

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share amounts)

	Adjustments			Adjustments			Percent Better/(Worse) Adjusted 2009 vs. Adjusted 2008	
	As Reported 16 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges ⁵	As Adjusted 16 Weeks Ended January 1, 2010**	As Reported 17 Weeks Ended January 2, 2009	Restructuring Costs & Other Charges ⁶	Certain Tax Items		As Adjusted 17 Weeks Ended January 2, 2009**
REVENUES								
Base management fees	\$ 163	\$ -	\$ 163	\$ 183	\$ -	\$ -	\$ 183	(11)
Franchise fees	119	-	119	137	-	-	137	(13)
Incentive management fees	59	-	59	82	-	-	82	(28)
Owned, leased, corporate housing and other revenue ¹	335	-	335	376	-	-	376	(11)
Timeshare sales and services ²	377	(2)	375	325	61	-	386	(3)
Cost reimbursements ³	2,327	-	2,327	2,681	-	-	2,681	(13)
Total Revenues	3,380	(2)	3,378	3,784	61	-	3,845	(12)
OPERATING COSTS AND EXPENSES								
Owned, leased and corporate housing - direct ⁴	313	-	313	331	-	-	331	5
Timeshare - direct	303	-	303	373	3	-	376	19
Timeshare strategy - impairment charges ⁵	-	-	-	-	-	-	-	-
Reimbursed costs	2,327	-	2,327	2,681	-	-	2,681	13
Restructuring costs	7	(7)	-	55	(55)	-	-	-
General, administrative and other ⁷	215	(8)	207	292	(54)	-	238	13
Total Expenses	3,165	(15)	3,150	3,732	(106)	-	3,626	13
OPERATING INCOME	215	13	228	52	167	-	219	4
Gains and other income ⁸	4	-	4	19	9	-	28	(86)
Interest expense	(34)	-	(34)	(50)	-	-	(50)	32
Interest income	5	-	5	11	-	-	11	(55)
Equity in (losses) earnings ⁹	(16)	6	(10)	(11)	16	-	5	(300)
Timeshare strategy - impairment charges (non-operating) ¹⁰	-	-	-	-	-	-	-	-
INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	174	19	193	21	192	-	213	(9)
Provision for income taxes	(68)	(7)	(75)	(33)	(68)	7	(94)	20
INCOME / (LOSS) FROM CONTINUING OPERATIONS	106	12	118	(12)	124	7	119	(1)
Discontinued operations - Synthetic Fuel, net of tax ¹¹	-	-	-	-	-	-	-	-
NET INCOME / (LOSS)	106	12	118	(12)	124	7	119	(1)
Add: Net losses attributable to noncontrolling interests, net of tax	-	-	-	2	-	-	2	(100)
NET INCOME / (LOSS) ATTRIBUTABLE TO MARRIOTT	\$ 106	\$ 12	\$ 118	\$ (10)	\$ 124	\$ 7	\$ 121	(2)
EARNINGS / (LOSSES) PER SHARE - Basic¹³								
Earnings / (losses) from continuing operations attributable to Marriott shareholders ¹²	\$ 0.30	\$ 0.03	\$ 0.33	\$ (0.03)	\$ 0.35	\$ 0.02	\$ 0.34	(3)
Earnings from discontinued operations ¹¹	-	-	-	-	-	-	-	-
Earnings / (losses) per share attributable to Marriott shareholders ¹²	\$ 0.30	\$ 0.03	\$ 0.33	\$ (0.03)	\$ 0.35	\$ 0.02	\$ 0.34	(3)
EARNINGS / (LOSSES) PER SHARE - Diluted¹³								
Earnings / (losses) from continuing operations attributable to Marriott shareholders ¹²	\$ 0.28	\$ 0.03	\$ 0.32	\$ (0.03)	\$ 0.35	\$ 0.02	\$ 0.33	(3)
Earnings from discontinued operations ¹¹	-	-	-	-	-	-	-	-
Earnings / (losses) per share attributable to Marriott shareholders ¹²	\$ 0.28	\$ 0.03	\$ 0.32	\$ (0.03)	\$ 0.35	\$ 0.02	\$ 0.33	(3)
Basic Shares ¹³	357.6	357.6	357.6	353.0	353.0	353.0	353.0	
Diluted Shares ^{13,14}	372.2	372.2	372.2	353.0	353.0	353.0	363.1	

** Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

See page A-3 for footnote references.

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME

(in millions, except per share amounts)

	Adjustments				As Adjusted 52 Weeks Ended January 1, 2010**	Adjustments			As Adjusted 53 Weeks Ended January 2, 2009**	Percent Better/(Worse) Adjusted 2009 vs. Adjusted 2008
	As Reported 52 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges ⁶	Timeshare Strategy - Impairment Charges ^{5,10}	Certain Tax Items		As Reported 53 Weeks Ended January 2, 2009	Restructuring Costs & Other Charges ⁶	Certain Tax Items		
REVENUES										
Base management fees	\$ 530	\$ -	\$ -	\$ -	\$ 530	\$ 635	\$ -	\$ -	\$ 635	(17)
Franchise fees	400	-	-	-	400	451	-	-	451	(11)
Incentive management fees	154	-	-	-	154	311	-	-	311	(50)
Owned, leased, corporate housing and other revenue ¹	1,019	-	-	-	1,019	1,225	-	-	1,225	(17)
Timeshare sales and services ²	1,123	24	-	-	1,147	1,423	61	-	1,484	(23)
Cost reimbursements ³	7,682	-	-	-	7,682	8,834	-	-	8,834	(13)
Total Revenues	10,908	24	-	-	10,932	12,879	61	-	12,940	(16)
OPERATING COSTS AND EXPENSES										
Owned, leased and corporate housing - direct ⁴	951	-	-	-	951	1,088	-	-	1,088	13
Timeshare - direct	1,040	1	-	-	1,041	1,334	3	-	1,337	22
Timeshare strategy - impairment charges ⁵	614	-	(614)	-	-	-	-	-	-	-
Reimbursed costs	7,682	-	-	-	7,682	8,834	-	-	8,834	13
Restructuring costs	51	(51)	-	-	-	55	(55)	-	-	-
General, administrative and other ⁷	722	(100)	-	-	622	803	(54)	-	749	17
Total Expenses	11,060	(150)	(614)	-	10,296	12,114	(106)	-	12,008	14
OPERATING (LOSS) / INCOME	(152)	174	614	-	636	765	167	-	932	(32)
Gains and other income ⁸	31	-	-	-	31	38	9	-	47	(34)
Interest expense	(118)	-	-	-	(118)	(163)	-	-	(163)	28
Interest income	25	-	-	-	25	39	-	-	39	(36)
Equity in (losses) earnings ⁹	(66)	39	-	-	(27)	15	16	-	31	(187)
Timeshare strategy - impairment charges (non-operating) ¹⁰	(138)	-	138	-	-	-	-	-	-	-
(LOSS) / INCOME FROM CONTINUING OPERATIONS BEFORE INCOME TAXES	(418)	213	752	-	547	694	192	-	886	(38)
Benefit / (Provision) for income taxes	65	(83)	(250)	56	(212)	(350)	(68)	72	(346)	39
(LOSS) / INCOME FROM CONTINUING OPERATIONS	(353)	130	502	56	335	344	124	72	540	(38)
Discontinued operations - Synthetic Fuel, net of tax ¹¹	-	-	-	-	-	3	-	-	3	(100)
NET (LOSS) / INCOME	(353)	130	502	56	335	347	124	72	543	(38)
Add: Net losses attributable to noncontrolling interests, net of tax	7	-	-	-	7	15	-	-	15	(53)
NET (LOSS) / INCOME ATTRIBUTABLE TO MARRIOTT	\$ (346)	\$ 130	\$ 502	\$ 56	\$ 342	\$ 362	\$ 124	\$ 72	\$ 558	(39)
(LOSSES) / EARNINGS PER SHARE - Basic ¹³										
(Losses) / earnings from continuing operations attributable to Marriott shareholders ¹²	\$ (0.97)	\$ 0.37	\$ 1.41	\$ 0.16	\$ 0.96	\$ 1.01	\$ 0.35	\$ 0.20	\$ 1.56	(38)
Earnings from discontinued operations ¹¹	-	-	-	-	-	0.01	-	-	0.01	(100)
(Losses) / earnings per share attributable to Marriott shareholders ¹²	\$ (0.97)	\$ 0.37	\$ 1.41	\$ 0.16	\$ 0.96	\$ 1.02	\$ 0.35	\$ 0.20	\$ 1.57	(39)
(LOSSES) / EARNINGS PER SHARE - Diluted ¹³										
(Losses) / earnings from continuing operations attributable to Marriott shareholders ¹²	\$ (0.97)	\$ 0.37	\$ 1.41	\$ 0.16	\$ 0.93	\$ 0.97	\$ 0.33	\$ 0.19	\$ 1.49	(38)
Earnings from discontinued operations ¹¹	-	-	-	-	-	0.01	-	-	0.01	(100)
(Losses) / earnings per share attributable to Marriott shareholders ¹²	\$ (0.97)	\$ 0.37	\$ 1.41	\$ 0.16	\$ 0.93	\$ 0.98	\$ 0.33	\$ 0.19	\$ 1.50	(38)
Basic Shares ¹³	356.4	356.4	356.4	356.4	356.4	355.6	355.6	355.6	355.6	
Diluted Shares ^{13,14}	356.4	356.4	356.4	356.4	367.4	370.7	370.7	370.7	370.7	

** Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

See page A-3 for footnote references.

