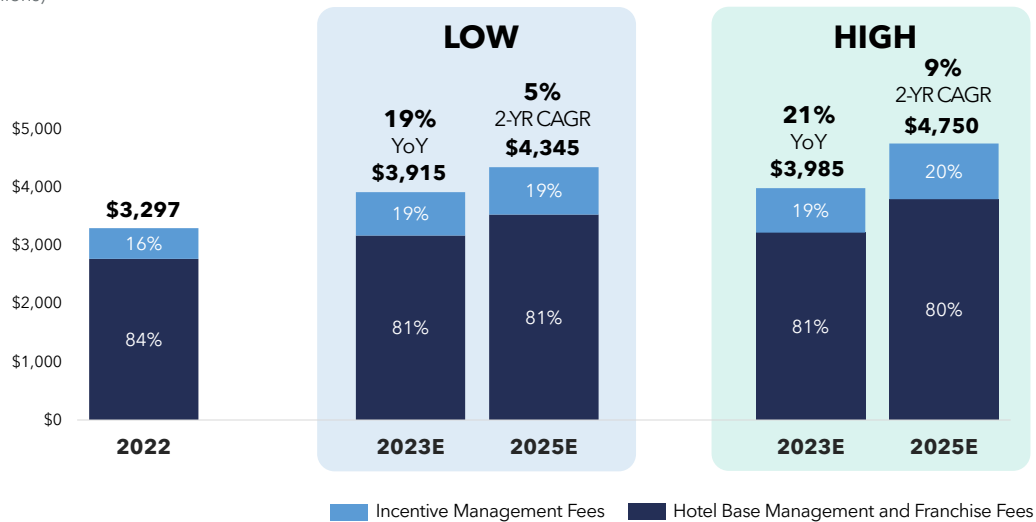


G-7

TOTAL HOTEL FEES

BASE MANAGEMENT, FRANCHISE, AND INCENTIVE MANAGEMENT FEES

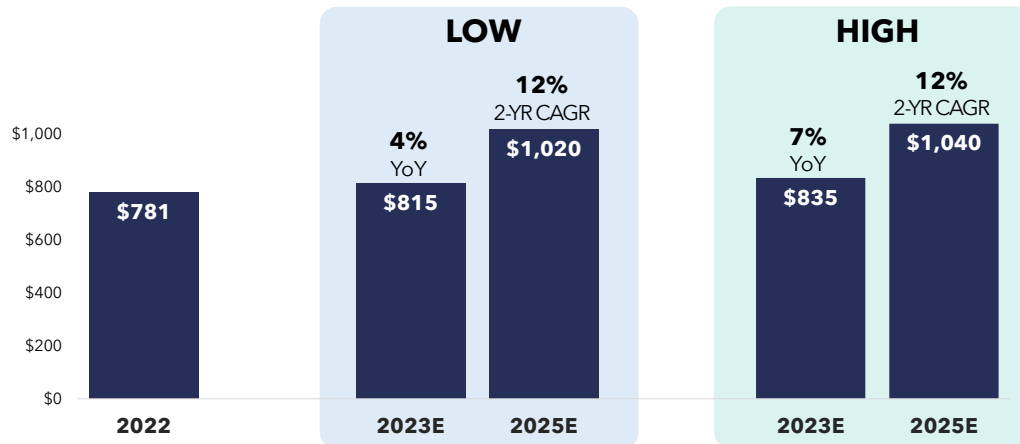
(\$ in Millions)



G-8

NON-REVPAR-RELATED FRANCHISE FEES

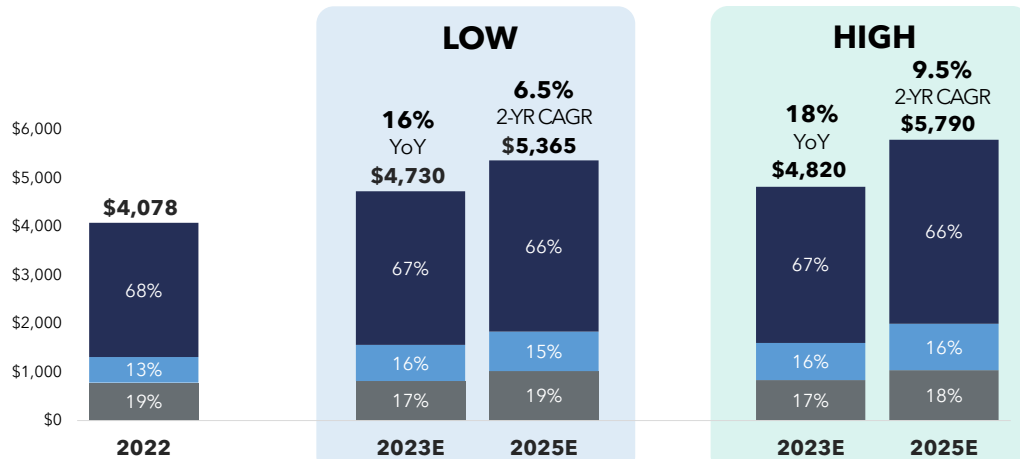
CREDIT CARDS, TIMESHARE, RESIDENTIAL BRANDING FEES AND OTHER
(\$ in Millions)



