UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

Current Report
Pursuant to Section 13 or 15(d)
of the Securities Exchange Act of 1934

Date of Report (Date of earliest event reported) May 6, 2020

Marriott Vacations Worldwide Corporation
(Exact name of registrant as specified in its charter)

Delaware	001-35219	45-2598330
(State or other jurisdiction of incorporation)	(Commission File Number)	(IRS Employer Identification No.)

6649 Westwood Blvd. Orlando FL	32821
(Address of principal executive offices)	(Zip Code)

Registrant's telephone number, including area code (407) 206-6000

N/A
(Former name or former address, if changed since last report)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

☐ Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)

☐ Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)

☐ Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))

☐ Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of each exchange on which registered
Common Stock, $0.01 Par Value	VAC	New York Stock Exchange

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company ☐

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act. ☐

Item 2.02 Results of Operations and Financial Condition

On May 6, 2020, Marriott Vacations Worldwide Corporation (the “Company,” “we” or “our”) issued a press release providing a business update and preliminary financial results for the quarter ended March 31, 2020. A copy of the press release is attached as Exhibit 99.1 hereto and incorporate herein by reference.

As provided in General Instruction B.2 of Form 8-K, the information contained in Item 2.02 of this Current Report on Form 8-K shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act of 1934, as amended (the “Exchange Act”), nor shall any such information be deemed to be incorporated by reference in any filing under the Securities Act of 1933, as amended (the “Securities Act”).

Item 7.01 Regulation FD Disclosure

Extension to File Quarterly Report on Form 10-Q

Due to circumstances related to the coronavirus (“COVID-19”) pandemic, the Company is filing this Current Report on Form 8-K to avail itself of an extension to file its Quarterly Report on Form 10-Q (the “First Quarter Form 10-Q”) for the quarter ended March 31, 2020. The Company is relying on the Securities and Exchange Commission’s Order under Section 36 of the Securities Exchange Act of 1934 Modifying Exemptions from the Reporting and Proxy Delivery Requirements for Public Companies, dated March 25, 2020 (Release No. 34-88465).

The Company’s operations and business have experienced significant disruptions due to the unprecedented conditions surrounding the COVID-19 pandemic. These disruptions include, but are not limited to, the temporary closure of all of the Company’s North American sales centers, the temporary closure of its resorts in North America to rental guests, the temporary reduction of amenities and operations at all of its resorts based on various government mandates and advisories, and other interruptions of the Company’s business and financial operations associated with or caused by COVID-19. To finalize the First Quarter Form 10-Q, the Company must perform significant valuation work, including, among other things, assessing subsequent events, and determining whether assets are impaired. However, because of mandatory social quarantining/self-isolation, work from home orders and reduced hours, Company personnel have limited availability to perform this work. The Company anticipates that it will file its First Quarter Form 10-Q on or about May 22, 2020.

Waiver to Corporate Credit Facility

We currently anticipate that we will be entering into a waiver under our corporate credit facility (the “Corporate Credit Facility”) with the lenders holding a majority of commitments under our revolving credit facility (the “Revolving Credit Facility”) that will, among other things, suspend the requirement to comply with the quarterly maximum consolidated first lien net leverage ratio test that is applicable solely to the Revolving Credit Facility for up to four quarters, commencing with the fiscal quarter ending June 30, 2020. For such time as the quarterly maximum consolidated first lien net leverage ratio test is suspended, the interest rate on borrowings under the Revolving Credit Facility and the commitment fee in respect of the unutilized commitments thereunder will be adjusted to the highest level under the Corporate Credit Facility, irrespective of our credit rating. Further, during the suspension period, we will be required to maintain monthly minimum liquidity of at least $300 million until March 31, 2021. In addition, during such time, Marriott Ownership Resorts, Inc., as borrower, and its restricted subsidiaries have agreed that without the consent lenders holding a majority of commitments under the Revolving Credit Facility, they are prohibited from making certain restricted payments and investments and incurring certain secured indebtedness, in each case as would otherwise be permitted under the Corporate Credit Facility covenants. Once the quarterly maximum consolidated first lien net leverage ratio test is reinstated, Consolidated EBITDA will be determined, subject to the terms of the waiver, on an annualized basis for purposes of calculating the maximum consolidated first lien net leverage ratio for each of the next three applicable four quarter test periods.

As provided in General Instruction B.2 of Form 8-K, the information contained in Item 7.01 of this Current Report on Form 8-K shall not be deemed to be “filed” for purposes of Section 18 of the Exchange Act, nor shall any such information be deemed to be incorporated by reference in any filing under the Securities Act.

Item 8.01 Other Events

Proposed Offering

On May 6, 2020, the Company issued a press release to announce that Marriott Ownership Resorts, Inc., its wholly owned subsidiary intends, subject to market and other conditions, to offer $400 million aggregate principal amount of senior secured notes due 2025 (the “Notes”) as set forth in the preliminary offering memorandum, dated May 6, 2020 (the “Offering Memorandum”). A copy of the press release is attached hereto as Exhibit 99.2 and is incorporated herein by reference.

No Offer or Solicitation

This communication is for informational purposes only and is not intended to and does not constitute an offer to buy, nor a solicitation of an offer to sell, subscribe for or buy any securities or the solicitation of any vote or approval in any jurisdiction pursuant to or in connection with the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law. No offer of securities shall be made except by means of a prospectus meeting the requirements of Section 10 of the Securities Act and otherwise in accordance with applicable law.

Risk Factor Update

The Company is supplementing the risk factors previously disclosed in its most recent periodic reports filed with the Securities and Exchange Commission (the "SEC") as follows:

The COVID-19 pandemic is severely and adversely affecting our sales and our operations, and will have serious adverse effects on our business, financial condition and results of operations for an unknown period of time.

