

**MARRIOTT INTERNATIONAL, INC.**  
**PRESS RELEASE SCHEDULES**  
**QUARTER 4, 2010**  
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**MARRIOTT INTERNATIONAL, INC.**  
**CONSOLIDATED STATEMENTS OF INCOME**

(in millions, except per share amounts)

	Adjustments			As Adjusted 16 Weeks Ended December 31, 2010 **	Adjustments				As Adjusted 16 Weeks Ended January 1, 2010 **	Percent Better (Worse) Adjusted 2010 vs. Adjusted 2009
	As Reported 16 Weeks Ended December 31, 2010	Other Charges	Certain Tax Items		As Reported 16 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges	Timeshare Strategy - Impairment Charges	Certain Tax Items		
<b>REVENUES</b>										
Base management fees	\$ 178	\$ -	\$ -	\$ 178	\$ 163	\$ -	\$ -	\$ -	\$ 163	9
Franchise fees	136	-	-	136	119	-	-	-	119	14
Incentive management fees	75	-	-	75	59	-	-	-	59	27
Owned, leased, corporate housing and other revenue <sup>1</sup>	342	-	-	342	335	-	-	-	335	2
Timeshare sales and services (including net note sale gains of \$38 for the sixteen weeks ended January 1, 2010) <sup>2</sup>	372	-	-	372	377	(2)	-	-	375	(1)
Cost reimbursements <sup>3</sup>	2,539	-	-	2,539	2,327	-	-	-	2,327	9
<b>Total Revenues</b>	<b>3,642</b>	<b>-</b>	<b>-</b>	<b>3,642</b>	<b>3,380</b>	<b>(2)</b>	<b>-</b>	<b>-</b>	<b>3,378</b>	<b>8</b>
<b>OPERATING COSTS AND EXPENSES</b>										
Owned, leased and corporate housing - direct <sup>4</sup>	301	-	-	301	313	-	-	-	313	4
Timeshare - direct	329	-	-	329	303	-	-	-	303	(9)
Reimbursed costs	2,539	-	-	2,539	2,327	-	-	-	2,327	(9)
Restructuring costs	-	-	-	-	7	(7)	-	-	-	-
General, administrative and other <sup>5</sup>	351	(111)	-	240	215	(8)	-	-	207	(16)
<b>Total Expenses</b>	<b>3,520</b>	<b>(111)</b>	<b>-</b>	<b>3,409</b>	<b>3,165</b>	<b>(15)</b>	<b>-</b>	<b>-</b>	<b>3,150</b>	<b>(8)</b>
<b>OPERATING INCOME</b>	<b>122</b>	<b>111</b>	<b>-</b>	<b>233</b>	<b>215</b>	<b>13</b>	<b>-</b>	<b>-</b>	<b>228</b>	<b>2</b>
Gains and other income <sup>6</sup>	28	-	-	28	4	-	-	-	4	600
Interest expense	(50)	-	-	(50)	(34)	-	-	-	(34)	(47)
Interest income	8	-	-	8	5	-	-	-	5	60
Equity in earnings (losses) <sup>7</sup>	2	(11)	-	(9)	(16)	6	-	-	(10)	10
<b>INCOME BEFORE INCOME TAXES</b>	<b>110</b>	<b>100</b>	<b>-</b>	<b>210</b>	<b>174</b>	<b>19</b>	<b>-</b>	<b>-</b>	<b>193</b>	<b>9</b>
Benefit (provision) for income taxes	63	(38)	(85)	(60)	(68)	(7)	-	-	(75)	20
<b>NET INCOME (LOSS)</b>	<b>173</b>	<b>62</b>	<b>(85)</b>	<b>150</b>	<b>106</b>	<b>12</b>	<b>-</b>	<b>-</b>	<b>118</b>	<b>27</b>
Add: Net losses attributable to noncontrolling interests, net of tax	-	-	-	-	-	-	-	-	-	-
<b>NET INCOME (LOSS) ATTRIBUTABLE TO MARRIOTT</b>	<b>\$ 173</b>	<b>\$ 62</b>	<b>\$ (85)</b>	<b>\$ 150</b>	<b>\$ 106</b>	<b>\$ 12</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 118</b>	<b>27</b>
<b>EARNINGS (LOSSES) PER SHARE - Basic</b>										
Earnings (losses) per share attributable to Marriott shareholders <sup>8</sup>	\$ 0.48	\$ 0.17	\$ (0.23)	\$ 0.41	\$ 0.30	\$ 0.03	\$ -	\$ -	\$ 0.33	24
<b>EARNINGS (LOSSES) PER SHARE - Diluted</b>										
Earnings (losses) per share attributable to Marriott shareholders <sup>8</sup>	\$ 0.46	\$ 0.16	\$ (0.22)	\$ 0.39	\$ 0.28	\$ 0.03	\$ -	\$ -	\$ 0.32	22
Basic Shares	365.6	365.6	365.6	365.6	357.6	357.6	357.6	357.6	357.6	
Diluted Shares	382.0	382.0	382.0	382.0	372.2	372.2	372.2	372.2	372.2	

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and 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 December 31, 2010 **	Adjustments				As Adjusted 52 Weeks Ended January 1, 2010 **	Percent Better (Worse) Adjusted 2010 vs. Adjusted 2009
	As Reported 52 Weeks Ended December 31, 2010	Other Charges	Certain Tax Items		As Reported 52 Weeks Ended January 1, 2010	Restructuring Costs & Other Charges	Timeshare Strategy - Impairment Charges	Certain Tax Items		
<b>REVENUES</b>										
Base management fees	\$ 562	\$ -	\$ -	\$ 562	\$ 530	\$ -	\$ -	\$ -	\$ 530	6
Franchise fees	441	-	-	441	400	-	-	-	400	10
Incentive management fees	182	-	-	182	154	-	-	-	154	18
Owned, leased, corporate housing and other revenue <sup>1</sup>	1,046	-	-	1,046	1,019	-	-	-	1,019	3
Timeshare sales and services (including net note sale gains of \$37 for the fifty-two weeks ended January 1, 2010) <sup>2</sup>	1,221	-	-	1,221	1,123	24	-	-	1,147	6
Cost reimbursements <sup>3</sup>	8,239	-	-	8,239	7,682	-	-	-	7,682	7
<b>Total Revenues</b>	<b>11,691</b>	<b>-</b>	<b>-</b>	<b>11,691</b>	<b>10,908</b>	<b>24</b>	<b>-</b>	<b>-</b>	<b>10,932</b>	<b>7</b>
<b>OPERATING COSTS AND EXPENSES</b>										
Owned, leased and corporate housing - direct <sup>4</sup>	955	-	-	955	951	-	-	-	951	-
Timeshare - direct	1,022	-	-	1,022	1,040	1	-	-	1,041	2
Timeshare strategy - impairment charges	-	-	-	-	614	-	(614)	-	-	-
Reimbursed costs	8,239	-	-	8,239	7,682	-	-	-	7,682	(7)
Restructuring costs	-	-	-	-	51	(51)	-	-	-	-
General, administrative and other <sup>5</sup>	780	(111)	-	669	722	(100)	-	-	622	(8)
<b>Total Expenses</b>	<b>10,996</b>	<b>(111)</b>	<b>-</b>	<b>10,885</b>	<b>11,060</b>	<b>(150)</b>	<b>(614)</b>	<b>-</b>	<b>10,296</b>	<b>(6)</b>
<b>OPERATING INCOME (LOSS)</b>	<b>695</b>	<b>111</b>	<b>-</b>	<b>806</b>	<b>(152)</b>	<b>174</b>	<b>614</b>	<b>-</b>	<b>636</b>	<b>27</b>
Gains and other income (including gain on debt extinguishment of \$21 for the fifty-two weeks ended January 1, 2010) <sup>6</sup>	35	-	-	35	31	-	-	-	31	13
Interest expense	(180)	-	-	(180)	(118)	-	-	-	(118)	(53)
Interest income	19	-	-	19	25	-	-	-	25	(24)
Equity in losses <sup>7</sup>	(18)	(11)	-	(29)	(66)	39	-	-	(27)	(7)
Timeshare strategy - impairment charges (non-operating)	-	-	-	-	(138)	-	138	-	-	-
<b>INCOME (LOSS) BEFORE INCOME TAXES</b>	<b>551</b>	<b>100</b>	<b>-</b>	<b>651</b>	<b>(418)</b>	<b>213</b>	<b>752</b>	<b>-</b>	<b>547</b>	<b>19</b>
(Provision) benefit for income taxes	(93)	(38)	(85)	(216)	65	(83)	(250)	56	(212)	(2)
<b>NET INCOME (LOSS)</b>	<b>458</b>	<b>62</b>	<b>(85)</b>	<b>435</b>	<b>(353)</b>	<b>130</b>	<b>502</b>	<b>56</b>	<b>335</b>	<b>30</b>
Add: Net losses attributable to noncontrolling interests, net of tax	-	-	-	-	7	-	-	-	7	(100)
<b>NET INCOME (LOSS) ATTRIBUTABLE TO MARRIOTT</b>	<b>\$ 458</b>	<b>\$ 62</b>	<b>\$ (85)</b>	<b>\$ 435</b>	<b>\$ (346)</b>	<b>\$ 130</b>	<b>\$ 502</b>	<b>\$ 56</b>	<b>\$ 342</b>	<b>27</b>
<b>EARNINGS (LOSSES) PER SHARE - Basic</b>										
Earnings (losses) per share attributable to Marriott shareholders <sup>8</sup>	\$ 1.26	\$ 0.17	\$ (0.24)	\$ 1.20	\$ (0.97)	\$ 0.37	\$ 1.41	\$ 0.16	\$ 0.96	25
<b>EARNINGS (LOSSES) PER SHARE - Diluted<sup>9</sup></b>										
Earnings (losses) per share attributable to Marriott shareholders <sup>8</sup>	\$ 1.21	\$ 0.16	\$ (0.23)	\$ 1.15	\$ (0.97)	\$ 0.37	\$ 1.41	\$ 0.16	\$ 0.93	24
Basic Shares	362.8	362.8	362.8	362.8	356.4	356.4	356.4	356.4	356.4	
Diluted Shares <sup>9</sup>	378.3	378.3	378.3	378.3	356.4	356.4	356.4	356.4	367.4	

