

Marriott International.

Student-team equity analysis. Valuation comparison and executive summary: Ephram Otodo, slides 16 and 17.

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NASDAQ: MAR · October 8, 2026 data · Presented October 9, 2026

Prices through the October 8 close. Financial periods and model assumptions are identified throughout.

Business model and the fund screen

NET FEE REVENUE

\$5.303B

Full year 2025

COST REIMBURSEMENTS

\$19.204B

Largely offset by costs

TOTAL REVENUE

\$26.186B

Full year 2025

- Management and franchise fees drive the investment economics; total revenue includes substantial pass-through reimbursements.
- The team assessed Marriott against the fund's primary-income restrictions.
- Public revenue lines do not certify zero incidental exposure to alcohol, caffeine or other excluded categories. Charter compliance remains a fund judgement.

Macro: travel demand amid a cooling labour market

UNEMPLOYMENT

4.2%

September · BLS

SERVICES PMI

54.9

September · ISM

XLY PRICE RETURN

−6.45%

YTD through Oct. 8

S&P 500 PRICE RETURN

+13.44%

YTD through Oct. 8

- Payroll employment rose by 29,000. A cooling labour market can weigh on discretionary travel spending.
- Services PMI remained above 50: down 0.5 point from August, but 0.8 point above its 12-month average of 54.1.
- XLY is a consumer-discretionary ETF proxy. Both comparisons exclude dividends and use December 31, 2025 closing prices as their starting point.

Marriott: scale and an asset-light fee model

FY2025 TOTAL REVENUE

\$26.186B

Net fees: \$5.303B

FY2025 GAAP DILUTED EPS

\$9.51

FY2024: \$8.33

YEAR-END 2025 PROPERTIES

9,805

145 countries / territories

Hotel owners

Supply properties and capital.

Marriott

Provides brands, distribution and management.

Guests

Bring leisure, business and group demand.

More than 30 brands. Management and franchise contracts support growth without Marriott owning most of the real estate.

How the business creates value

Owners and franchisees

Pay for brands, distribution and operating expertise.

Travelers

Choose among leisure, business and group offerings.

Marriott

Receives franchise royalties and management fees.

Partner network

Loyalty, reservations and co-branded card relationships connect the system.

By June 30, 2026: over 10,000 properties across 148 countries and territories. The question is whether room and fee growth outweigh travel cyclicalities and pressure on owner economics.

Competitive landscape | one date, one valuation bridge

COMPANY	EV PROXY	EQUITY VALUE	TTM REVENUE	GAAP P/E
Marriott · MAR	\$110.61B	\$94.16B	\$26.90B	37.4×
Hilton · HLT	\$85.10B	\$72.76B	\$12.49B	47.5×
Hyatt · H	\$18.77B	\$15.02B	\$7.15B	194.4×
Choice · CHH	\$6.68B	\$4.72B	\$1.62B	14.8×
Travel + Leisure · TNL	\$9.26B	\$3.83B	\$4.09B	17.1×

October 8 prices × latest disclosed June/July shares. Debt and cash: June 30. EV = equity value + debt – cash; leases, minority interests and investments are excluded.

Hyatt’s 194.4× P/E reflects only \$0.82 of trailing EPS. TNL is a timeshare benchmark, excluded from hotel-franchise valuation peers. Revenue and EPS: TTM to June 30.

Relative economics and valuation

METRIC / PERIOD	MARRIOTT	HILTON	HYATT
GAAP net income margin, TTM to June 30	9.62%	12.69%	1.10%
Net debt, June 30	\$16.453B	\$12.334B	\$3.744B
FY 2027 consensus EPS	\$13.16	\$10.46	\$4.87
FY 2027 consensus P/E	27.44×	30.92×	32.72×

Forecast EPS is archived October 8 consensus on the provider’s earnings basis, generally adjusted. It is separate from GAAP results and company guidance.

Marriott’s lower forward multiple is an observation, not proof of undervaluation. Reimbursement revenue and business mix limit direct margin comparisons.