In March 2020, the World Health Organization declared the coronavirus ("COVID-19") outbreak a pandemic. In the wake of this declaration, our operations have been impacted by recommendations and/or mandates from national, federal, state, and local authorities to stay home and to avoid non-essential contact and gatherings of people, and to self-quarantine. As a result, since March 16, 2020, we have seen marked declines in occupancy, rentals, and contract sales because of the temporary closure of substantially all of our sales centers internationally, the temporary closure of many of our resorts, the temporary closure of our resorts for rental guests with stays at our branded North America vacation ownership resorts, and the reduction in operations and amenities at all of our resorts based on various government mandates and advisories. We have implemented furloughs and reduced work hours for our associates and have instituted "work from home" measures for many of our associates. In addition, to minimize the risk of COVID-19 to our employees and customers and to prevent the continued spread of the virus, we may implement new social distancing and hygiene protocols at our resorts, sales centers, and corporate offices in accordance with the guidelines from national, federal, state, and local authorities. These measures, while intended to protect human life, may result in additional costs, operational inefficiencies, and fewer revenue opportunities. While it is not possible at this time to estimate the impact that any protocols adopted to combat COVID-19 could have on our business, measures such as canceling in-person sales tours and customized presentations could result in lesser effectiveness of customer-associate interaction and diminished customer satisfaction, which could adversely impact our financial condition. We are monitoring the situation and intend to reopen our sales centers and resorts and increase operations and amenities as conditions permit; however, extended or further closures may be required nationally, regionally, or in specific locations. In addition, we cannot predict any limitations national, federal, state and local governments may impose on our operations when we are able to reopen our resorts, which may include, for example, limitations on access to swimming pools, gyms and other sports facilities, mask protection, as well as other protections that may limit the use of amenities at our resorts to enforce social distancing measures. This situation is unprecedented and rapidly changing and has unknown duration and severity.

The COVID-19 pandemic has had a material adverse impact, and is expected to continue to have a material adverse impact, on global economies and financial markets, which has resulted in an economic downturn that has reduced demand for our products. The success of our business and our profitability depend, in substantial part, upon the health of the travel industry, which has been adversely affected by the COVID-19 pandemic. A substantial amount of our sales activity occurs at our resorts, and the number of prospective and current owners who visit our resorts has an impact on sales volume. Fear of exposure to COVID-19 has caused travelers to cancel travel plans to our resorts. These changes in vacation and travel patterns due to COVID-19 have begun to adversely affect our cash flows, revenues and profits. Moreover, even once travel advisories and restrictions are lifted, travel demand may remain weak for a significant length of time, and we cannot predict if or when demand for our resorts will return to pre-COVID-19 pandemic levels. Adverse changes in the perceived or actual economic climate, including higher unemployment rates, declines in income levels and loss of personal wealth resulting from the impact of COVID-19 are expected to negatively affect travel demand for a prolonged period of time.

The COVID-19 pandemic has led to an increase in payment delinquencies for our vacation ownership notes receivable. The number of delinquencies may increase over time if the duration of the pandemic or its effect on economic conditions continues for a long period and could lead to defaults on financing that we provide to purchasers of our products. Purchaser defaults may cause us to foreclose on vacation ownership notes receivable and reclaim ownership of the financed interests and could impact our ability to secure ABS or warehouse credit facility financing on terms that are acceptable to us, or at all. In addition, the transactions in which we have securitized vacation ownership notes receivable contain certain portfolio performance requirements related to default and delinquency rates, which, if not met, would result in loss or disruption of cash flow until portfolio performance sufficiently improves to satisfy the requirements.

The duration and extent of the impact of the COVID-19 pandemic on our business and financial results will largely depend on future developments, including the duration and spread of the pandemic, the extent and severity of any resurgences of the pandemic in the future, the response by all levels of government in their efforts to contain the pandemic and to mitigate the economic disruptions, the related impact on consumer confidence and spending, and how quickly economies and demand for our products recover after the pandemic subsides, all of which are highly uncertain, rapidly changing and cannot be predicted. Such impacts are expected to adversely affect our profitability, cash flows, financial results, and capital resources for a significant period of time.

The COVID-19 pandemic and the volatile regional and global economic conditions stemming from the pandemic could also precipitate or aggravate the other risk factors that we identify in our Annual Report on Form 10-K for the year ended December 31, 2019, which could materially adversely affect our business, financial condition, results of operations (including revenue, profitability and cash flow) and/or stock price. Further, the COVID-19 pandemic may also adversely affect our operating and financial results in a manner that is not presently known to us or that we currently do not consider to present significant risks to our operations.

The economic disruption caused by the COVID-19 pandemic is adversely affecting our ability to generate cash to support our continuing operations, implement our growth plans, pay quarterly dividends, resume our stock repurchase program, and make interest and other payments with respect to our indebtedness and other obligations.

We depend upon our operations to generate strong cash flows to support our operating activities, supply capital to finance our operations and growth, make capital expenditures and acquisitions, manage our debt levels, and return value to our shareholders through dividends and stock repurchases. The economic disruption caused by the COVID-19 pandemic is adversely affecting our ability to generate sufficient cash flows from operations to support these activities and could adversely affect our ability to make interest and other payments with respect to our indebtedness and other obligations.

We have taken steps to reduce operating costs and improve efficiency, including furloughing most of our associates and significantly reducing work weeks for most of the remaining associates. Such steps, and further changes we may make in the future to reduce costs, may negatively impact owner and guest satisfaction and our ability to attract and retain associates. For example, if furloughed personnel do not return to work with us when the COVID-19 pandemic subsides, including because they found new jobs during the furlough, we may experience operational challenges that impact owner satisfaction and demand for our products, which could limit our ability to grow and expand our business and could reduce our profits.

We have also taken steps to reduce or defer planned inventory and corporate capital expenditures, which may negatively impact owner satisfaction and may make our products less attractive to prospective purchasers.

We suspended our stock repurchase program and expect to discontinue declaration and payment of quarterly cash dividends for the foreseeable future. The failure to repurchase stock and failure to pay dividends may negatively impact our reputation and investor confidence in us, which may negatively affect our stock price.

In addition, we may not be able to generate sufficient cash from operations to service our indebtedness and other obligations. If we cannot make scheduled payments under any of the agreements governing our debt, we would be in default under such agreements, and the lenders under our Corporate Credit Facility could terminate their commitments to loan money. In the case of secured debt, such lenders and other creditors could foreclose on the assets securing such debt and apply the amounts realized from such foreclosures to repay amounts owed to them. Any of these actions would likely trigger cross-default or cross-acceleration provisions in our other debt instruments, which would allow the creditors under such instruments to exercise similar rights. If any of these actions were taken, we could be forced into restructuring, bankruptcy or liquidation.