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and limitations on their use. See page A-3 for footnote references.

**MARRIOTT INTERNATIONAL, INC.**  
**FOOTNOTES TO CONSOLIDATED STATEMENTS OF INCOME**

- <sup>1</sup> – *Owned, leased, corporate housing and other revenue* includes revenue from the properties we own or lease, revenue from our corporate housing business, termination fees, branding fees and other revenue.
- <sup>2</sup> – *Timeshare sales and services* includes total timeshare revenue except for base management fees and cost reimbursements.
- <sup>3</sup> – *Cost reimbursements* include reimbursements from properties for Marriott-funded operating expenses.
- <sup>4</sup> – *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.
- <sup>5</sup> – *General, administrative and other expenses* include the overhead costs allocated to our segments, and our corporate overhead costs and general expenses.
- <sup>6</sup> – *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.
- <sup>7</sup> – *Equity in earnings (losses)* includes our equity in earnings (losses) of unconsolidated equity method joint ventures.
- <sup>8</sup> – Earnings per share attributable to Marriott shareholders plus adjustment items may not equal earnings per share attributable to Marriott shareholders as adjusted due to rounding.
- <sup>9</sup> – Basic and fully diluted weighted average shares outstanding used to calculate 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.**  
**TOTAL LODGING PRODUCTS <sup>1</sup>**

<b>Brand</b>	<b><u>Number of Properties</u></b>			<b><u>Number of Rooms/Suites</u></b>		
	<b>December 31, 2010</b>	<b>January 1, 2010</b>	<b>vs. January 1, 2010</b>	<b>December 31, 2010</b>	<b>January 1, 2010</b>	<b>vs. January 1, 2010</b>
<b><u>Domestic Full-Service</u></b>						
Marriott Hotels & Resorts	357	353	4	143,349	140,160	3,189
Renaissance Hotels	78	79	(1)	28,288	28,918	(630)
Autograph Collection	13	-	13	3,828	-	3,828
<b><u>Domestic Limited-Service</u></b>						
Courtyard	795	768	27	111,634	107,640	3,994
Fairfield Inn & Suites	648	620	28	58,510	55,622	2,888
SpringHill Suites	273	255	18	31,961	29,846	2,115
Residence Inn	595	591	4	71,571	70,995	576
TownePlace Suites	192	184	8	19,320	18,451	869
<b><u>International</u></b>						
Marriott Hotels & Resorts	197	192	5	60,670	58,595	2,075
Renaissance Hotels	68	64	4	22,720	21,664	1,056
Courtyard	97	90	7	19,435	17,566	1,869
Fairfield Inn & Suites	10	9	1	1,235	1,109	126
SpringHill Suites	1	1	-	124	124	-
Residence Inn	18	17	1	2,559	2,417	142
TownePlace Suites	1	-	1	105	-	105
Marriott Executive Apartments	23	23	-	3,775	3,880	(105)
<b><u>Luxury</u></b>						
The Ritz-Carlton - Domestic	39	40	(1)	11,587	12,115	(528)
The Ritz-Carlton - International	35	34	1	10,457	10,171	286
Bulgari Hotels & Resorts	2	2	-	117	117	-
Edition	1	-	1	353	-	353
The Ritz-Carlton Residential	28	26	2	3,085	2,706	379
The Ritz-Carlton Serviced Apartments	3	3	-	458	474	(16)
<b><u>Timeshare <sup>2</sup></u></b>						
Marriott Vacation Club <sup>3</sup>	53	52	1	11,918	11,854	64
The Ritz-Carlton Destination Club	10	9	1	491	461	30
The Ritz-Carlton Residences	4	4	-	238	237	1
Grand Residences by Marriott - Fractional	2	2	-	248	248	-
Grand Residences by Marriott - Residential	2	2	-	68	91	(23)
<b>Sub Total Timeshare</b>	<b>71</b>	<b>69</b>	<b>2</b>	<b>12,963</b>	<b>12,891</b>	<b>72</b>
<b>Total</b>	<b>3,545</b>	<b>3,420</b>	<b>125</b>	<b>618,104</b>	<b>595,461</b>	<b>22,643</b>

**Number of Timeshare Interval, Fractional and Residential Resorts**

	<b>Total Properties <sup>2</sup></b>	<b>Properties in Active Sales <sup>4</sup></b>
<b><u>100% Company-Developed</u></b>		
Marriott Vacation Club <sup>3</sup>	53	27
The Ritz-Carlton Destination Club and Residences	12	10
Grand Residences by Marriott and Residences	4	3
<b><u>Joint Ventures</u></b>		
The Ritz-Carlton Destination Club and Residences	2	2
<b>Total</b>	<b>71</b>	<b>42</b>

<sup>1</sup> Total Lodging Products excludes the 2,043 and 2,072 corporate housing rental units as of December 31, 2010 and January 1, 2010, respectively.

<sup>2</sup> 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.

<sup>3</sup> Marriott Vacation Club includes Horizons by Marriott Vacation Club products that were previously reported separately.

<sup>4</sup> Products in active sales may not be ready for occupancy.