Capital structure and shareholder returns

REPORTED DEBT

\$16.915B

June 30, 2026

CASH

\$0.462B

June 30, 2026

NET DEBT

\$16.453B

Latest disclosed proxy

- September credit amendment: \$5.0B revolving commitment, maturing September 23, 2031. Commitment does not equal drawn debt.
- August notes: \$250M due 2029 plus \$1.0B due 2036; approximately \$1.233B net proceeds. Issuance alone does not establish an equal rise in net debt.
- Last dividend: \$0.73 quarterly, paid September 30. Annualized \$2.92 equals a 0.81% indicated yield at \$361.08; future dividends remain subject to declaration.

FY2025 revenue | reconcile the whole business

\$26,186M

FY2025 CONSOLIDATED REVENUE

Reporting segments and reconciliation

U.S. & Canada		\$19,349M
EMEA		\$2,407M
APEC		\$1,073M
Greater China		\$590M
Unallocated corporate & other		\$2,767M

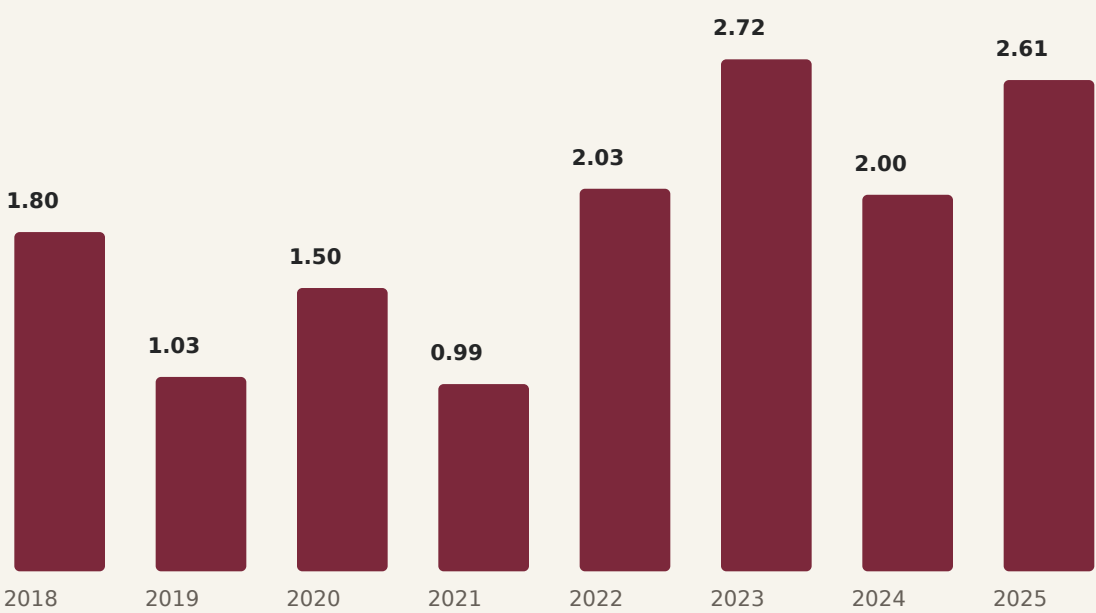
Revenue composition

\$5,303M
Net fee revenue
\$1,679M
Owned, leased & other
\$19,204M
Cost reimbursements

Net fees = franchise \$3,325M + base management \$1,322M + incentive fees \$791M – contract amortization \$135M. Reimbursements are largely pass-through; all figures are USD millions.

Financial metrics | define the numerator and date

Historical free cash flow



USD billions. Operating cash flow less capital and technology spending; separate from the DCF’s FCFF proxy.

DEFINED METRIC	VALUE
Q2 adjusted EPS	\$3.19
Q3 adjusted EPS guidance	\$2.74–2.82
GAAP TTM EPS / P/E	\$9.65 / 37.42×
NTM consensus EPS / P/E	\$12.83 / 28.14×
June 30 current / quick ratio	0.53× / 0.48×

Quick ratio = (cash + net receivables) / current liabilities. P/E uses the October 8 closing price. NTM EPS is interpolated from FY2026/27 consensus.