Our Corporate Credit Facility and our indentures contain various restrictive covenants. The failure to comply with such covenants could have an adverse effect on us. We may not be able to raise additional financing.

The credit agreement that governs the Corporate Credit Facility and the indentures that govern our senior notes impose significant operating and financial restrictions on us, which, among other things, limit our ability and the ability of certain of our subsidiaries to incur debt, pay dividends and make other restricted payments, make loans and investments, incur liens, sell assets, enter into affiliate transactions, enter into agreements restricting subsidiaries' ability to pay dividends and consolidate, merge or sell all or substantially all of their assets. All of these covenants and restrictions limit how we conduct our business. In addition, we are required to maintain a specified leverage ratio under the terms of the Corporate Credit Facility.

Any failure to comply with the restrictions contained in the Corporate Credit Facility or the indentures governing our senior notes, including any failure to comply with financial maintenance covenants in the Corporate Credit Facility due to the negative effects of the COVID-19 pandemic on our revenue and results of operations or any failure to comply with the reporting covenants in the Corporate Credit Facility or the indentures governing our senior notes, may result in an event of default under our Corporate Credit Facility or the indentures governing our senior notes. In particular, as a result of the impact that the COVID-19 pandemic has had on our business, we are availing ourselves of an extension to file our First Quarter Form 10-Q with the SEC in reliance on an applicable SEC order, as described in Item 7.01 above. Although we currently expect to file the First Quarter Form 10-Q on or about May 22, 2020, we may encounter difficulties in doing so. If we do not file our First Quarter Form 10-Q on or about May 15, 2020, our failure to file by that date will constitute a default, subject to the applicable grace period, under the credit agreement governing our Corporate Credit Facility. If we are unable to file our First Quarter Form 10-Q before the end of the applicable grace period, an event of default would occur under our Corporate Credit Facility, which would give the lenders the right to terminate their commitments to lend to us under the facility and accelerate our outstanding borrowings. If an event of default for this or any other reason occurs and is not cured or waived, our obligations under the Corporate Credit Facility or the indentures could be accelerated. We may not have sufficient cash to repay any such debt.

We may be required to raise additional capital to refinance our obligations under the Corporate Credit Facility or the indentures or support our operations. Our access to and cost of financing will depend on, among other things, global economic conditions, conditions in the global financing markets, the availability of sufficient amounts of financing, our prospects and our credit ratings, and the outlook for our industry as a whole. The terms of future debt agreements could include more restrictive covenants, require incremental collateral, which may further restrict our business operations or cause future financing to be unavailable due to our covenant restrictions then in effect. There is no guarantee that debt or equity financings will be available in the future on terms favorable to us or at all.

Cautionary Note Regarding Forward-Looking Statements

Certain statements included in this Current Report on Form 8-K and information incorporated by reference herein, constitute "forward-looking statements" within the meaning of federal securities laws, including, for example, the statement that the Company anticipates that it will file its First Quarter Form 10-Q no later than on or about May 22, 2020. These forward-looking statements are based on current expectations and assumptions that involve risks and uncertainties and on information available to the Company as of the date hereof. The Company cautions you that these statements are not guarantees and are subject to numerous risks and uncertainties, such as: the effects of the COVID-19 outbreak, including reduced demand for vacation ownership and exchange products and services, volatility in the international and national economy and credit markets, worker absenteeism, quarantines or other travel or health-related restrictions; the length and severity of the COVID-19 pandemic; the pace of recovery following the COVID-19 outbreak; competitive conditions; the availability of capital to finance growth, and other matters referred to under the heading "Risk Factors" contained in the Company's most recent Annual Report on Form 10-K filed with the SEC, in Item 8.01 of this Current Report on Form 8-K, and in subsequent SEC filings, any of which could cause actual results to differ materially from those expressed in or implied in this Current Report on Form 8-K. The Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Item 9.01 Financial Statements and Exhibits.

(d) The following exhibits are being furnished herewith:

Exhibit Number	Description
99.1	Press release providing a business update and preliminary financial results for the quarter ended March 31, 2020
99.2	Press Release announcing Notes Offering, dated May 6, 2020
101	Cover Page Interactive Data File - the cover page XBRL tags are embedded within the Inline XBRL document
104	The cover page from this Current Report on Form 8-K, formatted as Inline XBRL (included as Exhibit 101)

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

MARRIOTT VACATIONS WORLDWIDE CORPORATION

(Registrant)

Dated: May 6, 2020	By:	/s/ John E. Geller, Jr.
	Name:	John E. Geller, Jr.
	Title:	Executive Vice President and Chief Financial and Administrative Officer

Exhibit 99.1

NEWS

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Marriott Vacations Worldwide ("MVW") Reports Preliminary First Quarter 2020 Financial Results

Company Updates Investor Conference Call Information - Now Plans to Host Call on May 7, 2020 at 8:30 a.m. ET to Discuss its Preliminary Financial Results

ORLANDO, Fla. – May 6, 2020 – Marriott Vacations Worldwide Corporation (NYSE: VAC) today reported preliminary first quarter 2020 financial results and provided an operational update on business conditions in light of the COVID-19 pandemic.

"For the many doctors, nurses, first responders, and service members on the front lines, these heroes are our customers, associates, neighbors and loved ones, and we're deeply grateful for their bravery and generosity," said Stephen P. Weisz, president and chief executive officer. "We've made some difficult decisions, including furloughing nearly 65% of our associates, reducing work weeks for most other associates, and significantly reducing capital expenditures and inventory investments. We believe these actions will allow us to weather the impact from COVID-19 and its effect on our business for the foreseeable future."

Preliminary Financial Data

The preliminary financial information included in this release is subject to completion of the Company's quarter-end close procedures and further financial review. Actual results may differ from these estimates as a result of the completion of the Company's quarter-end closing procedures, review adjustments and other developments that may arise between now and the time such financial information for the period is finalized. These estimates are preliminary and may change and, as a result, are subject to risks and uncertainties. These preliminary estimates should not be viewed as a substitute for full interim financial statements prepared in accordance with United States generally accepted accounting principles (GAAP), and they should not be viewed as indicative of our results for any future period. The Company currently expects to file its first quarter 2020 Form 10-Q on or about May 22, 2020.