MARRIOTT INTERNATIONAL, INC.
CONSOLIDATED STATEMENTS OF INCOME
(in millions, except per share amounts)

Reconciliations of Consolidated Income / (Loss) from Continuing Operations to Income / (Loss) from Continuing Operations Attributable to Marriott

	Adjustments			Adjustments			Percent Better/(Worse) Adjusted 2009 vs. Adjusted 2008	
	As Reported 16 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges ⁶	As Adjusted 16 Weeks Ended January 1, 2010**	As Reported 17 Weeks Ended January 2, 2009	Restructuring Costs & Other Charges ⁶	Certain Tax Items		As Adjusted 17 Weeks Ended January 2, 2009**
CONSOLIDATED INCOME / (LOSS) FROM CONTINUING OPERATIONS	\$ 106	\$ 12	\$ 118	\$ (12)	\$ 124	\$ 7	\$ 119	(1)
Add: Losses attributable to noncontrolling interests, net of tax	-	-	-	2	-	-	2	(100)
INCOME / (LOSS) FROM CONTINUING OPERATIONS ATTRIBUTABLE TO MARRIOTT	<u>\$ 106</u>	<u>\$ 12</u>	<u>\$ 118</u>	<u>\$ (10)</u>	<u>\$ 124</u>	<u>\$ 7</u>	<u>\$ 121</u>	(2)

	Adjustments					Adjustments					Percent Better/(Worse) Adjusted 2009 vs. Adjusted 2008
	As Reported 52 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges ⁶	Timeshare Strategy - Impairment Charges ^{5,10}	Certain Tax Items	As Adjusted 52 Weeks Ended January 1, 2010**	As Reported 53 Weeks Ended January 2, 2009	Restructuring Costs & Other Charges ⁶	Certain Tax Items	As Adjusted 53 Weeks Ended January 2, 2009**		
CONSOLIDATED (LOSS) / INCOME FROM CONTINUING OPERATIONS	\$ (353)	\$ 130	\$ 502	\$ 56	\$ 335	\$ 344	\$ 124	\$ 72	\$ 540	(38)	
Add: Losses attributable to noncontrolling interests, net of tax	7	-	-	-	7	15	-	-	15	(53)	
(LOSS) / INCOME FROM CONTINUING OPERATIONS ATTRIBUTABLE TO MARRIOTT	<u>\$ (346)</u>	<u>\$ 130</u>	<u>\$ 502</u>	<u>\$ 56</u>	<u>\$ 342</u>	<u>\$ 359</u>	<u>\$ 124</u>	<u>\$ 72</u>	<u>\$ 555</u>	(38)	

** Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

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

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

³ – *Cost reimbursements* include reimbursements from lodging properties for Marriott-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 – Reflects the following 2009 third quarter impairments: inventory \$529 million, property and equipment \$64 million; and other impairments \$21 million, all of which are allocated to the Timeshare segment. See page A-16 for information regarding Timeshare Strategy - Impairment Charges.

⁶ – Refer to page A-15 for information regarding Restructuring and Other Charges.

⁷ – *General, administrative and other* expenses include the overhead costs allocated to our segments, and our corporate overhead costs and general expenses.

⁸ – *Gains and other income* includes gains and losses on: the sale of real estate, note sales or repayments (except timeshare note securitizations), the sale of joint ventures and investments; and debt extinguishments, as well as income from cost method joint ventures.

⁹ – *Equity in (losses) earnings* includes our equity in (losses) / earnings of unconsolidated equity method joint ventures.

¹⁰ – Reflects the 2009 third quarter \$71 million joint venture impairment charge which is allocated to the Timeshare segment and \$67 million loan impairment and funding liability charge which is unallocated. See page A-16 for information regarding Timeshare Strategy - Impairment Charges.

¹¹ – *Discontinued operations* relates to our Synthetic Fuel business which was shut down and substantially all the assets liquidated at December 28, 2007.

¹² – Earnings / (Losses) per share attributable to Marriott shareholders plus adjustment items may not equal earnings per share attributable to Marriott shareholders as adjusted due to rounding.

¹³ – All share numbers and per share amounts have been retroactively adjusted to reflect the stock dividends with distribution dates of July 30, 2009, September 3, 2009 and December 3, 2009.

¹⁴ – Basic and fully diluted weighted average common shares outstanding used to calculate earnings per share from continuing operations for the periods in which we had a loss are the same because inclusion of additional equivalents would be anti-dilutive.

MARRIOTT INTERNATIONAL, INC.
BUSINESS SEGMENTS
(\$ in millions)

	Quarter Ended ³		Percent Better/ (Worse)
	January 1, 2010	January 2, 2009	
REVENUES			
North American Full-Service	\$ 1,466	\$ 1,714	(14)
North American Limited-Service	585	663	(12)
International	389	451	(14)
Luxury	442	512	(14)
Timeshare	477	424	13
Total segment revenues ¹	3,359	3,764	(11)
Other unallocated corporate	21	20	5
Total	\$ 3,380	\$ 3,784	(11)
INCOME / (LOSS) FROM CONTINUING OPERATIONS ATTRIBUTABLE TO MARRIOTT			
North American Full-Service	\$ 81	\$ 129	(37)
North American Limited-Service	83	94	(12)
International	40	67	(40)
Luxury	17	12	42
Timeshare ²	54	(95)	157
Total segment financial results ¹	275	207	33
Other unallocated corporate	(72)	(143)	50
Interest income and interest expense	(29)	(39)	26
Income taxes ²	(68)	(35)	(94)
Total	\$ 106	\$ (10)	1,160

¹ We consider segment revenues and segment financial results to be meaningful indicators of our performance because they measure changes in our profitability as a lodging company and enable investors to compare the revenues and results of our lodging operations to those of other lodging companies.

² We allocate noncontrolling interests of our consolidated subsidiaries to our segments. For the 2008 fourth quarter, we allocated \$2 million of noncontrolling interests as follows: \$4 million to our Timeshare segment and \$(2) million to provision for income taxes.

³ There were 16 weeks in the quarter ended January 1, 2010 and 17 weeks in the quarter ended January 2, 2009.

MARRIOTT INTERNATIONAL, INC.
BUSINESS SEGMENTS
(\$ in millions)

	Year Ended ⁵		Percent Better/ (Worse)
	January 1, 2010	January 2, 2009	
REVENUES			
North American Full-Service	\$ 4,848	\$ 5,631	(14)
North American Limited-Service	1,986	2,233	(11)
International	1,145	1,544	(26)
Luxury	1,413	1,659	(15)
Timeshare	1,439	1,750	(18)
Total segment revenues ¹	<u>10,831</u>	<u>12,817</u>	(15)
Other unallocated corporate	77	62	24
Total	<u>\$ 10,908</u>	<u>\$ 12,879</u>	(15)
INCOME / (LOSS) FROM CONTINUING OPERATIONS ATTRIBUTABLE TO MARRIOTT			
North American Full-Service	\$ 272	\$ 419	(35)
North American Limited-Service	265	395	(33)
International ³	129	246	(48)
Luxury	17	78	(78)
Timeshare ^{2,3}	(679)	28	(2525)
Total segment financial results ¹	<u>4</u>	<u>1,166</u>	(100)
Other unallocated corporate ⁴	(318)	(324)	2
Interest income and interest expense	(93)	(124)	25
Income taxes ³	61	(359)	117
Total	<u>\$ (346)</u>	<u>\$ 359</u>	(196)

¹ We consider segment revenues and segment financial results to be meaningful indicators of our performance because they measure changes in our profitability as a lodging company and enable investors to compare the revenues and results of our lodging operations to those of other lodging companies.

² Reflects \$685 million of impairment charges recorded in the 2009 third quarter.

³ We allocate noncontrolling interests of our consolidated subsidiaries to our segments. Accordingly, we allocated \$7 million of noncontrolling interests of our consolidated subsidiaries in 2009 as reflected in our income statement as follows: \$11 million to our Timeshare segment and \$(4) million to provision for income taxes. In 2008, we allocated \$15 million of noncontrolling interests as follows: \$25 million to our Timeshare segment, \$(1) million to our International segment, and \$(9) million to provision for income taxes.

⁴ Reflects a \$67 million loan impairment and funding liability charge in the 2009 third quarter which is unallocated. See page A-16 for additional information.

⁵ There were 52 weeks in the year ended January 1, 2010 and 53 weeks in the year ended January 2, 2009.

MARRIOTT INTERNATIONAL, INC.
TOTAL LODGING PRODUCTS ¹

Brand	Number of Properties			Number of Rooms/Suites		
	January 1, 2010	January 2, 2009	vs. January 2, 2009	January 1, 2010	January 2, 2009	vs. January 2, 2009
Domestic Full-Service						
Marriott Hotels & Resorts	353	348	5	140,160	138,613	1,547
Renaissance Hotels & Resorts	79	76	3	28,918	27,774	1,144
Domestic Limited-Service						
Courtyard	768	728	40	107,640	101,743	5,897
Fairfield Inn	620	560	60	55,622	49,678	5,944
SpringHill Suites	255	207	48	29,846	24,027	5,819
Residence Inn	591	555	36	70,995	66,252	4,743
TownePlace Suites	184	163	21	18,451	16,328	2,123
International						
Marriott Hotels & Resorts	192	183	9	58,595	54,617	3,978
Renaissance Hotels & Resorts	64	65	(1)	21,664	21,615	49
Courtyard	90	80	10	17,566	15,515	2,051
Fairfield Inn	9	9	-	1,109	1,109	-
SpringHill Suites	1	1	-	124	124	-
Residence Inn	17	18	(1)	2,417	2,665	(248)
Marriott Executive Apartments	23	20	3	3,880	3,217	663
Luxury						
The Ritz-Carlton - Domestic	40	37	3	12,115	11,629	486
The Ritz-Carlton - International	34	33	1	10,171	10,204	(33)
Bulgari Hotels & Resorts	2	2	-	117	117	-
The Ritz-Carlton Residential	26	23	3	2,706	2,269	437
The Ritz-Carlton Serviced Apartments	3	3	-	474	478	(4)
Timeshare ²						
Marriott Vacation Club ³	52	51	1	11,854	11,797	57
The Ritz-Carlton Destination Club	9	10	(1)	461	456	5
The Ritz-Carlton Residences	4	3	1	237	148	89
Grand Residences by Marriott - Fractional	2	2	-	248	241	7
Grand Residences by Marriott - Residential	2	1	1	91	65	26
Sub Total Timeshare	69	67	2	12,891	12,707	184
Total	3,420	3,178	242	595,461	560,681	34,780

Number of Timeshare Interval, Fractional and Residential Resorts

	Total Properties ²	Properties in Active Sales ⁴
100% Company-Developed		
Marriott Vacation Club ³	52	29
The Ritz-Carlton Destination Club and Residences	9	8
Grand Residences by Marriott and Residences	4	4
Joint Ventures		
The Ritz-Carlton Destination Club and Residences	4	4
Total	69	45

¹ Total Lodging Products excludes the 2,072 and 2,332 corporate housing rental units as of January 1, 2010 and January 2, 2009, respectively

² Includes products that are in active sales as well as those that are sold out. Residential products are included once they possess a certificate of occupancy.