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TOTAL GROSS FEE REVENUES

(\$ in Millions)



2025E: ~\$325M of Fees from 2023 through 2025 Gross Room Additions

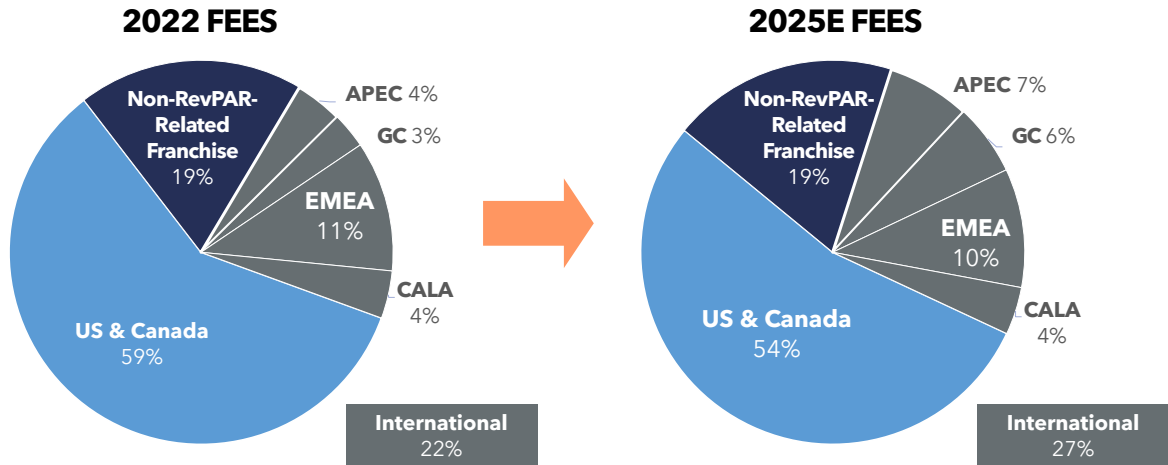


Hotel Base Management and Franchise Fees
 Incentive Management Fees
 Non-RevPAR-Related Franchise Fees

G-10

GEOGRAPHIC DISTRIBUTION OF FEES

2025E TOTAL GROSS FEES | \$5.4 TO \$5.8 BILLION



G-11

OWNED, LEASED, AND OTHER

NET OF DIRECT EXPENSES

(\$ in Millions)

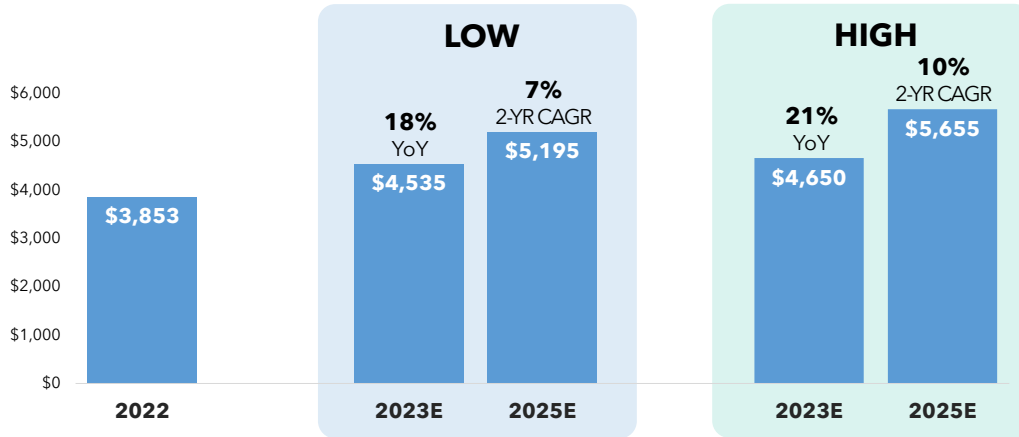


2025 includes the impact of owning the Sheraton Grand Chicago, assuming exercise of the hotel put option and the acquisition of the land.