<u>Preliminary First Quarter 2020 Highlights and Operational Update:</u>

- The Company expects to report a 13% decline in first quarter consolidated vacation ownership contract sales.
    - Consolidated contract sales had increased 10% year-over-year through March 13, 2020.
- Net loss attributable to common shareholders is expected to be between a loss of $39 million and $114 million, or $0.95 and $2.75 preliminary loss per fully diluted share.
    - The Company expects to record a non-cash asset impairment charge of $20 million to $100 million.
- Adjusted net income attributable to common shareholders is expected to increase 34% to $89 million and adjusted fully diluted earnings per share is expected to increase 48% to $2.15.

- Adjusted EBITDA is expected to decrease 17% to $138 million in the first quarter of 2020.
- Total cash and cash equivalents totaled $651 million at the end of the first quarter of 2020.
    - Subsequent to the end of the first quarter, the Company increased the borrowing capacity of its warehouse facility by more than 50% to $531 million and launched an offering to raise an additional $400 million of senior secured notes, taking available liquidity through at least 2021.
- The Company has taken actions to defer inventory and other investments by up to $260 million to help mitigate the impact of COVID-19 and has taken additional actions to substantially reduce its operating costs in the current environment.
- Prior to March 13, 2020, the Company repurchased nearly 770 thousand shares of its common stock for $82 million.

Preliminary First Quarter 2020 Segment Results

Vacation Ownership

Revenues excluding cost reimbursements are expected to decrease 8% in the first quarter driven by a 13% decline in consolidated vacation ownership contract sales and lower than expected rental revenues, both of which were impacted by COVID-19.

Vacation Ownership segment financial results are expected to be between $67 million and $85 million for the first quarter of 2020 after reflecting a net charge of $37 million related to estimated higher default activity on its note receivable portfolio related to COVID-19 and an estimated asset impairment charge of between $0 million and $18 million. Vacation Ownership segment Adjusted EBITDA is expected to decrease 15% to $147 million in the first quarter.

Exchange & Third-Party Management

Exchange & Third-Party Management revenues are expected to decrease 14% in the first quarter of 2020. Interval International average revenue per member decreased 11% to $41.37 compared to the prior year and active members declined 3% to 1.6 million.

Exchange & Third-Party Management segment financial results are expected to be between a loss of $46 million and income of $16 million in the first quarter of 2020 and Adjusted EBITDA is expected to decline 24% to $41 million. Segment financial results include an estimated asset impairment charge of between $20 million and $82 million.

Corporate and Other

Corporate and Other results, which consist primarily of general and administrative costs, decreased $10 million in the first quarter of 2020 as a result of synergy savings and lower compensation related expenses, partially offset by normal inflationary cost increases.

Operational Update to COVID - 19

The Company has significantly reduced cash spend across the entire organization including:

- Closing all sales centers and branded resorts for rental guests with stays at branded resorts through the end of May;
- Reducing executive leadership team salaries by 50%;
- Furloughing 65% of associates and reducing work weeks by roughly 25%, on average, for its remaining associates;
- Deferring 2020 merit increases and 2019 401(k) match contributions;
- Reducing inventory and other investments by up to $260 million; and
- Temporarily suspending share repurchases and dividend payments.

Asset Impairment Assessments

The full extent of the adverse impact of COVID-19 on the Company's business, financial condition, liquidity and results of operations cannot be predicted. However, it already has, and may continue to have, a material effect on the Company's financial results. As a result, management has concluded that there has been a triggering event in the first quarter of 2020, which resulted in management performing an impairment evaluation of its assets, including inventory, property and equipment, intangible assets and goodwill.

The Company's impairment assessments are based on projected financial information which management believes to be reasonable. However, actual results may differ materially from these projections. The Company is presently evaluating expected undiscounted future cash flows of certain asset groups related to the effects of COVID-19 to determine if the carrying value of these assets groups is recoverable.

Prior to performing its goodwill impairment assessment, the Company had goodwill and intangibles totaling $3.9 billion on its Balance Sheet as of March 31, 2020. The Company's impairment assessments are not yet complete. However, the Company is presently estimating that it will record a total impairment charge, including any product cost true-up impact, between $20 million to $100 million in the first quarter of 2020. These estimated charges are driven by the effects of COVID-19 on the business.

Preliminary Balance Sheet and Liquidity

On March 31, 2020, cash and cash equivalents totaled $651 million and the company had $98 million of gross notes receivable that are eligible for securitization.

The Company had $4.7 billion in debt outstanding, net of unamortized debt issuance costs, at the end of the first quarter, an increase of $0.6 billion from year-end 2019. This debt included $2.8 billion of corporate debt and $1.9 billion of non-recourse debt related to its securitized notes receivable.

As of March 31, 2020, the Company had fully drawn down on its revolving corporate credit facility, after taking into account outstanding letters of credit.

Subsequent to the end of the first quarter of 2020, the Company amended its warehouse credit facility to increase the borrowing capacity by approximately $181 million, bringing the total capacity to approximately $531 million. As of April 30, 2020, the Company had more than $258 million in available capacity under its expanded facility.

The Company anticipates that, even if sales center closures and limited transient rentals were to persist, its cash position will provide it with adequate liquidity to fund its operations and debt service payments for the foreseeable future. The Company has no corporate debt maturities until September 2022 and is currently in compliance with all debt covenants.

Non-GAAP Financial Information

Non-GAAP financial measures, such as adjusted net income attributable to common shareholders, adjusted EBITDA, adjusted fully diluted earnings per share, adjusted development margin and adjusted financial measures are reconciled and adjustments are shown and described in further detail in the Financial Schedules that follow.

First Quarter 2020 Preliminary Financial Results Conference Call

The Company will hold a conference call on May 7, 2020 at 8:30 a.m. ET to discuss these preliminary financial results and provide an update on business conditions. Participants may access the call by dialing (844) 249-9387 or (330) 931-4812 for international callers. A live webcast of the call will also be available in the Investor Relations section of the Company's website at ir.mvwc.com.

An audio replay of the conference call will be available for 30 days on the Company's website.