³ Marriott Vacation Club includes Horizons by Marriott Vacation Club products that were previously reported separately.

⁴ Products in active sales may not be ready for occupancy.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
Constant \$

Comparable Company-Operated International Properties¹

Region	Four Months Ended December 31, 2009 and December 31, 2008					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Caribbean & Latin America	\$109.05	-16.4%	65.9%	-3.1% pts.	\$165.45	-12.4%
Continental Europe	\$121.11	-11.1%	70.6%	0.6% pts.	\$171.44	-11.9%
United Kingdom	\$110.38	-5.7%	74.5%	0.0% pts.	\$148.16	-5.7%
Middle East & Africa	\$98.17	-13.9%	71.9%	-2.4% pts.	\$136.59	-11.0%
Asia Pacific ²	\$91.49	-8.1%	69.4%	4.4% pts.	\$131.86	-13.9%
Regional Composite³	\$107.59	-10.6%	70.4%	0.6% pts.	\$152.88	-11.4%
International Luxury⁴	\$173.30	-17.1%	57.2%	-1.5% pts.	\$303.07	-14.9%
Total International⁵	\$114.21	-11.7%	69.0%	0.4% pts.	\$165.41	-12.2%
Worldwide⁶	\$97.26	-12.4%	64.8%	-0.9% pts.	\$150.05	-11.2%

Comparable Systemwide International Properties¹

Region	Four Months Ended December 31, 2009 and December 31, 2008					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Caribbean & Latin America	\$94.13	-15.2%	63.9%	-2.5% pts.	\$147.24	-11.9%
Continental Europe	\$119.20	-11.8%	69.5%	0.2% pts.	\$171.56	-12.1%
United Kingdom	\$108.89	-6.0%	74.1%	-0.1% pts.	\$147.03	-5.9%
Middle East & Africa	\$98.17	-13.9%	71.9%	-2.4% pts.	\$136.59	-11.0%
Asia Pacific ²	\$98.49	-9.9%	69.1%	2.3% pts.	\$142.57	-13.0%
Regional Composite³	\$106.59	-11.2%	69.3%	0.1% pts.	\$153.77	-11.3%
International Luxury⁴	\$173.30	-17.1%	57.2%	-1.5% pts.	\$303.07	-14.9%
Total International⁵	\$112.08	-12.0%	68.3%	0.0% pts.	\$164.06	-12.0%
Worldwide⁶	\$81.10	-12.5%	62.8%	-1.7% pts.	\$129.11	-10.1%

¹ We report international results on a period basis, and international statistics on a monthly basis. Statistics are in constant dollars for September through December. International includes properties located outside the Continental United States and Canada, except for Worldwide which also includes North America.

² Does not include Hawaii.

³ Regional information includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts and Courtyard brands. 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 four calendar months ended December 31, 2009 and December 31, 2008, and North American statistics for the sixteen weeks ended January 1, 2010 and the seventeen weeks ended January 2, 2009. Includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts, The Ritz-Carlton, Bulgari Hotels & Resorts, Residence Inn, Courtyard, Fairfield Inn, TownePlace Suites and SpringHill Suites brands.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
Constant \$

Comparable Company-Operated International Properties¹

Region	Twelve Months Ended December 31, 2009 and December 31, 2008					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Caribbean & Latin America	\$117.59	-19.8%	67.0%	-7.6% pts.	\$175.43	-10.8%
Continental Europe	\$107.83	-16.0%	66.9%	-3.3% pts.	\$161.17	-11.9%
United Kingdom	\$101.41	-11.1%	72.5%	-3.0% pts.	\$139.81	-7.5%
Middle East & Africa	\$94.21	-18.9%	68.6%	-9.1% pts.	\$137.31	-8.1%
Asia Pacific ²	\$80.80	-21.1%	63.6%	-4.5% pts.	\$127.12	-15.5%
Regional Composite³	\$100.44	-17.1%	67.3%	-4.6% pts.	\$149.15	-11.4%
International Luxury⁴	\$179.99	-22.1%	56.8%	-7.2% pts.	\$317.16	-12.2%
Total International⁵	\$108.45	-18.0%	66.3%	-4.9% pts.	\$163.64	-11.9%
Worldwide⁶	\$96.86	-18.3%	65.2%	-5.0% pts.	\$148.61	-12.1%

Comparable Systemwide International Properties¹

Region	Twelve Months Ended December 31, 2009 and December 31, 2008					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Caribbean & Latin America	\$101.02	-19.6%	63.6%	-6.9% pts.	\$158.85	-10.8%
Continental Europe	\$106.00	-16.9%	65.3%	-4.0% pts.	\$162.33	-11.8%
United Kingdom	\$100.03	-11.3%	72.0%	-3.0% pts.	\$139.01	-7.6%
Middle East & Africa	\$94.21	-18.9%	68.6%	-9.1% pts.	\$137.31	-8.1%
Asia Pacific ²	\$87.33	-19.3%	64.1%	-5.1% pts.	\$136.15	-12.9%
Regional Composite³	\$99.11	-17.2%	66.1%	-4.9% pts.	\$149.93	-11.0%
International Luxury⁴	\$179.99	-22.1%	56.8%	-7.2% pts.	\$317.16	-12.2%
Total International⁵	\$105.78	-17.9%	65.3%	-5.1% pts.	\$161.89	-11.5%
Worldwide⁶	\$82.83	-17.3%	64.2%	-4.9% pts.	\$128.92	-10.9%

¹ We report international results on a period basis, and international statistics on a monthly basis. Statistics are in constant dollars for January through December. International includes properties located outside the Continental United States and Canada, except for Worldwide which also includes North America.

² Does not include Hawaii.

³ Regional information includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts and Courtyard brands. 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 twelve calendar months ended December 31, 2009 and December 31, 2008, and North American statistics for the fifty-two weeks ended January 1, 2010 and the fifty-three weeks ended January 2, 2009. Includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts, The Ritz-Carlton, Bulgari Hotels & Resorts, Residence Inn, Courtyard, Fairfield Inn, TownePlace Suites and SpringHill Suites brands.

MARRIOTT INTERNATIONAL, INC.
KEY LODGING STATISTICS
(Excludes 53rd Week of 2008 for North America)

Comparable Company-Operated North American Properties¹

Brand	Sixteen Weeks Ended January 1, 2010 and January 2, 2009					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Marriott Hotels & Resorts	\$104.04	-11.1%	65.0%	-0.2% pts.	\$160.11	-10.9%
Renaissance Hotels & Resorts	\$96.24	-12.5%	63.4%	-0.4% pts.	\$151.82	-11.9%
Composite North American Full-Service²	\$102.69	-11.3%	64.7%	-0.2% pts.	\$158.70	-11.1%
The Ritz-Carlton ³	\$169.42	-11.6%	60.8%	1.0% pts.	\$278.52	-13.0%
Composite North American Full-Service & Luxury⁴	\$109.42	-11.4%	64.3%	-0.1% pts.	\$170.12	-11.3%
Residence Inn	\$74.33	-12.9%	67.2%	-1.7% pts.	\$110.55	-10.6%
Courtyard	\$63.88	-15.9%	59.4%	-1.9% pts.	\$107.57	-13.2%
TownePlace Suites	\$41.61	-26.5%	57.1%	-8.6% pts.	\$72.83	-15.4%
SpringHill Suites	\$55.25	-14.7%	59.3%	-2.0% pts.	\$93.22	-11.8%
Composite North American Limited-Service⁵	\$64.87	-15.3%	61.5%	-2.2% pts.	\$105.51	-12.2%
Composite - All⁶	\$90.40	-12.6%	63.1%	-1.0% pts.	\$143.25	-11.2%

Comparable Systemwide North American Properties¹

Brand	Sixteen Weeks Ended January 1, 2010 and January 2, 2009					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Marriott Hotels & Resorts	\$89.76	-11.8%	61.9%	-0.9% pts.	\$145.12	-10.6%
Renaissance Hotels & Resorts	\$86.11	-12.1%	62.4%	-0.3% pts.	\$137.91	-11.8%
Composite North American Full-Service²	\$89.15	-11.9%	62.0%	-0.8% pts.	\$143.90	-10.8%
The Ritz-Carlton ³	\$169.42	-11.6%	60.8%	1.0% pts.	\$278.52	-13.0%
Composite North American Full-Service & Luxury⁴	\$93.95	-11.9%	61.9%	-0.7% pts.	\$151.82	-10.9%
Residence Inn	\$75.57	-11.3%	68.2%	-1.6% pts.	\$110.81	-9.2%
Courtyard	\$65.60	-13.9%	60.1%	-2.3% pts.	\$109.09	-10.6%
Fairfield Inn	\$46.62	-12.7%	57.2%	-3.0% pts.	\$81.56	-8.1%
TownePlace Suites	\$46.21	-17.0%	59.3%	-4.0% pts.	\$77.98	-11.3%
SpringHill Suites	\$56.37	-13.4%	59.9%	-2.1% pts.	\$94.09	-10.4%
Composite North American Limited-Service⁵	\$62.70	-13.0%	61.6%	-2.3% pts.	\$101.79	-9.7%
Composite - All⁶	\$74.90	-12.5%	61.7%	-1.7% pts.	\$121.37	-10.1%

¹ North America includes properties located in the Continental United States and Canada.