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

**Comparable Company-Operated International Properties<sup>1</sup>**

Region	Four Months Ended December 31, 2010 and December 31, 2009						
	REVPAR		Occupancy			Average Daily Rate	
	2010	vs. 2009	2010	vs. 2009	2010	vs. 2009	
Caribbean & Latin America	\$117.64	6.2%	67.1%	1.7% pts.	\$175.22	3.5%	
Continental Europe	\$126.41	10.3%	74.1%	3.5% pts.	\$170.57	5.1%	
United Kingdom	\$129.39	8.3%	77.1%	1.7% pts.	\$167.72	5.9%	
Middle East & Africa	\$99.88	0.8%	73.3%	2.7% pts.	\$136.21	-2.9%	
Asia Pacific <sup>2</sup>	\$91.43	18.3%	68.6%	6.5% pts.	\$133.30	7.1%	
<b>Regional Composite<sup>3</sup></b>	<b>\$113.61</b>	<b>10.0%</b>	<b>72.4%</b>	<b>3.7% pts.</b>	<b>\$156.99</b>	<b>4.3%</b>	
<b>International Luxury<sup>4</sup></b>	<b>\$202.34</b>	<b>13.7%</b>	<b>64.5%</b>	<b>4.7% pts.</b>	<b>\$313.56</b>	<b>5.4%</b>	
<b>Total International<sup>5</sup></b>	<b>\$123.28</b>	<b>10.5%</b>	<b>71.5%</b>	<b>3.9% pts.</b>	<b>\$172.37</b>	<b>4.6%</b>	
<b>Worldwide<sup>6</sup></b>	<b>\$105.02</b>	<b>7.9%</b>	<b>67.4%</b>	<b>2.9% pts.</b>	<b>\$155.77</b>	<b>3.3%</b>	

**Comparable Systemwide International Properties<sup>1</sup>**

Region	Four Months Ended December 31, 2010 and December 31, 2009						
	REVPAR		Occupancy			Average Daily Rate	
	2010	vs. 2009	2010	vs. 2009	2010	vs. 2009	
Caribbean & Latin America	\$101.31	9.4%	65.3%	3.1% pts.	\$155.14	4.2%	
Continental Europe	\$123.53	9.7%	73.4%	3.8% pts.	\$168.28	3.9%	
United Kingdom	\$128.09	8.2%	76.6%	1.6% pts.	\$167.15	5.9%	
Middle East & Africa	\$98.44	0.9%	73.1%	2.7% pts.	\$134.62	-2.8%	
Asia Pacific <sup>2</sup>	\$100.48	13.6%	69.2%	5.9% pts.	\$145.21	3.9%	
<b>Regional Composite<sup>3</sup></b>	<b>\$112.51</b>	<b>9.5%</b>	<b>71.6%</b>	<b>3.9% pts.</b>	<b>\$157.12</b>	<b>3.6%</b>	
<b>International Luxury<sup>4</sup></b>	<b>\$202.34</b>	<b>13.7%</b>	<b>64.5%</b>	<b>4.7% pts.</b>	<b>\$313.56</b>	<b>5.4%</b>	
<b>Total International<sup>5</sup></b>	<b>\$120.57</b>	<b>10.1%</b>	<b>71.0%</b>	<b>4.0% pts.</b>	<b>\$169.89</b>	<b>3.9%</b>	
<b>Worldwide<sup>6</sup></b>	<b>\$87.02</b>	<b>8.1%</b>	<b>65.9%</b>	<b>3.6% pts.</b>	<b>\$132.02</b>	<b>2.3%</b>	

<sup>1</sup> We report financial 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 includes the continental United States.

<sup>2</sup> Does not include Hawaii.

<sup>3</sup> Regional information includes the Marriott Hotels & Resorts, Renaissance Hotels and Courtyard brands. Includes Hawaii.

<sup>4</sup> International Luxury includes The Ritz-Carlton properties outside of the continental United States and Canada and Bulgari Hotels & Resorts.

<sup>5</sup> Includes Regional Composite and International Luxury.

<sup>6</sup> Includes international statistics for the four calendar months ended December 31, 2010 and December 31, 2009, and the continental United States statistics for the sixteen weeks ended December 31, 2010 and January 1, 2010. Includes the Marriott Hotels & Resorts, Renaissance Hotels, The Ritz-Carlton, Bulgari Hotels & Resorts, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites brands.

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

**Comparable Company-Operated International Properties<sup>1</sup>**

Region	Twelve Months Ended December 31, 2010 and December 31, 2009						
	REVPAR		Occupancy			Average Daily Rate	
	2010	vs. 2009	2010	vs. 2009	2010	vs. 2009	
Caribbean & Latin America	\$126.19	5.5%	70.7%	4.1% pts.	\$178.59	-0.5%	
Continental Europe	\$114.92	7.6%	71.1%	4.0% pts.	\$161.63	1.6%	
United Kingdom	\$121.68	7.8%	76.4%	3.1% pts.	\$159.27	3.3%	
Middle East & Africa	\$93.86	-2.6%	70.5%	2.4% pts.	\$133.18	-5.9%	
Asia Pacific <sup>2</sup>	\$83.96	23.3%	66.7%	11.7% pts.	\$125.88	1.7%	
<b>Regional Composite<sup>3</sup></b>	<b>\$107.47</b>	<b>9.1%</b>	<b>71.1%</b>	<b>5.8% pts.</b>	<b>\$151.19</b>	<b>0.2%</b>	
<b>International Luxury<sup>4</sup></b>	<b>\$198.82</b>	<b>10.7%</b>	<b>64.0%</b>	<b>6.0% pts.</b>	<b>\$310.46</b>	<b>0.4%</b>	
<b>Total International<sup>5</sup></b>	<b>\$117.38</b>	<b>9.4%</b>	<b>70.3%</b>	<b>5.8% pts.</b>	<b>\$166.93</b>	<b>0.3%</b>	
<b>Worldwide<sup>6</sup></b>	<b>\$103.30</b>	<b>6.3%</b>	<b>68.7%</b>	<b>4.1% pts.</b>	<b>\$150.46</b>	<b>0.0%</b>	

**Comparable Systemwide International Properties<sup>1</sup>**

Region	Twelve Months Ended December 31, 2010 and December 31, 2009						
	REVPAR		Occupancy			Average Daily Rate	
	2010	vs. 2009	2010	vs. 2009	2010	vs. 2009	
Caribbean & Latin America	\$109.45	10.6%	67.9%	6.3% pts.	\$161.09	0.3%	
Continental Europe	\$111.95	7.1%	69.9%	4.5% pts.	\$160.08	0.2%	
United Kingdom	\$120.47	7.7%	75.9%	3.1% pts.	\$158.75	3.3%	
Middle East & Africa	\$92.74	-2.3%	70.4%	2.7% pts.	\$131.66	-6.0%	
Asia Pacific <sup>2</sup>	\$90.71	16.5%	67.2%	10.1% pts.	\$134.90	-1.0%	
<b>Regional Composite<sup>3</sup></b>	<b>\$106.01</b>	<b>8.9%</b>	<b>70.1%</b>	<b>5.9% pts.</b>	<b>\$151.12</b>	<b>-0.3%</b>	
<b>International Luxury<sup>4</sup></b>	<b>\$198.82</b>	<b>10.7%</b>	<b>64.0%</b>	<b>6.0% pts.</b>	<b>\$310.46</b>	<b>0.4%</b>	
<b>Total International<sup>5</sup></b>	<b>\$114.31</b>	<b>9.2%</b>	<b>69.6%</b>	<b>5.9% pts.</b>	<b>\$164.24</b>	<b>-0.2%</b>	
<b>Worldwide<sup>6</sup></b>	<b>\$87.28</b>	<b>5.8%</b>	<b>67.8%</b>	<b>4.1% pts.</b>	<b>\$128.82</b>	<b>-0.6%</b>	

<sup>1</sup> We report financial 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 includes the continental United States.

<sup>2</sup> Does not include Hawaii.

<sup>3</sup> Regional information includes the Marriott Hotels & Resorts, Renaissance Hotels and Courtyard brands. Includes Hawaii.

<sup>4</sup> International Luxury includes The Ritz-Carlton properties outside of the continental United States and Canada and Bulgari Hotels & Resorts.

<sup>5</sup> Includes Regional Composite and International Luxury.