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About Marriott Vacations Worldwide Corporation

Marriott Vacations Worldwide Corporation is a leading global vacation company that offers vacation ownership, exchange, rental and resort and property management, along with related businesses, products and services. The Company has a diverse portfolio that includes seven vacation ownership brands. It also includes exchange networks and membership programs, as well as management of other resorts and lodging properties. As a leader and innovator in the vacation industry, the Company upholds the highest standards of excellence in serving its customers, investors and associates while maintaining exclusive, long-term relationships with Marriott International and Hyatt Hotels Corporation for the development, sales and marketing of vacation ownership products and services. For more information, please visit www.marriottvacationsworldwide.com.

Note on forward-looking statements

This press release and accompanying schedules contain “forward-looking statements” within the meaning of federal securities laws, including statements about future operating results, estimates, and assumptions, and similar statements concerning anticipated future events and expectations that are not historical facts. The Company cautions you that these statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including, without limitations, conditions beyond our control such as the length and severity of the current COVID-19 pandemic and its effect on our operations; the effect of any governmental actions or mandated employer-paid benefits in response to the COVID-19 pandemic; the Company’s ability to manage and reduce expenditures in a low revenue environment; volatility in the economy and the credit markets, changes in supply and demand for vacation ownership and residential products, competitive conditions, the availability of additional financing when and if required, and other matters disclosed under the heading “Risk Factors” contained in the Company’s 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 press release. These statements are made as of the date of issuance and the Company undertakes no obligation to publicly update or revise any forward-looking statement, whether as a result of new information, future events, or otherwise.

Financial Schedules Follow

MARRIOTT VACATIONS WORLDWIDE CORPORATION
PRELIMINARY FINANCIAL SCHEDULES
QUARTER 1, 2020

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MARRIOTT VACATIONS WORLDWIDE CORPORATION
PRELIMINARY SUMMARY FINANCIAL INFORMATION
(In millions, except VPG, total active members, average revenue per member and per share amounts)

	Three Months Ended		
	March 31, 2020	March 31, 2019	Change %
Key Measures			
Total consolidated contract sales	$ 306	$ 354	(13%)
VPG	$ 3,680	$ 3,350	10%
Total Interval International active members (000's)[1]	1,636	1,694	(3%)
Average revenue per member[1]	$ 41.37	$ 46.24	(11%)

	Three Months Ended			Change %	
	March 31, 2020 (Low)	March 31, 2020 (High)	March 31, 2019	Low	High
GAAP Measures					
Revenues	$ 1,010	$ 1,010	$ 1,034	(2%)	(2%)
(Loss) income before income taxes and noncontrolling interests	$ (168)	$ (88)	$ 39	(526%)	(323%)
Net (loss) income attributable to common shareholders	$ (114)	$ (39)	$ 24	(586%)	(267%)
(Loss) earnings per share - diluted	$ (2.75)	$ (0.95)	$ 0.51	(639%)	(286%)
Non-GAAP Measures					
Adjusted EBITDA **	$ 138	$ 138	$ 166	(17%)	(17%)
Adjusted pretax income**	$ 83	$ 83	$ 100	55%	55%
Adjusted net income attributable to common shareholders **	$ 89	$ 89	$ 67	34%	34%
Adjusted earnings per share - diluted **	$ 2.15	$ 2.15	$ 1.45	48%	48%

** Denotes non-GAAP financial measures. Please see "*Non-GAAP Financial Measures*" for additional information about our reasons for providing these alternative financial measures and limitations on their use.

[1] Includes members at the end of each period for the Interval International exchange network only.

MARRIOTT VACATIONS WORLDWIDE CORPORATION
PRELIMINARY CONSOLIDATED STATEMENTS OF INCOME
(In millions, except per share amounts)
(Unaudited)

	Three Months Ended		
	March 31, 2020 (Low)	March 31, 2020 (High)	March 31, 2019
REVENUES			
Sale of vacation ownership products	$ 258	$ 258	$ 293
Management and exchange	230	230	239
Rental	132	132	147
Financing	72	72	68
Cost reimbursements	318	318	287
TOTAL REVENUES	1,010	1,010	1,034
EXPENSES			
Cost of vacation ownership products	60	60	78
Marketing and sales	183	183	186
Management and exchange	138	138	133
Rental	98	98	80
Financing	38	38	22
General and administrative	70	70	67
Depreciation and amortization	32	32	37
Litigation charges	2	2	1
Royalty fee	26	26	26
Impairment	100	20	26
Cost reimbursements	318	318	287
TOTAL EXPENSES	1,065	985	943
(Losses) gains and other (expense) income, net	(56)	(56)	8
Interest expense	(33)	(33)	(34)
ILG acquisition-related costs	(21)	(21)	(26)
Other	(3)	(3)	—
(LOSS) INCOME BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	(168)	(88)	39
Benefit (provision) for income taxes	55	50	(15)
NET (LOSS) INCOME	(113)	(38)	24
Net income attributable to noncontrolling interests	(1)	(1)	—
NET (LOSS) INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ (114)	$ (39)	$ 24
(LOSS) EARNINGS PER SHARE ATTRIBUTABLE TO COMMON SHAREHOLDERS			
Basic	$ (2.75)	$ (0.95)	$ 0.52
Diluted	$ (2.75)	$ (0.95)	$ 0.51

NOTE: Earnings per share - Basic and Earnings per share - Diluted are calculated using whole dollars.