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ADJUSTED EBITDA[†]

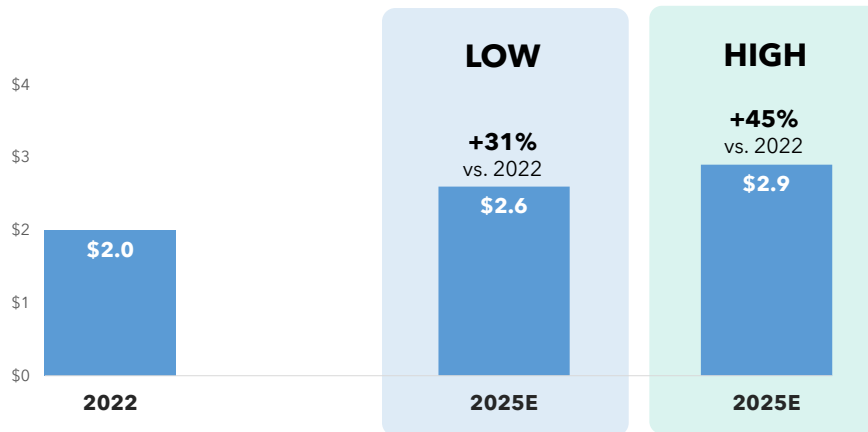
(\$ in Millions)



G-13

FREE CASH FLOW[†]

(\$ in Billions)



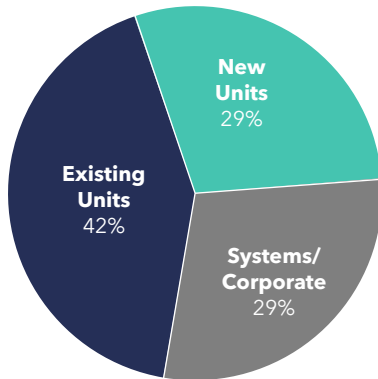
Free Cash Flow defined as Adjusted Cash from Operations[†] less Investment Spending

G-14

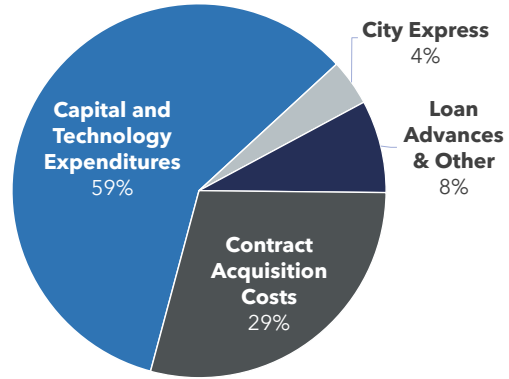
INVESTMENT SPENDING

2023E TO 2025E | \$2.9 BILLION

ON WHAT?



WHAT TYPE?



New unit spending includes \$100M for the completed City Express brand acquisition. Model assumes midpoint of investment spending for each year and \$200M capex investment for Sheraton Grand Chicago.

G-15

CUMULATIVE CAPITAL AVAILABLE

2023E TO 2025E

(\$ in Billions)

ADJUSTED CASH FROM OPERATIONS[†]



