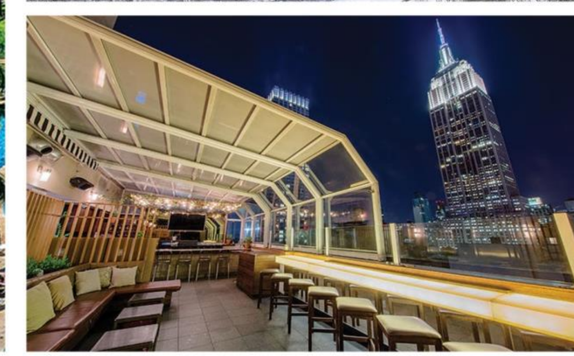





MARRIOTT VACATIONS WORLDWIDE SM

ilg





Marriott Vacations Worldwide to Acquire ILG

April 30, 2018

Forward-Looking Statements

This presentation contains "forward-looking statements" within the meaning of federal securities laws, including statements about anticipated future events and expectations that are not historical facts and the anticipated benefits of the acquisition of ILG, Inc. Such statements include, but are not limited to, statements regarding earnings trends, estimates, and assumptions. We caution you that these statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including volatility in the economy and the credit markets, supply and demand changes for vacation ownership and residential products, competitive conditions, the availability of capital to finance growth, and other matters referred to under the heading "Risk Factors" contained in our most recent annual report on Form 10-K filed with the U.S. Securities and Exchange Commission (the "SEC") and in subsequent SEC filings, any of which could cause actual results to differ materially from those expressed in or implied in this presentation. These statements are made as of April 30, 2018 and we undertake no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

In this presentation we use certain financial measures that are not prescribed by United States generally accepted accounting principles ("GAAP"). We discuss our reasons for reporting these non-GAAP financial measures herein, and reconcile the most directly comparable GAAP financial measure to each non-GAAP financial measure that we report (identified by a double asterisk ("**") on the following pages). Although we evaluate and present these non-GAAP financial measures for the reasons described in the Appendix, please be aware that these non-GAAP financial measures have limitations and should not be considered in isolation or as a substitute for revenues, 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 financial measures we report may not be comparable to those reported by others.

Combination creates a leading global provider of premier vacation experiences

Combined company will be the largest upper-upscale and luxury vacation ownership developer in the industry with highly demanded vacation destinations

Exclusive, long-term access for vacation ownership to over 100 million members of the combined Marriott Rewards/SPG program and almost 10 million World of Hyatt members

Interval International's premier exchange network will further diversify revenues and expand operating margins

$75 million of targeted annual cost synergies with potential for additional long term synergies

Increased scale and substantial free cash flow to further advance growth prospects and enhance shareholder returns

Source: Company filings as of 12/31/17

Transaction overview

Transaction Details	▪ Cash consideration of $14.75 per ILG share ▪ 0.165 VAC shares per ILG share ▪ Implies an offer price of $36.93 per share as of market close on 4/27/18 ▪ Implied ownership: VAC shareholders 57% / ILG shareholders 43%
Board	▪ VAC Board to be expanded to 10 members from the current 8 − Two new members from the current ILG Board ▪ William J. Shaw will remain Chairman of VAC
Management	▪ Stephen P. Weisz – Chief Executive Officer ▪ John E. Geller, Jr. – Chief Financial and Administrative Officer
Anticipated Synergies	▪ At least $75M of targeted annual cost synergies expected to be realized within two years after close ▪ Opportunity to achieve additional long-term synergies
Pro Forma Impact	▪ Transaction is expected to be accretive to earnings per share within the first full year after close ▪ Anticipated one-time transaction expenses of ~$170M ▪ Pro forma annual dividend expected to be $1.60 per share
Closing Conditions and Timing	▪ Expected to close in the second half of 2018, subject to customary closing conditions including VAC and ILG shareholder approvals ▪ Received financing commitments from J.P. Morgan and BofA Merrill Lynch. The completion of the transaction is not subject to a financing contingency ▪ Qurate Retail Inc. has entered into a voting agreement in support of the transaction[1]

[1] ILG shareholder with 13% ownership and 2 board seats

Diversified and complementary portfolio provides opportunities to accelerate growth

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Vacation Ownership

- ✓ Largest upper-upscale and luxury branded vacation ownership company in the world
- ✓ Exclusive global licensee of 6 established vacation ownership brands[1]
- ✓ Over 100 vacation ownership properties across the globe
- ✓ Over 650,000 owners
- ✓ Exclusive, long-term access to Marriott Rewards / SPG / World of Hyatt loyalty programs
- ✓ Significant inventory in new and expanded markets