MARRIOTT VACATIONS WORLDWIDE CORPORATION
(In millions, except per share amounts)
(Unaudited)

PRELIMINARY ADJUSTED NET INCOME ATTRIBUTABLE TO COMMON SHAREHOLDERS AND PRELIMINARY ADJUSTED EARNINGS PER SHARE - DILUTED

	Three Months Ended		
	March 31, 2020 (Low)	March 31, 2020 (High)	March 31, 2019
Net (loss) income attributable to common shareholders	$ (114)	$ (39)	$ 24
(Benefit) provision for income taxes	(55)	(50)	15
(Loss) income before income taxes attributable to common shareholders	(169)	(89)	39
Certain items:			
Litigation charges	2	2	1
Losses (gains) and other expense (income), net	56	56	(8)
ILG acquisition-related costs	21	21	26
Impairment charges	100	20	26
Purchase price adjustments	16	16	15
Other	57	57	1
Adjusted pretax income **	83	83	100
Benefit (provision) for income taxes	6	6	(33)
Adjusted net income attributable to common shareholders **	$ 89	$ 89	$ 67
Diluted shares	41.5	41.5	46.1
Adjusted earnings per share - Diluted **	$ 2.15	$ 2.15	$ 1.45

PRELIMINARY ADJUSTED EBITDA

	Three Months Ended		
	March 31, 2020 (Low)	March 31, 2020 (High)	March 31, 2019
Net (loss) income attributable to common shareholders	$ (114)	$ (39)	$ 24
Interest expense[(1)]	33	33	34
Tax (benefit) provision	(55)	(50)	15
Depreciation and amortization	32	32	37
Share-based compensation	4	4	9
Certain items before income taxes[(2)]	238	158	47
Adjusted EBITDA **	$ 138	$ 138	$ 166

[(1)] Interest expense excludes consumer financing interest expense associated with term loan securitization transactions.

[(2)] Excludes certain items included in depreciation and amortization. Please see *“Non-GAAP Financial Measures”* for additional information about certain items.

PRELIMINARY ADJUSTED EBITDA BY SEGMENT

	Three Months Ended		
	March 31, 2020 (Low)	March 31, 2020 (High)	March 31, 2019
Vacation Ownership	$ 147	$ 147	$ 172
Exchange & Third-Party Management	41	41	54
Segment adjusted EBITDA**	188	188	226
General and administrative	(51)	(51)	(61)
Consolidated property owners’ associations	1	1	1
Adjusted EBITDA**	$ 138	$ 138	$ 166

** Denotes non-GAAP financial measures. Please see *“Non-GAAP Financial Measures”* for additional information about our reasons for providing these alternative financial measures and limitations on their use.

MARRIOTT VACATIONS WORLDWIDE CORPORATION
PRELIMINARY VACATION OWNERSHIP SEGMENT FINANCIAL RESULTS
(In millions)
(Unaudited)

	Three Months Ended		
	March 31, 2020 (Low)	**March 31, 2020 (High)**	**March 31, 2019**
REVENUES			
Sale of vacation ownership products	$ 258	$ 258	$ 293
Resort management and other services	112	112	125
Rental	122	122	129
Financing	71	71	67
Cost reimbursements	345	345	291
TOTAL REVENUES	908	908	905
EXPENSES			
Cost of vacation ownership products	60	60	78
Marketing and sales	170	170	172
Resort management and other services	56	56	63
Rental	107	107	85
Financing	37	37	22
Depreciation and amortization	18	18	17
Litigation charges	2	2	1
Royalty fee	26	26	26
Impairment	18	—	26
Cost reimbursements	345	345	291
TOTAL EXPENSES	839	821	781
Gains and other income, net	1	1	9
Other	(3)	(3)	—
SEGMENT FINANCIAL RESULTS BEFORE NONCONTROLLING INTERESTS	67	85	133
Net loss attributable to noncontrolling interests	—	—	1
SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ 67	$ 85	$ 134

MARRIOTT VACATIONS WORLDWIDE CORPORATION
PRELIMINARY CONSOLIDATED CONTRACT SALES TO ADJUSTED DEVELOPMENT MARGIN
(In millions)
(Unaudited)

	Three Months Ended		
	March 31, 2020 (Low)	March 31, 2020 (High)	March 31, 2019
Consolidated contract sales	$ 306	$ 306	$ 354
Less resales contract sales	(7)	(7)	(8)
Consolidated contract sales, net of resales	299	299	346
Plus:			
Settlement revenue	6	6	5
Resales revenue	4	4	3
Revenue recognition adjustments:			
Reportability	34	34	(30)
Sales reserve	(71)	(71)	(19)
Other[1]	(14)	(14)	(12)
Sale of vacation ownership products	258	258	293
Less:			
Cost of vacation ownership products	(60)	(60)	(78)
Marketing and sales	(170)	(170)	(172)
Development margin	28	28	43
Revenue recognition reportability adjustment	(23)	(23)	21
Other[3]	29	29	2
Adjusted development margin **	$ 34	$ 34	$ 66
Development margin percentage[2]	*10.7%*	*10.7%*	*14.8%*
Adjusted development margin percentage[2]	12.6%	12.6%	20.9%

** Denotes non-GAAP financial measures. Please see *"Non-GAAP Financial Measures"* for additional information about our reasons for providing these alternative financial measures and limitations on their use.

[1] Adjustment for sales incentives that will not be recognized as Sale of vacation ownership products revenue and other adjustments to Sale of vacation ownership products revenue.

[2] Development margin percentage represents Development margin divided by Sale of vacation ownership products. Adjusted development margin percentage represents Adjusted development margin divided by Sale of vacation ownership products revenue after adjusting for revenue reportability and other charges.

[3] Includes sales reserve charge related to COVID-19 and purchase price adjustments.

MARRIOTT VACATIONS WORLDWIDE CORPORATION
PRELIMINARY EXCHANGE & THIRD-PARTY MANAGEMENT SEGMENT FINANCIAL RESULTS
(In millions)
(Unaudited)

	Three Months Ended		
	March 31, 2020 (Low)	**March 31, 2020 (High)**	**March 31, 2019**
REVENUES			
Management and exchange	$ 72	$ 72	$ 82
Rental	13	13	17
Financing	1	1	1
Cost reimbursements	21	21	24
TOTAL REVENUES	107	107	124
EXPENSES			
Marketing and sales	13	13	14
Management and exchange	27	27	26
Rental	5	5	8
Financing	1	1	—
Depreciation and amortization	5	5	12
Impairment	82	20	—
Cost reimbursements	21	21	24
TOTAL EXPENSES	154	92	84
Gains and other income, net	1	1	—
SEGMENT FINANCIAL RESULTS BEFORE NONCONTROLLING INTERESTS	(46)	16	40
Net loss attributable to noncontrolling interests	—	—	—
SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ (46)	$ 16	$ 40

MARRIOTT VACATIONS WORLDWIDE CORPORATION
PRELIMINARY CORPORATE AND OTHER FINANCIAL RESULTS
(In millions)
(Unaudited)