<sup>6</sup> Includes international statistics for the twelve calendar months ended December 31, 2010 and December 31, 2009, and the continental United States statistics for the fifty-two weeks ended December 31, 2010 and January 1, 2010. Includes the Marriott Hotels & Resorts, Renaissance Hotels, The Ritz-Carlton, Bulgari Hotels & Resorts, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites brands.

**MARRIOTT INTERNATIONAL, INC.**  
**KEY LODGING STATISTICS**

**Comparable Company-Operated North American Properties<sup>1</sup>**

Brand	Sixteen Weeks Ended December 31, 2010 and January 1, 2010						
	REVPAR		Occupancy			Average Daily Rate	
	2010	vs. 2009	2010	vs. 2009	2010	vs. 2009	
Marriott Hotels & Resorts	\$108.08	5.6%	66.2%	1.3% pts.	\$163.16	3.5%	
Renaissance Hotels	\$102.95	6.4%	65.2%	1.2% pts.	\$157.94	4.5%	
<b>Composite North American Full-Service<sup>2</sup></b>	<b>\$107.12</b>	<b>5.7%</b>	<b>66.0%</b>	<b>1.3% pts.</b>	<b>\$162.19</b>	<b>3.6%</b>	
The Ritz-Carlton <sup>3</sup>	\$184.47	10.0%	65.4%	4.5% pts.	\$282.16	2.5%	
<b>Composite North American Full-Service &amp; Luxury<sup>4</sup></b>	<b>\$116.62</b>	<b>6.5%</b>	<b>66.0%</b>	<b>1.7% pts.</b>	<b>\$176.80</b>	<b>3.8%</b>	
Residence Inn	\$80.49	6.7%	71.9%	4.7% pts.	\$111.92	-0.2%	
Courtyard	\$67.72	6.0%	62.3%	2.9% pts.	\$108.75	1.1%	
TownePlace Suites	\$46.18	11.0%	63.3%	6.1% pts.	\$73.00	0.2%	
SpringHill Suites	\$59.47	7.5%	62.0%	2.6% pts.	\$95.94	3.0%	
<b>Composite North American Limited-Service<sup>5</sup></b>	<b>\$69.36</b>	<b>6.5%</b>	<b>65.0%</b>	<b>3.5% pts.</b>	<b>\$106.66</b>	<b>0.7%</b>	
<b>Composite - All<sup>6</sup></b>	<b>\$96.78</b>	<b>6.5%</b>	<b>65.6%</b>	<b>2.5% pts.</b>	<b>\$147.60</b>	<b>2.5%</b>	

**Comparable Systemwide North American Properties<sup>1</sup>**

Brand	Sixteen Weeks Ended December 31, 2010 and January 1, 2010						
	REVPAR		Occupancy			Average Daily Rate	
	2010	vs. 2009	2010	vs. 2009	2010	vs. 2009	
Marriott Hotels & Resorts	\$93.45	6.3%	63.8%	2.5% pts.	\$146.49	2.2%	
Renaissance Hotels	\$93.37	7.4%	65.3%	2.6% pts.	\$143.06	3.2%	
<b>Composite North American Full-Service<sup>2</sup></b>	<b>\$93.43</b>	<b>6.5%</b>	<b>64.1%</b>	<b>2.5% pts.</b>	<b>\$145.87</b>	<b>2.4%</b>	
The Ritz-Carlton <sup>3</sup>	\$184.47	10.0%	65.4%	4.5% pts.	\$282.16	2.5%	
<b>Composite North American Full-Service &amp; Luxury<sup>4</sup></b>	<b>\$100.14</b>	<b>7.0%</b>	<b>64.2%</b>	<b>2.6% pts.</b>	<b>\$156.09</b>	<b>2.6%</b>	
Residence Inn	\$81.23	8.0%	72.9%	4.8% pts.	\$111.40	0.8%	
Courtyard	\$69.70	7.1%	63.2%	3.3% pts.	\$110.34	1.5%	
Fairfield Inn & Suites	\$50.54	9.4%	60.0%	3.4% pts.	\$84.25	3.2%	
TownePlace Suites	\$52.89	12.1%	66.7%	7.3% pts.	\$79.30	-0.1%	
SpringHill Suites	\$60.54	7.8%	62.8%	3.6% pts.	\$96.33	1.6%	
<b>Composite North American Limited-Service<sup>5</sup></b>	<b>\$67.03</b>	<b>8.0%</b>	<b>65.2%</b>	<b>4.0% pts.</b>	<b>\$102.75</b>	<b>1.4%</b>	
<b>Composite - All<sup>6</sup></b>	<b>\$79.74</b>	<b>7.5%</b>	<b>64.8%</b>	<b>3.5% pts.</b>	<b>\$123.01</b>	<b>1.8%</b>	

<sup>1</sup> Statistics include only properties located in the continental United States.

<sup>2</sup> Includes the Marriott Hotels & Resorts and Renaissance Hotels brands.

<sup>3</sup> Statistics for The Ritz-Carlton are for September through December.

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

<sup>5</sup> Includes the Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites brands.

<sup>6</sup> Includes the Marriott Hotels & Resorts, Renaissance Hotels, The Ritz-Carlton, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites brands.



**MARRIOTT INTERNATIONAL, INC.**  
**KEY LODGING STATISTICS**

**Comparable Company-Operated North American Properties<sup>1</sup>**

Brand	Fifty-two Weeks Ended December 31, 2010 and January 1, 2010					
	REVPAR		Occupancy		Average Daily Rate	
	2010	vs. 2009	2010	vs. 2009	2010	vs. 2009
Marriott Hotels & Resorts	\$107.98	4.7%	69.1%	3.0% pts.	\$156.27	0.2%
Renaissance Hotels & Resorts	\$102.51	2.6%	67.2%	1.9% pts.	\$152.57	-0.3%
<b>Composite North American Full-Service<sup>2</sup></b>	<b>\$106.95</b>	<b>4.3%</b>	<b>68.7%</b>	<b>2.8% pts.</b>	<b>\$155.60</b>	<b>0.1%</b>
The Ritz-Carlton <sup>3</sup>	\$189.30	9.8%	67.6%	5.8% pts.	\$280.17	0.3%
<b>Composite North American Full-Service &amp; Luxury<sup>4</sup></b>	<b>\$116.36</b>	<b>5.3%</b>	<b>68.6%</b>	<b>3.1% pts.</b>	<b>\$169.61</b>	<b>0.5%</b>
Residence Inn	\$84.06	4.4%	74.0%	4.7% pts.	\$113.52	-2.2%
Courtyard	\$69.26	3.1%	64.3%	3.1% pts.	\$107.69	-1.9%
TownePlace Suites	\$48.47	2.1%	65.5%	4.2% pts.	\$73.94	-4.5%
SpringHill Suites	\$62.16	4.3%	64.7%	3.4% pts.	\$96.04	-1.2%
<b>Composite North American Limited-Service<sup>5</sup></b>	<b>\$71.51</b>	<b>3.5%</b>	<b>67.1%</b>	<b>3.6% pts.</b>	<b>\$106.59</b>	<b>-2.0%</b>
<b>Composite - All<sup>6</sup></b>	<b>\$97.43</b>	<b>4.7%</b>	<b>68.0%</b>	<b>3.3% pts.</b>	<b>\$143.35</b>	<b>-0.4%</b>