Five years of price and volume



READING THE CHART

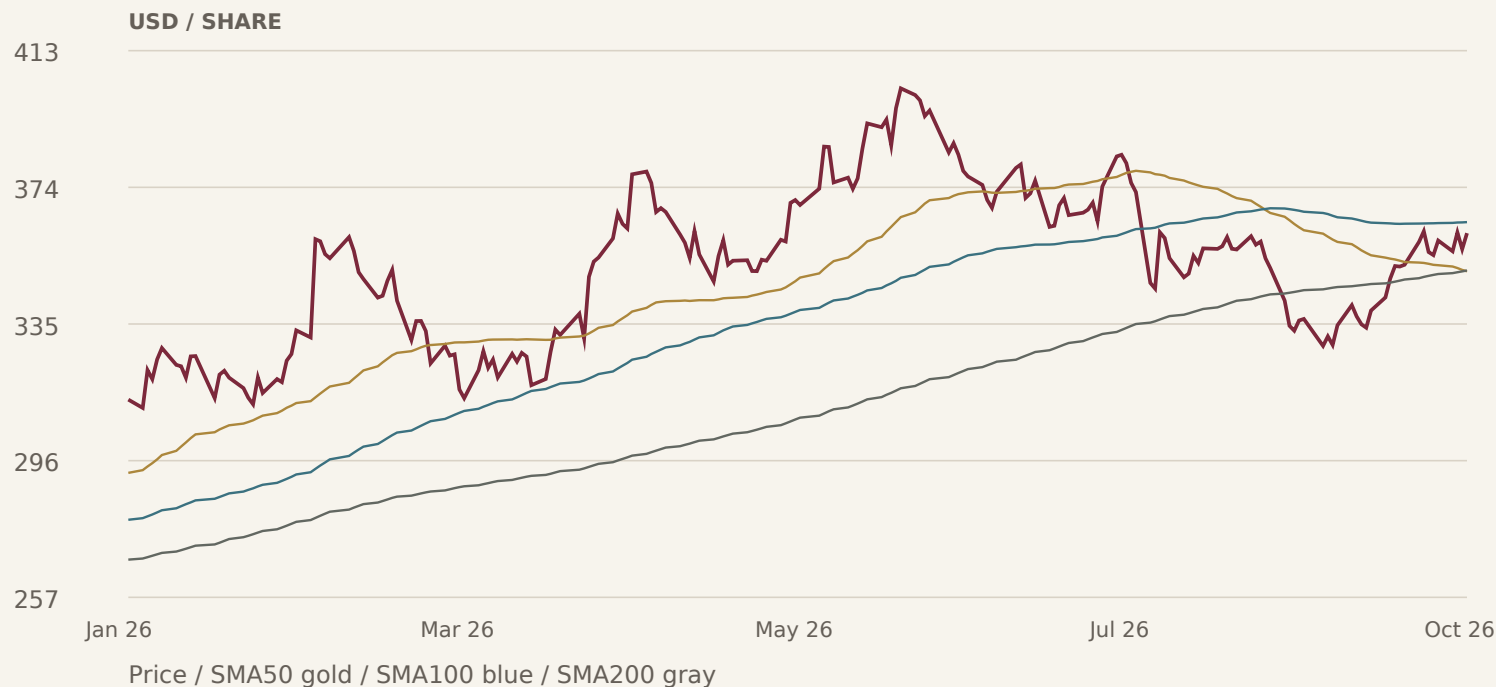
Five years of daily closes through October 8, 2026.

Latest close: \$361.08. The price axis is separate from daily share volume.

Price history describes past trading; it does not establish fair value.

Volume is Yahoo-reported; vendor volume definitions can differ.

2026 price, volume and moving averages



READING THE CHART

October 8 close: \$361.08.

SMA50: \$350.15 · SMA100: \$364.24 ·
SMA200: \$350.39.

Above the 50- and 200-day averages;
below the 100-day.

Wilder RSI14: 59.31. Observed swing
lows: \$340.81 (Aug. 4) and \$320.91
(Sept. 9).