	Three Months Ended		
	March 31, 2020 (Low)	**March 31, 2020 (High)**	**March 31, 2019**
REVENUES			
Management and exchange[1]	$ 46	$ 46	$ 32
Rental[1]	(3)	(3)	1
Cost reimbursements[1]	(48)	(48)	(28)
TOTAL REVENUES	(5)	(5)	5
EXPENSES			
Management and exchange[1]	55	55	44
Rental[1]	(14)	(14)	(13)
General and administrative	70	70	67
Depreciation and amortization	9	9	8
Cost reimbursements[1]	(48)	(48)	(28)
TOTAL EXPENSES	72	72	78
Losses and other expense, net	(58)	(58)	(1)
Interest expense	(33)	(33)	(34)
ILG acquisition-related costs	(21)	(21)	(26)
FINANCIAL RESULTS BEFORE INCOME TAXES AND NONCONTROLLING INTERESTS	(189)	(189)	(134)
Benefit (provision) for income taxes	55	50	(15)
Net income attributable to noncontrolling interests	(1)	(1)	(1)
FINANCIAL RESULTS ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ (135)	$ (140)	$ (150)

[1] Represents the impact of the consolidation of owners' associations of the acquired Legacy-ILG vacation ownership properties under the voting interest model, which represents the portion related to individual or third-party vacation ownership interest ("VOI") owners.

MARRIOTT VACATIONS WORLDWIDE CORPORATION
PRELIMINARY SEGMENT ADJUSTED EBITDA
(In millions)
(Unaudited)

VACATION OWNERSHIP

	Three Months Ended		
	March 31, 2020 (Low)	**March 31, 2020 (High)**	**March 31, 2019**
SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ 67	$ 85	$ 134
Depreciation and amortization	18	18	17
Share-based compensation expense	1	1	2
Certain items[(1)(2)]	61	43	19
SEGMENT ADJUSTED EBITDA **	$ 147	$ 147	$ 172

EXCHANGE & THIRD-PARTY MANAGEMENT

	Three Months Ended		
	March 31, 2020 (Low)	**March 31, 2020 (High)**	**March 31, 2019**
SEGMENT FINANCIAL RESULTS ATTRIBUTABLE TO COMMON SHAREHOLDERS	$ (46)	$ 16	$ 40
Depreciation and amortization	5	5	12
Share-based compensation expense	1	1	1
Certain items[(3)]	81	19	1
SEGMENT ADJUSTED EBITDA **	$ 41	$ 41	$ 54

** Denotes non-GAAP financial measures. Please see *"Non-GAAP Financial Measures"* for additional information about our reasons for providing these alternative financial measures and limitations on their use.

(1) Certain items in the Vacation Ownership segment for the first quarter of 2020 consisted of $2 million related to litigation charges, $3 million related to transaction costs associated with our asset light inventory arrangements, $0 million to $18 million of asset impairment and other charges, $1 million of gains and other income, and $37 million related to the net sales reserve adjustment.

(2) Certain items in the Vacation Ownership segment for the first quarter of 2019 consisted of $26 million of asset impairment, $1 million of purchase price adjustments, and $1 million of litigation charges, partially offset by $9 million of gains and other income.

(3) Certain items in the Exchange & Third-Party Management segment for the first quarter of 2020 consisted primarily of $20 million to $82 million of asset impairment and other charges.

MARRIOTT VACATIONS WORLDWIDE CORPORATION
PRELIMINARY QUARTERLY OPERATING METRICS
(Contract sales in millions)

		Quarter Ended				
	Year	**March 31**	**June 30**	**September 30**	**December 31**	**Full Year**
Vacation Ownership						
Consolidated Contract Sales						
Total	2020	$ 306				
	2019	$ 354	$ 386	$ 390	$ 394	$ 1,524
	2018[1]	$ 337	$ 365	$ 372	$ 358	$ 1,432
Legacy-MVW	2020	$ 185				
	2019	$ 223	$ 246	$ 244	$ 239	$ 952
	2018	$ 204	$ 232	$ 242	$ 224	$ 902
Legacy-ILG	2020	$ 121				
	2019	$ 131	$ 140	$ 146	$ 155	$ 572
	2018[1]	$ 133	$ 133	$ 130	$ 134	$ 530
VPG						
Total	2020	$ 3,680				
	2019	$ 3,350	$ 3,299	$ 3,461	$ 3,499	$ 3,403
	2018[1]	$ 3,426	$ 3,248	$ 3,367	$ 3,208	$ 3,308
Legacy-MVW[2]	2020	$ 3,989				
	2019	$ 3,777	$ 3,700	$ 3,789	$ 3,727	$ 3,747
	2018	$ 3,728	$ 3,672	$ 3,781	$ 3,496	$ 3,666
Legacy-ILG	2020	$ 3,442				
	2019	$ 3,042	$ 2,981	$ 3,232	$ 3,394	$ 3,163
	2018[1]	$ 3,227	$ 2,857	$ 2,966	$ 3,039	$ 3,017
Exchange & Third-Party Management						
Total active members (000's)[3]	2020	1,636				
	2019	1,694	1,691	1,701	1,670	1,670
	2018[1]	1,822	1,800	1,802	1,802	1,802
Average revenue per member[3]	2020	$ 41.37				
	2019	$ 46.24	$ 43.23	$ 40.89	$ 38.38	$ 168.73
	2018[1]	$ 47.61	$ 42.10	$ 39.97	$ 37.37	$ 167.12

[1] Includes Legacy-ILG as if acquired at the beginning of fiscal year 2018.

[2] Represents Legacy-MVW North America VPG.

[3] Includes members at the end of each period for the Interval International exchange network only.

MARRIOTT VACATIONS WORLDWIDE CORPORATION
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 by GAAP. We discuss our reasons for reporting these non-GAAP financial measures below, and the financial schedules included herein 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 attributable to common shareholders, 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.

Certain Items Excluded from Adjusted Net Income Attributable to Common Shareholders, Adjusted EBITDA and Adjusted Development Margin

We evaluate non-GAAP financial measures, including Adjusted Net Income Attributable to Common Shareholders, Adjusted EBITDA and Adjusted Development Margin, that exclude certain items in the three months ended March 31, 2020 and March 31, 2019, 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.