² Includes the Marriott Hotels & Resorts and Renaissance Hotels & Resorts brands.

³ Statistics for The Ritz-Carlton are for September through December.

⁴ Includes the Marriott Hotels & Resorts Renaissance Hotels & Resorts and The Ritz-Carlton brands.

⁵ Includes the Residence Inn, Courtyard, Fairfield Inn, TownePlace Suites and SpringHill Suites brands.

⁶ 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
(Excludes 53rd Week of 2008 for North America)

Comparable Company-Operated North American Properties¹

Brand	Fifty-two Weeks Ended January 1, 2010 and January 2, 2009					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Marriott Hotels & Resorts	\$104.60	-17.9%	66.3%	-4.8% pts.	\$157.81	-11.9%
Renaissance Hotels & Resorts	\$100.42	-16.7%	65.3%	-4.6% pts.	\$153.71	-10.8%
Composite North American Full-Service²	\$103.87	-17.7%	66.1%	-4.8% pts.	\$157.10	-11.7%
The Ritz-Carlton ³	\$172.61	-23.1%	61.5%	-6.5% pts.	\$280.76	-14.9%
Composite North American Full-Service & Luxury⁴	\$110.30	-18.5%	65.7%	-4.9% pts.	\$167.93	-12.4%
Residence Inn	\$79.38	-17.1%	69.5%	-5.8% pts.	\$114.27	-10.1%
Courtyard	\$67.15	-22.5%	61.2%	-6.4% pts.	\$109.78	-14.4%
TownePlace Suites	\$47.45	-21.8%	61.3%	-8.0% pts.	\$77.40	-11.6%
SpringHill Suites	\$59.63	-20.7%	61.3%	-7.4% pts.	\$97.32	-11.2%
Composite North American Limited-Service⁵	\$68.83	-20.8%	63.5%	-6.4% pts.	\$108.33	-12.8%
Composite - All⁶	\$92.52	-19.3%	64.8%	-5.6% pts.	\$142.86	-12.3%

Comparable Systemwide North American Properties¹

Brand	Fifty-two Weeks Ended January 1, 2010 and January 2, 2009					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Marriott Hotels & Resorts	\$92.09	-18.2%	63.4%	-5.1% pts.	\$145.16	-11.7%
Renaissance Hotels & Resorts	\$89.75	-17.1%	63.8%	-4.7% pts.	\$140.75	-11.0%
Composite North American Full-Service²	\$91.70	-18.0%	63.5%	-5.0% pts.	\$144.42	-11.6%
The Ritz-Carlton ³	\$172.61	-23.1%	61.5%	-6.5% pts.	\$280.76	-14.9%
Composite North American Full-Service & Luxury⁴	\$96.18	-18.6%	63.4%	-5.1% pts.	\$151.75	-12.0%
Residence Inn	\$80.48	-15.3%	70.7%	-5.0% pts.	\$113.86	-9.2%
Courtyard	\$69.87	-19.2%	62.8%	-5.7% pts.	\$111.20	-11.8%
Fairfield Inn	\$51.41	-16.3%	60.8%	-5.8% pts.	\$84.62	-8.3%
TownePlace Suites	\$51.24	-17.7%	62.8%	-6.5% pts.	\$81.60	-9.3%
SpringHill Suites	\$62.01	-16.9%	62.7%	-5.7% pts.	\$98.97	-9.4%
Composite North American Limited-Service⁵	\$67.40	-17.3%	64.5%	-5.6% pts.	\$104.55	-10.2%
Composite - All⁶	\$78.59	-17.9%	64.0%	-5.4% pts.	\$122.71	-11.0%

¹ North America includes properties located in the Continental United States and Canada.

² Includes the Marriott Hotels & Resorts and Renaissance Hotels & Resorts brands.

³ Statistics for The Ritz-Carlton are for January through December.

⁴ Includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts and The Ritz-Carlton brands.

⁵ Includes the Residence Inn, Courtyard, Fairfield Inn, TownePlace Suites and SpringHill Suites brands.

⁶ 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 Properties¹

Brand	Sixteen Weeks Ended January 1, 2010 and Seventeen Weeks Ended January 2, 2009					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Marriott Hotels & Resorts	\$104.04	-11.9%	65.0%	-0.6% pts.	\$160.11	-11.1%
Renaissance Hotels & Resorts	\$96.24	-13.4%	63.4%	-0.9% pts.	\$151.82	-12.1%
Composite North American Full-Service²	\$102.69	-12.2%	64.7%	-0.7% pts.	\$158.70	-11.2%
The Ritz-Carlton ³	\$169.42	-11.6%	60.8%	1.0% pts.	\$278.52	-13.0%
Composite North American Full-Service & Luxury⁴	\$109.42	-11.8%	64.3%	-0.6% pts.	\$170.12	-11.0%
Residence Inn	\$74.33	-13.6%	67.2%	-2.2% pts.	\$110.55	-10.8%
Courtyard	\$63.88	-17.0%	59.4%	-2.4% pts.	\$107.57	-13.6%
TownePlace Suites	\$41.61	-26.7%	57.1%	-8.8% pts.	\$72.83	-15.3%
SpringHill Suites	\$55.25	-15.5%	59.3%	-2.3% pts.	\$93.22	-12.1%
Composite North American Limited-Service⁵	\$64.87	-16.2%	61.5%	-2.6% pts.	\$105.51	-12.6%
Composite - All⁶	\$90.40	-13.1%	63.1%	-1.4% pts.	\$143.25	-11.1%

Comparable Systemwide North American Properties¹

Brand	Sixteen Weeks Ended January 1, 2010 and Seventeen Weeks Ended January 2, 2009					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Marriott Hotels & Resorts	\$89.76	-12.6%	61.9%	-1.3% pts.	\$145.12	-10.8%
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Composite North American Full-Service & Luxury⁴	\$93.95	-12.3%	61.9%	-1.1% pts.	\$151.82	-10.8%
Residence Inn	\$75.57	-12.0%	68.2%	-2.0% pts.	\$110.81	-9.4%
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Fairfield Inn	\$46.62	-13.6%	57.2%	-3.3% pts.	\$81.56	-8.5%
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Composite North American Limited-Service⁵	\$62.70	-13.9%	61.6%	-2.8% pts.	\$101.79	-10.0%
Composite - All⁶	\$74.90	-13.1%	61.7%	-2.1% pts.	\$121.37	-10.1%

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² Includes the Marriott Hotels & Resorts and Renaissance Hotels & Resorts brands.

³ Statistics for The Ritz-Carlton are for September through December.

⁴ Includes the Marriott Hotels & Resorts Renaissance Hotels & Resorts and The Ritz-Carlton brands.

⁵ Includes the Residence Inn, Courtyard, Fairfield Inn, TownePlace Suites and SpringHill Suites brands.

⁶ 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 Properties¹

Brand	Fifty-two Weeks Ended January 1, 2010 and Fifty-three Weeks Ended January 2, 2009					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Marriott Hotels & Resorts	\$104.60	-17.2%	66.3%	-4.3% pts.	\$157.81	-11.8%
Renaissance Hotels & Resorts	\$100.42	-16.1%	65.3%	-4.2% pts.	\$153.71	-10.7%
Composite North American Full-Service²	\$103.87	-17.0%	66.1%	-4.3% pts.	\$157.10	-11.6%
The Ritz-Carlton ³	\$172.61	-23.1%	61.5%	-6.5% pts.	\$280.76	-14.9%
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Residence Inn	\$79.38	-16.4%	69.5%	-5.3% pts.	\$114.27	-10.0%
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TownePlace Suites	\$47.45	-21.1%	61.3%	-7.4% pts.	\$77.40	-11.5%
SpringHill Suites	\$59.63	-20.0%	61.3%	-6.9% pts.	\$97.32	-11.0%
Composite North American Limited-Service⁵	\$68.83	-20.0%	63.5%	-5.8% pts.	\$108.33	-12.7%
Composite - All⁶	\$92.52	-18.5%	64.8%	-5.1% pts.	\$142.86	-12.2%

Comparable Systemwide North American Properties¹

Brand	Fifty-two Weeks Ended January 1, 2010 and Fifty-three Weeks Ended January 2, 2009					
	REVPAR		Occupancy		Average Daily Rate	
	2009	vs. 2008	2009	vs. 2008	2009	vs. 2008
Marriott Hotels & Resorts	\$92.09	-17.5%	63.4%	-4.6% pts.	\$145.16	-11.6%
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Composite North American Full-Service & Luxury⁴	\$96.18	-17.9%	63.4%	-4.6% pts.	\$151.75	-11.9%
Residence Inn	\$80.48	-14.6%	70.7%	-4.5% pts.	\$113.86	-9.2%
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Fairfield Inn	\$51.41	-15.6%	60.8%	-5.4% pts.	\$84.62	-8.1%
TownePlace Suites	\$51.24	-16.9%	62.8%	-5.9% pts.	\$81.60	-9.2%
SpringHill Suites	\$62.01	-16.1%	62.7%	-5.2% pts.	\$98.97	-9.2%
Composite North American Limited-Service⁵	\$67.40	-16.6%	64.5%	-5.1% pts.	\$104.55	-10.0%
Composite - All⁶	\$78.59	-17.2%	64.0%	-4.9% pts.	\$122.71	-10.9%

¹ North America includes properties located in the Continental United States and Canada.

² Includes the Marriott Hotels & Resorts and Renaissance Hotels & Resorts brands.

³ Statistics for The Ritz-Carlton are for January through December.

⁴ Includes the Marriott Hotels & Resorts, Renaissance Hotels & Resorts and The Ritz-Carlton brands.