Fibonacci | make the chosen swing explicit



READING THE CHART

Chosen closing-price upswing: \$310.24 (Dec. 31, 2025) to \$402.54 (June 12, 2026).

Retracement from the high: 38.2% = \$367.28; 61.8% = \$345.50.

The \$310.24 anchor is a prior year-end close, not the 2026 intraday low.

Bollinger Bands | price relative to recent volatility



READING THE CHART

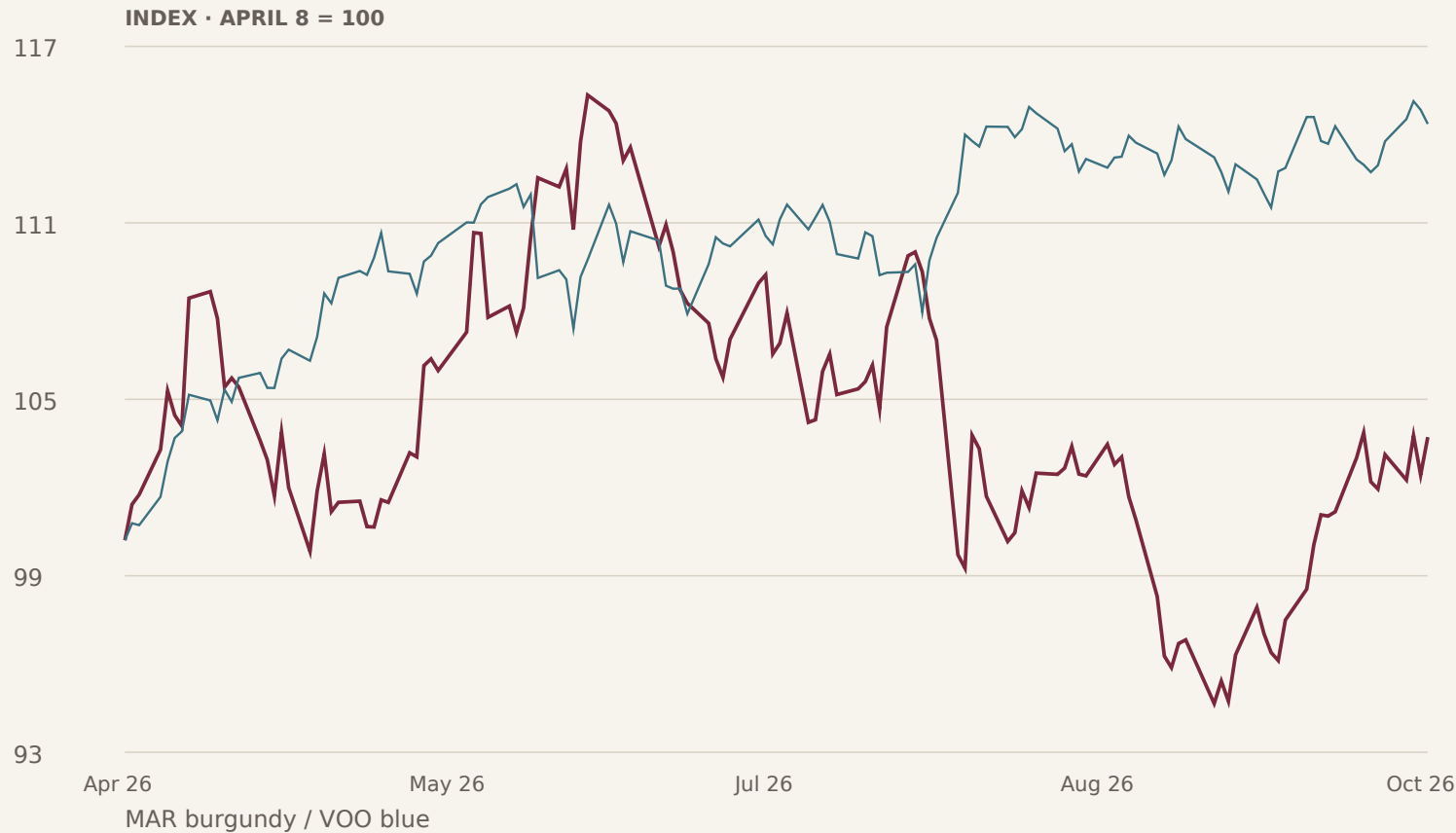
20-session SMA: \$349.53.