**Comparable Systemwide North American Properties<sup>1</sup>**

Brand	Fifty-two Weeks Ended December 31, 2010 and January 1, 2010					
	REVPAR		Occupancy		Average Daily Rate	
	2010	vs. 2009	2010	vs. 2009	2010	vs. 2009
Marriott Hotels & Resorts	\$95.07	5.0%	66.5%	3.5% pts.	\$143.06	-0.6%
Renaissance Hotels & Resorts	\$93.82	4.4%	67.2%	3.5% pts.	\$139.71	-1.0%
<b>Composite North American Full-Service<sup>2</sup></b>	<b>\$94.85</b>	<b>4.9%</b>	<b>66.6%</b>	<b>3.5% pts.</b>	<b>\$142.46</b>	<b>-0.6%</b>
The Ritz-Carlton <sup>3</sup>	\$189.30	9.8%	67.6%	5.8% pts.	\$280.17	0.3%
<b>Composite North American Full-Service &amp; Luxury<sup>4</sup></b>	<b>\$101.29</b>	<b>5.5%</b>	<b>66.6%</b>	<b>3.7% pts.</b>	<b>\$151.98</b>	<b>-0.3%</b>
Residence Inn	\$84.41	5.0%	75.3%	4.8% pts.	\$112.06	-1.6%
Courtyard	\$72.27	4.0%	65.7%	3.1% pts.	\$110.00	-1.0%
Fairfield Inn & Suites	\$53.33	4.6%	63.1%	2.9% pts.	\$84.54	-0.3%
TownePlace Suites	\$55.01	5.6%	68.7%	6.1% pts.	\$80.02	-3.7%
SpringHill Suites	\$63.91	3.6%	65.7%	3.7% pts.	\$97.32	-2.2%
<b>Composite North American Limited-Service<sup>5</sup></b>	<b>\$69.85</b>	<b>4.4%</b>	<b>67.8%</b>	<b>3.8% pts.</b>	<b>\$102.96</b>	<b>-1.4%</b>
<b>Composite - All<sup>6</sup></b>	<b>\$81.87</b>	<b>4.9%</b>	<b>67.4%</b>	<b>3.7% pts.</b>	<b>\$121.50</b>	<b>-0.9%</b>

<sup>1</sup> Statistics include only properties located in the continental United States.

<sup>2</sup> Includes the Marriott Hotels & Resorts and Renaissance Hotels brands.

<sup>3</sup> Statistics for The Ritz-Carlton are for January through December.

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

<sup>5</sup> Includes the Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites brands.

<sup>6</sup> Includes the Marriott Hotels & Resorts, Renaissance Hotels, The Ritz-Carlton, Residence Inn, Courtyard, Fairfield Inn & Suites, TownePlace Suites, and SpringHill Suites brands.

**MARRIOTT INTERNATIONAL, INC.**  
**TIMESHARE SEGMENT**

(\$ in millions)

	As Reported 16 Weeks Ended December 31, 2010	Adjustments		As Adjusted 16 Weeks Ended December 31, 2010**	As Reported 16 Weeks Ended January 1, 2010	Adjustments		As Adjusted 16 Weeks Ended January 1, 2010**	Percent Better / (Worse) Adjusted 2010 vs. Adjusted 2009
		Other Charges				Restructuring Costs & Other Charges			
<b>Segment Revenues</b>									
<b>Base management fees</b>	\$ 16	\$ -		\$ 16	\$ 15	\$ -		\$ 15	7
Sales and services revenue									
<i>Development</i>	196	-		196	185	-		185	6
<i>Services</i>	98	-		98	98	-		98	-
Financing revenue									
Interest income - non-securitized notes	10	-		10	12	-		12	(17)
Interest income - securitized notes	48	-		48	-	-		-	*
Other financing revenue <sup>1</sup>	2	-		2	59	(2)		57	(96)
<i>Total financing revenue</i>	60	-		60	71	(2)		69	(13)
<i>Other revenue</i>	18	-		18	23	-		23	(22)
<b>Total sales and services revenue</b>	<b>372</b>	<b>-</b>		<b>372</b>	<b>377</b>	<b>(2)</b>		<b>375</b>	<b>(1)</b>
<b>Cost reimbursements</b>	<b>86</b>	<b>-</b>		<b>86</b>	<b>85</b>	<b>-</b>		<b>85</b>	<b>1</b>
<b>Segment revenues</b>	<b>\$ 474</b>	<b>\$ -</b>		<b>\$ 474</b>	<b>\$ 477</b>	<b>\$ (2)</b>		<b>\$ 475</b>	<b>-</b>

<b>Segment Results</b>									
Base management fees	\$ 16	\$ -		\$ 16	\$ 15	\$ -		\$ 15	7
Timeshare sales and services, net	43	-		43	74	(2)		72	(40)
Restructuring costs	-	-		-	(7)	7		-	-
General, administrative and other expense	(37)	13		(24)	(23)	-		(23)	(4)
Gains and other income	20	-		20	1	-		1	1,900
Equity in earnings (losses)	2	-		2	(6)	3		(3)	167
Interest expense	(15)	-		(15)	-	-		-	*
<b>Segment results</b>	<b>\$ 29</b>	<b>\$ 13</b>		<b>\$ 42</b>	<b>\$ 54</b>	<b>\$ 8</b>		<b>\$ 62</b>	<b>(32)</b>

<b>Contract Sales</b>			
Company:			
Timeshare	\$ 189		\$ 183
Fractional	8		3
Residential	1		9
Total company	198		195
Joint ventures:			
Fractional	3		(12)
Residential	(4)		(8)
Total joint ventures	(1)		(20)
<b>Total contract sales <sup>2,3</sup></b>	<b>\$ 197</b>		<b>\$ 175</b>

\* Percent cannot be calculated.

\*\*Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> As Reported 16 Weeks Ended January 1, 2010 and As Adjusted 16 Weeks Ended January 1, 2010 include gain on notes sold of \$38 million and \$38 million, respectively.

<sup>2</sup> As Reported 16 Weeks Ended December 31, 2010 includes residential contract cancellation allowances of (\$4) million. Contract sales for the 2010 fourth quarter were \$201 million before project specific contract cancellation allowances.

<sup>3</sup> As Reported 16 Weeks Ended January 1, 2010 includes fractional and residential contract cancellation allowances of (\$20) million and (\$8) million, respectively. Contract sales for the 2009 fourth quarter were \$203 million before project specific contract cancellation allowances.

**MARRIOTT INTERNATIONAL, INC.**  
**TIMESHARE SEGMENT**

(\$ in millions)

	Adjustments		As Reported 52 Weeks Ended December 31, 2010	As Adjusted 52 Weeks Ended December 31, 2010**	As Reported 52 Weeks Ended January 1, 2010	Adjustments		As Adjusted 52 Weeks Ended January 1, 2010**	Percent Better / (Worse) Adjusted 2010 vs. Adjusted 2009
	Other Charges	Restructuring Costs & Other Charges				Timeshare Strategy - Impairment Charges			
<b>Segment Revenues</b>									
<b>Base management fees</b>	\$ 50	\$ -	\$ 50	\$ 50	\$ 47	\$ -	\$ -	\$ 47	6
Sales and services revenue									
<i>Development</i>	626	-	626	626	626	4	-	630	(1)
<i>Services</i>	351	-	351	351	330	-	-	330	6
Financing revenue									
Interest income - non-securitized notes	40	-	40	40	46	-	-	46	(13)
Interest income - securitized notes	147	-	147	147	-	-	-	-	*
Other financing revenue <sup>1</sup>	7	-	7	7	67	20	-	87	(92)
<i>Total financing revenue</i>	194	-	194	194	113	20	-	133	46
<i>Other revenue</i>	50	-	50	50	54	-	-	54	(7)
<b>Total sales and services revenue</b>	<b>1,221</b>	<b>-</b>	<b>1,221</b>	<b>1,221</b>	<b>1,123</b>	<b>24</b>	<b>-</b>	<b>1,147</b>	<b>6</b>
<b>Cost reimbursements</b>	<b>275</b>	<b>-</b>	<b>275</b>	<b>275</b>	<b>269</b>	<b>-</b>	<b>-</b>	<b>269</b>	<b>2</b>
<b>Segment revenues</b>	<b>\$ 1,546</b>	<b>\$ -</b>	<b>\$ 1,546</b>	<b>\$ 1,546</b>	<b>\$ 1,439</b>	<b>\$ 24</b>	<b>\$ -</b>	<b>\$ 1,463</b>	<b>6</b>
<b>Segment Results</b>									
Base management fees	\$ 50	\$ -	\$ 50	\$ 50	\$ 47	\$ -	\$ -	\$ 47	6
Timeshare sales and services, net	199	-	199	199	83	23	-	106	88
Timeshare strategy - impairment charges	-	-	-	-	(614)	-	614	-	-
Restructuring costs	-	-	-	-	(45)	45	-	-	-
General, administrative and other expense	(85)	13	(72)	(72)	(80)	7	-	(73)	1
Gains and other income	20	-	20	20	2	-	-	2	900
Equity in losses	(8)	-	(8)	(8)	(12)	6	-	(6)	(33)
Interest expense	(55)	-	(55)	(55)	-	-	-	-	*
Timeshare strategy - impairment charges (non-operating)	-	-	-	-	(71)	-	71	-	-
Noncontrolling interest	-	-	-	-	11	-	-	11	(100)
<b>Segment results</b>	<b>\$ 121</b>	<b>\$ 13</b>	<b>\$ 134</b>	<b>\$ 134</b>	<b>\$ (679)</b>	<b>\$ 81</b>	<b>\$ 685</b>	<b>\$ 87</b>	<b>54</b>
<b>Contract Sales</b>									
Company:									
Timeshare	\$ 651				\$ 685				
Fractional	28				28				
Residential	9				8				
Total company	688				721				
Joint ventures:									
Fractional	5				(21)				
Residential	(8)				(35)				
Total joint ventures	(3)				(56)				
<b>Total contract sales<sup>2,3</sup></b>	<b>\$ 685</b>				<b>\$ 665</b>				