⁵ Includes the Residence Inn, Courtyard, Fairfield Inn, TownePlace Suites and SpringHill Suites brands.

⁶ 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)

	<u>Adjustments</u>			<u>Adjustments</u>			Percent Better / (Worse) As Adjusted 2009 vs. As Adjusted 2008	
	As Reported 16 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges	Timeshare Strategy - Impairment Charges	As Adjusted 16 Weeks Ended January 1, 2010**	As Reported 17 Weeks Ended January 2, 2009	Restructuring Costs & Other Charges		As Adjusted 17 Weeks Ended January 2, 2009**
Segment Revenues								
Segment revenues	\$ 477	\$ (2)	\$ -	\$ 475	\$ 424	\$ 61	\$ 485	(2)
Segment Results								
Base fees revenue	\$ 15	\$ -	\$ -	\$ 15	\$ 7	\$ -	\$ 7	114
Timeshare sales and services, net	74	(2)	-	72	(48)	58	10	620
Timeshare strategy - impairment charges	-	-	-	-	-	-	-	-
Restructuring costs	(7)	7	-	-	(28)	28	-	-
General, administrative and other expense	(23)	-	-	(23)	(32)	-	(32)	28
Gains and other income	1	-	-	1	-	-	-	*
Joint venture equity earnings	(6)	3	-	(3)	2	7	9	(133)
Timeshare strategy - impairment charges (non-operating)	-	-	-	-	-	-	-	-
Noncontrolling interest	-	-	-	-	4	-	4	(100)
Segment results	\$ 54	\$ 8	\$ -	\$ 62	\$ (95)	\$ 93	\$ (2)	3,200
Sales and Services Revenue								
Development	\$ 185	\$ -	\$ -	\$ 185	\$ 231	\$ 17	\$ 248	(25)
Services	98	-	-	98	92	-	92	7
Financing	76	(2)	-	74	(1)	44	43	72
Other revenue	18	-	-	18	3	-	3	500
Sales and services revenue	\$ 377	\$ (2)	\$ -	\$ 375	\$ 325	\$ 61	\$ 386	(3)
Contract Sales								
Company:								
Timeshare	\$ 183	\$ -	\$ -	\$ 183	\$ 222	\$ -	\$ 222	(18)
Fractional	3	3	-	6	1	2	3	100
Residential	9	-	-	9	(23)	16	(7)	229
Total company	195	3	-	198	200	18	218	(9)
Joint ventures:								
Timeshare	-	-	-	-	-	-	-	-
Fractional	(12)	17	-	5	(23)	21	(2)	350
Residential	(8)	8	-	-	(74)	76	2	(100)
Total joint ventures	(20)	25	-	5	(97)	97	-	*
Total contract sales, including joint ventures	\$ 175	\$ 28	\$ -	\$ 203	\$ 103	\$ 115	\$ 218	(7)
Gain / (Loss) on Notes Sold								
Gain / (loss) on notes sold	\$ 38	\$ -	\$ -	\$ 38	\$ (12)	\$ 12	\$ -	*

*Percent cannot be calculated.

**Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

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

	<u>Adjustments</u>			<u>Adjustments</u>			Percent Better / (Worse) As Adjusted 2009 vs. As Adjusted 2008	
	As Reported 52 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges	Timeshare Strategy - Impairment Charges	As Adjusted 52 Weeks Ended January 1, 2010**	As Reported 53 Weeks Ended January 2, 2009	Restructuring Costs & Other Charges		As Adjusted 53 Weeks Ended January 2, 2009**
Segment Revenues								
Segment revenues	\$ 1,439	\$ 24	\$ -	\$ 1,463	\$ 1,750	\$ 61	\$ 1,811	(19)
Segment Results								
Base fees revenue	\$ 47	\$ -	\$ -	\$ 47	\$ 42	\$ -	\$ 42	12
Timeshare sales and services, net	83	23	-	106	89	58	147	(28)
Timeshare strategy - impairment charges	(614)	-	614	-	-	-	-	-
Restructuring costs	(45)	45	-	-	(28)	28	-	-
General, administrative and other expense	(80)	7	-	(73)	(111)	-	(111)	34
Gains and other income	2	-	-	2	-	-	-	*
Joint venture equity earnings	(12)	6	-	(6)	11	7	18	(133)
Timeshare strategy - impairment charges (non-operating)	(71)	-	71	-	-	-	-	-
Noncontrolling interest	11	-	-	11	25	-	25	(56)
Segment results	\$ (679)	\$ 81	\$ 685	\$ 87	\$ 28	\$ 93	\$ 121	(28)
Sales and Services Revenue								
Development	\$ 626	\$ 4	\$ -	\$ 630	\$ 953	\$ 17	\$ 970	(35)
Services	330	-	-	330	336	-	336	(2)
Financing	130	20	-	150	106	44	150	-
Other revenue	37	-	-	37	28	-	28	32
Sales and services revenue	\$ 1,123	\$ 24	\$ -	\$ 1,147	\$ 1,423	\$ 61	\$ 1,484	(23)
Contract Sales								
Company:								
Timeshare	\$ 685	\$ -	\$ -	\$ 685	\$ 1,081	\$ -	\$ 1,081	(37)
Fractional	28	4	-	32	35	2	37	(14)
Residential	8	4	-	12	10	16	26	(54)
Total company	721	8	-	729	1,126	18	1,144	(36)
Joint ventures:								
Timeshare	-	-	-	-	-	-	-	-
Fractional	(21)	40	-	19	(6)	21	15	27
Residential	(35)	35	-	-	(44)	76	32	(100)
Total joint ventures	(56)	75	-	19	(50)	97	47	(60)
Total contract sales, including joint ventures	\$ 665	\$ 83	\$ -	\$ 748	\$ 1,076	\$ 115	\$ 1,191	(37)
Gain / (Loss) on Notes Sold								
Gain / (loss) on notes sold	\$ 37	\$ -	\$ -	\$ 37	\$ 16	\$ 12	\$ 28	32

*Percent cannot be calculated.

**Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
Summary of Restructuring Costs and Other Charges
(\$ in millions)

External Line	Description	2009	
		Fourth Quarter	Fourth Quarter Year to Date
Timeshare sales and services revenue	Mark-to-market of residual interests	\$ (2)	\$ 20
	Contract sale cancellation allowances	-	4
	Timeshare sales and services revenue	(2)	24
Timeshare - direct expenses	Contract sale cancellation allowances	-	(1)
	Timeshare - direct expenses	-	(1)
Restructuring costs	Severance	5	21
	Facilities exit costs	2	29
	Development cancellations	-	1
	Restructuring costs	7	51
General, administrative and other	System development write-down	-	7
	Accounts receivable and guarantee charges	-	4
	Loan impairments	-	43
	Reserves for security deposits & other asset impairments, net of prior year reserves	8	46
	General, administrative and other	8	100
Equity in (earnings) losses	Contract sale cancellation allowances	3	6
	Investment impairment	3	33
	Equity in (earnings) losses	6	39
Restructuring Costs & Other Charges Total		19	213
Tax Impact		(7)	(83)
Restructuring Costs & Other Charges Net of Tax		\$ 12	\$ 130

MARRIOTT INTERNATIONAL, INC.
Timeshare Strategy - Impairment Charges Summary
Full Year 2009
(\$ in millions)

	Impairment Charge
Operating Income Impact	
Inventory impairment	\$ 529
Property and equipment impairment	64
Other impairments	21
Total operating income impact	614
 Non-Operating Income Impact	
Joint venture impairment	71
Loan impairment	40
Funding liability	27
Total non-operating income impact	138
Total impact	752
 Tax Impact	 (250)
 Timeshare Strategy - Impairment Charges Net of Tax	 \$ 502

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

	Fiscal Year 2009				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net (Loss) / Income attributable to Marriott	\$ (23)	\$ 37	\$ (466)	\$ 106	\$ (346)
Interest expense	29	28	27	34	118
Tax provision, continuing operations	33	44	(210)	68	(65)
Tax provision, noncontrolling interest	1	2	1	-	4
Depreciation and amortization	39	42	43	61	185
Less: Depreciation reimbursed by third-party owners	(2)	(2)	(2)	(3)	(9)
Interest expense from unconsolidated joint ventures	3	6	4	6	19
Depreciation and amortization from unconsolidated joint ventures	6	6	6	9	27
EBITDA **	86	163	(597)	281	(67)
Restructuring costs and other charges					
Severance	2	10	4	5	21
Facilities exit costs	-	22	5	2	29
Development cancellations	-	1	-	-	1
Total restructuring costs	2	33	9	7	51
Impairment of investments and other, net of prior year reserves	68	3	1	11	83
Reserves for loan losses	42	1	-	-	43
Contract cancellation allowances	4	1	1	3	9
Residual interests valuation	13	12	(3)	(2)	20
System development write-off	-	7	-	-	7
Total other charges	127	24	(1)	12	162
Total restructuring costs and other charges	129	57	8	19	213
Timeshare strategy - impairment charges					
Operating impairments	-	-	614	-	614
Non-operating impairments	-	-	138	-	138
Total timeshare strategy - impairment charges	-	-	752	-	752
Adjusted EBITDA **	\$ 215	\$ 220	\$ 163	\$ 300	\$ 898
Decrease over 2008 Adjusted EBITDA	-25%	-43%	-43%	-12%	-31%