Exchange & Management

- ✓ Significant scale including over 3,200 resorts in Interval International
- ✓ Global presence with exchange locations in over 80 countries
- ✓ Nearly 2 million member families
- ✓ 100% fee-based revenues
- ✓ Exchange products include:
  - Interval International
  - Vistana Signature Network
  - Trading Places International
  - Marriott Vacation Club Destinations
  - Hyatt Residence Club
- ✓ Manage over 300 resorts

Source: Company filings as of 12/31/17
[1] Excludes the non-exclusive license with St. Regis

Leading global provider of vacation experiences for 14 brands over two business segments

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Vacation Ownership

- Marriott Vacation Club
- The Ritz-Carlton Destination Club
- Grand Residences by Marriott
- HVO Hyatt Vacation Ownership
- St. Regis Residence Club
- Sheraton Vacation Club
- Westin Vacation Club

Exchange & Management

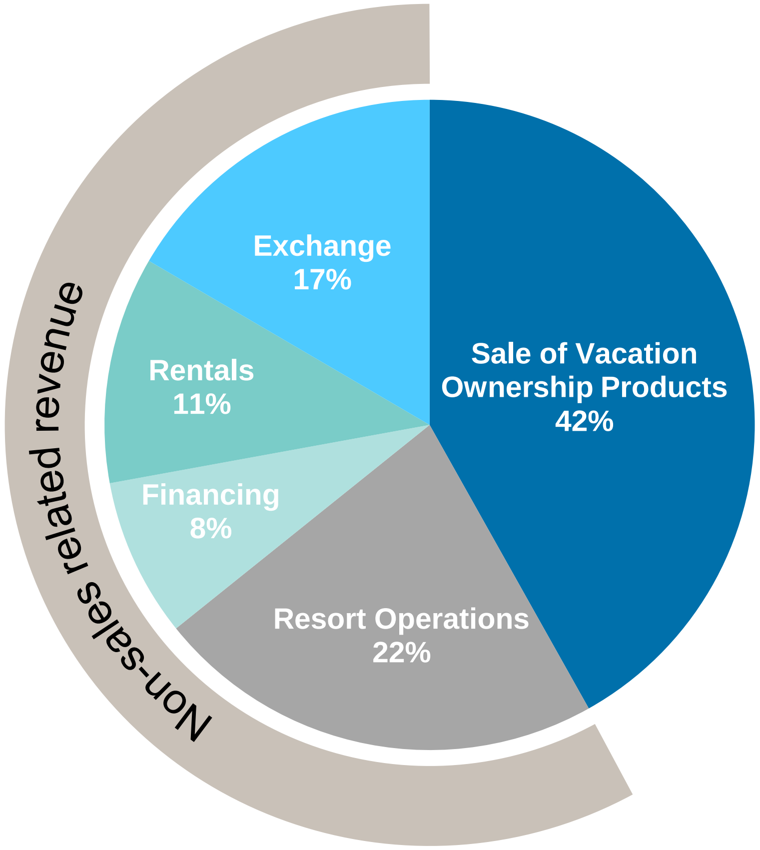
- Interval International
- Trading Places International
- Vistana Signature Network
- HRC Hyatt Residence Club
- Marriott Vacation Club
- Aqua-Aston Hospitality
- VRI americas
- VRI europe

Note: Circle denotes exclusivity

Diversified revenue profile with significant contribution from recurring and fee based revenue

Marriott's Oceana Palms
Riviera Beach, Florida

Combined 2017 Net Revenue: $2,877M**



- Pro-forma 2017 combined Adjusted EBITDA** of $737M[1]

** Denotes non-GAAP financial measures. For definition and reconciliation please see "Non-GAAP Financial Measures" section of appendix.

Source: Company filings as of 12/31/17

[1] Includes $75mm of expected cost synergies

A transformative combination in the vacation industry

	Marriott Vacations Worldwide		ILG		Marriott Vacations Worldwide / ILG
Membership and Exchange families			~2M		~2M
Vacation Ownership Properties	65	+	43		108
Owners	~400,000	+	~250,000		~650,000
2017 Revenue**[1]	$1,433M	+	$1,444M		$2,877M
2017 Adjusted EBITDA*	$301M	+	$361M		$737M[2]

** Denotes non-GAAP financial measures. For definition and reconciliation please see “Non-GAAP Financial Measures” section of appendix.