\* Percent cannot be calculated.

\*\*Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> As Reported 52 Weeks Ended January 1, 2010 and As Adjusted 52 Weeks Ended January 1, 2010 include gain on notes sold of \$37 million and \$37 million, respectively.

<sup>2</sup> As Reported 52 Weeks Ended December 31, 2010 includes fractional and residential contract cancellation allowances of (\$8) million and (\$12) million, respectively. Contract sales for 2010 were \$705 million before project specific contract cancellation allowances.

<sup>3</sup> As Reported 52 Weeks Ended January 1, 2010 includes fractional and residential contract cancellation allowances of (\$44) million and (\$39) million, respectively. Contract sales for 2009 were \$748 million before project specific contract cancellation allowances.

**MARRIOTT INTERNATIONAL, INC.**  
**TIMESHARE SEGMENT**  
**AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 BEEN ADOPTED ON JANUARY 3, 2009**  
**FOURTH QUARTER 2009**  
(\$ in millions)

	As Reported 16 Weeks Ended January 1, 2010	Adjustments		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**
		Restructuring Costs & Other Charges				
<b>Segment Revenues</b>						
<b>Base management fees</b>	\$ 15	\$ -		\$ 15	\$ -	\$ 15
Sales and services revenue						
<i>Development</i>	185	-		185	4	189
<i>Services</i>	98	-		98	-	98
Financing revenue						
Interest income - non-securitized notes	12	-		12	-	12
Interest income - securitized notes	-	-		-	49	49
Other financing revenue	59	(2)		57	(55)	2
<i>Total financing revenue</i>	71	(2)		69	(6)	63
<i>Other revenue</i>	23	-		23	-	23
<b>Total sales and services revenue</b>	<b>377</b>	<b>(2)</b>		<b>375</b>	<b>(2)</b>	<b>373</b>
<b>Cost reimbursements</b>	<b>85</b>	<b>-</b>		<b>85</b>	<b>-</b>	<b>85</b>
<b>Segment revenues</b>	<b>\$ 477</b>	<b>\$ (2)</b>		<b>\$ 475</b>	<b>\$ (2)</b>	<b>\$ 473</b>
<b>Segment Results</b>						
Base management fees	\$ 15	\$ -		\$ 15	\$ -	\$ 15
Timeshare sales and services, net	74	(2)		72	(8)	64
Restructuring costs	(7)	7		-	-	-
General, administrative and other expense	(23)	-		(23)	-	(23)
Gains and other income	1	-		1	-	1
Equity in losses	(6)	3		(3)	-	(3)
Interest expense	-	-		-	(26)	(26)
Segment results	<b>\$ 54</b>	<b>\$ 8</b>		<b>\$ 62</b>	<b>\$ (34)</b>	<b>\$ 28</b>
<b>Gain / (Loss) on Notes Sold</b>						
Gain / (loss) on notes sold	<b>\$ 38</b>	<b>\$ -</b>		<b>\$ 38</b>	<b>\$ (38)</b>	<b>\$ -</b>

\*\*Denotes non-GAAP financial measures. Please see pages A-22 and A-23 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 BEEN ADOPTED ON JANUARY 3, 2009  
**FULL YEAR 2009**  
(\$ in millions)

	<u>Adjustments</u>					
	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**
<b>Segment Revenues</b>						
<b>Base management fees</b>	\$ 47	\$ -	\$ -	\$ 47	\$ -	\$ 47
Sales and services revenue						
<i>Development</i>	626	4	-	630	23	653
<i>Services</i>	330	-	-	330	-	330
Financing revenue						
Interest income - non-securitized notes	46	-	-	46	-	46
Interest income - securitized notes	-	-	-	-	158	158
Other financing revenue	67	20	-	87	(79)	8
<i>Total financing revenue</i>	113	20	-	133	79	212
<i>Other revenue</i>	54	-	-	54	(1)	53
<b>Total sales and services revenue</b>	<b>1,123</b>	<b>24</b>	<b>-</b>	<b>1,147</b>	<b>101</b>	<b>1,248</b>
<b>Cost reimbursements</b>	<b>269</b>	<b>-</b>	<b>-</b>	<b>269</b>	<b>-</b>	<b>269</b>
<b>Segment revenues</b>	<b>\$ 1,439</b>	<b>\$ 24</b>	<b>\$ -</b>	<b>\$ 1,463</b>	<b>\$ 101</b>	<b>\$ 1,564</b>
<b>Segment Results</b>						
Base management fees	\$ 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
Equity in losses	(12)	6	-	(6)	-	(6)
Interest expense	-	-	-	-	(77)	(77)
Timeshare strategy - impairment charges (non-operating)	(71)	-	71	-	-	-
Noncontrolling interest	11	-	-	11	-	11
<b>Segment results</b>	<b>\$ (679)</b>	<b>\$ 81</b>	<b>\$ 685</b>	<b>\$ 87</b>	<b>\$ (1)</b>	<b>\$ 86</b>
<b>Gain / (Loss) on Notes Sold</b>						
Gain / (loss) on notes sold	\$ 37	\$ -	\$ -	\$ 37	\$ (37)	\$ -

\*\*Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**TIMESHARE INVENTORY**

**AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 BEEN ADOPTED ON JANUARY 3, 2009**  
(\$ in millions)

	<u>Balance at Year-End 2010</u>	<u>As Reported Balance at Year-End 2009</u>	<u>ASU Nos. 2009-16 And 2009-17 Adjustments</u>	<u>As Adjusted For ASU Nos. 2009-16 And 2009-17 Balance at Year-End 2009** <sup>1</sup></u>
Finished goods <sup>2</sup>	\$ 732	\$ 721	\$ 100	\$ 821
Work-in-process	101	198	-	198
Land and infrastructure	639	507	-	507
Total inventory	<u>\$ 1,472</u>	<u>\$ 1,426</u>	<u>\$ 100</u>	<u>\$ 1,526</u>

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> As Adjusted had ASU Nos. 2009-16 and 2009-17 (formerly referred to as FAS 166 & 167) been adopted on January 3, 2009.