	Fiscal Year 2008				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
Net Income / (Loss) attributable to Marriott	\$ 121	\$ 157	\$ 94	\$ (10)	\$ 362
Interest expense	42	38	33	50	163
Tax provision, continuing operations	75	139	103	33	350
Tax provision, minority interest	1	1	5	2	9
Tax benefit, synthetic fuel	-	(6)	(1)	-	(7)
Depreciation and amortization	41	47	42	60	190
Less: Depreciation reimbursed by third-party owners	(3)	(3)	(2)	(2)	(10)
Interest expense from unconsolidated joint ventures	4	4	5	5	18
Depreciation and amortization from unconsolidated joint ventures	5	6	6	10	27
EBITDA **	286	383	285	148	1,102
Discontinued operations adjustment (synthetic fuel)	1	2	1	-	4
Restructuring costs and other charges					
Severance	-	-	-	19	19
Facilities exit costs	-	-	-	5	5
Development cancellations	-	-	-	31	31
Total restructuring costs	-	-	-	55	55
Reserves for expected fundings	-	-	-	16	16
Inventory write-downs	-	-	-	9	9
Contract cancellation allowances	-	-	-	12	12
Accounts receivable-bad debts	-	-	-	4	4
Residual interests valuation	-	-	-	32	32
Hedge ineffectiveness	-	-	-	12	12
Impairment of investments and other	-	-	-	30	30
Reserves for loan losses	-	-	-	22	22
Total other charges	-	-	-	137	137
Total restructuring costs and other charges	-	-	-	192	192
Adjusted EBITDA **	\$ 287	\$ 385	\$ 286	\$ 340	\$ 1,298
The following items make up the discontinued operations adjustment (synthetic fuel)					
Pre-tax Synthetic Fuel losses	\$ 1	\$ 2	\$ 1	\$ -	\$ 4
EBITDA adjustment for discontinued operations (synthetic fuel)	\$ 1	\$ 2	\$ 1	\$ -	\$ 4

** Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
Non-GAAP Financial Measure
Total Debt Net of Cash
(\$ in millions)

	Balance at Year-End 2009	Balance at Year-End 2008	Better/ (Worse) Change
Total debt	\$ 2,298	\$ 3,095	\$ 797
Cash and cash equivalents	(115)	(134)	(19)
Total debt net of cash**	<u>\$ 2,183</u>	<u>\$ 2,961</u>	<u>\$ 778</u>

	Range		Range	
	Estimated Balance Year-End 2010 ^(a)	Estimated Balance Year-End 2010 ^(b)	As Compared to Balance at Year-End 2009	
			Better/(Worse) Change ^(a)	Better/(Worse) Change ^(b)
Total debt	\$ 2,851	\$ 2,751	\$ (553)	\$ (453)
Cash and cash equivalents	(115)	(115)	-	-
Total debt net of cash**	2,736	2,636	(553)	(453)
Less the impact of ASU Nos. 2009-16 and 2009-17	(953)	(953)	953	953
Adjusted total debt net of cash** ^(c)	<u>\$ 1,783</u>	<u>\$ 1,683</u>	<u>\$ 400</u>	<u>\$ 500</u>

^(a) Assumes \$400 debt repayment in 2010.

^(b) Assumes \$500 debt repayment in 2010.

^(c) Excludes the impact of the update to ASU Nos. 2009-16 and 2009-17.

** Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
Non-GAAP Financial Measure Reconciliation
Adjusted Fourth Quarter and Full Year 2008 and 2009
General, Administrative, and Other Expenses Excluding Restructuring
Costs, Other Charges and Deferred Compensation Credits (Charges)
(\$ in millions)

	<u>Fourth Quarter 2008</u>	<u>Fourth Quarter 2009</u>	<u>Percent Better/(Worse) Adjusted 2009 vs. Adjusted 2008</u>
General, administrative and other expenses	\$ 292	\$ 215	
Less: Restructuring costs and other charges	(54)	(8)	
Deferred Compensation credits (charges)	16	(5)	
Adjusted General, administrative and other expenses**	<u>\$ 254</u>	<u>\$ 202</u>	20
	<u>Full Year 2008</u>	<u>Full Year 2009</u>	<u>Percent Better/(Worse) Adjusted 2009 vs. Adjusted 2008</u>
General, administrative and other expenses	\$ 803	\$ 722	
Less: Restructuring costs and other charges	(54)	(100)	
Deferred Compensation credits (charges)	28	(15)	
Adjusted General, administrative and other expenses**	<u>\$ 777</u>	<u>\$ 607</u>	22

** Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
Non-GAAP Financial Measure
2009 Adjusted for ASU Nos. 2009-16 and 2009-17 and Forecasted 2010
EBITDA and Adjusted EBITDA
(\$ in millions)

	2009 Fiscal Year	ASU Nos. 2009-16 and 2009-17 Adjustments	As Adjusted For ASU Nos. 2009-16 and 2009-17 Fiscal Year 2009**	Range	
				Estimated EBITDA Full Year 2010	
Net (Loss) / Income attributable to Marriott	\$ (346)	\$ (1)	\$ (347)	\$ 311	\$ 356
Interest expense	118	77	195	195	190
Tax provision, continuing operations	(65)		(65)	179	204
Tax provision, noncontrolling interest	4	-	4	-	-
Depreciation and amortization	185	-	185	187	187
Less: Depreciation reimbursed by third-party owners	(9)	-	(9)	(21)	(21)
Interest expense from unconsolidated joint ventures	19	-	19	27	27
Depreciation and amortization from unconsolidated joint ventures	27	-	27	30	30
EBITDA **	(67)	76	9	908	973
Restructuring costs and other charges					
Severance	21	-	21	-	-
Facilities exit costs	29	-	29	-	-
Development cancellations	1	-	1	-	-
Total restructuring costs	51	-	51	-	-
Impairment of investments and other, net of prior year reserves	83	-	83	-	-
Reserves for loan losses	43	-	43	-	-
Contract cancellation allowances	9	-	9	-	-
Residual interests valuation	20	-	20	-	-
System development write-off	7	-	7	-	-
Total other charges	162	-	162	-	-
Total restructuring costs and other charges	213	-	213	-	-
Timeshare strategy - impairment charges					
Operating impairments	614	-	614	-	-
Non-operating impairments	138	-	138	-	-
Total timeshare strategy - impairment charges	752	-	752	-	-
Adjusted EBITDA **	\$ 898	\$ 76	\$ 974	\$ 908	\$ 973

** Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
Non-GAAP Financial Measure Reconciliation
First Quarter 2009 General, Administrative, and Other Expenses
Excluding Restructuring Costs and Other Charges
(\$ in millions)

	Range			Range	
	Estimated	Estimated	First Quarter 2009	Percent Better/(Worse) Estimated	Percent Better/(Worse) Estimated
	First Quarter 2010	First Quarter 2010		First Quarter 2010 vs. First Quarter 2009	First Quarter 2010 vs. First Quarter 2009
General, administrative and other expenses	\$ 130	\$ 140	\$ 174		
Less: Restructuring costs and other charges	-	-	(38)		
General, administrative and other expenses excluding restructuring costs and other charges**	<u>\$ 130</u>	<u>\$ 140</u>	<u>\$ 136</u>	4	(3)

** Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

MARRIOTT INTERNATIONAL, INC.
TIMESHARE SEGMENT

AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 (FORMERLY REFERRED TO AS FAS 166 & 167) BEEN ADOPTED ON JANUARY 2, 2009

FIRST QUARTER 2009

(\$ in millions)

Adjustments

	As Reported 12 Weeks Ended March 27, 2009	Restructuring Costs & Other Charges	Timeshare Strategy - Impairment Charges	As Adjusted 12 Weeks Ended March 27, 2009**	ASU Nos. 2009-16 And 2009-17 Adjustments***	As Adjusted For ASU Nos. 2009-16 And 2009-17 12 Weeks Ended March 27, 2009**
Segment Revenues						
Segment revenues	\$ 277	\$ 17	\$ -	\$ 294	\$ 28	\$ 322
Segment Results						
Base fees revenue	\$ 10	\$ -	\$ -	\$ 10	\$ -	\$ 10
Timeshare sales and services, net	(11)	16	-	5	20	25
Timeshare strategy - impairment charges	-	-	-	-	-	-
Restructuring costs	(1)	1	-	-	-	-
General, administrative and other expense	(17)	-	-	(17)	-	(17)
Gains and other income	-	-	-	-	-	-
Joint venture equity earnings	(1)	1	-	-	-	-
Timeshare strategy - impairment charges (non-operating)	-	-	-	-	-	-
Noncontrolling interest	3	-	-	3	-	3
Segment results	<u>\$ (17)</u>	<u>\$ 18</u>	<u>\$ -</u>	<u>\$ 1</u>	<u>\$ 20</u>	<u>\$ 21</u>
Sales and Services Revenue						
Development	\$ 121	\$ 4	\$ -	\$ 125	\$ 2	\$ 127
Services	70	-	-	70	-	70
Financing	13	13	-	26	27	53
Other revenue	5	-	-	5	(1)	4
Sales and services revenue	<u>\$ 209</u>	<u>\$ 17</u>	<u>\$ -</u>	<u>\$ 226</u>	<u>\$ 28</u>	<u>\$ 254</u>
Contract Sales						
Company:						
Timeshare	\$ 138	\$ -	\$ -	\$ 138	\$ -	\$ 138
Fractional	10	-	-	10	-	10
Residential	(5)	4	-	(1)	-	(1)
Total company	143	4	-	147	-	147
Joint ventures:						
Timeshare	-	-	-	-	-	-
Fractional	13	(3)	-	10	-	10
Residential	(27)	27	-	-	-	-
Total joint ventures	(14)	24	-	10	-	10
Total contract sales, including joint ventures	<u>\$ 129</u>	<u>\$ 28</u>	<u>\$ -</u>	<u>\$ 157</u>	<u>\$ -</u>	<u>\$ 157</u>
(Loss) / Gain on Notes Sold						
(Loss) / gain on notes sold	<u>\$ (1)</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ (1)</u>	<u>\$ 1</u>	<u>\$ -</u>

**Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

***In addition to the segment impacts shown, ASU Nos. 2009-16 and 2009-17 would have increased consolidated interest expense by \$16 million from \$29 million as reported to \$45 million.