Upper band: \$368.64. Lower band: \$330.42.

Two population standard deviations around the mean. The close sits inside the upper half of the band.

A band position alone is not a buy signal.

Six months | MAR versus the S&P500 ETF



READING THE CHART

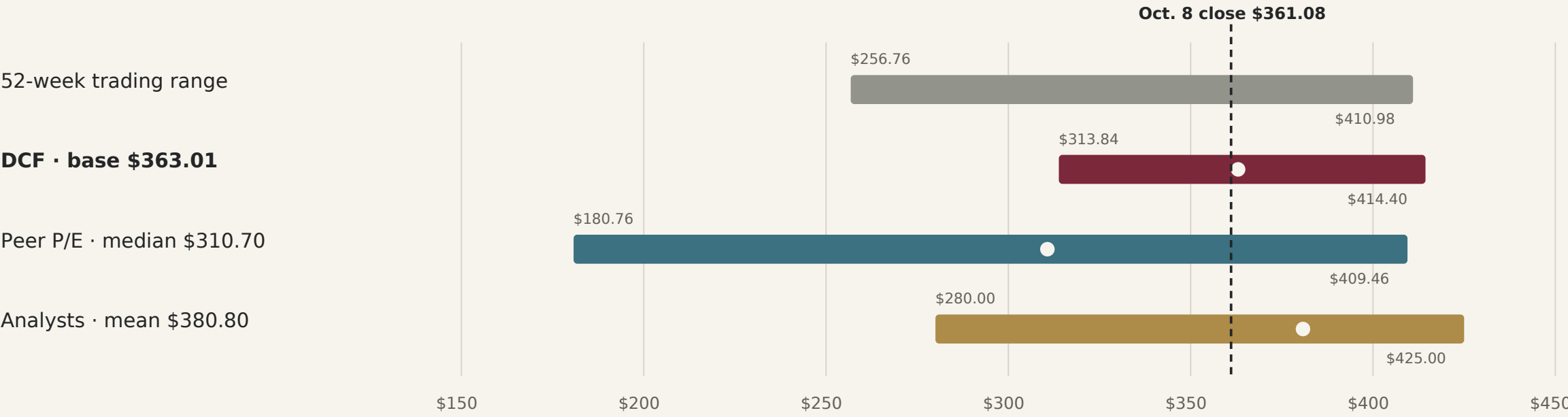
One common price-return baseline: April 8, 2026 = 100.

MAR ends at 103.59 (+3.59%). VOO ends at 114.48 (+14.48%).

Both exclude dividends. This compares MAR with VOO, not the student fund's holdings.

Valuation | assumptions change the answer

USD PER SHARE · EACH BAR HAS A DIFFERENT MEANING



DCF sensitivity: WACC 8.71–9.71%, exit EBITDA 16–20x; base 9.21% / 18x. Cash conversion 53.66%; terminal value 85.88% of EV. June 30 net debt / July 27 shares are disclosed proxies.

Peer bar: 25th–75th percentile across HLT, H, IHG, WH, CHH; not a confidence interval. Analyst bar: \$280–425, 25 contributors, October 8 preopen archive. Model and source notes are in the portfolio.

Executive judgement | the company and the price

OCTOBER 8 CLOSE

\$361.08

Historical market price

DCF BASE CASE

\$363.01

+0.53% versus the close

PEER MEDIAN

\$310.70

−13.95% versus the close

Conclusion: watchlist. The fee-led business model and raised guidance support the company, while the DCF and peer valuation give a mixed view of the entry price.

Conditional entry scenario: \$345 or less, with a planned 8% stop. At exactly \$345, the stop is \$317.40. Upside to the \$363.01 DCF base is 5.22%, or 0.65× planned risk.

A stop level does not guarantee the maximum loss. Consider a lower entry or stronger earnings evidence before acting. DCF sensitivity and peer dispersion remain dependent on the stated assumptions.