<sup>2</sup> Includes completed inventory as well as an estimate of inventory we expect to acquire when we foreclose on defaulted notes. The estimate of inventory we expect to acquire when we foreclose on defaulted notes for As Adjusted 2009 and As Reported 2010 include securitized and non-securitized notes, and As Reported 2009 includes non-securitized notes.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**EBITDA AND ADJUSTED EBITDA**  
(\$ in millions)

	Fiscal Year 2010				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
<b>Net Income attributable to Marriott</b>	\$ 83	\$ 119	\$ 83	\$ 173	\$ 458
Interest expense	45	44	41	50	180
Tax provision (benefit)	46	65	45	(63)	93
Depreciation and amortization	39	42	40	57	178
Less: Depreciation reimbursed by third-party owners	(3)	(3)	(2)	(3)	(11)
Interest expense from unconsolidated joint ventures	5	5	6	3	19
Depreciation and amortization from unconsolidated joint ventures	6	6	7	8	27
<b>EBITDA **</b>	<b>221</b>	<b>278</b>	<b>220</b>	<b>225</b>	<b>944</b>
Other charges					
Impairment of investments and other	-	-	-	100	100
Total other charges	-	-	-	100	100
<b>Adjusted EBITDA **</b>	<b>\$ 221</b>	<b>\$ 278</b>	<b>\$ 220</b>	<b>\$ 325</b>	<b>\$ 1,044</b>
<b>Increase over 2009 Adjusted EBITDA</b>	<b>3%</b>	<b>26%</b>	<b>35%</b>	<b>8%</b>	<b>16%</b>
	Fiscal Year 2009				
	First Quarter	Second Quarter	Third Quarter	Fourth Quarter	Total
<b>Net (Loss) Income attributable to Marriott</b>	\$ (23)	\$ 37	\$ (466)	\$ 106	\$ (346)
Interest expense	29	28	27	34	118
Tax provision (benefit)	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
<b>EBITDA **</b>	<b>86</b>	<b>163</b>	<b>(597)</b>	<b>281</b>	<b>(67)</b>
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
<b>Adjusted EBITDA **</b>	<b>\$ 215</b>	<b>\$ 220</b>	<b>\$ 163</b>	<b>\$ 300</b>	<b>\$ 898</b>

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**EBITDA AND ADJUSTED EBITDA**  
**AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 BEEN ADOPTED ON JANUARY 3, 2009**  
**FOURTH QUARTER 2009**  
(\$ in millions)

	Fourth Quarter 2009	ASU Nos. 2009-16 and 2009-17 Adjustments	As Adjusted For ASU Nos. 2009-16 and 2009-17 Fourth Quarter 2009**
<b>Net Income (Loss) attributable to Marriott</b>	\$ 106	\$ (22)	\$ 84
Interest expense	34	26	60
Tax provision (benefit)	68	(14)	54
Tax provision, noncontrolling interest	-	-	-
Depreciation and amortization	61	-	61
Less: Depreciation reimbursed by third-party owners	(3)	-	(3)
Interest expense from unconsolidated joint ventures	6	-	6
Depreciation and amortization from unconsolidated joint ventures	9	-	9
<b>EBITDA **</b>	<b>281</b>	<b>(10)</b>	<b>271</b>
Restructuring costs and other charges			
Severance	5	-	5
Facilities exit costs	2	-	2
Development cancellations	-	-	-
Total restructuring costs	7	-	7
Impairment of investments and other, net of prior year reserves	11	-	11
Reserves for loan losses	-	-	-
Contract cancellation allowances	3	-	3
Residual interests valuation	(2)	2	-
System development write-off	-	-	-
Total other charges	12	2	14
Total restructuring costs and other charges	19	2	21
<b>Adjusted EBITDA **</b>	<b>\$ 300</b>	<b>\$ (8)</b>	<b>\$ 292</b>

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.



**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**EBITDA AND ADJUSTED EBITDA**  
**AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 BEEN ADOPTED ON JANUARY 3, 2009**  
**FULL YEAR 2009**  
(\$ 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**
<b>Net Loss attributable to Marriott</b>	\$ (346)	\$ 12	\$ (334)
Interest expense	118	77	195
Tax benefit	(65)	7	(58)
Tax provision, noncontrolling interest	4	-	4
Depreciation and amortization	185	-	185
Less: Depreciation reimbursed by third-party owners	(9)	-	(9)
Interest expense from unconsolidated joint ventures	19	-	19
Depreciation and amortization from unconsolidated joint ventures	27	-	27
<b>EBITDA **</b>	<b>(67)</b>	<b>96</b>	<b>29</b>
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	(20)	142
Total restructuring costs and other charges	213	(20)	193
Timeshare strategy - impairment charges			
Operating impairments	614	-	614
Non-operating impairments	138	-	138
Total timeshare strategy - impairment charges	752	-	752
<b>Adjusted EBITDA **</b>	<b>\$ 898</b>	<b>\$ 76</b>	<b>\$ 974</b>

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**EBITDA AND ADJUSTED EBITDA FOR TIMESHARE SEGMENT**  
**AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 BEEN ADOPTED ON JANUARY 3, 2009**  
**FOURTH QUARTER 2010 AND 2009**  
(\$ in millions)

	Fourth Quarter 2010	Fourth Quarter 2009	ASU Nos. 2009-16 and 2009-17 Adjustments	As Adjusted For ASU Nos. 2009-16 and 2009-17 Fourth Quarter 2009**
<b>Timeshare Segment Results</b>	\$ 29	\$ 54	\$ (36)	\$ 18
Interest expense	15	-	26	26
Tax provision <sup>1</sup>	-	-	-	-
Depreciation and amortization	11	14	-	14
Less: Depreciation reimbursed by third-party owners	-	-	-	-
Interest expense from unconsolidated joint ventures	(3)	2	-	2
Depreciation and amortization from unconsolidated joint ventures	-	-	-	-
<b>Timeshare Segment EBITDA **</b>	<b>52</b>	<b>70</b>	<b>(10)</b>	<b>60</b>
Restructuring costs and other charges				
Severance	-	4	-	4
Facilities exit costs	-	3	-	3
Development cancellations	-	-	-	-
Total restructuring costs	-	7	-	7
Impairment of investments and other, net of prior year reserves	13	-	-	-
Reserves for loan losses	-	-	-	-
Contract cancellation allowances	-	3	-	3
Residual interests valuation	-	(2)	2	-
System development write-off	-	-	-	-
Total other charges	13	1	2	3
Total restructuring costs and other charges	13	8	2	10
<b>Timeshare Segment Adjusted EBITDA **</b>	<b>\$ 65</b>	<b>\$ 78</b>	<b>\$ (8)</b>	<b>\$ 70</b>

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> Income taxes are not allocated to segment results.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**EBITDA AND ADJUSTED EBITDA FOR TIMESHARE SEGMENT**  
**AS ADJUSTED HAD ASU NOS. 2009-16 AND 2009-17 BEEN ADOPTED ON JANUARY 3, 2009**  
**FULL YEAR 2010 AND 2009**  
(\$ in millions)

	Full Year 2010	Full Year 2009	ASU Nos. 2009-16 and 2009-17 Adjustments	As Adjusted For ASU Nos. 2009-16 and 2009-17 Full Year 2009**
<b>Timeshare Segment Results</b>	\$ 121	\$ (679)	\$ 19	\$ (660)
Interest expense	55	-	77	77
Tax provision <sup>1</sup>	-	-	-	-
Depreciation and amortization	36	42	-	42
Less: Depreciation reimbursed by third-party owners	-	-	-	-
Interest expense from unconsolidated joint ventures	2	3	-	3
Depreciation and amortization from unconsolidated joint ventures	-	-	-	-
<b>Timeshare Segment EBITDA **</b>	<b>214</b>	<b>(634)</b>	<b>96</b>	<b>(538)</b>
Restructuring costs and other charges				
Severance	-	15	-	15
Facilities exit costs	-	29	-	29
Development cancellations	-	1	-	1
Total restructuring costs	-	45	-	45
Impairment of investments and other, net of prior year reserves	13	-	-	-
Reserves for loan losses	-	-	-	-
Contract cancellation allowances	-	9	-	9
Residual interests valuation	-	20	(20)	-
System development write-off	-	7	-	7
Total other charges	13	36	(20)	16
Total restructuring costs and other charges	13	81	(20)	61
Timeshare strategy - impairment charges				
Operating impairments	-	614	-	614
Non-operating impairments	-	71	-	71
Total timeshare strategy - impairment charges	-	685	-	685
<b>Timeshare Segment Adjusted EBITDA **</b>	<b>\$ 227</b>	<b>\$ 132</b>	<b>\$ 76</b>	<b>\$ 208</b>