Certain items - First Quarter Ended March 31, 2020

Certain items for the first quarter of 2020 consisted of $21 million of ILG acquisition-related costs, $2 million related to litigation charges, $20 million to $100 million of impairment and other charges, $56 million of losses and other expenses (including $32 million related to foreign currency translation and $33 million related to a true-up to a Marriott International indemnification receivable upon settlement (true-up to the offsetting accrual is included in the provision for income taxes line), offset partially by a $6 million receivable related to an indemnification from Marriott International for certain VAT charges and $3 million related to insurance proceeds), $2 million of purchase accounting adjustments (inventory related), and $57 million other charges (including $37 million related to the net sales reserve adjustment, $11 million related to an accrual for the health and welfare costs for furloughed associates, $6 million related to the charge for VAT penalties and interest (see offset from indemnification above) and $3 million related to transaction costs related to our asset light inventory arrangements).

Certain items - First Quarter Ended March 31, 2019

Certain items for the first quarter of 2019 consisted of $26 million of ILG acquisition-related costs, $26 million of asset impairments, $1 million of purchase price adjustments, $1 million of litigation charges, and $1 million of other severance costs, partially offset by $8 million of gains and other income.

Adjusted Development Margin (Adjusted Sale of Vacation Ownership Products Net of Expenses)

We evaluate Adjusted Development Margin (Adjusted Sale of Vacation Ownership Products Net of Expenses) as an indicator of operating performance. Adjusted Development Margin adjusts Sale of vacation ownership products revenues for the impact of revenue reportability, includes corresponding adjustments to Cost of vacation ownership products expense and Marketing and sales expense associated with the change in revenues from the Sale of vacation ownership products, and may include adjustments for certain items as itemized in the discussion in the preceding paragraph. We evaluate Adjusted Development Margin because it allows for period-over-period comparisons of our on-going core operations before the impact of revenue reportability and certain items to our Development Margin.

Earnings Before Interest Expense, Taxes, Depreciation and Amortization ("EBITDA") and Adjusted EBITDA

EBITDA is defined as earnings, or net income attributable to common shareholders, before interest expense (excluding consumer financing interest expense associated with term loan securitization transactions), 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 associated with term loan securitization transactions because we consider it 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, as itemized in the discussion of Adjusted Net Income Attributable to Common Shareholders above, and excludes 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 our competitors.

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Marriott Vacations Worldwide Announces Offering of Senior Secured Notes

ORLANDO, Fla. – May 6, 2020 – Marriott Vacations Worldwide Corporation (NYSE: VAC) ("Marriott Vacations Worldwide," the "Company," "we" or "our") today announced that its wholly owned subsidiary, Marriott Ownership Resorts, Inc. (the "Issuer"), intends to offer, subject to market and other conditions, $400 million aggregate principal amount of senior secured notes due 2025 (the "Notes"). The Company intends to use the proceeds of the offering for general corporate purposes and pay related fees and expenses.

The Notes will be senior secured obligations of the Issuer and guaranteed on a senior secured basis by the Company and each of its subsidiaries that guarantees the Company's existing corporate credit facility. The Notes will be offered to qualified institutional buyers within the United States pursuant to Rule 144A under the Securities Act of 1933, as amended (the "Securities Act"), and in offshore transactions to non-U.S. persons pursuant to Regulation S under the Securities Act.

The Notes may not be offered or sold in the United States or to any U.S. persons except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act. The Notes have not been registered under the Act or the securities laws of any other jurisdiction.

No Offer or Solicitation

This communication is for informational purposes only and is not intended to and does not constitute an offer to buy, nor a solicitation of an offer to sell, subscribe for or buy any securities or the solicitation of any vote or approval in any jurisdiction pursuant to or in connection with the proposed transactions or otherwise, nor shall there be any sale, issuance or transfer of securities in any jurisdiction in contravention of applicable law.

About Marriott Vacations Worldwide Corporation

Marriott Vacations Worldwide Corporation is a leading global vacation company that offers vacation ownership, exchange, rental and resort and property management, along with related businesses, products and services. The Company has a diverse portfolio that includes seven vacation ownership brands. It also includes exchange networks and membership programs, as well as management of other resorts and lodging properties. As a leader and innovator in the vacation industry, the Company upholds the highest standards of excellence in serving its customers, investors and associates while maintaining exclusive, long-term relationships with Marriott International, Inc. and Hyatt Hotels Corporation for the development, sales and marketing of vacation ownership products and services. For more information, please visit www.marriottvacationsworldwide.com.

Forward-Looking Statements

Information included in this communication, and information which may be contained in other filings with the Securities and Exchange Commission (the “SEC”) and press releases or other public statements, contains or may contain “forward-looking” statements, as that term is defined in the Private Securities Litigation Reform Act of 1995 or by the SEC in its rules, regulations and releases. These forward-looking statements include, among other things, statements of plans, objectives, expectations (financial or otherwise) or intentions.

Forward-looking statements include, among other things, the information concerning our possible or assumed future results of operations, business strategies, financing plans, competitive position, potential growth opportunities, potential operating performance improvements, and the effects of competition. Forward-looking statements include all statements that are not historical facts and can be identified by the use of forward-looking terminology such as the words “believe,” “expect,” “plan,” “intend,” “anticipate,” “estimate,” “predict,” “potential,” “continue,” “may,” “might,” “should,” “could” or the negative of these terms or similar expressions.

Forward-looking statements involve risks, uncertainties and assumptions. Actual results may differ materially from those expressed in these forward-looking statements. You should not put undue reliance on any forward-looking statements in this communication. These statements are made as of the date first set forth above, and we do not have any intention or obligation to update forward-looking statements after the date of this communication, whether as a result of new information, future events or otherwise, except as required by law.

We caution you that these statements are not guarantees of future performance and are subject to numerous risks and uncertainties, including the effects of the recent novel coronavirus (“COVID-19”) pandemic, reduced demand for vacation ownership and exchange products and services, volatility in the international and national economy and the credit markets, worker absenteeism, quarantines or other travel or healthrelated restrictions, the length and severity of the COVID-19 outbreak, the pace of recovery following the COVID-19 outbreak, changes in supply and demand 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 the Company’s most recent Annual Report on Form 10-K filed with 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 press release.

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