Source: Company filings as of 12/31/17, ILG Investor presentation 2017

[1] Revenue excludes cost reimbursements; [2] Includes estimated $75mm of cost synergies

Strategic combination enables significant synergies

General and Administrative

Operational Redundancies

Public Company Costs

$75M of identified cost synergies

Integration plans already being developed	**Substantially all benefits expected to be realized within 2 years**	**Potential for additional synergies upside**

Transaction results in a strong and flexible balance sheet to support growth and shareholder returns

- Diversified business model with strong stabilized cash flows
- Combined company has ~$8B total enterprise value and ~$737M of adjusted EBITDA**[1]
- ~3x net debt / LTM adjusted EBITDA** expected post close, excluding non-recourse securitization debt
- Combined company has solid track record of accessing securitization market

The Westin Ka'anapali Ocean Resort Villas
Maui, Hawaii

Hyatt Residence Club San Antonio, Wild Oak Ranch
San Antonio, Texas

** Denotes non-GAAP financial measures. For definition and reconciliation please see "Non-GAAP Financial Measures" section of appendix.

[1] Includes estimated $75mm of cost synergies

Combination creates a leading global provider of premier vacation experiences

Marriott's Mountainside
Park City, Utah

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Increased scale and substantial free cash flow to further advance growth prospects and enhance shareholder returns

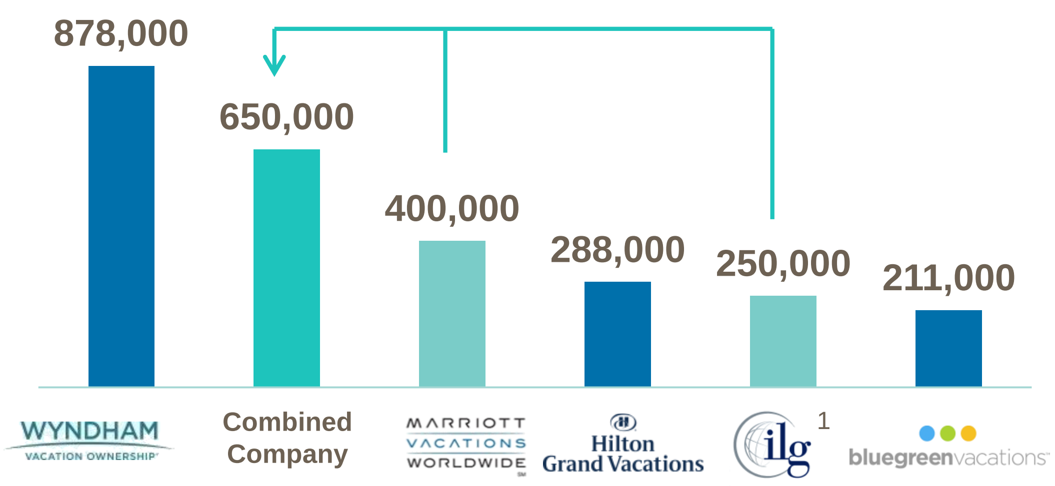
Source: Company filings as of 12/31/17

Appendix

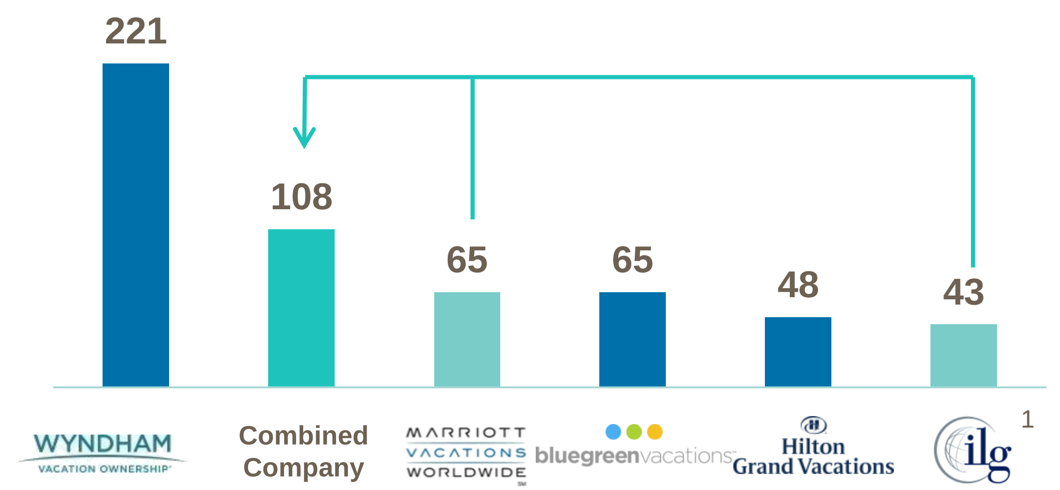
Marriott's Kaua'i Beach Club
Kaua'i, Hawaii