+

CAPITAL RECYCLING



+

CHANGE IN NET DEBT / OTHER



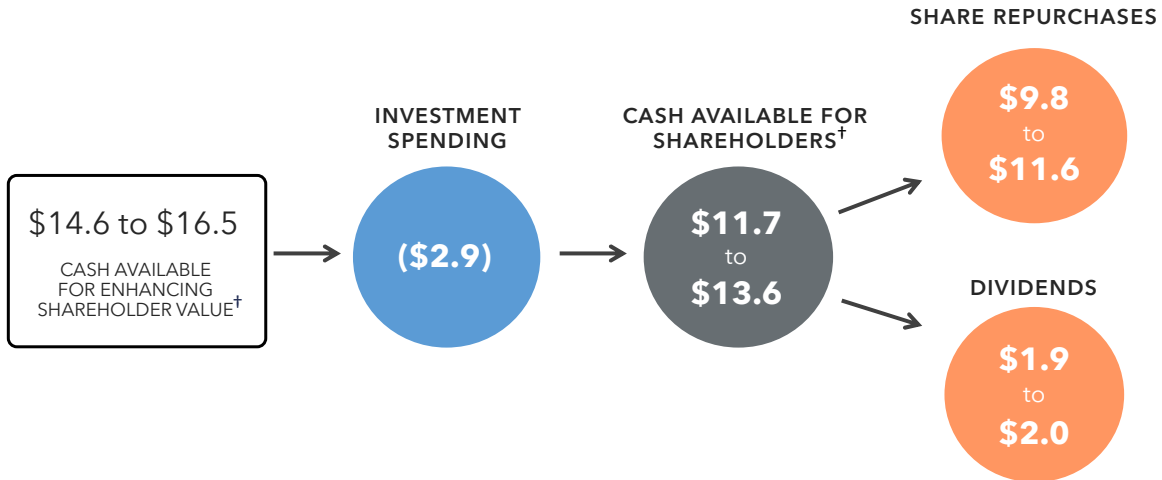
\$14.6 to \$16.5
CASH AVAILABLE FOR ENHANCING SHAREHOLDER VALUE[†]



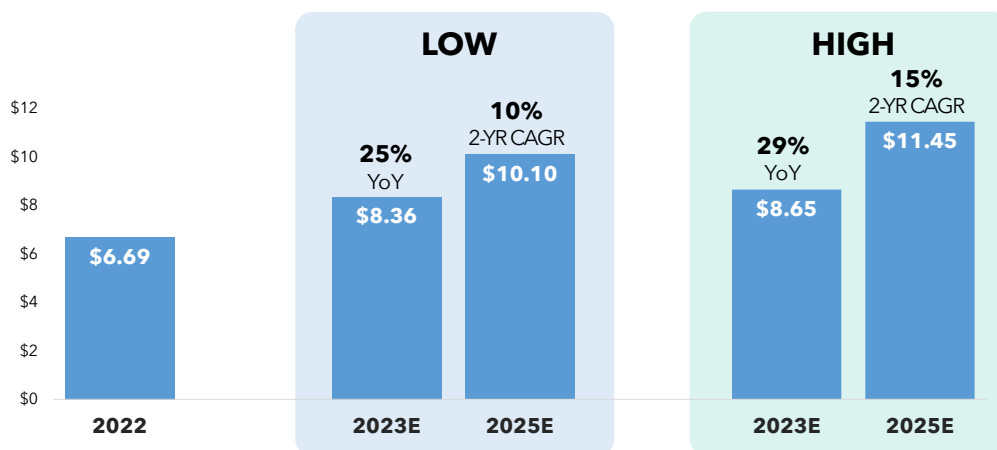
G-16

CAPITAL RETURN TO SHAREHOLDERS

2023E TO 2025E
(\$ in Billions)



ADJUSTED DILUTED EARNINGS PER SHARE[†]



15% to 17% reduction in shares from YE2022 to YE2025



Grow Forward and Create Meaningful Value for Shareholders



G-19

OBERG ENDNOTES

Note that in the model, MGM rooms are still assumed to be added in 2023. Given the current uncertainty related to MGM's cyber incident, there is a chance the timing could slip to 2024

Non-RevPAR-related franchise fees include cobrand credit card, timeshare and residential branding fees, application fees, relicensing fees, and certain other licensing fees

Scenarios marked as high and low, and the high and low end of ranges on G-16 and G-17, are based on the high and low RevPAR assumptions, respectively, and assume the midpoint of the net rooms growth range and the midpoint of the investment spending range

Slide G-4 - 2023 - 2025 Key Model Assumption

- No gain or loss assumed on asset dispositions

Slide G-8 - Total Hotel Fees

- Franchise fees in the chart do not include non-RevPAR-related franchise fees

Slide G-11 - Geographic Distribution of Fees

- Assumes the average of the high and low RevPAR scenarios and the midpoint of the net rooms growth range

Slide G-15 - Investment Spending

- Other is equity and cost method investments

Slide G-16 - Cumulative Capital Available

- Contract acquisition costs are included in Investment Spending and excluded from Adjusted Cash from Operations
- Other includes Stock-based compensation withholding taxes, Other investing activities and Other financing activities

Slide G-17 - Capital Return to Shareholders

- Contract acquisition costs are included in Investment Spending and excluded from Adjusted Cash from Operations

Slide G-18 - Adjusted Diluted Earnings Per Share

- Shares are diluted weighted average shares outstanding
- Assumes new share issuances pursuant to equity awards and Employee Stock Purchase Plan



G-20