MARRIOTT INTERNATIONAL, INC.
TIMESHARE SEGMENT

AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 (FORMERLY REFERRED TO AS FAS 166 & 167) BEEN ADOPTED ON JANUARY 2, 2009

SECOND QUARTER 2009

(\$ in millions)

Adjustments

	As Reported 12 Weeks Ended June 19, 2009	Restructuring Costs & Other Charges	Timeshare Strategy - Impairment Charges	As Adjusted 12 Weeks Ended June 19, 2009**	ASU Nos. 2009-16 And 2009-17 Adjustments***	As Adjusted For ASU Nos. 2009-16 And 2009-17 12 Weeks Ended June 19, 2009**
Segment Revenues						
Segment revenues	\$ 355	\$ 12	\$ -	\$ 367	\$ 36	\$ 403
Segment Results						
Base fees revenue	\$ 11	\$ -	\$ -	\$ 11	\$ -	\$ 11
Timeshare sales and services, net	4	12	-	16	32	48
Timeshare strategy - impairment charges	-	-	-	-	-	-
Restructuring costs	(30)	30	-	-	-	-
General, administrative and other expense	(23)	7	-	(16)	-	(16)
Gains and other income	-	-	-	-	-	-
Joint venture equity earnings	(1)	1	-	-	-	-
Timeshare strategy - impairment charges (non-operating)	-	-	-	-	-	-
Noncontrolling interest	4	-	-	4	-	4
Segment results	\$ (35)	\$ 50	\$ -	\$ 15	\$ 32	\$ 47
Sales and Services Revenue						
Development	\$ 182	\$ -	\$ -	\$ 182	\$ 6	\$ 188
Services	80	-	-	80	-	80
Financing	14	12	-	26	30	56
Other revenue	7	-	-	7	-	7
Sales and services revenue	\$ 283	\$ 12	\$ -	\$ 295	\$ 36	\$ 331
Contract Sales						
Company:						
Timeshare	\$ 200	\$ -	\$ -	\$ 200	\$ -	\$ 200
Fractional	8	1	-	9	-	9
Residential	2	-	-	2	-	2
Total company	210	1	-	211	-	211
Joint ventures:						
Timeshare	-	-	-	-	-	-
Fractional	(18)	19	-	1	-	1
Residential	17	(17)	-	-	-	-
Total joint ventures	(1)	2	-	1	-	1
Total contract sales, including joint ventures	\$ 209	\$ 3	\$ -	\$ 212	\$ -	\$ 212
Gain / (Loss) on Notes Sold						
Gain / loss on notes sold	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

***In addition to the segment impacts shown, ASU Nos. 2009-16 and 2009-17 would have increased consolidated interest expense by \$18 million from \$28 million as reported to \$46 million.

MARRIOTT INTERNATIONAL, INC.
TIMESHARE SEGMENT

AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 (FORMERLY REFERRED TO AS FAS 166 & 167) BEEN ADOPTED ON JANUARY 2, 2009
THIRD QUARTER 2009

(\$ in millions)

Adjustments

	As Reported 12 Weeks Ended September 11, 2009	Restructuring Costs & Other Charges	Timeshare Strategy - Impairment Charges	As Adjusted 12 Weeks Ended September 11, 2009**	ASU Nos. 2009-16 And 2009-17 Adjustments***	As Adjusted For ASU Nos. 2009-16 And 2009-17 12 Weeks Ended September 11, 2009**
Segment Revenues						
Segment revenues	\$ 330	\$ (3)	\$ -	\$ 327	\$ 39	\$ 366
Segment Results						
Base fees revenue	\$ 11	\$ -	\$ -	\$ 11	\$ -	\$ 11
Timeshare sales and services, net	16	(3)	-	13	32	45
Timeshare strategy - impairment charges	(614)	-	614	-	-	-
Restructuring costs	(7)	7	-	-	-	-
General, administrative and other expense	(17)	-	-	(17)	-	(17)
Gains and other income	1	-	-	1	-	1
Joint venture equity earnings	(4)	1	-	(3)	-	(3)
Timeshare strategy - impairment charges (non-operating)	(71)	-	71	-	-	-
Noncontrolling interest	4	-	-	4	-	4
Segment results	\$ (681)	\$ 5	\$ 685	\$ 9	\$ 32	\$ 41
Sales and Services Revenue						
Development	\$ 138	\$ -	\$ -	\$ 138	\$ 11	\$ 149
Services	82	-	-	82	-	82
Financing	27	(3)	-	24	28	52
Other revenue	7	-	-	7	-	7
Sales and services revenue	\$ 254	\$ (3)	\$ -	\$ 251	\$ 39	\$ 290
Contract Sales						
Company:						
Timeshare	\$ 164	\$ -	\$ -	\$ 164	\$ -	\$ 164
Fractional	7	-	-	7	-	7
Residential	2	-	-	2	-	2
Total company	173	-	-	173	-	173
Joint ventures:						
Timeshare	-	-	-	-	-	-
Fractional	(4)	7	-	3	-	3
Residential	(17)	17	-	-	-	-
Total joint ventures	(21)	24	-	3	-	3
Total contract sales, including joint ventures	\$ 152	\$ 24	\$ -	\$ 176	\$ -	\$ 176
Gain / (Loss) on Notes Sold						
Gain / loss on notes sold	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -

**Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

***In addition to the segment impacts shown, ASU Nos. 2009-16 and 2009-17 would have increased consolidated interest expense by \$17 million from \$27 million as reported to \$44 million.

MARRIOTT INTERNATIONAL, INC.
TIMESHARE SEGMENT

AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 (FORMERLY REFERRED TO AS FAS 166 & 167) BEEN ADOPTED ON JANUARY 2, 2009

FOURTH QUARTER 2009

(\$ in millions)

Adjustments

	As Reported 16 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges	Timeshare Strategy - Impairment Charges	As Adjusted 16 Weeks Ended January 1, 2010**	ASU Nos. 2009-16 And 2009-17 Adjustments***	As Adjusted For ASU Nos. 2009-16 And 2009-17 16 Weeks Ended January 1, 2010**
Segment Revenues						
Segment revenues	\$ 477	\$ (2)	\$ -	\$ 475	\$ (2)	\$ 473
Segment Results						
Base fees revenue	\$ 15	\$ -	\$ -	\$ 15	\$ -	\$ 15
Timeshare sales and services, net	74	(2)	-	72	(8)	64
Timeshare strategy - impairment charges	-	-	-	-	-	-
Restructuring costs	(7)	7	-	-	-	-
General, administrative and other expense	(23)	-	-	(23)	-	(23)
Gains and other income	1	-	-	1	-	1
Joint venture equity earnings	(6)	3	-	(3)	-	(3)
Timeshare strategy - impairment charges (non-operating)	-	-	-	-	-	-
Noncontrolling interest	-	-	-	-	-	-
Segment results	\$ 54	\$ 8	\$ -	\$ 62	\$ (8)	\$ 54
Sales and Services Revenue						
Development	\$ 185	\$ -	\$ -	\$ 185	\$ 4	\$ 189
Services	98	-	-	98	-	98
Financing	76	(2)	-	74	(6)	68
Other revenue	18	-	-	18	-	18
Sales and services revenue	\$ 377	\$ (2)	\$ -	\$ 375	\$ (2)	\$ 373
Contract Sales						
Company:						
Timeshare	\$ 183	\$ -	\$ -	\$ 183	\$ -	\$ 183
Fractional	3	3	-	6	-	6
Residential	9	-	-	9	-	9
Total company	195	3	-	198	-	198
Joint ventures:						
Timeshare	-	-	-	-	-	-
Fractional	(12)	17	-	5	-	5
Residential	(8)	8	-	-	-	-
Total joint ventures	(20)	25	-	5	-	5
Total contract sales, including joint ventures	\$ 175	\$ 28	\$ -	\$ 203	\$ -	\$ 203
Gain / (Loss) on Notes Sold						
Gain / loss on notes sold	\$ 38	\$ -	\$ -	\$ 38	\$ (38)	\$ -

**Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

***In addition to the segment impacts shown, ASU Nos. 2009-16 and 2009-17 would have increased consolidated interest expense by \$26 million from \$34 million as reported to \$60 million.

MARRIOTT INTERNATIONAL, INC.
TIMESHARE SEGMENT

AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 (FORMERLY REFERRED TO AS FAS 166 & 167) BEEN ADOPTED ON JANUARY 2, 2009

FULL YEAR 2009

(\$ in millions)

Adjustments

	As Reported 52 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges	Timeshare Strategy - Impairment Charges	As Adjusted 52 Weeks Ended January 1, 2010**	ASU Nos. 2009-16 And 2009-17 Adjustments***	As Adjusted For ASU Nos. 2009-16 And 2009-17 52 Weeks Ended January 1, 2010**
Segment Revenues						
Segment revenues	\$ 1,439	\$ 24	\$ -	\$ 1,463	\$ 101	\$ 1,564
Segment Results						
Base fees revenue	\$ 47	\$ -	\$ -	\$ 47	\$ -	\$ 47
Timeshare sales and services, net	83	23	-	106	76	182
Timeshare strategy - impairment charges	(614)	-	614	-	-	-
Restructuring costs	(45)	45	-	-	-	-
General, administrative and other expense	(80)	7	-	(73)	-	(73)
Gains and other income	2	-	-	2	-	2
Joint venture equity earnings	(12)	6	-	(6)	-	(6)
Timeshare strategy - impairment charges (non-operating)	(71)	-	71	-	-	-
Noncontrolling interest	11	-	-	11	-	11
Segment results	\$ (679)	\$ 81	\$ 685	\$ 87	\$ 76	\$ 163
Sales and Services Revenue						
Development	\$ 626	\$ 4	\$ -	\$ 630	\$ 23	\$ 653
Services	330	-	-	330	-	330
Financing	130	20	-	150	79	229
Other revenue	37	-	-	37	(1)	36
Sales and services revenue	\$ 1,123	\$ 24	\$ -	\$ 1,147	\$ 101	\$ 1,248
Contract Sales						
Company:						
Timeshare	\$ 685	\$ -	\$ -	\$ 685	\$ -	\$ 685
Fractional	28	4	-	32	-	32
Residential	8	4	-	12	-	12
Total company	721	8	-	729	-	729
Joint ventures:						
Timeshare	-	-	-	-	-	-
Fractional	(21)	40	-	19	-	19
Residential	(35)	35	-	-	-	-
Total joint ventures	(56)	75	-	19	-	19
Total contract sales, including joint ventures	\$ 665	\$ 83	\$ -	\$ 748	\$ -	\$ 748
Gain / (Loss) on Notes Sold						
Gain / loss on notes sold	\$ 37	\$ -	\$ -	\$ 37	\$ (37)	\$ -

**Denotes non-GAAP financial measures. Please see pages A-27 and A-28 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

***If we had adopted ASU Nos. 2009-16 and 2009-17 on the first day of fiscal year 2009, the full year 2009 impact to the company would have been a \$1 million decline in adjusted pretax income, which includes the \$76 million increase to Timeshare segment results shown in the table above more than offset by the \$77 million increase in interest expense.