Industry leading global portfolio and owner network

Vacation Ownership Number of Owner Families

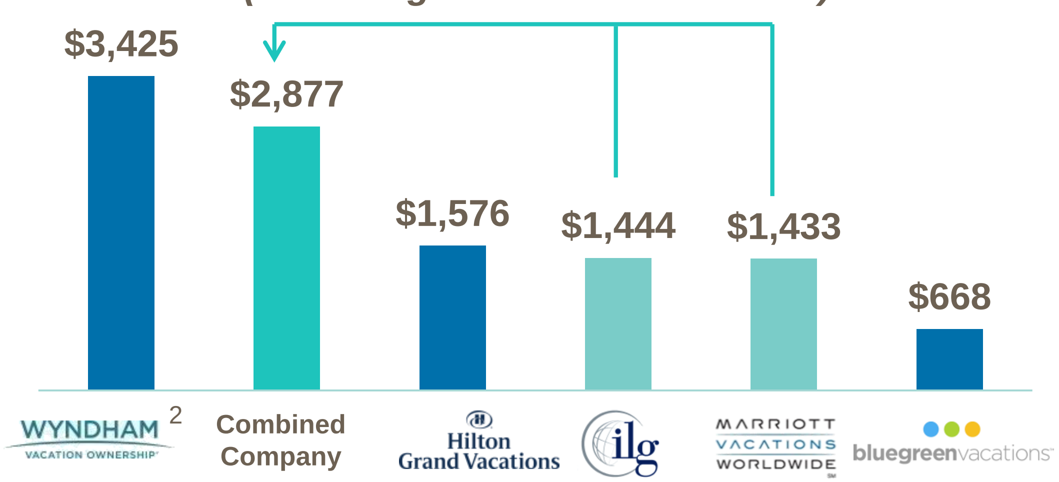


Vacation Ownership Managed Resorts

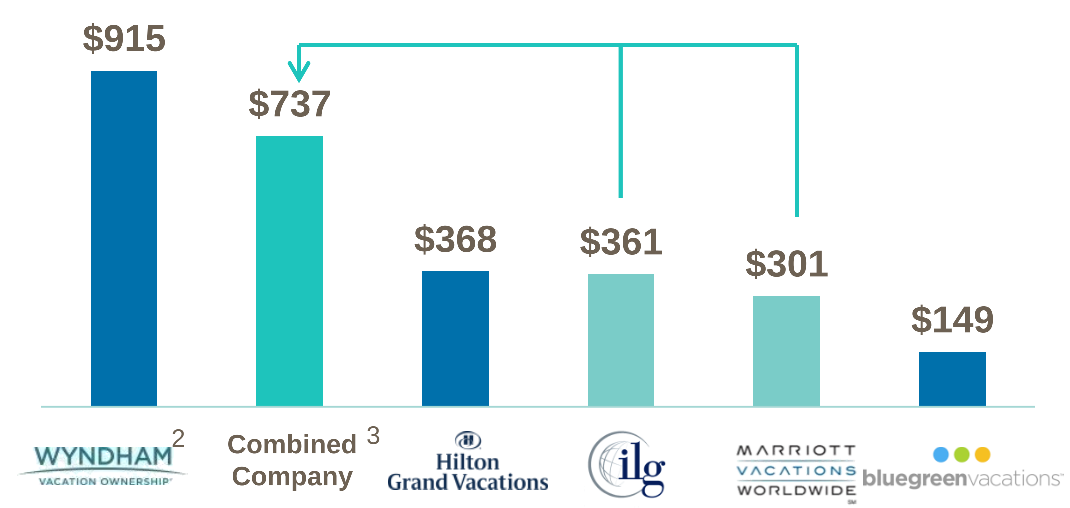


2017 Net Revenue** ($M)

(excluding cost reimbursements)



2017 Adjusted EBITDA** ($M)



** Denotes non-GAAP financial measures. For definition and reconciliation please see "Non-GAAP Financial Measures" section of appendix.