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

<sup>1</sup> Income taxes are not allocated to segment results.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**EBITDA**  
**FORECASTED 2011**  
(\$ in millions)

	<u>Range</u>	
	<u>Estimated EBITDA</u>	
	<u>Full Year 2011</u>	
<b>Net Income attributable to Marriott</b>	\$ 511	\$ 551
Interest expense	175	175
Tax provision	264	284
Depreciation and amortization	180	180
Less: Depreciation reimbursed by third-party owners	(15)	(15)
Interest expense from unconsolidated joint ventures	20	20
Depreciation and amortization from unconsolidated joint ventures	35	35
<b>EBITDA **</b>	<b><u>\$ 1,170</u></b>	<b><u>\$ 1,230</u></b>

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**FREE CASH FLOW FOR TIMESHARE SEGMENT**  
**FULL YEAR 2010**  
(\$ in millions)

	<b>Full Year 2010</b>
<b>Timeshare Segment Adjusted EBITDA **</b>	<u>\$ 227</u>
Inventory	15
Financing Activity	(72)
Other	75
<b>Timeshare Segment Free Cash Flow **</b>	<u><u>\$ 245</u></u>

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

**MARRIOTT INTERNATIONAL, INC.**  
**NON-GAAP FINANCIAL MEASURES**  
**ADJUSTED TOTAL DEBT NET OF CASH**  
(\$ in millions)

	<b>Balance at Year-End 2010</b>	<b>Balance at Year-End 2009</b>	<b>Better / (Worse) Change</b>
Total debt	\$ 2,829	\$ 2,298	\$ (531)
Cash and cash equivalents	(505)	(115)	390
Total debt net of cash**	2,324	2,183	(141)
Less the impact of ASU Nos. 2009-16 and 2009-17	(1,016)	-	1,016
Adjusted total debt net of cash** (a)	<u>\$ 1,308</u>	<u>\$ 2,183</u>	<u>\$ 875</u>

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

\*\* Denotes non-GAAP financial measures. Please see pages A-22 and A-23 for additional information about our reasons for providing these alternative financial measures and the limitations on their use.

## 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 have limitations and should not be considered in isolation or as a substitute for 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: (1) the impact of Timeshare strategy - impairment charges incurred in the 2009 third quarter; (2) restructuring costs and other charges incurred in the 2009 first through fourth quarters; (3) other charges incurred in the 2010 fourth quarter; and (4) certain tax expenses incurred in the 2009 first through third quarters and the related reversal of those expenses in the 2010 fourth 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 experienced, 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 - 2009.* During the latter part of 2008 we experienced a significant decline in demand for hotel rooms both domestically and internationally due, in part, to the financial crisis 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. 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 which resulted in first, second, third and fourth quarter 2009 restructuring costs of \$2 million, \$33 million, \$9 million, and \$7 million, respectively, that were directly related to the downturn. We also incurred other charges in the 2009 first, second, and fourth quarters 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.

*Other Charges - 2010.* We recorded other net charges of \$100 million in the 2010 fourth quarter which included an \$84 million impairment charge associated with an internally developed software asset and a \$27 million impairment charge associated with the anticipated disposition of a land parcel and a golf course. These charges were partially offset by an \$11 million reversal recorded in the 2010 fourth quarter of a funding liability recorded in 2009. Due to the significant impact of the recent recession on hotel owner profitability, we agreed to absorb a portion of the cost of the software asset and recorded an \$84 million impairment charge on the investment in the fourth quarter to reflect the expected unrecovered cost. We consider our core operations to encompass managing and franchising properties, and therefore we also consider the \$27 million impairment charge associated with ancillary assets to be unrelated to our core operations. Except for the impairment charges totaling \$27 million of which \$13 million impacted our Timeshare Segment and \$14 million impacted our North American Limited-Service segment, the rest of the other charges in 2010 were not allocated to any of our segments.

*Certain Tax Expenses.* Certain tax expenses for 2009 of \$56 million included non-cash charges of \$26 million in the 2009 first quarter, \$17 million in the 2009 second quarter, and \$13 million in the 2009 third quarter primarily related to the treatment of funds received from certain foreign subsidiaries, an issue we were contesting with the Internal Revenue Service ("IRS"). In the 2008 second quarter we also had recorded non-cash charges of \$24 million associated with the same issue. In the 2010 fourth quarter, we reached a settlement with the Appeals Division of the IRS that resolved all issues that arose in the audit of tax years 2005 through 2008. This settlement resulted in a decrease in tax expense for 2010 of approximately \$85 million, which was due to the release of previously established tax liabilities for the treatment of funds received from certain non-U.S. subsidiaries.

**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, provision for income taxes, depreciation and amortization. Management considers EBITDA to be an indicator of operating performance because we use it to measure our ability to service debt, fund capital expenditures, and expand our business. We also use EBITDA, as do analysts, lenders, investors and others, 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 provision for income taxes 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.

Both EBITDA and Adjusted EBITDA (described below) exclude certain cash expenses that we are obligated to make.

**Adjusted EBITDA.** Management also evaluates Adjusted EBITDA as an indicator of operating performance. Adjusted EBITDA excludes: (1) Timeshare strategy - impairment charges of \$752 million incurred in the 2009 third quarter; (2) the 2009 restructuring costs and other charges of \$19 million from the fourth quarter, \$8 million from the third quarter, \$57 million from the second quarter and \$129 million from the first quarter; and (3) the 2010 other net charges of \$100 million recorded in the 2010 fourth quarter. Management excludes these Timeshare strategy-impairment charges and restructuring costs and other charges for the reasons noted above under "Adjusted Measures That Exclude Certain Charges, Costs, and Other Expenses."

**Timeshare Segment EBITDA.** Timeshare segment EBITDA reflects Timeshare segment results excluding the impact of interest expense, tax expense and depreciation and amortization. We do not allocate taxes to our Timeshare or other segments. Management uses this non-GAAP measure for the reasons noted previously under the "EBITDA" caption.

**Timeshare Segment Adjusted EBITDA.** Management also evaluates Timeshare Segment Adjusted EBITDA as an indicator of Timeshare segment operating performance. Timeshare Segment Adjusted EBITDA excludes: (1) Timeshare strategy - impairment charges that were allocated to our Timeshare segment of \$685 million incurred in the 2009 third quarter; (2) the 2009 Timeshare segment restructuring costs and other charges of \$8 million from the fourth quarter, \$5 million from the third quarter, \$50 million from the second quarter and \$18 million from the first quarter; and (3) the 2010 other charges of \$13 million recorded in the 2010 fourth quarter that were allocated to our Timeshare segment. Management uses this non-GAAP measure for the reasons noted previously under the "Adjusted EBITDA" caption.

**Timeshare Segment Free Cash Flow.** The calculation of Timeshare segment free cash flow adds back to Timeshare segment EBITDA the net cash flow change in Timeshare segment inventory, asset dispositions and adjustments for non-cash items, and deducts net cash used in financing activities associated with securitized and non-securitized timeshare notes, non-development capital spending and working capital changes. We consider Timeshare segment free cash flow to be a meaningful indicator of our operating performance and evaluate this metric because it represents the cash we have available for capital spending, investments, and other purposes.

**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) 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), which required consolidating previously securitized pools of Timeshare notes and impacts the ongoing accounting for those notes. Management evaluates non-GAAP measures that exclude the impact of these standards in the current year 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 evaluates adjusted total debt net of cash, which excludes the debt that was 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.