MARRIOTT INTERNATIONAL, INC.
Non-GAAP Financial Measures

In our press release and schedules, and on the 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 press release schedules reconcile the most directly comparable GAAP measure to each non-GAAP measure that we refer to (identified by a double asterisk on the preceding pages). 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.

Adjusted Measures That Exclude Certain Charges, Costs, and Other Expenses. Management evaluates non-GAAP measures that exclude the impact of Timeshare strategy - impairment charges incurred in the 2009 third quarter, restructuring costs and other charges incurred in the 2008 fourth quarter through the 2009 fourth quarter, deferred compensation charges and credits incurred in the 2008 first quarter through the 2009 fourth quarter, and certain tax expenses incurred in the 2008 second quarter through the 2009 third quarter, because those non-GAAP measures allow for period-over-period comparisons of our on-going core operations before material charges. These non-GAAP measures also facilitate management's comparison of results from our on-going operations before material charges with results from other lodging companies.

Timeshare Strategy - Impairment Charges. In response to the difficult business conditions that the Timeshare segment's timeshare, luxury residential, and luxury fractional real estate development businesses continued to experience, we evaluated our entire Timeshare portfolio in the 2009 third quarter. In order to adjust the business strategy to reflect current market conditions at that time, on September 22, 2009, we approved plans for our Timeshare segment to take the following actions: (1) for our luxury residential projects, reduce prices, convert certain proposed projects to other uses, sell some undeveloped land, and not pursue further Marriott-funded residential development projects; (2) reduce prices for existing luxury fractional units; (3) continue short-term promotions for our U.S. timeshare business and defer the introduction of new projects and development phases; and (4) for our European timeshare and fractional resorts, continue promotional pricing and marketing incentives and not pursue further development. As a result of these decisions, we recorded third quarter 2009 pretax charges totaling \$752 million in our Consolidated Statements of Income (\$502 million after-tax), including \$614 million of pretax charges impacting operating income under the "Timeshare strategy-impairment charges" caption, and \$138 million of pretax charges impacting non-operating income under the "Timeshare strategy-impairment charges (non-operating)" caption.

Restructuring Costs and Other Charges. During the latter part of 2008 and particularly the fourth quarter, we experienced a significant decline in demand for hotel rooms both domestically and internationally due, in part, to the failures and near failures of several large financial service companies and the dramatic downturn in the economy. Our capital intensive Timeshare business was also hurt by the downturn in market conditions and particularly, the significant deterioration in the credit markets, which resulted in our decision not to complete a note sale in the fourth quarter of 2008 (although we did complete a note sale in the first quarter of 2009). These declines resulted in reduced management and franchise fees, cancellation of development projects, reduced timeshare contract sales, contract cancellation allowances, and charges and reserves associated with expected fundings, loans, Timeshare inventory, accounts receivable, contract cancellation allowances, valuation of Timeshare residual interests, hedge ineffectiveness, and asset impairments. We responded by implementing various cost saving measures, beginning in the fourth quarter of 2008 and which continued in 2009, and resulted in first quarter 2009 restructuring costs of \$2 million, second quarter 2009 restructuring costs of \$33 million, and third quarter 2009 restructuring costs of \$9 million, and 2009 fourth quarter restructuring costs of \$7 million that were directly related to the downturn. We also incurred other first quarter 2009, second quarter 2009 and fourth quarter 2009 charges totaling \$127 million, \$24 million, and \$12 million respectively, as well as \$1 million in net other credits in the 2009 third quarter, that were directly related to the downturn, including asset impairment charges, accounts receivable and guarantee charges, reserves associated with loans, reversal of the liability related to expected fundings, Timeshare contract cancellation allowances, and charges related to the valuation of Timeshare residual interests.

Deferred Compensation Expenses. We evaluate adjusted general, administrative, and other expenses excluding the impact of deferred compensation expenses because this non-GAAP measure allows for period-over-period comparisons of our on-going core general, administrative, other expenses before material charges or credits associated with a program that we have modified. As we implemented changes to our deferred compensation plan in 2009, we expect to have significantly reduced expense impact and volatility in 2010 and beyond. We also utilize this metric for forecasting and modeling purposes.

Certain Tax Expenses. Certain tax expenses included \$26 million in the 2009 first quarter, \$17 million in the 2009 second quarter, \$13 million in the 2009 third quarter and \$24 million in the 2008 second quarter of non-cash charges primarily related to the treatment of funds received from certain foreign subsidiaries, an issue we are contesting with the Internal Revenue Service ("IRS"). Additionally, certain tax expenses in the 2008 second quarter also reflected \$12 million of tax expense due primarily to prior years' tax adjustments, including a settlement with the IRS that resulted in a lower than expected refund of taxes associated with a 1995 leasing transaction. Certain tax expenses in the 2008 third quarter reflected \$29 million of tax expense primarily related to an unfavorable court decision involving a tax planning transaction associated with a 1994 sale transaction. Certain tax expenses in the 2008 fourth quarter include income tax expense totaling \$7 million primarily due to prior years' tax adjustments.

MARRIOTT INTERNATIONAL, INC.
Non-GAAP Financial Measures
(cont.)

Earnings Before Interest, Taxes, Depreciation and Amortization. Earnings before interest, taxes, depreciation and amortization ("EBITDA") reflects earnings excluding the impact of interest expense, tax expense, depreciation and amortization. Management considers EBITDA 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. EBITDA is used by analysts, lenders, investors and others, as well as by us, 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 tax expense can vary considerably among companies. EBITDA also excludes depreciation and amortization because companies utilize productive assets of different ages and use different methods of both acquiring and depreciating productive assets. These differences can result in considerable variability in the relative costs of productive assets and the depreciation and amortization expense among companies.

Adjusted EBITDA. Management also evaluates adjusted EBITDA which excludes: (1) Timeshare strategy - impairment charges of \$752 million incurred in the 2009 third quarter; (2) the 2009 fourth quarter restructuring costs and other charges totaling \$19 million; (3) the 2009 third quarter restructuring costs and other charges totaling \$8 million; (4) the 2009 second quarter restructuring costs and other charges totaling \$57 million; (5) the 2009 first quarter restructuring costs and other charges totaling \$129 million; (6) the 2008 fourth quarter restructuring costs and other charges totaling \$192 million; and (7) the first through third quarters of 2008 impact of the synthetic fuel business. Management excludes the restructuring costs and other charges incurred in the 2009 first through fourth quarters and in the 2008 fourth quarter and the timeshare strategy-impairment charges recorded in the 2009 third quarter for the reasons noted above under "Measures That Exclude Certain Charges, Costs, and Other Expenses." Fourth quarter 2008 restructuring costs and other charges included \$55 million of restructuring costs and \$137 million of other charges, including charges and reserves associated with expected fundings, loans, Timeshare inventory, accounts receivable, contract cancellation allowances, valuation of Timeshare residual interests, hedge ineffectiveness, and asset impairments. Management also excludes the first through third quarters of 2008 impact of the synthetic fuel business, which was discontinued in 2007 and which did not relate to our core lodging business, to allow for period-over-period comparisons of our on-going core lodging operations and facilitate management's comparison of our results with those of other lodging companies.

Adjusted Measures that Exclude the Impact of New Accounting Standards or Reflect Their Early Adoption. As of the first day of fiscal year 2010, we adopted Accounting Standards Update ("ASU") No. 2009-16 "Transfers and Servicing (Topic 860): Accounting for Transfers of Financial Assets" (formerly known as FAS No. 166, "Accounting for Transfers of Financial Assets-an amendment of FASB Statement No. 140") and ASU No. 2009-17 "Consolidations (Topic 810); Improvements to Financial Reporting by Enterprises Involved with Variable Interest Entities" (formerly known as FAS No. 167, "Amendments to FASB Interpretation No. 46(R)," which requires consolidating previously securitized pools of Timeshare notes and will impact the ongoing accounting for those notes. Management evaluates non-GAAP measures that exclude the impact of these standards in future years or include the impact of these standards as if we had adopted them early in order to better perform year-over-year comparisons on a comparable basis.

Total Debt Net of Cash (or "Net Debt") and Adjusted Total Debt Net of Cash. Total debt net of cash reflects total debt less cash and cash equivalents. Management considers total debt net of cash to be a more accurate indicator of the net debt that must be repaid or refinanced at maturity (as it gives consideration to cash resources available to retire a portion of the debt when due). In addition, Management considers adjusted total debt net of cash, which excludes the debt that will be consolidated as a result of adopting ASU Nos. 2009-16 and 2009-17, because that debt is non-recourse to the Company and is not supported by the Company's cash flows. Management believes that these financial measures provide a clearer picture of the future demands on cash to repay debt and uses these measures in making decisions regarding its borrowing capacity and future refinancing needs. Management also evaluates adjusted total debt net of cash for the reason stated in the previous paragraph.

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