Source: Company filings as of 12/31/17

[1] Vistana Signature Experiences and Hyatt Vacation Ownership Portfolios; [2] Includes WYN's Vacation Ownership and Destination segments; [3] Includes estimated $75mm of cost synergies

Non-GAAP Financial Measures

In this presentation, and on the related conference call, we use certain financial measures that are not prescribed by United States generally accepted accounting principles ("GAAP"). We discuss our reasons for reporting these non-GAAP financial measures below, and reconcile the most directly comparable GAAP financial measure to each non-GAAP financial measure that we report (identified by a double asterisk ("**") on the preceding pages). Although we evaluate and present these non-GAAP financial measures for the reasons described below, please be aware that these non-GAAP financial measures have limitations and should not be considered in isolation or as a substitute for revenues, 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 financial measures we report may not be comparable to those reported by others.

We evaluate non-GAAP financial measures, including Adjusted EBITDA that exclude certain items in the fiscal year ended December 31, 2017, because these non-GAAP financial measures allow for period-over-period comparisons of our on-going core operations before the impact of these items. These non-GAAP financial measures also facilitate our comparison of results from our on-going core operations before these items with results from other vacation ownership companies.

Earnings Before Interest Expense, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA. EBITDA is defined as earnings, or net income, before interest expense (excluding consumer financing interest expense), provision for income taxes, depreciation and amortization. For purposes of our EBITDA and Adjusted EBITDA calculations, we do not adjust for consumer financing interest expense because the associated debt is secured by vacation ownership notes receivable that have been sold to bankruptcy remote special purpose entities and is generally non-recourse to us. Further, we consider consumer financing interest expense to be an operating expense of our business. We consider EBITDA and Adjusted EBITDA to be indicators of operating performance, which we use to measure our ability to service debt, fund capital expenditures and expand our business. We also use EBITDA and Adjusted EBITDA, as do analysts, lenders, investors and others, because these measures exclude 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 and Adjusted EBITDA also exclude 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 reflects additional adjustments for certain items including the exclusion of non-cash share-based compensation expense to address considerable variability among companies in recording compensation expense because companies use share-based payment awards differently, both in the type and quantity of awards granted. Prior period presentation has been recast for consistency. We evaluate Adjusted EBITDA as an indicator of operating performance because it allows for period-over-period comparisons of our on-going core operations before the impact of the excluded items. Together, EBITDA and Adjusted EBITDA facilitate our comparison of results from our on-going core operations before the impact of these items with results from other vacation ownership companies.

Total Revenues Excluding Cost Reimbursements. Cost reimbursements revenue includes direct and indirect costs that property owners' associations and joint ventures we participate in reimburse to us, and relates, predominantly, to payroll costs where we are the employer. As we record cost reimbursements based upon costs incurred with no added markup, this revenue and related expense has no impact on net income attributable to us because cost reimbursements revenue net of reimbursed costs expense is zero. We consider total revenues excluding cost reimbursements to be a meaningful metric as it represents that portion of revenue that impacts net income attributable to us.

Non-GAAP Financial Measures (cont'd)

2017 Adjusted EBITDA
(In millions)

	ILG		MVW		Pro Forma Combined
Adjusted EBITDA**	$ 346	[1]	$ 280	[2]	$ 626
Adjustments:					
Accounting Standards Update No. 2014-09 [3]	6		14	[4]	20
Hurricane Irma and Hurricane Maria [5]	9		7		16
Annualized run-rate cost savings [6]	-		-		75
Adjusted EBITDA**	$ 361		$ 301		$ 737

** Denotes non-GAAP financial measures.
[1] Per the ILG 2017 Form 10-K
[2] Per the MVW Form 8-K filed February 27, 2018.
[3] Represents the estimated impact to the 2017 reported results for adopting Accounting Standards Update No. 2014-09 "Revenue from Contracts with Customers" as amended in 2018.
[4] Per the MVW 2017 Form 10-K.
[5] Represents the estimated impact to the 2017 reported results from Hurricane Irma and Hurricane Maria.
[6] Represents targeted annualized cost synergies.

2017 Total Revenues Excluding Cost Reimbursements
(In millions)

	ILG		MVW		Pro Forma Combined
Total revenues	$ 1,786	[1]	$ 1,952	[2]	$ 3,738
Accounting Standards Update No. 2014-09 [3]	(17)		231	[2]	214
Less: Cost reimbursements	(325)		(750)	[2]	(1,075)
Total revenues excluding cost reimbursements**	$ 1,444		$ 1,433		$ 2,877

** Denotes non-GAAP financial measures.
[1] Per the ILG 2017 Form 10-K.
[2] Per the MVW 2017 Form 10-K.
[3] Represents the estimated impact to the 2017 reported results for adopting Accounting Standards Update No. 2014-09 "Revenue from Contracts with Customers" as amended in 2018.